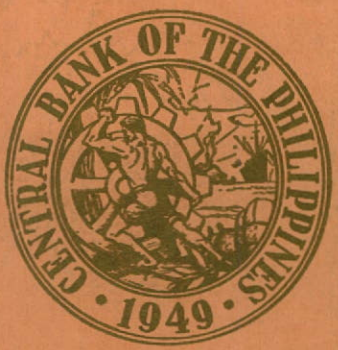
CENTRAL BANK
of the
PHILIPPINES



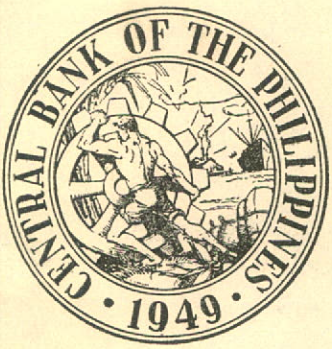
Seventh Annual Report

1955

PURVIS HALL
LIBRARIES
NOV 5 1956
McGILL UNIVERSITY

Pres-Central Bank of the Philippines - Nov. 5 '56

CENTRAL BANK
of the
PHILIPPINES



Seventh Annual Report
1955

CACHO HERMANOS, INC.
MANILA
1956

RESPONSIBILITIES AND OBJECTIVES OF THE CENTRAL BANK

"It shall be the responsibility of the Central Bank of the Philippines to administer the monetary and banking system of the Republic.

"It shall be the duty of the Central Bank to use the powers granted to it under this Act to achieve the following objectives:

"(*a*) To maintain monetary stability in the Philippines;

"(*b*) To preserve the international value of the peso and the convertibility of the peso into other freely convertible currencies; and

"(*c*) To promote a rising level of production, employment and real income in the Philippines."—*Section 2, Article I, Republic Act No. 265.*

Central Bank of the Philippines

MANILA

OFFICE OF THE GOVERNOR

March 31, 1956

President Ramon Magsaysay
Malacañang, Manila

Dear Mr. President:

Pursuant to the provision of Section 37 of Republic Act 265 and the instructions of the Monetary Board, I have the honor to submit herewith the Seventh Annual Report (1955) of the Central Bank of the Philippines.

Very respectfully,

M. CUADERNO, Sr.
Governor

Central Bank of the Philippines

MANILA

OFFICE OF THE GOVERNOR

March 31, 1956

The Honorable
The President of the Senate
Congress of the Philippines
Manila

Sir:

Pursuant to the provision of Section 37 of Republic Act 265 and the instructions of the Monetary Board, I have the honor to submit herewith the Seventh Annual Report (1955) of the Central Bank of the Philippines.

Very respectfully,

M. CUADERNO, Sr.
Governor

Central Bank of the Philippines

MANILA

OFFICE OF THE GOVERNOR

March 31, 1956

The Honorable
The Speaker of the House of
Representatives
Congress of the Philippines
Manila

Sir:

Pursuant to the provision of Section 37 of Republic Act 265 and the instructions of the Monetary Board, I have the honor to submit herewith the Seventh Annual Report (1955) of the Central Bank of the Philippines.

Very respectfully,

M. CUADERNO, Sr.
Governor

CENTRAL BANK OF THE PHILIPPINES

THE MONETARY BOARD

HON. JAIME HERNANDEZ, Presiding Officer
Secretary of Finance

MEMBERS

HON. M. CUADERNO, Sr.
Governor, Central Bank of the Philippines

HON. ARSENIO J. JISON
President, Philippine National Bank

HON. EDUARDO Z. ROMUALDEZ
Chairman, Board of Governors
Rehabilitation Finance Corporation

HON. ANTONIO DE LAS ALAS

HON. JOSE LEIDO

HON. LEONIDES S. VIRATA

PRINCIPAL OFFICERS

HON. M. CUADERNO, Sr.
Governor

HON. ANDRES V. CASTILLO
Acting Deputy Governor [a]

HON. NICANOR TOMAS
Acting Deputy Governor

DEPARTMENT OF ECONOMIC RESEARCH
Fanny C. Garcia, Acting Director

DEPARTMENT OF SUPERVISION AND EXAMINATION
Nicanor Tomas, Superintendent of Banks

SECURITIES MARKET DEPARTMENT
Juan Cañizares, Acting Director

LOANS AND CREDITS DEPARTMENT
Augusto F. Espiritu, Acting Director

FOREIGN EXCHANGE DEPARTMENT
Gonzalo Rialp, Director

EXCHANGE CONTROL DEPARTMENT
Gonzalo Rialp, Acting Director

EXCHANGE TAX ADMINISTRATION
Jose M. Hilario, In-Charge

IMPORT-EXPORT DEPARTMENT
Gregorio S. Licaros, Special Assistant to the Governor

CASH DEPARTMENT
Delfin E. Silverio, Cashier

ACCOUNTING DEPARTMENT
Jose Carmona, Chief Accountant

AUDITING DEPARTMENT
Ismael Mathay, Auditor

LEGAL DEPARTMENT
Natalio M. Balboa, Legal Counsel

FISCAL AGENCY DEPARTMENT
Felix Lazo, Director

TECHNICAL ASSISTANT TO THE GOVERNOR
R. Marino Corpus

TECHNICAL ASSISTANT TO THE DEPUTY GOVERNOR
Virginia Yaptinchay

[a] On official trip abroad.

TABLE OF CONTENTS

PART I

OVER-ALL REVIEW AND RECOMMENDATIONS

	Page
OVER-ALL REVIEW	2
RECOMMENDATIONS	6

PART II

EXTERNAL DEVELOPMENTS

CHAPTER I—INTERNATIONAL TRENDS	11
CHAPTER II—FOREIGN EXCHANGE POLICY AND MANAGEMENT OF THE INTERNATIONAL RESERVE	
A. Over-all Trends	14
B. Composition and Investment of the Central Bank International Reserve	16
1. Time Deposits	16
2. Demand Deposits	16
3. United States Treasury Bills	16
4. Gold	16
5. Foreign Currency	17
6. Philippines-Japan Open Account	17
C. Purchases and Sales of Foreign Exchange	18
D. Exchange Rates	18
E. Foreign Exchange Receipts and Disbursements	18
F. Exchange Policies	21
1. On Imports	21
2. On Invisible and Non-Trade Items	23
CHAPTER III—BALANCE OF PAYMENTS	
A. Over-all Position	25
B. Merchandise Transactions	26
C. United States Government Expenditures	26
D. Invisibles	27
E. Capital Movements	27
F. Regional Distribution	28
CHAPTER IV—EXTERNAL TRADE	
A. Summary of Developments	39
B. Pattern and Direction of Trade	41
1. Exports	41
2. Imports	45
3. Direction of Trade	48
C. Terms of Trade	51
D. Revised U.S.-Philippines Trade Agreement	52

PART III

DOMESTIC DEVELOPMENTS

CHAPTER V—MONEY SUPPLY *Page*

A. Movement 53
B. Composition 54
1. Currency in Circulation 55
2. Peso Demand Deposits 56
C. Factors that Influenced Money Supply Movement 58
D. Active and Passive Money 60
E. Money Supply and International Reserve 60

CHAPTER VI—CREDIT AND BANKING DEVELOPMENTS

A. Credit Policy 62
B. Domestic Credits of the Banking System 63
1. Central Bank Credit Operations 64
a. Domestic Securities 65
b. Loans and Advances to Banks 66
c. Budgetary Loans to the Government 66
d. Treasury Certificate Account 67
2. Credit Operations of Other Banks 67
a. Loans, Discounts and Overdrafts 68
(1) Security Requirements 70
(2) Interest Rates 71
b. Customers' Liability Acceptances 71
c. Domestic Securities 72
C. Expansion of Banking Facilities 73
1. Assets and Liabilities of Other Banks 73
a. Cash Position and Reserves 75
b. Deposit Liabilities 76
2. Earnings and Expenses of Other Banks 78
D. Credit Operations of Selected Financial Institutions 78
1. Rehabilitation Finance Corporation 79
2. Postal Savings Bank 83
3. Rural Banks 84
4. Agricultural Credit and Cooperative Financing Administration 85
5. Government Service Insurance System 87
6. Mutual Building and Loan Associations 88
7. Pawnshops 89
E. Investments of Newly Registered Firms 90

CHAPTER VII—GOVERNMENT FINANCE

A. Fiscal Policy and Economic Planning 93
1. Resumé of Fiscal Policy 93
a. Summary of Developments 93
b. The Central Bank as Fiscal Advisor 94
2. Expenditures for Economic Development 94
B. Results of Fiscal Operations 97
1. Resumé of Fiscal Operations 97
2. Operations of the National Government 98

Page

a. Summary of Operations 98
b. General Fund 101
c. Special Funds 102
d. Bond Funds 103
e. Cash Operations of the National Government 103
f. Cash Position of the National Government 105
C. Public Debt 106
1. Over-all 106
2. National Government 109
3. Provincial, City and Local Governments 109
4. Government Corporations 110
5. Public Debt and Gross National Product 110
6. Per Capita Burden 111

CHAPTER VIII—PRODUCTION

A. Agricultural Production 112
1. Food Products 112
2. Major Export Products 113
B. Industrial Production 116
1. Non-Durable Manufactures 117
2. Durable Manufactures 119
C. Mining 120
D. New Construction Activity 122
1. Residential Construction 122
2. Non-Residential Construction 122
a. Public Non-Residential Construction 124
b. Private Non-Residential Construction 124
3. Real Estate Sales and Mortgages 124
E. Public Utilities 124
1. Electric Power 124
2. Transportation 125

CHAPTER IX—NON-AGRICULTURAL EMPLOYMENT AND WAGES

A. Non-Agricultural Employment 127
B. Wage Rates 128
C. Earnings 129

CHAPTER X—INTERNAL TRADE

A. Gross Sales Activities: 1954-1955 131
B. Gross Sales and Inventories: 1955 131

CHAPTER XI—PRICES

A. Consumer Prices in Manila 138
B. Retail Prices of Foodstuffs in Manila 139
C. General Wholesale Prices 141
D. Wholesale Prices of Domestic Products 141
E. Wholesale Prices of Export Products 142
F. Wholesale Prices of Imported Products 142
G. Stock Prices 144

CHAPTER XII—NATIONAL INCOME AND PRODUCT

A. The Flow of Expenditure 145
1. Consumer Demand 145

Page

2. Government Demand 145
3. Domestic Investment Demand 146
4. Foreign Demand 148
B. The Flow of Income 148
1. National Income by Industrial Origin 148
a. Agricultural Income 148
b. Government 150
c. Private Non-Agricultural Industries 150
2. Personal Income 150

PART IV

OPERATIONS OF THE CENTRAL BANK

CHAPTER XIII—THE CENTRAL BANK AS FISCAL AGENT AND BANKER OF THE GOVERNMENT

A. Marketing and Servicing of Government Obligations 152
1. Sales 154
a. Rehabilitation and Development Bonds 154
b. Public Works and Economic Development Bonds 154
c. Metropolitan Water District and National Waterworks and Sewerage Authority Bonds 155
d. National Power Corporation Bonds 155
e. Treasury Notes 155
f. Treasury Bills 155
g. Agricultural Credit and Cooperative Financing Administration Notes 156
h. ACCFA Certificates of Indebtedness 156
2. Redemptions 156
a. Government Securities 156
b. Loans from Foreign Institutions 157
(1) Budgetary Loan from the U.S. Reconstruction Finance Corporation 157
(2) Loan under the Romulo-Snyder Agreement 157
(3) Loan of the Republic of the Philippines and the National Power Corporation from the Export-Import Bank of Washington, D.C. 157
(4) General Service Administration Account 157
3. Interest Payments 158
a. Government Securities 158
b. Loans from Foreign Institutions 158
4. Promotion and Publicity 158
B. Fiscal Agency Services 159
1. Fiscal Operations 159
a. Status of Fiscal Agency Applications Filed with the Central Bank 159
b. Foreign Exchange Allocations 159
c. Certificates of Release 159
2. Fiscal Operations Abroad 160
C. Administration of Various Funds 160
1. Industrial Guarantee and Loan Fund 160
2. Securities Stabilization Fund 161
3. Bond Sinking Fund 162

D. Collection of Special Excise Tax on Foreign Exchange Sales 163
E. Depository of Philcusa-ICA Fund 163

CHAPTER XIV—FINANCIAL CONDITION AND RESULTS OF OPERATION

A. Highlights of Operation 165
B. Selected Assets and Liabilities 167
1. International Reserve 167
2. Due from U.S. Depositories 168
3. Domestic Securities 168
4. Loans and Advances 170
5. Currency Issue 170
C. Results of Operation 171
1. Income and Expenses 171
2. Distribution of Net Profits 171
D. Inter-Bank Clearing 172

CHARTS

International Reserve 15
Foreign Exchange Receipts and Disbursements 19
Foreign Trade 41
Exports By Commodity Group 42
Ten Principal Domestic Exports 45
Imports by Commodity Classification 46
Ten Principal Imports 48
Direction of International Trade 51
Money Supply and Its Composition 55
Domestic Credits of the Central Bank and Other Banks 64
Outstanding Loans, Discounts and Overdrafts of Other Banks, Classified by Purpose 70
Loans Granted by Selected Financial Institutions, Classified by Purpose 79
Paid-in Capital of Newly Registered Corporations, Partnerships and Single Proprietorships 91
Expenditures of the National Government, Classified by Purpose 95
Revenue and Expenditures of the National Government 99
Revenue of the National Government 100
Public Debt Outstanding, Classified by Purpose of Issue 107
Production of Selected Commodities 116
Production of Basic Metals 120
Employment Index in Reporting Non-Agricultural Establishments 128
Wage Rates of Laborers in Industrial Establishments in Manila 129
Average Monthly Earnings of Salaried Employees and Wage Earners in Selected Non-Agricultural Industries 130
Gross Sales Index of Leading Business Establishments 134
Wholesale, Retail and Consumer Price Indices in Manila 138
Consumer Price Index in Manila 139
Retail Price Index of Selected Commodities in Manila 140
Wholesale Price Index 143
National Income by Industrial Origin 149

APPENDICES

APPENDIX A—FOREIGN EXCHANGE RECEIPTS AND DISBURSEMENTS

Page

Table 1—Export Receipts by Commodity Group, 1954-1955 174
Table 2—Export Receipts by Region, 1954-1955 175
Table 3—Import Payments by Category and Region, 1954-1955 176
Table 4—Import Payments by Classification and Region, 1954-1955 178
Table 5—Exports to Japan Under the Philippines-Japan Trade and Financial Agreement, 1953-1955 179
Table 6—Imports from Japan Under the Philippines-Japan Trade and Financial Agreement, 1953-1955 180
Table 7—Invisible Receipts by Region, 1954-1955 181
Table 8—Invisible Payments by Region, 1954-1955 182
Table 9—Letters of Credit Opened by Category, 1954-1955 183
Table 10—Foreign Exchange Allocation by Category, 1954-1955 184

APPENDIX B—EXTERNAL TRADE

Table 11—Foreign Trade, 1941; 1946-1955 185
Table 12—Quantum, Price, and Value Indices of Domestic Exports, 1950-1955 186
Table 13—Quantum, Price, and Value Indices of Imports, 1950-1955 187
Table 14—Terms of Trade with All Countries, 1950-1955 188
Table 15—Terms of Trade with the United States, 1950-1955 189
Table 16—Terms of Trade with Japan, 1950-1955 190
Table 17—Terms of Trade with the United Kingdom, 1950-1955 191
Table 18—Terms of Trade with Benelux, 1950-1955 192
Table 19—Direction of International Trade, All Countries, 1949; 1954-1955 193
Table 20—Direction of International Trade, Selected Countries, 1949-1955 196
Table 21—Ten Principal Exports by Country of Destination, 1949-1955 201
Table 22—Exports by Commodity Group, 1949-1955 212
Table 23—Ten Principal Imports by Country of Origin, 1952-1955 215
Table 24—Imports by Commodity Group, 1949; 1952-1955 223
Table 25—Exports to Japan, 1949-1955 229
Table 26—Imports from Japan, 1952-1955 231
Table 27—Unit Value of Selected Export Items, 1950-1955 236
Table 28—Unit Value of Exports by Sectional Title Description, 1950-1955 237
Table 29—Unit Value of Selected Import Commodities 1950-1955 238
Table 30—Unit Value of Imports by Sectional Title Description, 1950-1955 239

APPENDIX C—MONEY, BANKING, CREDIT AND INVESTMENT

Table 31—Money Supply and Its Origin, 1949-1955 240
Table 32—Money Supply and Its Composition, 1949-1955 241
Table 33—International Reserve of the Central Bank and Foreign Exchange Holdings of Other Banks, 1949-1955 242

Page

Table 34—Domestic Credits of the Central Bank and Other Banks, 1949-1955 243
Table 35—Non-Money Supply Deposits and Balances, 1949-1955 244
Table 36—Miscellaneous Accounts of the Central Bank and Other Banks, 1949-1955 245
Table 37—Ratio of Money Supply Components to Total, 1949-1955 246
Table 38—Ratio of International Reserve to Money Supply and Currency Issue, 1949-1955 247
Table 39—Composition of the International Reserve of the Central Bank, December 31, 1949-1955 248
Table 40—Foreign Exchange Holdings of Other Banks, 1949-1955 250
Table 41—Purchases and Sales of Foreign Exchange by the Central Bank, 1949-1955 251
Table 42—Domestic Credits of the Central Banks Classified by Origin, 1949-1955 252
Table 43—Domestic Credits of Other Banks Classified by Origin, 1949-1955 253
Table 44—Available, Required, Excess and Potential Reserves of Other Banks, 1949-1955 254
Table 45—Letters of Credit Negotiated Through Banks, 1949-1955 255
Table 46—Turnover Rate of Average Peso Demand Deposits of Other Banks, 1950-1955 256
Table 47—Assets and Liabilities of the Central Banks, 1949-1955 257
Table 48—Assets and Liabilities of Other Banks, 1949-1955 259
Table 49—Deposit Liabilities of Other Banks, 1949-1955 261
Table 50—Earnings and Expenses of Other Banks, 1949-1955 262
Table 51—Loans, Discounts and Overdrafts Granted and Renewed by Other Banks, Classified by Purpose, 1953-1955 263
Table 52—Outstanding Loans, Discounts and Overdrafts of Other Banks Classified by Purpose, December 31, 1953-1955 264
Table 53—Outstanding Loans, Discounts and Overdrafts of Other Banks Classified by Type of Security, 1951-1955 266
Table 54—Outstanding Loans, Discounts and Overdrafts of Other Banks Classified by Interest Rate, 1951-1955 267
Table 55—Loans Granted by Selected Financial Institutions Classified by Purpose, 1947-1955 268
Table 56—Loans Outstanding of Selected Financial Institutions Classified by Purpose, 1947-1955 269
Table 57—Loans Approved by the Rehabilitation Finance Corporation Classified by Purpose, 1947-1955 270
Table 58—Loans Outstanding of the Rehabilitation Finance Corporation Classified by Purpose 1947-1955 271
Table 59—Loans Approved by the Rehabilitation Finance Corporation Classified by Size, 1952-1955 272
Table 60—Geographical Distribution of Loans Approved by the Rehabilitation Finance Corporation 1952-1955 273
Table 61—Agricultural Loans Approved by the Rehabilitation Finance Corporation Classified by Product, 1952-1955 274
Table 62—Industrial Loans Approved by the Rehabilitation Finance Corporation Classified by Industry, 1952-1955 275
Table 63—Loans Granted by the Agricultural Credit and Cooperative Financing Administration, 1953-1955 276
Table 64—Loans Outstanding of the Agricultural Credit and Cooperative Financing Administration, 1953-1955 277

Table 65—Loans Granted by Rural Banks Classified by Purpose, 1953-1955 ..... Page 278
Table 66—Loans Outstanding of Rural Banks Classified by Purpose, 1953-1955 279
Table 67—Assets and Liabilities of Rural Banks, 1953-1955 280
Table 68—Business Transactions of Pawnshops in the City of Manila, 1945-1955 282
Table 69—Loans Granted by Pawnshops in the City of Manila by Size, 1951-1955 283
Table 70—Loans Outstanding of Pawnshops in the City of Manila, 1951-1955 284
Table 71—Loans Granted by the Government Service Insurance System, 1947-1955 285
Table 72—Loans Outstanding of the Government Service Insurance System, 1947-1955 286
Table 73—Loans Outstanding of Mutual Building and Loan Associations Classified by Security, 1947-1955 287
Table 74—Assets and Liabilities of the Postal Savings Banks, 1949-1955 288
Table 75—Capital Investments of Newly Registered Business Organizations, 1951-1955 289
Table 76—Capital Investments of Newly Registered Business Organizations Classified by Kind of Industry, 1951-1955 290
Table 77—Capital Investments of Newly Registered Business Organizations Classified by Nationality, 1951-1955 291
Table 78—Capital Investments of Newly Registered Business Organizations Classified by Nationality and Kind of Business, 1951-1955 292
Table 79—Capital Investments of Newly Registered Business Organizations Classified by Region, 1951-1955 293
Table 80—Capital Investments of Newly Registered Firms Engaged in Manufacturing Classified by Type of Organization, 1951-1955 294
Table 81—Capital Investments of Newly Registered Firms Engaged in Manufacturing Classified by Kind of Business, 1951-1955 295
Table 82—Capital Increases and Withdrawals of Corporations and Partnerships Classified by Kind of Industry, 1951-1955 297

APPENDIX D—GOVERNMENT FINANCE

Table 83—Consolidated Statement of Revenue and Expenditures of the National Government; General, Special and Bond Funds, Fiscal years 1953-1955 298
Table 84—Statement of Revenue and Expenditures of the National Government, General Fund, Fiscal Years 1953-1955 301
Table 85—Statement of Revenue and Expenditures of the National Government, Special Funds, Fiscal Years 1953-1955 303
Table 86—Statement of Revenue and Expenditures of the National Government, Bond Fund, Fiscal Years 1953-1955 305
Table 87—Public Debt Outstanding Classified by Levels of Government, As of December 31, 1953-1955 306

Page

Table 88—Public Debt Outstanding Classified Into Bonded and Non-Bonded, As of December 31, 1953-1955 308
Table 89—Public Debt Outstanding Classified Into Domestic and Foreign, As of December 31, 1953-1955 311
Table 90—Public Debt Outstanding Classified by Purpose of Issue, As of December 31, 1953-1955 314
Table 91—Public Debt Outstanding Classified by Periods of Maturity As of December 31, 1953-1955 317

APPENDIX E—PRODUCTION

Table 92—Index of the Physical Volume of Production, 1949-1955 320
Table 93—Agricultural Crop Production, 1938; 1952-1955 321
Table 94—Manufacturing Production, 1953-1955 322
Table 95—Gold Production, 1941; 1946-1955 327
Table 96—Volume of Production of Base Metals, 1940; 1946-1955 328
Table 97—Real Estate Sales and Mortgages in the Suburbs of Manila, 1948-1955 329
Table 98—Real Estate Sales and Conveyances in the City of Manila, 1937; 1947-1955 330
Table 99—Permit Valuation of Building Construction, by Type of Construction, in the City of Manila, 1946-1955 331
Table 100—Number of Passengers Carried and Total Receipts from Transportation of Passengers, M.R.R. Co. (By Rail of Main Line and Branches) by Kind and Fare, 1946-1955 332
Table 101—Total Net Tonnage and Gross Receipts from Freight and Express Handled by the Manila Railroad Company (Main Line and Branches) 1946-1955 333
Table 102—Operations of the Philippine Airlines, Inc., 1946-1955 334
Table 103—Volume of Production of the Manila Electric Company, 1947-1955 335

APPENDIX F—NON-AGRICULTURAL EMPLOYMENT AND WAGES

Table 104—Employment Index in Reporting Non-Agricultural Establishments in the Philippines by Industry Division, 1950-1955 336
Table 105—Per Cent Change in Employment in Reporting Non-Agricultural Establishments in the Philippines by Industry Division and Group, 1954-1955 337
Table 106—Wage Rates of Laborers in Industrial Establishments in Manila, 1941; 1946-1955 339
Table 107—Wage Rates of Agricultural Laborers by Region, 1941; 1947-1955 340
Table 108—Average Monthly Earnings of Salaried Employees and Wage Earners in Selected Non-Agricultural Industries in the Philippines by Industry Division, 1952-1955 342

APPENDIX G—INTERNAL TRADE

Table 109—Gross Sales and/or Receipts Index of Leading Business Establishments in the Philippines by Industry Division, 1952-1955 343
Table 110—Inventories of Non-Farm Business Establishments Classified by Kind of Business, 1954-1955 344

APPENDIX H—PRICES *Page*

Table 111—Retail Price Index of Selected Commodities in Manila, 1950-1955 346
Table 112—Consumer Price Index for Manila, 1950-1955 347
Table 113—Retail Price Index of Foodstuffs in Manila, 1950-1955 348
Table 114—General Wholesale Price Index for Manila, 1950-1955 349
Table 115—Wholesale Price Index of Domestic Products in Manila, 1950-1955 350
Table 116—Wholesale Price Index of Export Products in Manila, 1950-1955 351
Table 117—Wholesale Price Index of Locally-Produced Commodities for Home Consumption in Manila, 1950-1955 352
Table 118—Wholesale Price Index of Imported Products in Manila, 1950-1955 353
Table 119—Wholesale Prices of Major Export Products in Manila, 1941; 1946-1955 354
Table 120—Stock Price Index, 1953-1955 355

APPENDIX I—NATIONAL INCOME AND PRODUCT

Table 121—Total Available Means: Sources and Disposition, 1954-1955 356
Table 122—The National Accounts, 1954-1955 357
Table 123—National Income by Industrial Origin, 1954-1955 362
Table 124—Personal Income by Major Geographical Areas, 1954-1955 363
Table 125—Derivation of Private Income and National Income from Personal Income, 1954-1955 364
Table 126—Income Originating in Agriculture by Category of Production, 1954-1955 365
Table 127—Gross Domestic Investment by Major Categories, 1954-1955 366
Table 128—Gross Domestic Investment in Durable Equipment by Type, 1954-1955 367
Table 129—Percentage Distribution of Private Non-Agricultural Income by Industrial Origin, 1954-1955 368

APPENDIX J—DATA AND DOCUMENTS PERTINENT TO PHILIPPINES EXTERNAL ECONOMIC RELATIONS

List of Legal Parities and/or Exchange Rates as of January 1955 of Various Foreign Currencies in Terms of the U.S. Dollar and the Philippine Peso 369
List of Legal Parities and/or Exchange Rates as of July 1955 of Various Foreign Currencies in Terms of the U.S. Dollar and the Philippine Peso 372
International Sugar Agreement Signed at London, October 16 to October 31, 1953 375
Agreement Between the Republic of the Philippines and the United States of America Concerning Trade and Related Matters During a Transitional Period Following the Institution of Philippine Independence Signed at Manila on July 4, 1946, As Revised 409

Page

Protocol to Accompany the Agreement Between the Republic of the Philippines and the United States of America Concerning Trade and Related Matters During a Transitional Period Following the Institution of Philippine Independence Signed at Manila on July 4, 1946, As Revised 423

Annexes of Statutory Provisions Referred to in the Agreement Between the Republic of the Philippines and the United States of America Concerning Trade and Related Matters During a Transitional Period Following the Institution of Philippine Independence, As Revised 428

APPENDIX K—MAJOR LEGAL AND ADMINISTRATIVE MEASURES OF ECONOMIC SIGNIFICANCE ADOPTED BY THE GOVERNMENT AND THE MONETARY BOARD DURING 1955

Republic Act No. 1278—An Act Appropriating an Additional Sum of Twenty-Three Million Pesos as Counterpart Fund to Carry Out the Purposes of Republic Act Numbered Six Hundred and Four 441

Republic Act No. 1285—An Act to Amend Sections Five, Nine, Twelve, Fourteen, Seventeen, Eighteen, Nineteen and Thirty-One of Republic Act Numbered Eight Hundred and Twenty-One 442

Republic Act No. 1287—An Act Granting a Special Privilege to any Person Who Discovers or Invents a New Process, Discovery or Invention for the Conversion of any Native Agricultural Raw Product into a Product Which will Stabilize not only the National Economy but also the Dollar Resources 447

Republic Act No. 1291—An Act to Amend Section Three of Republic Act Numbered Six Hundred, Entitled "An Act to Prescribe a Graduated Scale for the Income Tax on Corporations by Amending Sections Twenty-Four and Fifty-Four of Commonwealth Act Numbered Four Hundred and Sixty-Six, Otherwise Known as the National Internal Revenue Code, As Amended, and for Other Purposes." 448

Republic Act No. 1292—An Act to Encourage Filipino Retailers and to Create the Filipino Retailers Fund 449

Republic Act No. 1295—An Act to Establish the Abaca Corporation of the Philippines 451

Republic Act No. 1296—An Act to Prohibit the Importation of Onions, Potatoes, Garlic and Cabbages, Except for Seedling Purposes, and to Provide Penalties for the Violation Thereof 457

Republic Act No. 1299—An Act Amending Further Section Two Hundred Forty-Six of Commonwealth Act Numbered Four Hundred Sixty-Six, As Amended, by Defining the Words "Minerals" and "Mineral Products" 459

Republic Act No. 1322—An Act to Finance People's Homesite and Housing Corporation Projects from the Bond Issue under Republic Act Numbered One Thousand 460

Page

Republic Act No. 1328—An Act to Amend Republic Act Numbered Six Hundred and Thirty-Two, by Enlarging the Powers, Functions and Duties of the Philippine Sugar Institute, Providing for the Financing Thereof, and for Other Purposes 462

Republic Act No. 1345—An Act Creating the National Marketing Corporation and Dissolving the Price Stabilization Corporation, Appropriating Funds Therefor, and for Other Purposes 465

Republic Act No. 1350—An Act Appropriating Funds for the Operation of the Government of the Republic of the Philippines During the Period from July First, Nineteen Hundred and Fifty-Five to June Thirtieth, Nineteen Hundred and Fifty-Six, and for Other Purposes 474

Republic Act No. 1355—An Act Authorizing the President of the Philippines to Enter into a Revised Agreement with the President of the United States on the Basis of the Final Act of Negotiations Relative to the Revision of the 1946 Trade Agreement Between the Republic of the Philippines and the United States of America, which was Signed at Washington, D.C. on December 15, 1954 490

Republic Act No. 1369—An Act Appropriating the Sum of Thirty Million Pesos, out of the Proceeds of the Sale of Bonds to be Issued under Republic Act Numbered One Thousand or from any Loan, for the Purpose of Financing the Manufacture of Coconut Products and By-Products and the Component Parts of Coconut Trees, and Otherwise for the Industrialization of the Coconut Trees and Coconut Products and By-Products 509

Republic Act No. 1375—An Act Amending Sections One and Two of Republic Act Numbered Six Hundred One, As Amended by Republic Acts Numbered Eleven Hundred Seventy-Five and Eleven Hundred Ninety-Seven 512

Republic Act No. 1392—An Act to Amend Section Eleven of the Philippine Tariff Act of 1909 and Exempting Textiles Made of 100 Per Cent Philippine Ramie Fiber From the Payment of Duty to Provide Incentives for the Development of the Ramie Industry 516

Republic Act No. 1393—An Act to Facilitate the Entry into the Philippines as International Traders of Nationals of the United States 517

Republic Act No. 1394—An Act to Impose a Special Import Tax on all Goods, Articles or Products Imported or Brought Into the Philippines, and to Repeal Republic Acts Numbered Six Hundred and One, Eight Hundred and Fourteen, Eight Hundred and Seventy-One, Eleven Hundred and Seventy-Five, Eleven Hundred and Ninety-Seven and Thirteen Hundred and Seventy-Five 518

Republic Act No. 1403—An Act to Amend Section Thirteen of Republic Act Numbered Seven Hundred and Twenty, Entitled "An Act Providing for the Creation, Organization and Operation of Rural Banks, and for Other Purposes." 522

Page

Republic Act No. 1405—An Act Prohibiting Disclosure of or Inquiry into, Deposits with any Banking Institution and Providing Penalty Therefor 523

Republic Act No. 1410—An Act to Prohibit the So-Called "No-Dollar" Imports Except Under Certain Conditions 524

Executive Order No. 101—Waiving the Additional Progressive Taxes to be Collected from, and Paid by, Proprietors and Operators of Certain Sugar Mills for the 1953-1954 Crop 526

Executive Order No. 107—Creating a Presidential Committee on Trade Agreements and Related Matters Covered by Republic Act 1189 527

Executive Order No. 128—Requiring All Government Entities. Bureaus, Agencies, and Instrumentalities Producing Palay and Corn to Sell Their Surplus Production to the National Rice and Corn Corporation 529

Executive Order No. 129—Designating the Agricultural Credit and Cooperative Financing Administration (ACCFA) as the Government Agency to Handle the Purchase and Exportation of Ramie Fiber and the Importation of Ramie Goods Processed from 100 Per Cent Philippine Ramie Fiber 530

Administrative Order No. 98—Creating an Economic Planning Board 531

Administrative Order No. 120—Creating a Committee to Co-ordinate Action on No-Dollar Importations so as to Prevent Conflict or Confusion in the Execution of the Central Bank Act and the Anti-Dumping Act 533

Administrative Order No. 132—Requiring Certain Public Officials to Make Periodical Reports for Statistical Data to the National Rice and Corn Corporation and Providing Penalty for Violation of its Provisions 534

Administrative Order No. 142—Designating the Philippine National Bank as the Administrator of the Filipino Retailers' Fund with the Provincial, City, and Municipal Treasurers as Its Deputies 536

Administrative Order No. 160—Creating a Tax Advisory Board to Study Problems of Taxation and Recommend Appropriate Solutions 537

Proclamation No. 206—Making Public the International Agreement for the Regulation of the Production and Marketing of Sugar, 1953 539

Proclamation No. 216—Making Public the Agreement Between the Republic of the Philippines and the United States of America Concerning Trade and Related Matters During a Transitional Period—Implementing Republic Act No. 1355 Approved on June 18, 1955 541

Circular No. 58, January 27, 1955 543

Circular No. 59 Series of 1955 544

Circular No. 60, May 12, 1955—Import and Export of Philippine Coins and Notes Including but not Limited to Drafts, Checks and/or Other Bills of Exchange in Philippine Pesos Drawn on Banks Operating in the Philippines 545

Page

Regulation No. 11, Implementing Circular No. 44—Subject: Basis of Foreign Exchange Allocations for the Payment of Imports for the First Semester, 1955 547

Regulation No. 12, Regulations Governing Applications for Foreign Exchange for Importations Under the Revised Informational Media Guaranty Program Superseding and Revoking Regulation No. 8 557

Regulation No. 13, Implementing Circular No. 44—Subject: Basis of Foreign Exchange Allocations for the Payment of Imports for the Third Quarter, 1955 560

Memorandum to Authorized Agents, June 14, 1955 561

Memorandum to All Banks, Insurance Companies, Members of the Manila Stock Exchange and Holders of Registered R & D Bonds, November 11, 1955 562

Amendment to Notification to Authorized Security Dealers No. 1, January 31, 1955 564

Notification to Authorized Agents No. 57, February 15, 1955 565

Amendment to Notification to Authorized Agents No. 57, March 15, 1955 566

Notification to Authorized Security Dealers No. 4, July 28, 1955 567

Memorandum to Authorized Agents, April 6, 1955 568

Memorandum to Authorized Security Dealers, October 12, 1955 569

Memorandum to Authorized Agents, October 18, 1955 570

Memorandum to Authorized Agents, November 21, 1955 571

Memorandum to Authorized Agents, November 28, 1955 572

Memorandum to all Foreign Non-Life Insurance Companies and/or Settling Agents of Foreign Insurers, December 5, 1955 573

Memorandum to all Banks, July 15, 1955 574

Memorandum to all Banks, August 3, 1955 575

Memorandum to all Banks, September 28, 1955 576

Memorandum to all Banks, September 30, 1955 577

Memorandum to Authorized Agent Banks No. 137, January 3, 1955 578

Memorandum to Authorized Agent Banks No. 138, January 3, 1955 579

Memorandum to Authorized Agent Banks No. 141, January 4, 1955 580

Memorandum to Authorized Agent Banks No. 145, January 18, 1955 581

Memorandum to Authorized Agent Banks No. 153, February 4, 1955 582

Memorandum to Authorized Agent Banks No. 154, February 7, 1955 583

Memorandum to Authorized Agent Banks No. 155, February 7, 1955 584

Memorandum to Authorized Agent Banks No. 158, February 16, 1955 585

Memorandum to Authorized Agent Banks No. 159, February 18, 1955 586

Page

Memorandum to Authorized Agent Banks No. 161, February 21, 1955 587
Memorandum to Authorized Agent Banks No. 163, February 22, 1955 588
Memorandum to Authorized Agent Banks No. 164, February 22, 1955 590
Memorandum to Authorized Agent Banks No. 167, February 25, 1955 591
Memorandum to Authorized Agent Banks No. 170, March 9, 1955 592
Memorandum to Authorized Agent Banks No. 173, March 15, 1955 593
Memorandum to Authorized Agent Banks No. 175, March 18, 1955 594
Memorandum to Authorized Agent Banks No. 176, March 29, 1955 595
Memorandum to Authorized Agent Banks No. 181, April 25, 1955 596
Memorandum to Authorized Agent Banks No. 182, April 27, 1955 597
Memorandum to Authorized Agent Banks No. 184, May 12, 1955 598
Memorandum to Authorized Agent Banks No. 185, May 17, 1955 601
Memorandum to Authorized Agent Banks No. 186, May 18, 1955 602
Memorandum to Authorized Agent Banks No. 187, May 24, 1955 603
Memorandum to Authorized Agent Banks No. 191, May 27, 1955 604
Memorandum to Authorized Agent Banks No. 197, June 6, 1955 605
Memorandum to Authorized Agent Banks No. 199, June 13, 1955 606
Memorandum to Authorized Agent Banks No. 215, June 27, 1955 608
Memorandum to Authorized Agent Banks No. 224, July 14, 1955 609
Memorandum to all Authorized Agents, July 15, 1955 611
Memorandum to Authorized Agent Banks No. 228, July 22, 1955 612
Memorandum to Authorized Agent Banks No. 231, July 28, 1955 613
Reductions in the Quota Allocations for the Second Semester of 1955 in Accordance with a Resolution of the Monetary Board Adopted at its Meeting Held on August 16, 1955 614
Memorandum to Authorized Agent Banks No. 240, August 16, 1955 615
Memorandum to Authorized Agent Banks No. 241, August 17, 1955 616

Page

Memorandum to Authorized Agent Banks No. 243, August 23, 1955 617
Memorandum to Authorized Agent Banks No. 250, September 8, 1955 618
Memorandum to Authorized Agent Banks September 19, 1955 619
Memorandum to Authorized Agent Banks No. 251, September 21, 1955 620
Memorandum to Authorized Agent Banks No. 259, October 5, 1955 621
Memorandum to Authorized Agent Banks No. 260, October 5, 1955 622
Memorandum to Authorized Agent Banks No. 264, October 20, 1955 623
Memorandum to Authorized Agent Banks No. 266, October 20, 1955 624
Memorandum to Authorized Agent Banks No. 267, October 20, 1955 625
Memorandum to Authorized Agent Banks No. 270, October 27, 1955 626
Memorandum to Authorized Agent Banks No. 272, October 31, 1955 627
Memorandum to Authorized Agent Banks No. 273, October 31, 1955 628
Memorandum to Authorized Agent Banks No. 276, November 14, 1955 629
Memorandum to Authorized Agent Banks No. 279, November 18, 1955 630
Memorandum to Authorized Agent Banks No. 282, November 21, 1955 631
Memorandum to Authorized Agent Banks No. 288, November 22, 1955 632
Memorandum to Authorized Agent Banks No. 290, November 25, 1955 633
Memorandum to Authorized Agent Banks No. 297, December 9, 1955 634
Memorandum to Authorized Agent Banks No. 299, December 14, 1955 635
Memorandum to Authorized Agent Banks No. 301, December 14, 1955 636
Memorandum to Authorized Agent Banks No. 302, December 16, 1955 637
Memorandum to Authorized Agent Banks No. 306, December 20, 1955 638
Memorandum to all Authorized Agent Banks, December 22, 1955 639
Memorandum to Authorized Agent Banks No. 308, December 23, 1955 640
Memorandum to Authorized Agent Banks No. 311, December 28, 1955 641

Page

Memorandum to Authorized Agent Banks No. 313, December 28, 1955 642

Memorandum to Authorized Agent Banks No. 318, December 29, 1955 643

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, January 4, 1955, (Release No. 32) 644

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, January 26, 1955, (Release No. 33) 645

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, February 16, 1955, (Release No. 34) 646

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, March 7, 1955, (Release No. 35) 647

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, March 7, 1955 (Release No. 36) 648

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, March 15, 1955, (Release No. 37) 649

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, March 15, 1955, (Release No. 38) 650

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, April 1, 1955, (Release No. 39) 651

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, April 19, 1955, (Release No. 40) 652

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, May 17, 1955, (Release No. 41) 653

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof, June 1, 1955, (Release No. 42) 655

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof, July 20, 1955, (Release No. 43) 656

Page

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof, August 29, 1955, (Release No. 44) 657

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof, August 29, 1955, (Release No. 45) 659

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof, October 4, 1955, (Release No. 46) 660

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof, October 10, 1955, (Release No. 47) 662

Amendments to the Statistical Classification of Commodities Implementing Circular No. 44 (Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof, October 19, 1955, (Release No. 48) 663

Amendments to the Statistical Classification of Commodities (Revised July 1, 1955), Implementing Circular Nos. 44 and 45, October 31, 1955, (Release No. 49) 664

Amendments to the Statistical Classification of Commodities (Revised July 1, 1955), Implementing Circular Nos. 44 and 45, November 9, 1955, (Release No. 50) 665

Amendments to the Statistical Classification of Commodities (Revised July 1, 1955), Implementing Circular Nos. 44 and 45, November 18, 1955 (Release No. 51) 666

Amendments to the Statistical Classification of Commodities (Revised July 1, 1955), Implementing Circular Nos. 44 and 45, November 21, 1955, (Release No. 52) 667

Amendments to the Statistical Classification of Commodities (Revised July 1, 1955), Implementing Circular Nos. 44 and 45, November 23, 1955, (Release No. 53) 668

Amendments to the Statistical Classification of Commodities (Revised July 1, 1955), Implementing Circular Nos. 44 and 45, December 9, 1955, (Release No. 54) 669

Amendments to the Statistical Classification of Commodities (Revised July 1, 1955), Implementing Circular Nos. 44 and 45, December 14, 1955, (Release No. 55) 670

Procedure Governing Application by End-Users for Exchange Settlement 671

Criteria Governing Screening of Applications for Ordinary Import Foreign Exchange 673

Procedure Governing the Application for Import Exchange by Private Traders 676

SOURCES AND SYMBOLS

SOURCES.—Statistics are derived mainly from government bureaus and offices through direct communication with the entities concerned and from published statistical reports and bulletins.

Data on money and banking are derived from the reports of the former Bureau of Banking, Combined Statement of Resources and Liabilities of Other Banks [1] and other information supplied by other departments of the Central Bank.

UNITS.—The word "thousand" is used to mean 10 hundred units; "million" 1,000 thousand units; and "billion", 1,000 million units.

In consonance with the recent practice of the United Nations, all index numbers are published, whenever possible, with a postwar year as base period. Gregorian calendar years and months are used. Data for fiscal years ending June 30 are properly noted whenever used. Owing to the rounding of numbers, totals do not always tally with their component parts.

SYMBOLS.—The following symbols are used to convey the information in each case.

Symbol	Information
..	Data not available.
...	Data not applicable or appropriate.
—	Nil or zero.
- -	Data too small to be expressed.
p	(Set up as a superior index) Preliminary.
r	(Set up as a superior index) Revised.
e	(Set up as a superior index) Estimate.

[1] Consisting of commercial banks and savings banks.

OVER-ALL REVIEW

The trend of the Philippine economy in the past year continued to be expansive despite the presence of recessionary elements in certain sectors of the export trade. The main expansionary elements were found in the domestic sector, and were paced by heavy government expenditures (previous and current) for economic development, by a substantial rise in private credit operations and by continuing budget deficits. The ₱109.6 million or 8.9 per cent increase in money supply during the year was accounted for wholly by the domestic sector, and in that sector, government operation was responsible for two-thirds of the expansion. Rising local production, increased savings and time deposits, and heavy imports which pulled down the level of the international reserve counteracted inflationary pressures and kept prices stable.

A brief review of significant statistics gives a picture—percentage-wise—of a growing economy. Gross national product was up by 5.7 per cent over 1954. The total production index was 128 (1952=100), showing a 6.7 per cent increase over the previous year. The manufacturing index was 142.8, or up by 12.5 per cent over 1954; mining was 107, or up by 9.2 per cent; and agriculture was 123, or up by 3.4 per cent.

The agricultural sector made gains not only in acreage planted but also in total output. The area brought under cultivation was 4.9 per cent over that of 1954 and 30.2 per cent over 1949 figures, while food crop output showed a gain of about 4.1 per cent. Rice, however, showed hardly any appreciable increase. As to the over-all export crop output, the index was 114, or a gain of 2.7 per cent.

In the industrial sector, all major industries except textiles set the pace for accelerated manufacturing growth. Non-durable manufactures displayed an upward trend, total production being 13.1 per cent higher than a year ago. Food products were up by 21.5 per cent; tobacco products by 24.3 per cent; beverages by 4.4 per cent; rubber products by 10.9 per cent; and chemicals by 16.2 per cent, to mention only a few items. Durable manufactures reflected a similar trend with an 11.5 per cent gain above a year ago. The biggest strides were made in the metal-working industries with a net advance of 38.7 per cent and in electrical appliances with a net gain of 36.9 per cent.

Reflecting these gains, daily wages in real-income terms showed an increase of 1.3 per cent and 3.8 per cent for skilled and unskilled workers, respectively. Employment in 734 non-agricultural firms employing approximately 176,000 workers was also up by an estimated 3.1 per cent. Gross sales of the 1,174 establishments surveyed in Manila indicated a gain of 5.3 per cent in 1955 over 1954.

The upward trend in production was materially aided by the heavy importation of capital goods and producers' items. The increase in business activity was also indicative of the general improvement in the peace and order situation. Corporate income estimated at ₱263.2 million showed a net gain of 19.1 per cent above 1954. Of this amount, ₱168.4 million or 64 per cent was retained and made available for expanding production.

External trade, however, indicated a different position in the overall economic picture. Export prices experienced a general decline of 8.3 per cent. As a partially compensating factor, the total quantity of exports shipped rose to a record high this year (an increase of 7.6 per cent). This prevented the total value of exports from falling appreciably. Total exports declined by only $9.8 million, or 2.4 per cent.

Some individual items were not adversely affected by this year's general decline in the export sector. Base metals and forest products enjoyed favorable conditions of world demand, and exports thereof rose both in quantity and value. The copper boom, particularly, encouraged a four-fold expansion in the value of exports of copper concentrates. On the whole, minerals and metals registered an increase of 14 per cent over the previous year. Logs, lumber and timber likewise showed an expansion, this time by a net gain of 10.6 per cent.

Of the exports affected by price declines, the principal ones all showed quantity increases and only copra showed a value decrease. The average price of copra in the world markets registered a fall of 12 per cent during the year, notwithstanding the much reduced Indonesian copra exports. Large sales of American agricultural surplus stock of fats and oils were generally believed to have had a damaging effect on prices. Of the eleven major exports, all except abaca, coconut oil and canned pineapples were exported in quantities exceeding the boom year 1951, and all except iron ore and leaf tobacco showed quantity increases over 1954.

The slight decrease in internal purchasing power due to the decline in total export receipts was completely overshadowed by heavy government expenditures for development purposes, the main factor imparting an expansionary tone to the economy. The budget deficit, which resulted largely from development expenditures, was ₱140.2 million for fiscal year 1954 and ₱64.5 million for fiscal year 1955. The latter was significantly less than the deficit of ₱113 million previously anticipated, indicating tax collections and levels of economic activity in excess of expectations. For fiscal year 1956 the deficit is expected to reach ₱183 million, unless revenues are stepped up or expenditures cut. The mounting tempo of developmental efforts is evident in the economic development expenditures of the national government (exclusive of government corporations) of ₱151.0 million in fiscal year 1953, ₱267.7 million in fiscal

year 1954, and ₱202.5 million in fiscal year 1955. Including government corporations, the total figure is ₱330.9 million for fiscal year 1955 and ₱477.5 million for fiscal year 1956.

Domestic credit operations of the banking system and other selected financial institutions reinforced the expansionary fiscal policy. Total domestic credits of the banking system as of December 31, 1955 reached a record peak of ₱1,753.1 million as compared to ₱1,341.2 million in 1954, an expansion of ₱411.9 million or 30.7 per cent. Similarly, domestic credits of the selected financial institutions rose by ₱93.9 million, from ₱633.5 million in 1954 to ₱727.4 million in 1955. Agricultural loans of the banking system and selected financial institutions increased by 12 per cent and industrial loans by 7.9 per cent.

As already stated, the inflationary effects of these increasing expenditures and credit expansion were counterbalanced by greatly increased production, rising private savings and heavy importations. Savings and time deposits rose by ₱52.3 million or 12.2 per cent. These deposits form a reservoir of passive purchasing power that might be activated to provide fuel for a future inflationary spiral.

The level of import arrivals in 1955 at $547.6 million f.o.b. reached its highest point since 1949 and acted as a spur to greater domestic productivity. As import prices remained firm during the year, the 13.5 per cent rise in value resulted wholly from a larger quantity of goods imported. An analysis of their composition shows that the items which put some strain on the trade balance were primarily industrial supplies and capital equipment, thus underscoring the accelerating process of domestic productive activity. Capital goods and raw materials took 72.5 per cent of all imports. Importation of non-electric machinery increased by 17.9 per cent, electric machinery, apparatus and appliances by 25.1 per cent, and transportation equipment by 19.3 per cent. Total raw materials imports jumped by 12.7 per cent.

The total foreign exchange allocations for imports in 1955 amounted to $565.8 million compared to $616.1 million in 1954, or a reduction of $50.26 million, due to the tightening of the control policy towards non-essential items in the second semester. Despite this cut in foreign exchange allocations, import negotiations as indicated by import arrivals were 13.5 per cent higher in 1955 than in 1954. There was a large carry-over of letters of credit opened during the latter part of 1954 as evidenced by the excess of import payments during the year over letters of credit opened.

These increased import payments resulted in a trade deficit of $171.0 million in 1955 as against $99.9 million in 1954. The widening trade gap was partly covered by invisible receipts made up largely of U. S. government expenditures of $129.4 million, and partly by running down the country's international reserve from $272.7 million in January to $209.2 million in December.

This deterioration of $63.5 million in the international reserve was $40.2 million more than that experienced in 1954. The downward movement which started in September, 1954, continued to May of 1955. A temporary improvement took place from June to August with the drawing of $10 million from the International Monetary Fund and the curtailment of allocations for non-essential goods. However, a noticeable weakening began in September and continued unabated through December when it touched a record low of $209.2 million. It is important to note that while the present international reserve is not at poverty levels, it may not be easy to liberalize imports as an offset to domestic expansionary policies if such action should become necessary.

But for the compensating factors herein stated, there is little doubt that consumer prices would have risen. Increases in population, domestic credit, money supply, wages and earnings, and employment signified greater aggregate effective demand within the economy, reinforced by continuing budgetary deficits.

Recessionary factors from external sources, therefore, permitted heavy development expenditures, while the level of the country's reserve made possible, up to a certain point, compensatory importations to absorb the newly-generated purchasing power, keep prices at reasonable levels, and prevent hardships to consumers and to manufacturers requiring imported equipment and materials.

The downward drift in consumer prices seems, however, to have reversed itself about the middle of the year, coincidentally with the start of a rapid rise in money supply which went up from ₱1,208.6 million in May to a record ₱1,336.2 million in December, or a rise of 10.6 per cent in seven months. This was coupled with an increase in the turnover rate of average peso demand deposits over the previous year. At about the same time, the declining trend in the international reserve compelled a stricter policy toward imports. The gradual upward drift in consumer prices, therefore, which started in the middle of the year and only partially receded after November can no longer be countered by an import policy similar to that which was followed in the two previous years.

The experience of the past year shows the limits which circumscribe a policy of absorbing increased expenditures, purchasing power and budget deficits by means of greater importations in order to prevent inflationary price rises. Price stability from now on will have to depend on the ability of local production to meet domestic demand, a determined fiscal policy either to raise tax revenues or retrench on expenditures, the magnitude, programming and rate of development expenditures, and the country's ability to secure external assistance for development needs at this stage in the country's economic development. The great increase of production and an apparent expansion over

the past few years of the monetary sector of the economy will probably allow a somewhat higher level of money supply than was feasible a few years ago. The improvement in techniques of budgetary control renders the fiscal system more responsive to the requirements of sound economic policy, and the renewed consciousness in public policy regarding the importance of development with monetary stability allows a somewhat greater and faster rate of monetary expansion as a stimulant to economic growth. Nevertheless, the trend of money supply and prices will bear watching to prevent any inflationary spiral from getting out of control.

It should be borne in mind that government development expenditures alone (including government corporations) are expected to rise to ₱640.9 million in fiscal year 1957. For that same fiscal year the budget deficit is projected at ₱252 million. The increased money income and nominal purchasing power stemming from these outlays and from such as may be made in the private sector will have serious repercussions on either the price level or the balance of payments unless a strong fiscal policy is followed, credit for non-productive activities tightened and increased production for domestic consumption achieved.

None of these short-run policies, however, provides a real solution for the Philippine economic problems of unemployment, low productivity and external imbalance. The disequilibrium in the country's internal and external position has roots deep in its unbalanced economic structure, and a long-run solution can be found only in a well-conceived development plan. What is needed is greater diversification of the economy; development of industries producing substitutes for imported consumers' goods, raw materials and equipment; development of new exports; and at the same time increasing productivity in existing export and domestic industries.

RECOMMENDATIONS

The financing of economic development by non-inflationary methods will be the main problem of the economy in the coming year. In the government sector this will mean minimizing deficits either by reducing operating expenditures or raising revenues. In the private sector this will mean channeling more credit toward productive activities and away from non-productive fields. To a certain extent, this applies to the government sector also. Measures taken along all these lines should result in raising the national savings function.

There are in addition other objectives to be pursued, principal among which are the rationalization of production, promotion and diversification of foreign trade, protection of domestic industries, redistribution of income, and the siphoning off of windfall gains in certain lines of importation.

Development expenditures, budget deficits, private investments, and rising domestic credits will have the effect of raising money incomes and effective demand. If such demand is not to be dissipated in price rises which penalize the lower income groups, or in pressures generated on the international reserve, the incremental demand must be taxed and devoted to investment in development projects. Since much of the incremental demand under present conditions shows up directly or indirectly as a demand for imported commodities, fiscal measures bearing on the import sector must be resorted to with increased vigor.

The problem is not one of mere changes in monetary income and nominal purchasing power but one of transferring real resources from non-productive or less efficient uses to productive or more efficient ones.

With the above in mind, the following recommendations are made:

1. **More Extensive and More Flexible Use of Tariffs.** The country's use of tariffs is at present greatly restricted by the nature of the trade relations with the United States. Even within such limits, however, it is possible to make a more imaginative use of tariffs in order to achieve national objectives. Tariffs can be used to promote many ends. Besides raising revenue and protecting domestic industries, tariffs can be used to restrict consumption, economize in the use of foreign exchange, diversify the pattern of foreign trade, and siphon off the windfall gains of importers of certain goods. The present tariff system should be revised with all these points in mind. For example, although it may be desirable to raise tariff rates, a steep increase in tariffs will have the effect of prolonging the preferential pattern of our trade by widening the margin of difference between American and other goods, incidentally also discouraging importers from seeking lower-cost sources of imports and economizing on foreign exchange resources.

It is necessary to explore a wide range of special tariffs which do not fall within the meaning of ordinary customs duties as defined in the revised trade agreement with the United States. One way to make the tariff system more effective is to make more widespread and more ingenious uses of such special tariffs. In view of all these considerations, the following specific features should be incorporated in our tariff system:

a) Special high tariff rates should be imposed on import goods receiving subsidies, bounties, price supports or preferential treatment in multiple-currency systems in other countries, or which are traded in by government monopolies.

b) Special high tariff rates should also be imposed on goods coming from countries that have preferential tariff systems with no intention of diminishing such preferences. (This, however, should not

apply to customs unions entered into by contiguous countries.) These rates should also apply to goods from countries that in effect discriminate against Philippine goods in their import trade, either by excluding Philippine goods from global quota increases or by currency restrictions.

c) Ordinary tariff rates should not be raised to prohibitive levels except for goods whose local production is adequate to supply local needs, and on luxuries.

d) Other ordinary tariff rates may be raised moderately, but not to the point where, by widening the absolute cost differential between American and other goods, they discourage recourse to lower cost suppliers and thus prevent us from diversifying our import trade and from making the optimum use of foreign exchange resources.

e) It will probably not be advisable to raise the last-mentioned tariff rates steeply at one time. The present tariff system should provide, for those items on which rate increases are deemed desirable, for progressively increasing duties over time, to be synchronized with the diminishing preference accorded United States goods under the terms of the revised trade agreement with the United States. Thus, for example, rate increases could be divided into three stages: part to come into effect in 1959, part in 1962, and the remainder in 1965.

f) Since full tariff effectivity cannot take place immediately, quantitative controls will have to be maintained to complement and reinforce the tariff system for some time.

2. **The Appraiser's Division of the Bureau of Customs should be strengthened.**

With increasing resort to tariffs, and with the need to check carefully on import arrivals to prevent false valuation and black marketing of dollars, this Division occupies an important and crucial position in the Government's control system and should be greatly strengthened.

3. **A Greater Proportion of the Gross National Product should pass through the Public Sector.**

This will mean a substantial increase in government revenue, preferably by intensification of tax collection and by taxation on sectors of the economy that so far are not bearing a fair share of the tax burden. Compared with other countries, including many underdeveloped countries, the ratio of taxes to gross national product in the Philippines is still quite low. Increased revenues, including increased tariff revenues, will not only decrease budget deficits and inflationary pressures but will also mobilize development funds and increase the rate of national saving. Revenue increases should be accompanied by improved fiscal

management and a more careful and rational programming of all public expenditures.

4. **The Securities Market should be Broadened.** Investment outlets for savings are still meager in number and variety. Encouragement should be given to the listing of more industrial stocks in the Manila stock market. The government should consider listing government corporations on the board of the Manila Stock Exchange. As these corporations need funds, they would be able to go either to Congress or to the market for them. Recourse to the market will be an incentive to rationalize operations and put the corporations on a self-sustaining basis, and would pave the way for implementation of the government's announced policy of turning over going concerns to private enterprise.

5. **A More Diversified Commodity Trade Pattern should be Promoted.**

While diversification is taking place under the impact of world demand for additional products such as minerals and forest products, the government can do much to accelerate this diversification. This can be done by promoting research, by making market studies, by encouraging better quality and the utilization of by-products. The setting up of standards and grades, and the effective administration of these is imperative.

6. **Countries which discriminate in their trade by currency areas and have no payments or commercial agreements with the Philippines should be urged to eliminate their remaining restrictions against the Philippines.**

If no action is forthcoming, then all those with which the Philippines has a markedly unfavorable trade balance should be put into a special licensing category. To prevent further trade deficits from being incurred with them, imports of non-essential goods from them should cease altogether.

7. **Price Supports should be Revised.** — Price supports should be revised so that they will be set at levels which will equate domestic production and consumption. In the absence of other criteria, the world market price can be taken as the level of reference. Production beyond domestic needs is justifiable only if conditions in the export market warrant it. In the absence of such conditions, excessively high prices will lead to unmanageable and costly surpluses, and may as in other countries necessitate acreage controls. Concomitant with any revision of price support levels should be the extension of greater credit and marketing facilities to farmers and the enforcement of strict grading in crops receiving price supports in order to encourage the growing of better grades.

8. **Existing Quota Systems should be reexamined.** Quotas of sugar, pearl buttons, coconut oil, and cigars should be transferred from marginal to efficient producers, thus raising the profitability of production and giving a reward to efficiency. Marginal producers holding quotas should be helped in transferring to other occupations by a subsidy which can be borne by the respective industries concerned.

9. **Food Production should be even more vigorously promoted, and Food Packing and Preserving Industries should be Encouraged.**

Greater sufficiency in food needs can be attained by more active efforts to increase food production, but the growing output of foodstuffs will be of limited benefit unless these foodstuffs can be processed into a form in which they can be kept and stored. This should help to ensure year-round availability of otherwise perishable commodities, and will contribute to smoothing out seasonal price fluctuations both for producers and consumers. A high priority should be given in economic planning to this type of industry.

10. **Commodity Exchanges should be Established.** Another way of helping to smooth out seasonal price and supply fluctuations is by establishing commodity exchanges for spot and future transactions. Studies should be made by the national planning agency on how best to encourage the establishment of such exchanges.

11. **The Transportations System should be Improved and Developed.**

While the construction of roads continues to accelerate, public attention should also be called to the development of other forms of transportation, especially water transport. This includes inter-island and overseas shipping, and the development of inland waterways. The integration of major riversystems by means of linking canals, the dredging of silted channels, and the restoration of waterways formerly in active economic use may open up new possibilities of low-cost haulage and of tapping extensive producing regions.

12. **Anti-Monopoly Moves should be Started.** Areas of monopoly control and monopoly profit exist in the economy. Where they affect commodities or operations essential to the public welfare, the government should take steps to institute anti-monopoly proceedings. The reform of quota systems and the siphoning off of import windfall gains by tariffs, as recommended earlier, seek to attack specific monopoly gains in the economy. Vigorous action is also called for against monopoly practices in the handling and distribution of goods. The formation of cooperatives and the expansion of ACCFA's activities will help in this respect, but these will not be fully effective unless the force of law is brought to bear on monopoly practices in the distribution of goods.

CHAPTER I

INTERNATIONAL TRENDS

Economic developments in most industrialized countries indicated a steady expansion of production, increased international trade and improvements in their gold and foreign exchange holdings. Most underdeveloped countries of Asia and Latin America, on the other hand, achieved only moderate rates of growth. In some instances, export earnings were not sufficient to pay for expanded import requirements bringing about a deterioration in the foreign exchange position. An encouraging note in world trade was greater progress toward convertibility and relaxation of import and exchange controls. Bilateralism weakened, although there was a growing tendency for industrialized countries to trade among themselves rather than with underdeveloped nations.

The gross national product of the United States for 1955 was to be a record $387 billion, 7 per cent above the 1954 figure. The increment resulted from all major types of private expenditure, financed by rising incomes and increased use of credit. Consumer spending was larger than the year previous, featured by an upsurge in purchases of durable goods specially automobiles. A large portion of the increase in expenditures represented a gain in real consumption as average consumer prices remained stable. Government expenditures showed no appreciable change.

Private investments indicated a considerable expansion over 1954. Business construction increased appreciably from late 1954, after one and a half years of relative stability, but residential construction slackened off. Similarly, business inventories rose from the 1954 low.

Employment went up, and unemployment was considerably lower than a year earlier. Earnings increased, reflecting the sharp growth in employment, longer hours of work in manufacturing and continued increases in wage rates. While personal income was considerably above the 1954 level, income of farm proprietors declined further.

A striking change in the trade position of the United States was the rapid expansion of exports caused by a record level of business activity in Western Europe. Excluding grants of a military nature, merchandise exports registered a 13 per cent increase, largely made to the United Kingdom and Western Europe.

Developments in most European countries followed similar trends. Industrial production rose but agricultural output stayed at about the

same level as the previous year. Increased production resulted in the reduction of unemployment.

The unfavorable trade balance of the region which started since 1946 continued through 1955. Only Germany had a substantial trade surplus, but it was comparatively lower than that experienced in 1954. Terms of trade remained firm. France, Germany, Belgium, Italy, Norway and Switzerland made gains in their gold and dollar holdings over levels a year ago, but the United Kingdom, Austria, Denmark, Netherlands and Sweden suffered deteriorations.

Germany, Netherlands and the United Kingdom experienced a boom, which pushed up the demand for goods and renewed inflationary strains. As an anti-inflationary measure, dollar trade and payments were liberalized. The rise of imports from the dollar area, consisting mostly of raw materials, was not however accompanied by a proportionate increase in exports. Cheaper importation of primary products helped improve the terms of trade and lower the manufacturing costs for most European industrial countries.

Latin American countries experienced pressures on the money market, increased imports and unfavorable terms of trade. There was a decline of exports in the region as a whole, particularly in Uruguay, Haiti, Brazil and Colombia. Only Nicaragua, Paraguay and Guatemala made appreciable export gains. However, the region enjoyed a favorable balance of trade, although it reflected a decline of about 26 per cent from 1954. The worsening trade deficit was particularly marked in Bolivia, Colombia, Honduras, Peru, Dominican Republic, Haiti, Argentina and Uruguay. These unfavorable trends were counterbalanced by an improvement in the trade surpluses of Cuba, El Salvador, Guatemala and Venezuela. At the same time, the trade deficits of Mexico and Brazil decreased appreciably. Nicaragua recovered from a trade deficit to achieve a favorable balance. The favorable trade balance of the region was reflected in the increase of gold and foreign exchange holdings. The cost of living rose in varying degrees, although it held steady in Panama, Venezuela, Colombia, Costa Rica, Cuba and the Dominican Republic. Several countries moved toward the direction of simpler forms of multiple exchange rate systems, notably Argentina, Brazil, Colombia, and Nicaragua.

The agricultural production of the ECAFE region was marked by a decline in food output and an uptrend in non-food agricultural commodities, resulting in a production index at about the same level as the year previous. Ceylon, Indonesia and Japan increased their production appreciably, while Thailand suffered a considerable setback. Mainland China, India and Japan, where the industrial activity of the region is concentrated, experienced a rate of increase in industrial productivity

of 5 to 8 per cent over that of the previous year. Realizing the disadvantages of excessive dependence on imported products, other countries have laid the groundwork for industrial development to process their own raw materials and become self-sufficient in basic commodities.

As a whole, world demand for primary products was fairly strong. Due to increased production, this manifested itself more in increased export volumes than in price rises. Despite lower prices prevailing, increased shipments resulted in improved trade balances for Burma, Ceylon, Thailand, Taiwan, Indonesia, Malaya, Pakistan, Japan and Vietnam. On the other hand, Cambodia, Hongkong, India, Korea, Laos and the Philippines suffered deteriorations in their trade balances.

Countries like Japan, Indonesia, Ceylon, Thailand, South Korea and Pakistan registered increments in their foreign exchange resources. Burma and the Philippines suffered losses. The improved trade position of Japan was caused by a rise in exports of manufactured goods and in Ceylon and Indonesia, by stronger demand and higher prices of rubber. Pakistan experienced a net inflow of investments and overseas borrowing, and a current account surplus, while Thailand had a larger volume of rice exports and prices for her rubber were higher. On the other hand, Burma had an unfavorable balance of payments position because of debt repayment, low export earnings and heavy imports for developmental purposes.

Monetary conditions in most export-oriented economies remained fairly stable in 1955. Price and cost of living indices fluctuated within fairly narrow ranges. In some countries, notably in South Korea, Taiwan, South Vietnam, Cambodia and Indonesia, inflationary pressures continued due to heavy governmental expenditures. A large inflow of external aid to most countries, except Indonesia, helped ease balance of payments difficulties.

CHAPTER II

EXCHANGE POLICIES AND THE MANAGEMENT OF THE INTERNATIONAL RESERVE

A. OVER-ALL TRENDS

In view of the limited foreign exchange resources available, a policy of selective intensification of restrictions had to be pursued during the year. But to step up the economic development program, a steady flow of capital goods and raw materials was maintained even to the extent of drawing on the international reserve. Likewise, to maintain an adequate standard of living necessary for social stability, essential consumer items were decontrolled. However, reductions in the allocations for non-essential items were effected, to prevent the foreign exchange assets from declining to dangerously low levels.

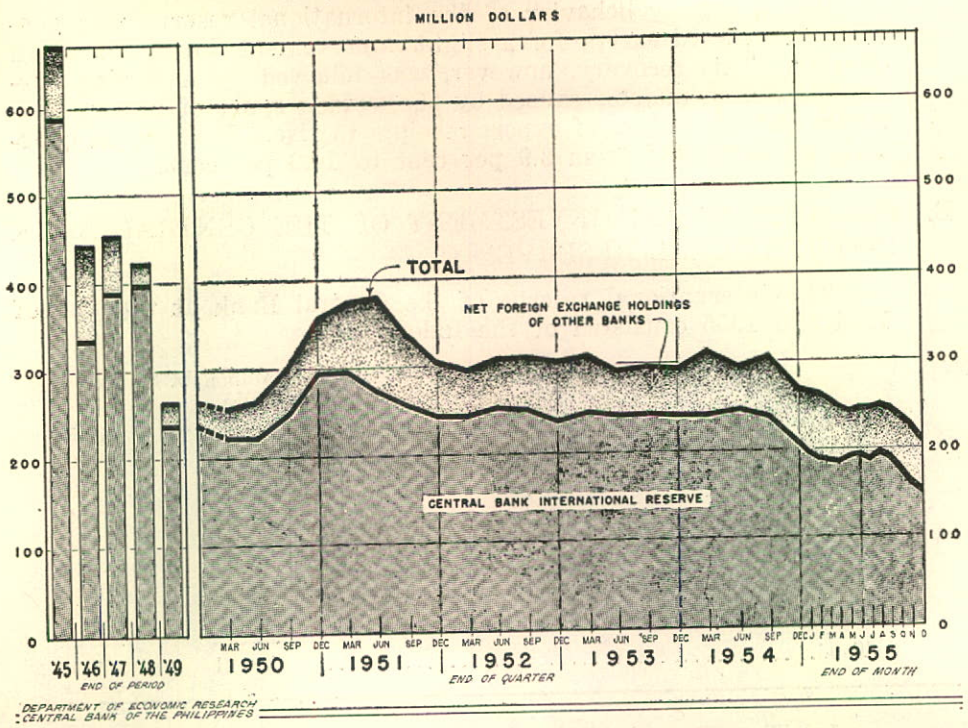
Total foreign exchange allocations for imports during the year amounted to $565.83 million compared to $616.09 million in 1954, or a reduction of $50.26 million. Of the total allocations, 55.2 per cent was for producer items, against 51.7 per cent for the same group of commodities in 1954, indicating a favorable shift to goods for economic development purposes. Despite the cut in the foreign exchange budget, imports caused a heavy drain on the international reserve.

One of the main factors responsible for this deterioration was the large carry-over of letters of credit opened during the latter part of 1954, as indicated by the excess of import payments during the year over letters of credit opened. Other contributory factors were higher freight rates and low prices prevailing for most of the major export crops. Together they brought about a decrease in export receipts, thus magnifying further the country's unbalanced payments position.

***International Reserve of the Philippines,* 1949-1955**

(Million U. S. dollars)

Period	International Reserve of the Central Bank	Net Foreign Exchange Holdings of other Banks	Total
1949—December 8	225.76	24.86	250.62
December 31	230.70	29.39	260.09
1950—December 31	295.61	60.30	355.91
1951—December 31	244.42	59.45	303.87
1952—December 31	236.06	69.82	305.88
1953—December 31	240.38	55.60	295.98
1954—December 31	207.49	65.20	272.69
1955—December 31	154.91	54.30	209.21



It is important to note that while the present level of international reserve is not at poverty levels, continued increased importation as an offset to domestic expansionary policies cannot be maintained without serious consequences to the external position of the country. The international reserve position suffered a deterioration of $63.48 million which is $40.19 million more than that experienced in 1954 and is the largest decrease since the imposition of exchange control. The downward movement which started in September of last year continued to May of the current year. A temporary improvement took place in June to August with the drawing of $10 million from the International Monetary Fund and the curtailment of allocations for non-essential goods. However, a noticeable weakening began in September and continued unabated through December when it touched a record low of $209.21 million.

International Reserve Quarterly Movements, 1954-1955

(Million U. S. dollars)

Item	Dec. 31, 1955	Sept. 30, 1955	June 30, 1955	March 31 1955	Dec. 31, 1954
International Reserve of the Central Bank	145.01	178.51	178.16	181.64	187.79
Open Account with Japan	9.90	12.70	13.70	7.39	19.70
Net Foreign Exchange Holdings of Other Banks	54.30	54.62	52.48	65.14	65.20
Total	209.21	245.83	244.34	254.17	272.69

The quarterly behavior of the international reserve was generally downward except for a slight improvement during the third quarter. This recovery, however, was followed by a decline during the fourth quarter caused by the sudden spurt of import payments and the failure of export receipts to rise. Declines on quarterly levels ranged from 3.9 per cent to 14.9 per cent.

B. COMPOSITION AND INVESTMENT OF THE CENTRAL BANK INTERNATIONAL RESERVE

The international reserve of the Central Bank at the end of 1954 and 1955 consisted of the following:

	(Million U. S. Dollars) 1955	1954
Time Deposits	112.00	167.50
Demand Deposits	15.67	7.05
United States Treasury Bills	—	2.99
Gold	15.54	9.41
Foreign currency	.54	.46
Accrued Interest on Time Deposits	.44	.38
Philippines-Japan Open Account	9.90	19.70
Special Account with U. S. Banks	.82	—
Total	154.91	207.49

1. **Time Deposits**—The decline in the international reserve of the Central Bank was brought about by the consistent heavy net withdrawals of time deposits during the year. They aggregated $55.50 million or 33.1 per cent of the level at the beginning of 1955. Interest earned this year on time deposits amounted to $2.20 million as compared to $3.20 million in 1954. From 1-1/4 per cent per annum, the interest rate rose to 1-3/8 per cent in April, to 1-3/4 per cent by the end of August and finally to 2 per cent in September. Despite increases in interest rates, interest earnings were reduced due to the heavy withdrawals made.

2. **Demand Deposits**—At the end of 1955 demand deposits with United States banks more than doubled, compared to figures at the start of the year. The purchase of $10 million from the International Monetary Fund in June to strengthen the international reserve accounted for the increase.

3. **United States Treasury Bills**—The practice of reinvesting the proceeds of maturing treasury bills in new issues, as in the past, was continued only up to the middle of the year. Investments in United States Treasury bills amounted to $5.97 million in October, but were fully liquidated before maturity to meet import demands for foreign exchange. Increased income amounting to $.03 million from this source, was realized due to higher rates of discounts on purchases.

4. **Gold**—Gold holdings of the Central Bank increased by $6.14 million this year as a result of the implementation of Republic Act No. 1164 granting subsidies to gold mining companies.

5. **Foreign Currency**—At the end of the year, United States dollar notes and coins amounted to $538,392. Incoming travellers and visitors during the year brought in $472,687, while $397,886 were sold to outgoing travellers.

6. **Philippines-Japan Open Account**—During the year under review, trade with Japan under the Philippines-Japan Trade Agreement resulted in a favorable balance of $21.70 million with exports of $64.22 million as against imports of $42.52 million. The favorable trade balance was slightly below that of last year due to heavier imports this year.

Open Account Balance Against Japan, Dec. 31, 1954		$19,697,727.63
Exports to Japan, 1955		64,223,592.49
Total		$83,921,320.12
Imports from Japan, 1955		42,519,594.24
Balance		$41,401,725.88
Deduct: Payments made by the Bank of Japan—		
January	$11,307,894.13	
February	2,290,173.00	
March	1,350,398.43	
May	809,258.97	
July	4,346,913.92	
August	1,885,378.83	
September	1,580,227.12	
October	3,356,086.44	
December	4,576,114.65	$31,502,445.49
Open Account Balance Against Japan, Dec. 31, 1955		$ 9,899,280.39

At the start of the year the balance in favor of the Philippines was $19.70 million. This increased to $41.40 million during the period, but the Bank of Japan made partial payments aggregating $31.50 million leaving a net balance of $9.90 million due from Japan at the end of 1955.

***Trade with Japan*, 1950-1955**

Year	Imports	Exports	Total
1950 (July—December)	$ 2,565,544.19	$12,922,026.40	$15,487,570.59
1951	34,539,628.43	31,395,454.47	65,935,082.90
1952	20,447,363.79	39,021,507.95	59,468,871.74
1953	22,830,446.72	51,525,415.72	74,355,862.44
1954	28,953,727.37	53,483,109.67	82,436,837.04
1955	42,519,594.24	64,223,592.49	106,743,186.73

For the first time since 1950, total trade exceeded the $100 million level mentioned in the Agreement. This was traceable to substantial increases in both exports and imports between the two participating countries. Exports for the year rose by 20.1 per cent and imports by 46.8 per cent.

The trade agreement which after several extensions was scheduled to terminate on January 31, 1955 was further extended to May 31, then to September 30, and finally to January 31, 1956.

C. PURCHASES AND SALES OF FOREIGN EXCHANGE

Sales of foreign exchange by the Central Bank this year aggregated $588.37 million or an increase of $9.05 million or 1.6 per cent over last year's transactions. Sales to local commercial banks amounted to $579.28 million, while the balance of $9.09 million was sold to government agencies and other institutions. As in the previous year, total sales of foreign exchange exceeded total purchases by a wide margin. Purchases during the year amounted to $494.98 million, of which $493.57 million were bought from local commercial banks and $1.41 million from government agencies and other institutions.

D. EXCHANGE RATES

The buying and selling rates for U. S. dollar bills of exchange enforced in 1954 remained unchanged. The exchange rates for transactions of not less than $500 is indicated hereunder.

Exchange Rates [a]

	Minimum buying rate per $100	Maximum selling rate per $100
Central Bank:		
Telegraphic transfers	₱200.75	₱200.81
Sight drafts	200.70	200.80
Other Banks:		
Telegraphic transfers and sight drafts	200.375	201.50
30-day date drafts	200.00	201.00
30-day sight drafts	199.875	200.875
60-day date drafts	199.50	200.50
60-day sight drafts	199.375	200.375

[a] The rates above do not include the 17 per cent excise tax levied on all sales of foreign exchange except those specifically exempted under Republic Act No. 1197 amending Rep. Acts Nos. 1175 and 601.

In cases where the volume of purchases did not exceed the sales made by an authorized agent, the same rate was applied for both transactions. On purchases in excess of sales, the authorized agents were charged the Central Bank's regular selling rates of ₱200.80 per $100 for demand drafts, and ₱200.81 per $100 for telegraphic transfers. However, where an authorized agent sells to the Central Bank a demand draft, and in turn buys a telegraphic transfer, the Central Bank pays at its regular buying rate for demand drafts of ₱200.70 per $100, and charges a selling rate of ₱200.76 per $100 on amounts within the aggregate sales made to the Central Bank by the same agent.

E. FOREIGN EXCHANGE RECEIPTS AND DISBURSEMENTS

With both receipts and disbursements registering comparatively higher levels than last year, foreign exchange transactions resulted

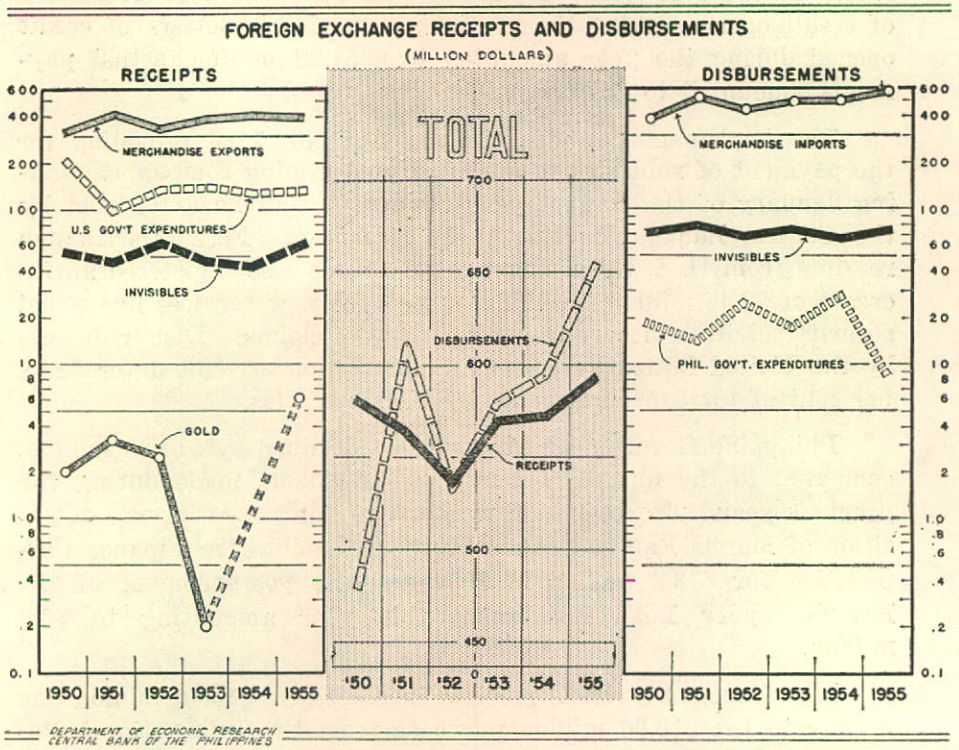
in a net deficit of $60.26 million, against $23.24 million registered in 1954. Since total disbursements increased by $56.62 million and aggregate receipts by only $19.60 million, there was a net increase of $37.02 million in the unfavorable balance.

Foreign Exchange Receipts and Disbursements, 1954-1955

(Million U. S. dollars)

Item	1955	1954
RECEIPTS:		
Merchandise Exports (c.i.f.)[a]	399.23	402.62
Gold	6.14	—
U. S. Government Expenditures	129.38	126.93
Miscellaneous Invisibles	57.45	43.05
Total	592.20	572.60
DISBURSEMENTS:		
Merchandise Imports, (c.i.f.)[a]	570.20	502.49
Philippine Government Expenditures	13.57	27.90
Miscellaneous Invisibles	68.69	65.45
Total	652.46	595.84
NET RECEIPTS (DISBURSEMENTS)	(60.26)	(23.24)

[a] Includes trade with Japan under the Philippines-Japan Trade Agreement.



On the receipts side all items registered improvements, except export receipts which declined by $3.39 million. This was brought about by lower prices prevailing for the country's export crops as indicated by the export price index which fell from 84.5 in the previous year to 77.5 (1948-1949=100), or a decline of 8.3 per cent. Higher freight rates charged by shipping companies aggravated the situation.

Broken down by semesters, receipts during the first half were comparatively lower than those of the corresponding period a year ago. However, receipts during the second half were slightly higher. This can be explained by the fact that some shipments made during the first semester were only collected during the last half of the year.

Import payments which were the highest recorded since 1950 rose sharply by $67.71 million over those of 1954. A substantial portion of the expansion took place during the first half when they rose from $245.96 million in 1954 to $301.17 million during the current year. Because of cuts imposed by the Monetary Board on quota allocations for non-essential items, import payments for the second half went down to $269.03 million, only $12.5 million higher than the comparative figure for the previous year. An important factor in the significant expansion was the carry-over of letters of credit opened during the previous year. While letters of credit opened during the year amounted to $551.22 million, actual payments amounted to $570.20 million.

The implementation of Republic Act No. 1164 providing for the payment of subsidies to qualified gold mining companies starting January of the current year resulted in purchases of gold by the Central Bank amounting to $6.14 million. Foreign exchange receipts from U. S. Government expenditures also registered an increase of $2.45 million involving outlays for new services like social security, civil service retirement, and war claims. Disbursements by the United States Veterans Administration accounted for 52.58 per cent of total disbursements by U. S. agencies.

Philippine Government expenditures declined by $14.33 million, compared to the unusually heavy disbursements made during the previous year. The reduction was due to the non-recurring acquisition of Manila Railroad bonds by the Rehabilitation Finance Corporation for $13.2 million in 1954 and the postponement of the Romulo-Snyder Loan installment this year amounting to $3.5 million.

Miscellaneous invisible receipts increased by $14.40 million due largely to the $10.00 million purchase from the International Mo-

netary Fund. Miscellaneous invisible payments likewise rose by $3.24 million due to increased outlays for travel, education and donations. Outward remittances on investment income however declined by $3.81 million possibly because applications for remittance were deferred to avoid payment of the 17 per cent exchange tax and also due to the wider spread of the amortization period of allowable remittance because of the lower level of the international reserve.

F. EXCHANGE POLICIES

1. **On Imports**—Notwithstanding unfavorable export prospects, the Monetary Board made available $310.62 million during the first half of 1955, or only $20 million below the allocation made for the second half of 1954. The reduction was mainly in the form of reduced allocations for contingency funds and for textiles for which a big amount of letters of credit was opened during the previous semester. To meet the requirements of the economy for essential consumer goods, certain items were placed under the decontrolled category. Among these commodities were milk and wheat flour. Starting July, however, importations from the United States of canned milk were effected under a provision of the Memorandum of Understanding arrived at by the Central Bank, PHILCUSA and the United States of America Operations Mission to the Philippines (USOM). Squid, salmon, and sardines were decontrolled in March. The control on the importation of books, textbooks, scientific magazines, periodicals, music books and supplementary readers and library books was also lifted in March and henceforth these items were to be handled through the Informational Media Guaranty Program.

Allocations for 1954 *and* 1955

(Million U. S. dollars)

	1954			1955		
	1st Half	2nd Half	Total	1st Half	2nd Half	Total
TOTAL.....	285.57	330.52	616.09	310.62	255.21	565.83
Highly Essential Items....	11.40	17.00	28.40	.89[a]	.85	1.74
Essential Producer.....	132.61	111.56	244.17	135.55	117.49	253.04
Non-Essential Producer....	30.50	43.97	74.47	36.77[b]	22.54	59.31
Essential Consumer.....	34.39	52.55	86.94	12.65[c]	19.30	31.95
Non-Essential Consumer...	29.04	38.39	67.43	29.51[b]	18.89	48.40
Unclassified Items	.09	3.05	3.14	4.93	1.47	6.40
Non-Restricted Quota.....	47.54	64.00	111.54	60.76	42.78	103.54
Decontroiled Items.....	—	—	—	29.56	31.89	61.45

[a] Milk was classified as HE during the 2nd semester, 1954, but decontrolled during the 1st semester, 1955.

[b] The decrease in the quota allocation for this item was due to ex-quota allocation granted to producers as non-recurring which does not form part of the regular quota allocation for the succeeding semester. Most of the items were ex-quota allocation for textile items granted by the Banker's Committee.

[c] Flour, salmon, sardines and squid, were classified as EC during the 2nd semester, 1954, but decontrolled during the 1st semester, 1955.

Because of the continuous decline of the international reserve from ₱272.69 million at the beginning of the year, to $244.34 million at the end of June, the Monetary Board was constrained to effect some cuts in the budget in order to prevent the international reserve from dropping to a level that might affect the stability of the currency. Towards this end, a total allocation of $255.21 million was made available during the second half, which was $55.41 million below the allocation made during the previous semester. However, reductions were made only on non-essential items while adequate allocations were made to meet the requirement of producers. The details of the reduction were as follows:

I. **General Reduction of 50%**

a. Non-Essential Consumer items, exclusive of Division 65 and NEC quotas of Filipinos whose aggregate quota is $15,000.00 and below per semester;

b. Division 65—Textile yarns, fabrics and made-up articles, exclusive of quotas of Filipinos whose total allocation is $15,000.00 and below per semester; and

c. Non-Restricted Quotas—

(1) Highly Essential or essential commodity
(2) Miscellaneous and various
(3) NEP or NEC

except those of Filipinos whose total allocation is $15,000.00 and below per semester.

II. **Special Reductions**

a. Auto (completely knocked-down) parts 20%
b. Steelrods and bars 50%
c. Refrigerators (Household and Industrial) finished .. 30%
d. Refrigerator parts (Imported by importers and not by producers) 30%
e. Concentrates for bottling companies 50%

III. Quotas of Filipinos falling below $15,000, after the cut, were proportionately readjusted to $15,000.

IV. Essential and Non-Essential Producer Items, except textiles, were not subjected to reduction.

To effect further savings and to encourage new industries, additional items were included under the unclassified category, for which no dollar allocations were made available. Among the items placed under this classification were storage batteries for automobiles and trucks, ready mixed paint, cotton knitted fabrics and synthethic knitted fabrics; and knitted jackets, sweaters, outerwear and all made-up garments of cotton or rayon.

2. **On Invisible and Non-Trade Items**—The basic policies of exchange control concerning invisibles and non-trade items were maintained during the year under review. There were, however, new rules and regulations adopted by the Monetary Board to insure an improvement in the implementation of these policies in the light of prevailing conditions.

a) **Maintenance and Living Expenses**

An amendment to the rules and regulations governing supplementary remittance for living expenses of Philippine diplomatic and consular officers and their staff was introduced this year. The amendment particularly refers to the staff members whose salaries and allowances are inadequate to take care of the educational and other foreign exchange requirements of their families abroad. For an officer or employee abroad having two dependents, remittances for the aforestated purpose were limited to an amount not exceeding 30 per cent of his total annual remuneration, or $1,200 per annum, whichever is higher. For each additional dependent, the remittance of $600 per annum may be allowed.

b) **Educational Expenses and Student Maintenance**

This year, there was a relaxation of the policies on the remittance of educational expenses and student maintenance. As provided for by Resolutions Nos. 143 and 314, passed by the Monetary Board in January and February, respectively, Philippine residents attending educational institutions abroad may be allowed monthly maintenance under the following conditions:

1. Not exceeding $3,600 per annum—studying in the United States and Canada
2. Not exceeding $3,000 per annum—studying in Europe, South and Central America
3. Not exceeding $1,800 per annum—studying elsewhere.

These allowable remittances are exclusive of tuition and other school expenses payable to the institution unless covered by a scholarship and/or grant which should be deducted from the allowable remittance.

With respect to resident interns, the evaluation of a monthly board and room privileges was reduced from $150 to $100, thereby increasing the supplemental allowance received from the Philippines.

c) **Peso Accounts of Non-Residents**

On January 31, 1955, the Monetary Board extended the period allowed for re-investment of the proceeds of sales of Philippine

securities belonging to non-residents to within 15 days from the date of sale. Effective July 28, however, authorized security dealers were instructed not to issue licenses authorizing switch transactions for accounts of non-residents involving securities of Philippine companies organized on or after December 9, 1949.

The Monetary Board also ruled against the use of blocked peso accounts of non-residents for the purchase of Rehabilitation and Development Bonds and other government securities maturing in five years or less. However, blocked funds of non-residents, i.e., funds actually deposited in banks as of the closing of business on October 4, 1955, could be invested in Philippine securities but only the securities purchased with 50 per cent of the funds involved could be exported. Cash dividends due on securities held by non-residents are allowed to be remitted provided the allocation for dividend remittances of the company concerned under the approved dividends remittance base is not exceeded.

Subject to the approval of the Exchange Control Department, remittances to non-residents were allowed on earnings from their local investments, bank balances and proceeds of sale of assets, for living expenses not to exceed an aggregate amount of $1,000 monthly.

d) **Royalties**

Remittances on royalty agreements are considered by the Monetary Board based on the following criteria:

1. Dollar earning or dollar saving potentialities of the product;
2. Technical processes introduced;
3. Essentiality of the product and whether it is being produced locally or not;
4. Use of local raw materials; and
5. Capital structure.

e) **Donations and Contributions**

On July 7, 1955 the Monetary Board disallowed the remittance of institutional donations or contributions.

f) **Travel**

On July 14, 1955 the Monetary Board decided that as a matter of general policy, no more peso tickets shall be allowed to foreign entertainers, athletes and other performers coming to the Philippines to fulfill engagements, unless duly authorized.

CHAPTER III

BALANCE OF PAYMENTS

A. OVER-ALL POSITION

With most developed countries reaching new peaks in output and relaxing trade and exchange restrictions, the highest level of international transactions in any postwar year was reached in 1955. The payments position of many countries was further strengthened by increased inflow of funds from the United States. However, some underdeveloped areas, particularly those dependent on exports of raw materials lagged behind without participating significantly in this prosperity.

For the Philippines, high import demand arising out of the quickened pace of economic development exerted undue strain on its balance of payments position with the rest of the world. During the year the net deficit in current transactions increased from $55.3 million in 1954 to $133.7 million. To a large extent, this deficit was financed by the country's foreign exchange resources and increased equity of foreign investors arising from unremitted and reinvested earnings.

***Balance of Payments of the Philippines*, 1952-1955**

(Million U. S. dollars)

	Item	1952	1953	1954 r	1955 p
A.	Current Transactions [a]				
	Imports (c.i.f.)	-480.1	-528.8 [b]	-537.5	-607.3
	Exports (c.i.f.)	337.8	386.1 [b]	392.3	384.4
	Trade Balance	-142.3	-142.7	-145.2	-222.9
	U. S. Government expenditures	153.3	158.0	144.7	150.5
	Invisible (net)	- 30.9	- 45.5	- 54.8	- 61.3
	Total	- 19.9	- 30.2	- 55.3	-133.7
B.	Capital Movements [c]				
	Short-Term				
	(a) Private	2.1	3.6	- 1.4	- .2
	(b) Official	.8	- 3.0	24.1	33.1
	Total	2.9	.6	22.7	32.9
	Long-Term				
	(a) Private	32.6	43.4	44.1	59.1
	(b) Official	- 7.9	10.4	- 22.8	41.2
	Total	24.7	53.8	21.3	100.3
C.	Monetary Gold Movement	- 2.5	- .2	—	- 6.1
		25.1	54.2	44.0	127.1
D.	Errors and Omissions	- 5.2	- 24.0	11.3	6.6

NOTE: Minus sign indicates a debit; no sign indicates a credit.

[a] A debit entry indicates a payment; a credit indicates a receipt.

[b] From the Foreign Exchange Record.

[c] A debit entry indicates an increase in net assets (e.g., foreign investments abroad, withdrawals of foreign investments), a credit entry indicates a decrease in assets (e.g., foreign investments coming in, obligations increased)

B. MERCHANDISE TRANSACTIONS

Continued expansion in the import sector increased foreign trade disequilibrium, resulting in an unfavorable balance of $222.9 million as compared to $145.2 million a year ago. Imports totalled $607.3 million (c.i.f.). Of this total, $55.1 million were for freight and $1.4 million for insurance. ICA-financed importations amounted to $16.4 million, which was slightly higher than last year's $15.1 million aid. The main causes in the rise of imports were the decontrol of certain essential consumer items and the rising tempo of developmental efforts. On the other hand, exports recorded at $384.4 million fell somewhat under the impact of deteriorating world prices for coconut products even as the value of other exports increased.

C. UNITED STATES GOVERNMENT EXPENDITURES

United States Government expenditures aggregated $150.5 million, or 5.5 per cent over the 1954 level. The gain of $5.4 million was brought about by a 19.1 per cent increase in ICA grants, a slight boost in military expenditures and a $2.5 million increase in the spending of other United States agencies such as the Social Security and Civil Service Retirement Administrations and the War Claims Commission. On the other hand, a mild decline in the expenditures of the Veterans Administration was accompanied by a petering out of Veterans Hospital appropriations.

The rise in grant aid did not parallel the general reduction in such payments to Asia, while United States military expenditures in the Philippines coincided with military expenditures abroad which were estimated to be significantly larger than those in any prior year, including World War II. Moreover, increased expenditures in the form of expanding present military installations are in prospect during the year. In view of the larger deficit in the trade balance, credits arising out of United States Government expenditures covered only 67.5 per cent of this figure. In 1954, they almost equalized the trade imbalance on current account.

***United States Government Expenditures*, 1952-1955**

(Million U. S. dollars)

Item	1952	1953	1954 r	1955 p
TOTAL	153.3	158.0	144.7	150.5
Military expenditures	30.0	50.5	49.7	51.8
Veterans Administration	86.1	83.7	68.2	68.0
MSA/FOA/ICA	21.5	18.5	17.8	21.2
Veterans Hospital Project Fund	—	.3	4.9	2.9
Other U. S. Government agencies	15.7	5.0	4.1	6.6

D. INVISIBLES

The net payments for invisibles worsened by $6.5 million from $54.8 million in 1954 to $61.3 million for the current year. This unfavorable movement was largely the result of higher foreign investment income, while slight increases were noted in travel expenditures and other Philippine Government expenditures abroad. Opposed to this, however, the invisible account benefited somewhat from increased net private foreign donations and slightly lower insurance payments. Of the net debit in the investment income account, $1.5 million represented interest payments on official loans extended by the Export-Import Bank and the U.S. Reconstruction Finance Corporation.

***Invisible Movement*, 1953-1955**

(Million U. S. dollars)

Item	1953	1954 r	1955 p
TOTAL	-45.5	-54.8	-61.3
Non-monetary gold movement	16.8	14.6	14.7
Foreign travel	-10.2	-12.4	-14.3
Insurance	- 3.4	- 5.4	- 4.9
Investment income	-54.8	-56.6	-66.6
Government, not included elsewhere	- 4.1	- 2.7	- 3.6
Donations	3.1	3.6	7.8
Miscellaneous	7.1	4.1	5.6

E. CAPITAL MOVEMENTS

During the year, short-term capital movements registered a net outflow of $64.1 million. In the private sector, little activity was noted in short-term capital transactions. Hence, the net decrease in the short-term assets was almost entirely brought about as a result of running down the international reserve. Moreover, a net inflow of $69.0 million was recorded in long-term capital movements. Of this amount, $59.1 million pertained to the private sector, predominantly reinvested and unremitted profits of foreign investments amounting to $50.2 million and imports without dollar remittances of $7.4 million. On the other hand, the movements in the official sector registered increased liabilities in the utilization of the Export-Import Bank line of credit of $6.0 million and the purchase of $10 million from the International Monetary Fund. Offsetting debits in the amount of $6.1 million were entered for the annual amortizations of the Rehabilitation Finance Corporation and the War Assets Administration notes. Of the liabilities in the Official Loans account, $41.3 million represented loans extended by private United States banks to local banks for the production and exportation of

Philippine products. A compensating asset entry in the same amount indicates the dollar proceeds from these loans credited to Special Deposit Accounts for the Central Bank.

F. REGIONAL DISTRIBUTION

As usual, merchandise trade accounted for the major part of foreign transactions although those with the United States also included significant items such as services, donations, remittances, government expenditures and other invisible items, while EPU countries obtained more than half of the freight paid abroad. With the exception of Latin America and the Middle East, the balance of current transactions with the other areas worsened during the year.

Increased imports of capital equipment and foodstuffs, and a decline in the exports of coconut products intensified the deficit in current transactions with the United States from $27.9 million in 1954 to $68.2 million for the year under review. Trade with neighboring countries expanded, but the import increase, particularly from Japan, exceeded the rise in Philippine exports, thereby converting the favorable balance in 1954 into a $1.4 million net deficit in 1955. A similar movement took place in transactions with EPU countries. While imports from this area increased, Philippine exports, particularly copra, declined. These two factors, together with higher freight payments, produced a deterioration of $22.3 million in the balance of current transactions with this area. On the other hand, larger Philippine exports dispatched to the Middle East and Latin America compared favorably with reduced imports from these areas to improve the balance in favor of the Philippines. Transactions with the other regions assumed more or less the pattern of the previous year.

Current Transactions—By Region, 1952-1955

(Million U. S. dollars)

Region	1952	1953	1954 r	1955 p
TOTAL	-19.9	-30.2	-55.3	-133.7
United States	17.7	- 8.9	-27.9	-68.2
Canada	-11.3	-11.0	-11.7	-16.8
Latin-America	2.3	7.9	7.0	10.9
Sterling Area	-27.1	-31.6	-39.3	-42.7
Other EPU Area	-12.0	-10.1	3.7	-18.6
Middle East	- 9.3	-15.4	-18.1	- 8.8
Far East	12.2	29.1	21.1	- 1.4
Other regions[a]	7.6	9.8	9.9	11.9
[a] This is a net figure which includes non-monetary gold to the following amounts:	16.4	16.8	14.6	14.7

TABLE I.—*Balance of Payments Summary*

A. CURRENT TRANSACTIONS

(Million U. S. dollars)

Reporting Country: Philippines — Period Covered: 1955 (Preliminary)

Currency: Peso — Unit: Peso — Exchange Rate: $.50 per ₱1.00

Item	Credit (Receipts)	Debit (Payments)	Net Credit or Debit (—)
1. Merchandise (1.1 plus 1.2)	384.44	550.81	(166.37)
1.1 Exports and imports (both f.o.b.)	384.44	550.81	(166.37)
1.2 Other			
2. Non-monetary gold movement (net)	14.67		14.67
3. Foreign travel	1.33	15.60	(14.27)
4. Transportation (4.1 plus 4.2)		60.19	(60.19)
4.1 Gross freight		55.13	(55.13)
4.2 Other		5.06	(5.06)
5. Insurance	1.25	7.56	(6.31)
6. Investment income (6.1 through 6.3)	2.61	69.24	(66.63)
6.1 Direct investment	2.61	67.71	(65.10)
6.2 Other interest		1.53	(1.53)
6.3 Other equity			
7. Government, not included elsewhere (7.1 plus 7.2)	127.74	4.93	122.81
7.1 Military expenditures and surplus property	119.83		119.83
7.2 Other	7.91	4.93	2.98
8. Miscellaneous	30.70	20.05	10.65
Total goods and services (1 through 8)			
9. Donations (9.1 through 9.4)	34.64	2.76	31.88
9.1 Personal and institutional remittances	7.20	.37	6.83
9.2 Other private transfers	3.37	2.39	.98
9.3 Reparations			
9.4 Official grants	24.07		24.07
10. Total current transactions (1 through 9)	597.38	731.14	(133.76)
ERRORS AND OMISSIONS (16 minus 10)			6.70

TABLE I.—*Balance of Payments Summary*

B. MOVEMENT OF CAPITAL AND MONETARY GOLD

Reporting Country: Philippines — Period covered: 1955 (Preliminary)
Currency: Peso — Unit: Peso — Exchange Rate: U.S. $.50 per ₱1.00

Item	Net Movement Increasing (+) or Decreasing (—)		
	Assets	Liabilities	Net Assets
PRIVATE (Excluding banking institutions)			
11. Long-term capital (11.1 through 11.6)	— .35	+58.81	-59.16
11.1 Direct investment	— .35	+49.07	-49.42
11.2 Portfolio securities: bonds			
11.3 Portfolio securities: shares			
11.4 Amortization			
11.5 Other contractual repayments			
11.6 Other		+ 9.74	- 9.74
12. Short-term capital (12.1 plus 12.2)	- 1.70	- 1.94	+ .24
12.1 Currency, deposits, government obligations			
12.2 Other	- 1.70	- 1.94	+ .24
OFFICIAL AND BANKING INSTITUTIONS			
13. Long-term capital (13.1 through 13.6)		+41.18	-41.18
13.1 Official loans		+47.26	-47.26
13.2 Bank loans			
13.3 Portfolio securities			
13.4 Amortization		- 6.08	+ 6.08
13.5 Other contractual repayments			
13.6 Other			
14. Short-term capital (14.1 through 14.4)	-18.17	+14.93	-33.10
14.1 Payments and clearing agreements	- 9.80		- 9.80
14.2 Liabilities to IMF and IBRD		+10.00	-10.00
14.3 Other liabilities to official and banking institutions	+41.26	+ 4.93	+ 36.33
14.4 Other	-49.63		-49.63
15. Monetary Gold	+ 6.14		+ 6.14
16. Total movement of capital and monetary gold (11 through 15)	-14.08	+112.98	-127.06

NOTES TO TABLE I

The data represent preliminary estimates of the balance of payments of the Philippines for the year 1955. The primary sources of the basic data used are the exchange record and customs manifests supplemented with pertinent data from other sources.

Current Transactions

1. Merchandise

Both exports (credit) and imports (debit) are f.o.b. and are based on customs manifests.

2. Non-monetary Gold Movement

The entry represents gold production of 419.2 thousand fine ounces during the year valued at the official rate of $35 per fine ounce.

3. Foreign Travel

The credit figure represents purchases of dollars from incoming tourists, while the debit entry refers to the sales of foreign exchange to residents for foreign travel, education, subsistence and other expenses abroad.

4. Transportation

4.1 The entry refers to freight on imports paid to carriers of foreign registry per customs manifests.

4.2 The figure represents payment of passenger fares, charter hire and other freight charges.

5. Insurance

The credit entry covers insurance premiums received through the banking system, while the debit entry refers to insurance on imports paid abroad per customs manifest plus insurance premium payments per exchange record.

6. Investment Income

6.1 The credit entry includes earnings, profits and dividends received from abroad and interest earned on time deposits of the Central Bank. The debit entry refers to remittances of earnings, profits and dividends per exchange record, plus estimated investment income accruing to foreigners which has been reinvested in the Philippines.

6.2 This entry covers interest payments on outstanding government obligations.

7. Government not included elsewhere

The credit entry represents disbursements made in the Philippines by the United States Government and other foreign governments, while the debit entry refers to Philippine Government expenditures abroad other than amortization of government obligations and interest payments.

8. Miscellaneous

Both credit and debit entries are primarily based on the exchange record and cover remittances for services and miscellaneous items.

9. Donations

Private

The entries cover personal and institutional remittances including private transfers all taken from the exchange records.

Official

The entry refers to ICA grants for goods and services, withdrawals from the Veteran's Hospital Project Fund, and the special accounts for milk and for JUSMAG.

MOVEMENT OF CAPITAL AND MONETARY GOLD

Private

11. Long term Capital

Assets

11.1 The entry represents net repatriation of Philippine investments abroad per exchange records.

Liabilities

11.1 This figure refers to the net increase in foreign investment in the Philippines and is inclusive of estimated reinvested earnings.

11.6 This entry includes imports without dollar remittances and other investment remittances.

12. Short term Capital

The entries represent receipts and payments in settlement of obligations arising from merchandise transactions per foreign exchange records.

Official and Banking

13. Long term Capital

13.1 This entry covers the net balance of the obligations of banking institutions to United States banks plus the portion of the Import-Export Bank loan to the National Power Corporation utilized during the year.

13.4 The entry represents installment payments of principal on the United States-R.F.C. and War Assets Administration loans.

14. Short term Capital

Assets

14.1 The entry represents the decrease in the Open Account Balance due from Japan under the Philippines-Japan Bilateral Open Account Trade Agreement.

14.3 This refers to the net balance of the proceeds of loans from several United States private banks credited to the Central Bank's "Special Account".

14.4 The decrease in assets refers to the net decrease in the foreign exchange holdings of the Central Bank and other banks and is inclusive of the changes in the balances of the Money Order and Fiscal Agency Funds.

Liabilities

14.2 The entry is based on the purchase of dollars from the IMF with pesos. The pesos are now deposited with the Central Bank.

14.3 The increase in liabilities indicates the increase in the foreign exchange liabilities of the banking system.

15. Monetary Gold

The entry refers to purchases of gold by the Central Bank out of current production.

International Transactions,[a] 1955

(In million U. S. dollars)

A. Goods and Services	
Exports, f.o.b.	384.44
Imports, f.o.b.	-550.81
Trade balance.	-166.37
Non-monetary gold movement	14.67
Foreign travel	- 14.27
Transportation and insurance	- 66.50
Investment income	- 66.63
Government, not included elsewhere	122.81
Other sources	10.65
Total	-165.64
B. Private Donations and Capital Movements	
Remittances	7.81
Direct investments	59.16
Bank liabilities to foreigners	4.93
Other short term capital	- .24
Loan from Eximbank to N.P.C.	6.00
Purchase of dollars from IMF	10.00
Total	87.66
C. Special Official Financing	
U. S. grants and credits	24.07
Payment of U. S.—R.F.C. loan	- 6.00
Payment of U. S.—War Assets Administration loan	- .08
Total	17.99
D. Net Errors and Omissions	6.70
E. Surplus or Deficit	- 53.29
F. Compensatory Official Financing Short-term Capital	
Monetary gold	- 6.14
Short-term capital	59.43
Total	53.29

[a] No sign indicates credit; minus sign indicates debit.

TABLE A. UNIFORM AREA CLASSIFICATION OF BALANCE OF PAYMENTS

(Revised April 1953)

A. CURRENT TRANSACTIONS AND ADJUSTMENT ITEMS

Reporting Country PHILIPPINES

Currency PESO Unit PESO

(IN MILLION U.S. DOLLARS)

Period Covered 1955 PRELIMINARY

Exchange Rate: U.S. $0.50 per ₱1.00

Item	Western Hemisphere 1/						Sterling Area						Other EPU Area						Soviet Bloc		Other Europe		Other Middle East 2/		Other Far East 3/		Unallocated		Total		
	United States		Canada		Latin American Republics		In Europe		U.K. Overseas Territories		Other		In Europe		Associated Monetary Areas: Of reporting country		Associated Monetary Areas: Of other countries														
	Credit (1)	Debit (2)	Credit (3)	Debit (4)	Credit (5)	Debit (6)	Credit (7)	Debit (8)	Credit (9)	Debit (10)	Credit (11)	Debit (12)	Credit (13)	Debit (14)	Credit (15)	Debit (16)	Credit (17)	Debit (18)	Credit (19)	Debit (20)	Credit (21)	Debit (22)	Credit (23)	Debit (24)	Credit (25)	Debit (26)	Credit (27)	Debit (28)	Credit (29)	Debit (30)	Net Credit (31)
CURRENT TRANSACTIONS																														
1. Merchandise (1.1 through 1.4)	227.63	359.53	1.35	17.98	14.55	2.96	5.46	12.79	.72	13.38	2.69	14.28	63.27	36.18			.21	19.04	-	-	2.09	.67	2.22	11.04	63.95	62.95	.30	.01	384.44	550.81	(166.37)
1.1 "General" trade	227.63	359.53	1.35	17.98	14.55	2.96	5.46	12.79	.72	13.38	2.69	14.28	63.27	36.18			.21	19.04	-	-	2.09	.67	2.22	11.04	63.95	62.95	.30	.01	384.44	550.81	(166.37)
1.2 Merchandise transactions abroad																														
1.3 Coverage, valuation, stocks adjustments																														
1.4 Adjustments to purchase - sales basis																														
2. Nonmonetary gold movement (net)																													14.67		14.67
3. Foreign travel	.41	10.10	-	.02	-	.05	.12	.23	.01	.78	-	.48	.05	.50			.02	.05			-	.81		.04	.01	.69	.71	1.65	1.33	15.60	(14.27)
4. Transportation (4.1 plus 4.2)		21.46				1.44		7.19		.01				27.33												2.04		.72	-	60.19	(60.19)
4.1 Gross freight		16.57				1.44		7.18						27.21												2.01		.72	-	55.13	(55.13)
4.2 Other		4.89						.01		.01				.12												.03			-	5.06	(5.06)
5. Investment income (5.1 plus 5.2)	2.52	65.57		.03		.03	.01	.07	.04	.28		.76	.01	.40				.01				.93				.08	.03	1.08	2.61	69.24	(66.63)
5.1 Direct investment	2.52	64.04		.03		.03	.01	.07	.04	.28		.76	.01	.40				.01				.93				.08	.03	1.08	2.61	67.71	(65.10)
5.2 Other		1.53																												1.53	(1.53)
6. Government, not included elsewhere	126.27	4.41	.01			.01	.06	.01	.01	.04	.11	.04	.21	.01			.48	.07					.20	.02	.39	.28		.04	127.74	4.93	122.81
7. Miscellaneous (including Insurance)	25.89	21.53	.22	.36	.87	.03	1.20	1.98	.30	1.21	.23	.06	1.19	.45			.05	.04			.01	.07		.08	.49	.17	1.50	1.63	31.95	27.61	4.34
8. Donations (8.1 through 8.3)	33.95	2.33	.07	.01	.01		.06	.13	.05	.02	.01	.01	.04	.04			.01					.04			.01	.01	.43	.17	34.84	2.76	31.88
8.1 Private transfers	9.88	2.33	.07	.01	.01		.06	.13	.05	.02	.01	.01	.04	.04			.01					.04			.01	.01	.43	.17	10.57	2.76	7.81
8.2 Reparations																															
8.3 Official grants	24.07																												24.07		24.07
9. Total (1 through 8)	416.67	484.93	1.65	18.40	15.43	4.52	6.91	22.40	1.13	15.72	3.04	15.63	64.77	64.91			.77	19.21			2.10	2.52	2.42	11.18	64.85	66.22	2.97	5.50	597.38	731.14	(133.76)
10. Net credit (item 9: credit minus debit)	(68.26)		(16.75)		10.91		(15.49)		(14.59)		(12.59)		(.14)				(18.44)				(.42)		(8.76)		(1.37)		(2.53)				(133.76)
ADJUSTMENT ITEMS																															
11. International gold transactions																													8.53		8.53
12. Multilateral settlements (12.1 plus 12.2)		80.17	16.75			10.91	15.49		14.59		12.59		.14				18.44				.42		8.76		1.37		2.53		91.08	91.08	
12.1 In claims (12.1.1 through 12.1.3)		80.17	16.75			10.91	15.49		14.59		12.59		.14				18.44				.42		8.76		1.37		2.53		91.08	91.08	
12.1.1 On U.S. (mostly dollars)																															
12.1.2 On U.K. (mostly sterling)																															
12.1.3 On other foreign countries																															
12.2 In liabilities to foreigners																															
13. Total (11 plus 12)		80.17	16.75			10.91	15.49		14.59		12.59		.14				18.44				.42		8.76		1.37		2.53		99.61	91.08	8.53
14. Net credit (item 13: credit minus debit)	(80.17)		16.75		10.91		15.49		14.59		12.59		.14				18.44				.42		8.76		1.37		2.53				
ERRORS AND OMISSIONS, (21 minus 14 minus 10)	25.45		(.01)		.02		(.38)		(.06)				(.32)				.01				.20		.03		(9.71)		(8.53)				6.70

1/ Excluding monetary areas of European countries.

2/ Excluding sterling area.

3/ Excluding Mainland of China and monetary areas of European countries.

TABLE A, cont'd. UNIFORM AREA CLASSIFICATION OF BALANCE OF PAYMENTS

(Revised April 1953)

B. MOVEMENT OF CAPITAL AND MONETARY GOLD

Reporting Country PHILIPPINES
Currency PESO Unit PESO

(IN MILLION U.S. DOLLARS)

Period Covered 1955 PRELIMINARY
Exchange Rate: U.S. $0.50 per P1.00

Item	Western Hemisphere 1/						Sterling Area						Other EPU Area						Soviet Bloc		Other Europe		Other Middle East 2/		Other Far East 3/		Unallocated		Total		
	United States		Canada		Latin American Republics		In Europe		U.K. Overseas Territories		Other		In Europe		Associated Monetary Areas: Of reporting country		Associated Monetary Areas: Of other countries														
	Assets (1)	Liabs. (2)	Assets (3)	Liabs. (4)	Assets (5)	Liabs. (6)	Assets (7)	Liabs. (8)	Assets (9)	Liabs. (10)	Assets (11)	Liabs. (12)	Assets (13)	Liabs. (14)	Assets (15)	Liabs. (16)	Assets (17)	Liabs. (18)	Assets (19)	Liabs. (20)	Assets (21)	Liabs. (22)	Assets (23)	Liabs. (24)	Assets (25)	Liabs. (26)	Assets (27)	Liabs. (28)	Assets (29)	Liabs. (30)	Net Assets (31)
NET MOVEMENT INCREASING OR DECREASING (-) OF ASSETS AND LIABILITIES ABROAD																															
MOVEMENT OF CAPITAL AND MONETARY GOLD																															
PRIVATE (excluding banks)																															
15. Long-term capital (15.1 through 15.3)	-.29	+58.63		+.01		-.02		+.31		-.05		-.01		+.33				-.01				-.19				-.13	-.06	-.06	-.35	+58.81	-59.16
15.1 Direct investment	-.29	+49.53		-.01		-.01		-.03		-.05		-.01		-.06								-.10				-.13	-.06	-.06	-.35	+49.07	-49.42
15.2 Contractual repayments																														+9.74	-9.74
15.3 Other		+9.10		+.02		-.01		+.34						+.39				-.01				-.09									
16. Short-term capital (16.1 plus 16.2)	-1.38	-1.80					-.07		-.14	-.03	-.01		-.04	-.05								-.01		-.03	-.06	-.02			-1.70	-1.94	+.24
16.1 Currency, deposits, Government obligations	-1.38	-1.80					-.07		-.14	-.03	-.01		-.04	-.05								-.01		-.03	-.06	-.02			-1.70	-1.94	+.24
16.2 Other																															
OFFICIAL AND BANKING INSTITUTIONS																														+41.18	-41.18
17. Long-term capital (17.1 through 17.4)		+41.18																												+47.26	-47.26
17.1 Official loans		+47.26																													
17.2 Bank loans																														-6.08	+6.08
17.3 Contractual repayments																															
17.4 Other		-6.08																							-9.80				-18.17	+14.93	-33.10
8. Short-term capital (item 26)	-8.37	+14.93																												+6.14	
19. Monetary gold movement																															+6.14
20. Total movement (15 through 19)	-10.04	+112.94		+.01		-.02	-.07	+.31	-.14	-.08	-.01	-.01	-.04	+.28				-.01				-.20		-.03	-9.86	-.15	-.06	-.06	-14.08	+112.98	-127.06
21. Net assets (item 20: assets minus liabilities)	-122.98		-.01		+.02		-.38		-.06				-.32				+.01			+.20		+.03	-9.71								-127.06
OUTSTANDING AMOUNTS OF ASSETS AND LIABILITIES ABROAD																															
COMPUTATION OF ITEM 18																															
SHORT-TERM OFFICIAL ACCOUNTS																									+9.90				+265.68	+24.41	+241.27
22. End of period (22.1 through 22.3)	+255.78	+24.41																													
22.1 Payments agreements balances																									+9.90				+265.68	+24.41	+241.27
22.2 Liabilities to official and banking institutions	+255.78	+24.41																							+19.70				+283.85	+9.48	+274.37
22.3 Other																															
23. Beginning of period (23.1 through 23.3)	+264.15	+9.48																							+19.70				+283.85	+9.48	+274.37
23.1 Payments agreements balances																									-9.80				-18.17	+14.93	-33.10
23.2 Liabilities to official and banking institutions	+264.15	+9.48																													
23.3 Other																									-9.80				-18.17	+14.93	-33.10
24. Change (22 minus 23)	-8.37	+14.93																													
25. Valuation correction																															
26. Corrected change (24 plus 25)	-8.37	+14.93																													

1/ Excluding monetary areas of European countries.
2/ Excluding sterling area.
3/ Excluding Mainland of China and monetary areas of European countries.

CHAPTER IV

EXTERNAL TRADE

A. SUMMARY OF DEVELOPMENTS

The aggregate value of international trade flowing through Philippine ports in 1955 reached an unprecedented ₱1,886.0 million. This amount surpassed the previous peak reached in 1951 when total trade registered a level of ₱1,851.0 million. Compared with 1954, the 1955 figure represented an increase of ₱110.4 million. This 6.2 per cent trade growth was the outcome of the greater inflow of imports, while exports decreased slightly.

In 1955 Philippine exports broke the upward trend started in 1953. Their total value dropped from ₱810.3 million in 1954 to ₱790.8 million in 1955 or 2.4 per cent. However, the volume of shipments expanded by 7.6 per cent as the quantum index climbed to a new high of 187.7 (1948-1949=100). Without this volume increase, the total value of exports would have decreased considerably as a result of the downward movement of prices which registered a drop of 8.3 per cent.

Average export prices drifted to a nine-year low with an index of 77.5. This movement emphasizes the relatively unfavorable position of Philippine exports in the world market, although the Philippines benefited to some extent from the fact that in many countries the economic trend is strongly upward. Consequently, it has been far easier to expand sales than in some earlier periods. As it was, exports of abaca, sugar, logs, lumber and timber were boosted despite freight rate increases. But this did not conceal the glaring weak spots in the export front during the year in copra and desiccated coconut. A decline of ₱28.0 million in copra alone wiped out gains made by the other commodities.

In contrast, the value of imports reached its highest level since import controls were instituted in 1949. Imports increased from ₱965.3 million in 1954 to ₱1,095.2 million in 1955. As import prices remained firm during the year, the 13.5 per cent rise in value resulted wholly from a greater quantity of imports purchased which registered a 13.3 per cent increase. An analysis of the composition of imports shows that the items which put some strain on the trade balance were primarily industrial supplies and capital equipment, thus underscoring the accelerating process of industrialization of the country.

No important developments were registered in the geographic pattern of external trade, although there were incidental changes in the trade participation of the United States. Total Philippine imports in 1955 brought in from the United States decreased from 67.6 per cent to 65.0 per cent, while the Philippine exports to the United States changed to 60.0 per cent of total exports compared to 60.5 per cent a year ago. Since trade with Northwestern Europe remained at much the same level as the previous year, the slight shift from the United States was taken up by increased trade with the ECAFE countries, particularly Japan.

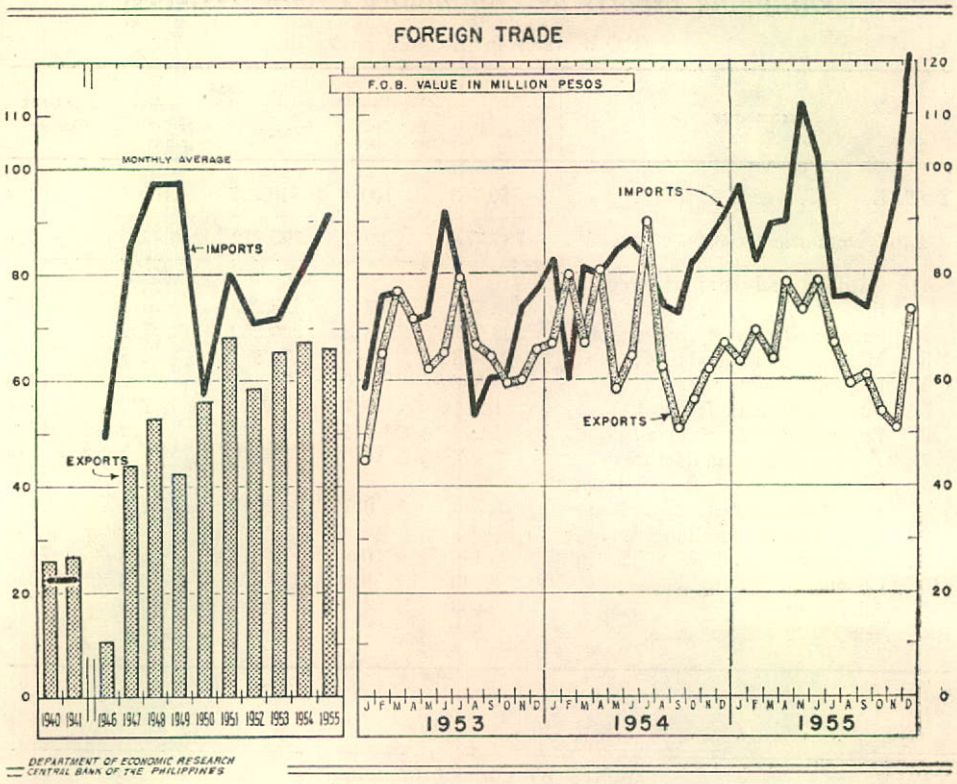
As a result of the adverse movement in export prices, the terms of trade of the Philippines deteriorated with all countries. An over-all decline of 8.1 per cent appeared in the net terms of trade as the index which stood at 87.3 in 1954 dropped to 80.2 in 1955. This change was heavily weighted by the major role played by the United States in our foreign trade. The 7.3 per cent deterioration in the terms of trade with the United States underlined the over-all shift. However, only moderate reversals occurred in the terms of trade with other countries, although the severe deterioration in the terms of trade with the Benelux area was another depressive factor in this year's over-all terms of trade.

The combined effect of a fall in export shipments and a rise in imports precipitated a larger balance of trade deficit. The table below shows that the trade deficit all but doubled from ₱155.0 million in 1954 to ₱304.4 million in 1955. Exports paid for only 72.2 per cent of the 1955 imports whereas 83.9 per cent of imports were financed out of exports in 1954.

Foreign Trade of the Philippines, 1954-1955

(F.O.B. value in million pesos)

Period	Imports		Exports		Balance of Trade		Per Cent Change	
	1955	1954	1955	1954	1955	1954	Imports	Exports
TOTAL.....	1,095.2	965.3	790.8	810.3	-304.4	-155.0	13.5	- 2.4
January.....	96.5	83.6	63.5	67.5	- 33.0	- 16.0	15.4	- 5.9
February.....	82.2	60.0	69.2	80.0	- 13.0	20.0	37.0	-13.5
March.....	89.2	81.2	64.0	67.8	- 25.2	- 13.4	9.9	- 5.6
April.....	90.0	80.3	78.3	80.8	- 11.7	.5	12.1	- 3.1
May.....	111.9	84.7	72.9	58.7	- 39.0	- 26.0	32.1	24.2
June.....	102.5	87.0	78.6	64.7	- 23.9	- 22.3	17.8	21.5
July.....	74.7	82.3	66.7	90.0	- 8.0	7.7	- 9.2	-25.9
August.....	75.6	74.3	69.4	62.9	- 16.2	- 11.4	1.7	- 5.6
September.....	73.1	72.6	60.9	51.2	- 12.2	- 21.4	.7	18.9
October.....	82.5	81.3	53.8	56.9	- 28.7	- 24.4	1.5	- 5.4
November.....	95.2	87.3	50.6	62.3	- 44.6	- 25.0	9.0	-18.8
December.....	121.8	90.7	72.8	67.5	- 49.0	- 23.2	34.3	7.9



B. PATTERN AND DIRECTION OF TRADE

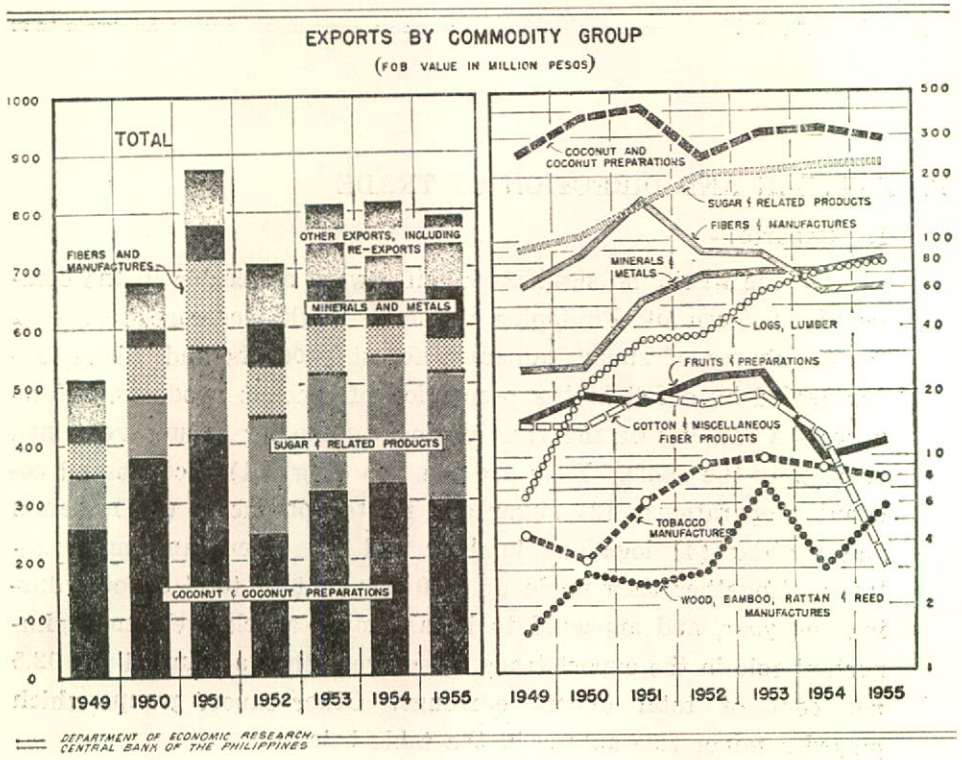
1. Exports—

On the whole, no significant shifts were noticeable in the commodity pattern of Philippine exports. Slight increases occurred in the shares of sugar, minerals, forest products and fibers, accompanied by a fall in the proportion of coconut products. However, the ranking of the five leading commodity groups remained practically the same. They are the following: (1) coconut and coconut preparations; (2) sugar and related products; (3) minerals and metals; (4) logs and lumber; and (5) fibers and manufactures. Together they made up 94.0 per cent of total exports during the year, and appeared to be assuming a relatively more important role in the export trade. Last year they accounted for 92.5 per cent of total export earnings. Other export groups which played a minor role appear in the table below:

Philippine Exports by Commodity Group, 1954-1955

(F.O.B. value in thousand pesos)

Commodity	1955		1954		Per Cent Change
	Value	Per Cent Distribution	Value	Per Cent Distribution	
TOTAL	790,763	100.0	810,327	100.0	- 2.4
Total Domestic Exports	784,771	99.2	793,212	97.9	- 1.1
1. Coconut and coconut preparations	299,819	37.9	328,220	40.5	- 8.7
2. Sugar and related products	223,001	28.2	220,252	27.2	1.2
3. Minerals and metals	80,963	10.2	70,991	8.8	14.0
4. Logs and lumber	78,697	10.0	71,180	8.8	10.6
5. Fibers and manufactures	61,224	7.7	58,794	7.2	4.1
6. Fruits and preparations	11,692	1.5	9,916	1.2	17.9
7. Tobacco and manufactures	7,897	1.0	8,671	1.1	- 8.9
8. Wood, bamboo, rattan, reeds and manufactures	5,796	0.7	2,997	0.4	93.4
9. Cotton and miscellaneous fiber products	3,149	0.4	12,326	1.5	-74.5
10. Chemicals	2,840	0.4	2,824	0.3	0.6
11. All others	9,693	1.2	7,041	0.9	- 7.2
Re-exports	5,992	0.8	17,115	2.1	-65.0



Copra still heads the list of principal commodity exports by supplying 29.6 per cent of total export earnings for the year. However, despite a slight 3.0 per cent increase in volume dispatched, its share slipped from the 1954 percentage on account of the weakening of world prices which reduced the value of copra exports by 10.8 per cent. Even with substantially reduced Indonesian exports of this product, the average price in the market registered a fall of 12.0 per cent as indicated in its price index. Large sales of American agricultural surplus stock in fats and oils were generally believed to have had a damaging effect on prices.

Centrifugal sugar ranked next to copra in export earnings. Exports of sugar remained at relatively the same level as in 1954. A fall of 5.9 per cent in the price index was experienced, but was compensated by an increase of 6.6 per cent in quantity shipped abroad. Sugar accounted for 27.1 per cent of total exports in 1955 as against 26.6 per cent the year before. Trends during the year show that while participants in the International Sugar Agreement supplied a little more than 70 per cent of the market, they did not control price and output. Unwieldy supplies coming from non-participant countries became increasingly important, so that last November the spot price of sugar sank below the minimum level of 3.25 cents per pound set by the Agreement.

Exports of logs and lumber again topped abaca to retain third position in our principal exports. The trend shows that forest products are increasing their contribution to the total export yield: their share rising from 9.0 per cent in 1954 to 10.0 per cent of total exports in 1955. Their values are up 10.6 per cent from last year with the price index increasing moderately by 3.7 per cent. Despite the serious burden of a steep rise in freight rates, trade in logs and lumber was bouyant throughout the year. A high demand was maintained by the recovery in Japan and a building-and-construction boom and a brisk demand for furniture in the United States. Increased exports demonstrate that forest products are one of the most robust items of the export trade.

Abaca showed some gains from the severe setbacks suffered in 1954 which sent prices tumbling to their lowest levels since the war. The 5.6 per cent increase in value was the direct result of an expanded volume of exports of 14.3 per cent and a 5.7 per cent rise in the price index. The contribution of abaca to total export proceeds was boosted from 6.6 per cent in 1954 to 7.1 per cent in 1955. Rising world prosperity in shipping and shipbuilding stimulated buying of ropes and more abaca, bringing about an improvement in prices.

Coconut oil and desiccated coconut stood fifth and sixth in the commodity rankings. Together they took 7.5 per cent of export earnings during 1955. The price index of coconut oil, following that of copra, dipped 16.1 per cent. However, a volume increase of 13.8 per cent neutralized the severe price fall. The volume increase of 6.3 per cent in desiccated coconut, on the other hand, did not completely overcome the price slump of 8.3 per cent. This resulted in a fall in value of 5.3 per cent.

Chromite ore and iron ore occupied seventh and eighth positions. The value of chromite ore increased by 9.2 per cent, while iron ore fell by 4.2 per cent. With their price indices relatively stable during the year, the volume of chromite ore shipments increased significantly by 23.9 per cent. Iron ore shipments to the United States were all but discontinued and diverted to Japan. Pineapple came out of its 1954 slump and registered a gain of 17.9 per cent in value.

Copper concentrates dislodged leaf tobacco from tenth position, when the value and volume of this export more than tripled during the year. The greater bulk of copper concentrates exports during 1955 was shipped to Japan, where none was sent the preceding year.

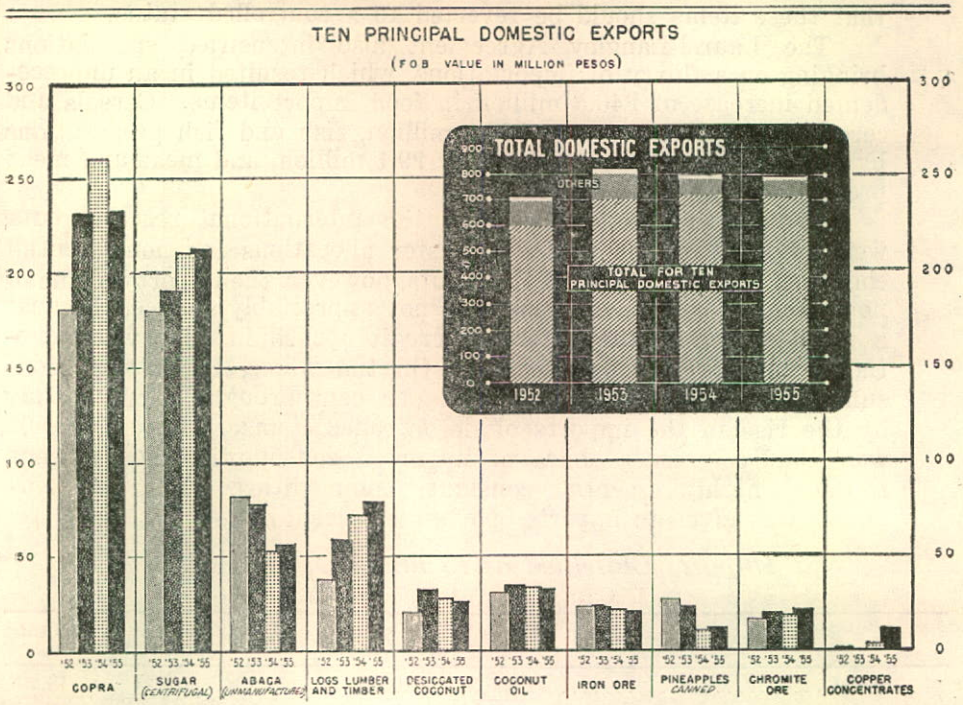
Exports of leaf tobacco during 1955 declined from ₱7.4 million to ₱5.1 million. Contractual difficulties and the low level of inventories deterred the shipment of the regular volume during the first half of the year.

Ten Principal Exports of the Philippines, 1954-1955

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Item	1955		1954	
	Quantity	Value	Quantity	Value
TOTAL DOMESTIC EXPORTS		784,771		793,211
Total Ten Principal Exports		701,043		707,863
1. Copra	786,449	232,146	763,230	260,151
2. Sugar (centrifugal)	926,796	212,590	869,403	211,248
3. Logs and lumber [a]	685,605	78,697	605,893	71,180
4. Abaca, (unmanufactured)	111,802	55,661	97,848	52,687
5. Coconut oil	74,177	33,069	65,208	33,136
6. Desiccated coconut	48,529	25,620	45,659	27,047
7. Chromite ore	657,195	20,700	530,465	18,960
8. Iron ore	1,271,113	20,602	1,350,120	21,494
9. Pineapples (canned)	33,353	11,093	34,013	9,412
10. Copper concentrates	30,806	10,865	7,206	2,548

[a] In thousand board feet.



2. Imports

The following developments were reflected in the year's import picture: (a) increased volume and value of imports; (b) stable import prices; (c) decontrol of certain prime necessities; and (d) early effects of the Laurel-Langley Agreement.

The aggregate value of imports rose by ₱129.9 million, from ₱965.3 million in 1954 to ₱1,095.2 million in 1955. With import prices relatively stable, the increment of 13.5 per cent in value was accompanied by an equivalent rise in volume.

As the tempo of economic development picked up, importation of capital goods and raw materials increased by 9.6 per cent over 1954. They took 72.5 per cent of all imports, reflecting expanded activity in local manufacturing firms as well as the establishment of new ones. Capital goods registered a slight increase of 0.4 per cent, and this may be construed as a leveling off in the country's requirement for some of the items included in this classification. However, a detailed analysis of its composition showed an increasing demand for machinery and transport equipment. Importation of non-electric machinery increased by 17.9 per cent; electric machinery, apparatus and appliances, by 25.1 per cent; and transport equipment by 19.3 per cent. On the other hand, importations of raw materials jumped by 12.7 per cent, or an absolute increase in value of ₱68.7 million.

In line with the policy of gradually relaxing exchange controls, the Monetary Board decontrolled essential consumer items like sardines, corned beef, flour and milk, to ensure a steady supply of these commodities and bring about lower prices. However, in view of the

low level of the international reserve, it was felt in some quarters that these items should be reverted to a controlled status.

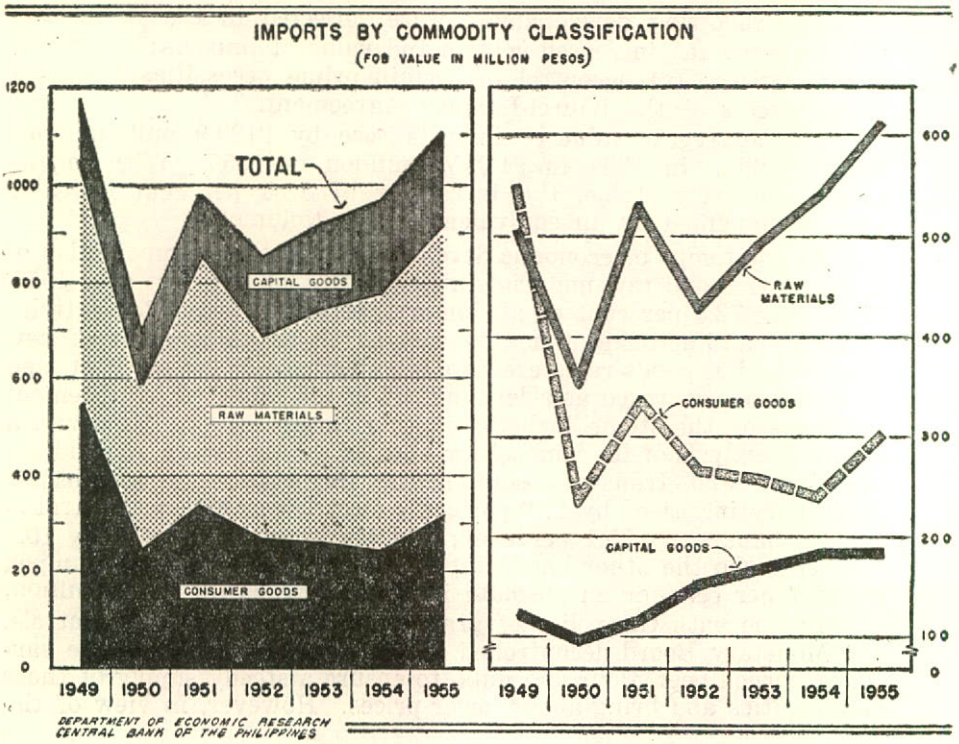
The Laurel-Langley Agreement also intensified speculations bringing on a flurry of importations, which resulted in an unprecedented increase of ₱46.5 million in food import items. Cereals and cereal preparations rose by ₱22.1 million, fish and fish preparations by ₱11.7 million, dairy products by ₱9.1 million, and meat and meat preparations by ₱2.2 million.

In view of the low level of the international reserve, cuts were imposed on the second semester allocations for non-essential consumer items. In spite of these cuts, however, the import volume of non-essential consumer items was not appreciably reduced because a good portion of the letters of credit opened in 1954 was negotiated during the current year. On the whole, imports of consumption goods increased by 25.2 per cent brought about mainly by the rise in the imports of decontrolled items. The end result was that a greater share of imported consumption goods went to more highly essential consumer commodities, while less emphasis was given to imports of non-essential items.

Imports Classified as to End Use, 1954-1955

(F.O.B. value in thousand pesos)

Classification	1955	Per Cent Distribution	1954	Per Cent Distribution	Per Cent Change
TOTAL	1,095,211	100.0	965,284	100.0	13.5
Capital Goods	183,869	16.8	183,221	19.0	0.4
Raw Materials	610,511	55.7	541,774	56.1	12.7
Consumption Goods	300,841	27.5	240,289	24.9	25.2



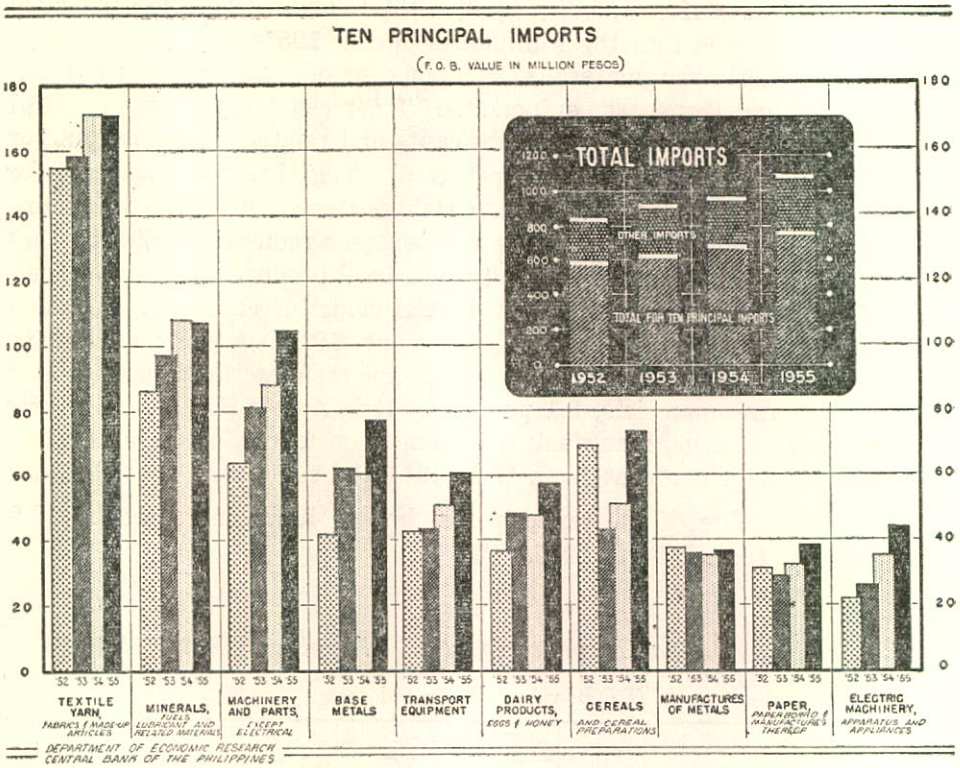
In terms of commodity groups, the following were the principal items imported into the Philippines during 1955: (a) manufactured goods, chiefly raw materials, 34.9 per cent of total imports; (b) machinery and transport equipment, 19.1 per cent; (c) foodstuffs, 18.7 per cent; (d) mineral fuels, lubricants and related materials, 9.8 per cent; and (e) chemicals, 8.0 per cent. Together, they account for 90.5 per cent of total imports. Of these items, only fuels and lubricants showed a decrease. The 0.6 per cent reduction indicates that even with the increased market needs, local production of motor fuels is progressing adequately. Substantial value increases were recorded for machinery and transport equipment, 19.8 per cent; foodstuffs, 29.4 per cent; chemicals, 15.1 per cent; and manufactured goods chiefly used as raw materials, 8.1 per cent. It is noteworthy that imports of miscellaneous manufactured items considered as non-essential dropped 11.5 per cent from their 1954 figure.

The value of the ten principal import items increased by 12.8 per cent from 1954 to 1955.

Ten Principal Imports of the Philippines, 1954-1955

(F.O.B. value in thousand pesos)

Commodity	1955		1954		Per Cent Change
	Value	Per Cent Distribution	Value	Per Cent Distribution	
TOTAL IMPORTS	1,095,211	100.0	965,284	100.0	13.5
TOTAL TEN PRINCIPAL IMPORTS	769,590	70.3	682,255	70.7	12.8
1. Textile yarn, fabrics and made-up articles	170,641	15.6	171,702	17.8	- 0.6
2. Mineral fuels, lubricants and related materials	107,657	9.8	108,286	11.2	- 0.6
3. Machinery other than electric	104,347	9.5	88,524	9.2	17.9
4. Base metals	77,082	7.0	60,438	6.3	27.5
5. Cereals and cereal preparations	73,830	6.8	51,712	5.4	42.8
6. Transport equipment	60,499	5.5	50,701	5.2	19.3
7. Dairy products, eggs and honey	57,060	5.2	47,970	5.0	18.9
8. Electric machinery, apparatus and appliances	43,857	4.0	35,048	3.6	25.1
9. Paper, paperboard and manufactures thereof	38,087	3.5	32,035	3.3	18.9
10. Manufactures of metals	36,530	3.4	35,839	3.7	1.9



While there was no change in the composition of the ten principal import items, notable shifts occurred in their rankings. The first four berths, however, were retained by textiles taking 15.6 per cent of total imports; fuel and lubricants, 9.8 per cent; non-electric machinery, 9.5 per cent; and base metals, 7.0 per cent. Identical 0.6 per cent decreases in value were noted in textile imports as well as fuels and lubricants, while non-electric machinery increased 17.9 per cent and base metals 27.5 per cent. Formerly at seventh position, cereals and cereal preparations increased by 42.8 per cent and switched places with fifth-ranking dairy products which increased by only 18.9 per cent. Transport equipment, with an increase of 19.3 per cent, and paper, paperboard and manufactures, with an increase of 18.9 per cent, remained at sixth and ninth positions, respectively. Electric machinery, formerly in tenth position, jumped to eighth place with an increase in value of 25.1 per cent, dislodging manufactures of metals whose value went up by only 1.9 per cent from the preceding year.

3. Direction of Trade

The United States continues to be the most important market for Philippine exports as well as the principal source of commodity imports. During 1955, there was no significant shift from the United States as a trading partner. Imports from the United States increased 9.1 per cent in value, while its share of total Philippine imports declined only from 67.6 to 65.0 per cent. Conversely, ex-

ports to the United States fell by 3.4 per cent, while the latter's share in total Philippine exports dipped slightly from 60.5 per cent to 60.0 per cent. Increased imports from the United States involved heavy purchases of machinery, transport equipment, base metals, cereals and dairy products. On the other hand, the United States reduced its purchases of Philippine copra, desiccated coconut, coconut oil, iron ore and copper concentrates which were not sufficiently compensated by increased procurements of abaca, logs and lumber, and sugar. As a consequence, the unfavorable balance of trade with the United States worsened from ₱162.2 million to ₱238.1 million.

The share of Northwestern Europe in Philippine external trade was kept at substantially the same level as in 1954, notwithstanding a 15.3 per cent increase in the value of imports from this area and an 11.8 per cent decrease in exports. Its share of Philippine imports rose slightly from 8.5 per cent to 8.6 per cent while its share of exports slipped from 18.3 per cent to 16.5 per cent. Consequently, the favorable balance of trade with Northwestern Europe narrowed from ₱66.1 million to ₱36.1 million.

The United Kingdom increased its trade with the Philippines with a 39.3 per cent increase in imports from the former contrasted with a mere 8.2 per cent increase in exports, so that the trade deficit with the United Kingdom worsened from ₱8.4 million to ₱14.9 million. Foreign transactions with the Benelux countries showed a downtrend principally because of reduced copra shipments. The value of Philippine purchases from this area declined by 10.6 per cent, while Philippine exports decreased by 13.7 per cent. Increased inflow of base metals, machinery and transport equipment upped imports from West Germany, while the value of copra sent to this country on direct account dropped 27.9 per cent from its 1954 figure.[1] The trade figures for the remaining countries of Northwestern Europe were heavily weighted by these movements. Meanwhile, continued expansion of trade with Northwestern Europe is being sought and the groundwork for a number of trade agreements was laid during the year. A trade protocol was signed with West Germany, agreed minutes of discussions with the Netherlands were drawn up, and a proces-verbal was prepared jointly with the Swiss Government by a Philippine Trade Mission co-sponsored by the Central Bank of the Philippines and the Department of Foreign Affairs.

Trade data for the ECAFE region show an expanding volume of trade with our neighbors. Exports to this region increased by 12.7 per cent and imports by 43.5 per cent. As a result, the import surplus swelled from ₱26.0 million to ₱73.0 million. Japan is still the second most important trading partner of the Philippines, taking 14.9 per cent of exports and supplying 7.9 per cent of imports compared with 12.5 and 6.0 per cent, respectively, a year ago. In value terms, these represent a rise of 48.9

[1] Counting shipments made through third countries, however, the Philippines still enjoyed an export balance with West Germany.

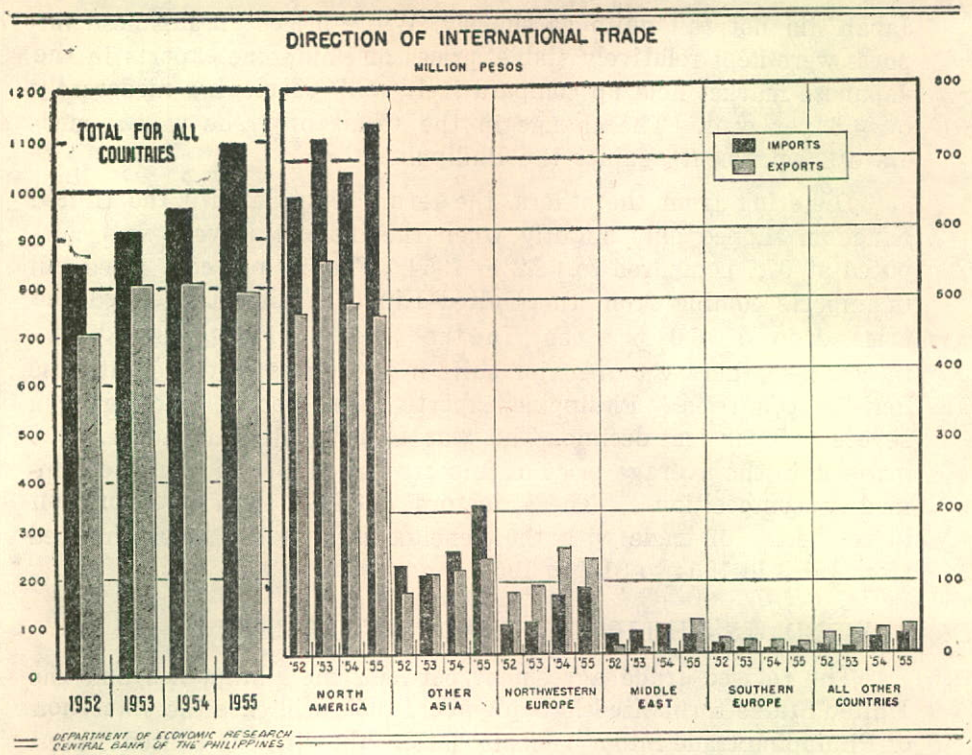
per cent in imports secured from Japan and a 16.9 per cent increase in exports shipped to it. Hence, the favorable trade balance with Japan contracted further this year from ₱42.6 million to ₱31.0 million. There was a 45.1 per cent increase in imports from Indonesia, while the almost insignificant value of exports sent to Indonesia last year declined further thereby widening our deficit with it from ₱25.7 million to ₱37.6 million. A remarkably bigger volume of imports was procured from the other countries in the region. With reduced exports of 14.5 per cent, the import surplus with other Asian countries increased by ₱23.6 million.

Trade with the other regions of the world showed some slight shifts. Trade statistics on Southern Europe and Oceania revealed that exports lagged behind increased imports thus depressing the balance of trade with these areas somewhat. There were strong showings in the trade conducted with South America, Central America and the Antilles and Africa. An increase of exports generally improved the favorable balance of trade enjoyed by the Philippines with these regions. The decreased motor fuel and oil imports from the Middle East coupled with a 61.8 per cent increase in exports reduced the import surplus with this area from ₱36.0 million to ₱19.8 million.

Direction of International Trade, 1954-1955

(F.O.B. value in thousand pesos)

	Imports		Exports	
	1955	1954	1955	1954
TOTAL—ALL COUNTRIES	1,095,211	965,284	790,763	810,327
North America	748,405	682,516	476,754	497,468
United States	712,167	652,702	474,020	490,491
Other North American countries	36,238	29,814	2,734	6,977
Central America and Antilles	467	539	1,100	839
South America	5,187	5,320	28,336	23,480
Northwestern Europe	94,499	81,973	130,609	148,045
United Kingdom	25,557	18,341	10,702	9,892
Benelux countries	29,188	32,640	66,361	76,930
Other countries of Northwestern Europe	39,754	30,992	53,546	61,223
Southern Europe	4,759	3,751	11,036	14,290
Italy	2,497	2,127	6,275	8,154
Spain	1,307	1,103	4,172	6,069
Other countries of Southern Europe	955	521	589	67
East Europe and USSR	27	417	—	—
Middle East	24,264	38,757	4,489	2,775
Asia	203,707	141,960	130,704	115,926
Japan	86,879	58,342	117,927	100,920
Indonesia	37,833	26,074	221	327
Other countries of Asia	78,995	57,544	12,556	14,679
Oceania	10,122	6,538	804	541
Africa	3,112	3,092	3,545	2,960
Miscellaneous	186	1	590	914
Other U. S. Insular Possessions	476	420	2,796	3,088



C. TERMS OF TRADE

The average prices of imports remained unchanged during 1955. Although a slight downturn in import prices was evidenced during the first semester, a countervailing rise during the second half neutralized this favorable movement. The price index of imports therefore remained at the 1954 level of 96.8 (1948-1949=100). Average export prices dipped 8.3 per cent. From a level of 84.5 in 1954, the price index of exports declined to 77.5 in 1955. Weak export prices in 1955 drove the index even below the depressed level of 1952 when it stood at 78.0. As a consequence of stable import prices and the drop in export prices, the terms of trade with all countries worsened further. The over-all net terms of trade declined by 8.1 per cent from an index of 87.3 in 1954 to 80.2 in 1955.

The predominant position of the United States in the international trade of the Philippines exerted a considerable influence on the movement of the over-all terms of trade. The average prices of imports from the United States remained substantially the same as in 1954, while the prices of exports to the United States fell by 8.0 per cent. The net result was a 7.3 per cent worsening of our terms of trade with the United States. However, the terms of trade with

Japan did not fall quite as sharply. While prices of Japanese imports were kept relatively stable, prices of Philippine exports in the Japanese market held up comparatively well, decreasing moderately by 4.6 per cent. The change in the terms of trade was a moderate 3.9 per cent against the Philippines.

Differing from the others, the terms of trade with the United Kingdom slipped only slightly when the index this year was computed at 67.7 compared to 68.2 in 1954. The 5.9 per cent price fall in imports coming from the United Kingdom almost equalled the price drop of 6.0 per cent in the price of Philippine exports. In contrast, there was a major shift in the terms of trade with the Benelux countries. Philippine exports fared poorly, registering a severe 14.9 per cent decline. This was aggravated by a 10.3 per cent increase in the average price of imports due to a change in the commodity composition[1]. These factors resulted in a deterioration in the terms of trade with the Benelux area as the index dropped from 105.3 in 1954 to 81.7 in 1955.

D. REVISED U.S.-PHILIPPINE TRADE AGREEMENT

The revised trade agreement between the Philippines and the United States formalized in September, 1955, will ease the transition of Philippine trade into a normal relationship with the United States. The revised agreement contains modifications to the 1946 Trade Agreement with the United States (commonly known as the Bell Trade Act). Under the 1946 Act, duties were supposed to be levied on goods traded beginning July, 1954 and were to be exactly reciprocal with charges starting at 5 per cent of the rates levied on imports coming from other countries, and gradually rising until the full rate was reached after twenty years. Under the new agreement, United States tariffs on imports from the Philippines beginning January, 1956 will start at a lower level and rise less rapidly than Philippine tariffs on American imports. In addition, the absolute quota on rice was dropped while coconut oil, pearl buttons, cigars and scrap and filler tobacco were transferred from the absolute quota category and made subject to tariff quotas. Absolute quotas on sugar and cordage were retained. In return for these concessions, the Philippines agreed to lift the 17 per cent Philippine foreign exchange tax. This tax will be replaced by an import levy to be progressively reduced and finally eliminated.

---

[1] The price change has an upward bias as the pattern of import trade with the Benelux countries has shifted significantly away from base metals with dairy products assuming a dominant role. Because base year weights were used, the movement in the terms of trade with the Benelux area was heavily weighted by the price increase in the base metals, while the decline in the prices of dairy products was hardly reflected.

CHAPTER V

MONEY SUPPLY

A. MOVEMENT

In 1955 money supply fluctuated mildly during the first semester, and thereafter exhibited a steady uptrend, except for a slight dip in September, until it reached an unprecedented post-war peak of ₱1,336.2 million at the end of December. This showed a rise of ₱109.6 million or 8.9 per cent over the preceding year-end level. Mainly responsible for this decisive upturn was the considerable expansion in domestic credits of the banking system which more than counteracted the downward trend of the international reserve. The seasonally adjusted money supply as compared to the unadjusted figures is presented below:

Money Supply, Unadjusted and Seasonally Adjusted, 1955

(Amount in million pesos)

End of period	Unadjusted	Seasonal index [a]	Seasonally adjusted
January	1,209.9	100.6	1,202.7
February	1,222.9	101.2	1,208.4
March	1,216.1	100.9	1,205.3
April	1,221.8	101.1	1,208.5
May	1,208.6	99.1	1,219.6
June	1,209.9	98.5	1,228.3
July	1,216.5	97.8	1,243.9
August	1,239.6	97.2	1,275.3
September	1,234.1	98.9	1,247.8
October	1,276.6	101.0	1,264.0
November	1,278.6	101.7	1,257.2
December	1,336.2	102.1	1,308.7

[a] Based on the 13-month moving average of money supply from January, 1946 to December, 1954.

From the ₱1,226.6 million level reached in December, 1954, money supply dropped by ₱16.7 million in January as a result of the return flow of currency to the Central Bank and the tax receipts of the Government. In February, money supply increased by ₱13.0 million due largely to expanded credit activities of the banking system, but declined again by ₱6.8 million in March because of the continuous deficit incurred in the foreign receipts and payments position. In the ensuing months, the volume of money fluctuated seasonally and hit the year's low of ₱1,208.6 million in May. After a slight increment in June, money supply during the second semester recorded an upward movement much faster than the pace of the normal seasonal trend. Compared to 1954, the monthly levels of money supply in 1955 were consistently lower during the first five months but were higher from June to December as shown in the following table:

Money Supply, 1954-1955

(Amount in million pesos)

End of period	Amount		Increase or decrease (—)	
	1955	1954	Amount	Per cent
January	1,209.9	1,219.3	- 9.4	- 0.8
February	1,222.9	1,236.3	-13.4	- 1.1
March	1,216.1	1,245.8	-29.7	- 2.4
April	1,221.8	1,233.5	-11.7	- 0.9
May	1,208.6	1,213.6	- 5.0	- 0.4
June	1,209.9	1,200.4	9.5	0.8
July	1,216.5	1,210.2	6.3	0.5
August	1,239.6	1,213.7	25.9	2.1
September	1,234.1	1,204.8	29.3	2.4
October	1,276.6	1,215.7	60.9	5.0
November	1,278.6	1,215.9	62.7	5.2
December	1,336.2	1,226.6	109.6	8.9

B. COMPOSITION

A notable shift in the composition of money supply was observed during the period under study. At the end of 1955, money supply consisted of ₱670.4 million or 50.2 per cent in currency in circulation and ₱665.8 million in peso deposits subject to check. The corresponding composition a year ago was ₱676.6 million or 55.2 per cent and ₱550.0 million, respectively. Notes and coins in circulation showed a moderate contraction of ₱6.2 million while deposit money registered a sizable expansion of ₱115.8 million, thus reflecting a net increase of ₱109.6 million in money supply. The increase in the proportion of peso demand deposits to total money supply indicated a growing trend in the use of bank accounts. This was helped along by the law exempting bank deposits from scrutiny specially by the tax authorities, and in the second semester by cuts in import allocations which prevented some money from going out via foreign trade channels. It is probably a symptom of the growing monetary sector of the economy. It may also indicate a relative redistribution of income in favor of higher-income groups who use bank accounts. The changes in the composition of money supply are presented hereunder:

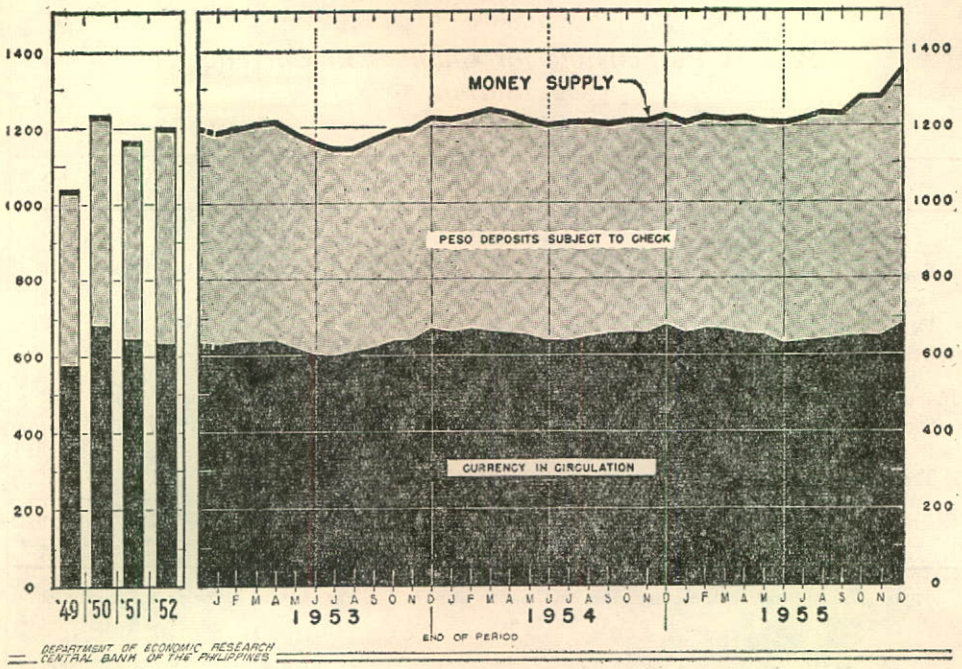
Money Supply and Its Components, 1954-1955

(Amount in million pesos)

End of period	Money supply	Currency in circulation	Peso demand deposits	Ratio to money supply	
				Currency in circulation	Peso demand deposits
1954	1,226.6	676.6	550.0	55.2	44.8
1955—January	1,209.9	656.0	553.9	54.2	45.8
February	1,222.9	666.9	556.0	54.5	45.5
March	1,216.1	661.4	554.7	54.4	45.6
April	1,221.8	653.7	568.1	53.5	46.5
May	1,208.6	649.5	559.1	53.7	46.3
June	1,209.9	624.1	585.8	51.6	48.4
July	1,216.5	628.3	588.2	51.6	48.4
August	1,239.6	634.0	605.6	51.1	48.9
September	1,234.1	643.3	590.8	52.1	47.9
October	1,276.6	648.5	628.1	50.8	49.2
November	1,278.6	647.2	631.4	50.6	49.4
December	1,336.2	670.4	665.8	50.2	49.8

MONEY SUPPLY AND ITS COMPOSITION

(Million pesos)



1. Currency in Circulation

The principal factor responsible for the contraction in currency in circulation during the period was the substantial excess of Central Bank sales of foreign exchange over its purchases. This heavy disposition of U.S. dollars was largely brought about by liberalized foreign exchange allocations for raw materials and capital goods during the first semester of the year in order to accelerate the economic development of the country. Hence, the foreign exchange transactions of the Central Bank caused a decline of ₱105.2 million in currency in circulation. Likewise, the growth in the demand deposit liabilities of the Central Bank effected a diminution of ₱40.9 million in the notes and coins in circulation. That portion of the 1954 profits of the Central Bank allocated to the Securities Stabilization Fund caused a further reduction of ₱6.3 million in total currency. The increase of ₱3.4 million in the cash in vaults of banks and of the Treasury also had contractionary effects on currency in circulation. The above deflationary factors, however, were almost counterbalanced by the open market and credit operations of the Central Bank which exerted a net expansionary effect of

₱170.3 million. The extent to which these factors affected the quarterly movement in currency in circulation is summarized below:

Factors Responsible for Changes in Currency in Circulation, 1955

(Million pesos)

Item	First quarter	Second quarter	Third quarter	Fourth quarter	Net effect [a]
Central Bank Operations:					
Foreign exchange transactions	- 36.9	+ 5.6	- 1.3	- 72.6	-105.2
Open market and credit operations.	- 0.7	+ 59.3	- 9.3	+121.0	+170.3
Deposit liabilities	+ 18.5	- 87.9	+ 30.6	- 2.1	- 40.9
Other transactions	+ 10.9	- 19.0	- 4.4	- 8.2	- 20.7
Inactive Cash Holdings in:					
Securities Stabilization Fund	- 5.3	- 0.6	—	- 0.4	- 6.3
Banks' vaults	- 0.4	+ 2.4	+ 5.0	- 8.1	- 1.1
Treasury vaults	- 1.3	+ 2.9	- 1.4	- 2.5	- 2.3
Changes in Currency in Circulation	- 15.2	- 37.3	+ 19.2	+ 27.1	- 6.2

[a] Plus sign (+) indicates an increase, and minus sign (—) a decrease in currency in circulation.

2. Peso Demand Deposits

At the end of 1955, peso demand deposits reached a record high of ₱665.8 million, or a sizable upsurge of ₱115.8 million over the prevailing level last year.

After slight interruptions during the months of March and May, peso demand deposits reached ₱605.6 million at the end of August, or a rise of ₱55.6 million since the beginning of the year. This was largely attributable to the ₱53.1 million increment recorded in the current accounts of local governments and semi-government entities brought about by the accumulation of development funds. In September, however, heavy net withdrawals by political subdivisions and instrumentalities of the Government caused a drop of ₱14.8 million in total checking deposits, notwithstanding the improvement in the current accounts of private businesses and individuals. In the succeeding months, peso demand deposits of the latter experienced a faster rate of accumulation, reaching a high of ₱305.0 million at the end of December. Those of U.S. Government entities, unused overdraft lines, and outstanding managers' and cashiers' checks also revealed consistent growth, registering levels of ₱35.8 million, ₱138.1 million and ₱13.4 million, respectively, at the close of 1955. On the other

hand, the current deposits of local governments and semi-government entities showed a slight downtrend of ₱4.8 million when they settled at ₱173.5 million at the end of December.

At the close of 1955, all categories of peso deposits subject to check registered appreciable increments over their corresponding levels in 1954 as shown in the table below:

Peso Demand Deposits
December 31, 1954 *and* 1955

(Amount in million pesos)

Item	Amount		Increase or decrease (—)	
	1955	1954	Amount	Per cent
Total	665.8	550.0	115.8	21.1
Private businesses and individuals	305.0	269.5	35.5	13.2
Local governments and semi-government entities	173.5	149.3	24.2	16.2
U.S. Government entities	35.8	13.8	22.0	159.4
Unused overdraft lines	138.1	111.0	27.1	24.4
Cashiers' and managers' checks	13.4	6.4	7.0	109.4

Compared to the preceding year, business activity picked up in 1955 as shown by the higher turnover rate of average peso demand deposits in the following table:

***Turnover Rate of Average Peso Demand Deposits,* 1954-1955**

Period	1955	1954
Monthly average	1.57	1.44
January	1.54	1.42
February	1.43	1.33
March	1.69	1.49
April	1.49	1.31
May	1.72	1.51
June	1.64	1.53
July	1.50	1.39
August	1.64	1.45
September	1.55	1.42
October	1.58	1.44
November	1.43	1.35
December	1.67	1.59

C. FACTORS THAT INFLUENCED MONEY SUPPLY MOVEMENT

During the period under review, the public sector consisting of the National Government and its political subdivisions and instrumentalities contributed substantially to the expansion of money supply. The private sector consisting of domestic businesses and individuals influenced a moderate expansionary effect on the volume of money. On the other hand, the external sector as reflected in the foreign receipts and disbursements position proved a compensatory factor by siphoning off almost one half of the total expansion generated by the internal sector, thus averting, for the time being, a serious over-all price rise.

Credit operations for the account of the public sector augmented the volume of money by ₱246.8 million, through the considerable purchases of government securities by the banking system. This expansionary factor was partly counteracted by the appreciable improvement in National Government balances and the gains in savings and time deposits of local governments and semi-government entities. The increase in the net miscellaneous accounts of the Central Bank and the Philippine National Bank further reduced the level of money supply by ₱9.1 million. This was mainly attributable to the increment in the capital accounts of both the Central Bank and the Philippine National Bank, coupled with the rise in the latter's special loans payable to U.S. banks. It may be pointed out, however, that these special loans exerted an expansionary influence on money supply in the form of increased domestic credits. On the whole, the public sector contributed a net expansion of ₱157.6 million in the supply of money.

The significant increase in the total lendings to the private sector influenced money supply upward by ₱165.1 million. This, however, was partially offset by the sizable growth of ₱53.2 million in the savings, time and other deposits of private businesses and individuals. Reinforcing this negative effect was the increase in the net miscellaneous accounts of private banks, which arose principally out of the improvement in their capital accounts. Thus, the private sector was actually responsible for increasing money supply by ₱72.0 million.

The downtrend in the international reserve resulting from an almost persistent deficit in foreign receipts and disbursements caused a net reduction of ₱120.0 million in the supply of money. Hence, the inflationary pressure generated by the internal sector was partially absorbed by the external sector, thereby resulting in the reduction of the international reserve.

A resumé of the magnitude by which these factors affected the movement of money supply during 1955 is presented hereunder:

Factors Responsible for Money Supply Movement December 31, 1954 and 1955

(Million pesos)

Item	1955	1954	Increase or decrease (—)	Net effect on money supply[a]
I. MONEY OF INTERNAL ORIGIN				
A. Public Sector[b]				
1. Credit Operations				
a) Gov't securities held by the Central Bank	396.5	261.1	135.4	+135.4
b) Gov't securities held by Other Banks	226.0	99.2	126.8	+126.8
c) Other credits of the Central Bank[c]	21.4	21.4	—	—
d) Loans, discounts, overdrafts and customers' liability acceptances	8.8	24.2	- 15.4	- 15.4
2. National Government balances	(184.8)	(126.7)	- 58.1	- 75.6[d]
3. Savings and time deposits	(11.9)	(7.4)	- 4.5	- 4.5
4. Net miscellaneous accounts of CB and PNB	5.4	34.5	- 29.1	- 9.1[f]
Total	461.4	306.3	155.1	+157.6
B. Private Sector				
1. Credit Operations				
a) Loans, discounts, overdrafts[g] and customers' liability acceptances	1,097.0	931.9	165.1	+165.1
b) Corporate securities	3.4	3.4	—	—
2. Savings, time and other deposits	(537.8)	(484.6)	- 53.2	- 53.2
3. Net miscellaneous accounts of private banks	(106.5)	(80.2)	- 26.3	- 39.9[h]
Total	456.1	370.5	85.6	+ 72.0
C. Total Public and Private Sectors	917.5	676.8	240.7	+229.6
II. MONEY OF EXTERNAL ORIGIN				
A. International Reserve	418.4	545.4	-127.0	-120.0[d]
III. MONEY SUPPLY	1,336.2	1,226.6	109.6	+109.6

[a] Plus sign (+) indicates an increase, and minus sign (—) a decrease in money supply.

[b] Consisting of the National Government and its political subdivisions and instrumentalities.

[c] Consisting of budgetary loans under Sec. 95, R.A. No. 265, loans to RFC under Sec. 88, R.A. No. 265, and the Treasury Certificate Account.

[d] Fiscal operations actually exerted a contractionary effect of P75.6 million on money supply due to the inclusion of P17.5 million representing National Government expenditures abroad which did not generate money supply. Likewise, this amount (P17.5 million) together with the $10.0 million (P20.0 million) purchased from the IMF which did not include money supply, was excluded from the international reserve; thus, money of external origin actually reduced money supply by P120.0 million. A recording lag of P9.5 million was also included in the international reserve.

[f] Excluding P20.0 million deposit of IMF with the Central Bank.

[g] Including unused overdraft balances.

[h] Including recording lag.

D. ACTIVE AND PASSIVE MONEY

Aside from the factors considered in the computation of money supply, there are also other items that may be classified as "passive money" or as "near money" in the sense that such items can easily be converted into active money within a short period of time. A rise in such items, which consist of government securities held outside of the banking system and savings and time deposits, has been observed during the last three years. Inasmuch as prospects for 1956 show a trend toward inflationary financing and a rise in the general price level, the possibility that substantial amounts of passive money may be converted into active money cannot be ignored. The entrance of additional active money into the income stream in a period of inflationary tendencies may impair monetary stability unless directed to productive fields.

Active and Passive Money
***December* 31, 1953-1955**

(Amount in million pesos)

Item	1953	1954	1955
ACTIVE MONEY			
Currency in circulation	666.0	676.6	670.4
Peso deposits subject to check	558.1	550.0	665.8
Total	1,224.1	1,226.6	1,336.2
PASSIVE MONEY			
Savings and time deposits of Other Banks[a]	388.0	427.2	479.5
Government securities[b]	17.7	53.9	71.7
Total	405.7	481.1	551.2
INDICES (1953 = 100)			
ACTIVE MONEY	100.0	100.2	109.2
PASSIVE MONEY	100.0	118.6	135.9

[a] Consisting of commercial and savings banks.
[b] Excluding government securities held by the Central Bank, Other Banks, Bonds Sinking Fund, Industrial Guarantee and Loan Fund and Securities Stabilization Fund.

E. MONEY SUPPLY AND INTERNATIONAL RESERVE

A declining trend in the international liquidity of the country as indicated by the ratio of international reserve to money supply was observed during 1955. From 44.5 per cent recorded at the end of 1954, the ratio moved down gradually during the first quarter and was maintained steadily at around 40 per cent from April to August. In the succeeding months, the ratio declined at a faster rate hitting a low of 31.3 per cent at the close of December. The downtrend in the international reserve, accompanied by the substantial rise in money supply, worked heavily in pulling down the ratio during the period.

The ratio of the international reserve to the currency issue also exhibited a decline from 75.8 per cent at the beginning of the year to 57.9 per cent at the end of 1955 as shown below:

Ratio of International Reserve to Money Supply and Currency Issue, 1954-1955

(Amount in million pesos)

End of period	International reserve	Currency issue	Money supply	Ratio of international reserve to:	
				Currency issue	Money supply
1954.....	545.4	719.4	1,226.6	75.8	44.5
1955—January..	533.3	705.8	1,209.9	75.6	44.1
February.	523.7	717.0	1,222.9	73.0	42.8
March....	508.4	711.2	1,216.1	71.5	41.8
April.....	493.6	702.4	1,221.8	70.3	40.4
May.....	479.7	693.4	1,208.6	69.2	39.7
June.....	488.7	669.1	1,209.9	73.0	40.4
July.....	494.8	673.5	1,216.5	73.5	40.7
August...	499.8	680.6	1,239.6	73.4	40.3
September	491.6	684.7	1,234.1	71.8	39.8
October...	474.4	696.5	1,276.6	68.1	37.2
November	453.5	700.3	1,278.6	64.8	35.5
December	418.4	722.8	1,336.2	57.9	31.3

Compared to other countries, however, the international reserve coverage of money supply in the Philippines was comparatively high as may be seen in the following table:

Ratio of International Reserve to Money Supply of Selected Countries As of June 30, 1955[a]

(Amount in million U. S. dollars)

Country	International reserve	Money supply	Ratio
Philippines.....	244.3	604.9	40.4
Cuba.....	538.0	857.0	62.8
Netherlands.....	1,356.0	2,509.5	54.0
Burma.....	114.3	218.3	52.4
Costa Rica.....	31.9	61.9	51.5
India.....	1,878.0	4,176.4	45.0
Mexico.....	316.0	766.7	41.2
Pakistan.....	327.0	835.2	39.2
Canada.....	1,939.0	5,719.0	33.9
Japan.....	1,263.0	3,802.8	33.2
Paraguay.....	11.0	62.8	17.5
United Kingdom.....	2,680.0	15,343.9	17.5
United States.....	21,730.0	130,600.0	16.6
Norway.....	206.8	1,304.0	15.9
Brazil.....	508.0	8,708.1	5.8
France.....	1,754.0	45,580.8	3.8

SOURCE OF BASIC DATA: International Financial Statistics.

[a] This date was chosen inasmuch as it represented the latest available data for some countries included in this table.

CHAPTER VI

CREDIT AND BANKING DEVELOPMENTS

A. CREDIT POLICY

In the interest of a faster rate of economic development, a credit policy of active ease was continued during the period under review. Toward this objective, the Central Bank liberalized credit to meet the increasing demands of the various sectors of the economy. The rediscount rate of 1½ per cent, which was adopted early in 1954 and is the lowest in the world today, was maintained to facilitate bank borrowings and thereby bolster domestic financing. The Central Bank also intensified its open market operations principally to provide necessary funds for the implementation of the development program of the Government. It also continued to promote actively the establishment of more banking and credit facilities both in urban and rural areas.

The aggregate of loans and advances extended by the Central Bank to Other Banks[1] amounted to ₱140.9 million. This was partly due to the low rediscount rate of 1½ per cent. As a result, total loans, discounts and overdrafts granted and renewed by Other Banks amounted to ₱765.1 million, reflecting an increase of ₱85.2 million or 12.5 per cent over those of last year. In 1954 credit lines amounting to more than $60 million were arranged by the Central Bank with U. S. banks in order to promote the production of export crops and to finance various industrial enterprises necessary in establishing a well-balanced economy. In 1955, a total of $42.1 million from such credit lines was availed of by eight local banks.

To help in accelerating the economic development of the country, the Central Bank gave substantial support to the bond issues of the Government. A record purchase of ₱273.1 million in government securities made possible the construction of various government projects.

---

[1] Consisting of commercial banks and savings banks.

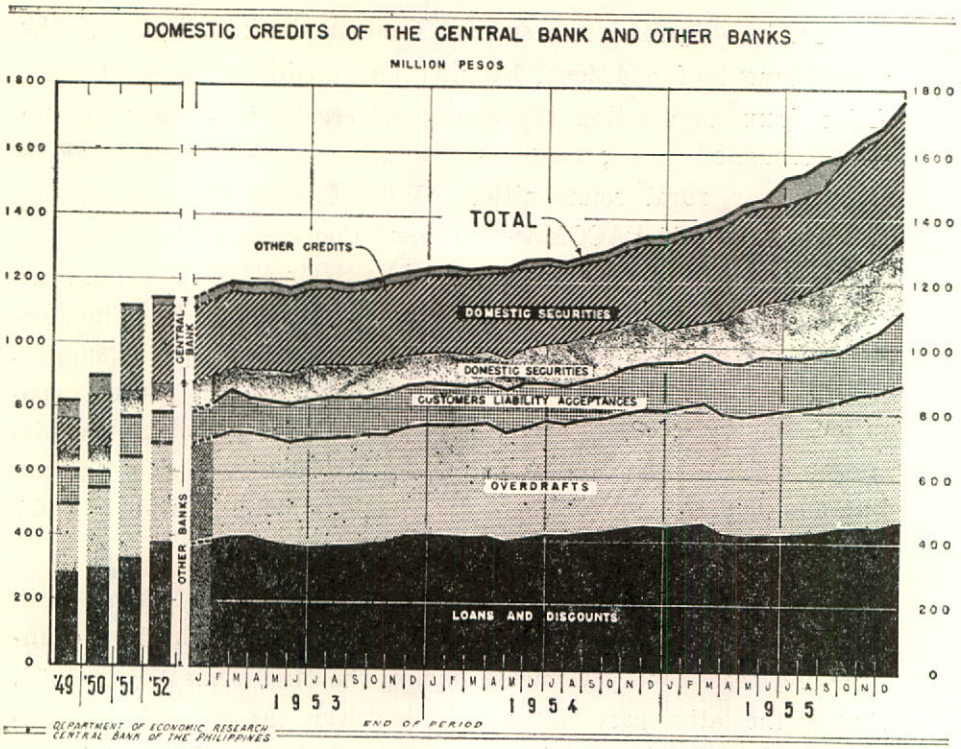
Another significant result of Central Bank policy was the establishment of additional banking and credit facilities in 1955. Aside from augmenting the supply of credit, these new institutions brought banking facilities within easy reach of more people especially in rural communities. With Central Bank assistance, 12 rural banks, 90 FACOMAS (Farmers Cooperative Marketing Associations), 10 branches of the Republic Savings Bank, 3 branches of commercial banks, and 1 commercial bank (Pacific Banking Corporation) were established. Also with Central Bank financial support and/or administrative assistance, the Rehabilitation Finance Corporation, the Agricultural Credit and Cooperative Financing Administration and rural banks were able to grant loans, mostly for agriculture and industry, amounting to ₱119.2 million, an expansion of ₱26.1 million or 28.1 per cent over the total last year.

All these developments tended to show that the Central Bank credit policy of positive ease adopted since 1954 helped in counteracting recessionary elements during the first semester of 1955. During the latter part of the year, however, the expansionary impact of the bond issues of the Government for developmental purposes began to be felt in the economy. Since the Central Bank has always adopted a flexible credit policy responsive to changing economic conditions, it may be necessary in the near future to help fend off inflation by specific selective credit measures which will restrict credit for non-essential imports and for non-productive activities.

B. DOMESTIC CREDITS OF THE BANKING SYSTEM[1]

Along with rising activity in the economic development of the country, the period under review was characterized by a remarkable expansion in the domestic credits of the banking system. At the end of 1955, the total outstanding domestic credits of the banking system surpassed all record levels when they aggregated ₱1,753.1 million, an increase of ₱411.9 million or 30.7 per cent over the 1954 year-end total. This appreciable growth was reflected in the credit operations of the Central Bank and Other Banks whose outstanding credits rose by ₱135.4 million and ₱276.5 million, respectively.

[1] Consisting of the Central Bank, commercial banks, and savings banks.



1. Central Bank Credit Operations

The Central Bank during 1955 rendered substantial support to the development program of the Government by purchasing ₱273.1 million of its securities. The lending capacity of Other Banks was likewise boosted by ₱140.9 million in loans and advances granted by the Central Bank during the year. A total of ₱60.6 million in budgetary loans was also granted to the National Government and its political subdivisions. As a result of these active credit operations, domestic credits of the Central Bank reached a new high of ₱417.9 million at the end of the year.

The total Central Bank credit portfolio, consisting of domestic securities, loans and advances to banks, budgetary loans to the Government, and the Treasury Certificate Account, amounted to ₱431.2 million as of December 31, 1955. This showed an increment of ₱86.2 million or 25.0 per cent over the level last year. Of the total portfolio, 54.0 per cent (₱232.9 million) represented obligations of the National Government; 42.9 per cent (₱185.0 million), semi-government entities; and 3.1 per cent (₱13.3 million), private

banks. The composition of these credits classified according to maturity period is presented hereunder:

Central Bank Credit Portfolio Classified as to Term of Maturity As of December 31, 1955

(Million pesos)

Type of credit	Total	Maturity period		
		Long term	Intermediate term	Short term
Total	431.2	96.2	309.4	25.6
Domestic Securities:				
R & D Interim Bonds	94.3	—	94.3	—
R & D Registered Bonds (reacquired)	16.1	—	16.1	—
ACCFA Notes and Certificates of Indebtedness	25.9	—	22.9	3.0
National Power Corporation Bonds	19.7	19.7	—	—
NAWASA Bonds	2.0	2.0	—	—
Treasury Bills	9.0	—	—	9.0
Treasury Notes	65.4	—	65.4	—
PW & ED Bonds	26.7	26.7	—	—
RFC Bonds	137.2	26.5	110.7	—
National Planning Commission Bonds	0.2	—	—	0.2
Loans and Advances to Banks	13.3	—	—	13.3
Budgetary Loans to the Government	0.1	—	—	0.1
Treasury Certificate Account	21.3	21.3	—	—

It could be observed in the above table that ₱96.2 million or 22.3 per cent was of long-term maturity (over 5 years); ₱309.4 million or 71.8 per cent, intermediate-term (1 to 5 years); and ₱25.6 million or 5.9 per cent, short-term (within a year). The corresponding maturity pattern a year ago was ₱246.8 million or 71.5 per cent, long-term; ₱35.7 million or 10.4 per cent, intermediate-term; and ₱62.5 million or 18.1 per cent, short-term. Thus, while a deterioration in the liquidity position was brought about by the decrement in short-term credits from ₱62.5 million in 1954 to ₱25.6 million in 1955, this was mitigated by the fact that the intermediate-term credits totalled ₱309.4 million as compared to only ₱35.7 million last year. Moreover, long-term credits which aggregated ₱246.8 million in 1954 were reduced to ₱96.2 million at the close of the year.

a. Domestic Securities

To provide necessary funds for the effective implementation of the economic program of the Government, the Central Bank engaged more actively in open market operations. This gave rise to a considerable expansion in the holdings of government secu-

rities which aggregated ₱396.5 million at the end of 1955, an increase of ₱135.4 million or 51.8 per cent over the prevailing total a year ago. It is significant to note that the total Central Bank purchases and sales of government securities during 1955 reached record levels of ₱273.1 million and ₱137.7 million, respectively. A summary of Central Bank transactions in domestic securities is presented in the following table:

Central Bank Open Market Operations
1955

(Million pesos)

Item	Outstanding as of December 31 1954	Purchases 1955	Sales 1955	Outstanding as of December 31 1955
Total	261.1	273.1	137.7	396.5
R & D Bonds	140.4	6.0	36.0	110.4
PW & ED Bonds	5.8	73.5	52.6	26.7
Treasury Bills	—	9.0	—	9.0
Treasury Notes	—	71.9	6.5	65.4
RFC Bonds	104.2	33.0	—	137.2
NPC Bonds	3.4	42.7	26.4	19.7
ACCFA Notes and Certificates of Indebtedness	7.0	34.0	15.1	25.9
NAWASA Bonds	—	2.0	—	2.0
MWD Bonds	—	1.0	1.0	—
National Planning Commission Bonds	0.2	—	—	0.2
Various Local Government Bonds	0.1	—	0.1	—

b. Loans and Advances to Banks

During the period under review, Central Bank loans and advances extended to banks totalled ₱140.9 million, reflecting a slight decrease of ₱1.8 million compared with 1954. The outstanding balance of these loans which amounted to ₱62.5 million at the start of the year was reduced to ₱13.3 million at the end of December, as a result of substantial payments of ₱190.1 million made by borrowing banks. The Central Bank extended for the first time direct advances to rural banks amounting to ₱56.0 thousand. These loans were granted to the Tarlac Rural Bank (₱34.0 thousand) and Liamzon Rural Bank (₱22.0 thousand) in December, 1955. The number of commercial banks that availed of Central Bank credit facilities increased from 8 to 14, partly due to the Central Bank's low rediscount rate.

c. Budgetary Loans to the Government

In 1955, the Central Bank extended budgetary loans to the National Government and its political subdivisions in the amount

of ₱60.0 million and ₱0.6 million, respectively. The former was fully liquidated in September, out of the proceeds of the sale of 2 per cent five-year Treasury notes. A total of ₱0.1 million in loans to local governments remained outstanding at the end of the year.

d. Treasury Certificate Account

The government note on the Treasury Certificate Account, which amounted to ₱21,350,259.91 at the beginning of the year was reduced by ₱25,694.15 at the end of December. This note is non-interest bearing, non-negotiable and without fixed maturity, and represented the liability of the Treasury Certificate Account for all outstanding treasury certificates which were assumed by the Central Bank under Section 135 of its Charter.

2. Credit Operations of Other Banks

Other Banks continued to expand their credit activities, particularly investments in government securities. Their total outstanding domestic credits at the close of 1955 settled at a new high of ₱1,335.2 million, an expansion of ₱276.5 million or 26.1 per cent over the 1954 year-end level. Loans, discounts and overdrafts outstanding (including unused overdraft balances) constituted 66.2 per cent (₱883.1 million); domestic securities, 17.2 per cent (₱229.4 million); and customers' liability acceptances, 16.6 per cent ₱222.7 million). A comparative table of domestic credits of Other Banks is shown below:

Domestic Credits of Other Banks
***December* 31, 1954 *and* 1955**

(Amount in million pesos)

Item	Amount		Increase or decrease (—)	
	1955	1954	Amount	Per cent
Total	1,335.2	1,058.7	276.5	26.1
Loans and Discounts	461.7	440.5	21.2	4.8
Overdrafts [a]	421.4	365.2	56.2	15.4
Domestic Securities	229.4	102.7	126.7	123.4
Customers' Liability Acceptances	222.7	150.3	72.4	48.2

[a] Including unused overdraft lines.

Of the aggregate outstanding domestic credits, the private sector (private businesses and individuals) accounted for ₱1,100.5 million or 82.4 per cent and the public sector (the National Government and its political subdivisions and instrumentalities) for ₱234.7 million

or 17.6 per cent. Credits to the private sector increased by ₱165.2 million or 17.7 per cent and those to the government sector by ₱111.3 million or 90.2 per cent.

a. Loans, Discounts and Overdrafts

During the year, loans, discounts and overdrafts granted and renewed by Other Banks aggregated ₱765.1 million, a growth of ₱85.2 million or 12.5 per cent over the 1954 total. Credits extended for commercial purposes increased by ₱37.4 million; for different industries, by ₱29.3 million; for real estate, by ₱5.7 million; for public utility, by ₱1.7 million; and for others, by ₱20.0 million. However, agricultural loans declined by ₱8.9 million. This drop was attributable to the expanded activities of the RFC, the ACCFA and rural banks whose total agricultural loans granted during the year increased by ₱32.0 million or 85.6 per cent, and who thereby undertook part of the function of lending formerly discharged by Other Banks.

Loans, Discounts and Overdrafts Granted and Renewed by Other Banks Classified by Purpose

1954-1955

(Amount in million pesos)

Item	Amount		Per cent distribution	
	1955	1954	1955	1954
Total	765.1	679.9	100.0	100.0
Commercial	307.7	270.3	40.2	39.8
Industrial	104.7	75.4	13.7	11.1
Agricultural	175.6	184.5	23.0	27.1
Real estate	56.4	50.7	7.4	7.4
Public utility	11.7	10.0	1.5	1.5
Others	109.0	89.0	14.2	13.1

Total outstanding loans, discounts and overdrafts of Other Banks amounted to ₱745.0 million at the close of 1955, a rise of ₱49.7 million or 7.1 per cent over the preceding year-end balance.

Outstanding loans, discounts and overdrafts for commercial purposes amounted to ₱236.3 million. Those for financing of sugar amounted to ₱32.9 million; coconut products, ₱31.7 million; lumber, ₱7.4 million; fiber and fiber products, ₱2.5 million; and tobacco and tobacco products, ₱1.7 million. Loans for the importation of essential capital goods totalled ₱82.7 million and those for consumers' items, ₱21.0 million. The remaining ₱56.4 million were extended for various commercial purposes.

Loans for the financing of various industries aggregated ₱81.9 million, of which ₱4.4 million were shared by mining companies and ₱77.5 million by different manufacturing concerns. Those for sugar refineries reached ₱8.6 million; tobacco and cigarette factories, ₱6.9 million; textile mills, ₱6.8 million; leather manufacturers; ₱4.1 million; cement factories, ₱1.4 million; and various industrial firms, ₱49.7 million.

Agricultural loans amounted to ₱275.5 million, the distribution of which was as follows: sugar, ₱177.9 million; rice, ₱51.8 million; coconut, ₱12.6 million; fruits and vegetables, ₱7.5 million; corn, ₱4.2 million; abaca, ₱3.4 million; tobacco, ₱1.7 million; fishing, ₱4.8 million; forest products, ₱4.4 million; livestock, ₱1.4 million; and other agricultural crops, ₱5.8 million.

Real estate loans totalled ₱61.9 million. Those for construction purposes amounted to ₱23.5 million; purchase of real estate, ₱22.0 million; reconstruction and repairs, ₱5.7 million; brokerage companies, ₱4.1 million; and other real estate purposes, ₱6.6 million.

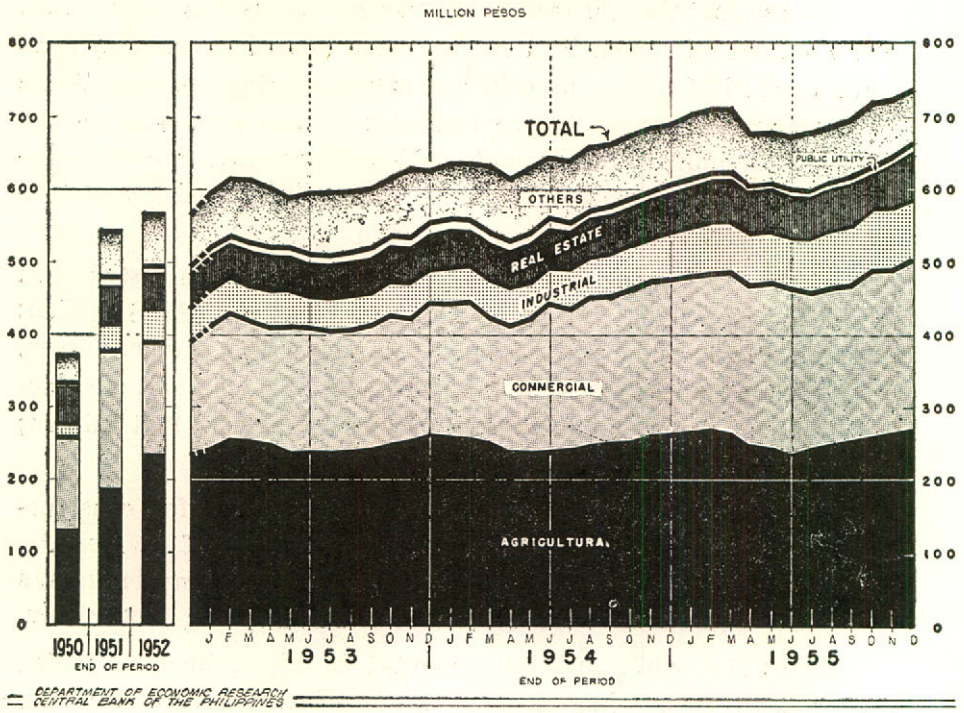
Loans for public utilities amounted to ₱8.0 million of which ₱5.5 million were obligations of transportation companies; ₱2.2 million, electric and gas companies; and ₱0.3 million, other public utilities.

Finally, loans for other purposes amounted to ₱81.4 million of which ₱24.8 million were consumption loans; ₱5.1 million, obligations of religious and educational institutions; and ₱51.5 million, loans for miscellaneous purposes.

Outstanding Loans, Discounts and Overdrafts of Other Banks Classified by Purpose
December 31, 1954 and 1955

(Amount in million pesos)

Item	Amount		Increase or decrease(—)	
	1955	1954	Amount	Per cent
Total	745.0	695.3	49.7	7.1
Commercial	236.3	215.5	20.8	9.6
Industrial	81.9	66.2	15.7	23.7
Agricultural	275.5	269.1	6.4	2.4
Real estate	61.9	54.1	7.8	14.4
Public utility	8.0	12.4	-4.4	-35.5
Others	81.4	78.0	3.4	4.4



(1) Security Requirements

At the end of 1955, secured loans, discounts and overdrafts outstanding of Other Banks (excluding PNB branches and agencies) amounted to ₱381.0 million, an increase of ₱34.0 million over a year ago. On the other hand, those unsecured reached ₱131.0 million, or ₱21.6 million more than last year. Hence, the ratio of outstanding secured loans to the total dropped from 76.0 per cent at the start of 1955 to 74.4 per cent at the end of December.

***Outstanding Loans, Discounts and Overdrafts of Other Banks Classified by Type of Security*[a]**
***December* 31, 1954 *and* 1955**

(Amount in million pesos)

Item	Amount		Per cent distribution	
	1955	1954	1955	1954
Total	512.0	456.4	100.0	100.0
Secured loans	381.0	347.0	74.4	76.0
Real estate	194.3	157.6	37.9	34.5
Merchandise	44.5	43.8	8.7	9.6
Stocks and bonds	37.1	40.5	7.2	8.9
Endorsed and co-maker	9.0	9.9	1.8	2.2
Plant and equipment	8.9	7.3	1.7	1.6
Cash margin	7.0	6.8	1.4	1.5
Other collateral	80.2	81.1	15.7	17.7
Unsecured loans	131.0	109.4	25.6	24.0
Single name paper	42.1	36.7	8.2	8.1
Two or more name paper	88.9	72.7	17.4	15.9

[a] Excluding those of PNB branches and agencies as data are not available.

(2) Interest Rates

Of the ₱512.0 million total outstanding in loans, discounts and overdrafts of Other Banks (excluding PNB branches and agencies) at the end of December, ₱391.4 million or 76.4 per cent carried interest rates ranging from 5 to 7 per cent. Those with 0 to 4½ per cent and 7-1/2 to 12 per cent amounted to ₱14.3 million and ₱106.3 million, respectively.

Outstanding Loans, Discounts and Overdrafts of Other Banks Classified by Interest Rate[a], 1954-1955

(Million pesos)

Interest rate (Per cent)	December 1954	1955			
		March	June	September	December
Total	456.4	474.3	472.1	488.3	512.0
0	2.1	2.0	2.0	1.8	2.0
2	2.2	2.2	—	2.6	2.6
3	0.2	0.2	0.3	0.3	0.3
4	6.6	3.7	2.6	6.6	6.5
4-1/2	1.5	2.1	2.3	2.0	2.9
5	94.2	101.5	91.3	77.1	94.6
5-1/2	20.2	18.2	20.2	20.2	23.8
6	140.3	144.6	148.6	164.4	169.9
6-1/2	1.6	1.3	1.6	1.4	1.3
7	100.1	106.1	105.8	106.6	101.8
7-1/2	0.7	0.8	0.7	1.0	1.3
8	55.3	55.4	58.5	63.7	65.4
9	20.1	23.5	24.4	25.8	24.5
10	3.8	4.0	4.6	5.0	5.3
12	7.5	8.7	9.2	9.8	9.8

[a] Excluding those of PNB branches and agencies as data are not available.

b. Customers' Liability Acceptances

As a result of increased importation of capital goods and raw material requirements of existing as well as newly-established industries, outstanding customers' liability acceptances of Other Banks rose from ₱150.3 million at the start of 1955 to ₱222.7 million at the end of December, an expansion of ₱72.4 million or 48.2 per cent. The decontrol of consumer goods necessary in maintaining the standard of living of the public was likewise a contributory factor in the rise of this type of bank credit. The monthly balances of outstanding customers' liability acceptances during 1955 were consistently higher compared to those of last year as indicated in the following table:

Outstanding Customers' Liability Acceptances of Other Banks, 1954-1955

(Amount in million pesos)

End of period	Amount		Increase or decrease (—)	
	1955	1954	Amount	Per cent
January	146.8	132.4	14.4	10.9
February	152.1	129.5	22.6	17.5
March	160.0	134.9	25.1	18.6
April	169.8	137.1	32.7	23.9
May	182.2	144.7	37.5	25.9
June	169.7	124.6	45.1	36.2
July	162.1	123.3	38.8	31.5
August	160.0	125.7	34.3	27.3
September	160.1	136.6	23.5	17.2
October	172.4	143.2	29.2	20.4
November	194.7	149.7	45.0	30.0
December	222.7	150.3	72.4	48.2

c. Domestic Securities

During the period under review, a significant increment of ₱126.7 million or 123.4 per cent was observed in the total security holdings of Other Banks. Holdings of Public Works and Economic Development bonds rose by ₱114.9 million; National Power Corporation bonds, by ₱11.5 million; Rehabilitation and Development bonds, by ₱6.5 million; National Waterworks and Sewerage Authority bonds, by ₱2.0 million; and ACCFA notes, by ₱2.5 million. It will be observed in the following table that net acquisitions of government securities, notably PW & ED bonds, increased substantially from the middle of the year.

Outstanding Domestic Securities of Other Banks 1954-1955

(Million pesos)

Item	December 1954	1955			
		March	June	September	December
Total	102.7	101.9	184.2	230.9	229.4
Public Works and Economic Development Bonds	3.6	4.1	72.7	108.3	118.5
Rehabilitation and Development Bonds	19.1	24.1	24.1	25.8	25.6
Certificates of Indebtedness of the National Government	39.9	39.9	37.6	37.6	38.3
Treasury Bills and Notes	14.9	5.9	6.0	6.1	7.0
Rehabilitation Finance Corporation Bonds	12.6	12.6	15.1	11.4	11.4
National Power Corporation Bonds	3.3	3.3	16.7	29.7	14.8
ACCFA Notes	—	2.7	2.7	2.7	2.5
NAWASA Bonds	—	—	—	—	2.0
Various City and Provincial Government Bonds	3.4	3.4	3.4	3.4	3.4
Manila Railroad Company Bonds	1.0	1.0	—	—	—
Metropolitan Water District Bonds	1.5	1.5	2.5	2.5	2.5
Bonds of Private Issue	3.4	3.4	3.4	3.4	3.4

C. EXPANSION OF BANKING FACILITIES

The Central Bank continued to encourage the expansion of banking and credit facilities throughout the country. Toward this objective, it undertook, among others, the following actions:

(a) The approval of the establishment of the Pacific Banking Corporation;

(b) The approval of the opening of 3 branches of 3 different commercial banks;

(c) The approval of the setting up of 10 branches of the Republic Savings Bank;

(d) The authorization of 12 rural banks in different parts of the country bringing the total to 40 operating rural banks distributed over 9 cities and 16 provinces; and

(e) The purchase of ACCFA notes by the Central Bank in the course of its open market operations which helped in the establishment of 90 additional FACOMAS.

As of December 31, 1955, there were in operation 17 commercial banks (13 domestic and 4 foreign) and 3 savings banks, with a total of 160 branches and agencies; the Rehabilitation Finance Corporation with 8 branches; 40 rural banks; the Postal Savings Bank with 1,193 agencies; 7 building and loan associations; and the Agricultural Credit and Cooperative Financing Administration with 319 FACOMAS.

1. Assets and Liabilities of Other Banks

At the end of 1955, total resources of Other Banks aggregated ₱1,577.1 million, an expansion of ₱238.0 million or 17.8 per cent compared to the level a year ago. Of this total, ₱1,238.1 million (78.5 per cent) consisted of earning assets; ₱301.7 million (19.1 per cent) liquid assets; and ₱37.3 million (2.4 per cent) other assets. Total liabilities amounting to ₱1,415.8 million or 89.8 per cent of the total resources consisted of ₱1,121.0 million demand, savings and time deposits; ₱51.1 million, due to banks; ₱13.4 million, outstanding managers' and certified checks; and the remaining ₱230.3 million in other liabilities. Net worth consisting of capital paid-in, surplus, reserves and undivided profits totalled ₱161.3 million or 10.2 per cent of the total resources.

Assets and Liabilities of Other Banks December 31, 1954 and 1955

(Million pesos)

Item	1955	1954	Increase or decrease (—)
Liquid Assets:			
Cash	33.9	32.9	1.0
Checks and other cash items	9.2	7.1	2.1
Due from banks	258.6	292.2	-33.6
Earning Assets:			
Loans and discounts	461.8	440.6	21.2
Overdrafts	283.5	254.7	28.8
Customers' liability acceptances and unmatured export bills	263.4	175.9	87.5
Investments in stocks, bonds and other securities	229.4	102.7	126.7
Other Assets:			
Banking house, furniture and fixtures	21.1	19.3	1.8
Other real and chattel property owned	3.3	2.9	0.4
Miscellaneous assets	12.9	10.8	2.1
TOTAL ASSETS	1,577.1	1,339.1	238.0
Liquid Liabilities:			
Demand deposits	641.5	534.1	107.3
Savings deposits	382.9	354.5	28.4
Time deposits	96.6	72.7	23.9
Due to banks	51.1	55.9	-4.7
Cashiers' and managers' checks	13.4	6.4	7.0
Other Liabilities:			
Dividends payable	0.8	0.6	0.2
Bills payable[a]	95.8	63.2	32.6
Guarantee accounts	73.8	65.1	8.7
Miscellaneous liabilities	59.9	42.9	17.0
Net Worth:			
Capital stock paid-in	70.5	44.5	26.0
Surplus	34.4	31.1	3.3
Reserves	45.8	59.1	-13.3
Undivided profits	10.6	9.0	1.6
TOTAL LIABILITIES AND NET WORTH	1,577.1	1,339.1	238.0

[a] Including special loans payable to U.S. banks.

The expansion in the resources of Other Banks occurred mostly in loans and investments in securities. This was slightly offset by the decrease in liquid assets. On the liability side, liquid liabilities went up as a result principally of the upsurge in demand, savings and time deposits. The increase in other liabilities was due mostly to the rise in bills payable. The appreciable growth registered in the total net worth was attributed mainly to the

increased capitalization of the Philippine National Bank coupled with the initial capital paid-in of the Pacific Banking Corporation. A table showing the movement of the liquidity and some asset-liability relationships of Other Banks is presented hereunder:

Liquidity and Asset-Liability Relationships of Other Banks
1954-1955

(Amount in million pesos)

Item	December 1954	1955			
		March	June	September	December
Total Resources	1,339.1	1,322.1	1,364.9	1,432.3	1,577.1
Cash Position [a]	151.5	133.7	132.9	137.5	170.4
Liquid Assets	332.2	280.6	253.5	271.5	301.7
Earning Assets	973.9	1,008.1	1,076.7	1,124.8	1,238.1
Risk Assets [b]	775.0	784.2	758.3	769.8	855.3
Demand Deposits	534.1	548.5	588.6	614.2	641.5
Total Deposit Liabilities	961.3	992.3	1,030.7	1,074.3	1,121.0
Net Worth [c]	139.2	141.7	149.3	173.0	157.2
Ratio of:					
Cash Position to Demand Deposits	28.4	24.4	22.6	22.4	26.6
Cash Position to Total Deposit Liabilities	15.8	13.5	12.9	12.8	15.2
Liquid Assets to Demand Deposits	62.2	51.2	43.1	44.2	47.0
Earning Assets to Total Deposit Liabilities	101.3	101.6	104.5	104.7	110.5
Earning Assets to Total Resources	72.7	76.2	78.9	78.5	78.5
Net Worth to Risk Assets [c]	18.0	18.1	19.7	22.5	18.4
Net Worth to Total Resources [c]	13.5	13.8	13.9	15.1	12.6

[a] Consisting of cash in Other Banks' vaults and deposits with the Central Bank.
[b] Total resources minus cash on hand, due from banks and the Central Bank, and holdings of government securities. Excluding those of foreign banks.
[c] Excluding those of foreign banks.

a. Cash Position and Reserves

The cash position of Other Banks rose from ₱151.5 million at the start of the year to ₱170.4 million at the end, showing an improvement of ₱18.9 million or 12.5 per cent during the period. This increment was attributable to the sizable expansion of ₱17.9 million in their deposits with the Central Bank and was augmented by the ₱1.0 million increase in cash in banks' vaults.

Bank reserves as of December 31, 1955 exhibited higher levels compared to their corresponding balances at the end of the preceding year. Available reserves aggregating ₱188.3 million recorded an appreciable growth of ₱22.6 million. Accountable for this upturn was the marked increase in deposits with the Central Bank. Notwithstanding the rise of ₱19.0 million in required reserves, excess reserves showed an improvement of ₱3.6 million. Heavy purchases of government securities together with the improvement in the

cash holdings of banks pushed the level of potential reserves to ₱264.4 million at year's end, an increase of ₱106.5 million or 67.4 per cent over that of 1954. A comparative table showing the movement of bank reserves during the period under review is presented below:

Available, Required, Excess and Potential Reserves of Other Banks
1954-1955

(Million pesos)

End of period	Available reserves[a]			Potential reserves		
	Total	Required	Excess	Total	Cash in banks' vaults	Eligible foreign balances, Phil. and U.S. securities
1954	165.7	117.6	48.1	157.9	32.9	125.0
1955—January	152.1	117.9	34.2	158.4	32.8	125.6
February	141.8	119.3	22.5	153.1	32.2	120.9
March	147.5	120.4	27.1	141.7	33.2	108.5
April	147.8	121.9	25.9	181.8	31.9	149.9
May	147.1	121.8	25.3	175.2	30.8	144.4
June	152.3	126.8	25.5	169.8	32.0	137.8
July	154.8	129.3	25.5	225.7	29.2	196.5
August	179.2	133.0	46.2	240.4	30.6	209.8
September	165.0	132.8	32.2	265.4	26.1	239.3
October	165.5	137.0	28.5	255.3	33.4	221.9
November	160.4	137.7	22.7	246.4	36.2	210.2
December	188.3	136.6	51.7	264.4	33.9	230.5

[a] Consisting of deposits with the Central Bank, eligible Philippine securities, eligible foreign balances, and eligible U.S. securities.

b. Deposit Liabilities

Deposit liabilities of Other Banks which aggregated ₱961.3 million at the start of 1955 recorded a consistent uptrend until they reached an unprecedented postwar balance of ₱1,121.0 million at the end of the period under review. This considerable rise of ₱159.7 million or 16.6 per cent was reflected in demand deposits, ₱107.4 million; savings deposits, ₱28.4 million; and time deposits, ₱23.9 million. Demand deposits of the National Government showed an improvement of ₱32.5 million, as a result mainly of vigorous tax collections together with the faster rate of accumulation of development funds over actual disbursements. For the latter reason, the current accounts as well as savings and time deposits of semi-government entities also increased by ₱33.7 million and ₱2.9 million, respectively. Demand deposit balances of local governments dropped by ₱10.9 million, slightly offset by an increment of ₱1.5 million in their savings and time deposits. The checking accounts of private businesses and individuals registered an expansion of ₱35.7 million and their total savings and time deposits improved

considerably by ₱47.9 million during the year. Demand deposits of U.S. Government entities also went up by ₱16.4 million.

Deposit Liabilities of Other Banks 1954-1955

(Million pesos)

Item	December 1954	1955			
		March	June	September	December
TOTAL DEPOSIT LIABILITIES....	961.3	992.3	1,030.7	1,074.3	1,121.0
Demand Deposits.....	534.1	548.5	588.6	614.2	641.5
National Government.....	100.2	112.2	134.3	161.3	132.7
Local Governments.....	87.4	86.8	92.6	79.2	76.5
Semi-Government Entities.....	51.8	63.8	75.1	86.3	85.5
Private Businesses and Individuals.....	272.3	263.2	260.4	259.9	308.0
U. S. Government Entities.....	22.4	22.5	26.2	27.5	38.8
Savings and Time Deposits.....	427.2	443.8	442.1	460.1	479.5
Local Governments.....	5.6	6.4	6.9	6.6	7.1
Semi-Government Entities.....	1.8	2.2	1.9	6.0	4.7
Private Businesses and Individuals.....	419.8	435.2	433.3	447.5	467.7

At the end of 1955, savings and time deposits of Other Banks amounted to ₱479.5 million, a substantial gain of ₱52.3 million or 12.2 per cent compared to the total a year ago. Classified by regional distribution, it is worth noting that except for Central and Southern Luzon, the quarterly balances in different regions, showed significant uptrends during the year. The 1955 quarterly movement of savings and time deposits can be observed in the accompanying table:

Geographical Distribution of Savings and Time Deposits of Other Banks, 1954-1955

(Million pesos)

Location	December 1954	1955			
		March	June	September	December
Total.....	427.2	443.8	442.1	460.1	479.5
Manila and Suburbs.....	331.3	345.4	344.4	359.3	377.3
Northern Luzon.....	15.1	20.6	21.0	21.7	21.8
Central Luzon.....	17.6	13.2	13.6	14.4	14.6
Southern Luzon.....	10.3	9.2	8.8	9.2	8.5
Bicol Region.....	3.7	3.8	3.6	3.8	4.3
East Visayas.....	23.6	24.5	23.5	23.9	24.5
West Visayas.....	16.3	17.1	17.2	16.8	17.1
Mindanao and Sulu.....	9.3	10.0	10.0	11.0	11.4

The largest percentage increase in savings and time deposits during the year was registered in Northern Luzon (44.4 per cent). This was mainly attributable to the boom in the Virginia leaf tobacco industry in that region, as indicated by the remarkable rise in savings and time deposits during the first quarter which was the harvesting season of this particular crop. Mindanao and Sulu ranked second (22.6 per cent), followed by the Bicol Region (16.2 per cent); Manila and suburbs (13.9 per cent); West Visayas (4.9 per cent); and East Visayas (3.8 per cent). On the other hand, the percentage declines of Southern Luzon and Central Luzon were 17.5 per cent and 17.0 per cent, respectively.

2. Earnings and Expenses of Other Banks

Net earnings of Other Banks during 1955 amounted to ₱22.8 million, a rise of ₱1.8 million or 8.6 per cent over last year. The ratio of net earnings to average net worth of Other Banks [1] was 11.3 per cent as compared to 12.0 per cent for the preceding year.

Of the ₱90.5 million gross earnings, ₱52.2 million (57.7 per cent) constituted income from their credit portfolios; ₱11.8 million (13.0 per cent), commissions; ₱10.7 million (11.8 per cent), profit on assets sold or exchanged; ₱8.1 million (9.0 per cent), income on foreign exchange; and ₱7.7 million (8.5 per cent), miscellaneous income.

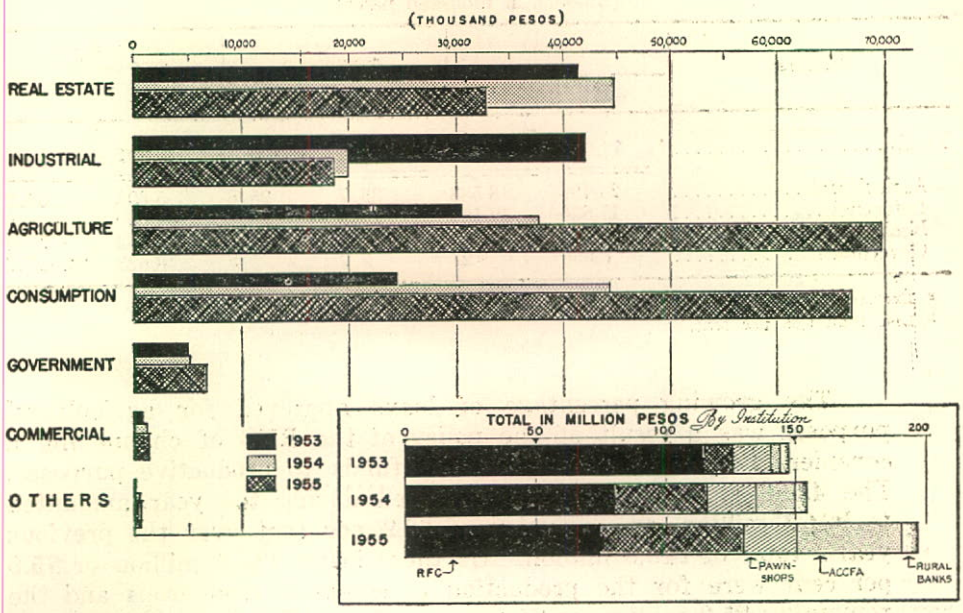
Total expenses amounted to ₱67.7 million of which 26.4 per cent (₱17.9 million) represented salaries and wages; 17.7 per cent (₱12.0 million), losses and charge-offs on loans, discounts and other assets; 16.3 per cent (₱11.0 million), taxes; 13.0 per cent (₱8.8 million), interest on deposit liabilities; and the remaining 26.6 per cent (₱18.0 million), miscellaneous expenses.

D. CREDIT OPERATIONS OF SELECTED FINANCIAL INSTITUTIONS

Selected financial institutions consisting of the Rehabilitation Finance Corporation (RFC), the Agricultural Credit and Cooperative Financing Administration (ACCFA), the Government Service Insurance System (GSIS), the Postal Savings Bank (PSB), the rural banks, the building and loan associations and the pawnshops operating in the city of Manila contributed greatly in promoting higher levels of economic activity. Through their varied credit activities, necessary funds were supplied to the different segments of the economy. The volume of their credit operations during 1955 aggregated ₱194.7 million, an expansion of 32.7 per cent over the total extended the previous year. At the end of the year, loans outstanding totalled ₱580.7 million as compared to ₱512.9 million in 1954.

[1] Excluding foreign banks.

LOANS GRANTED BY SELECTED FINANCIAL INSTITUTIONS
CLASSIFIED BY PURPOSE



DEPARTMENT OF ECONOMIC RESEARCH
CENTRAL BANK OF THE PHILIPPINES

1. Rehabilitation Finance Corporation

Maximum agricultural production through full utilization of the country's agricultural resources and the promotion of dollar-saving and dollar-producing industrial projects were two of the principal aims toward which the credit operation of the Rehabilitation Finance Corporation was directed. To achieve these objectives, it implemented special financing plans for the development of fishponds, for the production of abaca, citrus and coffee, and for the promotion of the livestock industry. Loans under the livestock plan were guaranteed by the Industrial Loan and Guarantee Fund set up by the PHILCUSA-ICA. Under the coffee financing plan, the RFC provided financial assistance to the extent of ₱780 per hectare. Furthermore, to stimulate industrial activities, it reduced the interest rate on industrial loans from 6 to 4 per cent per annum.

During the year, the RFC approved 6,593 loans aggregating ₱71.9 million compared to 6,151 loans amounting to ₱72.7 million in 1954. These loans may be classified according to purpose as follows:

Loans Approved[a] by the Rehabilitation Finance Corporation Classified by Purpose, 1954-1955

(Amount in thousand pesos)

Purpose	Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	Amount	Per cent
Total	71,903	72,704	100.0	100.0	- 801	- 1.1
Agricultural	24,196	18,588	33.7	25.6	5,608	30.2
Industrial	17,836	19,505	24.8	26.8	-1,669	- 8.6
Real estate	23,221	34,584	32.3	47.6	-11,363	- 20.9
Government	6,650	27	9.2	b	6,623	24,529.6

[a] Exclusive of loans cancelled or reduced.
[b] Less than 0.05 per cent.

The growing percentage of loans approved for agricultural purposes was a result of the policy of the RFC of channelling a considerable portion of its loanable funds to productive purposes. The 4,598 agricultural loans approved during the year amounted to ₱24.2 million, an expansion of 30.2 per cent over the previous year's total of ₱18.6 million. Of these loans, ₱18.3 million or 75.6 per cent were for the production of essential food crops and the remaining ₱5.9 million or 24.4 per cent for export products.

The distribution of agricultural loans classified as to product and area cultivated is shown below:

Agricultural Loans Approved[a] by the Rehabilitation Finance Corporation Classified by Product and Area, 1954-1955

(Amount in thousand pesos)

Product	Area cultivated (Hectares)		Amount		Per cent distribution of amount		Increase or decrease (—)	
	1955	1954	1955	1954	1955	1954	Amount	Per cent
Total	65,463	56,715	24,196	18,588	100.0	100.0	5,608	30.1
Palay	39,030	34,007	9,205	7,630	38.0	41.0	1,575	20.6
Corn and other staples	4,896	2,801	913	497	3.8	2.7	416	45.6
Coconut	8,822	5,446	1,983	1,518	8.2	8.2	465	30.6
Sugar	3,710	4,356	2,401	1,807	9.9	9.7	594	32.9
Abaca	1,518	1,949	616	942	2.5	5.1	-326	-34.6
Ramie	52	274	413	622	1.7	3.4	-209	-33.6
Tobacco	1,299	864	503	222	2.1	1.2	281	126.6
Orchard	2,297	1,546	824	660	3.4	3.6	164	24.8
Citrus	63	122	127	79	0.5	0.4	48	60.8
Coffee	1,436	86	2,129	44	8.8	0.2	2,085	4,738.6
Fishponds	2,058	5,161	2,648	3,890	11.0	20.9	-1,242	-31.9
Salt	134	100	557	426	2.3	2.3	131	30.8
Livestock, poultry and dairy	—	—	1,788	250	7.4	1.3	1,538	615.2
Others	148	3	89	1	0.4	—	88	8,800.0

[a] Exclusive of loans cancelled or reduced.

Industrial loans approved by the RFC during 1955 aggregating ₱17.8 million showed a decline of 8.6 per cent from the preceding year's total of ₱19.5 million. The various types of industries which received financial assistance are shown hereunder:

Industrial Loans Approved by the Rehabilitation Finance Corporation Classified by Industry, 1954-1955

(Amount in thousand pesos)

Industry	Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	Amount	Per cent
Total	17,836	19,505	100.0	100.0	–1,669	–8.6
Rice mills	1,116	1,133	6.3	5.8	–17	–1.5
Pharmaceutical products	652	719	3.7	3.7	–67	–9.3
Jute sack, twine, rope and textile factories	975	2,602	5.5	13.3	–1,627	–62.5
Lumber and allied products	894	438	5.0	2.2	456	104.1
Mining	1,435	5,800	8.0	29.7	–4,365	–75.3
Cement and aluminum	2,132	2,278	12.0	11.7	– 146	– 6.4
Leather products	2,211	287	12.4	1.5	1,924	670.4
Public utilities	2,495	2,458	14.0	12.6	37	1.5
Sugar centrals	850	2,000	4.7	10.3	–1,150	–57.5
Others	5,076	1,790	28.4	9.2	3,286	183.6

The RFC approved a total of 1,770 real estate loans worth ₱23.2 million as compared to 2,859 loans valued at ₱34.6 million during the previous year or a decrease of 32.9 per cent. This amount included ₱485 thousand representing the value of 3 loans approved for the purchase of landed estates. All real estate loans approved in 1955 were financed through the various trust funds under the administration of the RFC, to wit: Back Pay Sinking Fund, 85.2 per cent; Postal Savings Bank Fund, 8.7 per cent; Government Service Life and Retirement Funds, 3.0 per cent; and the Veterans' Back Pay Sinking Fund, 3.1 per cent.

Loans to local governments for financing projects which were considered self-liquidating aggregated ₱6.7 million as against only ₱27 thousand the previous year. These loans were for the construction of markets, slaughterhouses, waterworks, public buildings, toll bridges, wharves and government housing projects. The RFC also subscribed ₱951 thousand worth of preferred stocks of rural banks to bolster their resources.

The extent of the credit operation of the RFC can be gleaned from the geographical distribution of loans approved during 1955: Manila and Quezon City, 24.2 per cent (₱17.4 million); Northern Luzon, 9.6 per cent (₱6.9 million); Central Luzon, 15.3 per cent (₱11.0 million); Southern Luzon, 23.5 per cent (₱16.9 million);

Bicol region, 2.6 per cent (₱1.9 million); Western Visayas, 10.9 per cent (₱7.8 million); Eastern Visayas, 1.4 per cent (₱1.0 million); Eastern Mindanao, 7.5 per cent (₱5.4 million); and Western Mindanao, 5.0 per cent (₱3.6 million).

The total loans approved in 1955 amounting to ₱71.9 million were distributed among 6,593 borrowers. This showed an average of ₱10.9 thousand per loan as against ₱11.8 thousand last year. The largest percentage increases in amount occurred in loans of ₱50,000 and over.

Loans Approved by the Rehabilitation Finance Corporation Classified by Size, 1954-1955

(Amount in thousand pesos)

Size	Number		Amount		Increase or decrease (—)		Per cent distribution, 1955	
	1955	1954	1955	1954	Amount	Per cent	Number	Amount
Total	6,593	6,151	71,903	72,704	-801	-1.1	100.0	100.0
₱ 5,000 and below	3,906	2,814	6,985	6,085	900	14.8	59.2	9.7
₱ 5,001 to ₱10,000	1,100	1,499	8,415	11,588	-3,173	27.4	16.7	11.7
₱10,001 to ₱20,000	1,198	1,504	18,448	23,720	-5,272	22.2	18.2	25.7
₱20,001 to ₱50,000	266	231	8,259	7,541	718	9.5	4.0	11.5
₱50,001 to ₱100,000	66	57	4,856	2,422	2,434	100.5	1.0	6.8
Over ₱100,000	57	46	24,940	21,348	3,592	16.8	0.9	34.6

Net of cancellations and reductions of loans previously approved, the aggregate outstanding balance of RFC loans amounted to ₱456.2 million at the end of 1955. This reflected an overall increase of ₱15.5 million over the preceding year's level as shown below:

Loans Outstanding of the Rehabilitation Finance Corporation Classified by Purpose, December 31, 1954-1955

(Amount in thousand pesos)

Purpose	Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	Amount	Per cent
Total	456,170	440 622	100.0	100.0	15.548	3.5
Agricultural	95,870	86,266	21.0	19.6	9,604	11.1
Industrial	153,306	151,751	33.6	34.4	1,555	1.0
Real Estate	180,369	177,395	39.6	40.3	2,974	1.7
Government	26,625	25,210	5.8	5.7	1,415	5.6

From the level of ₱332.2 million at the start of 1955, the resources of the RFC increased to ₱345.7 million at the end of the year showing a gain of 4.1 per cent. This increment could be attributed to the rise of ₱13.2 million in outstanding loans and to the improvement of ₱4.0 million in cash position. These were, however, partly offset by the decline of ₱3.7 million registered in other assets. The total net worth amounted to ₱125.8 million gaining 2.2 per cent over the previous year's total of ₱123.1 million.

The lending capacity of the RFC was substantially bolstered by 15 trust funds under its administration whose resources reached ₱215.2 million at the end of the year or a growth of ₱9.3 million over the total of last year. To augment further its funds, the RFC floated bonds, the outstanding balance of which reached ₱175.9 million at the end of the year. Of this total, ₱137.2 million were held by the Central Bank.

2. Postal Savings Bank

An expansion in the facilities of the Postal Savings Bank was observed during 1955. By the end of the year, the number of its branches increased to 1,193 with the opening of 9 new postal stations. Growth was also noted in its total resources which rose from ₱38.9 million in 1954 to ₱41.1 million at the end of 1955 registering an increment of ₱2.2 million or 5.7 per cent. Of its total resources, ₱35.5 million were under the administration of the Rehabilitation Finance Corporation.

During the period, the Postal Savings Bank received an aggregate amount of ₱21.8 million in savings deposits as against total withdrawals of ₱20.8 million. At the end of the year, there were 411,130 active savings accounts with an outstanding balance of ₱34.1 million[1] as compared to 356,136 savings accounts with a total value of ₱32.5 million[1] at the end of the previous year.

The funds accumulated by the Postal Savings Bank are being invested by the Rehabilitation Finance Corporation. Out of the Postal Savings Bank funds administered by the Rehabilitation Finance Corporation, the latter approved 163 real estate loans with an aggregate amount of ₱2.0 million during 1955. Compared to the previous year's total, this amount showed a drop of ₱3.3 million. This was due to the policy of the Rehabilitation Finance Corporation of diverting its lending activities from real estate to productive purposes.

[1] Excluding estimated liabilities on pre-war savings deposit accounts pending reconstruction and the interest earnings from 1945 to 1954.

The outstanding balances of investments made by the Rehabilitation Finance Corporation for the account of the Postal Savings Bank are shown in the following table:

Funds of the Postal Savings Bank Under the Administration of the Rehabilitation Finance Corporation December 31, 1954-1955

(Amount in thousand pesos)

Type	Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	Amount	Per cent
Total	40,407	38,972	100.0	100.0	1,435	3.7
Fund on hand	1,046	63	2.6	0.1	983	1,560.3
Loans on real estate mortgage [a]	27,397	28,161	67.8	72.3	-764	- 2.7
Loans to provinces, cities, etc. [b]	1,010	1,158	2.5	3.0	-148	-12.8
Loans on toll bridges	2,040	2,161	5.1	5.5	-121	- 5.6
Bond investments	2,314	1,114	5.7	2.9	1,200	107.7
Backpay certificates on hand	1,094	1,084	2.7	2.8	10	0.9
War items adjustment accounts	4,560	4,185	11.3	10.7	375	9.0
Other assets	946	1,046	2.3	2.7	-100	- 9.6

[a] Including real estate loans under litigation and mortgage receivables.
[b] Including loans condoned and collectible from the National Government as per Republic Act No. 839.

3. Rural Banks

The number of rural banks increased considerably during the period under review. With the help of vigorous promotional work undertaken by the Central Bank, 12 new rural banks were organized bringing the total to 40. The geographical distribution of these banks was as follows: Central Luzon, 14; Southern Luzon, 13; Northern Luzon, 4; Western Visayas, 4; Eastern Visayas, 2; Eastern Mindanao, 2; and Western Mindanao, 1.

The combined capital paid-in of these financial institutions rose by 55.5 per cent reaching ₱5.6 million at the end of 1955 as compared to ₱3.6 million last year. This increment was attributable to the additional subscriptions to the capital stock made by private stockholders and the Rehabilitation Finance Corporation as well as the initial capital of the newly opened rural banks. Of the total capital paid-in, ₱3.0 million or 53.6 per cent represented the investments of private stockholders while the remaining ₱2.6 million or 46.4 per cent represented government subscriptions made through the Rehabilitation Finance Corporation.

During the year, the rural banks granted a total of 16,644 loans aggregating ₱6.7 million or an average of ₱403.68 per loan. Compared to last year, these loans represented an increase of 48.0 per

cent in number and a corresponding expansion of ₱2.1 million or 45.3 per cent in value. Like the Rehabilitation Finance Corporation and the Agricultural Credit and Cooperative Financing Administration (ACCFA), the credit activities of rural banks were directed principally towards stimulating agricultural production. Of the aggregate loans granted, 68.3 per cent amounting to ₱4.6 million were agricultural loans which showed a rise of 51.9 per cent over those of 1954. Similarly, commercial loans granted registered an increase of ₱0.2 million or 17.2 per cent.

Loans outstanding of rural banks stood at ₱6.5 million at the end of the year, showing an overall expansion of ₱2.7 million or 69.8 per cent. Classified by purpose, these year-end balances are shown in the following comparative table:

***Loans Outstanding of Rural Banks*, 1954-1955**

(Amount in thousand pesos)

Purpose	Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	Amount	Per cent
Total	6,520	3,839	100.0	100.0	2,681	69.8
Agricultural	4,299	2,608	66.0	68.0	1,691	64.8
Industrial	90	67	1.4	1.7	23	34.3
Commercial	559	357	8.5	9.3	202	56.6
Others	1,572	807	24.1	21.0	765	94.8

During the year, 9 rural banks were authorized by the Central Bank to accept savings deposits, thereby increasing to 19 the number of these institutions exercising this depository function. The outstanding savings deposits aggregated ₱714 thousand compared to ₱253 thousand at the close of the previous year or an increment of 182.2 per cent. Liabilities on rediscounted notes also increased to ₱906 thousand, a 159.6 per cent rise over the total of ₱349 thousand in 1954. These rediscounting activities with the Central Bank and the Philippine National Bank provided a source of supplementary loanable funds.

Moreover, rural banks may be authorized to accept demand deposits upon compliance with certain basic requirements. So far, 2 banks have been authorized to accept demand deposits namely: the Bacolod City Rural Bank and the Butuan City Rural Bank.

4. Agricultural Credit and Cooperative Financing Administration

In 1955, the ACCFA, through its effective system of farm financing and cooperative marketing, was able to expand its credit

activities by almost three times those of the preceding year. Ninety additional FACOMAS were organized with a combined capital paid-in of ₱1.6 million. This brought the total number of active FACOMAS to 319 with an aggregate capital paid-in of ₱3.0 million on December 31, 1955. Total membership of these marketing associations reached 188,038 farmers in 7,759 barrios of 350 municipalities in 42 provinces. The geographical distribution of these FACOMAS was as follows: Central Luzon, 90 or 28.2 per cent; Northern Luzon, 88 or 27.6 per cent; Western Visayas, 35 or 11.0 per cent; Southern Luzon, 34 or 10.6 per cent; Western Mindanao, 23 or 7.2 per cent; Eastern Visayas, 19 or 6.0 per cent; Bicol region, 15 or 4.7 per cent; Eastern Mindanao, 12 or 3.8 per cent; and Manila, 3 or 0.9 per cent.

Through the FACOMAS, the ACCFA granted loans aggregating ₱40.5 million, an increase of ₱24.8 million or 158.0 per cent over those of 1954. Crop loans ranked first, accounting for ₱16.5 million or 40.7 per cent of total loans granted compared to ₱8.9 million extended the previous year. Commodity loans ranked second followed by farm improvement loans, the former amounting to ₱7.7 million and the latter reaching ₱7.0 million compared to their previous-year totals of ₱1.3 million and ₱4.3 million, respectively. Facility loans, which were utilized to finance facilities needed in production, storage, processing and marketing of the farmers' produce, amounted to ₱6.8 million. The remaining ₱2.5 million represented other types of loans.

The outstanding balances of these loans as of December 31, 1955 are shown in the following table:

Loans Outstanding of the Agricultural Credit and Cooperative Financing Administration Classified by Purpose December 31, 1954-1955

(Amount in thousand pesos)

Type	Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	Amount	Per cent
Total	43,518	16,510	100.0	100.0	27,008	163.6
Crop loans	19,094	9,476	43.9	57.4	9,618	101.5
Farm Improvement loans	10,913	4,750	25.1	28.8	6,163	129.7
Commodity loans	2,778	531	6.4	3.2	2,247	423.2
Facility loans	8,421	1,753	19.3	10.6	6,668	380.4
Other loans	2,312	—	5.3	—	2,312	—

The readiness of the ACCFA to purchase all locally produced Virginia leaf tobacco created strong incentives for greater production. This purchasing program boosted the production of the crop from 2 million kilograms in crop year 1954 to 7.5 million kilograms in crop year 1955. During the 1955 crop year, a total purchase of 6.5 million kilograms of leaf tobacco costing ₱11.2 million was made. This stock was later sold to various cigar and cigarette factories.

The Central Bank extended financial assistance to the ACCFA in the amount of ₱34.0 million during the year. This represented the value of the ACCFA notes and certificates of indebtedness purchased by the Central Bank through the Rehabilitation Finance Corporation and the Philippine National Bank.

5. **Government Service Insurance System**

The expansion in the volume of business of the GSIS during the period under review exceeded those of previous years. Total loans granted aggregated ₱55.0 million of which ₱46.3 million or 84.1 per cent represented consumption loans. The balance of ₱8.7 million consisted of direct investments in real estate loans. Of total consumption credits, ₱36.1 million were granted in the form of salary loans, reflecting a sizable rise of ₱17.5 million or 94.5 per cent over the total last year. The rest, amounting to ₱10.2 million, were extended in the form of policy loans which registered an increment of ₱3.0 million.

On December 31, 1955, total outstanding loans of the GSIS were ₱66.4 million showing a substantial expansion of ₱22.0 million or 49.5 per cent over the previous year. The distribution of these loans is shown hereunder:

Outstanding Loans of the Government Service Insurance System, December 31, 1954-1955

(Amount in thousand pesos)

Type	Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	Amount	Per cent
Total	66,377	44,401	100.0	100.0	21,976	49.5
Salary loans	29,052	13,602	43.8	30.6	15,450	113.6
Policy loans	17,028	11,683	25.6	26.3	5,345	45.7
Real estate loans	20,297	19,116	30.6	43.1	1,181	6.2

A great portion of the funds of the GSIS is under the administration of the Rehabilitation Finance Corporation. The following table shows the status of these funds as of December 31, 1955, classified by type of investment:

Investments of the GSIS Under the Administration of the RFC December 31, 1954-1955

(Amount in thousand pesos)

Type	Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	Amount	Per cent
Total	30,303	32,669	100.0	100.0	-2,366	-7.2
Loans on real estate mortgages[a]	28,433	29,554	93.8	90.5	-1,121	-3.8
Loans to provinces, cities and municipalities[b]	757	816	2.5	2.5	-59	-7.2
Bond investments	—	1,260	—	3.8	-1,260	—
Backpay certificates	1,113	1,039	3.7	3.2	74	7.1

[a] Including real estate loans under litigation and mortgage receivables.
[b] Including loans condoned and collectible from the National Government under Republic Act No. 839 and loans granted for the construction and repair of toll bridges.

6. Mutual Building and Loan Associations

The combined resources of the 7 building and loan associations in operation amounted to ₱11.5 million at the close of the year. Compared to the 1954 year-end level, this amount registered an increase of ₱0.6 million or 5.4 per cent. This increment which was largely accounted for by real estate mortgages was partly offset by the net decrease recorded in the other assets.

Outstanding loans aggregated ₱8.4 million at the end of 1955. About 92.3 per cent were secured by real estate, 6.6 per cent by the pledge of shares of stock, and the balance represented unsecured loans.

The combined net worth of these institutions totalled ₱8.3 million at the end of 1955, or 10.8 per cent over the preceding year's figure of ₱7.5 million. Of the total, ₱8.0 million or 96.6 per cent represented the capital paid-in which showed a rise of ₱0.9 million. This improvement was brought about by the accumulation of periodic payments on subscribed shares of stocks.

The consolidated financial condition of these associations can be gleaned from the following table:

Combined Statement of Condition of Mutual Building and Loan Associations, December 31, 1954-1955

(Amount in thousand pesos)

Item	Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	Amount	Per cent
Total Assets	11,530	10,936	100.0	100.0	594	5.4
Total Liabilities	3,264	3,474	28.3	31.8	-210	-6.0
Total Net Worth	8,266	7,462	71.7	68.2	804	10.8

7. Pawnshops

During the period under review, 6 new pawnshops opened for business to meet the increasing demand for consumption credits. This brought the total number of pawnshops actively operating in Manila to 42.

Loans granted by these institutions amounted to ₱20.6 million registering an increment of 10.9 per cent over the previous year's figure of ₱18.6 million. The number of loans extended likewise showed a growth of 11.3 per cent, rising from 507,541 in 1954 to 564,693 the succeeding year. These showed an average value of ₱36.44 per loan. The distribution of these loans according to size is shown hereunder:

Number and Amount of Loans Granted by Pawnshops Classified by Size, 1954-1955

(Amount in million pesos)

Size of loans	Number		Amount		Increase or decrease (—)	
	1955	1954	1955	1954	Number	Amount
Total	564,693	507,541	20.58	18.55	57,152	2.03
₱100 and below	517,944	469,229	10.16	9.22	48,715	0.94
₱101 to ₱500	44,539	36,145	7.08	6.04	8,394	1.04
Above ₱500	2,210	2,167	3.34	3.29	43	0.05

Outstanding loans of these institutions amounted to ₱8.1 million on December 31, 1955. Of this total, 82.6 per cent or ₱6.7 million were unmatured pledges, 13.6 per cent or ₱1.1 million were pledges less than three months past due and 3.8 per cent or ₱0.3 million were pledges more than three months past due as presented in the table below:

Number and Amount of Loans Outstanding of Pawnshops December 31, 1954-1955

(Amount in million pesos)

Item	Number		Amount		Increase or decrease (—)	
	1955	1954	1955	1954	Number	Amount
Total	160,761	145,029	8.14	7.49	15 732	0.65
Unmatured loans	128,054	108,665	6.72	4.95	19,389	1.77
Loans not more than 3 months past due	26,331	28,393	1.11	2.04	-2,062	-0.93
Loans more than 3 months past due	6,376	7,971	0.31	0.50	-1,595	-0.19

E. INVESTMENTS OF NEWLY REGISTERED FIRMS

A decline was observed in the number and value of capital investments of new business organizations that registered in 1955 with the Securities and Exchange Commission and the Bureau of Commerce.[1] The combined capital paid-in of 6,016 newly registered corporations,[2] partnerships, and single proprietorships amounting to ₱110.8 million showed a contraction of 28.2 per cent when compared to the total of ₱154.2 million initial investment of 7,961 firms during the previous year. The biggest decrease was reflected in the investments of single proprietorships, which dropped from ₱99.5 million to ₱65.5 million. The capital investment of partnerships also slumped from ₱30.7 million to ₱20.3 million. However, the capital investment of corporations registered an increment of ₱1.0 million or 4.3 per cent thereby slightly offsetting the gross decline.

The following comparative table shows the capital paid-in of these new firms:

Capital Investments of Newly Registered Firms Classified by Type of Organization, 1954-1955

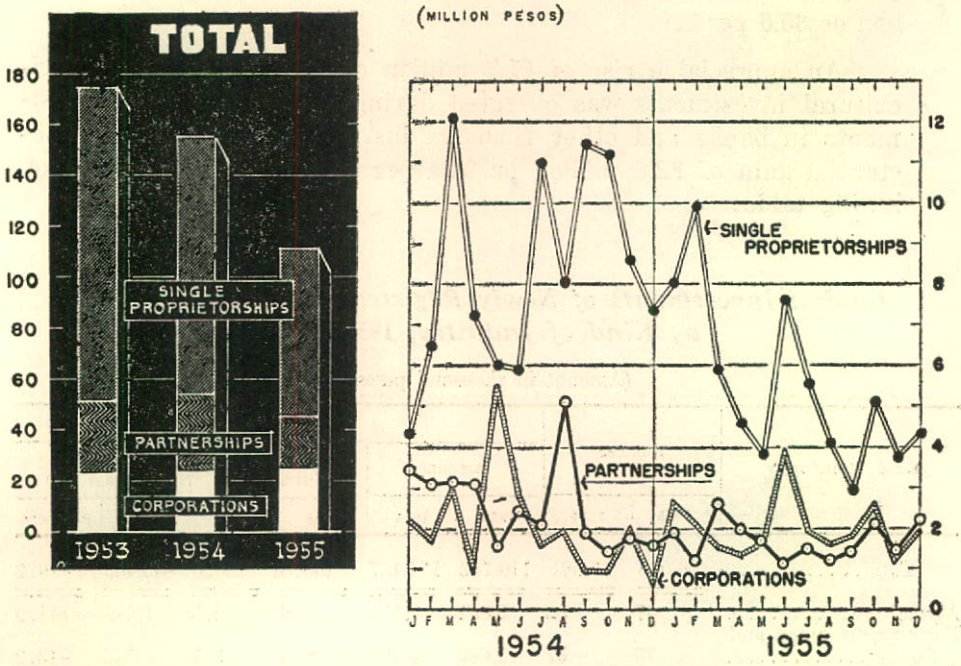
(Amount in thousand pesos)

Type of organization	Number		Capital paid-in					
			Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	1955	1954	Amount	Per cent
Total	6,016	7,961	110,762	154,167	100.0	100.0	-43,405	-28.2
Corporation	657	605	24.944	23,910	22.5	15.5	1,034	4.3
Partnership	505	681	20,307	30,729	18.3	19.9	-10,422	-33.9
Single Proprietorship	4,854	6,675	65,511	99 528	59.2	64.6	-34,017	-34.2

[1] This should not be taken to represent necessarily the trend of total investment in the economy in the national income concept.

[2] Including cooperatives.

PAID-IN CAPITAL OF NEWLY REGISTERED CORPORATIONS, PARTNERSHIPS AND SINGLE PROPRIETORSHIPS



DEPARTMENT OF ECONOMIC RESEARCH
CENTRAL BANK OF THE PHILIPPINES

An improvement in favor of Filipinos was observed in the nationality pattern of new capital investments in 1955. Of the total capital paid-in, 69.4 per cent represented investments of Filipino citizens and the remaining 30.6 per cent constituted those of foreigners as against the previous year's 63.5 and 36.5 per cent, respectively. The distribution of capital investments by nationality is presented hereunder:

Capital Investments of Newly Registered Firms Classified by Nationality of Investors, 1954-1955

(Amount in thousand pesos)

Nationality	Capital Paid-in		Per cent distribution		Change in per cent distribution
	1955	1954	1955	1954	
Total	110,762	154,167	100.0	100.0	
Filipinos	76,892	97,884	69.4	63.5	+5.9
Chinese	29,529	49,083	26.7	31.9	- 5.2
Americans	2,003	2,371	1.8	1.5	+0.3
Others	2,338	4,829	2.1	3.1	- 1.0

The sum of ₱48.2 million or 43.5 per cent of the total capital paid-in was employed to finance the commercial activities of firms and individuals that were engaged in the wholesale and retail trade. Investments in manufacturing enterprises aggregated ₱33.9 million or 30.6 per cent.

An appreciable rise of ₱1.7 million or 144.9 per cent in agricultural investments was observed during 1955. Similarly, investments in banks and other financial institutions registered a substantial gain of ₱2.8 million or 94.4 per cent as shown in the following table:

Capital Investments of Newly Registered Firms Classified by Kind of Industry, 1954-1955

(Amount in thousand pesos)

Kind of industry	Number		Capital paid-in					
			Amount		Per cent distribution		Increase or decrease (—)	
	1955	1954	1955	1954	1955	1954	Amount	Per cent
Total	6,016	7,961	110,762	154,167	100.0	100.0	-43,405	-28.2
Agriculture	47	32	2,851	1,164	2.6	0.8	1,687	144.9
Forestry, livestock and fishing	75	67	2,662	4,705	2.4	3.1	-2,043	-43.2
Metal mining	23	42	365	1,044	0.3	0.7	-679	-65.0
Non-metallic mining	7	11	50	130	—	—	-80	-61.5
Manufacturing	1,339	1,734	33,857	38,566	30.6	25.0	-4,709	-12.2
Construction	57	57	1,582	1,186	1.4	0.8	396	33.3
Electricity, gas and water	11	12	507	290	0.5	0.2	217	74.8
Wholesale and retail trade	3,790	5,392	48,164	82,553	43.5	53.5	-34,389	-41.7
Banks and other financial institutions	48	28	5,690	2,927	5.2	1.9	2,763	94.4
Insurance	23	22	633	2,053	0.6	1.3	-1,420	-69.2
Real estate	64	41	5,224	8,451	4.7	5.5	-3,227	-38.2
Transportation and storage	123	113	3,468	4,456	3.1	2.9	-988	-22.2
Commercial and business services	177	165	1,891	1,722	1.7	1.1	169	9.8
Recreation and personal services	232	245	3,818	4,920	3.4	3.2	-1,102	-22.4

CHAPTER VII

GOVERNMENT FINANCE

A. FISCAL POLICY AND ECONOMIC PLANNING

1. Resumé of Fiscal Policy

a. Summary of Developments

The year 1955 was noteworthy for several major innovations introduced by way of fiscal policies and measures. The adoption of the performance budget in twelve selected government bureaus and the prosecution of developmental projects authorized under Republic Act 1000 were steps designed to render more efficient government service and make full use of the fiscal machinery of the government to support the industrialization program. The fiscal characteristic of the period was boldness accompanied by monetary stability. The Central Bank has persistently advocated the maintenance of this stability as a concomitant of development.

The result of the adoption of the performance budget in the twelve government bureaus was highly satisfactory. Except for the Bureau of Civil Service, scheduled projects were undertaken and accomplished on time. The evaluation of work progress has been made more accurate and the rendering of reports more up-to-date and effective under this system.

During the fiscal year, periodic checkups by the Budget Commission on expenditures and their relation to incoming revenues kept disbursements within safe bounds. This brought the magnitude of the deficit, including that of the General Fund, below the anticipated amount. Strict adherence to Republic Act No. 992, which requires that "the ordinary income shall be used primarily to provide for the current operation of the government", relieved the General Fund of the necessity for providing capital outlays which would have aggravated its deficit of ₱58.11 million incurred this year.

It is worthy of note that between and among the different offices concerned with fiscal matters of the government closer working ties have been established. The need for concerted effort was dictated not only by the arrival of the International Monetary Fund consultation team but even more by the desire to step up economic development without generating an inflationary spiral. To carry out the provisions of various congressional measures, a well-integrated program was laid out to insure continuous and more frequent consultations among government agencies.

At the end of 1955, the President of the Philippines, in order to improve the existing tax laws of the country, created a Tax Advisory Board with the Secretary of Finance as Chairman. The Board

was specifically set up to recommend immediate reforms in the tax burden, correct inequalities and revise antiquated tax laws, make the tax collecting machinery more efficient and effective, prevent tax evasion and insure adequate revenues to finance expanding essential services and public improvements. Shortly after its creation, the Board held several meetings and submitted a report to the President, who favorably recommended it to Congress for proper action.

b. The Central Bank as Fiscal Advisor

The monetary and fiscal policies pursued during the period were intended primarily to stimulate economic activity. The declining prices observed during the latter half of 1954 and which persisted up to the first half of 1955 afforded the government an opportunity to step up its development program, especially "social overhead" projects. With tax revenues falling short of the desired amount necessary to finance its developmental and budgetary expenditures, the government resorted to borrowing through bond issues and a budgetary loan from the Central Bank. Monetary and credit policies supported such government financing. The Central Bank, in order to help the private sector of the economy, continued the reduced rediscount rate of 1-1/2 per cent and liberalized controls for private financing.

The Central Bank has actively assisted in integrating policies and achieving coordination and cooperation with other government offices in an effort to avoid inconsistencies in executing and implementing the over-all government program.

2. Expenditures for Economic Development

The acceleration of our economic development has been made one of the major national objectives in the President's State of the Nation Message. National Government expenditures for economic development have increased tremendously since the early postwar years. In fiscal year 1948-1949 the economic development expenditures of the National Government amounted to ₱84.0 million, accounting for about 18.6 per cent of the over-all expenditures. This grew to ₱267.7 million in 1953-1954, representing one-third of total national government expenditures for that year. For the last fiscal year, however, the amount dipped to ₱202.5 million. Curtailment in the development of commerce by ₱21.4 million, plant industry by ₱30.7 million, PHILCUSA Counterpart Fund expenditures by ₱13.3 million, total investments by ₱5.2 million, and postal and communication service by ₱1.1 million were the main factors responsible for decreased development expenditures for fiscal year 1954-1955. These were offset in part by the increment in the development expenditures for conservation and development of natural resources, ₱4.2 million; geological, economic and scientific investigation, ₱1.4 million; and development of animal industry and mineral resources, ₱0.9 million and ₱0.1 million, respectively.

The contraction of economic development expenditures in both the Special and Bond Funds, more than offset the increase in General Fund expenditures.

The following table shows the magnitude of development expenditures of the National Government for the last few years.

Economic Development Expenditures of the National Government[a], Fiscal Years, 1949-1955

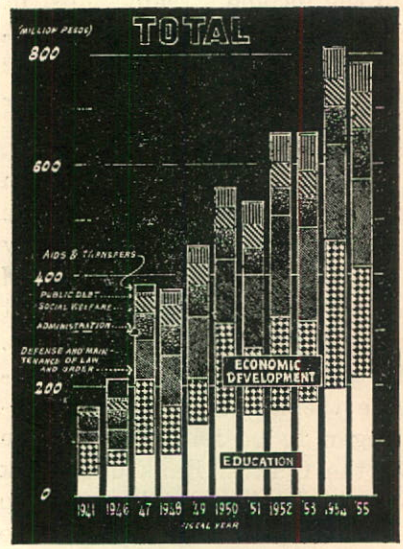
(Million pesos)

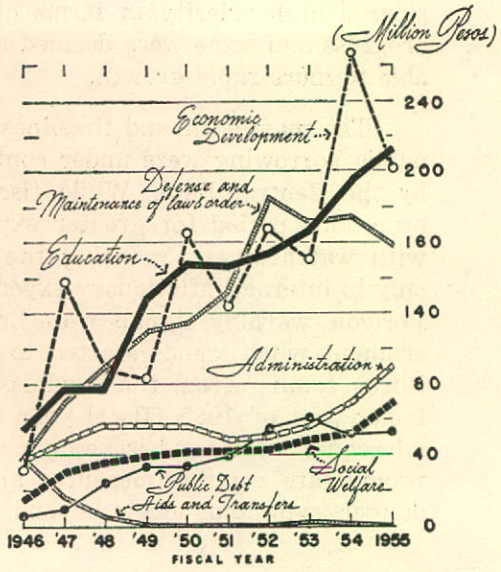
Fiscal Year	Economic Development Expenditures				Total Expenditure of the National Government	Ratio of Economic Development Expenditures to Total
	General Fund	Special Fund	Bond Fund	Total		
1949.....	47.55	31.72	4.74	84.01	451.92	18.6
1950.....	45.63	48.49	70.53	164.65	558.13	29.5
1951.....	34.76	41.24	47.45	123.45	530.97	23.1
1952.....	64.95	54.01	48.84	167.80	654.72	25.6
1953.....	69.63	70.52	10.85	151.00	654.67	23.1
1954.....	93.77	150.38	23.55	267.70	811.07	33.0
1955.....	102.58	86.22	13.67	202.47	785.77	25.8

SOURCE: General Auditing Office.

[a] Exclusive of economic development expenditures of government corporations.

EXPENDITURES OF THE NATIONAL GOVERNMENT CLASSIFIED BY PURPOSE
GENERAL, SPECIAL AND BOND FUNDS





DEPARTMENT OF ECONOMIC RESEARCH
CENTRAL BANK OF THE PHILIPPINES

When expenditures of government corporations for development are taken into account, the aggregate amount for fiscal year 1955 reaches ₱330.9 million. The corresponding estimate for 1956 amounts to ₱477.5 million and the proposed expeditures for 1957 would involve a total of ₱640.9 million.[1]

The Central Bank assisted the program of stepping up economic development. It supported the continued issuance of bonds provided for under Republic Act 1000 and the requests for funds of other public corporations under authority of different congressional measures. During fiscal year 1955, the Central Bank expressed the opinion that the issuance of ₱100 million worth of bonds during a six-month period for the entire year was not inflationary. In view thereof, bond issues under Republic Act 1000 for the entire year amounted to ₱78.08 million, of which ₱0.50 million were subsequently retired. The expenditures that were actually released into the economy out of these bond issues amounted to ₱61.95 million. In addition, various government corporations went into public borrowing through the issuance of securities. They were: Rehabilitation Finance Corporation, ₱16.29 million; National Power Corporation, ₱18.40 million, Metropolitan Water District (later changed to National Waterworks and Sewerage Authority), ₱2.00 million; and ACCFA (Notes and Certificates of Indebtedness), ₱32.00 million. Of these, ₱61.09 million were actually spent during the fiscal year. The net government securities issued during the period amounted to ₱146.27 million, of which ₱123.04 million went into the income stream. Most of the projects which were undertaken during the period were considered high priority in terms of relative contribution to economic progress and some were deemed necessary to create a climate favorable to more rapid growth.

The magnitude and timeliness of the fund releases coming from public borrowing were under continuous study and careful vigilance by the Central Bank. While fiscal year 1955 was an economically propitious period for greater expenditures, the Central Bank acted with watchfulness, realizing the susceptibility of the economy not only to internal inflationary expenditures but also to external factors. Periodic warning signals were brought to the attention of the Government when trends started to reverse themselves as the expenditures coming from the bond issues began to be felt. During the latter part of 1955 (fiscal year 1956), the Central Bank undertook all requests for bond issue on a case-to-case basis to enable itself to promulgate counter measures and curtail expenditures should the danger symptoms grow beyond manageable proportions.

---

[1] Comparable figures for earlier years are not available.

B. RESULTS OF FISCAL OPERATIONS

1. Resumé of Fiscal Operations

The fiscal year 1955 was characterized by a marked improvement in revenue collections and by increased vigilance in the expenditure of government funds. Due to more safeguard instituted on both the revenues and expenditures of government operations, the over-all deficit was held to the amount of ₱64.46 million on June 30, 1955. The actual deficit was little over half the anticipated amount of ₱113.00 million for the year. The General Fund and the Bond Fund incurred deficits of ₱58.11 million and ₱16.70 million, respectively, while the Special Fund registered a surplus of ₱10.36 million.

While total National Government revenue increased by ₱50.42 million, expenditures contracted by ₱25.30 million. These factors brought down the deficit to a little less than half of that incurred the preceding year. Accretions were made in tax receipts and other earnings. On the other hand, expenditures for economic development and the maintenance of law and order decreased during the period, more than offsetting the increase in administration, education, and social welfare.

Exclusive of borrowing, the operations of the National Government resulted in a cash deficit of ₱97.61 million. This was met by the budgetary loan from the Central Bank of ₱60.00 million and the proceeds from the sale of Public Works and Economic Development bonds of ₱78.08 million. These borrowings resulted in a net increase of ₱40.47 million in the cash balance of the National Government. The cash resources of the General Fund experienced a deterioration, while those of the Bond and Special Funds improved.

While an accounting budgetary deficit was shown, the over-all cash position of the government, as reflected by unaudited cash balances, improved by ₱63.24 million during the calendar year. This discrepancy is due to the lag in the actual cash disbursements of authorized appropriations. For accounting purposes, funds once authorized for certain projects, even if still unreleased, are recorded as expenditures. While the government cash balances declined from ₱231.98 million on June 30, 1955 to ₱181.72 million on December 31, 1955, the year-end level was still comfortably high compared with the level of ₱118.48 million on December 31, 1954.

With developmental projects gaining greater momentum after June 30, 1955, the public debt increased to ₱1,326.66 million as of December 31, 1955. The budgetary debt accounted for a declining portion of the increasing total debt. Installment and interest pay-

ments of all outstanding debts were paid promptly on due dates. Settlement of backpay obligations to pre-war government employees amounted to ₱31.04 million and payment of principal on foreign debts aggregated ₱12.86 million.

The promotion of tax consciousness remains a problem but the increase in revenue collections gives hope for improvement. The present tax burden is still relatively low. A more equitable distribution of tax burdens and the imposition of new taxes on sectors not bearing their fair share of the load are still feasible and may bring results more conducive to economic progress in a framework of monetary stability.

2. Operations of the National Government

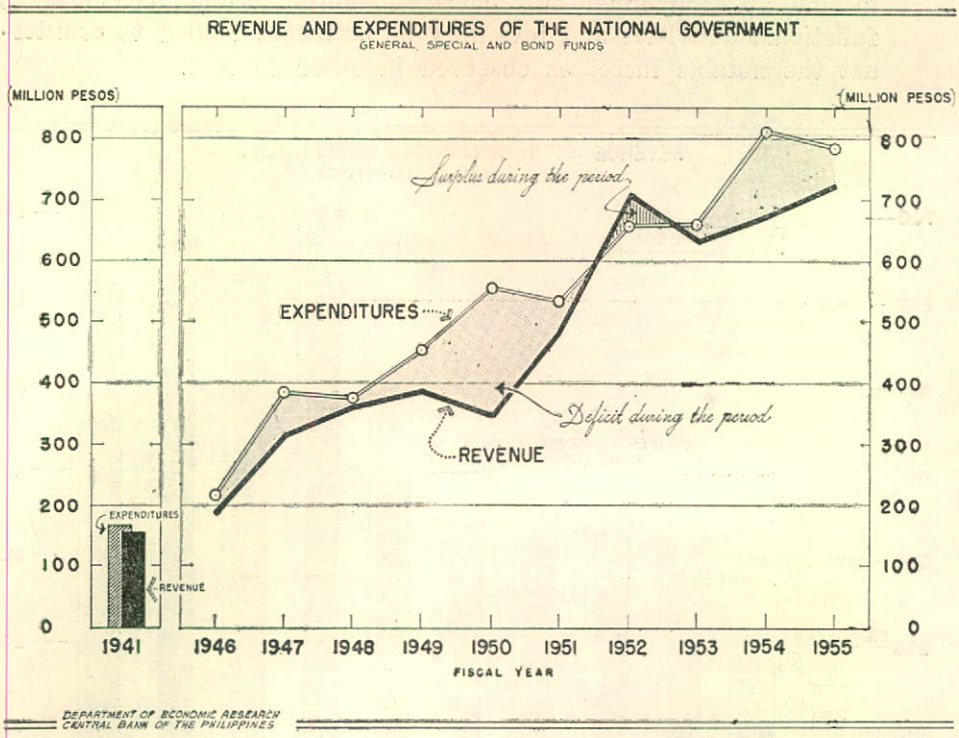
a. Summary of Operations

During fiscal year 1955, the National Government incurred an over-all deficit of ₱64.5 million as total expenditures of ₱785.8 million exceeded revenues aggregating ₱721.3 million. The previous year's deficit was ₱140.2 million. The consolidated statements for these two fiscal years compare as follows:

General, Special and Bond Funds
Fiscal Years Ending June 30, 1954 and 1955

(Million pesos)

Item	1955		1954	
	Amount	Percent distribution	Amount	Percent distribution
REVENUE	721.3	100.0	670.9	100.0
Revenue from taxation	623.8	86.5	596.9	89.0
Incidental revenue; earnings and other credits	93.8	13.0	66.7	9.9
Repayment of advances	3.4	0.5	5.2	0.8
Extraordinary income	—	—	2.0	0.3
Transfers	0.3	—	0.1	—
EXPENDITURES	785.8	100.0	811.1	100.0
Education	211.6	26.9	194.0	23.9
Economic development	202.5	25.8	267.7	33.0
Defense and maintenance of law and order	158.6	20.2	175.4	21.6
Administration	89.6	11.4	69.0	8.5
Social welfare	70.2	8.9	52.2	6.4
Public debt	53.1	6.8	51.7	6.4
Aids and transfers	0.2	—	1.1	0.1
SURPLUS OR (DEFICIT)	(64.5)		(140.2)	

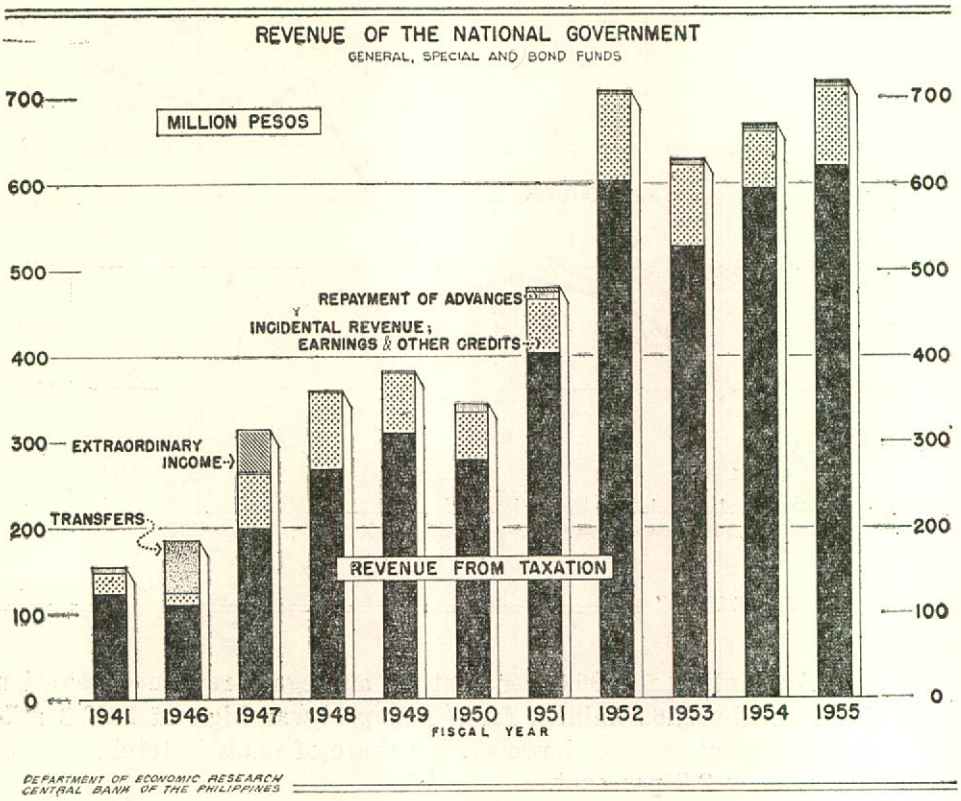


Accounting for 86.5 per cent of aggregate revenues, taxation improved by ₱26.9 million for a new post-war high of ₱623.8 million. Percentage-wise, however, the share of taxes in total revenues dropped by 2.5 per cent.

Import duties, license and business taxes, income tax, and inheritance taxes accounted for 84 per cent of the total improvement in revenues. Big advances were noted in income tax collection (₱19.42 million), license and business taxes (₱11.67 million), import duties (₱9.52 million), inheritance taxes (₱1.78 million). Some slight gains were observed in other taxes but these were offset by decreased yields in other sources of tax revenue, notably in excise taxes which dropped by ₱20.45 million. This drop in excise taxes was due in part to tightened exchange policy.

The improvement in other recurrent sources of revenue served to strengthen the revenue position. Representing 13 per cent of total ordinary revenues, incidental revenue and earnings and other credits went up by ₱27.05 million to ₱93.8 million for 1955, the third best year since 1949. The expansion was augmented by the increase in prior-year credits (₱26.28 million), contributions from the National Government (₱1.54 million), and interest on investment and securities (₱0.50 million). However, decreases in operating

income of commercial and industrial units, income incidental to functional activities and inventory adjustments tended to counteract the notable increases observed in other sources.



Absorbing a total of ₱202.47 million for fiscal year 1955, economic development expenditures were incurred mainly for the prosecution of various self-liquidating projects. With the recessionary tendency observed in the economy during the period, a bigger sum for economic development than otherwise would have been permissible was released without fear of inflationary pressure. However, developmental outlays decreased by ₱65.23 million compared to a year ago. Responsible for the decreases were curtailed expenditures for the development of commerce, ₱21.36 million; plant industry, ₱30.75 million; and investments, ₱5.16 million.

Spending for education amounted to ₱211.57 million, an increment of ₱17.54 million over the previous year's total. Improvements for classrooms and salary adjustments took up the greater portion of the expenditures. With greater improvement in peace and order conditions, it was possible to cut allotments for the maintenance of law and order to ₱158.61 million, down by ₱16.81 million from the previous year's level.

The bigger outlay for social welfare arose out of the desire to extend social welfare benefits to the rural areas. Pensions and gratuities gained ₱5.68 million over the previous year's total. Improvements in public health and sanitation, particularly in rural areas, accounted for a ₱13.48 million increase.

To provide for the expanded services of the government to meet the essential needs of a growing population, outlays for general administration registered a ₱20.62 million increase to reach ₱89.61 million for the year. Likewise, expenditures to service the public debt advanced by ₱1.48 million to ₱53.12 million as interest and installment payments were paid on their due dates.

b. General Fund

Budgetary operations of the government resulted in a deficit of ₱58.11 million in the General Fund. Total general fund revenues amounted to ₱607.35 million, while expenditures reached ₱665.46 million. The net increase in total revenues (₱36.70 million) did not match the growth in aggregate expenditures (₱54.75 million).

The table that follows shows the comparative magnitude of receipts and expenditures for fiscal years 1954 and 1955. Net tax receipts improved by ₱20.19 million, from ₱526.78 million in 1954 to ₱546.97 million in 1955. Increases in license and business tax (₱10.30 million), import duties (₱9.52 million), and income tax (₱19.43 million) more than offset the decrease in excise tax of ₱11.68 million. Earnings and other credits increased by ₱16.73 million to ₱53.39 million in 1955; the greater part of the increment occurred in prior-year credits. However, inter-fund transfers suffered a reduction of ₱2.41 million at the end of the fiscal period.

Relative shifts in percentage shares occurred on the expenditure side. The proportion of outlays for defense and maintenance of law and order decreased from 26.4 per cent to 22.6 per cent of total expenditures for 1954 and 1955, respectively, or a decline of ₱10.58 million. Expenditures for education improved by 8.9 per cent, accounting for almost one-third of the aggregate expenditures in the General Fund. Social welfare expenditures increased by 33.5 per cent to share in 10.3 per cent of general fund expenditures. Percentage-wise, the share of economic development in total expenditures remained the same although its magnitude increased by as much as 9 per cent. The latter was mostly accounted for by increased allotments to the development of commerce (43 per cent), to the conservation and development of natural resources (60 per cent), and to investments (664 per cent).

Statement of Revenue and Expenditures of the National Government General Fund Fiscal Years, 1954 *and* 1955

(Million pesos)

Item	1955	1954	Increase or decrease (—)
TOTAL REVENUE	607.35	570.66	36.69
Net tax receipts	546.97	526.78	20.19
Incidental revenue	3.44	2.38	1.06
Earnings and other credits	53.39	36.66	16.73
Repayment of advances	3.17	2.04	1.13
Inter-fund transfers	0.38	2.79	- 2.41
TOTAL EXPENDITURES	665.46	610.72	54.74
Education	202.48	186.00	16.48
Defense and maintenance of law and order	150.71	161.29	-10.58
Economic development	102.58	93.78	8.80
Social welfare	68.87	51.58	17.29
Administration	80.57	61.28	19.29
Public debt	52.72	51.64r	1.08
Aids and transfers	7.53	5.15	2.38
SURPLUS OR DEFICIT (-)	-58.11	-40.06	-18.05

SOURCE OF BASIC DATA: General Auditing Office.

Faced with another ₱58.11 million general fund budgetary deficit, the National Government resorted to loans and borrowings to finance its operations. For fiscal year 1955, the National Government on June 29, 1955 obtained a ₱60 million budgetary loan from the Central Bank which was subsequently converted to Treasury notes.

The greater adherence to the application of the principle of balance to the operations of the General Fund, i.e., charging the fund with those expenditures strictly covering the essential minimum services of government, should be pointed out. The General Fund was thus relieved of capital expenditure items which could be shifted to other funds authorized under different congressional acts, the financing of which could be undertaken through borrowings, bond issues and/or taxation. At the same time, certain safeguards were instituted to insure the wise and judicious use of the national credit by giving priority only to income-producing projects giving direct reimbursable returns.

c. Special Funds

A significant aspect of the operation of the Special Funds is the notable decrease of expenditures earmarked for economic development. From ₱150.38 million last year, there was a sudden de-

crease to ₱86.21 million, a marked drop of ₱64.17 million. Contracted expenditures coupled with additional yields in earnings and other credits resulted in a surplus of ₱10.36 million for fiscal year 1955 as against a deficit of ₱79.42 million during the preceding fiscal year.

Notable for their contributions toward achieving a surplus were prior-year credits (₱9.43 million), transfer of appropriations (₱7.46 million), and inter-fund transfers (₱3.46 million).

On the expenditure side, a substantial cut was made in the law and order maintenance item, amounting to ₱7.03 million during the fiscal year. However, expenditures for social welfare were ₱0.75 million more than the corresponding total in the preceding fiscal period.

Economic development outlays decreased considerably, with allotments for development of commerce and plant industry dropping by ₱29.56 million and ₱35.53 million, respectively.

d. Bond Funds

Operation of the Bond Funds resulted in a deficit of ₱16.71 million for fiscal year 1955, a drop of ₱3.98 million from last year's deficit.

The aggregate increases in some items on the expenditure side were more than matched by decreases in others. Marked decreases were evident in expenditures for investments which dropped by ₱18.58 million, from ₱22.61 million in 1954 to ₱4.03 million in 1955. Offsetting the decreases were the expansion in expenditures for the development of commerce and plant industry which both together amounted to ₱8.70 million. Administrative expenses likewise increased by ₱2.33 million to ₱2.44 million for 1955.

The transfers from the Treasury miscellaneous fiduciary fund were the main source of the Fund's revenue. These amounted to ₱0.27 million and were insufficient to offset total expenditures and transfers made, in spite of a drop of ₱6.68 million in aggregate expenditures.

e. Cash Operations of the National Government

Total cash receipts of the National Government during fiscal year 1955 amounted to ₱667.34 million and cash expenditures aggregated ₱764.95 million, thereby registering a cash budget deficit of ₱97.61 million. However, with the ₱60 million loan from the Central Bank and the ₱78.08 million (₱0.50 million of this was subsequently retired) proceeds from sale of Public Works and Economic Development bonds, a net increase of ₱40.47 million in the cash balance resulted. The following table is a resumé of the cash operations of the National Government:

Cash Operations of the National Government Fiscal Years 1954-1955

(Million pesos)

Item	1955	1954
RECEIPTS	667.34	690.54
DISBURSEMENTS	764.95	657.89
SURPLUS OR DEFICIT (–)	–97.61	32.65
Add: Borrowings:		
Loan from the Central Bank	60.00	—
Sale of Public Works and Economic Development Bonds	78.08	—
Net Increase in cash balance	40.47	32.65
Cash balance at the end	664.09[a]	632.82

[a] Inclusive of net surplus adjustment of ₱9.20 million in fiscal year 1955.

Only the cash holdings of the General Fund went down when the 1955 balances are compared with those a year ago. This ₱25.44 million decline was more than offset by increased holdings in the Special and Bond Funds of ₱30.82 million and ₱25.89 million, respectively. Of total cash resources, ₱443.07 million pertained to the General Fund and ₱192.88 million to the Special Fund.

Cash advances amounting to ₱467.85 million compared favorably with ₱501.29 million a year ago, reflecting a noticeable improvement in the handling of cash balances. Government collecting and disbursing officials have been urged to liquidate existing balances as promptly as they can in order to make government reports truly reflective of current conditions.

Total Cash Resources, Fiscal Years 1954-1955

(Million pesos)

Item	1955	1954	Increase or decrease (—)
AS TO FUND:			
General Fund	443.07	468.51	–25.44
Special Fund	192.28	161.46	30.82
Bond Fund	28.74	2.85	25.89
Total	664.09	632.82	31.27
AS TO DEPOSITORY AND/OR HOLDER:			
Cash in Treasury Vaults and Depositories	137.42	96.78	40.64
Cash with Collecting Officers	58.82	34.75	24.07
Cash with Disbursing Officers	467.85	501.29	–33.44
Total	664.09	632.82	31.27

The net increase in accounts receivable at the end of fiscal year 1955 amounting to ₱33.15 million, thereby effecting a total cash surplus of ₱73.62 million on June 30. The increase in accounts receivable of ₱53.97 million was very much in excess of the increase in cash with collecting officers. On the other hand, the increase in payables was accompanied by a decrease in cash accountability of disbursing officers, indicating a faster liquidation of government obligations. The following statement summarizes the current operations of the National Government:

***Current Operations of the National Government Involving Cash Fiscal Years* 1954-1955**

(Million pesos)

Accounts Receivable, June 30, 1955	302.16	
Accounts Receivable, June 30, 1954	248.19	53.97
Deduct:		
Accounts Payable, June 30, 1955	914.25	
Accounts Payable, June 30, 1954	893.43	20.82
Net increase in accounts receivable		33.15
Add:		
Net increase in cash balance		40.47
Operating surplus		73.62

f. Cash Position of the National Government

As of December 29, 1955, the cash position of the government improved by ₱63.24 million to ₱181.72 million as compared to the preceding year. Significant increases were exhibited in the balances of accounts in the Philippine National Bank. Special and other accounts gained ₱30.09 million; national government balances with the branches and agencies of the Philippine National Bank increased by ₱30.95 million as a result of improved tax collections. The working balances in the Central Bank also expanded, with the deposit of the Treasurer of the Philippines increasing by ₱17.64 million. The Securities Stabilization Fund followed with an increase of ₱6.23 million. Notable decreases were recorded in the Highway Special Fund (₱13.01 million) and the Fiscal Agency Fund (₱4.35 million).

On a fiscal year basis, an improvement of ₱88.36 million was registered, mainly attributable to increases in the cash balances of the Special and Other Accounts in the Philippine National Bank (₱23.40 million), branches and agencies of the Philippine National Bank (₱16.52 million), and in the account with the Treasurer of the Philippines (₱67.99 million). However, the balance of the Counterpart Fund contracted by ₱10.07 million as a result of accelerated disbursements. War Damage and Other Trust Funds reflected a ₱6.00 million drop at the end of fiscal year 1955.

Cash Balances of the National Government[a]
As of dates indicated

(Million pesos)

Item	December 29		June 30	
	1955	1954	1955	1954
TOTAL	181.72	118.48	231.98	143.62
TREASURY VAULTS	7.30	4.96	3.40	3.95
PHILIPPINE NATIONAL BANK[b]	129.65	76.73	129.23	89.89
Current Account "A"	.27	8.39	4.78	4.96
Current Account "B"	1.06	1.06	1.06	1.46
Special and Other Accounts	71.72	41.63	72.31	48.91
Branches and Agencies	56.60	25.65	51.08	34.56
CENTRAL BANK OF THE PHILIPPINES	44.77	36.79	99.35	49.78
Veterans' Hospital Project—No. 1 a/c	.08	.01	.62	.46
Veterans' Hospital Project—No. 2 a/c	.01	.01	.01	.01
Treasurer of the Philippines	20.90	3.26	73.67	5.68
War Damage and Other Trust Funds	2.76	1.56	1.56	7.56
Advances from the Central Bank	.02	.02	.02	.02
Bond Sinking Fund	[c]	[c]	[c]	[c]
Counterpart Fund	3.01	2.70	3.83	13.90
Industrial Guaranty and Loan Fund	1.94	2.29	2.46	2.14
Emergency Gold Assistance Trust Fund	.61	.45	1.17	1.20
Rural Banks Trust Fund	.45	.37	1.19	.64
Securities Stabilization Fund	11.22	4.99	10.84	14.67
Fiscal Agency Fund	1.62	5.97	1.83	3.50
Highways Special Fund	2.15	15.16	2.15	—

[a] Unaudited.

[b] Difference between these figures and those presented in the money and banking statistics is due to checks issued but still outstanding and unreported deposits of collections at the end of the period.

[c] Less than ₱5,000.00.

C. PUBLIC DEBT

1. Over-all

As of December 31, 1955, the aggregate public debt amounted to ₱1,326.66 million, an increase of 22 per cent over ₱1,086.05 million a year ago.

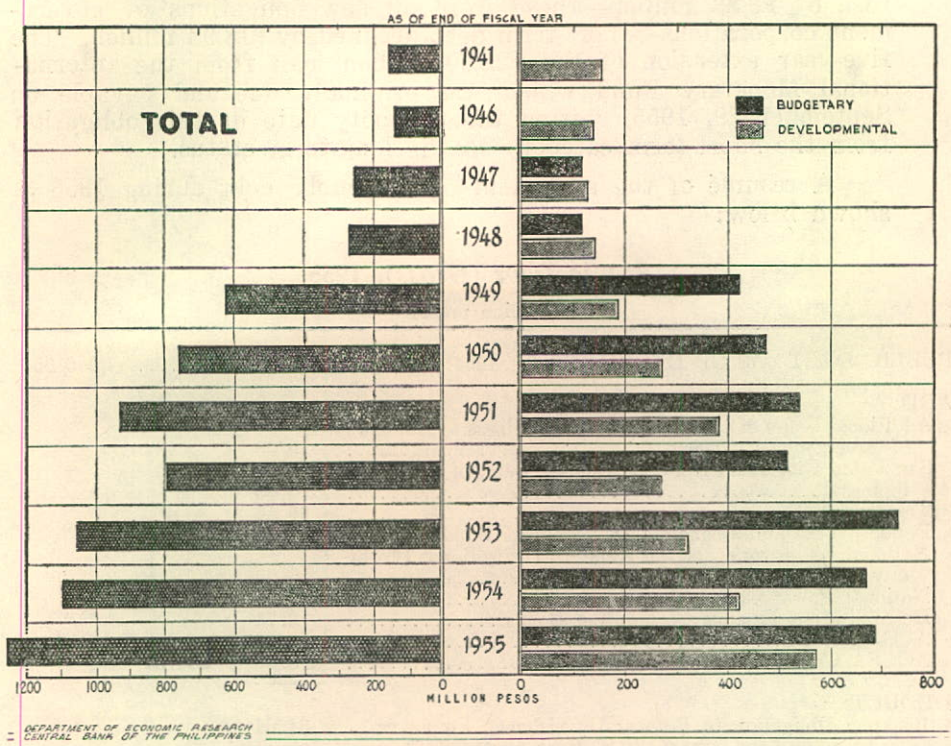
Developmental expenditures continued to absorb an increasing proportion of the debt outstanding, rising from 41.74 per cent in 1954 to 55.54 per cent in 1955. Greater outlays for social expenditures and for economic development projects accounted for the increment in developmental expenditures. Total developmental debt rose by ₱283.55 million, from ₱453.33 million in 1954 to ₱736.88 million in 1955. The increase in public debt for economic development was effected through the issuance of Treasury notes of ₱66.54 million, the sale of Public Works and Economic Development bonds of ₱150.88 million, and the increase in obligations of government corporations of ₱66.30 million. The repayment of ₱0.17 million on the loan from the U. S. General Service Administration was an insignificant amount compared to the other contributory factors to the increase in the developmental debt. On the other

hand, obligations for budgetary purposes contracted by ₱42.94 million during the year. Partial cash redemption of backpay obligations to pre-war government employees to the extent of 10 per cent of the principal obligation, as authorized under Republic Act No. 800, amounting to ₱31.03 million and the payment of ₱12.00 million to the budgetary loans from the U. S. Reconstruction Finance Corporation brought down the budgetary debt.

Public Debt Outstanding, 1954-1955

(Million pesos)

End of period	Total	Purpose			
		Budgetary	Percent of total	Developmental	Percent of total
1955.....	1,326.7	589.8	44.46	736.9	55.54
1954.....	1,086.0	632.7	58.26	453.3	41.74



Of the aggregate amount, domestic debt amounted to ₱1,159.21 million, or 87.38 per cent. The remaining ₱167.35 million or 12.62 per cent of the total amount were debts of external origin. The repayment of installments on foreign debts as scheduled, without incurring new obligations from such sources during the year, meant

a continuance of having the major burden of the public debt within the domestic sector, in contradistinction to the pattern exhibited before 1948. Public debt from the domestic sector increased by ₱253.47 million as against the decrease of ₱12.85 million from the foreign sector.

The implementation of projects authorized under Republic Act 1000 increased bonded debt by ₱196.27 million during the year, totalling ₱601.29 million on December 31, 1955. Of the increase, Public Works and Economic Development bonds contributed ₱150.88 million and bonds sold by various government corporations ₱45.39 million. Despite partial retirement, non-bonded indebtedness showed a net increase of ₱44.34 million as a result of the issuance of Treasury notes of ₱66.54 million and the expanding credit accommodation given to the ACCFA.

Classified by periods of maturity, the public debt continued to show a greater preponderance of long-term obligations and a lesser of middle-term and short-term debts. Total long term obligations amounted to ₱1,239.30 million on December 31, 1955, an increase of ₱253.22 million during the year. While middle-term debt rose by ₱6.33 million—these were all new obligations of government corporations—short-term debt declined by ₱18.93 million. The five-year extension of the ₱22.00 million loan from the International Monetary Fund which was originally due and payable on September 29, 1955, shifted the maturity date of this obligation from the short-term category to the long-term status.

A resumé of the movement of the public debt during 1955 is shown below:

Public Debt (Gross), 1955

(Million pesos)

PUBLIC DEBT AS OF DECEMBER 31, 1954			1,086.05
ADD:			
Additional Issues of Certificates of Indebtedness to Holders of Emergency Currency	0.06		
San Pablo City Loan from the Central Bank of the Philippines	0.05		
Treasury Notes	66.54		
Public Works and Economic Development Bonds	150.88		
National Waterworks and Sewerage Authority Bonds (Formerly MWD)	6.00		
National Power Corporation Bonds	30.64		
Rehabilitation Finance Corporation Bonds	8.74		
ACCFA Notes	13.60		
ACCFA Certificates of Indebtedness	8.00	284.51	
DEDUCT:			
Backpay Obligation to Pre-war Government Employees	31.04		
Installment on Loan from the U. S. Reconstruction Finance Corporation	12.00		
Loan from the U. S. General Service Administration	0.16		
National Power Corporation Loan from the Export-Import Bank	.70	43.90	240.61
PUBLIC DEBT AS OF DECEMBER 31, 1955			1,326.66

2. National Government

The portion of the public debt accruing to the National Government amounted to ₱969.45 million, as compared to ₱786.49 million in 1954 or an increase of ₱182.95 million. The increment in the National Government debt was accounted for solely by the Treasury notes floated and the economic development bonds sold during the period, partly offset by the periodic settlement of backpay obligation to pre-war government employees of ₱22.36 million, and the payment to the U. S. Reconstruction Finance Corporation and the U. S. General Service Administration of ₱12.00 million and ₱0.16 million, respectively. Of the total National Government debt outstanding, ₱535.86 million were for budgetary purposes and ₱433.59 million for economic development, as compared with ₱570.15 million and ₱216.34 million, respectively, in 1954. While the foreign debt of the National Government decreased by ₱12.16 million in 1955, domestic debt increased by ₱195.12 million to ₱841.41 million at the end of the period. By periods of maturity, the National Government debt followed the pattern of the over-all public debt with a decrement of ₱22.00 million in the short-term obligation and an increment of ₱204.96 million in the long-term debt.

***National Debt Outstanding*, 1954-1955**

(Million pesos)

Purpose	Value		Per cent distribution	
	1955	1954	1955	1954
TOTAL	969.4	786.5	100.00	100.00
Budgetary	535.8	570.2	55.27	72.50
Developmental	433.6	216.3	44.73	27.50

3. Provincial, City, and Local Governments

Total debt of the provincial, city, and local governments amounted to ₱45.36 million at the end of 1955, compared with ₱51.83 million outstanding the prior year. Budgetary obligations totalled ₱40.47 million and developmental obligations to only ₱4.89 million. The decrease in the total debt during the year by ₱6.47 million was due wholly to the yearly installment payment on the backpay obligation to pre-war government employees. No new developmental debt was incurred during the period. Short-term City Government obligations increased by ₱50 thousand when San Pablo City secured a loan from the Central Bank on December 16, 1955.

4. Government Corporations

Public obligations of government corporations increased by ₱64.13 million during the year, from ₱247.73 million in 1954 to ₱311.86 million in 1955. The increment was due to additional sales of Metropolitan Water District Bonds (now National Waterworks and Sewerage Authority, or NAWASA) of ₱6.00 million, National Power Corporation Bonds of ₱30.64 million, Rehabilitation Finance Corporation Bonds of ₱8.74 million and the net issues of ACCFA notes and certificates of indebtedness of ₱13.6 million and ₱8.00 million, respectively. During the year, the retirement of backpay obligations to pre-war government employees of government corporations was estimated at ₱2.17 million and the National Power Corporation paid ₱0.69 million on July 16, 1955 to the U. S. Export-Import Bank as the first installment on its obligation incurred in 1953. All new obligations incurred in 1955 by government corporations were for economic development and all were of domestic origin. Credits extended to the ACCFA were the only non-bonded indebtedness of public corporations. From the viewpoint of maturity period, obligations of government entities increased in all the three categories; namely, ₱54.78 million in long-term obligations, ₱6.33 million in middle-term debts, and ₱3.02 million in short-term loans.

5. Public Debt and Gross National Product

A comparison of the growth of public debt and of gross national product shows that from 1949 to 1955 the former expanded from ₱701.09 million to ₱1,326.66 million or by 89.23 per cent, while the latter rose from ₱6.3 billion to ₱8.9 billion or an increase of ₱2.6 billion or 39.84 per cent. The total public debt outstanding on December 31, 1955 was roughly 15 per cent of the gross national product for the period. The more aggressive financing through public borrowing of the development program occurred only in more recent years, thus accounting for the big jump in the public debt. The running up of the public debt was a positive factor in the increase of money supply.

The following table points out that the ratio of public debt to national income in this country is low and when compared with other countries suggests a general characteristic of underdeveloped areas.

Relation of Public Debt to Gross National Product of Selected Countries, As of dates indicated

Country	Period	Unit	Public debt as at end of period	GNP	Ratio of public debt to GNP
Philippines	1954	Pesos—Million	1,086.05	8,377.00r	12.96
	1955	Pesos—Million	1,326.66	8,856.00p	14.98
United States	1954	Dollars—Billion	229.20	360.50	63.58
New Zealand	1954	New Zealand Pound—Million	704.40	927.00	75.99
Australia	1954	Australian Pound—Million	1,370.00	4,756.00	28.81
United Kingdom	1954	Pound Sterling—Million	26,691.00	17,768.00	150.22
Italy	1954	Lire—Billion	4,071.00	12,338.00	33.00
Sweden	1954	Kronor—Billion	13.58	41.89	32.42
Germany	1954	Deutsche Mark—Billion	10.40	145.30	7.16
France	1954	Francs—Billion	5,650.00	15,395.00	36.70
Panama	1953	Balboas—Million	30.33	295.80	10.25
Ceylon	1953	Rupees—Million	826.00	4,664.00	17.71
Venezuela	1952	Bolivares—Million	39.50	9,158.00a	0.43

SOURCE: International Financial Statistics, January 1956.

a National income.

6. Per Capita Burden

The per capita public debt burden in this country has increased from ₱9.97 in 1936 to ₱60.15 in 1955, or by a little over 6 times. It might be noted that except for the dip in the years 1951 and 1952 (a total of ₱108.44 million of pre-1934 bonds were liquidated in 1951 and the national government budget was balanced in 1952), per capita public debt has continuously shown a steady uptrend. On a per capita basis, the debt burden represents 17.00 per cent of national income during the year. With the implementation of Republic Act No. 1000, it is expected that our per capita debt burden will go up further, even if scheduled debt retirement be made on installments falling due the next few years.

The following table reveals the magnitude and growth of the per capita debt burden in the country:

Per Capita Public Debt in the Philippines, 1936-1941; 1945-1955

Year	Amount (Pesos)
1936	9.97
1937	9.51
1938	9.30
1939	9.05
1940	9.31
1941	8.33
1945	8.02
1946	7.15
1947	13.35
1948	31.38
1949	35.60
1950	44.04
1951	39.88
1952	36.94
1953	50.19
1954	50.42
1955	60.15

CHAPTER VIII

PRODUCTION

Production made tangible progress in 1955. Agricultural output expanded further, manufacturing climbed to a new peak, and mining moved up sharply, reversing the downtrend of the previous year. At the year's close the combined index (1952=100) of the physical volume of production in agriculture, mining, and manufacturing was 128 or 6.7 per cent higher than in 1954.

This upswing in production provided a stimulus to activity in a number of industries. Thus, most major classes of private and public non-residential construction advanced substantially in response to the rising demand for a wide variety of construction. Likewise, electric production moved ahead to meet the increased power requirements of household consumers and commercial and industrial users.

A. AGRICULTURAL PRODUCTION

Sparked by an expansionary program and a concomitant rise in demand, agricultural production made noticeable gains in crop year 1955. The over-all production index was 123 (1952=100), 3.4 per cent higher than a year earlier. The expansion in acreage planted, the increased use of machinery and fertilizers, and the more efficient control of weeds, insects, and plant and animal diseases have all contributed to the rise in output.

1. Food Products

For crop year 1955 as a whole, food output continued to grow, though at a reduced rate. The food crop index averaged about 4.1 per cent higher than the level of the preceding year as compared with an expansion of 8.9 per cent from 1953 to 1954.

Production of Food Crops

Crop-Year 1955 Compared to Crop-Year 1954

(Thousand metric tons)

Product	1955 P	1954	Percent change
Rice (rough)	3,203	3,182	0.7
Corn (shelled)	770	780	– 1.3
Beans and vegetables	223	216	3.2
Coffee (dry beans)	7	6	16.7
Fruits and nuts	626	600	4.3
Peanuts (unshelled)	18	18	—
Root crops	1,200	1,180	1.7
Meat and poultry products[a]	282	279	1.1
Fish	352	344	2.3

SOURCES OF BASIC DATA: Department of Agriculture and Natural Resources.
Bureau of Animal Industry.
Bureau of Fisheries.

[a] The 1954 figure was a rough estimate of the Philippine Economic Survey Mission in the absence of actual data. The 1955 figure was based on estimates of the Bureau of Animal Industry and the National Economic Council.

Some degree of diversity was reflected in the production pattern of rice, fish, and corn, which constitute the main diet of the majority of the population. Rice acreage planted expanded again this crop year, but as a result of severe weather damage, output exceeded the harvest a year earlier by only 0.7 per cent. On the other hand, fish production for the year improved by 2.3 per cent over 1954, but the total output was nonetheless inadequate to meet local requirements. Many of the steps taken to stimulate production involved long-range programs, so that gains from these projects were not yet substantial. The extensive development of fish production undertaken under the Rehabilitation Finance Corporation's special financial program for fish development led to an increase in area cultivated. But since the productive capacities of these newly cultivated areas are still in the initial stage, the increase in output has been slow and of small dimensions. Corn output was down 1.3 per cent from the preceding year.

Production of other food products as coffee, fruits and nuts, beans and vegetables, root crops, meat and poultry products registered gains varying from 1.1 per cent to 16.7 per cent. Beans and vegetables, fruits and nuts and root crops seemed to have run well ahead of consumption requirements. Due to a defective distribution system and the lack of canning factories, prices of these items were maintained at high levels in urban areas. On the other hand, coffee and cacao, milk and meat and poultry products were below consumption requirements. To promote self-sufficiency in meat and dairy products, the Rehabilitation Finance Corporation has embarked on a special financial plan for livestock. The importation of cattle and hogs for breeding purposes made possible through this program is expected to expand the country's supply of meat and dairy products within a short time.

2. Major Export Products

A slight gain was noted in the 1955 over-all production of major export crops despite decreases recorded in the output of desiccated coconut, sugar and lumber. The volume index at 114 (1952=100) represented a 2.7 per cent increase over the preceding crop-year level and was about one-fourth over the 1949-1953 average.

Copra output increased only slightly during the 1955 crop year. This was due mainly to unfavorable fluctuations in both local and foreign prices. Other factors contributing to the reduced rate of increase were bad weather conditions which prevailed during the middle of the crop year and the destruction caused by the "Kadang-Kadang" disease. On the other hand, the drop of 7.0 per cent in the production of desiccated coconut, primarily accounted for by

a decrease in demand in the American market, was more than offset by a rise of 12.9 per cent in coconut oil production and a 9.0 per cent increase in the output of copra meal. Efforts are being made to place Philippine coconut export products on a more competitive basis in the world market through the improvement of product quality and the reduction of internal costs.

Cordage was virtually unchanged from last year. On the other hand, output of abaca which fell consistently the past years manifested a reverse trend in 1955 and rose by 3.0 per cent over 1954. The Abaca Zonification Law has aided somewhat in halting the deterioration of the abaca industry. In 1955 two other revitalizing measures were instituted by the Government. Republic Act 1295 creating the Abaca Corporation of the Philippines was passed on June 15, 1955. As a supplementary measure, the government appropriated P18 million for the purpose of reviving and developing the industry. The continued recovery of the abaca industry is thus expected for 1956. The outlook for Philippine abaca is fairly encouraging as world demand is substantial enough to warrant some expansion of production. Furthermore, the closing down of American-subsidized abaca plantations in Central America may divert some demand to Philippine abaca and increase the country's exportation in the coming years.

As a result of the considerable increase in the production of Virginia leaf, production of leaf tobacco this year reached an aggregate amount of 30,000 metric tons, a 7.1 per cent increase over the preceding crop-year level. The growing interest in the crop resulted in the extension of the planting of Virginia tobacco to regions outside Ilocos. To encourage to the further expansion of tobacco productions, Republic Act 1194 restricting the importation of foreign Virginia tobacco and Republic Act 1135 creating the Philippines Tobacco Administration were passed.

This year's production of centrifugal sugar, although reduced by 4.4 per cent from the 1954 level, amounted to 1,244,000 metric tons, an excess of 76,633 metric tons over export and domestic requirements of 1,167,367 metric tons. The excess output was made possible through the extensive rehabilitation program undertaken by the sugar industry immediately after liberation. Although only 25 of 45 sugar mills which existed before the war are currently operating, the production of milled sugar now exceeds the pre-war level. Prospects of this export crop may depend to a large extent on whether or not the export quotas both in the United States and the free world market are eventually increased. In the meantime, output may be limited to merely covering the total normal requirements of both local and foreign markets. For the following crop-

year the domestic quota was reduced to approximately 200,000 metric tons as compared with the previous quota of 281,227 metric tons in order to safeguard producer prices.

Production of logs advanced by 7.5 per cent as a result of the increased demand for timber in Japan, the United States, Korea and other countries. In contrast, lumber output in crop-year 1955, amounting to 374,916 thousand board feet, dropped 10.6 per cent compared with the 1954 level. Lumber production slackened mainly because of high production costs and the relatively greater profitability of timber exports. The preference shown for log exportation may be attributed to lower labor costs and operating expenses and less capital investment requirements, resulting in a relatively bigger margin of profit, as well as the preference of Japanese buyers for logs rather than lumber. Progressive measures are reportedly being taken by the lumber industry towards developing more finished products for exports and greater utilization of waste materials.

Production of Major Export Products Crop-Year 1955 Compared to Crop-Year 1954

(Thousand metric tons)

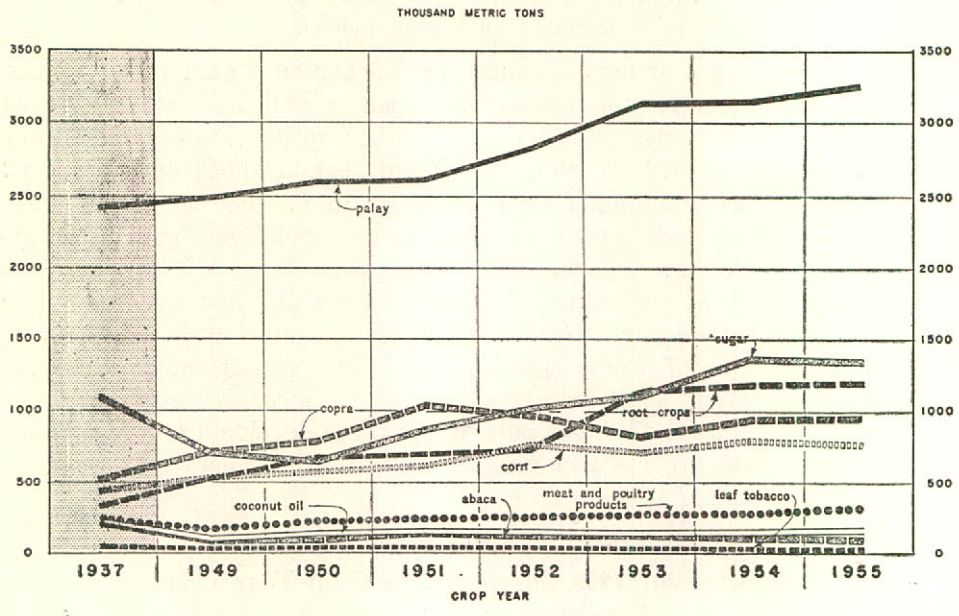
Product	Quantity		Percent change
	1955 p	1954	
Copra	963	942	2.2
Coconut oil	166	147	12.9
Desiccated coconut	40	43	- 7.0
Copra meal or cake	85	78	9.0
Abaca, unmanufactured [a]	104	101	3.0
Cordage [b]	7	7	—
Tobacco leaf	30	28	7.1
Sugar, centrifugal	1,244	1,301	- 4.4
Timber (1000 bd. ft.)	1,540,468	1,433,497	7.5
Lumber (1000 bd. ft.)	374,916	419,315	- 10.6

SOURCES OF BASIC DATA: Department of Agriculture and Natural Resources.
Bureau of Forestry.
Fiber Inspection Service.
Sugar Quota Office.
International Trade Section, DER, Central Bank.
Private Firms.

[a] Figures reported by the Department of Agriculture and Natural Resources registered a declining trend. In view of this, figures of the Fiber Inspection Service were used instead since they appeared to agree better with the production trend reported on Hard Fibers by The Economist Intelligence Unit, London, Great Britain and with the trend of export figures as compiled by the Department of Economic Research.

[b] Estimate based on export statistics extrapolated on the basis of the export-production ratio furnished by the Manila Cordage Company.

PRODUCTION OF SELECTED COMMODITIES



DEPARTMENT OF ECONOMIC RESEARCH
CENTRAL BANK OF THE PHILIPPINES

B. INDUSTRIAL PRODUCTION

Rising output continued to characterize the manufacturing picture in 1955. Aggregate output rose by 12.5 per cent from 1954 to 1955 as the over-all index reached at 142.8 (1952=100). Both durable and non-durable manufacturing output contributed to the advance. Of outstanding importance is the fact that, excepting for textiles which declined, output of major industries either consistently rose above the preceding years or reversed prior downtrends.

The year's performance was made possible by the continued existence of factors basic to industrial growth. Tax-exemption privileges were granted to new and necessary industries, more funds for industrial financing were made available through the increased capitalization of the Philippine National Bank, and the guarantee of industrial loans and the extension of dollar aid under the IDC-ICA arrangement were introduced as important investment incentives. At the same time, intense sales and advertising campaigns have been waged without let-up in recent years and the reduced volume of imports increased the demand for local goods. Furthermore, productive capacity was expanded at a rapid rate due to the continued flow of local and foreign raw materials, the increased availability of skilled manpower, and continuing plant and equipment expenditures. These factors in combination created a boom atmosphere for industrial activity.

1. Non-durable Manufactures

Non-durable manufactures showed a strong upward trend with output at a level 13.1 per cent higher than that of last year. All major groups, except textiles, participated in the broad advance, though in varying degrees. Increases ranged from 0.6 per cent in paper products to 33.8 per cent in leather products, except footwear, with most groups registering gains of 10 per cent or more.

Activity in the food products industry registered an upward trend. Output for the group as a whole was 21.5 per cent higher than the previous year. Strong demand, turned into the domestic economy by import restrictions, along with the enlarged volume of supplies from the farm, gave a sharp spur to production. Within the group, the production pattern varied from industry to industry. Substantial increases were registered in meat packing and miscellaneous food preparations, up 26.2 and 22.3 per cent, respectively from 1954. Bakery products hit a level of 15.9 per cent above last year, as the steady supply of flour from abroad was accompanied by an increase in local cassava output. The establishment of a new milk processing plant during the year exerted a supporting influence on the advance in the output of dairy products. Processed fish products and confectioneries reversed the downtrend of the previous year and averaged 24.6 and 55.0 per cent higher than 1954. A shift occurred in the movement of coconut-using products, with edible oil increasing by 19.5 per cent and shortening declining by 2.9 per cent. On the other hand, processed fruits and vegetables continued the downward trend evident in 1954.

Beverages manifested an upturn after the small dip of the previous year. Distilled spirits led the upsurge by 32.0 per cent followed by wine with 29.4 per cent. Soft drinks output was also up by 1.3 per cent over last year. However, beer production edged downward in 1955 from the preceding year.

Output of tobacco products continued to move along at a rapid pace. The 1955 output was 24.3 per cent above the previous year's level. Of increasingly greater influence in the sharp rise in output was the ACCFA's purchasing program of Virginia leaf tobacco and resale to cigarette manufacturers at cost.

Production of footwear and wearing apparel exceeded the 1954 level by 4.5 per cent, with a large increase in wearing apparel production and a small decline in the output of leather and wooden shoes.

Paper products remained fairly stable, with the decline in manufactured articles out of paper and paper board offset by the increase in pulp paper and paper board.

Rubber products showed marked improvement from the relatively low level of 1954. Output expanded by 10.9 per cent as a result of a better supply of raw rubber and the expanding operations of the principal rubber-processing factories in the Philippines.

Index of the Physical Volume of Production in Manufacturing
1954-1955

(1952 = 100)

Item	1955 p	1954	Percent change
Manufactures	142.8	126.9	12.5
Non-durable manufactures	133.5	118.0	13.1
Manufactured food products, except beverages	133.2	109.6	21.5
Slaughtering, preparation and preservation of meat	228.5	181.1	26.2
Dairy products	131.8	123.2	7.0
Processed fruits and vegetables	75.1	88.8	-15.4
Processed fish products	113.8	91.3	24.6
Bakery products	111.5	96.2	15.9
Cocoa, chocolate, coffee and sugar confectionery	160.7	103.7	55.0
Shortening	93.8	96.6	-2.9
Edible oil	117.2	98.1	19.5
Miscellaneous food preparations	206.3	168.7	22.3
Beverages	108.7	104.1	4.4
Distilled spirits	109.2	82.7	32.0
Wine	118.4	91.5	29.4
Beer	113.1	114.8	- 1.5
Soft drinks	103.8	102.5	1.3
Tobacco products	174.6	140.5	24.3
Textiles[a]	75.6	93.2	-18.9
Footwear and wearing apparel	127.6	122.1	4.5
Leather and wooden shoes	109.1	111.6	- 2.2
Wearing apparel	137.3	127.7	7.5
Paper products	171.3	170.3	0.6
Pulp paper and paper board	123.1	116.1	6.0
Manufactured articles out of paper and paper board	188.7	189.8	- 0.6
Leather products, except footwear	315.0	235.4	33.8
Rubber products[b]	103.4	93.2	10.9
Chemicals[c]	136.7	117.6	16.2
Durable manufactures	164.2	147.3	11.5
Wood and cork manufactures, except furniture and fixtures	241.8	215.6	12.2
Furniture and fixtures	101.0	95.4	5.9
Stone, clay, cement and glass products	109.1	106.8	2.2
Clay and cement products	86.5	124.0	-30.2
Glass products	117.2	129.5	- 9.5
Cement	114.8	93.2	23.2
Limestone	48.4	52.3	- 7.5
Metal products, except machinery	236.0	170.1	38.7
Electrical appliances	148.4	108.4	36.9

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

a Includes floor coverings.
b Includes rubber shoes.
c Includes fertilizers.

Chemicals rose to a new peak. With the establishment during the year of several new factories to manufacture matches, paints, pharmaceuticals and drugs, the chemical group reached a new high, 16.2 per cent above 1954. Medicinal and pharmaceutical preparations expanded substantially. This was followed closely by paints, pigments, varnishes and lacquers. Match production was 20.6 per cent over the preceding year, while soap and other toilet preparations went up by 7.9 per cent.

In contrast, the textiles group provided the principal exception to the general production advance. Textiles continued to sag, as output yielded further to the pressure of the stiff competition, both price-wise and product-wise, offered by textiles imported under the guise of raw materials and surreptitiously channeled to the local market.

2. **Durable Manufactures**

In 1955, production of durable goods continued the high rate maintained since the imposition of import and exchange control measures. Total output was 11.5 per cent above a year ago. The improvement in production was general, with above-average increases occurring in such lines as metal products except machinery and electrical appliances. Other lines like wood and cork manufactures and furniture and fixtures registered moderate gains. In stone, clay, cement and glass products, activity was only slightly higher than in 1954.

The greatest increase in durable manufactures during 1955 occurred in the metal-making industries, with output up 38.7 per cent from 1954. The accelerated tempo of non-residential construction activity created a bigger demand. Steel bar production, a large proportion of which flows to the construction industry, climbed from 9,016,458 kilos in 1954 to 20,981,136 kilos in 1955. Pronounced production gains were also registered for fabricated wires and cast iron pipes and fittings, where strong growth trends were operative in recent years. Producers of electrical appliances also had a better year in 1955, with output 36.9 per cent higher than in 1954. The year-to-year gains in output were exceptionally large for most individual products. Electric stoves produced in 1955 were 72 per cent more than in 1954. Output of electric bulbs and tubes hit close to 4.5 million, about 2 million or 68 per cent above the previous year. Electric water heaters and radios, likewise, progressed substantially. Storage battery plates, however, did not fare as well. Output in 1955 was 5.5 per cent below the high volume of 1954.

Propped by strong foreign demand, wood and cork manufactures expanded by 12.2 per cent. The increase centered in plywood products, which went up by 20.7 per cent over the previous year. A similar uptrend was experienced by creosoted wood and cork. Moving in close correspondence with wood and cork manufactures, furniture and fixtures increased by 5.9 per cent.

Despite the general declines reported for stone, clay and glass industries, aggregate output of stone, clay, glass and cement pro-

ducts rose 2.2 per cent above 1954. Cement output, which advanced by 23.2 per cent, contributed significantly to the rise.

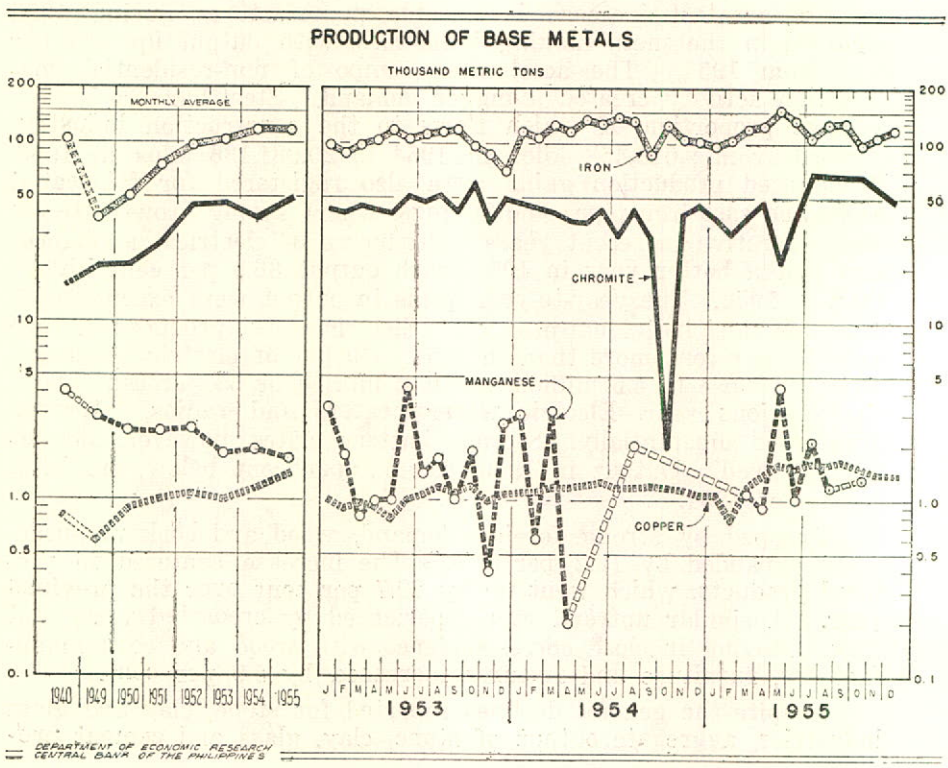
C. MINING

Mining activity, which fell by 4 per cent to a low in 1954 as compared to 1953, staged a significant comeback in 1955. Output for the year as a whole at 107 (1952=100) was 9.2 per cent higher than in 1954 and stood 4.9 per cent above the all-time high of 1953.

Mining Production
1955 *Compared to* 1954

Item	Unit	Quantity		Per cent change
		1955	1954	
Gold	F. ounces	419,112	416,052	0.7
Base metals	M. tons			
Chromite		598,117	451,185	32.6
Manganese		11,912	9,393	26.8
Copper		17,461	14,349	21.7
Lead		2,318	1,827	26.9
Iron		1,432,712	1,424,898	0.5

SOURCE OF BASIC DATA: Bureau of Mines.



Gold production showed a modest recovery after the sharp downturn in 1954. Output amounted to 419,112 fine ounces as against 416,052 fine ounces of the preceding year, or an increase of 0.7 per cent. The subsidy measures adopted by the Government provided the motive power behind the advance.

At the same time, base metals rebounded sharply from the low levels of 1954 and registered an advance of 15 per cent. Higher prices and the buoyancy of demand abroad coincident with the opening of new ore deposits in the country were the factors contributing to the current expansion.

Continuing its uninterrupted growth since 1948, iron ore output moved higher in 1955 and topped the previous year's level of 1,424,898 metric tons by 7,814 metric tons. Production of chromite and manganese ores, likewise, outstripped the preceding year by 32.6 and 26.8 per cent, respectively. The upsurge of demand caused by the spectacular growth of the world's steel, motor and construction industries, and the unforeseen failure of deliveries to meet orders due to transport bottlenecks in India and South Africa, pushed prices to their highest point. These factors, in the main, boosted local production during the year.

Similarly, 1955 was a period of unparalleled prosperity for copper producers in the country. American and European fabricators were in the market for every ton of metal they could take, but waves of strikes suffered by copper companies in the United States, Chile and Rhodesia severely cut output. The resultant scramble for supplies, thus, sent prices spiralling to new peaks. In response to these developments, local producers lost little time in stepping up output to a rate of 21.7 per cent above the 1954 level.

Lead enjoyed the same brisk prosperity noted in the other base metal industries. Output exceeded the 1954 level by the substantial margin of 26.9 per cent. A key factor behind the high foreign demand for lead was the enormous intake of battery producers, who had geared operations upward in line with the rising needs of the automobile industries in Europe and America.

Prospects for base metals are encouraging. Looking at it from the supply side, large-scale production can be expected to get underway with the opening of new copper mines like the Misasa Consolidated Mining Co., Hixbar Gold Mining Co., and Sipalay Copper Mines. Output of other base metals may, likewise, pick

up further with the start of operations of the Palawan Mining Association and the Mati Iron Mines. On the demand side, the start of a local steel industry will expand the present domestic market for these metals.

D. NEW CONSTRUCTION ACTIVITY

Although available data do not measure the absolute magnitude of construction activity, they nevertheless provide a significant indication of broader movements. Data so far available for 1955 indicated a declining trend in the residential sector and a rising one for the non-residential sector. Construction costs in 1955 appeared to have moved lower. Wage rates in the building trade declined during the year and building material prices edged off.

1. Residential Construction

The value of new residential construction in Manila, its suburbs and chartered cities amounted to ₱31.6 million in 1955, 40.0 per cent below the preceding year's level. In Manila, homebuilding amounted to ₱15.6 million as compared to ₱10.2 million in 1954, an increase of 52.4 per cent. Apparently, the high rate of household formations was a major stimulus. But in areas outside Manila, new private non-farm residential construction showed easing tendencies. In the suburbs, the value of new residential buildings amounted to ₱7.2 million compared to ₱8.3 million last year, or a decline of 13.7 per cent. The level of similar activity in chartered cities, dropped abruptly to ₱8.8 million in 1955 from ₱34.1 million in 1954, a decline of 74.1 per cent.

The over-all decline in residential construction activity indicated that the most urgent demands for housing have been satisfied. In addition, potential housebuilders were discouraged as they had to meet more stringent financing conditions in view of the restrictive loan policy for construction purposes of the Rehabilitation Finance Corporation. A further reason for the drop was the declining trend of rental rates which no longer makes investment in rental-type dwelling projects a lucrative enterprise.

2. Non-residential Construction

Non-residential construction, both public and private, being related to long-term influences as the increase in population, the sharp expansion in business activity and the development of highways, moved up sharply in 1955.

New Construction Activity in Manila, Manila Suburbs and Chartered Cities, 1954-1955

(Pesos)

Area	Total [a]			Residential			Non-residential		
	1955 p	1954	Percent change	1955 p	1954	Percent change	1955 p	1954	Percent change
TOTAL	72,081,298	89,793,291	-19.7	31,594,016	52,641,417	-40.0	40,487,282	37,151,874	9.0
Manila	37,840,050	29,650,550	27.6	15,557,000	10,205,500	52.4	22,283,050	19,445,050	14.6
Manila suburbs	12,377,700	11,330,786	9.2	7,190,171	8,335,685	-13.7	5,187,529	2,995,101	73.2
Chartered Cities	21,863,548	48,811,955	-55.2	8,846,845	34,100,232	-74.1	13,016,703	14,711,723	-11.5

SOURCES OF BASIC DATA: Bureau of the Census and Statistics.
Department of Engineering and Public Works, City Engineer's Office, Manila.

[a] Excludes additions, alterations and repairs.

a. Public Non-residential Construction

Public construction expenditures in fiscal year 1955 totalled ₱177.1 million, up 7.0 per cent above fiscal year 1954. The sharpest advance took place in highway construction, a major project in the economic development program of the Government. Huge outlays for irrigation works, waterworks, flood-control projects, lighthouses and industrial projects were also expanded during the year.

In this connection, it is of interest to note that, with the implementation of a more extensive public works program to be financed from part of the proceeds of the ₱1 billion bond issue under Republic Act 1000, the prospect of public construction activity looks bright. Among the projects to be undertaken are the construction of more waterworks, portworks, irrigation systems, roads and bridges, buildings and artesian wells.

b. Private Non-Residential Construction

The value of non-residential construction rose to a new peak of ₱40.5 million in 1955 compared to ₱37.2 million in 1954, an increase of 9.0 per cent. A significant feature of this development was the increment of 73.2 per cent in the value of commercial and industrial and other related types of buildings in the suburbs. The erection of more factories, warehouses and office buildings in the suburbs spurred by the demand of industry contributed much to the increase. Within Manila, non-residential construction also advanced by 14.6 per cent thus reflecting a relatively more liberal policy pursued by management in the expansion of plant buildings in line with increased expenditures for equipment. However, there was a decline of 11.5 per cent in the chartered cities for non-residential construction.

3. Real Estate Sales and Mortgages

Real estate sales and conveyances in Manila amounted to ₱40,291,811 in 1955 compared to ₱30,846,922 in 1954, or an increase of 30.6 per cent. Real estate mortgages in Quezon City, Pasay City and other suburbs reached ₱72,017,242 in 1955, 39.8 per cent over last year's value of ₱51,505,134.

E. PUBLIC UTILITIES

1. Electric Power

Electric power generated by the Manila Electric Company in 1955 hit a new high of 782,750,265 k.w.h., an increase of 11.5 per cent over the 1954 level. Of this amount, 627,627,000 k.w.h. were sold to household consumers and industrial users numbering 255,500. In 1954, 550,000,000 k.w.h. were sold to 246,600 customers. Compared to 1954, power sales this year went up by 14.1 per cent,

while the number of customers served advanced by 3.6 per cent. The uptrend in the industrial and commercial consumption of electric power could be attributed mainly to the increasing requirements of the industrializing economy. The expanded output of locally manufactured electric appliances made possible a record flow of these goods to households, which in turn boosted household consumption of electricity. This rise in household demand was also an important element of strength in sustaining the high rate of total electric output. The combined effect of these developments has influenced the Meralco to embark on a bigger expansion program to meet future electric power demand.

2. **Transportation**

Railroad transportation in the country appears to display new activity as a result of improvements in rolling stock and standard operational procedures. The Manila Railroad Company increased its new passenger train cars and added many boxcars to its units during the year under review, thus augmenting its facilities. The year 1955 also witnessed implementation of a more rigorous managerial policy tending toward increased operational efficiency.

The total number of passengers of the Manila Railroad Company in 1955 was 7,104,101 as compared with 7,335,967 in 1954, or a drop of 3.2 per cent. However, gross receipts collected from them totalled ₱8,229,407, or a rise of 4.2 per cent over ₱7,896,931 last year. This was due largely to the increase in receipts from first class passengers which rose by 111.9 per cent. A very slight decline of 0.6 per cent in receipts from third class passengers obviously failed to offset the trend toward an overall increase in passenger receipts. Net tonnage of freight carried advanced by 1.4 per cent although express tonnage dropped by 8.8 per cent. The combined receipts from both freight and express loadings increased by 6.2 per cent, owing largely to a rise of 9.7 per cent in freight collections. On the whole, the Manila Railroad Company garnered ₱17,562,475 in earnings from passenger, freight and express loadings as against ₱16,688,822 in 1954, or an increase of 5.2 per cent.

As an added element in the transport system of the country, the number of motor vehicles at the end of 1955 was placed at 120,000 units as compared with 116,019 units in 1954, an increase of 3.4 per cent. The sharp rise in registration reflected for the most part increased activity and sales of trucks and cars by local assembly plants.

Meanwhile, the Philippine Air Lines presented a contrast in operations. While its international flights, due to suspension, have diminished in importance as a source of revenue to the company as well as a means of transit for air travelers, its interisland flights have improved considerably.

The number of passengers on the limited international route was only 16,271 in 1955 compared to 18,267 in 1954, or a decrease of 10.9 per cent. Total cargo carried amounted to only 104,896 kilograms and mail to only 18,740 kilograms. Compared with 347,474 kilograms of airborne freight and 36,140 kilograms of air-mail a year ago, activity in this sector of operations declined by 69.8 per cent and 48.1 per cent, respectively.

On the other hand, domestic flights picked up as the number of local passengers increased by one-third over last year. The airline carried 299,557 passengers in 1955 against 225,200 in 1954. At the same time, 6,107,707 kilograms in cargo were flown locally compared with 5,138,373 kilograms the previous year. This represented an increase of 18.9 per cent. However, the volume of mail carried dropped to 350,284 kilograms from 356,906 kilograms in 1954, a decline of 1.9 per cent.

Owing largely to local operations, the Philippine Air Lines carried 315,828 passengers during 1955 over both international and interisland routes. This represented an increase of 29.7 per cent over 243,467 passengers in 1954. Freight carried amounted to 6,212,603 kilograms compared with 5,485,487 kilograms the preceding year, or an increase of 13.3 per cent. Mail flown was cut down to 369,024 kilograms from 393,046 kilograms in 1954, or a decrease of 6.1 per cent.

The number of vessels that entered the Port of Manila during the year was 1,623 with a net tonnage of 6,841,639 tons. This compared with 1,640 ships with a net tonnage of 6,882,408 tons during the preceding year. The number of vessels that unloaded cargo in Manila during 1955, therefore, dropped by 1.0 per cent while the corresponding net tonnage declined by 0.6 per cent. This trend also characterized the movement of vessels that departed from Manila. During 1955, 1,554 ships with a net tonnage of 6,406,499 tons were cleared for departure. This number was a bit smaller than the preceding year when 1,559 vessels with a net tonnage of 6,490,254 tons were granted clearances. In this case, the number of departures declined by 0.3 per cent, while the corresponding net tonnage dropped by 1.3 per cent.

CHAPTER IX

NON-AGRICULTURAL EMPLOYMENT AND WAGES

The discussion here is based on information submitted by 734 non-farm firms employing approximately 176,000 workers. It was not feasible to ascertain the number and proportion of employed and unemployed persons due to the paucity of basic data. The rough measures available were therefore confined solely to employment trends and changes in wage rates in these 734 non-farm establishments. In the absence of more refined data, it is believed that the sample throws some light on the general trend of non-farm firms in operation throughout 1955 as the available labor indices were consistent with other economic indicators.

A. NON-AGRICULTURAL EMPLOYMENT

Expanding business activity resulted in a rise in employment in 1955. The employment index at the year's end was 111.9 (1949=100), 3.1 per cent higher than in 1954 and 3.9 per cent more than in 1953. Employment in all major industrial divisions was higher except for construction and personal services. The year opened with an employment index of 111.2, 2.9 per cent higher than the corresponding period a year previous. Employment firmed up in the first and second quarter, dipped in the third quarter and then advanced sharply in the final quarter. The index at the close of the year reached 115.8, an all-time high in the post-war period.

The mining and quarrying index, which contracted to 106.8 in 1954, rebounded to 112.3 in 1955. The recovery may be attributed to several factors. The start of oil drilling in Cagayan Valley by the Philippine Oil Development Company in the middle of 1955 stimulated the accelerated tempo of activity in this field. In addition, the influence of the Gold Subsidy Act also began to be felt. Furthermore, better prices and greater demand for base metals in the world market contributed to the upsurge in the mining sector.

Despite the advance in manufacturing activity, employment in this sector was only 0.4 per cent higher than last year. This reflected, for the most part, the increasing tendency on the part of management to employ greater mechanization to step up production. Reductions in personnel were observed in the manufacture of wood and cork, paper and paper products, and wearing apparel and other made-up textile goods. Increased employment, however, in tobacco manufactures, non-metallic mineral products, printing, publishing and allied industries, manufacturing industries not elsewhere classified, transportation equipment and metallic products offset the weakening noted in the other sectors.

Transportation and communication continued the uptrend which has been taking place since 1951. Employment was 2.4 per cent above the preceding year. Within the group, employment in public utilities, other than transportation and communication, advanced by 17.5 per cent compared to last year. Increments were also noted in services incidental to transportation (5.1 per cent), water transportation (3.7 per cent), communication (1.7 per cent), and railroad transportation (1.4 per cent). Air transportation, however, slipped by 15.6 per cent.

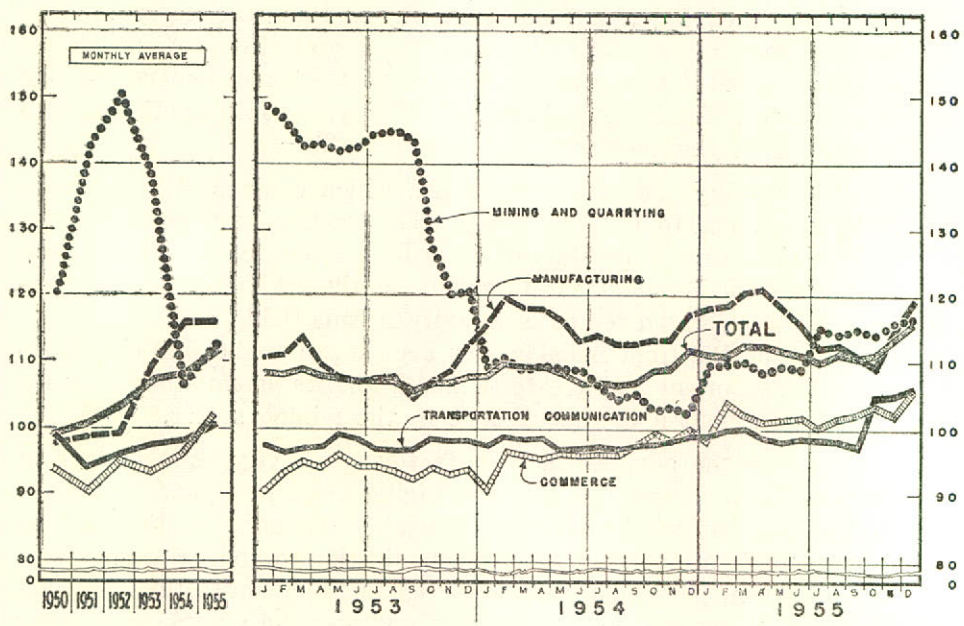
Employment in commerce increased during the year. From the level of 96.6 in 1954, the index moved to 102.1 in 1955. The factors that contributed to the upsurge were: insurance (14.5 per cent), banks and other financial institutions (6.7 per cent), and wholesale and retail trade (4.1 per cent).

Recreational services likewise expanded their personnel. Chiefly responsible for the increase were motion picture production and distribution, theaters and other recreational services.

The government employment index climbed steeply from 120.6 in 1954 to 131.1 in 1955, up 8.7 per cent. The upturn may grow steeper as the rural development program gains momentum.

EMPLOYMENT INDEX IN REPORTING NON-AGRICULTURAL ESTABLISHMENTS

(1949 = 100)



DEPARTMENT OF ECONOMIC RESEARCH
CENTRAL BANK OF THE PHILIPPINES

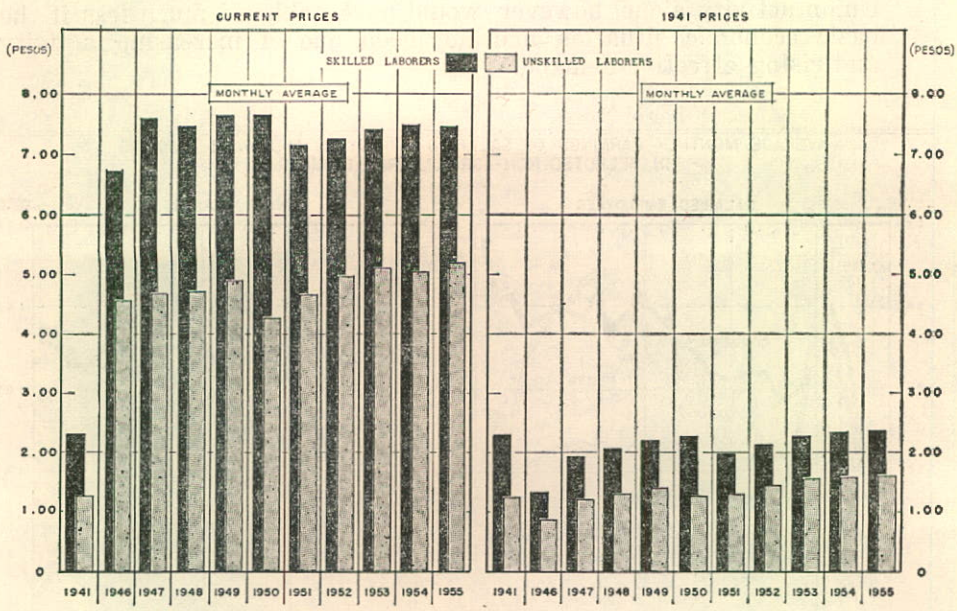
B. WAGE RATES

The average daily money wage rate of unskilled workers for 1955 was ₱5.18, a gain of 3.0 per cent over the previous year. On the

other hand, the rates of skilled workers for 1955 maintained the 1954 level of ₱7.44. Although wage rates of skilled workers for the first four months of 1955 were rather low, the rates gradually rallied during the middle part of the year to re-attain the 1954 level. In striking contrast, the wage rates of unskilled workers made a big stride in 1955, reaching their peak in August when the wage rate stood at an all-time high of ₱5.28, which was 4.3 per cent higher than the corresponding period a year previous and 5.0 per cent more than the 1954 level. Wages then receded somewhat from the August peak, but still at rates exceeding the corresponding previous-year levels. The gain in the wage rates of unskilled workers may be attributed largely to the improved wage levels in cigar and cigarette factories.

Because of the comparatively lower prices, real income (in terms of 1941 pesos) of both skilled and unskilled workers reflected further increases in 1955. From the 1954 levels of ₱2.30 and ₱1.56, real income of skilled workers went up to ₱2.33 a day and those of unskilled workers to ₱1.62 a day, reflecting gains of 1.3 and 3.8 per cent, respectively.

WAGE RATES OF LABORERS IN INDUSTRIAL ESTABLISHMENTS IN MANILA



DEPARTMENT OF ECONOMIC RESEARCH
CENTRAL BANK OF THE PHILIPPINES

C. EARNINGS

The monthly earnings of wage earners and salaried employees continued their upward trend in 1955. Average monthly cash earnings of wage earners rose from ₱140 in 1954 to ₱144 in 1955 and

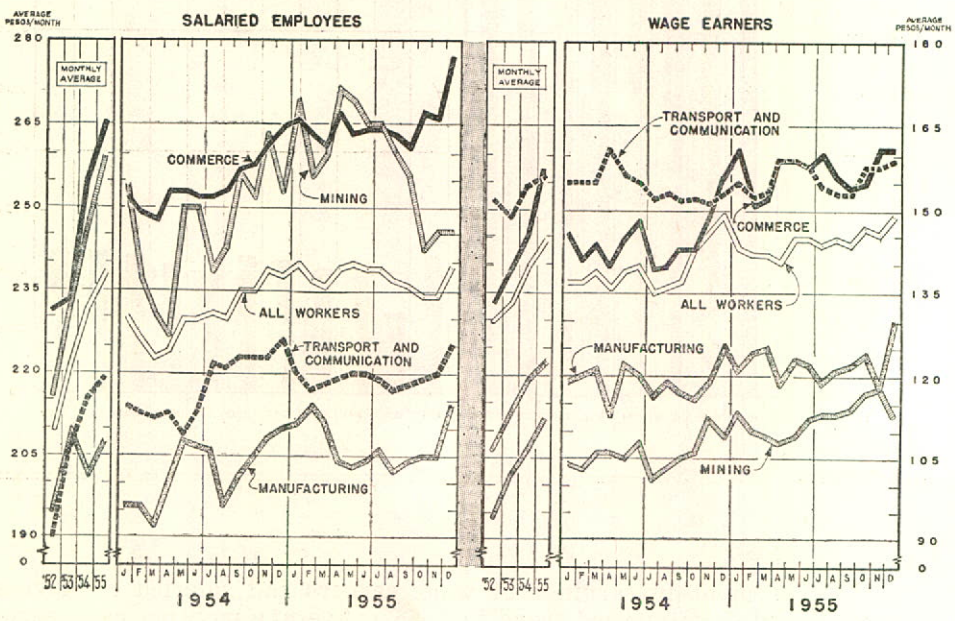
those of salaried employees from ₱231 to ₱238, or an average increment of 2.9 and 3.0 per cent, respectively.

In 1955 production workers in all major industry divisions like mining, transport and communication, manufacturing and commerce appeared to have substantially increased their take-home pay. Among these groups, the rate of increase varied widely. Wage earners in the commercial sector enjoyed considerable benefits, registering an increase of 8.3 per cent over the previous year's level. This was followed closely by other industries like mining (5.7 per cent), manufacturing (2.5 per cent), and transport and communication (1.3 per cent). However, the monthly earnings of wage earners in electricity, gas and heat, water and sanitary services remained stationary at the 1954 level.

Likewise, salaried employees also made a creditable showing with their monthly earnings going up in all industry divisions: mining (5.3 per cent), commerce (4.3 per cent), manufacturing (2.5 per cent), transport and communication (1.9 per cent), and electricity, gas and heat, water and sanitary services (0.4 per cent).

The upward trend of labor income reflected in part the increased activity on the part of labor unions since the passage of the Industrial Peace Act, an important instrument in the implementation of the Minimum Wage Law, the eight-hour labor and other labor laws. Union activity alone, however, would have achieved much less if the basic economic situation had not been one of increasing activity and rising effective demand.

AVERAGE MONTHLY EARNINGS OF SALARIED EMPLOYEES AND WAGE EARNERS IN SELECTED NON-AGRICULTURAL INDUSTRIES



DEPARTMENT OF ECONOMIC RESEARCH, CENTRAL BANK OF THE PHILIPPINES

CHAPTER X

INTERNAL TRADE

A. GROSS SALES ACTIVITIES: 1954-1955

The years 1954-1955 experienced a continuing improvement in domestic production and increased importations of essential producer and consumer commodities. It was observed that movements in price levels directly influenced the volume of gross sales. As indicated by the quarterly volume of gross sales, varying quantities of commodities moved off the market at each particular price level. It was noted that the volume of gross sales expanded as the consumer price index declined and decreased as the consumer price index increased. This observation was made from the data available covering gross sales of 1,174 establishments in Manila.

During the first two quarters of 1954, prices were at lower levels compared to the third and fourth quarter levels of the same year. Inversely, gross sales were largely heightened during the first semester when prices exhibited lower trends. In the second half, sales activities slackened as prices edged upwards.

In 1955, the same correlation of greater volume of sales at lower prices and vice-versa held true until the third quarter. Prices started at a high point during the first quarter. Gross sales on the other hand reported their lowest readings. Prices then dipped to bottom levels during the second and third quarters, and gross sales for the same period responded with accelerated increases.

Deviation from the general behavior, however, was noted during the last quarter of 1955 mainly brought about by strong economic pressures of widespread speculation and seasonal influences in the economy. Prices reached peak points, but contrary to the previously observed relationship, the volume of gross sales likewise moved to its highest level.

B. GROSS SALES AND INVENTORIES: 1955

The increase in the physical volume of sales for the year 1955 more than offset the general price declines and sparked the 5.3 per cent gain in gross sales of selected non-agricultural industries over 1954 levels. Sales activity as measured by the gross sales index made up of trends in 1,174 leading establishments in Manila within major industrial divisions[1] rose from 101.6 in 1954 to 107.0 in 1955 (1951=100).

[1] Mining and quarrying manufacturing, construction, commerce, electricity, gas, heat, water and sanitary services, transport, storage and communications and services.

Inventories as reported by 2,917 leading non-farm business establishments[2] in Manila registered an 11 per cent increase in 1955 over 1954. (Expansion of the statistical sample in 1955, however, may somewhat detract from the comparability of the inventory figures).

A gross sales and inventory listing of the same sample group of firms would be analytically ideal. However, in the absence of such an identical listing, recourse has to be made of whatever available data are on hand. It is presumed that the trends in the 1,174 establishments for gross sales and those in the 2,917 establishments for inventory changes are roughly representative of the over-all trends in the economy and can be used in interrelation with each other. All percentage changes in the subsequent sections unless specifically stated otherwise shall be percentage comparisons as between 1954 and 1955.

Except for the manufacturing sector which suffered a slight dip in total gross sales of 0.9 per cent, all other divisions contributed to the over-all increase. Gross sales in mining and quarrying went up by 1.6 per cent, electricity, gas and heat, water and sanitary services by 7.5 per cent, commerce by 9.6 per cent, transport, storage and communication by 6.2 per cent, and services by 4.2 per cent.

Inventories in all divisions also showed gains. In the majority of cases, the bigger stocks on hand were the result of increased availability of goods rather than of a depression in business activities as gross sales at generally lower price quotations indicated increased volume of sales for the year. Total non-farm producer inventory additions of 17.7 per cent reported the highest percentage increase for the period. Mining followed with a 14.1 per cent increase. Trade showed a 6.4 per cent hike with the retail sector ending the year at an inventory level reflecting a 13.5 per cent rise while stocks in the wholesale sector increased only by 4.6 per cent.

Within the mining and quarrying division, gross sales of crude petroleum and natural gas came out with a 125.6 per cent increase. Inventories on the other hand for products of petroleum and coal showed a 41 per cent addition. The increase in both sales and inventories is explained by the greater inflow of crude petroleum made possible by the establishment of the Caltex refinery in Batangas. This in turn permitted a greater volume of sales of the refined product which was made available at lower prices.

Manufacturing suffered a slight loss of 0.9 per cent over the gross sales level of 1954. Main causes for the downtrend were the major declines ranging from 6.2 to 29.9 per cent in manufactures of

[2] Mining, producer, and trade both on wholesale and retail levels.

food, footwear (except rubber footwear), fishing nets and braid, furniture and fixtures, paper and paper products, electrical machinery, apparatus, appliances and supplies, and transportation equipment. Most of these decreases were caused by price declines rather than by declines in total volume of sales as production of the majority of these items recorded increases for 1955.

Increased sales on the other hand were shown primarily by manufactures of tobacco, leather products (except footwear), rubber, non-metallic products, and machinery (except electrical machinery). Further gains were noted in the base metals industries as well as in the printing, publishing, and allied industries. Increases over 1954 for these manufactures ranged from 13.3 to 32.3 per cent.

On the inventory side, the non-farm producer division registered a 17.7 per cent increase. Such stock-piling activities were mainly the result of speculation as to the effect of the declines in the international reserve which heralded possible cuts in import allocations. Rubber products recorded the highest stock accumulation with an 87 per cent increase. The inventory expansion was brought about by the bigger importations allowed for rubber which likewise explains the gain in gross sales. Electrical machinery, apparatus, appliances and supplies inventory went up by 70.7 per cent as this group was affected by a decline in sales of 29.9 per cent. Contrariwise, a sales increase of 32.3 per cent in machinery, except electrical machinery depleted inventories in this section by 25.1 per cent.

The Commercial division registered over-all gains in gross sales movement with insurance and real estate reflecting accelerated activities of 25 and 27 per cent, respectively. In trade, heightened output of domestic production and decontrol of essential goods made possible a downward price adjustment which benefited the buying public. Decreased unit value of sales was offset by the greater volume of sales activities which brought sales at the retail level up by 7 per cent and that at wholesale by 7.9 per cent.

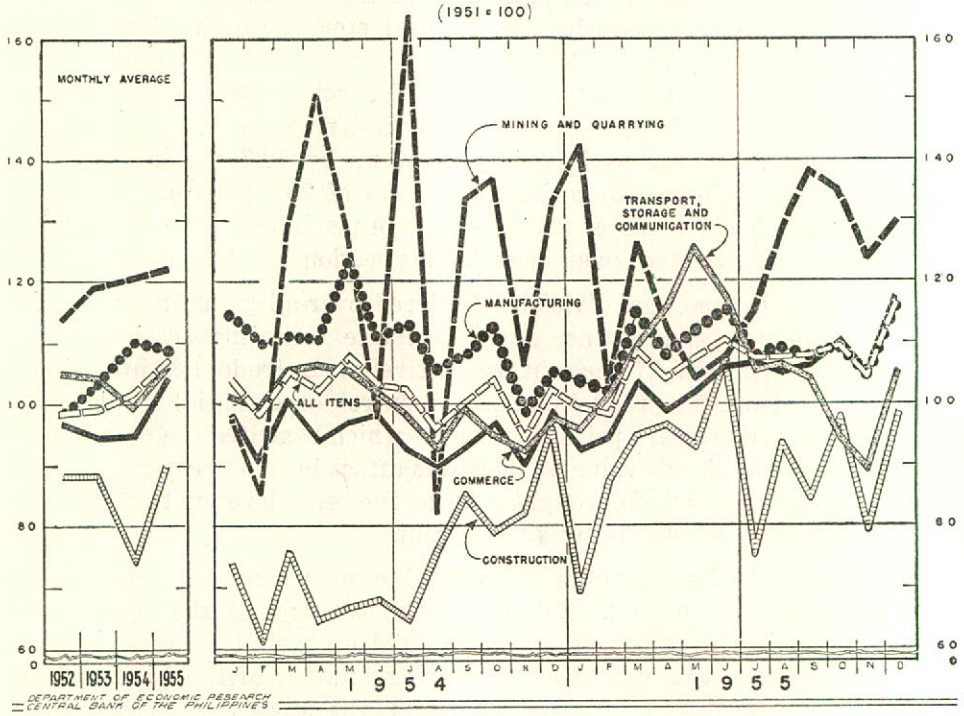
Inventories in trade reflected the movement of consumption goods in the economy. Retailers took advantage of the bigger price declines in the wholesale sector to build up their inventories. Speculation as to the effects of the implementation of the Laurel-Langley Agreement was further cause for the stock-piling. However, because of faster sales turnover increases in inventory accumulations were only 13.5 per cent for the retail sector and 4.6 per cent for wholesalers.

For other industrial divisions, the sales outlook was similarly encouraging. A 7.5 per cent increase was shown by electricity, gas and heat, water and sanitary services which reflected a broadening of these facilities for both industrial and household uses. Transport,

storage and communication increased by 6.2 per cent largely as a result of the establishment of more assembly plants for cars and trucks in the country during the year, and a greater flow of goods. In the services division, expenditures for services rose by 4.2 per cent mainly because of the expansion in government services of 24.8 per cent which offset the 11 per cent decline in personal services.

While the major factor in accelerated buying activity was the large flow of consumer income, the increased availability of consumer credit was one of the basic influences on enlarged consumer buying. Consumer loans granted in 1955 which aggregated ₱102.1 million compared to ₱79.9 million of 1954 paved the way for the present higher levels of consumer spending.

GROSS SALES INDEX OF LEADING BUSINESS ESTABLISHMENTS



Percentage Change in Inventories of Leading Non-Farm Business Establishments[a] *Classified by Kind of Business,* 1954-1955

(Pesos)

Kind of business	Number of reporting establishments	Book value of inventories		Per cent (Ratio, 1955/1954
		1955	1954	
TOTAL	2,917	588,578,900	530,097,324	11.0
Mining	24	19,095,850	16,741,111	14.1
Producer	1,159	241,059,213	204,813,734	17.7
Food except beverages	282	76,703,592	67,610,856	13.4
Beverage industries	29	34,736,722	25,086,201	38.5
Tobacco	25	17,422,834	12,864,453	35.5
Textiles	33	16,570,065	13,772,295	20.3
Footwear, other wearing apparel and made-up textile goods	402	23,104,336	21,573,657	7.1
Wood and cork, except furniture and fixtures	21	7,226,629	6,400,323	12.9
Furniture and fixtures	45	2,830,537	3,146,118	-10.0
Paper and paper products	50	8,855,184	6,866,371	29.0
Printing, publishing and other allied industries	33	5,644,075	5,263,623	7.2
Leather and leather products, except footwear	10	632,323	590,646	7.1
Rubber products	9	5,277,017	2,821,486	87.0
Chemicals and chemical products	71	20,629,788	18,747,348	10.0
Products of petroleum and coal	6	1,067,812	757,091	41.0
Non-metallic products, except products of petroleum and coal	25	2,682,797	2,344,676	14.4
Metal products, except machinery and transportation equipment	48	7,329,694	8,191,694	-10.5
Electrical machinery, apparatus, appliances and supplies	10	3,038,002	1,779,825	70.7
Transport equipment	6	1,627,872	1,603,534	1.5
Miscellaneous	54	5,679,956	5,403,537	5.1
Trade	1,734	328,423,837	308,542,479	6.4
Wholesale	1,009	254,904.329	243,786,036	4.6
Food except beverages	121	25,629,031	15,819,357	62.0
Tobacco	4	560,366	535,774	4.6
Textiles	166	15,426,813	14,268,987	8.1
Footwear, other wearing apparel and made-up textile goods	18	3,179,113	3,134,290	1.4
Paper and paper products	3	529,449	578,496	-8.5
Printing and publishing	8	1,325,750	1,195,031	10.9
Rubber products	6	6,785,947	6,140,858	10.5
Chemicals and chemical products	34	9,197,826	8,418,975	9.2
Products of petroleum and coal	6	44,104,496	48,748,398	-9.5
Non-metallic mineral products except petroleum and coal	13	560,662	790,232	-29.1
Metal products, except machinery and transportation equipment	53	35,564,466	32,106,603	10.8
Machinery, except electrical machinery	43	27,803,839	26,136,412	6.4
Electrical machinery, apparatus, appliances and supplies	15	2,390,818	2,518,472	-5.2
Transport equipment	18	14,420,409	14,836,927	-2.8
Miscellaneous	501	67,425,544	68,557,324	-1.7

Percentage Change in Inventories of Leading Non-Farm Business Establishments[a] *Classified by Kind of Business,* 1954-1955

(Pesos)

Kind of business	Number of reporting establishments	Book value of inventories		Per cent (Ratio, 1955/1954
		1955	1954	
Retail	725	73,519,508	64,756,443	13.5
Food except beverages	55	5,452,683	4,674,861	16.6
Textiles	97	4,777,186	3,734,823	27.9
Footwear, other wearing apparel and made-up textile goods	14	1,137,730	1,185,365	-4.0
Printing, publishing and allied products	6	681,034	605,544	12.5
Chemicals and chemical products	29	8,944,677	7,084,249	26.3
Non-metallic products except products of petroleum and coal	21	2,100,216	2,282,865	-8.0
Metal products, except machinery and transportation equipment	72	5,574,248	2,685,788	107.5
Electrical machinery, apparatus, appliances and supplies	35	5,505,717	4,661,500	18.1
Transport equipment	86	10,332,543	11,561,484	-10.6
Miscellaneous	310	29,013,474	26,339,964	10.2

[a] The coverage of the series was increased from 334 to 2,917 cooperating non-farm establishments in the Philippines.

CHAPTER XI

PRICES

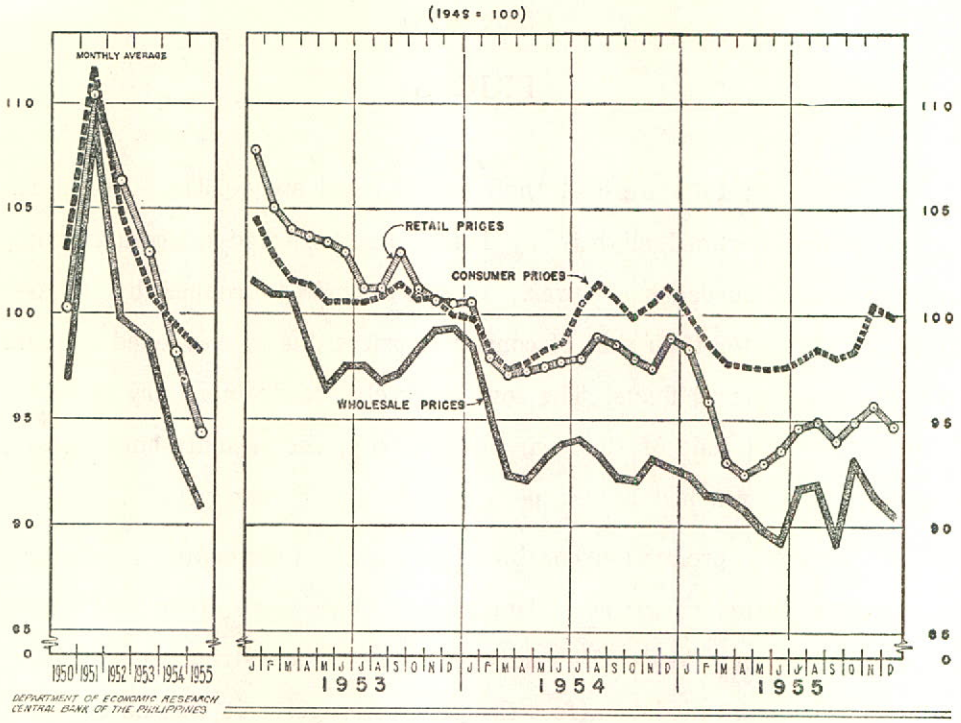
Prices in 1955 were at their lowest level since 1949. Consumer prices which declined slightly by 1 per cent reflected a strengthening of the peso's purchasing power. Wholesale prices dropped by 2.7 per cent, a rate faster than that of consumer prices due to weakened demand for major export products. The comparatively steady monetary situation during the first half of the year eased during the second semester and money supply reached a new peak by the end of the year.

Domestic production continued to climb. Commodity supply was apparently sufficient to meet demand except in some items like garlic and onions among foodstuffs and cement among construction materials. These shortages failed to affect the price averages. It was noted, however, that the violent seasonal fluctuation in the price of rice was halted and monthly prices averaged slightly higher than in 1954.

As a number of essential food items were decontrolled during the year, imports grew steadily, and market sufficiency was evident. Lowered incomes of the export sector due to the drop in export prices which fell to their lowest point since 1949 contracted demand. These two forces depressed the price levels. However, near the end of the second semester price levels began moving up due to seasonal influences, to new controls clamped on textiles and tobacco leaf, to rising money supply and to speculative activities arising from the revision of the trade act with the U.S. effective 1956.

These movements were maintained during the opening months of 1956. Though slight in effect, the upturns gave every sign of continuing upward.

WHOLESALE, RETAIL AND CONSUMER PRICE INDICES IN MANILA



A. CONSUMER PRICES IN MANILA

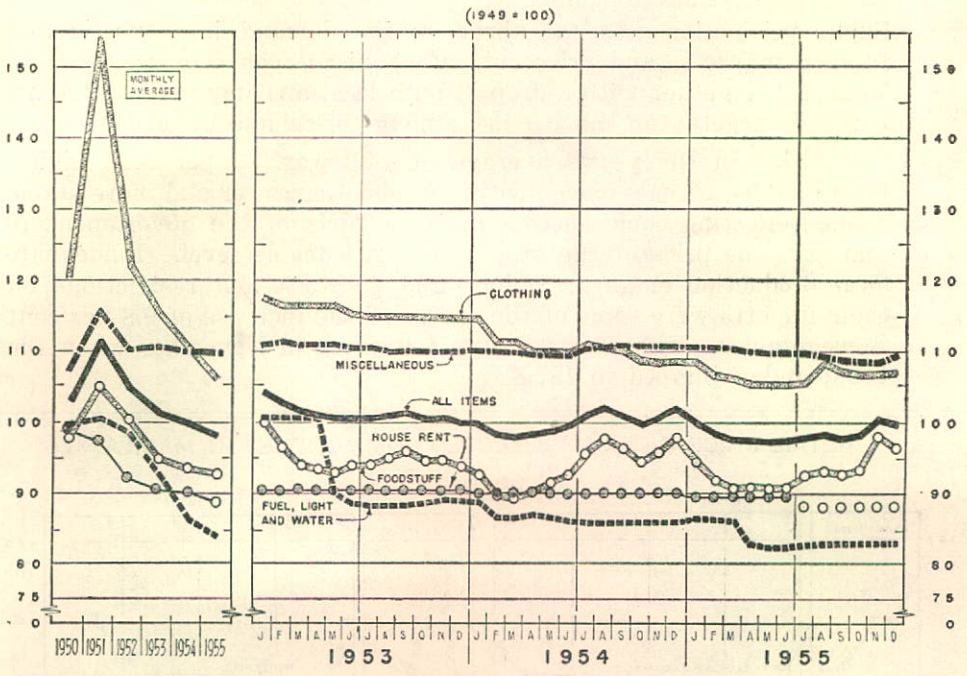
The yearly average of consumer prices for goods and services in Manila dropped from 99.4 in 1954 to 98.4 in 1955 (1949=100). The monthly index declined from the opening level of 99.8 in January to 97.4 in May and except for the break in September, climbed steadily to 100.4 in November. Opposing tendencies almost completely neutralized each other and pegged the closing index at 99.9 Domestic commodities experienced an easier trend while the prices of most imported items grew firmer. All commodity groups, led by foodstuffs which dropped 0.7 per cent, were below their levels in 1954.

Sustained production by local cloth manufacturers coupled with large arrivals of textiles during the early part of the year swelled the market which was already over-stocked and by June, 1955, prices fell 2.9 per cent below those of the preceding six-month period. The cancellation of quotas for some items made during the second semester arrested this trend. In spite of the change in direction of the trend, the year's average of 106.6 was still 3.4 per cent below 1954.

Enlargement of government housing projects and increase in the construction of private residential houses brought some relief and house rent dropped 1.2 per cent. The decline of 3.6 per cent in fuel-light-water mainly reflects the reduction of electric rates in April by the MERALCO.

The miscellaneous group which had been maintained at approximately 10 per cent above 1949 since 1952, showed a slight decline of 0.4 per cent. Small increases noted in beverages and tobacco (1.9 per cent), especially during the last quarter when a shortage of virginia leaf prevailed, and education (1.3 per cent), were covered up by declines registered by household furnishing (5.8 per cent), household operation (2.0 per cent), medical care (1.8 per cent), personal care (1.9 per cent), and transportation (0.2 per cent).

CONSUMER PRICE INDEX IN MANILA



DEPARTMENT OF ECONOMIC RESEARCH
CENTRAL BANK OF THE PHILIPPINES

B. RETAIL PRICES OF FOODSTUFFS IN MANILA

Retail prices of foodstuffs in Manila followed a smoother pattern in 1955 with seasonal factors depressing the level to a low of 90.8 (1949=100) in the second quarter and raising it to a high of 95.8 during the closing three-month period. The year's average of 92.9 was lower by 0.7 per cent compared to 1954. This decline was brought about by price cuts in both domestic and imported items. The monthly figures during the first four months were all above their corresponding levels in 1954 but prices thereafter, except for November, fell below the comparable indices in the previous year.

A very negligible number of food items priced showed upward revisions and most of the commodity groups showed decreases. Controls on imported items occupying a substantial part of the consumer's budget such as canned milk, meat, and fish, were liberalized

with subsequent arrivals stocking the market in quantities more than sufficient to supplement local production. This caused prices to fall considerably.

Declines among individual items were as follows:

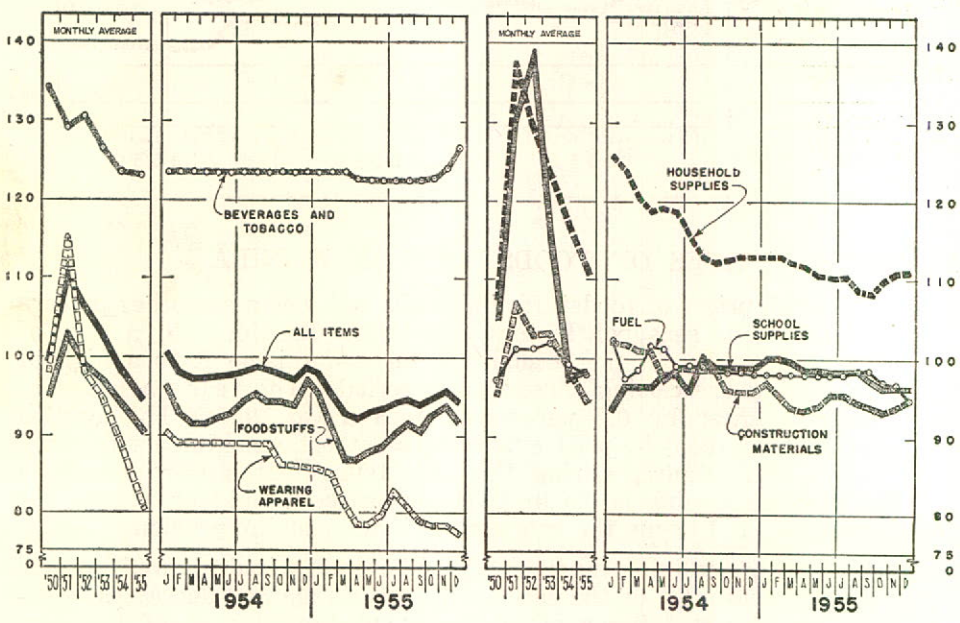
Item	Percentage Decline
Fish	1.1
Meat	4.2
Fruits	11.0
Eggs and milk	4.0
Miscellaneous	3.6
Fats and oils	3.3

Sugar production was far ahead of the demand in domestic and foreign markets, and price cuts of about 10 per cent were made. This fact, together with a drop in both local and imported coffee accounted largely for the decline among miscellaneous goods.

Although the year's average of 74.3 was 1.9 per cent higher than in 1954, cereals moved within a much narrower and more stable range reflecting some success in the efforts of the government to maintain the price of the staple at a reasonable level. Inadequate local production of garlic, onions and potatoes, and restrictions on their imports were some of the causes of the increase of 9.8 per cent in vegetables. The shortage was felt most in November when the group index jumped to 187.8.

RETAIL PRICE INDEX OF SELECTED COMMODITIES IN MANILA

(1949 = 100)



DEPARTMENT OF ECONOMIC RESEARCH
CENTRAL BANK OF THE PHILIPPINES

C. GENERAL WHOLESALE PRICES

General wholesale prices in Manila continued their downward course in 1955 with all major commodity divisions manifesting a weaker undertone throughout the whole year. The drop was sharpest among export products, while among imported items, an excited market prevailed during the closing months largely due to a combination of seasonal influences, rising internal demand and widespread speculation as to the effects of the new trade act to function beginning 1956. The late upward movement, however, was not enough to enable price levels to equal those of 1954.

The monthly indices showed a steady decline interrupted only in July, August and October when over-all conditions evinced short-lived firmness. The year's average of 91.1 (1949=100) was 2.7 per cent lower than 1954 and 16.4 per cent below the peak of 109.0 recorded in 1951. Three times during the year, monthly indices dipped below the 90.0 level—to 89.9 in May and 89.3 in June and September—marking a new low for the last six years.

D. WHOLESALE PRICES OF DOMESTIC PRODUCTS

Wholesale prices of domestic products declined 2.2 per cent in 1955. Locally produced commodities for home consumption averaged just 1.4 per cent lower but export products dropped 7.9 per cent due to a generally depressed foreign market and the recurring problem of bottoms for their transportation. The year's index of 86.3 (1949=100) represents a trough which is 14.8 per cent below the 1951 peak of 101.3. With downward seasonal influences at work, price levels sagged to 85.2 during the second quarter and after a slight recovery in July and August, the index dropped to an all-time low of 84.3 in September. The best level for the year, 88.5, was achieved in October but after this, changes once more featured the downgrade in spite of the usual seasonal boost received by the market at that time of the year.

The continued expansion of agricultural production coupled with well-timed arrivals of imported competitive items of essential commodities kept prices within a reasonable range. With prices for meat, fish and other products showing substantial reductions, foodstuffs went down by 1.3 per cent. The decline would have been greater but for the 3 per cent gain made by cereals. NARIC purchases supported the price levels of the staple during the harvest season and stabilized them by the release of its stock during the months when supplies were low. Another major contributor to the downward movement of the over-all index was crude materials which lost 3.9 per cent, reflecting a fall in the price of copra resecada.

Decreases in the other commodity groups amounted to 0.9 per cent in beverages and tobacco; 4.1 per cent in chemicals; 5.8 per cent in manufactured goods; 5.0 per cent in miscellaneous items; and 2.0 per cent in mineral fuels.

E. WHOLESALE PRICES OF EXPORT PRODUCTS

On the whole, 1955 proved to be a disappointing year for our major export products. From 95.8 (1949=100) in January, which was 2.4 per cent up from December 1954, the monthly index followed a generally downward course interrupted by slight recoveries only in June, July, September and October until it closed at the low of 85.9 in December to average 89.2 during the year, 7.9 per cent below 1954 and the lowest for the last seven years.

All commodity groups dropped from their 1954 levels. Crude materials were lower by 9.5 per cent as the market for coconut products such as copra, coconut oil, and desiccated coconut weakened during the second semester. In July, the American market found its inventories to be 50 per cent above last year primarily due to oilseed surpluses. The situation was further aggravated by re-selling activities in London and by the Dutch government.

Following the drop in the world spot price of sugar during the later part of the year below the 3.25 cents per pound minimum set by the International Sugar Council, sugar veered downward after a better start. The situation was eased somewhat by the permission given by the Council allowing the Philippines to barter 10,000 tons of muscovado with Japan. In addition, the Philippines' world quota was increased by the amount corresponding to its share from the quota of Brazil which was allocated to other member nations after that country's failure to ratify the agreement. These factors notwithstanding, prices averaged 7.3 per cent lower. This was reflected in the decline of 5.6 per cent among foodstuffs. Beverages and tobacco and miscellaneous commodities dropped 0.4 and 2.5 per cent respectively.

The price of abaca, encouraged by the recovery in the American rope industry and the rising activity in European shipbuilding, advanced by 9.8 per cent. Rising production of timber products and an extensive shipbuilding program in Japan, coupled with a rising demand for building construction materials and oak maple and mahogany for the furniture trade in the U.S., supported the price levels of logs and lumber. Furthermore, logs and lumber were eligible for the private barter trade with Japan. Another bright feature among our export products is the base metal group whose price level seems bound to stay at a favorable level due to the active demand for steelmaking ores. All these, however, were overshadowed by the losses suffered by coconut products and sugar.

F. WHOLESALE PRICES OF IMPORTED PRODUCTS

Wholesale prices of imported commodities in 1955 sank to their lowest level since 1950 at 118.5 (1949=100) as declines were noted among both essential and non-essential sectors. This was 5 per cent lower than last year and 22.4 per cent below the post-control peak of 152.8 in 1951. Significantly, all commodity groups averaged

lower than 1954 with the decline ranging from 1.3 per cent to as much as 12.0 per cent. However, the year closed with marked indications of spiraling prices due to the imminent effectivity of the Laurel-Langley Agreement and to rising money supply.

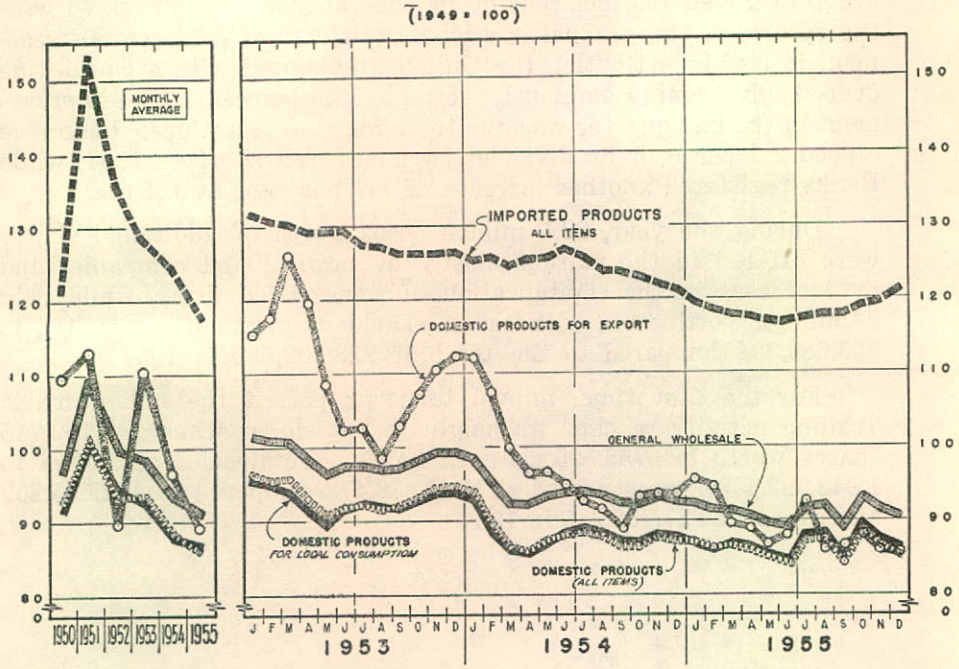
Textile arrivals during the first semester were heavy. These augmented the supply in the market which was already quite ample and further mark-downs were made. However, cancellation of the unutilized import licenses for textiles in July and of all quotas for knitted fabrics in November started a slight recovery in the second semester. The general downward movement, together with a general easing in iron manufactures for construction purposes as local substitutes gained more acceptability, was mainly responsible for a 4.2 per cent price cut in manufactured goods.

Prices of flour fell considerably after its decontrol in February. The continued availability of food items such as milk, canned meat, canned fish, fruits, and coffee prevailed throughout the year and foodstuffs dropped 7.6 per cent in spite of the upward seasonal push during the last quarter.

Other commodity groups that declined were beverages and tobacco (1.9 per cent); mineral fuels (1.3 per cent); chemicals (12.0 per cent); machinery and transport equipment (3.3 per cent); and miscellaneous (1.8 per cent).

WHOLESALE PRICE INDEX

(1949 = 100)



DEPARTMENT OF ECONOMIC RESEARCH
CENTRAL BANK OF THE PHILIPPINES

G. STOCK PRICES

Against a backdrop of positive indications that future business trends specially among mines, would be expansionary, stock prices recorded a succession of sharp advances that raised the year's average to 98.0 (1952=100) or 25.5 per cent above 1954. Prices closed at a peak of 132.4 with a majority of the changes still upward. This was 57.2 per cent higher than the opening level of 84.2.

Base metals and the lone oil share provided the market with its bullish drive. From 82.2 in January, the market showed a temporary weakness, dropping to 75.0 in March. But from then on, steadying forces began to be felt. A firm world metals market, increasing demand for ores required in steel production, expansion of old projects and discovery of new properties, and the renewed development of oil projects in which even foreign oil investors showed keen interest were some of the factors behind the prodigious monthly spurts by mining to a high of 178.4 in December. The year's average of 114.0 was 68.6 per cent up from 1954. The price of gold in the local open market made marked improvement also, but compared to current cost of production, the improvement was not big enough to draw more attention.

Commercials and industrials reversed last year's trend. Changes in the monthly index were mostly downward, slipping to a low of 76.6 in October. This was followed by a two-month recovery which saw the index rally by 7.2 per cent to 82.1 in December. However, the group averaged 10.3 per cent below 1954 at 79.3. Sugar, faced with the specter of the gradual loss by its products of preferential treatment in its biggest outlet, the United States, and with a world-wide over-supply looming ominously, retreated 1.0 per cent. The improvement in the last quarter was due to dividend expectations. Insurance dipped 2.6 per cent as dividend payments fell short of 1954, while Banks registered another increase of 8.7 per cent at 135.6.

During the year, 22.5 million pesos worth of additional shares were offered in the market mostly by newly listed companies and by increases in the capitalization of some listed firms, while only ₱3 million worth were withdrawn. Dividend payments amounted to ₱35,686,234 compared to the total of ₱28,702,632 in 1954.

For the first time, annual turnover passed the billion mark. Trading activity reached its height in September when 245,792,715 shares worth ₱28,758,595 changed hands. Total sales amounted to 1,048,392,468 shares valued at ₱168,382,473 compared to 162,505,259 shares worth ₱27,706,285 in 1954.

CHAPTER XII

NATIONAL INCOME AND PRODUCT

On the basis of preliminary estimates, the gross national product, which measures the market value of the nation's output of goods and services, was ₱8,856 million in 1955, 5.7 per cent above 1954. While present data are not sufficiently refined to permit an accurate measurement of the change in real terms, indirect evidence at hand implies a somewhat larger increase in output. The combined index (1952=100) of the physical volume of goods produced by agriculture, mining and manufacturing, representing approximately three-fifths of the gross national product, increased by 6.7 per cent. With the general price level lower than in the preceding year, the advance in output could thus be greater than the 5.7 per cent rise in current value.

A. THE FLOW OF EXPENDITURE

All the major components of the national expenditures increased, with the exception of net foreign investment which deteriorated further over the period.

***Gross National Product by Type of Expenditure,* 1954-1955**

(Million pesos)

Item	1955 P	1954	Per cent change
Gross National Product	8,856	8,377	5.7
Private consumption	7,745	7,177	7.9
Government current expenditures	642	640	.3
Gross domestic investment	800	723	10.6
Net export and investment income	-331	-163	103.1

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

1. Consumer Demand

Personal consumption expenditures reached a new high last year, advancing by ₱568 million, or nearly 7.9 per cent over 1954. Rising personal income, stemming primarily from the general uptrend of domestic activity, was the basic underlying factor in the strength of consumer buying in 1955.

2. Government Demand

Combined national and local government purchases of goods and services totaled ₱642 million in 1955, ₱2 million higher than in 1954.

With the improvement in peace and order, expenditures for national security dropped in fiscal year 1955. A contraction was

registered in economic development spending. These reductions, however, were offset by increases in the other Government purchases. To meet the greatly expanded demand for services associated with the growing population, outlays for administration, social welfare and education advanced over the corresponding period in fiscal year 1954.

3. Domestic Investment Demand

Aggregate gross domestic investment moved forward from ₱723 million in 1954 to ₱800 million in 1955. The 10.6 per cent advance reflected primarily the upswing in fixed capital outlays and the substantial addition to stocks.

Purchases of plant and equipment reached ₱286.1 million in 1955, 9.2 per cent more than the previous year. A number of basic factors sparked and sustained plant and equipment advance. One was the pressure brought upon capacity by increasing sales. Businessmen found it necessary to expand their facilities in order to meet the expanding volume of production and sales. A second was the favorable effect of rising profits upon businessmen's decisions to purchase more plant and equipment. In fiscal year 1955, corporate income (after taxes) was approximately ₱263.2 million, 19.1 per cent above the 1954 total. Finally, the increased availability of funds facilitated the financing of capital expenditures in 1955. Around ₱168.4 million or 64 per cent of the corporate income realized in fiscal year 1955 was estimated to have been retained. This placed businessmen in a better position to plow back more funds into productive facilities.

Gross Domestic Investment in Durable Equipment by Type, 1954-1955

(Million pesos)

Item	1955 p	1954 r	Per cent change
Total Value	286.1	261.9	9.2
Agricultural machinery and implements	31.0	22.3	39.0
Electrical machinery and appliances	38.1	27.2	40.1
Other machinery	119.0	107.0	11.2
Vehicles	77.3	79.2	– 2.4
Other equipment	3.3	5.2	– 36.5
Miscellaneous metal manufactures	17.4	21.0	– 17.1

SOURCE OF BASIC DATA: International Trade Section, Department of Economic Research, Central Bank of the Philippines.

r The urgent revision of the 1954 producer's durable equipment is due mainly to the inclusion of additional locally manufactured goods, data on which were not available in 1954.

In 1955, agriculturists increased their capital improvement program and purchased machinery and equipment amounting to ₱31 million, 39 per cent higher than in 1954. Within the non-farm business capital outlays, investment in electrical machinery was stepped up by 40.1 per cent from 1954 to 1955. Other machinery, which

consists of machines and appliances needed in all lines of manufacture, likewise, showed an upward trend from ₱107.0 million in 1954 to ₱119.0 million in 1955. On the other hand, capital outlays for transportation equipment declined by ₱1.9 million owing to the sharp reduction occurring in the purchases of trucks. The c.i.f. value in 1955 of imported trucks amounted to ₱43.4 million as compared to ₱61.0 million in 1954, down by ₱17.6 million. Substantial cutbacks in capital outlays from 1954 rates were also experienced by the "other equipment" and "miscellaneous metal manufactures" sectors.

Total construction expenditures in 1955 rose to ₱341.5 million in 1955, 11.9 per cent above 1954. To a large extent, the advance in construction was due to increased expenditures for commercial and industrial construction and to public works outlays.

Change in inventories advanced by 10.4 per cent, with the reductions in livestock, sugar, and mining more than offset by the upswings in trade and manufacturing. The decline in livestock, sugar and mining inventories primarily reflected the generally favorable demand situation for these goods.

Gross Domestic Investment by Major Categories, 1954-1955

(Million Pesos)

Item	1955 p	1954	Per cent change
Gross Fixed Investment	627.6	567.1	10.7
Durable equipment[a]	286.1	261.9	9.2
Construction[b]	341.5	305.2	11.9
Change in Inventories	172.4	156.2	10.4
Livestock	115.1	122.1	
Sugar	0.4	15.9	
Mining	2.4	4.3	
Manufacturing[c]	35.6	– 4.3	
Trade[c]	18.9	18.2	
Total Gross Investment	800.0	723.3	10.6
Of Which			
Private	622.9	552.1	12.8
Government	177.1[d]	171.2	3.4

SOURCES OF BASIC DATA: Cooperating government agencies and Private Firms.

[a] The upward revision of the 1954 producer's durable equipment is due, mainly, to the inclusion of additional locally manufactured goods, data on which were not available in 1954.

[b] It is to be noted that the 1955 figure is a rough approximation only due to the incompleteness of some data.

[c] The 1954-1955 estimates are not completely comparable to those of the previous years as they are based on the book value change in inventories reported by 2,917 establishments. In 1955 the Central Bank started a survey of producers and importers, which is expected to be completed by the early part of 1956. The new series on the change in the physical volume of inventories when complete will supersede the present series.

[d] The figure for 1955 is for the fiscal year.

Similarly, rising sales prevented any appreciable advance in trade inventories. On the other hand, the need to replenish stocks which had been reduced to low levels in 1954 and the possible tightening of import restrictions due to the low level of the international reserve were the major influences in the stockpiling of manufacturing inventories. In terms of the current value of the net change, the largest rates of accumulation in manufacturing and trade occurred in stocks of non-durable goods.

4. Foreign Demand

Net foreign investment, which measures the excess of exports of goods and services over imports, was again negative. It worsened from minus ₱163 million in 1954 to minus ₱331 million in 1955. This was attributable primarily to the increase in merchandise imports. The reduction in export earnings following the drop in prices, and the higher foreign investment income, were also contributing factors to the further deterioration in the net foreign balance.

B. THE FLOW OF INCOME

The national income amounted to ₱7,804.1 million in 1955. This measure of the earnings of labor and property from current production was 6.1 per cent above the corresponding figure a year ago.

1. National Income by Industrial Origin

National income by industrial origin provides a measure of the net value added by the factors of production in each branch of industrial activity to the national output. All the major industrial groups contributed to the advance of the national income in 1955. Substantial gains occurred in mining, manufacturing, construction, government and trade. Income originating in other industrial divisions also advanced in 1955, with increases ranging from 1 to 6 per cent.

a. Agricultural Income

Income from agriculture amounted to ₱3,276.3 million in 1955 compared to ₱3,161.9 million in 1954.

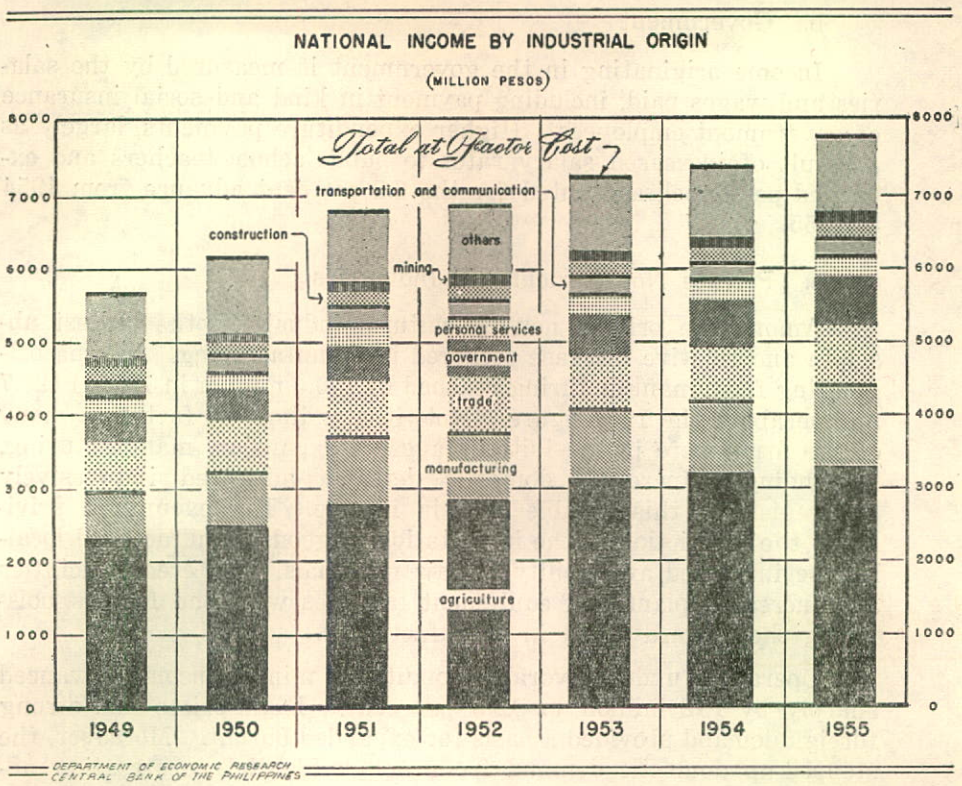
***National Income by Industrial Origin*, 1954-1955**

(Million pesos)

Item	1955 P	1954	Absolute change	Per cent change
National Income at Factor Cost	7,804.1	7,358.2	445.9	6.1
Agriculture	3,276.3	3,161.9	114.4	3.6
Mining	109.6	97.6	12.0	12.3
Manufacturing	1,140.4	1,011.7	128.7	12.7
Construction	232.0	207.0	25.0	12.1
Trade	860.6	781.2	79.4	10.2
Transportation and communication[a]	249.7	235.3	14.4	6.1
Government	622.8	586.2	36.6	6.2
Personal services	326.0	317.1	8.9	2.8
Recreational services	28.0	27.0	1.0	3.7
Educational services	92.4	91.4	1.0	1.1
Professional services	194.1	185.5	8.6	4.6
All others	672.2	656.3	15.9	2.4

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

[a] Inclusive of electricity and all other public utilities.



Continued population growth and the rising level of income and employment maintained the strong tide of domestic demand for food products. On the other hand, improved roads and expanded transportation facilities smoothed the path for a better distribution of an enlarged volume of food products to markets that were scantily supplied before and where prices were abnormally high. The recent moderate lowering of food prices indicated that a better balance between demand and supply has been reached. A similar movement was displayed by farm exports. The shipments of farm products exceeded the previous year's level, but because of lower export prices receipts therefrom slackened.

On the whole, the dampening effect of the declines in average prices received failed to arrest the upswing of net farm income. Receipts from marketings of food and export crops were 2.8 per cent above 1954, while receipts from farm marketings of livestock and products rose by 7.3 per cent. Fish receipts remained stationary at the levels attained in the previous year. On the other hand, forestry receipts benefiting from the rise in prices which accompanied the domestic and foreign demand for logs, lumber and plywood, increased by 4.0 per cent.

Net income of farm laborers rose from ₱885 million in 1954 to ₱917 million in 1955. Likewise, farm proprietors' income advanced from 1954 by 3.6 per cent in 1955.

b. Government

Income originating in the government is measured by the salaries and wages paid, including payment in kind and social insurance of government employees. Higher expenditure payments, largely as a result of increased salary rates to public school teachers and expanded personnel, accounted for the 6.2 per cent advance from 1954 to 1955.

c. Private Non-Agricultural Industries

Among the private non-agricultural industries, the largest absolute and relative increase occurred in manufacturing. Income originating from manufacturing reached ₱1,140.4 million in 1955, ₱128.7 million above the 1954 figure. Notwithstanding the fact that many of the firms were in the initial stages of expansion, manufacturing, responding to increased domestic demand, advanced impressively and registered this notable gain in income. Tax exemption privileges, the restriction in the importation of goods manufactured locally, the increased availability of raw materials, easy credit facilities and increased plant and equipment facilities were the factors bolstering the upward trend in manufacturing.

Operating under favorable conditions, mining income advanced sharply by ₱12 million, or 12.3 per cent. High prices and strong foreign demand provided a basis for expanded output. Moreover, the stepped-up domestic demand from non-residential construction activity and metal processing industries provided additional impetus to expansion.

The recent expansion in agricultural and industrial production engendered increased activity in trade, construction, transportation, and a host of other industries. Sustained by the flow of income from the rise in production, the continued strength of consumer spending provided a broad base in support of trade activity. As a consequence, trade income moved up by 10.2 per cent in 1955. The growth of sales and rising profits encouraged the formation of new plants, which augmented the demand on the construction industry. As might have been expected, earnings from construction advanced by 12.1 per cent. The strong demand from services arising from expanded business activity, meanwhile, underlay the substantial advance in transportation and other public utility enterprises.

Among the remaining private industries, recreational services and professional services registered moderate gains while comparatively minor increases occurred in the other industrial divisions.

2. **Personal Income**

Personal income—the sum of current income receipts of persons from all sources—amounted to ₱7,582 million in 1955, 6.1 per cent more than in 1954. All major types of income increased from 1954 to 1955.

Compensation of employees and entrepreneurial earnings in 1955 registered absolute increases of ₱185 million and ₱236 million, respectively, from 1954 to 1955. Percentage-wise, the rise was 5.9 per cent for both. Net donations from abroad more than doubled those of last year while transfer payments increased by 15.0 per cent.

A preponderant part of the increase in the compensation of employees reflected higher employment and wage rates. Government payrolls contributed ₱37 million to the advance, reflecting increases in both the number of persons employed and in the salaries and wages paid. Agricultural payrolls advanced by 3.6 per cent from 1954 to 1955. Private non-agricultural wages and salaries expanded from ₱1,653 million in 1954 to ₱1,769 million in 1955, up 7.0 per cent. Private non-agricultural employment was 3.1 per cent higher in 1954 while the average monthly earnings of wage earners and salaried employees were up 2.9 and 3.0 per cent, respectively.

Personal Income, 1954-1955

(Million pesos)

Item	1955 P	1954	Per cent change
Compensation of employees	3,309	3,124	5.9
Entrepreneurial and property income of persons	4,211	3,975	5.9
Transfer payments	46	40	15.0
Net donations from abroad	16	7	128.6
Total: PERSONAL INCOME	7,582	7,146	6.1
Less: Direct taxes	175	151	15.9
Disposable personal income	7,407	6,995	5.9
Per capita disposable income[a]	336	323	4.0

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

[a] In pesos only.

Proprietors' income advanced from ₱3,975 million in 1954 to ₱4,211 million in 1955. As noted earlier, earnings of farm owners continued to advance, despite the fall in farm prices. Professional income showed a moderate increase of 4.6 per cent from 1954 to 1955. With the steadily expanding volume of output and increasing sales, the remaining private non-farm proprietors' income rose 9.6 per cent in 1955 as compared to 1954.

Disposable personal income—personal income less direct taxes—amounted to ₱7,407 million in 1955, 5.9 per cent higher than 1954. Per capita disposable income showed a rise of 4.0 per cent, as a result of the composite effect of an increase in income, a rise in population and a heavier tax burden.

CHAPTER XIII

THE CENTRAL BANK AS FISCAL AGENT AND BANKER OF THE GOVERNMENT

Under its Charter, the Central Bank of the Philippines assumes the role of fiscal agent, banker, and financial adviser of the Government. To discharge these responsibilities, it performs several important functions and services such as marketing of government securities, servicing of the public debt, representing the Government in transactions with foreign institutions, performing fiscal agency services, and administering various funds.

All the above activities are undertaken for the account of the Government, its political subdivisions and instrumentalities. Thus, the issuance and sale of government securities when performed by the Central Bank as the fiscal agent of the Government differ from its own open market operations which are an instrument of Central Bank action in regulating the volume of money.

A. MARKETING AND SERVICING OF GOVERNMENT OBLIGATIONS

The aggregate public debt rose from ₱1,086,049,812 in 1954 to ₱1,326,661,387 in 1955, an increase of ₱240,611,575 or 22 per cent. At the close of the year, that portion of the public debt serviced by the Central Bank had an outstanding balance of ₱680.8 million. Of this amount, ₱535.5 million representing government securities and ₱145.3 million representing loans from foreign institutions were handled by the Securities Market Department and Fiscal Agency Department, respectively.

Below is a table summarizing the activities of the Central Bank in the marketing and servicing of government obligations:

Public Debt Serviced by the Central Bank

As of December 31, 1955

Item	Outstanding as of December 31 1954	Sales	Redemptions	Outstanding as of December 31 1955
PUBLIC DEBT SERVICED BY THE CENTRAL BANK	₱418,018,747	₱305,558,476[a]	₱42,754,146	₱680,823,077
BONDED	237,817,616	188,022,476	500,000	425,340,092
National Government	215,025,316	151,377,800	500,000	365,903,116
National Public Improvement Bonds	2,500,000			2,500,000
Rehabilitation and Development Bonds	200,000,000	8,001,250		200,000,000
National Planning Commission Development Bonds	625,316			625,316
Public Works and Economic Development Bonds	11,900,000	151,377,800	500,000	162,777,800
Provincial Governments	722,300			722,300
Occidental Negros Public Improvement Bonds	222,300			222,300
Cebu Public Improvement Bonds	500,000			500,000
City Governments	4,170,000			4,170,000
Manila Public Improvement Bonds	3,000,000			3,000,000
Iloilo Public Improvement Bonds	350,000			350,000
Bacolod Sewer and Waterworks Bonds	120,000			120,000
Cebu Sewer and Waterworks Bonds	350,000			350,000
Davao Sewer and Waterworks Bonds	350,000			350,000
Government Corporations	17,900,000	36,644,676		54,544,676
MWD and NAWASA Bonds	3,000,000	6,000,000		9,000,000
National Power Corporation Bonds	14,900,000	30,644,676		45,544,676
NON-BONDED	180,201,131	117,536,000	42,254,146	255,482,985
National Government	133,201,131	81,536,000	27,164,146	187,572,985
Loan from the U.S. Government	38,887,965			38,887,965
Loan from the U.S. Reconstruction Finance Corporation	78,000,000		12,000,000[b]	66,000,000
Treasury Notes		66,536,000		66,536,000
Treasury Bills	15,000,000	15,000,000	15,000,000	15,000,000
Loans from the U.S. General Service Administration	1,313,166		164,146[b]	1,149,020
Government Corporations	47,000,000	36,000,000	15,090,000	67,910,000
National Power Corporation Loan from the Export-Import Bank	40,000,000		690,000[b]	39,310,000
ACCFA Notes	6,000,000	14,000,000	400,000	19,600,000
ACCFA Certificates of Indebtedness, One Year	1,000,000	11,000,000	9,000,000	3,000,000
ACCFA Certificates of Indebtedness, Two Years	—	11,000,000	5,000,000	6,000,000

[a] Excluding ₱8,001,250 representing R & D bonds sold from Central Bank portfolio to the public.
[b] Installments paid.

1. Sales

In 1955 the Central Bank sold securities for the account of the Government amounting to ₱313.6 million, an increase of 198.4 per cent over sales of ₱105.1 million recorded in 1954.

a. Rehabilitation and Development Bonds

During the period under review, sales of R & D bonds amounted to ₱8.0 million, of which ₱141,750 were sold under consignment. This represented a decrease of ₱56.8 million or 87.6 per cent from the 1954 sales figure. The decline was the result of a major change in policy as defined in Monetary Board Resolutions Nos. 513 and 554 dated March 15 and March 22, 1955, respectively. The latter resolution in effect prohibited the sale of these bonds for blocked pesos of non-residents in order to prevent the premature repatriation of such accounts which otherwise would not be permitted under existing exchange control regulations. The former resolution decreed a shift of emphasis from the sale of R & D bonds to PW & ED bonds.

b. Public Works and Economic Development Bonds

Sales of PW & ED bonds recorded a remarkable increase from ₱11.9 million in 1954 to ₱151.4 million the following year, a rise of ₱139.5 million or more than eleven times. The aggregate sales for the two years amounted to ₱163.3 million, of which ₱162.8 million remained outstanding, ₱0.5 million having been retired when a proposed project[1] was discontinued. Outstanding PW & ED bonds may be classified according to their holders as follows:

Holders of Public Works and Economic Development Bonds
As of December 31, 1955

Holder	Amount
Total	₱162,777,800
Government entities[a]	14,300,035
Central Bank of the Philippines	26,660,000
Philippine National Bank	110,097,765
Private banks	10,840,000
Private insurance companies	830,000
Private corporations, firms and individuals	50,000

[a] Including the Government Service Insurance System, Securities Stabilization Fund, Bond Sinking Fund, and Industrial Guarantee and Loan Fund.

It may be noted that only ₱26.7 million or 16.4 per cent of the total outstanding PW & ED bonds were held in the Central Bank portfolio.

[1] Cagayan Metropolitan Waterworks.

The distribution of outstanding PW & ED bonds classified according to projects is shown hereunder:

Outstanding Public Works and Economic Development Bonds Classified by Purpose, As of December 31, 1955

Project	Amount
Total	₱162,777,800
Highways	22,587,200
Artesian wells	2,247,600
Barrio Schoolhouse Program	10,500,000
Hospitals	2,790,000
Waterworks	12,091,000
Irrigation and power	14,540,000
Housing	2,000,000
Buildings and lots	5,722,000
Capitalization of government corporations	44,000,000
Settlement of corporate obligations with PNB	46,000,000
Other purposes	3,000,000

c. Metropolitan Water District (MWD) and National Waterworks and Sewerage Authority (NAWASA) Bonds

Of the authorized ₱10.0 million to finance the five-year program of construction and improvement of the water supply system of Manila and suburbs, ₱2.0 million in 4 per cent 30-year MWD bonds were floated. When the MWD was absorbed by the NAWASA, the latter issued in its own behalf ₱4.0 million of the remaining ₱8.0 million at 4 per cent for a period of forty years.

d. National Power Corporation Bonds

For the purpose of financing the completion of the Maria Cristina Hydroelectric and Fertilizer Plants, the Ambuklao Hydroelectric project and the Lake Buhi-Barit Hydroelectric plant, National Power Corporation bonds amounting to ₱30.6 million were issued in 1955.

e. Treasury Notes

Two per cent Treasury Notes of five-year maturity amounting to ₱66.5 million were disposed of during 1955. Of this total, ₱60.0 million were for financing public works and capital expenditures, community projects, and school buildings of the National Government. The balance of ₱6.5 million was invested in the capital stock of the Manila Railroad Company to enable the latter to acquire additional rolling stock and other properties.

f. Treasury Bills

On January 6, 1955, ₱15.0 million worth of one-year Treasury Bills were sold at a discount of 1¾ per cent in order to redeem the equal amount of outstanding 2½ per cent Treasury Bills which matured on the same date.

g. Agricultural Credit and Cooperative Financing Administration (ACCFA) Notes

During the year, ₱14.0 million worth of 2 per cent five-year notes were sold for the account of the ACCFA for the purpose of financing, among other things, the construction of warehouses, the purchase of mills and facilities to improve handling and distribution of farm products.

h. ACCFA Certificates of Indebtedness

Of the total ₱11.0 million 2 per cent one-year Certificates of Indebtedness sold during the year, ₱10.0 million were for financing commodity loan operations for palay and the remaining ₱1.0 million were for crops other than palay.

Likewise, 2 per cent two-year Certificates of Indebtedness amounting to ₱11.0 million were sold to finance the purchase of Virginia leaf tobacco as authorized under Section 1-c of Republic Act No. 1194.

2. **Redemptions**

a. Government Securities

Total redemptions of government securities during the year amounted to ₱29.9 million as against ₱15.2 million in 1954 as shown in the following table:

***Redemptions of Government Securities*, 1954-1955**

Item	1955	1954
Total	₱29,902,000	₱15,200,000
Treasury Bills	15,000,000	15,000,000
Treasury Notes	—	200,000
PW & ED Bonds	500,000	—
ACCFA Notes	400,000	—
ACCFA 1-year Certificates of Indebtedness	9,000,000	—
ACCFA 2-year Certificates of Indebtedness	5,000,000	—
Irrigation and Permanent Public Improvement Bonds	2,000	—

The ₱15.0 million worth of 2¼ per cent Treasury Bills which matured on January 6, 1955 were fully redeemed with a refunding issue of an equal amount of 1¾ per cent one-year Treasury Bills.

PW & ED bonds amounting to ₱0.5 million were retired before maturity when the project intended to be financed was discontinued.

Out of the original amount of ₱2.0 million of ACCFA Notes, covering the 3 per cent loan of 1954 (due 1959) 1st series, ₱0.4 million were retired on August 3, 1955 before maturity.

ACCFA one-year Certificates of Indebtedness amounting to ₱9.0 million were redeemed on various dates during the year. Likewise, ₱5.0 million worth of ACCFA two-year Certificates of Indebtedness were retired before maturity.

Dollar Bonds with an equivalent value of ₱2,000 were redeemed and duly certified to the U.S. Treasury Department for reimbursement from the Special Trust Account. These bonds represented issues prior to May 1, 1934, the principal and interest payments of which were entrusted to the Special Trust Account under the custody of the U.S. Treasury Department.

b. Loans from Foreign Institutions

Total installment payments on principals of loans from foreign institutions amounted to ₱12.9 million for 1955. These payments were remitted through the Philippine National Bank Agency in New York.

(1) Budgetary Loan from the U. S. Reconstruction Finance Corporation

Starting 1955, all payments on this loan were made payable to the Export-Import Bank of Washington, D.C. under the provisions of U.S. Reorganization Plan No. 2 of 1954. After the payments of the eight and ninth semi-annual installments of ₱6.0 million each, the outstanding balance was reduced from ₱78.0 million to ₱66.0 million at the end of the year.

(2) Loan under the Romulo-Snyder Agreement

Out of the original amount of ₱66,887,965 which was the actual cash amount received by the Government from this loan, the balance remained unchanged at ₱38.9 million during the year. The payment of the fifth annual installment was withheld in 1955 in view of the fact that the loan was the subject of litigation in the Court of First Instance of Manila.

(3) Loan of the Republic of the Philippines and the National Power Corporation from the Export-Import Bank of Washington, D.C.

After the remittance of the first installment of ₱690,000 in 1955, the outstanding balance of this ₱40.0 million loan stood at ₱39.3 million as of the end of the year.

(4) General Service Administration Account (Formerly War Assets Administration Account)

The original loan covered by Promissory Note No. 1 dated January 15, 1948, amounted to ₱1,829,884. After payment of the fifth annual installment of ₱152,490 in December 1955, the outstanding balance was reduced to ₱1,067,432.

Promissory Note No. 2 dated July 15, 1948 covered an original loan of ₱203,084. This had an outstanding balance of ₱81,588 at the end of 1955 after the remittance of the sixth annual installment of ₱11,656.

3. **Interest Payments**

a. Government Securities

Interest payments on government securities reached a total of ₱12.2 million as compared with ₱9.3 million the previous year, an increase of ₱2.9 million.

Interest Payments, **1954-1955**

Item	1955	1954
Total	₱12,155,549.83	₱ 9,278,961.74
R and D Bonds	8,024,857.74	8,014,437.26
PW and ED Bonds	1,798,379.48	—
ACCFA Notes and Certificates of Indebtedness	411,032.63	20,000.00
Treasury Bills	337,500.00	239,100.00
Treasury Notes	—	2,750.00
Other Peso Bonds	1,533,504.98	968,429.48
Dollar Bonds	50,275.00	34,245.00

Of the ₱8.0 million interest payments to holders of R & D bonds, ₱3.6 million represented payments made on registered bonds, ₱0.6 million on coupon bonds, and ₱3.8 million on interim bonds.

Interest payments on dollar bonds amounted to the equivalent of ₱50,275. Payments on dollar coupons surrendered to the Central Bank were duly certified to the U.S. Treasury Department for reimbursement from the Special Trust Account.

b. Loans from Foreign Institutions

Interest payments on loans from foreign institutions totalled ₱3,065,033.86 for 1955. As in the case of installments on principal, they were remitted through the Philippine National Bank Agency in New York.

These interest payments were distributed as follows: ₱1,874,-383.52 for the budgetary loan from the U.S. Reconstruction Finance Corporation (payable to the Export-Import Bank); ₱1,151,255.34 for the National Power Corporation loan from the Export-Import Bank; and ₱39,395 for the General Service Administration Account.

4. **Promotion and Publicity**

With the aim of developing a market for government securities, the Central Bank intensified its promotional and publicity campaign

in 1955. Advertising was carried out through the media of the mail, press, radio, television and billboards throughout the country. Among its various promotional activities were the sponsorship of the Government Bond Essay Contest and the introduction of the Payroll Savings Plan. As of the end of the year, 29 offices and organizations with a total membership of 1,856 subscribers had joined the Plan.

B. FISCAL AGENCY SERVICES

1. Fiscal Operations

a. Status of Fiscal Agency Applications Filed with the Central Bank

A total of 2,105 applications for fiscal agency service were received during the period under review. Action taken on these applications and on the 163 applications pending at the beginning of the year is shown below:

Status of Fiscal Agency Applications, 1954-1955

Item	1955	1954	Increase or decrease (—)
Total number of applications	2,268	2,058	210
Approved and released during the year	2,145	1,848	297
Cancelled, withdrawn or returned	73	47	26
Pending at the end of the year	50	163	–113

b. Foreign Exchange Allocations

The aggregate value of fiscal agency applications released by the Central Bank during 1955 amounted to $14,242,557.22, of which $13,654,891.20 were approved by the Exchange Control Department. This included the sum of $2,428,090.93 for the account of the Department of Foreign Affairs and for the University of the Philippines for which no licenses were issued. The remaining $587,666.02 represented applications licensed by the Import-Export Department. Applications duly licensed but not released amounted to $8,822.62.

At the end of the year the total dollar allocation available for the payment of government imports still had a balance of $788,476.08.

c. Certificates of Release

A total of 281 applications for the issuance of certificates of release for government imports were received in 1955 of which 279 were given due course.

Status of Applications for Certificates of Release, 1954-1955

Item	1955	1954	Increase or decrease (—)
Number of certificates of release issued	279	200	79
Number of applications pending action	6	4	2
Value of certificates of release issued	$653,837.31	$722,106.64	-$68,269.33

2. **Fiscal Operations Abroad**

In the performance of its function as fiscal agent of the Government, the Central Bank carries out its fiscal operations abroad mainly through the Philippine National Bank Agency in New York City.

The receipts and disbursements of the said Agency during the year under review are summarized as follows:

Statement of Fiscal Operations Abroad, 1955

Cash balance, December 31, 1954	₱ 2,967,528.16	
Add: Receipts from January 1, 1955 to December 31, 1955	25,351,547.70	
Total cash handled		₱28,319,075.86
Deduct: Disbursements and remittances from January 1, 1955 to December 31, 1955		25,025,735.22
Cash balance, December 31, 1955		₱ 3,293,340.64

C. ADMINISTRATION OF VARIOUS FUNDS

1. **Industrial Guarantee and Loan Fund**

Under the sponsorship of the PHILCUSA and the ICA, the Industrial Guarantee and Loan Fund was set up to help expand existing industrial enterprises and to help and encourage investment in new enterprises which are essential to the country's economic development. The Central Bank was appointed to administer the Fund which was initially established at ₱10.0 million. This Fund is utilized to guarantee eligible loans of credit institutions up to 80 per cent of the principal and interest on the loan. Since the risk assumed by the lending banks is limited to the remainder, they can lower the amount of collateral they ordinarily require. Moreover, the Fund enables them to grant longer term loans for productive purposes.

Upon the recommendation of the Monetary Board, the PHILCUSA and ICA have approved since 1952 for guarantee by the Fund, 10 industrial loans aggregating ₱4,182.500. Of this total, ₱1,496,500 representing the value of 6 industrial loans were approved during 1955.

At the behest of the President, the Cabinet approved on April 22, 1954 a livestock financing program. Under the program, the total of loans guaranteed by the Fund shall not exceed ₱1.0 million and the guarantee shall not exceed 50 per cent of the individual risk involved. In 1955, the Fund guaranteed 38 livestock loans covering the maximum amount of ₱1.0 million.

During the period under review, the Central Bank also opened a total of ₱752,093.78 in time deposits with various commercial banks to enable the latter to extend loans to borrowers for the purpose of financing the importation of industrial machinery and equipment under the Industrial Guarantee and Loan Fund. The composition of the Fund was as follows:

Status of the Industrial Guarantee and Loan Fund
As of December 31, 1955

Item	Debit	Credit
Investments:		
R & D Bonds	₱ 5,000,000.00	
NPC Bonds	3,000,000.00	
Accrued Interest Receivables:		
R & D Coupon Bonds	16,939.95	
NPC Bonds	49,565.68	
Due from:		
Central Bank (Balance of the fund with CB)	1,936,284.47	
Special Time Deposits	752,093.78	
Due to Trust—ICA Counterpart Fund		₱10,000,000.00
Income from Investments:		
Interest on RFC Bonds		472,859.12
Interest on NPC Bonds		229,565.68
Interest on R & D Bonds		52,459.08
Total	₱10,754,883.88	₱10,754,883.88

2. Securities Stabilization Fund

Pursuant to Section 125 of its Charter, the Central Bank is charged with the responsibility of administering the Securities Stabilization Fund for the purpose of increasing the liquidity and stabilizing the value of government obligations.

During the period under review, open market transactions for the account of the Securities Stabilization Fund consisted mainly of sales of RFC bonds and purchases of R & D bonds.

Investments in government securities totalled ₱26.7 million at the end of the year, reflecting an increment of ₱1.2 million over last year.

Status of the Securities Stabilization Fund
As of December 31, 1955

Item	Debit	Credit
Cash due from the Central Bank	₱11,223,514.39	
Investments:		
R & D Bonds	26,255,348.44	
Other Bonds	411,300.00	
Accrued Interest Purchased	180.22	
Accrued Interest Receivable:		
R & D Bonds	88,785.96	
Other Bonds	4,017.37	
Due to Trust—Republic of the Philippines		₱37,983,146.38
Total	₱37,983,146.38	₱37,983,146.38

3. Bond Sinking Fund

The Central Bank is entrusted with the custody and management of the bond sinking fund. Interest earnings during the year from all investments were ₱359,155.84 and the annual amortization due and received in 1955 amounted to ₱1,357,447.49. Investments for the year amounting to ₱1,714,455 were distributed as follows: R & D bonds, ₱1,035,720; PW & ED bonds, ₱315,535; and other bonds, ₱363,200.

Status of the Bond Sinking Fund
As of December 31, 1955

Item	Debit	Credit
Investments:		
R & D Bonds	₱ 8,340,150.00	
Various Government Bonds	12,501,835.00	
Accrued Interest Purchased	2,012.79	
Due from Central Bank of the Philippines	442.43	
Due to Trust—Repulic of the Philippines		₱20,485,284.38
Income from Investments:		
Interest on R & D Bonds		305,033.23
Interest on PW & ED Bonds		492.55
Interest on Other Securities		53,630.06
Total	₱20,884,440.22	₱20,844,440.22

D. COLLECTION OF SPECIAL EXCISE TAX ON FOREIGN EXCHANGE SALES

The imposition of the 17 per cent special excise tax on sales of foreign exchange started on March 28, 1951 as provided for by Republic Act No. 601, as amended. With the approval by Congress of the Laurel-Langley Agreement, however, this tax was abolished effective January 1, 1956. From 1951 to 1955, the Central Bank collected a gross total of ₱677.9 million. After deducting the amount of refunds, the net collection which was credited to the Treasurer of the Philippines aggregated ₱586.0 million.

When the law imposing this tax was first proposed, importer interests argued against it on the ground that it would raise prices to the public. The Central Bank and one civic organization, however, contended that the burden of the tax would be borne by the inflated margins of importers and by profits and there would be no necessary price rise shifting the burden to the consumers. Events have borne out the latter view. Since 1951, when the law was first enacted, the trend of consumer prices has been downward rather than upward. The tax was a useful anti-inflationary weapon and was also the largest single source of revenue for the Philippine government. The growing list of exemptions in recent years under pressure from interested parties, however, made the trend of net collections go down in the last three years of its effectivity.

Collection of Special Excise Tax on Foreign Exchange Sales
1951-1955

Period	Amount collected	Amount turned over to the Treasurer of the Phil.	Amount refunded	Balance held
Total	₱677,943,631.28	₱586,012,138.70	₱ 84,793,744.87	₱ 7,137,747.71
1951	139,322,250.17	120,697,719.13	18,124,531.04	500,000.00
1952	150,521,873.45	114,953,453.36	35,068,420.09	500,000.00
1953	139,025,416.48	128,940,989.64	10,084,426.84	—
1954	130,635,797.36	120,755,725.66	9,880,071.70	—
1955	118,438,293.82	100,664,250.91	11,636,295.20	6,137,747.71

E. DEPOSITORY OF PHILCUSA-ICA FUND

Pursuant to the provisions of the Economic and Technical Cooperation Agreement of April 28, 1951, the Republic of the Philippines is required to set aside counterpart funds which are deposited with the Central Bank to finance the implementation of projects mutually agreed upon by the PHILCUSA and the ICA.

Status of the PHILCUSA-ICA Counterpart Fund[a] *As of December* 31, 1955

Item	Debit	Credit
Disbursements	₱136,795,791.92	
Due from Central Bank of the Philippines	3,013,157.89	
Due to the Treasurer of the Philippines		₱ 96,907,262.54
Collections:		
From Fertilizer Administration		5,846,827.10
Proceeds from Sub-Authorization[b]		36,902,756.10
Other Receipts (deposits by PHILCUSA)		152,104.07
Total	₱139,808,949.81	₱139,808,949.81

[a] This may not necessarily tally with the PHILCUSA statement due to the time lag in recording receipts and disbursements.

[b] Consisting of deposits of various banks to the Fund.

During the period under review, a total of ₱19.1 million was released from the Counterpart Fund to finance projects as detailed in the table below:

Releases from the Counterpart Fund by Project Categories, 1955

Item	As of Dec. 31, 1954	Releases during 1955	As of Dec. 31, 1955
Total	₱ 89,301,353.21	₱ 19,102,741.56	₱108,404,094.77
Public health	5,492,407.53	187,061.12	5,679,468.65
Agriculture, forestry and fisheries	36,998,901.25	6,215,653.70	43,214,554.95
Transportation, power and public works	20,569,791.21	10,049,074.08	30,618,865.29
Manufacturing, mining and other industries	10,894,272.02	14,254.61	10,908,526.63
Education	8,757,447.70	1,095,572.18	9,853,019.88
Public administration	6,588,533.50	1,541,125.87	8,129,659.37

CHAPTER XIV

FINANCIAL CONDITION AND RESULTS OF OPERATION

A. HIGHLIGHTS OF OPERATION

Keeping pace with the accelerated economic development of the country, the financial condition of the Central Bank showed a substantial improvement in 1955. Hereunder are the salient features of the results of its operations during the period:

1. Total resources of the Bank aggregated ₱966,373,428.35 as compared with ₱899,706,943.60 a year before, an increase of ₱66,666,484.75;

2. Investments in Domestic Securities amounted to ₱396,478,-705.79, reflecting an increase of ₱135,376,225.79;

3. Due from U.S. Depositories—Special Account II rose from the preceding end-of-the-year level of ₱1,006,891.15 to ₱80,885,827.78, an increment of ₱79,878,936.63;

4. International Reserve declined by ₱104,425,163.30;

5. Loans and Advances dropped by ₱49,180,100.00, from ₱62,547,000.00 to ₱13,366,900.00 during the year;

6. Total liabilities increased from ₱867,767,687.23 to ₱932,434,475.94, with demand deposit liabilities expanding by ₱40,912,381.11;

7. Liability to the International Monetary Fund increased by ₱19,999,715.44, from ₱496,329.80 to ₱20,496,045.24;

8. Net profit amounted to ₱8,502,968.52 as against ₱8,671,029.98 last year.

A summary of the Central Bank's financial condition at the end of 1955 as compared with 1954 is presented below:

Statement of Condition of the Central Bank December 31, 1954 and 1955

Item	1955	1954	Increase or decrease (—)
ASSETS			
International Reserve	₱310,228,787.42	₱414,653,950.72	–₱104,425,163.30
Due from U. S. Depositories—Special Account II	80,885,827.78	1,006,891.15	79,878,936.63
Contribution to International Monetary Fund	30,000,000.00	30,000,000.00	—
Domestic Securities	396,478,705.79	261,102,480.00	135,376,225.79
Loans and Advances	13,366,900.00	62,547,000.00	–49,180,100.00
Account to Secure the Coinage	106,940,483.91	106,940,483.91	—
Other Assets	28,472,723.45	23,456,137.82	5,016,585.63
Total	₱966,373,428.35	₱899,706,943.60	₱ 66,666,484.75
LIABILITIES AND NET WORTH			
Currency Issue	₱711,597,624.06	₱714,395,456.32	–₱ 2,797,832.26
Demand Deposits	176,815,240.21	135,902,859.10	40,912,381.11
International Monetary Fund	20,496,045.24	496,329.80	19,999,715.44
International Bank for Reconstruction and Development	2,375,745.85	2,376,083.85	– 338.00
Securities Stabilization Fund	11,223,514.39	4,985,454.71	6,238,059.68
Other Liabilities	9,926,306.19	9,209,861.80	716,444.39
Deferred Credits	—	401,641.65	–401,641.65
Capital	10,000,000.00	10,000,000.00	—
Surplus	15,435,983.89	13,268,226.39	2,167,757.50
Undivided Profits	8,502,968.52	8,671,029.98	–168,061.46
Total	₱966,373,428.35	₱899,706,943.60	₱ 66,666,484.75

The following is a resumé of changes in capital, surplus and undivided profits during 1955:

Net Worth of the Central Bank, As of December 31, 1955

Capital			₱ 10,000,000.00
Surplus:			
Balance—January 1, 1955		₱13,268,226.39	
25% of Net Profit in 1954 transferred to Surplus		2,167,757.50	15,435,983.89
Undivided Profits:			
Balance—January 1, 1955		₱ 8,671,029.98	
Distribution:			
25% to Surplus	₱ 2,167,757.50		
Credited to Securities Stabilization Fund	6,297,907.68		
To reduce Monetary Adjustment Account	205,364.80	8,671,029.98	
Balance		—	
Net Profit in 1955			8,502,968.52
Total Net Worth			₱33,938,952.41

B. SELECTED ASSETS AND LIABILITIES

1. International Reserve

At the end of 1955, the international reserve held by the Central Bank amounted to ₱310,228,787.42, reflecting a decline of ₱104,425,163.30. The changes in the composition of the international reserve are indicated in the table below:

International Reserve of the Central Bank
December 31, 1954 *and* 1955

Item	1955	1954	Increase or decrease (—)
Total	₱310,228,787.42	₱414,653,950.72	-₱104,425,163.30
Gold	₱ 31,085,905.52	₱ 18,813,405.14	₱ 12,272,500.38
Due from U.S. Depositories	256,617,694.52	349,531,103.34	-92,913,408.82
Due from U.S. Depositories—Special Account I	1,649,841.50	—	1,649,841.50
U.S. Government Securities	—	5,986,804.98	- 5,986,804.98
Due from Foreign Banks—Japan	19,798,560.78	39,395,455.26	- 19,596,894.48
Foreign Currency	1,076,785.10	927,182.00	149,603.10

The distribution of the gold held as part of the international reserve is as follows:

Gold Holdings of the Central Bank
December 31, 1955

Depository	In fine ounces	Value (at ₱70 per ounce 0.99 fine)
Total	444,084,364	₱ 31,085,905.52
Central Bank Vault	58,664,983	₱ 4,106,548.78
Federal Reserve Bank of San Francisco	364,948,717	25,546,410.22
Federal Reserve Bank of New York City	20,470,664	1,432,946.52

The following statement is a summary of receipts and disbursements with U.S. depositories during 1955:

Transactions Under U. S. Dollar Time and Demand Deposits of the Central Bank, 1955

Item	Amount
U.S. Dollar Receipts:	
U.S. dollars purchased from Banks and Others	$494,978,462.60
U.S. dollars purchased from the International Monetary Fund	10,000,000.00
Interest on Time Deposits	2,174,458.50
Partial payments on Philippines-Japan Open Account	31,502,445.49
Credits from Veterans' Hospital Project (Rogers Act)	2,913,576.12
Other collections and credits	957,801.90
Total Receipts	$542,526,744.61
U.S. Dollar Disbursements:	
U.S. dollars sold to Banks and Others	$588,374,638.07
Other charges and drafts issued	4,026,883.70
Total Disbursements	$592,401,521.77
Excess of Disbursements over Receipts	$ 49,874,777.12

Under the Philippines-Japan bilateral open-account trade agreement, the net balance due from Japan represented the difference between the value of Philippine exports to and imports from Japan less any partial payments made thereon. The aggregate exports to Japan from July 18, 1950 to December 31, 1955, reached ₱505,142,213.40, while imports amounted to ₱303,712,609.48, thereby resulting in a balance of ₱201,429,603.92 in favor of the Philippines. Partial payments totalling ₱181,631,043.14 were made, leaving a net balance of ₱19,798,560.78 as of the end of 1955.

2. **Due from U.S. Depositories—Special Account II**

The outstanding balance of this account amounting to ₱80,885,827.78 represented the peso equivalent of the dollar proceeds of the loans granted by U.S. banks to domestic commercial banks. The Central Bank released this amount to the domestic banks against the equivalent dollar amount credited by the U.S. banks under the Central Bank's Special Account II. These loans were extended to domestic banks for various purposes, such as for production and exportation of Philippine products.

3. **Domestic Securities**

Outstanding investments in domestic securities totalled ₱396,478,705.79, reflecting an increment of ₱135,376,225.79 during the year. These investments included direct advances by the Central Bank to the National Government as well as evidences of indebtedness acquired by the Bank in the course of its open market operation.

Security Holdings of the Central Bank, December 31, 1955

Item		Direct Advances under Sec. 137 [a]	Evidence of indebtedness acquired		
			Under Sec. 97(a) [a]	Under Sec. 97 (b) [a]	Total
R & D Interim Bond 4% Loans of 1949 (Due 1959), 1950 (Due 1960), and 1951, (Due 1961)		₱200,000,000.00			₱200,000,000.00
Deduct: R & D Bonds Sold and/or Reaquired by Central Bank—					
(a) Sold and Held by Others—					
Registered	₱46,511,000.00				
Coupon	8,427,380.00				
	₱54,938,380.00				
(b) Held by Central Bank for account of:					
Bond Sinking Funds—					
Registered	₱ 7,319,930.00				
Coupon	1,020,220.00				
	₱ 8,340,150.00				
Securities Stabilization Fund—					
Registered	₱20,171,300.00				
Coupon	6,084,140.00				
	₱26,255,440.00				
Total of (a) and (b)					89,533,970.00
(c) Reacquired by Central Bank—					
Registered	₱16,131,580.00		₱ 16,131,580.00		
		105,665,550.00			
Total		₱ 94,334,450.00	₱ 16,131,580.00		₱110,466,030.00
National, Provincial and Municipal Government Bonds			200,000.00	₱ 26,660,000.00	26,860,000.00
RFC Bonds				137,172,000.00	137,172,000.00
ACCFA Notes and Certificates of Indebtedness				25,900,000.00	25,900,000.00
National Power Corporation Bonds				19,644,675.79	19,644,675.79
NAWASA Bonds				2,000,000.00	2,000,000.00
Treasury Notes				65,436,000.00	65,436,000.00
Treasury Bills				9,000,000.00	9,000,000.00
Total		₱ 94,334,450.00	₱ 16,331,580.00	₱285,812,675.79	₱396,478,705.79

[a] Republic Act No. 265.

4. Loans and Advances

At the start of 1955, outstanding loans and advances of the Central Bank to the Government and local banks amounted to ₱62,547,000.00. During the year, an additional amount of ₱201,550,900.00 was granted, while repayments aggregated ₱250,731,000.00, thereby leaving an outstanding balance of ₱13,366,900.00.

5. Currency Issue

The currency issue decreased from ₱714,395,456.32 in 1954 to ₱711,597,624.06 the ensuing year. The net decrease of ₱2,797,832.26 is reflected in the following statement of cash receipts and disbursements:

***Changes in the Currency Issue,* 1955**

Cash Disbursements on account of:		
Withdrawals from demand deposits		₱467,154,127.53
Central Bank payments for—		
Central Bank expense checks cashed	₱ 1,393,050.03	
Expenses	1,604,257.73	
Accounts payable	5,297,907.27	
Lunchroom account—salaries	9,330.31	
Building account	48,209.11	
Cash advances	102,950.00	
Accounts receivable	2,410.30	
Expenses for salvaging coins	5,014.49	8,463,129.24
U.S. currency exchanged with pesos		945,375.10
MacArthur coins sold		411.00
Coins sold by P.N.B., New York Agency		1,428.48
Miscellaneous		317.64
Increase in Currency Issue		₱476,564,788.99
Cash Receipts on account of:		
Demand Deposits		₱472,481,508.13
Central Bank receipts from—		
Mutilated currency for redemption	₱ 2,314,358.10	
Credits to accounts payable	3,258,070.93	
Accounts receivable	4,398.40	
Refund of cash advances	12,956.53	
Lunchroom account—sales	75,683.95	
Refund of salaries, overtime pay, etc.	6,989.35	
Sales of MacArthur coins	1,027.50	
Returned checks	3,121.34	
Tellers' overage	474.91	
Collection of 17% exchange tax	2,297.51	
Miscellaneous income	35,820.65	5,715,199.17
U.S. currency sold		795,772.00
Proceeds from sales of bonds		341,769.46
Coins salvaged		18,732.50
Fiscal agency service		9,446.21
Miscellaneous		193.78
Decrease in Currency Issue		₱479,362,621.25
Net Decrease		₱ 2,797,832.26

At the end of the year, the currency issue consisted of ₱625,241,122.05 in notes and ₱86,356,502.01 in coins.

Composition of Currency Issue
December 31, 1954 and 1955

Item	1955	1954	Increase or decrease (—)
COINS:			
Silver pesos	₱ 7,127,450.00	₱ 7,163,601.50	-₱ 36,151.50
Silver-half pesos	21,685,901.50	21,798,845.00	-112,943.50
Subsidiary coins	47,764,928.30	46,749,412.70	1,015,515.60
Minor coins	9,778,222.21	9,464,469.17	313,753.04
Total Coins	₱ 86,356,502.01	₱ 85,176,328.37	₱ 1,180,173.64
NOTES:			
One-peso denomination and above	₱594,885,258.60	₱604,758,367.45	-₱ 9,873,108.85
Small denominations	30,355,863.45	24,460,760.50	5,895,102.95
Total Notes	₱625,241,122.05	₱629,219,127.95	-₱ 3,978,005.90
TOTAL CURRENCY ISSUE	₱711,597,624.06	₱714,395,456.32	-₱ 2,797,832.26

C. RESULTS OF OPERATION

1. Income and Expenses

The gross income of the Central Bank for the period totalled ₱17,348,252.29 while aggregate expenses amounted to ₱8,845,283.77. Thus, during the year, the Bank realized a net profit of ₱8,502,968.52, a decrease of ₱168,061.46 compared with that of 1954.

2. Distribution of Net Profits

The net profit of the Central Bank declined slightly from ₱8,671,029.98 in 1954 to ₱8,502,968.52 the succeeding year. This decrease was caused mainly by reduced interest earnings from time deposits coupled with higher operational expenses as a result of expanded activities. Pursuant to Section 41 of the Central Bank Act, 25 per cent or ₱2,125,742.13 of the net profit was carried to the Surplus Account. The accumulated contributions to this account since 1949 amount to ₱17,561,726.02. The remaining current profits were apportioned between the Securities Stabilization Fund and the Monetary Adjustment Account in the amounts of ₱5,391,119.52 and ₱986,106.87, respectively.

Distribution of Net Profits of the Central Bank, 1949-1955

Period	Total	Surplus Account	Monetary Adjustment Account	Securities Stabilization Fund	Account to Secure Coinage
Total.....	₱70,246,904.07	₱17,561,726.02	₱ 7,309,403.30	₱39,639,388.81	₱ 5,736,385.94
1949.....	₱ 6,464,183.34	₱ 1,616,045.83	₱ —	₱ 4,848,137.51	₱ —
1950.....	8,293,553.92	2,073,388.48	483,779.50	—	5,736,385.94
1951.....	13,769,851.29	3,442,462.82	4,942,078.98	5,385,309.49	—
1952.....	12,004,937.10	3,001,234.28	692,073.15	8,311,629.67	—
1953.....	12,540,379.92	3,135,094.98	—	9,405,284.94	—
1954.....	8,671,029.98	2,167,757.50	205,364.80	6,297,907.68	—
1955.....	8,502,968.52	2,125,742.13	986,106.87	5,391,119.52	—

D. INTER-BANK CLEARING

During 1955, the value of checks cleared through the Central Bank totalled ₱7,367,845,587.21 as against ₱6,606,100,389.83 the previous year, or an increase of ₱761,745,197.38. Hereunder is a comparative table of the number and amount of checks cleared during 1954 and 1955:

Inter-Bank Clearing, 1954-1955

End of period	1955		1954		Increase or decrease (—)	
	Number	Amount	Number	Amount	Number	Amount
Total	7,075,668	₱7,367,845,587.21	5,880,138	₱6,606,100,389.82	1,195,530	₱ 761,745,197.39
January	598,804	₱ 582,200,992.73	450,709	₱ 561,982,520.73	148,095	₱ 20,218,472.00
February	556,689	524,400,397.92	461,191	533,657,748.79	95,498	– 9,257,350.87
March	596,613	615,185,287.92	533,000	608,867,037.01	63,613	6,318,250.91
April	516,662	546,305,226.49	461,676	555,630,617.46	54,986	– 9,325,390.97
May	588,047	655,043,704.40	477,778	566,711,419.47	110,269	88,332,284.93
June	561,198	640,256,117.10	483,378	552,624,535.12	77,820	87,631,581.98
July	531,082	589,014,139.61	475,338	531,509,574.69	55,744	57,504,564.92
August	661,351	672,635,180.51	498,600	521,535,071.12	162,751	151,100,109.39
September	580,017	616,971,657.29	485,275	515,784,575.41	94,742	101,187,081.88
October	648,626	645,945,354.39	505,574	536,297,390.58	143,052	109,647,963.81
November	556,379	592,319,171.65	524,486	548,322,209.26	31,893	43,996,962.39
December	680,200	687,568,357.20	523,133	573,177,690.18	157,067	114,390,667.02

APPENDIX A

FOREIGN EXCHANGE RECEIPTS AND DISBURSEMENTS

TABLE 1.—*Export Receipts by Commodity Group,*[a] 1954-1955

(In million U.S. dollars)

Item	1954	1955
TOTAL	349.15	335.01
Coconuts, coconut oil, copra and other coconut products	159.72	153.35
Sugar and related products	113.16	101.80
Fibers and manufactures	22.94	22.83
Logs and lumber	11.12	12.61
Minerals and metals	9.39	14.50
Cotton, textiles, embroideries and miscellaneous fiber products	6.18	6.73
Fruits and preparations	5.89	2.53
Gold and silver	4.74	2.12
Tobacco and manufactures	4.28	3.68
Others	11.73	14.86

[a] Exclusive of trade with Japan under the Philippines-Japan Trade and Financial Agreement.

TABLE 2.—*Export Receipts by Region*, 1954-1955

(In million U.S. dollars)

Region	1954	1955
TOTAL	349.15	335.01
United States	253.11	242.62
Other North America	2.11	.93
Central America and Antilles	.71	.65
South America	12.67	12.13
Northwestern Europe	63.38	53.98
Southern Europe	5.44	2.99
East Europe and USSR	.01	–
Middle East	1.41	2.34
Other Asia [a]	7.46	6.45
Oceania	1.28	1.74
Other Africa	1.47	2.73
Miscellaneous	.10	8.45

[a] Exclusive of trade with Japan under the Philippines-Japan Trade and Financial Agreement.

TABLE 3.—*Import Payments by Category and Region*, 1954-1955

(In million U. S. dollars)

Region	Total		Highly Essential		Essential Producer		Non-Essential Producer	
	1954	1955	1954	1955	1954	1955	1954	1955
TOTAL	473.54	527.68	27.63	8.39	241.31	264.52	64.81	67.40
United States	399.86	441.27	24.65	7.66	210.65	228.85	60.85	63.48
Other North America	13.53	13.56	—	—	.65	.75	.02	.07
Central America	.39	.88	.01	.26	.37	.48	.01	—
South America	2.04	1.98	—	.04	—	.01	.17	.20
Northwestern Europe	35.71	41.63	2.87	.34	23.34	27.48	1.55	1.42
Southern Europe	1.44	1.58	.01	—	.78	.73	.19	.18
East Europe and USSR	.12	.13	—	—	.12	.02	—	.06
Middle East	.01	.18	—	—	.01	.14	—	.04
Other Asia [a]	10.18	20.15	.01	.06	3.98	4.34	1.63	1.80
Oceania	4.05	5.05	.08	.03	1.24	1.59	.11	.10
Other Africa	1.04	1.09	—	—	.05	.02	—	.05
Other areas not elsewhere specified	5.17	.18	—	—	.12	.11	.28	—

[a] Exclusive of trade with Japan under the Philippines-Japan Trade and Financial Agreement.

TABLE 3.—*Import Payments by Category and Region*, 1954-1955 (*Concluded*)

(In million U. S. dollars)

Region	Essential Consumer		Non-Essential Consumer		Unclassified Items		Decontrolled Items	
	1954	1955	1954	1955	1954	1955	1954	1955
TOTAL	68.52	68.17	59.72	52.30	11.55	11.35	—	55.55
United States	46.47	48.27	48.47	45.62	8.77	6.48	—	40.91
Other North America	12.16	1.84	.07	.11	.63	.30	—	10.49
Central America	—	.06	—	.01	—	—	—	.07
South America	1.82	1.63	.05	.01	—	.03	—	.06
Northwestern Europe	3.64	5.57	3.14	3.86	1.17	.46	—	2.50
Southern Europe	.26	.15	.13	.21	.07	.05	—	.26
East Europe and USSR	—	—	—	.05	—	—	—	—
Middle East	—	—	—	—	—	—	—	—
Other Asia [a]	2.09	8.84	1.77	1.23	.70	3.84	—	.04
Oceania	1.11	1.68	1.41	1.20	.10	.15	—	.30
Other Africa	.97	.13	.01	—	.01	.02	—	.87
Other areas not elsewhere specified	—	—	4.67	—	.10	.02	—	.05

[a] Exclusive of trade with Japan under the Philippines-Japan Trade and Financial Agreement.

TABLE 4.—*Import Payments by Classification and Region*, 1954-1955

(In million U.S. dollars)

Region	Total		Capital Goods		Raw Materials		Consumption		Miscellaneous Charges	
	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955
TOTAL	473.54	527.68	77.26	98.72	229.26	253.46	163.21	173.84	3.81	1.66
United States	399.86	441.27	71.11	87.04	199.44	221.52	126.31	131.05	3.00	1.66
Other North America	13.53	13.56	.13	.42	1.17	.74	11.42	12.40	.81	—
Central America	.39	.88	.19	.01	.18	.50	.02	.37	—	—
South America	2.04	1.98	—	—	.17	.29	1.87	1.69	—	—
Northwestern Europe	35.71	41.63	4.90	9.35	20.21	20.48	10.60	11.80	—	—
Southern Europe	1.44	1.58	.15	.18	.86	.76	.43	.64	—	—
East Europe and USSR	.12	.13	—	—	.12	.08	—	.05	—	—
Middle East	.01	.18	—	—	.01	.18	—	—	—	—
Other Asia [a]	10.18	20.15	.30	.85	5.63	7.91	4.25	11.39	—	—
Oceania	4.05	5.05	.48	.87	.96	.86	2.61	3.32	—	—
Other Africa	1.04	1.09	—	—	.05	.03	.99	1.06	—	—
Other areas not elsewhere specified	5.17	.18	—	—	.46	.11	4.71	.07	—	—

[a] Exclusive of trade with Japan under the Philippines-Japan Trade and Financial Agreement.

TABLE 5.—*Exports to Japan Under the Philippines-Japan Trade and Financial Agreement*, 1953-1955

(In million U.S. dollars)

Item	1953	1954	1955
TOTAL	51.53	53.47	64.22
Logs, lumber and timber	23.13	23.53	31.31
Iron ore	10.81	12.08	9.87
Abaca unmanufactured	11.32	8.43	9.26
Copra	.11	—	—
Molasses	1.72	2.31	1.90
Sugar	.16	2.09	.85
Chromite ore	.48	.67	.78
Manganese ore	.33	.23	.24
Scrap iron, steel	.36	.65	.75
Ramie	.18	.65	.55
All others	2.93	2.83	8.71

TABLE 6.—*Imports from Japan Under the Philippines-Japan Trade and Financial Agreement*, 1953-1955

(In million U. S. dollars)

Item	1953	1954	1955
TOTAL	22.83	28.95	42.52
Iron and steel products	10.23	7.87	1.68
Textiles and manufactures	3.86	9.28	12.55
Other essential raw materials and equipment and supplies	4.03	4.89	3.70
Other metal products	3.88	2.11	13.00
Machinery and equipment	.38	1.62	4.03
Glass and porcelain products	.10	1.51	1.59
Ships, fishing boats and equipment	.05	.58	.68
Special machinery and equipment for manufacture of specific products	.10	.53	2.92
Chemicals and chemical products	.14	.31	1.87
Farm equipment	.06	.25	.50

TABLE 7.—*Invisible Receipts by Region*, 1954-1955

(In million U.S. dollars)

Region	Services		Tourism		Other Foreign Government Expenditures		Inward Investment Remittances		Donations and Contribution		Miscellaneous Sources		Total	
	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955
TOTAL	16.06	19.80	.72	1.33	1.35	1.47	9.74	8.49	9.43	6.91	5.74	19.44	43.04	57.44
United States	12.18	15.04	.49	.41	—	—	8.88	7.34	8.72	6.22	4.81	7.82	35.08	36.83
Canada	.11	.16	—	—	—	.01	.03	.03	.03	.02	.03	.06	.20	.28
Latin American Republics	.01	.87	—	—	—	—	—	.01	—	—	—	—	.01	.88
Sterling Area: In Europe	.85	.98	.02	.12	.09	.07	.05	.38	.09	.06	.17	.28	1.27	1.89
Sterling Area: U.K. Overseas Territories	.24	.28	—	—	.01	.01	.01	.05	.09	.06	.09	.17	.44	.57
Sterling Area: Others	.06	.20	—	—	.13	.11	—	.01	.03	.05	.07	.04	.29	.41
Other EPU Area: In Europe	1.80	1.17	—	.05	.15	.21	.52	.56	—	.05	.11	.06	2.58	2.10
Other EPU Area: Other countries	.08	.03	—	.02	.35	.48	.06	.01	.02	.01	—	.02	.51	.57
Soviet Bloc	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Europe	.01	.01	—	—	—	—	—	—	—	—	—	—	.01	.01
Other Middle East	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Far East	.21	.38	.01	.01	.32	.20	.07	—	.01	.01	.06	.17	.68	.77
Unallocated	.51	.68	.20	.72	.30	.38	.12	.10	.44	.43	.40	10.82	1.97	13.13

TABLE 8.—*Invisible Payments by Region*, 1954-1955

(In million U.S. dollars)

Region	Services		Travel		Education, Subsistence and Sim. Exp.		Phil. Gov't. Expenditures Abroad		Outward Investment Remittances		Donations and Contributions		Miscellaneous Purposes		Total	
	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955
TOTAL	10.48	9.26	6.04	7.43	7.09	8.17	27.90	13.58	23.99	21.80	.85	1.43	17.00	20.60	93.35	82.27
United States	9.40	8.01	4.12	4.19	4.97	5.91	13.81	13.05	19.54	17.31	.47	1.28	11.83	15.04	64.14	64.79
Canada	.19	.04	.01	.01	.01	.01	—	—	.03	.04	.03	.02	.39	.32	.66	.44
Latin American Countries	.02	.01	.02	.02	.02	.03	—	.01	.05	.04	—	.01	.86	.03	.97	.15
Sterling Area: In Europe	.25	.52	.02	.06	.16	.17	13.24	.01	.16	.12	.06	.02	1.16	1.60	15.05	2.50
Sterling Area: U.K. Overseas Territories	.02	.04	.24	.44	.27	.34	.05	.04	.20	.35	—	.01	.43	1.21	1.21	2.43
Sterling Area: Other	.02	.01	.07	.07	.34	.41	.05	.04	.03	.79	.02	.01	.11	.04	.64	1.37
Other EPU Area: In Europe	.34	.24	.21	.13	.35	.38	.07	.01	.61	.63	.03	.02	.52	.39	2.13	1.80
Other EPU Area: Other Countries	—	—	—	.03	.03	.02	.02	.07	.06	.02	—	—	.02	.04	.13	.18
Soviet Bloc	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Europe	.02	.06	.15	.11	.66	.70	—	—	.93	1.13	.02	.04	.09	.02	1.87	2.06
Other Middle East	—	.09	—	.01	.03	.02	—	.02	.01	.01	.04	—	—	—	.08	.15
Other Far East	.12	.07	.40	.64	.23	.05	.65	.28	.08	.21	—	.01	.20	.26	1.68	1.52
Unallocated	.10	.17	.80	1.72	.02	.13	.01	.05	2.29	1.15	.18	.01	1.39	1.65	4.79	4.88

TABLE 9.—*Letters of Credit Opened by Category*, 1954-1955

(In million U.S. dollars)

Category	1954			1955		
	First Semester	Second Semester	Total	First Semester	Second Semester	Total
TOTAL	234.26	297.41	531.67	315.93	235.29	551.22
Highly Essential Items	14.95	15.08	30.03	16.49	2.69	19.18
Producer Goods	147.66	192.01	339.67	175.50	142.06	317.56
Essential	123.80	144.83	268.63	138.83	119.88	258.71
Non-essential	23.86	47.18	71.04	36.67	22.18	58.85
Consumer Goods	62.59	81.21	143.80	63.85	44.88	108.73
Essential	38.16	46.77	84.93	31.76	27.76	59.52
Non-essential	24.43	34.44	58.87	32.09	17.12	49.21
Unclassified Items	9.06	9.11	18.17	17.16	2.65	19.81
Decontrolled Items	—	—	—	42.93	43.01	85.94

TABLE 10.—*Foreign Exchange Allocation by Category, 1954-1955*

(In million U.S. dollars)

Category	1954			1955		
	First Semester	Second Semester	Total	First Semester	Second Semester	Total
TOTAL	285.57	330.52	616.09	310.62	255.21	565.83
Highly essential items	11.40	17.00	28.40	.89	.85	1.74
Producer goods	163.11	155.53	318.64	172.32	140.03	312.35
Essential	132.61	111.56	244.17	135.55	117.49	253.04
Non-essential	30.50	43.97	74.47	36.77	22.54	59.31
Consumer goods	63.43	90.94	154.37	42.16	38.19	80.35
Essential	34.39	52.55	86.94	12.65	19.30	31.95
Non-essential	29.04	38.39	67.43	29.51	18.89	48.40
Unclassified items	.09	3.05	3.14	4.93	1.47	6.40
Non-restricted items[1]	47.54	64.00	111.54	60.76	42.78	103.54
Decontrolled items	—	—	—	29.56	31.89	61.45

[1] Includes Philippine Government imports.

APPENDIX B

EXTERNAL TRADE

TABLE 11.—*Foreign Trade*, 1941; 1946-1955

(F.O.B. value in million pesos)

Period	Imports	Exports	Balance of trade
1941	271.2	322.3	51.1
1946	591.7	128.4	- 463.3
1947	1,022.7	529.1	- 493.6
1948	1,170.2	635.5	- 534.7
1949	1,172.8	507.5	- 665.3
1950	684.9	674.3	- 10.6
1951	980.0	871.0	- 109.0
1952	846.1	703.8	- 142.3
1953	914.0	807.6	- 106.4
1954	965.3	810.3	- 155.0
January	83.6	67.5	- 16.1
February	60.0	80.0	20.0
March	81.2	67.8	- 13.4
April	80.3	80.8	.5
May	84.7	58.7	- 26.0
June	87.0	64.7	- 22.3
July	82.3	90.0	7.7
August	74.3	62.9	- 11.4
September	72.6	51.2	- 21.4
October	81.3	56.9	- 24.4
November	87.3	62.3	- 25.0
December	90.7	67.5	- 23.2
1955	1,095.2	790.8	- 304.4
January	96.5	63.5	- 33.0
February	82.2	69.2	- 13.0
March	89.2	64.0	- 25.2
April	90.0	78.3	- 11.7
May	111.9	72.9	- 39.0
June	102.5	78.6	- 23.9
July	74.7	66.7	- 8.0
August	75.6	59.4	- 16.2
September	73.1	60.9	- 12.2
October	82.5	53.8	- 28.7
November	95.2	50.7	- 44.5
December	121.8	72.8	- 49.0

SOURCE OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 12.—*Quantum, Price, and Value Indices of Domestic Exports*, 1950-1955

(1948–1949 = 100)

Period	Quantum index	Price index	Value index
1950	134.3	92.8	124.8
1951	150.7	99.0	151.0
1952	168.0	78.0	130.2
1953	157.2	95.2	149.4
1954	174.4	84.5	147.4
January	156.2	96.1	150.1
February	184.7	96.1	177.4
March	164.8	91.2	150.2
April	205.0	87.4	179.2
May	155.6	83.8	130.3
June	169.6	84.7	143.6
July	208.6	82.1	171.2
August	172.7	80.9	139.8
September	149.3	76.2	113.7
October	162.9	77.5	126.2
November	174.0	79.3	138.1
December	189.2	79.1	149.5
1955	187.7	77.5	145.4
January	172.4	81.7	140.9
February	190.7	79.9	152.4
March	180.5	78.7	142.1
April	221.3	78.0	172.6
May	201.6	77.8	156.9
June	226.7	76.6	173.6
July	192.5	76.6	147.4
August	170.0	77.3	131.4
September	177.8	76.0	135.1
October	156.7	75.8	118.8
November	148.5	75.6	112.2
December	213.1	75.6	161.1

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 13.—*Quantum, Price, and Value Indices of Imports, 1950-1955*

(1948–1949 = 100)

Period	Quantum index	Price index	Value index
1950	61.0	95.4	58.2
1951	76.2	107.6	82.0
1952	69.1	106.0	73.3
1953	76.4	101.2	77.3
1954	84.4	96.8	81.6
January	86.0	99.5	85.5
February	62.8	97.7	61.4
March	83.6	98.0	81.9
April	81.1	100.5	81.5
May	84.3	101.0	85.2
June	89.2	99.3	88.6
July	87.8	95.4	83.8
August	84.2	90.7	76.3
September	79.5	92.7	73.7
October	83.9	97.9	82.1
November	92.5	95.2	88.1
December	97.4	93.7	91.2
1955	95.6	96.8	92.6
January	101.8	95.7	97.4
February	88.7	93.6	83.0
March	94.6	94.7	89.6
April	98.3	93.1	91.5
May	114.0	99.7	113.7
June	109.8	94.8	104.1
July	75.9	100.3	76.1
August	78.8	96.2	75.8
September	79.1	94.4	74.6
October	90.3	93.2	84.2
November	96.3	100.8	97.0
December	119.1	104.5	124.4

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 14.—*Terms of Trade with all Countries*, 1950-1955

(1948–1949 = 100)

Period	Price Indices		Terms of trade
	Exports	Imports	
1950	92.8	95.4	97.3
1951	99.0	107.6	92.0
1952	78.0	106.0	73.9
1953	95.2	101.2	94.0
1954	84.5	96.8	87.3
January	96.1	99.5	96.6
February	96.1	97.7	98.4
March	91.2	98.0	93.1
April	87.4	100.5	87.0
May	83.8	101.0	83.0
June	84.7	99.3	85.3
July	82.1	95.4	86.0
August	80.9	90.7	89.2
September	76.2	92.7	82.2
October	77.5	97.9	79.2
November	79.3	95.2	83.3
December	79.1	93.7	84.4
1955	77.5	96.8	80.2
January	81.7	95.7	85.4
February	79.9	93.6	85.4
March	78.7	94.7	83.1
April	78.0	93.1	83.8
May	77.8	99.7	78.0
June	76.6	94.8	80.8
July	76.6	100.3	76.4
August	77.3	96.2	80.4
September	76.0	94.4	80.5
October	75.8	93.2	81.3
November	75.6	100.8	75.0
December	75.6	104.5	72.3

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 15.—*Terms of Trade with the United States*, 1950-1955

(1948–1949 = 100)

Period	Price Indices		Terms of trade
	Exports	Imports	
1950	98.5	92.4	106.6
1951	103.0	109.7	93.8
1952	82.5	110.6	74.7
1953	101.8	107.2	95.1
1954	89.0	114.7	77.6
January	102.1	110.3	92.6
February	101.8	117.9	86.3
March	95.6	111.5	85.7
April	91.5	120.7	75.8
May	89.3	114.6	77.9
June	87.1	118.9	73.3
July	85.9	118.0	72.8
August	84.2	114.6	73.5
September	80.2	109.8	73.0
October	81.7	113.3	72.1
November	85.4	116.2	73.5
December	82.9	111.0	74.7
1955	81.9	114.0	71.9
January	82.7	113.9	72.6
February	83.4	114.8	72.6
March	84.2	114.8	73.3
April	83.3	112.4	74.1
May	81.0	117.1	69.2
June	81.2	113.0	71.9
July	81.0	117.2	69.1
August	80.3	118.0	68.1
September	80.4	111.5	72.1
October	83.1	106.0	78.4
November	81.5	114.0	71.5
December	80.2	115.5	69.4

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 16.—*Terms of Trade with Japan*, 1950-1955

(1948–1949 = 100)

Period	Price Indices		Terms of trade
	Exports	Imports	
1950	97.8	93.9	104.9
1951	122.2	136.9	90.0
1952	90.2	112.9	80.0
1953	93.6	102.9	91.1
1954	80.0	96.4	83.1
January	84.9	100.4	84.6
February	83.6	103.0	81.2
March	82.4	102.3	80.5
April	82.9	94.2	88.0
May	82.3	99.6	82.6
June	80.5	99.2	81.1
July	80.2	101.3	79.2
August	78.7	100.7	78.2
September	75.5	88.8	85.0
October	75.9	88.4	85.9
November	74.9	85.4	87.7
December	77.7	92.9	83.6
1955	76.3	95.8	79.9
January	77.3	88.5	87.3
February	77.5	89.1	87.0
March	76.7	95.2	80.6
April	79.2	95.7	82.8
May	78.0	99.6	78.3
June	78.3	98.4	79.6
July	77.6	91.7	84.6
August	76.6	95.7	80.0
September	72.2	91.5	78.9
October	73.2	98.9	74.0
November	74.3	98.6	75.4
December	74.5	106.3	70.1

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 17.—*Terms of Trade with the United Kingdom*, 1950-1955

(1948–1949 = 100)

Period	Price Indices		Terms of trade
	Exports	Imports	
1950	98.8	99.1	104.4
1951	129.0	113.0	115.0
1952	93.1	128.0	73.9
1953	86.5	128.1	68.1
1954	66.6	98.3	68.2
January	78.5	87.2	90.0
February	78.0	88.9	87.7
March	69.6	110.5	63.0
April	68.7	106.4	64.6
May	67.7	102.0	66.4
June	68.1	101.3	67.2
July	63.9	95.2	67.1
August	60.4	100.7	60.0
September	62.1	101.1	61.4
October	59.5	95.3	62.4
November	60.5	95.5	63.3
December	62.7	95.2	65.8
1955	62.6	92.5	67.7
January	61.4	95.0	64.6
February	61.7	94.9	65.0
March	64.8	87.6	74.0
April	62.8	87.6	71.7
May	61.5	87.7	70.1
June	61.3	86.4	70.9
July	60.3	87.7	68.8
August	64.2	87.4	73.5
September	61.1	95.1	64.2
October	60.3	95.1	63.4
November	64.5	89.7	71.9
December	67.1	90.6	74.1

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 18.—*Terms of Trade with Benelux*[a], 1950-1955

(1948–1949 = 100)

Period	Price Indices		Terms of trade
	Exports	Imports	
1950	92.1	70.2	132.9
1951	101.7	93.2	115.4
1952	69.4	103.7	67.3
1953	90.3	82.9	108.9
1954	77.8	73.9	105.3
January	93.8	82.8	113.3
February	92.7	77.2	120.1
March	88.3	72.7	121.5
April	79.3	78.3	101.3
May	74.3	83.7	88.8
June	88.1	73.0	120.7
July	70.8	70.7	100.1
August	70.2	67.7	103.7
September	68.4	68.7	99.6
October	66.9	70.0	95.6
November	70.2	71.9	97.6
December	70.8	69.8	101.5
1955	66.2	81.5	81.7
January	70.3	79.5	88.4
February	72.3	73.1	98.9
March	70.8	79.5	89.1
April	67.2	75.4	89.1
May	66.6	79.2	84.1
June	66.4	79.5	83.5
July	66.8	84.8	78.8
August	64.8	86.2	75.2
September	62.9	84.6	74.3
October	60.7	85.5	71.0
November	62.7	85.1	73.7
December	63.3	85.7	73.9

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

[a] Belgium, Netherlands, Luxembourg.

TABLE 19.—*Direction of International Trade, all Countries,* 1949; 1954-1955

(F.O.B. value in thousand pesos)

Countries	1949		1954		1955	
	Imports	Exports	Imports	Exports	Imports	Exports
TOTAL	1,172,750	507,510	965,284	810,327	1,095,211	790,763
North America	965,611	370,998	682,516	497,468	748,405	476,754
Alaska	—	46	1	—	2	—
Canada	26,365	7,143	29,726	6,970	35,956	2,702
Mexico	666	13	86	—	280	32
Newfoundland and Labrador	—	23	—	7	—	—
United States	938,580	363,773	652,703	490,491	712,167	474,020
Central America and Antilles	1,730	681	539	839	467	1,100
British Honduras	—	1	—	—	—	—
British West Indies	4	—	—	—	—	—
Costa Rica	1,671	92	3	3	5	—
Cuba	—	1	1	—	1	513
Dominican Republic	—	—	—	7	—	15
El Salvador	—	4	76	—	4	—
Guatemala	—	—	—	9	—	2
Haiti	—	—	7	8	6	23
Nicaragua	—	3	—	—	—	—
Panama, Republic of	29	254	410	574	441	231
Panama, canal zone	—	41	—	—	—	—
Puerto Rico	26	285	36	238	10	316
Areas not specified	—	—	6	—	—	—
South America	15,069	1,676	5,320	23,480	5,187	28,336
Argentina	2,624	850	3,469	—	2,891	361
Brazil	5,677	2	883	808	1,341	—
British Guiana	—	—	—	3	2	—
Chile	3	177	—	—	—	5
Colombia	4	347	—	11,672	58	19,894
Dutch Guiana	—	—	—	8	7	—
Dutch West Indies	—	—	8	—	—	36
Ecuador	6,268	81	434	249	682	185
Paraguay	—	—	—	—	31	—
Peru	—	125	—	112	19	65
Uruguay	493	25	526	—	156	—
Venezuela	—	69	—	10,625	—	7,785
Other South American countries	—	—	—	3	—	5

TABLE 19.—*Direction of International Trade, all Countries,* 1949; 1954-1955—*Continued*

(F. O. B. value in thousand pesos)

Countries	1949		1954		1955	
	Imports	Exports	Imports	Exports	Imports	Exports
Northwestern Europe	37,120	58,779	81,973	148,045	94,499	130,609
Austria	65	922	352	17	326	71
Belgium and Luxembourg	13,263	4,289	13,371	11,257	11,112	8,638
Denmark	358	8,083	920	15,475	547	12,741
France	1,168	11,337	5,974	8,904	9,182	1,896
Germany	1,795	14,353	17,400	21,459	22,877	18,122
Ireland	2	30	—	19	29	220
Netherlands	1,628	4,562	19,267	65,674	18,076	57,723
Norway	453	3,256	625	10,198	391	7,452
Sweden	2,082	2,243	2,000	3,289	2,270	10,462
Switzerland	6,245	3,729	3,723	1,861	4,132	2,582
United Kingdom	10,061	5,975	18,341	9,892	25,557	10,702
Southern Europe	3,623	15,683	3,751	14,290	4,759	11,036
Greece	—	—	1	—	—	31
Italy	1,831	12,012	2,126	8,155	2,497	6,275
Portugal	354	113	521	67	955	558
Spain	1,438	3,548	1,103	6,068	1,307	4,172
Turkey	—	10	—	—	—	—
East Europe and U.S.S.R.	321	2,043	417	—	27	—
Czechoslovakia	297	1,121	131	—	—	—
Finland	21	10	115	—	27	—
Poland	—	912	171	—	—	—
U.S.S.R.	3	—	—	—	—	—
Middle East	12,137	2,712	38,757	2,775	24,264	4,489
Br. Peninsula States	—	—	—	—	—	—
Egypt	4,643	16	33	104	328	21
Iran	1	—	20,732	303	2,416	600
Iraq	—	—	—	7	—	39
Israel	—	2,014	2	1,556	2	3,098
Saudi Arabia	7,490	210	17,985	19	21,513	14
Syria and Lebanon	3	472	5	786	5	717

TABLE 19.—*Direction of International Trade, all Countries,* 1949; 1954-1955 (*Concluded*)

(F. O. B. value in thousand pesos)

Countries	1949		1954		1955	
	Imports	Exports	Imports	Exports	Imports	Exports
Other Asia	131,460	45,350	141,960	115,926	203,707	130,704
British East Indies	11,884	98	209	10	1,805	394
Burma	6,384	51	1	53	1,495	88
Ceylon	945	4	1,599	—	2,253	—
China	20,440	1,683	806	2,693	2,210	1,288
French East Indies	247	914	11	—	150	—
Hongkong	3,019	9,445	17,304	3,471	17,836	3,103
India	10,585	3,540	3,662	1,174	7,526	937
Indo-China	—	—	—	767	4	34
Indonesia	32,065	4,840	26,075	339	37,833	221
Japan	32,125	22,691	58,342	100,917	86,879	117,927
Korea	—	428	9	4,860	13	4,170
Malaya and Singapore	185	1,168	24,330	1,180	24,748	1,014
Okinawa	—	—	—	128	10	490
Pakistan	—	—	6,926	—	2,012	—
Thailand	13,581	488	2,686	334	18,933	1,038
Oceania	3,379	4,546	6,538	541	10,123	804
Australia	3,131	4,373	5,818	429	9,717	653
British New Guinea	—	—	—	—	1	—
British Oceania	—	—	1	—	21	—
New Zealand	248	173	719	112	383	151
Other Africa	67	3,152	3,092	2,960	3,112	3,545
British Africa	67	2,516	21	58	17	—
French Africa	—	593	192	167	87	160
Portuguese Africa	—	43	—	—	—	—
Union of South Africa	—	—	2,879	2,735	3,008	3,385
Miscellaneous	1,358	219	1	1,010	186	590
British Country not specified	—	—	—	—	170	—
Other areas not specified	1,358	219	1	1,010	16	590
Other U. S. Insular Possessions	875	1,671	420	2,993	476	2,796
Guam	—	793	42	1,088	287	1,090
Hawaii	875	874	378	1,905	187	1,706
Other countries not specified	—	4	—	—	—	—

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

[a] No direct trade was recorded with countries not included in this Table.

TABLE 20.—*Direction of International Trade, Selected Countries,* 1949-1955

(F.O.B. value in thousand pesos)

Period	All Countries		North America						Central America and Antilles	
			Total		United States		Other North American Countries			
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
1949	1,172,750	507,510	965,611	370,998	938,580	363,773	27,031	7,225	1,730 r	681
1950	684,865	674,339	528,203	500,010	510,472	491,166	17,731	8,844	224	630r
1951	980,025	871,014	728,486	576,976	700,800	567,200	27,346	9,776	114	957r
1952	846,097	703,836	646,643	481,281	617,083	473,604	29,560	7,677	---	711
1953	914,046	807,573	725,044	556,493	702,401	551,800	22,642	4,693	39	389
1954	965,284	810,327	682,516	497,468	652,702	490,491	29,814	6,977	539	839
January	83,578	67,454	59,625	43,429	57,026	43,429	2,599	—	—	16
February	59,999	80,039	42,924	52,525	40,778	51,789	2,147	736	—	90
March	81,164	67,793	58,322	42,860	56,867	42,237	1,454	623	3	32
April	80,344	80,775	60,379	58,761	56,179	57,816	4,200	945	56	41
May	84,666	58,684	62,164	39,674	59,739	38,897	2,425	777	79	175
June	87,023	64,670	58,905	40,678	55,162	39,739	3,743	939	18	192
July	82,256	90,033	56,586	56,566	55,020	55,712	1,566	854	121	22
August	74,316	62,950	50,925	34,707	49,700	34,462	1,225	245	145	18
September	72,638	51,200	50,871	28,726	48,230	28,512	2,641	214	43	41
October	81,310	56,941	59,166	28,200	56,503	27,357	2,663	843	3	143
November	87,286	62,338	61,514	31,957	59,115	31,720	2,399	237	7	19
December	90,704	67,449	61,135	39,385	58,383	38,821	2,752	564	—	50
1955	1,095,211	790,763	748,405	476,754	712,167	474,020	36,238	2,734	467	1,100
January	96,466	63,460	62,558	37,684	60,547	37,507	2,011	177	317	54
February	82,249	69,223	61,249	48,742	59,755	48,661	1,494	81	—	255
March	89,226	64,039	61,347	42,719	58,545	42,677	2,802	42	71	69
April	89,975	78,256	64,744	52,333	60,499	52,222	4,245	111	12	49
May	111,937	72,895	83,091	50,380	78,501	50,311	4,590	69	9	10
June	102,516	78,627	66,996	51,500	63,582	51,383	3,414	117	49	128
July	74,718	66,682	48,267	35,582	45,252	35,574	3,015	8	—	199
August	75,558	59,358	46,584	30,503	45,665	29,638	919	865	—	27
September	73,113	60,891	43,186	27,430	41,839	27,284	1,347	146	6	47
October	82,470	53,838	57,741	22,655	54,349	22,610	3,392	45	3	45
November	95,195	50,650	59,399	30,021	55,656	29,547	3,743	474	—	173
December	121,788	72,844	93,243	47,205	87,977	46,606	5,266	599	—	44

TABLE 20.—*Direction of International Trade, Selected Countries,* 1949-1955—*Continued*

(F.O.B. value in thousand pesos)

Period	South America		Northwestern Europe							
			Total		United Kingdom		Benelux countries		Other countries of North West. Europe	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
1949	15,069	1,676	37,120	58,779	10,061	5,975	14,891	8,851	12,168	43,953
1950	1,354	15,432	30,704	74,684	10,563	10,744	9,145	30,674	10,996	33,266
1951	8,749	15,882	48,071	157,479	12,932	25,529	19,645	77,452	15,494	54,498
1952	2,937	12,173	37,741	87,662	9,910	11,716	12,870	44,619	14,961	31,327
1953	1,959	22,374	41,807	97,178	8,487	10,201	20,113	46,645	13,207	40,332
1954	5,320	23,480 r	81,973	148,045	18,341	9,892	32,640	76,930	30,992	61,223
January	229	915	6,978	12,416	1,642	845	2,945	9,112	2,391	2,459
February	109	1,333	5,760	13,167	1,054	1,456	2,350	8,303	2,356	3,408
March	132	951	5,159	13,192	1,135	1,000	2,405	6,892	1,619	5,300
April	286	1,322	6,662	8,639	1,779	677	2,430	3,727	2,453	4,235
May	597	871	8,469	6,448	1,457	509	3,569	2,506	3,443	3,433
June	997	1,868	8,151	12,060	2,268	580	2,715	8,058	3,168	3,422
July	223	3,130	7,316	19,143	1,707	1,105	3,060	7,295	2,549	10,743
August	576	3,971	6,687	12,986	1,207	379	3,001	7,534	2,479	5,073
September	506	1,892	5,773	11,671	1,261	426	2,467	6,134	2,045	5,111
October	754	5,937	6,855	12,200	1,595	631	2,765	5,067	2,495	6,502
November	253	327	7,710	15,886	2,083	1,594	2,572	8,439	3,055	5,853
December	658	963 r	6,453	10,237	1,153	690	2,361	3,863	2,939	5,684
1955	5,187	28,336	94,499	130,609	25,557	10,702	29,188	66,361	39,754	53,546
January	242	2,171	8,525	14,414	2,584	1,243	2,245	7,310	3,696	5,861
February	348	570	6,165	10,649	1,798	1,277	1,593	6,078	2,774	3,294
March	637	2,975	7,697	5,518	2,015	935	2,743	975	2,939	3,608
April	497	3,408	6,416	7,257	2,054	1,026	1,943	1,372	2,419	4,859
May	383	1,260	7,139	7,799	1,559	650	2,592	4,682	2,988	2,467
June	577	2,376	11,607	9,322	3,223	718	3,682	3,823	4,702	4,781
July	128	3,714	5,815	12,066	1,020	884	1,959	6,308	2,836	4,874
August	540	3,498	8,203	11,418	2,014	884	2,382	4,874	3,807	5,660
September	606	1,807	9,153	15,631	2,539	1,075	2,973	7,279	3,641	7,277
October	313	1,627	8,056	16,832	2,364	544	2,477	12,769	3,215	3,519
November	487	1,758	7,094	9,797	2,400	706	1,853	6,607	2,841	2,484
December	429	3,172	8,629	9,906	1,987	760	2,746	4,284	3,896	4,862

TABLE 20.—*Direction of International Trade, Selected Countries,* 1949-1955—*Continued*

(F.O.B. value in thousand pesos)

Period	Southern Europe								East Europe and USSR	
	Total		Italy		Spain		Other countries of Southern Europe			
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
1949	3,623	15,683	1,831	12,012	1,438	3,548	354	123	321	2,043
1950	8,567	13,719	6,389	11,370	1,861	2,337	317	12	742	887
1951	7,622	19,419	5,453	15,416	1,921	3,946	248	57	197	40
1952	9,992	17,167	6,145	10,683	3,636	6,298	211	186	422	—
1953	4,358	13,220	2,306	7,600	1,833	5,561	219	59	274	—
1954	3,751	14,290	2,127	8,154	1,103	6,069	521	67	417	—
January	673	1,599	441	1,524	143	75	88	—	67	—
February	391	2,025	261	265	107	1,756	23	4	52	—
March	112	978	77	400	35	578	—	—	17	—
April	232	531	54	514	93	—	85	17	152	—
May	292	2,000	228	1,192	42	792	23	16	75	—
June	351	1,166	126	850	202	313	23	3	13	—
July	103	1,024	31	714	4	294	68	16	—	—
August	267	1,709	117	672	123	1,037	27	—	41	—
September	272	1,000	92	685	124	304	56	11	—	—
October	386	1,054	274	218	49	836	63	—	—	—
November	535	822	330	742	162	80	43	—	—	—
December	137	382	96	378	19	4	22	—	—	—
1955	4,759	11,036	2,497	6,275	1,307	4,172	955	589	27	—
January	418	837	114	717	212	120	92	—	—	—
February	88	436	73	382	15	54	—	—	—	—
March	395	630	237	574	73	53	85	3	—	—
April	123	1,120	99	1,010	—	99	24	11	—	—
May	291	345	134	342	109	—	48	3	—	—
June	393	766	118	203	98	547	177	16	1	—
July	397	1,311	127	273	134	1,038	136	—	—	—
August	465	785	199	715	87	—	179	70	—	—
September	735	1,189	442	82	257	901	36	206	—	—
October	241	1,935	87	1,316	79	385	75	234	18	—
November	678	1,007	470	198	148	787	60	22	—	—
December	535	675	397	463	95	188	43	24	8	—

TABLE 20.—*Direction of International Trade, Selected Countries,* 1949-1955—*Continued*

(F.O.B. value in thousand pesos)

Period	Middle East		Other Asia							
			Total		Japan		Indonesia		Other countries of O. Asia	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
1949	12,137	2,712	131,460r	45,350	32,125	22,691	32,065	4,840	67,270r	17,819
1950	23,131	4,595	86,565r	59,097r	28,403	44,064	8,870	394	49,292r	14,639r
1951	26,028	6,014	157,728r	72,801r	66,013	60,129	21,799	2,871	69,916r	9,801r
1952	25,763	7,563	119,124	87,219	36,860	76,845	24,487	955	57,777	9,419
1953	30,619	4,683	106,219	107,369	40,157	96,586	20,724	656	45,338	10,127
1954	38,757	2,775	141,960	115,926r	58,342	100,920	26,074	327	57,544	14,679r
January	4,183	199	11,166	8,546	3,532	8,227	1,802	2	5,832	317
February	2,570	—	7,858	10,230	4,023	9,622	1,338	—	2,497	608
March	2,203	—	14,443	8,820	6,447	7,786	2,609	—	5,387	1,034
April	3,107	175	8,460	10,896	4,730	9,696	5	25	3,725	1,175
May	1,917	321	10,435	8,834	4,668	6,631	2,122	59	3,645	2,144
June	5,704	105	11,874	7,816	4,296	6,065	2,363	70	5,215	1,681
July	4,061	195	12,537	9,095	3,679	7,539	5,393	138	3,465	1,418
August	3,325	464	11,366	8,732	3,767	7,305	2,347	1	5,252	1,426
September	3,153	5	11,037	7,359	6,614	6,856	1,056	22	3,367	481
October	2,599	98	10,632	8,465	5,399	7,436	1,415	6	3,818	1,023
November	2,859	734	14,084	11,583	4,795	10,639	3,406	4	5,883	940
December	3,076	479	18,068	15,550r	6,392	13,118	2,218	—	9,458	2,432r
1955	24,264	4,489	203,707r	130,704	86,879	117,927	37,833	221	78,995r	12,556
January	2,455	511	20,844	7,493	8,687	6,821	7,146	30	5,011	642
February	1,077	1,036	12,846	6,471	6,059	6,237	2,999	16	3,788	218
March	2,545	589	15,766	10,673	8,512	9,888	2,870	—	4,384	785
April	4,744	144	12,081	13,581	6,698	12,121	1,540	76	3,843	1,384
May	2,568	25	16,466	12,406	7,399	11,570	1,820	18	7,247	818
June	1,705	370	20,197	13,662	8,775	12,676	3,868	—	7,554	986
July	2,266	874	16,722	12,483	5,677	11,381	1,568	20	9,477	1,082
August	1,130	4	17,205	12,451	4,839	10,884	3,184	11	9,182	1,556
September	845	480	16,969	13,513	7,850	12,143	2,331	26	6,788	1,344
October	1,146	3	14,208	9,923	6,198	8,848	3,009	—	5,001	1,075
November	2,628	—	23,342	7,298	8,758	6,621	3,940	10	10,644	667
December	1,155	453	17,061r	10,750	7,427	8,737	3,558	14	6,076r	1,999

TABLE 20.—*Direction of International Trade, Selected Countries,* 1949-1955 (*Concluded*)

(F.O.B. value in thousand pesos)

Period	Oceania		Other Africa		Miscellaneous		Other U.S. Insular Possessions	
	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports
1949	3,379	4,546	67	3,152	1,358	219	875	1,671
1950	3,070	602	97	2,667	511r	223	1,822	1,820
1951	1,998	863	16	8,264	257r	176	759	12,143
1952	2,816	501	2	5,996	2	177	655	3,386
1953	2,459	392	760	2,708	58	237	450	2,530
1954	6,538	541	3,092	2,960	1	1,010r	420	2,993r
January	482	111	86	136	—	—	89	87
February	141	—	65	227	—	67	129	378
March	719	55	—	361	1	182	53	360
April	481	65	502	214	—	—	27	131
May	175	6	453	122	—	96r	10	138r
June	765	155	241	312	—	38	4	279
July	821	116	486	389	—	130	2	223
August	585	—	391	51	—	39	8	273
September	660	1	287	328	—	25	36	152
October	387	27	498	241	—	401	30	175
November	206	—	50	548	—	32	4	430
December	1,116	5	33	31	—	—	28	367
1955	10,122	804	3,112	3,545	186	591	476	2,796
January	1,002	58	43	12	—	—	62	226
February	442	—	31	273	—	591r	3	201
March	732	85	23	504	—	—	13	277
April	809	121	507	30	—	—	42	213
May	1,629	97	237	330	43	—	81	243
June	768	36	90	394	127	—	6	73
July	464	17	644	247	—	—	15	189
August	644	53	730	332	16	—	41	287
September	927	159	598	383	—	—	88	252
October	543	—	165	479	—	—	36	339
November	1,540	177	—	280	—	—	27	139
December	622	1	44	281	—	—	62	357

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 21.—*Ten Principal Exports by Country of Destination*, 1949-1955

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	Total ten principal exports value[a]	COPRA									
		Total		United States		Netherlands		Denmark		Colombia	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	437,314	528,747	179,286	355,897	118,723	7,472	2,633	13,360	4,970	1,016	338
1950	599,562	707,186	275,906	457,784	176,152	29,749	12,537	1,801	711	18,070	7,033
1951	725,231	772,026	306,262	392,805	153,927	91,385	34,900	19,914	7,890	27,201	10,477
1952	592,381	670,843	181,341	305,158	81,752	78,415	22,437	24,967	6,537	29,494	7,572
1953	689,743	603,205	232,647	314,303	123,781	82,850	31,321	38,132	14,172	29,455	11,266
1954	707,863	763,230	260,151	301,854	101,094	177,468	63,050	38,659	13,286	36,394	11,611
January	62,870	52,515	22,154	22,188	9,262	13,462	5,708	—	—	1,473	586
February	69,893	50,809	21,416	21,802	8,945	16,917	7,305	2,438	1,059	—	—
March	58,803	52,641	20,733	21,428	8,025	13,334	5,471	2,642	1,139	—	—
April	70,648	55,820	19,561	28,896	9,860	7,620	2,870	2,032	775	2,083	733
May	52,795	49,449	16,356	24,902	8,257	3,708	1,215	3,150	1,123	1,535	518
June	57,028	68,155	23,725	29,039	9,460	15,900	6,700	2,794	918	—	—
July	67,895	67,586	21,632	22,942	7,241	19,690	6,339	2,540	833	6,614	2,103
August	57,110	83,886	26,602	32,389	10,108	22,555	7,257	6,350	2,037	6,096	1,932
September	41,910	68,220	20,805	27,140	8,004	17,272	5,311	2,540	824	1,778	544
October	48,838	79,561	24,308	22,939	6,911	14,580	4,422	5,080	1,606	12,954	3,946
November	57,082	74,402	23,574	23,512	7,264	22,880	7,356	2,743	861	1,016	322
December	62,991	60,186	19,285	24,677	7,757	9,550	3,096	6,350	2,111	2,845	927
1955	701,043	786,449	232,146	301,662	87,933	185,414	54,466	32,767	9,680	67,251	19,843
January	56,395	70,033	22,780	22,159	7,196	20,574	6,707	2,134	709	2,032	678
February	61,718	55,034	18,282	24,909	8,107	14,427	4,740	2,489	814	1,524	513
March	58,309	52,018	16,194	30,042	9,035	1,016	322	1,422	478	4,521	1,427
April	68,657	60,300	18,390	28,702	8,739	3,810	1,136	3,556	1,113	11,329	3,407
May	64,151	49,706	14,731	25,160	7,337	13,563	4,053	—	—	4,064	1,216
June	72,505	59,096	17,279	25,410	7,274	9,652	2,920	2,337	692	5,080	1,492
July	58,058	74,567	21,873	25,215	7,316	17,780	5,236	2,235	538	10,089	2,999
August	53,732	76,386	21,855	30,467	8,397	12,466	3,607	5,842	1,749	5,486	1,600
September	52,370	81,734	22,925	24,005	6,534	23,419	6,595	5,842	1,646	4,164	1,178
October	46,071	84,344	23,166	20,207	5,422	39,040	10,806	1,321	349	4,724	1,298
November	43,384	59,382	16,796	23,955	6,690	17,272	4,894	1,931	552	5,094	1,447
December	65,693	63,849	17,875	21,431	5,886	12,395	3,450	3,658	1,040	9,144	2,588

TABLE 21.—*Ten Principal Exports by Country of Destination,* 1949-1955—*Continued*

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	COPRA											
	Venezuela		Belgium & Luxembourg		Italy		Germany		Switzerland		Norway	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	—	—	8,670	2,842	26,990	8,911	28,042	10,211	5,791	2,098	7,866	2,687
1950	22,811	8,748	33,060	13,284	25,850	10,092	3,447	1,440	30,266	12,058	14,910	5,610
1951	8,382	4,254	68,728	26,815	30,814	12,217	4,948	2,186	14,661	5,523	12,751	5,222
1952	14,011	3,700	55,595	14,350	28,174	7,630	12,914	3,626	13,453	3,886	11,201	3,046
1953	28,620	10,794	22,370	8,512	18,236	6,993	18,745	6,813	11,689	4,552	11,887	4,451
1954	31,018	10,482	23,673	8,669	21,234	7,256	52,964	18,353	5,848	1,839	26,486	8,804
January	508	215	7,163	3,087	3,454	1,471	1,524	644	—	—	2,540	1,093
February	3,048	1,294	1,016	431	508	216	3,556	1,545	—	—	—	—
March	2,337	941	1,016	438	1,016	362	6,604	2,653	—	—	1,524	621
April	1,727	576	1,727	628	1,524	487	6,350	2,274	—	—	1,016	361
May	1,016	318	2,794	937	3,556	1,146	1,778	596	1,016	318	2,032	649
June	3,251	1,024	3,048	987	2,540	812	3,556	1,180	—	—	2,032	688
July	2,997	1,003	1,016	340	2,032	645	2,388	774	508	164	3,048	974
August	6,350	2,034	—	—	1,016	319	2,621	849	1,530	492	2,794	873
September	4,165	1,297	1,321	406	2,032	618	7,823	2,510	1,778	549	1,778	564
October	5,619	1,780	1,016	305	508	153	6,604	2,044	1,016	316	5,080	1,540
November	—	—	2,540	783	2,032	671	6,604	2,128	—	—	4,134	1,275
December	—	—	1,016	327	1,016	356	3,556	1,156	—	—	503	166
1955	25,343	7,767	18,908	5,538	18,390	5,510	45,229	13,238	8,157	2,488	20,320	6,272
January	4,462	1,468	—	—	2,032	679	6,502	2,099	2,010	626	4,572	1,443
February	—	—	2,540	842	1,016	341	508	170	—	—	—	—
March	4,603	1,526	—	—	1,524	480	1,016	320	—	—	4,572	1,500
April	—	—	—	—	3,048	938	3,353	1,032	711	210	1,016	309
May	—	—	1,026	308	1,016	305	3,556	1,048	813	310	—	—
June	2,139	640	1,524	440	508	145	3,048	811	2,032	586	1,016	303
July	1,971	580	1,880	555	508	148	5,705	1,744	152	45	508	150
August	6,072	1,793	2,540	755	2,032	588	4,724	1,360	1,423	418	508	150
September	2,032	610	508	141	—	—	3,759	1,028	508	147	4,064	1,211
October	1,016	276	4,318	1,218	4,674	1,273	6,200	1,697	—	—	2,032	593
November	1,016	300	3,556	992	508	160	1,524	426	—	—	1,524	477
December	2,032	574	1,016	287	1,524	453	5,334	1,503	508	146	508	136

TABLE 21.—*Ten Principal Exports by Country of Destination, 1949-1955—Continued*

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	COPRA											
	Canada		Israel		Egypt		Sweden		Spain		Japan	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	14,833	4,604	5,609r	1,924r	—	—	6,706	2,191	—	—	9,423	3,391
1950	15,346	6,334	9,124	3,723	—	—	8,128	3,506	—	—	28,851	11,694
1951	21,234	7,827	10,206r	4,152r	1,524	685	16,409	6,689	585	207	7,638	3,810
1952	24,940	6,705	24,050r	6,478r	—	—	12,074	3,735	745	241	22,401	6,101
1953	9,297	3,356	7,229r	2,783r	3,759	1,307	1,346	584	1,314	470	1,016	385
1954	18,237	6,112	4,776	1,556	—	—	8,941	2,857	285	127	305	108
January	—	—	—	—	—	—	—	—	—	—	—	—
February	1,524	621	—	—	—	—	—	—	—	—	—	—
March	1,524	577	—	—	—	—	—	—	200	95	—	—
April	2,032	714	—	—	—	—	—	—	—	—	305	108
May	2,133	714	—	—	—	—	305	92	—	—	—	—
June	2,642	896	—	—	—	—	—	—	—	—	—	—
July	2,286	727	—	—	—	—	—	—	—	—	—	—
August	762	237	1,423	464	—	—	—	—	—	—	—	—
September	508	146	—	—	—	—	—	—	85	32	—	—
October	2,540	772	—	—	—	—	—	—	—	—	—	—
November	508	172	2,337	732	—	—	3,302	1,076	—	—	—	—
December	1,778	536	1,016	360	—	—	5,334	1,689	—	—	—	—
1955	5,791	1,674	9,855	3,099	—	—	31,547	9,773	152	53	3,985	1,120
January	508	167	1,524	507	—	—	508	175	—	—	—	—
February	—	—	1,727	592	—	—	4,572	1,523	—	—	—	—
March	—	—	1,321	459	—	—	1,016	342	152	53	—	—
April	—	—	—	—	—	—	4,775	1,506	—	—	—	—
May	—	—	—	—	—	—	508	154	—	—	—	—
June	—	—	1,016	307	—	—	4,674	1,475	—	—	—	—
July	—	—	1,016	307	—	—	4,369	1,308	—	—	—	—
August	1,270	368	—	—	—	—	3,353	1,009	—	—	—	—
September	508	133	1,727	480	—	—	5,486	1,621	—	—	3,985	1,120
October	—	—	—	—	—	—	—	—	—	—	—	—
November	1,524	446	—	—	—	—	—	—	—	—	—	—
December	1,981	560	1,524	447	—	—	2,286	660	—	—	—	—

TABLE 21.—*Ten Principal Exports by Country of Destination, 1949-1955—Continued*

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	COPRA								SUGAR (Centrifugal)			
	Syria and Lebanon		United Kingdom		France		Other countries		Total		United States	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	1,474	472	—	—	23,779	8,624	11,819r	4,667r	414,983	90,464	414,983	90,464
1950	1,118	412	—	—	5,756	2,453	1,115	119	420,475	91,813	415,048	90,621
1951	3,248	1,090	1,473	573	16,332	5,913	21,788r	11,905r	567,004	128,496	555,640	126,436
1952	3,200	872	1,067	294	2,945	826	6,039r	1,553r	793,357	179,763	793,357	179,763
1953	915	355	813	296	132	55	1,097r	401r	782,781	191,555	782,781	191,555
1954	2,032	685	5,842	1,994	—	—	7,214	2,268	869,403	211,248	852,446	207,505
January	203	88	—	—	—	—	—	—	100,056	24,125	100,056	24,125
February	—	—	—	—	—	—	—	—	106,036	25,554	106,036	25,554
March	—	—	1,016	411	—	—	—	—	79,190	19,419	79,190	19,419
April	508	175	—	—	—	—	—	—	131,485	32,483	131,485	32,483
May	1,016	321	—	—	—	—	508	152	68,657	17,029	68,657	17,029
June	305	101	—	—	—	—	3,048	959	57,826	14,291	57,826	14,291
July	—	—	1,524	488	—	—	1	1	97,789	24,093	97,789	24,093
August	—	—	—	—	—	—	—	—	37,087	9,205	37,087	9,205
September	—	—	—	—	—	—	—	—	21,569	5,229	21,569	5,229
October	—	—	—	—	—	—	1,625	513	26,553	6,289	26,553	6,289
November	—	—	2,794	934	—	—	—	—	55,861	13,053	46,231	10,924
December	—	—	508	161	—	—	2,032	643	87,294	20,478	79,967	18,864
1955	2,337	717	6,050	1,800	—	—	3,291	1,175	926,796	212,590	909,437	208,953
January	—	—	1,016	326	—	—	—	—	80,771	18,772	75,907	17,706
February	—	—	508	181	—	—	814	459	111,813	25,284	111,809	25,283
March	305	103	—	—	—	—	508	149	97,760	21,656	97,756	21,655
April	—	—	—	—	—	—	—	—	112,878	26,736	112,878	26,736
May	—	—	—	—	—	—	—	—	115,787	27,507	115,777	27,505
June	203	62	254	73	—	—	203	59	121,767	28,280	121,767	28,280
July	1,829	552	1,016	303	—	—	294	92	52,999	12,388	52,999	12,388
August	—	—	—	—	—	—	203	61	34,439	7,814	34,439	7,814
September	—	—	1,016	279	—	—	711	202	14,977	3,617	14,977	3,617
October	—	—	508	150	—	—	304	84	8,128	1,836	8,128	1,836
November	—	—	1,224	343	—	—	254	69	48,755	10,964	48,755	10,964
December	—	—	508	145	—	—	—	—	126,722	27,736	114,245	25,169

TABLE 21.—*Ten Principal Exports by Country of Destination*, 1949-1955—*Continued*

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	SUGAR (Centrifugal)		ABACA (Unmanufactured)									
	Other countries		Total		United States		Japan		United Kingdom		Germany	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	—	—	63,389	57,801	27,970	27,816	12,839	11,014	5,362	4,768	2,421	2,273
1950	5,427	1,192	96,312	83,270	49,204	46,300	15,813	12,139	12,375	9,290	2,415	1,833
1951	11,364	2,060	127,658	133,986	61,691	70,412	16,887	15,914	21,841	22,213	3,671	3,530
1952	—	—	109,697	81,920	46,881	39,071	26,287	16,998	12,515	9,479	3,203	2,238
1953	—	—	112,157	77,838	41,342	31,996	30,724	19,379	14,056	9,410	4,432	3,005
1954	16,957	3,743	97,848	52,687	25,005	15,663	29,380	14,378	13,802	7,381	4,454	2,375
January	—	—	7,864	5,162	1,936	1,480	2,630	1,672	1,376	839	414	245
February	—	—	9,912	6,274	2,310	1,762	2,740	1,641	2,417	1,453	681	393
March	—	—	7,994	4,662	2,101	1,465	1,628	905	1,137	582	538	304
April	—	—	7,009	3,922	1,892	1,244	1,447	757	1,218	657	392	220
May	—	—	7,834	4,494	2,242	1,448	1,496	737	916	491	272	164
June	—	—	7,371	4,116	2,111	1,302	1,113	521	1,089	579	228	135
July	—	—	8,640	4,515	1,310	807	3,058	1,491	1,191	612	405	206
August	—	—	7,747	3,979	2,199	1,335	2,825	1,418	781	378	440	193
September	—	—	8,182	3,890	1,842	1,018	3,111	1,403	854	426	245	117
October	—	—	9,900	4,437	2,527	1,390	4,160	1,579	726	345	393	185
November	9,630	2,129	7,238	3,301	1,923	1,024	2,357	977	1,092	511	177	84
December	7,327	1,614	8,157	3,935	2,612	1,388	2,815	1,277	1,005	508	269	129
1955	17,359	3,637	111,802	55,661	29,389	17,471	34,314	15,543	16,448	8,071	6,118	2,949
January	4,864	1,066	8,494	3,999	1,151	616	2,739	1,255	1,845	905	500	240
February	4	1	8,148	3,922	1,970	1,080	1,863	842	1,621	805	388	188
March	4	1	10,866	5,129	1,865	1,097	3,387	1,419	1,902	917	780	387
April	—	—	9,787	4,649	2,494	1,481	2,818	1,100	2,190	1,023	333	159
May	10	2	8,455	4,140	2,452	1,423	2,232	960	1,227	600	591	269
June	—	—	9,859	4,990	3,011	1,774	2,629	1,249	1,309	609	386	181
July	—	—	9,017	4,331	2,810	1,572	2,843	1,247	962	491	368	161
August	—	—	10,015	4,903	1,962	1,143	3,542	1,598	1,514	789	430	218
September	—	—	10,510	5,335	2,666	1,584	3,213	1,544	1,315	640	1,025	497
October	—	—	8,957	4,732	3,056	1,923	3,475	1,667	733	334	304	161
November	—	—	7,394	3,890	2,020	1,322	2,196	1,006	708	343	696	330
December	12,477	2,567	10,300	5,641	3,932	2,456	3,377	1,656	1,122	615	317	158

TABLE 21.—*Ten Principal Exports by Country of Destination, 1949-1955—Continued*

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	ABACA (Unmanufactured)											
	Netherlands		France		Belgium & Luxembourg		Norway		Denmark		Other countries	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	1,865	1,396	3,276	2,446	1,058	855	629	555	2,062	1,602	5,907	5,076
1950	1,598	881	2,665	1,689	1,576	1,143	1,261	1,126	1,135	787	8,270	8,082
1951	1,710	1,553	5,855	5,127	3,201	2,961	2,441	2,784	1,921	1,749	8,440	7,743
1952	2,058	1,338	4,403	2,668	3,185	2,212	1,436	1,126	1,859	1,345	7,870	5,445
1953	3,847	2,365	4,433	2,580	3,267	2,115	2,007	1,571	1,827	1,209	6,222	4,208
1954	4,008	1,848	3,801	1,646	3,565	1,764	2,169	1,394	1,453	709	10,211	5,529
January	136	66	234	114	327	176	322	246	76	52	413	272
February	354	175	297	145	368	229	130	107	139	78	476	291
March	595	302	472	215	416	244	231	169	91	41	785	435
April	206	89	537	236	171	86	232	145	142	71	772	417
May	281	148	413	181	152	75	266	178	123	61	1,673	1,011
June	332	164	491	221	246	131	190	114	104	57	1,467	892
July	466	209	285	119	358	171	182	115	173	85	1,212	700
August	298	118	252	93	255	117	89	43	111	51	497	233
September	516	208	190	78	321	133	82	44	134	59	887	404
October	283	124	149	60	381	167	139	76	98	44	1,044	467
November	266	120	228	81	194	75	133	67	158	68	710	294
December	275	125	253	103	376	160	173	90	104	42	275	113
1955	2,796	1,242	4,655	1,757	4,913	2,217	2,128	1,164	1,334	620	9,707	4,627
January	411	183	355	139	617	277	89	39	76	36	711	309
February	300	136	497	181	491	208	193	110	68	29	757	343
March	342	152	543	216	788	382	215	112	177	79	867	368
April	168	80	482	183	238	102	133	75	173	78	758	368
May	123	48	367	135	297	125	217	115	125	53	824	412
June	142	72	412	145	369	157	279	158	98	48	1,224	597
July	309	143	405	159	278	114	221	107	130	52	691	285
August	272	121	341	129	536	243	268	145	53	24	1,097	493
September	211	88	220	69	429	208	243	139	130	57	1,058	509
October	128	55	233	98	240	95	92	50	32	18	664	331
November	155	63	367	147	326	148	108	64	114	58	704	409
December	235	101	433	156	304	158	70	50	158	88	352	203

TABLE 21.—*Ten Principal Exports by Country of Destination*, 1949-1955—*Continued*

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	LOGS AND LUMBER [b]											
	Total		Japan		United States		Union of S. Africa		China		Hongkong	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	43,382	6,520	11,274	998	20,429	3,883	—	—	1,968	297	2,707	305
1950	144,247	21,381	59,731	7,834	61,196	9,997	1,094	168	8,469	741	5,651	472
1951	265,902	34,534	163,920	17,866	77,557	12,864	6,275	1,104	5,935	458	2,501	264
1952	326,433	37,892	224,665	19,449	69,760	12,680	7,122	1,807	9,721	810	6,989	695
1953	532,401	57,874	432,912	41,599	70,050	12,057	4,948	1,387	8,193	801	6,906	500
1954	605,893	71,180	457,691	48,761	70,499	12,997	5,845	1,691	27,299	2,543	4,602	408
January	40,414	4,692	33,969	3,551	4,632	831	426	125	952	109	125	12
February	59,892	6,921	48,512	5,091	6,097	1,070	604	175	3,201	318	308	24
March	51,331	5,785	40,775	4,140	4,919	953	630	187	3,653	346	690	47
April	43,414	5,009	33,281	3,528	6,570	1,095	65	12	2,848	241	236	20
May	42,819	4,866	31,991	3,231	6,287	1,109	—	—	2,297	205	152	13
June	48,164	5,701	35,262	3,486	7,898	1,543	511	136	1,236	118	61	6
July	44,283	5,167	28,668	2,808	5,747	1,100	1,162	330	1,696	170	351	29
August	50,771	5,444	30,886	2,994	6,051	1,101	—	—	3,778	331	1,429	131
September	41,381	4,768	33,864	3,306	5,344	1,043	688	198	700	58	302	55
October	50,496	5,418	37,836	3,774	3,358	739	—	—	3,183	292	268	22
November	66,302	7,437	48,524	4,796	8,321	1,355	1,718	516	425	39	464	32
December	66,626	9,972	54,123	8,056	5,275	1,058	41	12	3,330	316	216	17
1955	685,605	78,697	548,757	55,382	78,962	15,197	9,709	2,737	10,748	1,041	3,233	217
January	35,296	3,719	26,030	2,514	3,884	710	—	—	274	27	669	42
February	33,229	3,870	27,591	2,689	4,149	786	857	253	—	—	179	15
March	63,255	7,661	52,862	5,317	5,898	1,520	1,558	455	—	—	587	39
April	81,882	8,857	71,752	7,345	7,560	1,246	—	—	537	52	286	17
May	70,259	7,826	60,560	6,037	5,723	1,181	683	206	2,073	212	70	4
June	80,693	9,057	66,823	6,810	8,962	1,529	1,145	295	2,462	261	—	—
July	77,984	8,687	60,792	6,157	10,613	1,781	592	171	3,702	316	298	26
August	73,454	8,439	55,850	5,693	9,991	1,798	876	233	—	—	350	22
September	63,684	7,377	47,299	4,795	8,450	1,581	1,058	308	442	47	380	24
October	38,848	4,956	29,845	3,082	5,110	1,088	1,406	373	—	—	—	—
November	29,707	3,450	23,679	2,381	3,299	640	591	174	—	—	10	1
December	37,314	4,798	25,674	2,562	5,323	1,337	943	269	1,258	126	404	27

TABLE 21.—*Ten Principal Exports by Country of Destination, 1949-1955—Continued*

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	LOGS AND LUMBER [b]											
	Korea		Hawaii		Netherlands		United Kingdom		Belgium & Luxembourg		Other countries	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	3,458	265	159	54	—	—	88	23	40	15	3,259	680
1950	1,856	282	1,300	322	—	—	517	78	155	42	4,278	1,445
1951	—	—	1,963	528	—	—	4,132	631	204	70	3,415	749
1952	—	—	4,019	1,078	—	—	401	176	216	73	3,534	1,124
1953	4,602	413	1,286	371	359	162	571	134	264	93	2,310	357
1954	31,352	2,928	3,162	809	16	11	205	52	454	156	4,768	824
January	—	—	112	39	—	—	13	4	—	—	185	21
February	—	—	360	87	—	—	—	—	72	26	738	130
March	—	—	85	14	6	4	—	—	71	24	502	70
April	—	—	259	69	—	—	81	20	—	—	74	24
May	1,204	158	105	31	—	—	73	18	—	—	710	101
June	2,300	217	450	105	—	—	—	—	—	—	446	90
July	5,760	543	245	63	10	7	—	—	81	28	563	89
August	8,084	790	218	51	—	—	—	—	—	—	325	46
September	200	14	91	29	—	—	—	—	165	57	27	8
October	5,206	419	210	50	—	—	38	10	24	8	373	104
November	6,385	592	272	76	—	—	—	—	—	—	193	31
December	2,213	195	755	195	—	—	—	—	41	13	632	110
1955	27,176	2,581	1,991	522	14	5	130	32	618	221	4,267	762
January	3,408	273	232	47	—	—	—	—	—	—	799	106
February	—	—	268	66	4	1	—	—	95	34	86	26
March	1,823	159	185	50	—	—	75	18	107	39	160	64
April	670	48	150	30	—	—	—	—	—	—	927	119
May	760	56	200	59	10	4	—	—	110	38	70	29
June	1,033	92	—	—	—	—	—	—	—	—	268	70
July	1,849	183	21	7	—	—	—	—	82	29	35	17
August	4,975	497	245	48	—	—	15	4	—	—	1,152	144
September	5,844	541	102	39	—	—	5	1	—	—	104	41
October	2,050	267	156	55	—	—	—	—	136	49	145	42
November	1,900	180	—	—	—	—	35	9	88	32	105	33
December	2,864	285	432	121	—	—	—	—	—	—	416	71

TABLE 21.—*Ten Principal Exports by Country of Destination*, 1949-1955—*Continued*

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	DESICCATED COCONUT						COCONUT OIL					
	Total		United States		Other countries		Total		United States		Other countries	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	57,637	38,733	56,036	37,537	1,601	1,196	61,304	35,019	49,737	27,710	11,567	7,309
1950	73,050	48,314	69,989	46,174	3,061	2,140	69,806	42,964	63,616	39,134	6,190	3,830
1951	47,452	29,804	43,985	28,421	3,467	1,383	77,854	48,993	40,199	25,246	37,655	23,747
1952	39,081	19,480	38,559	19,217	522	263	80,548	30,842	56,757	21,172	23,791	9,670
1953	49,496	31,497	49,180	31,320	316	177	59,473	34,287	58,167	33,703	1,306	584
1954	45,659	27,047	44,898	26,759	761	288	65,208	33,136	63,994	32,449	1,214	687
January	1,570	1,086	1,567	1,084	3	2	3,070	1,968	2,953	1,865	117	103
February	2,912	2,106	2,889	2,090	23	16	4,412	2,843	4,411	2,842	1	1
March	3,030	2,059	3,025	2,056	5	3	4,640	2,620	4,640	2,620	—	—
April	2,711	1,734	2,706	1,731	5	3	5,894	3,069	5,640	2,933	254	136
May	4,285	2,573	4,271	2,564	14	9	4,840	2,512	4,840	2,512	—	—
June	4,139	2,345	4,137	2,344	2	1	4,470	2,243	4,322	2,158	148	85
July	5,877	3,237	5,348	3,062	529	175	7,564	3,713	7,563	3,712	1	1
August	4,994	2,791	4,979	2,781	15	10	7,375	3,570	7,375	3,570	—	—
September	5,801	3,175	5,745	3,166	56	9	5,874	2,595	5,874	2,595	—	—
October	4,351	2,430	4,268	2,385	83	45	7,038	3,249	6,791	3,140	247	109
November	2,820	1,638	2,802	1,627	18	11	3,860	1,844	3,554	1,692	306	152
December	3,169	1,873	3,161	1,869	8	4	6,171	2,910	6,031	2,810	140	100
1955	48,529	25,620	48,281	25,476	248	144	74,177	33,069	69,925	31,282	4,252	1,787
January	1,576	973	1,562	964	14	9	5,688	2,939	5,687	2,938	1	1
February	5,475	2,470	5,468	2,466	7	4	6,210	3,041	5,905	2,867	305	174
March	2,338	1,370	2,281	1,337	57	33	4,438	2,126	4,437	2,125	1	1
April	3,325	1,875	3,299	1,860	26	15	5,650	2,560	5,650	2,560	—	—
May	3,320	1,743	3,307	1,736	13	7	4,272	1,926	4,272	1,926	—	—
June	4,453	2,290	4,422	2,271	31	19	7,125	3,176	7,125	3,176	—	—
July	4,871	2,510	4,870	2,509	1	1	7,456	3,235	6,943	3,001	513	234
August	5,837	3,069	5,813	3,055	24	14	4,911	2,084	4,810	2,031	101	53
September	5,369	2,874	5,356	2,867	13	7	8,118	3 294	6,797	2,819	1,321	475
October	4,539	2,405	4,521	2,395	18	10	7,812	3,415	6,565	2,881	1,247	534
November	3,789	2,023	3,769	2,012	20	11	5,250	2,260	4,488	1,946	762	314
December	3,637	2,018	3,613	2,004	24	14	7,247	3,013	7,246	3,012	1	1

TABLE 21.--*Ten Principal Exports by Country of Destination, 1949-1955—Continued*

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	IRON ORE								PINAPPLES (Canned)					
	Total		Japan		United States		Other countries		Total		United States		Other countries	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949.....	349,872	4,756	349,872	4,756	—	—	—	—	40,429	13,675	40,429	13,675	—	—
1950.....	596,077	9,167	466,093	6,390	123,278	2,645	6,706	132	65,388	18,948	65,388	18,948	—	—
1951.....	892,301	14,193	865,103	13,760	27,198	433	—	—	53,436	16,292	53,376	16,254	60	38
1952.....	1,189,417	22,231	1,112,665	20,091	76,752	2,140	—	—	77,545	22,591	77,534	22,584	11	7
1953.....	1,292,802	22,611	1,292,802	22,611	—	—	—	—	74,635	22,090	74,618	22,084	17	6
1954.....	1,350,120	21,494	1,350,120	21,494	—	—	—	—	34,013	9,412	34,013	9,412	—	—
January.....	105,504	1,621	105,504	1,621	—	—	—	—	1,861	574	1,861	574	—	—
February.....	124,655	2,024	124,655	2,024	—	—	—	—	1,340	298	1,340	298	—	—
March.....	113,065	1,856	113,065	1,856	—	—	—	—	2,597	736	2,597	736	—	—
April.....	93,579	1,449	93,579	1,449	—	—	—	—	5,114	1,516	5,114	1,516	—	—
May.....	133,658	2,088	133,658	2,088	—	—	—	—	5,013	1,413	5,013	1,413	—	—
June.....	98,195	1,510	98,195	1,510	—	—	—	—	5,622	1,583	5,622	1,583	—	—
July.....	118,744	1,927	118,744	1,927	—	—	—	—	8,169	2,332	8,169	2,332	—	—
August.....	151,685	2,397	151,685	2,397	—	—	—	—	3,335	766	3,335	766	—	—
September....	76,729	1,219	76,729	1,219	—	—	—	—	962	194	962	194	—	—
October.....	89,627	1,418	89,627	1,418	—	—	—	—	—	—	—	—	—	—
November....	120,451	1,979	120,451	1,979	—	—	—	—	—	—	—	—	—	—
December....	124,228	2,006	124,228	2,006	—	—	—	—	—	—	—	—	—	—
1955.....	1,271,113	20,602	1,257,023	20,357	8,150	138	5,940	107	33,353	11,093	32,572	10,782	781	311
January.....	92,297	1,473	92,297	1,473	—	—	—	—	—	—	—	—	—	—
February.....	118,687	1,917	118,687	1,917	—	—	—	—	4,803	1,977	4,803	1,977	—	—
March.....	101,939	1,634	101,939	1,634	—	—	—	—	2,884	960	2,859	952	25	8
April.....	159,154	2,492	147,704	2,298	8,150	138	3,300	56	5,484	1,812	5,484	1,812	—	—
May.....	117,812	1,910	117,812	1,910	—	—	—	—	6,900	1,862	6,900	1,862	—	—
June.....	132,483	2,144	132,483	2,144	—	—	—	—	6,876	2,455	6,706	2,383	170	72
July.....	78,812	1,277	78,812	1,277	—	—	—	—	3,068	1,023	2,724	886	344	137
August.....	96,228	1,566	96,228	1,566	—	—	—	—	1,602	391	1,566	377	36	14
September...	148,042	2,380	145,402	2,329	—	—	2,640	51	59	23	—	—	59	23
October.....	85,513	1,444	85,513	1,444	—	—	—	—	135	51	—	—	135	51
November...	53,683	911	53,683	911	—	—	—	—	1,541	538	1,530	533	11	5
December...	86,463	1,454	86,463	1,454	—	—	—	—	1	1	—	—	1	1

TABLE 21.—*Ten Principal Exports by Country of Destination, 1949-1955 (Concluded)*

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	CHROMITE ORE								COPPER CONCENTRATES					
	Total		United States		Japan		Other coutries		Total		United States		Japan	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	235,157	5,565	213,699	5,123	—	—	21,458	442	22,993	5,495	22,993	5,495	—	—
1950	188,216	4,339	151,948	3,571	27,417	638	8,851	130	8,053	3,460	8,053	3,460	—	—
1951	367,370	9,633	344,504	8,712	22,359	892	507	29	11,030	3,038	11,030	3,038	—	—
1952	488,147	16,097	476,722	15,467	11,000	601	425	29	1,358	224	1,358	224	—	—
1953	556,866	19,344	537,719	18,243	13,950	944	5,197	157	—	—	—	—	—	—
1954	530,465	18,960	500,857	17,336	20,311	1,305	9,297	319	7,206	2,548	7,206	2,548	—	—
January	45,240	1,488	45,138	1,477	—	—	102	11	—	—	—	—	—	—
February	66,089	2,457	62,405	2,213	2,617	176	1,067	68	—	—	—	—	—	—
March	31,597	933	31,597	933	—	—	—	—	—	—	—	—	—	—
April	53,200	1,905	41,506	1,325	6,614	430	5,080	150	—	—	—	—	—	—
May	41,693	1,464	41,693	1,464	—	—	—	—	—	—	—	—	—	—
June	48,911	1,514	47,041	1,389	1,870	125	—	—	—	—	—	—	—	—
July	36,528	1,279	27,940	825	5,540	364	3,048	90	—	—	—	—	—	—
August	79,878	2,356	79,878	2,356	—	—	—	—	—	—	—	—	—	—
September	1,241	35	1,016	30	225	5	—	—	—	—	—	—	—	—
October	41,421	1,289	39,116	1,155	2,305	134	—	—	—	—	—	—	—	—
November	44,584	1,838	44,584	1,838	—	—	—	—	7,000	2,418	7,000	2,418	—	—
December	40,083	2,402	38,943	2,331	1,140	71	—	—	206	130	206	130	—	—
1955	657,195	20,700	606,467	18,546	36,301	1,728	14,427	426	30,806	10,856	1,056	460	29,750	10,405
January	58,526	1,740	57,002	1,686	1,524	54	—	—	—	—	—	—	—	—
February	29,466	943	28,145	885	1,321	58	—	—	14	12	14	12	—	—
March	51,485	1,573	47,242	1,395	4,243	178	—	—	7	6	7	6	—	—
April	32,041	974	31,041	922	1,000	52	—	—	1,204	312	4	3	1,200	309
May	43,891	1,311	43,383	1,281	508	30	—	—	4,060	1,195	10	9	4,050	1,186
June	58,918	1,896	52,977	1,642	5,941	254	—	—	2,711	938	11	10	2,700	928
July	20,445	735	15,241	450	5,204	285	—	—	5,810	1,999	1,010	420	4,800	1,579
August	74,856	2,525	56,222	1,860	4,207	239	14,427	426	3,300	1,086	—	—	3,300	1,086
September	96,997	3,100	92,754	2,917	4,243	183	—	—	4,000	1,445	—	—	4,000	1,445
October	66,126	2,184	61,658	1,941	4,468	243	—	—	4,400	1,882	—	—	4,400	1,882
November	35,239	1,077	33,020	975	2,219	102	—	—	3,800	1,475	—	—	3,800	1,475
December	89,205	2,642	87,782	2,592	1,423	50	—	—	1,500	515	—	—	1,500	515

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

[a] The composition of the ten principal exports changed in 1955.
[b] Quantity in thousand board feet.

TABLE 22.—*Exports by Commodity Group*, 1949-1955

(F.O.B. value in thousand pesos)

Period	Total exports	Total domestic exports	Animals, live	Meat products	Dairy products	Fish & fish products	Animal products Inedible	Other animal products	Grains & Prep.	Vegetable & Prep.	Fruits & Prep.	Coconuts & coconut Prep.
1949	507,510	486,473	—	—	—	273	349	—	13	4	14,605	259,180
1950	674,339	669,277	2	—	15	103	637	—	3,843	5	19,173	375,113
1951	871,014	867,284	66	—	—	98	927	12	4	16	17,827	417,059
1952	703,836	702,909	147	—	—	96	305	3	23	18	22,961	243,351
1953	807,573	807,308	266	—	1	86	460	2	1,861	7	23,857	315,532
1954	810,327	793,212	282	1	—	104	118	4	75	19	9,916	328,220
January	67,454	67,382	48	—	—	2	24	—	—	—	574	25,686
February	80,039	80,017	4	—	—	15	32	1	—	—	301	27,082
March	67,793	67,645	35	—	—	10	8	—	—	—	774	26,132
April	80,775	78,024	44	—	—	4	1	—	—	—	1,707	24,934
May	58,684	58,654	44	—	—	7	9	—	—	—	1,635	22,121
June	64,670	64,576	42	—	—	5	6	1	2	1	1,619	28,847
July	90,033	77,094	16	1	—	12	1	—	—	—	2,339	29,174
August	62,950	62,549	36	—	—	3	3	—	—	2	769	33,788
September	51,200	50,947	8	—	—	18	16	1	2	5	194	27,241
October	56,941	56,822	5	—	—	16	8	1	26	—	2	30,946
November	62,338	62,170	—	—	—	10	2	—	12	8	2	27,631
December	67,449	67,330	—	—	—	2	8	—	33	3	—	24,638
1955	790,763	784,771	—	1	—	172	81	10	141	5	11,692	299,819
January	63,460	63,434	—	—	—	8	6	—	13	2	—	27,525
February	69,223	68,605	—	—	—	10	14	—	19	2	1,984	24,414
March	64,039	63,967	—	—	—	16	7	—	1	—	1,046	20,419
April	78,256	77,709	—	—	—	17	21	—	14	—	1,998	23,467
May	72,895	69,960	—	—	—	16	—	—	11	—	1,936	19,062
June	78,627	78,175	—	—	—	3	—	2	11	—	2,496	23,375
July	66,682	66,377	—	—	—	20	2	1	13	—	1,229	28,234
August	59,358	59,169	—	—	—	25	2	1	7	1	391	27,772
September	60,891	60,832	—	—	—	15	1	3	—	—	23	29,966
October	53,838	53,489	—	1	—	19	8	—	28	—	51	29,789
November	50,650	50,534	—	—	—	6	10	—	8	—	538	21,783
December	72,844	72,520	—	—	—	17	10	3	16	—	—	24,013

TABLE 22.—*Exports by Commodity Group, 1949-1955—Continued*

(F.O.B. value in thousand pesos)

Period	Cacao and coffee	Sugar and related products	Beverages, wines and liquors	Gums and resins	Rubber and manufactures	Plant, dyeing and tanning extracts	Seeds	Misc. plant products	Tobacco and manufactures	Fibers and manufactures	Cotton and miscellaneous fiber products
1949	—	91,702	326	453	690	176	44	2	4,333	62,931	13,988
1950	426	105,475	228	683	1,288	—	21	—	3,303	88,762	13,905
1951	3	150,749	477	1,190	1,469	—	14	—	6,054	153,114	19,237
1952	232	201,225	641	241	1,388	—	17	—	9,103	88,516	17,679
1953	—	203,534	2,037	631	221	1	11	10	9,882	85,866	19,077
1954	1	220,252	1,893	1,144	45	—	—	—	8,671	58,794	12,326
January	—	24,660	203	53	—	—	—	—	214	5,555	1,004
February	—	26,345	190	63	2	—	—	—	1,914	6,675	756
March	—	20,006	355	67	—	—	—	—	994	5,145	838
April	—	33,348	117	64	42	—	—	—	200	4,560	790
May	—	17,529	149	113	—	—	—	—	1,224	5,069	1,117
June	—	15,082	275	107	1	—	—	—	538	4,580	966
July	—	25,570	147	111	—	—	—	—	606	5,096	1,388
August	—	9,720	88	111	—	—	—	—	1,408	4,320	941
September	—	6,067	59	139	—	—	—	—	361	4,621	1,170
October	—	7,086	51	107	—	—	—	—	922	4,949	1,134
November	1	13,867	105	102	—	—	—	—	143	3,738	1,036
December	—	20,972	154	107	—	—	—	—	147	4,486	1,186
1955	—	223,001	1,517	1,680	421	—	4	2	7,897	61,224	3,149
January	—	19,095	76	117	139	—	—	—	262	4,497	197
February	—	26,023	39	143	—	—	—	—	390	4,365	161
March	—	22,966	113	201	82	—	—	—	186	5,983	237
April	—	27,597	368	99	—	—	—	—	270	5,216	181
May	—	28,498	73	153	30	—	4	1	307	4,569	157
June	—	29,606	147	95	—	—	—	—	575	5,443	347
July	—	13,264	134	200	—	—	—	—	1,200	4,622	366
August	—	9,182	131	151	170	—	—	1	186	5,341	452
September	—	4,491	167	154	—	—	—	—	1,437	5,809	309
October	—	2,420	81	184	—	—	—	—	842	5,126	336
November	—	11,523	52	84	—	—	—	—	1,616	4,284	149
December	—	28,336	136	99	—	—	—	—	626	5,969	257

TABLE 22.— *Exports by Commodity Group, 1949-1955 (Concluded)*

(F.O.B. value in thousand pesos)

Period	Logs and lumber	Wood, bamboo, rattan, reeds & mftrs.	Minerals and metals	Med. and pharm. preps.	Soap and toilet preps.	Oils other than coconut	Herbs, leaves and roots, crude	Chemicals	Nuts	Miscellaneous	Re-exports
1949	6,520	1,536	25,091	1	25	—	25	1,358	2	2,846	21,037
1950	21,381	2,781	26,244	95	27	12	—	1,223	2	4,530	5,062
1951	34,534	2,524	53,043	—	28	8	91	3,995	—	4,745	3,730
1952	37,892	2,939	69,904	3	28	8	20	2,547	1	3,621	927
1953	57,874	7,313	70,815	6	15	4	—	3,452	—	4,486	266
1954	71,180	2,997	70,991	8	24	3	—	2,824	390	2,928	17,115
January	4,692	161	4,271	—	—	—	—	6	—	229	72
February	6,921	172	8,930	—	—	—	—	372	—	242	22
March	5,785	196	6,581	—	2	—	—	317	—	400	148
April	5,009	174	6,525	8	—	—	—	251	—	246	2,751
May	4,866	263	4,014	—	—	—	—	331	—	163	30
June	5,701	237	6,390	—	4	—	—	—	1	171	94
July	5,167	234	6,612	—	—	—	—	325	—	295	12,939
August	5,444	199	5,230	—	3	—	—	251	—	233	401
September	4,768	250	5,477	—	8	—	—	345	74	123	253
October	5,418	305	5,464	—	2	—	—	—	97	283	119
November	7,437	419	6,506	—	2	3	—	626	212	308	167
December	9,972	387	4,991	—	3	—	—	—	6	235	119
1955	78,697	5,796	80,963	6	34	54	—	2,840	2,787	2,778	5,992
January	3,719	345	6,878	—	7	11	—	359	34	144	26
February	3,870	356	6,387	6	—	—	—	250	24	148	618
March	7,661	507	3,763	—	12	—	—	112	368	287	72
April	8,857	452	7,910	—	3	—	—	255	851	133	547
May	7,826	540	5,185	—	3	—	—	321	1,099	169	2,935
June	9,057	510	5,615	—	—	—	—	330	317	246	452
July	8,687	637	7,395	—	1	—	—	7	90	275	305
August	8,439	695	5,643	—	1	—	—	310	—	268	189
September	7,377	556	10,033	—	1	3	—	202	2	283	59
October	4,956	411	8,558	—	4	37	—	354	2	282	349
November	3,450	404	6,404	—	—	3	—	—	—	220	116
December	4,798	383	7,192	—	2	—	—	340	—	323	324

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 23.—*Ten Principal Imports by Country of Origin*, 1952-1955

(F.O.B. value in thousand pesos)

Period	Total ten principal imports	Textile yarn, fabrics and made up articles										
		Total	United States	Japan	India	Hongkong	Spain	United Kingdom	France	Italy	Switzerland	Other countries
1952	587,716	156,927	134,083	4,316	4,091	3,379	1,741	957	2,213	2,887	357	2,903
1953	625,820	158,034	140,604	8,086	3,064	2,553	1,251	1,185	334	174	159	624
1954	682,257	171,702	137,922	19,911	2,621	6,754	7	1,836	1,062	249	693	647
January	59,974	13,302	10,874	923	624	494	—	105	156	28	51	47
February	43,741	7,909	5,473	1,376	605	158	—	70	121	15	75	16
March	58,553	17,420	14,551	1,844	129	504	—	144	58	12	51	127
April	56,315	13,129	10,749	1,406	62	391	1	268	100	13	90	49
May	58,226	15,629	13,692	981	141	476	—	80	152	18	55	34
June	60,966	13,419	10,197	2,136	301	407	—	164	89	35	64	26
July	56,819	11,630	9,124	1,292	95	719	—	165	122	9	63	41
August	50,359	9,840	7,388	1,145	—	961	1	136	72	24	74	39
September	50,755	14,334	11,124	2,129	—	863	—	117	20	11	44	26
October	57,897	17,330	13,748	2,412	87	635	1	267	54	33	45	48
November	62,812	17,926	14,919	2,047	214	396	3	142	45	39	19	102
December	65,838	19,834	16,083	2,220	363	750	1	178	73	12	62	92
1955	769,590	170,641	127,287	25,901	6,407	6,337	21	1,918	650	266	628	1,226
January	66,033	18,303	12,903	3,026	1,234	796	—	172	12	20	28	112
February	53,400	12,702	9,484	1,958	512	450	—	102	66	6	53	71
March	66,004	19,499	14,849	3,055	372	668	3	114	101	41	136	160
April	63,406	14,432	10,843	2,337	349	528	—	159	25	57	70	64
May	78,715	19,081	15,067	2,747	448	505	1	86	13	16	57	141
June	74,566	13,965	10,496	2,226	131	552	10	229	121	16	55	129
July	55,158	10,075	7,048	1,660	542	438	7	129	39	19	38	155
August	52,071	8,901	6,420	1,152	69	880	—	119	24	50	53	134
September	51,018	8,906	6,684	1,204	398	201	—	166	85	11	50	107
October	58,834	10,425	7,526	2,231	128	258	—	116	45	3	41	77
November	68,110	14,548	11,057	2,175	477	530	—	211	48	10	16	24
December	82,275	19,804	14,910	2,130	1,747	531	—	315	71	17	31	52

TABLE 23.—*Ten Principal Imports by Country of Origin, 1952-1955—Continued*

(F.O.B. value in thousand pesos)

Period	Mineral fuels, lubricants and related materials							Machinery other than electric				
	Total	United States	Malaya and Singapore	Indonesia	Iran (Persia)	Saudi Arabia	Other countries	Total	United States	United Kingdom	Japan	Netherlands
1952	86,654	17,298	14,726	24,285	12,259	13,323	4,763	63,869	52,398	3,573	2,298	99
1953	97,791	20,839	25,213	20,646	17,581	12,997	515	81,160	71,812	2,218	1,458	1,592
1954	108,286	20,298	23,407	25,427	20,713	17,975	466	88,524	71,725	5,349	3,455	1,566
January	11,638	2,010	3,561	1,799	1,717	2,467	84	9,537	7,237	314	770	314
February	6,303	1,309	1,046	1,331	1,695	872	50	8,842	7,380	480	134	262
March	9,329	1,401	3,197	2,505	567	1,634	25	7,066	5,877	355	438	5
April	7,383	2,155	2,060	1	1,460	1,647	60	7,933	6,370	644	304	224
May	6,902	1,376	1,495	2,050	1,915	—	66	9,106	7,231	641	159	274
June	12,818	2,292	2,570	2,206	1,533	4,166	51	6,986	5,716	561	126	67
July	13,132	2,643	1,026	5,386	3,170	882	25	6,107	5,068	551	101	41
August	10,051	1,825	2,791	2,081	3,323	—	31	6,476	5,538	349	135	72
September	6,885	1,510	1,168	1,053	2,592	545	17	6,226	4,902	360	470	116
October	6,389	1,663	712	1,415	1,282	1,317	—	6,882	5,449	407	269	129
November	8,981	779	1,956	3,398	1,459	1,369	20	7,196	5,723	580	305	34
December	8,475	1,335	1,825	2,202	—	3,076	37	6,167	5,234	107	244	28
1955	107,657	19,761	23,286	36,650	1,611	21,426	4,923	104,347	77,906	8,789	7,811	660
January	11,723	1,454	759	7,025	127	2,301	57	8,949	6,702	1,015	501	46
February	6,192	953	1,145	2,996	—	1,074	24	8,245	6,574	678	502	44
March	8,518	1,089	1,909	2,870	—	2,545	105	8,105	6,113	736	474	43
April	9,024	1,106	1,580	1,538	1,108	3,636	56	6,726	5,111	531	523	12
May	8,564	2,260	2,450	1,299	348	2,170	37	11,227	8,448	758	1,136	19
June	9,840	2,014	2,316	3,741	17	854	898	11,191	8,141	1,266	910	44
July	10,879	2,055	4,667	1,568	—	2,179	410	6,026	4,755	87	315	137
August	8,252	1,609	2,480	3,083	—	1,032	48	7,243	5,120	801	240	56
September	6,732	1,447	1,012	2,024	—	831	1,418	6,953	4,526	718	881	131
October	8,836	1,756	2,006	3,009	—	1,085	980	8,887	6,876	756	559	25
November	10,095	1,773	1,772	3,939	—	2,594	17	9,023	6,223	610	1,226	64
December	9,002	2,245	1,190	3,558	11	1,125	873	11,772	9,317	833	544	39

TABLE 23.—*Ten Principal Imports by Country of Origin, 1952-1955—Continued*

(F.O.B. value in thousand pesos)

Period	Machinery other than electric				Base Metals							
	Germany	Italy	Hongkong	Other countries	Total	United States	Japan	Belgium and Luxembourg	Netherlands	United Kingdom	Germany	Other countries
1952	1,432	2,475	105	1,489	41,634	15,773	17,628	3,323	1,144	1,346	946	1,474
1953	1,058	947	768	1,307	62,281	34,379	20,614	3,448	1,007	889	430	1,514
1954	3,432	331	469	2,197	60,438	25,121	17,180	8,648	904	1,372	2,713	4,500
January	289	21	88	504	5,189	2,487	989	764	389	47	303	210
February	402	21	12	151	3,679	1,303	1,177	422	85	16	177	499
March	158	14	14	205	4,707	1,683	1,962	650	22	95	130	165
April	242	6	10	133	4,973	2,144	1,224	797	28	43	237	500
May	525	105	22	149	5,790	1,802	2,011	921	133	29	174	690
June	308	47	47	114	5,337	1,872	941	1,066	9	611	366	472
July	224	--	69	53	5,720	3,017	1,131	740	12	101	130	589
August	217	2	43	120	5,036	2,309	1,251	914	79	23	218	242
September	147	8	22	201	4,359	1,544	1,659	607	58	11	264	216
October	371	81	30	146	4,815	2,142	1,290	777	5	157	248	196
November	243	6	43	262	4,883	2,485	1,197	461	32	207	248	253
December	306	20	69	159	5,950	2,333	2,318	529	52	32	218	468
1955	4,913	929	545	2,794	77,082	31,333	27,014	5,629	845	2,384	4,437	5,440
January	366	37	47	235	6,665	2,590	2,788	394	62	253	186	392
February	264	25	33	125	6,369	2,650	1,976	639	103	17	188	796
March	398	116	141	84	5,807	1,419	3,111	373	112	175	350	267
April	376	9	29	135	5,405	2,090	2,129	527	14	48	408	189
May	435	9	26	396	5,633	3,042	1,543	308	2	53	307	378
June	471	15	17	327	7,562	2,364	2,737	867	25	526	462	581
July	330	28	49	325	5,896	2,251	1,933	556	20	70	524	542
August	409	51	35	531	5,901	2,549	1,723	366	165	186	480	432
September	479	34	26	158	7,857	2,556	3,219	582	31	375	539	555
October	437	39	39	156	5,352	2,453	1,481	453	102	156	255	452
November	368	353	36	143	8,402	4,398	2,332	199	104	490	377	502
December	580	213	67	179	6,233	2,971	2,042	365	105	35	361	354

TABLE 23.—*Ten Principal Imports by Country of Origin, 1952-1955—Continued*

(F.O.B. value in thousand pesos)

Period	Transport equipment							Dairy products, eggs and honey				
	Total	United States	Japan	Belgium and Luxembourg	Germany	United Kingdom	Other countries	Total	United States	Netherlands	Australia	Switzerland
1952	42,670	39,833	1,904	278	107	251	297	36,579	31,083	2,188	1,769	619
1953	43,240	41,485	459	328	256	161	551	48,190	41,608	4,297	1,388	314
1954	50,701	47,440	799	359	910	546	647	47,970	32,570	11,620	2,055	861
January	4,512	4,340	13	16	84	48	11	2,137	1,803	137	133	52
February	3,590	3,408	37	3	28	84	30	4,070	2,770	1,156	80	—
March	4,151	3,846	96	—	182	13	14	4,836	3,119	1,200	224	149
April	3,435	3,300	24	18	55	9	29	3,877	2,751	880	81	147
May	3,670	3,460	47	64	31	32	36	4,186	2,498	1,524	56	86
June	4,500	4,288	38	77	50	34	13	3,619	2,642	538	346	49
July	5,018	4,906	9	61	30	7	5	4,775	3,126	1,105	203	37
August	4,337	4,141	47	33	53	56	7	4,321	3,090	999	139	76
September	3,020	2,759	119	3	27	95	17	4,444	2,834	1,312	140	120
October	4,318	3,898	153	5	111	116	35	3,971	2,903	734	195	94
November	5,615	5,333	118	41	52	34	37	3,909	2,641	1,133	58	—
December	4,535	3,761	98	38	207	18	413	3,825	2,393	902	400	51
1955	60,499	53,827	2,165	491	1,095	2,168	753	57,060	39,913	13,134	2,299	1,010
January	3,985	3,379	173	35	138	237	23	3,682	2,241	1,097	91	87
February	4,181	3,773	47	52	71	223	15	3,022	2,529	243	78	133
March	5,139	4,585	99	219	28	175	33	5,293	3,499	1,353	360	66
April	4,987	4,345	176	6	74	267	119	5,454	4,330	824	160	71
May	5,323	4,974	125	44	32	47	101	5,950	4,035	1,465	315	1
June	6,336	5,857	140	13	81	207	38	5,037	3,076	1,491	211	191
July	4,373	4,058	125	3	51	105	31	3,658	2,695	769	109	79
August	4,189	3,562	278	76	40	154	79	4,848	3,439	994	242	146
September	3,775	2,858	135	3	250	478	51	4,417	2,773	1,495	132	—
October	5,117	4,543	235	11	154	140	34	4,863	3,250	1,218	202	151
November	3,632	3,247	193	—	31	84	77	3,580	2,330	808	277	85
December	9,462	8,646	439	29	145	51	152	7,256	5,716	1,377	122	—

TABLE 23.—*Ten Principal Imports by Country of Origin*, 1952-1955—*Continued*

(F.O.B. value in thousand pesos)

Period	Dairy products, eggs and honey				Cereals and cereal preparations							
	Italy	United Kingdom	Canada	Other countries	Total	Canada	United States	Hongkong	Germany	Australia	United Kingdom	Burma
1952	135	115	151	519	69,114	25,144	20,854	498	100	11	157	12,157
1953	232	124	93	134	43,189	20,381	21,129	495	753	178	116	—
1954	57	4	18	785	51,712	24,071	17,330	889	465	299	19	—
January	—	—	—	12	4,435	2,334	1,857	77	42	122	—	—
February	51	—	11	2	3,118	1,797	1,256	56	—	2	—	—
March	—	1	—	143	2,729	1,229	1,270	—	64	10	—	—
April	—	—	—	18	4,592	2,528	1,815	31	45	24	10	—
May	1	—	—	21	3,702	2,182	1,402	27	64	10	9	—
June	—	—	—	44	5,281	3,026	2,088	131	—	36	—	—
July	—	—	—	304	2,555	1,176	1,174	137	—	16	—	—
August	1	1	—	15	2,497	1,061	1,256	89	57	21	—	—
September	—	—	—	38	3,647	2,203	1,311	47	65	12	—	—
October	1	2	—	42	5,263	2,197	1,764	166	64	14	—	—
November	3	—	7	67	5,585	2,091	1,096	79	64	17	—	—
December	—	—	—	79	8,308	2,247	1,041	49	—	15	—	—
1955	2	102	120	480	73,830	28,813	22,316	1,031	12	1,742	—	1,415
January	—	—	—	166	3,181	1,680	1,111	87	—	274	—	—
February	—	—	14	25	2,608	1,308	1,124	102	—	74	—	—
March	—	5	—	10	4,505	2,431	1,938	47	—	83	—	—
April	—	—	55	14	7,276	3,859	3,148	62	4	200	—	—
May	—	3	22	109	8,747	4,059	2,540	111	—	152	—	—
June	—	2	29	37	7,741	2,575	2,699	219	8	112	—	—
July	—	—	—	6	6,101	2,131	2,105	351	—	24	—	—
August	—	—	—	27	5,318	521	539	52	—	2	—	—
September	2	—	—	15	5,203	1,057	1,263	—	—	327	—	—
October	—	26	—	16	5,522	2,770	1,657	—	—	119	—	—
November	—	32	—	48	10,843	2,538	1,344	—	—	323	—	1,415
December	—	34	—	7	6,785	3,884	2,848	—	—	52	—	—

TABLE 23.—*Ten Principal Imports by Country of Origin*, 1952-1955—*Continued*

(F.O.B. value in thousand pesos)

Period	Cereals and cereal preparations		Manufactures of metals									
	Thailand	Other countries	Total	United States	Japan	Germany	Hongkong	United Kingdom	Belgium and Luxembourg	Netherlands	Sweden	Other countries
1952	9,863	330	37,244	30,192	2,528	1,867	334	523	995	155	319	331
1953	—	137	35,916	30,174	1,829	1,481	693	498	469	386	127	259
1954	2,680	5,959	35,841	24,683	2,842	4,082	500	1,640	1,404	164	176	348
January	—	3	2,766	2,029	146	282	16	70	122	62	—	38
February	—	7	2,037	1,496	224	174	11	11	103	—	9	8
March	—	156	3,530	2,831	370	191	46	26	40	4	1	21
April	138	1	3,181	2,344	188	273	71	147	106	5	30	17
May	—	8	3,657	2,224	345	569	75	227	137	43	15	22
June	—	—	3,885	2,422	280	454	31	318	243	13	40	84
July	—	52	2,902	2,079	185	291	32	166	124	4	21	—
August	—	13	2,959	2,172	201	318	42	89	98	4	10	25
September	—	9	2,553	1,776	368	214	51	66	50	1	10	17
October	962	96	2,818	1,975	154	321	46	160	110	15	19	18
November	—	2,238	2,847	1,636	132	753	37	167	50	5	6	61
December	1,580	3,376	2,706	1,699	249	242	42	193	221	8	15	37
1955	18,412	89	36,530	23,811	3,953	3,608	613	1,467	1,873	115	213	877
January	—	29	3,211	2,225	352	351	58	71	115	—	21	18
February	—	—	3,096	2,157	206	225	47	154	174	16	6	111
March	—	6	3,102	2,074	414	239	30	68	168	20	45	44
April	—	3	3,097	2,192	289	301	48	55	194	—	9	9
May	1,883	2	3,560	2,530	371	298	52	43	207	18	12	29
June	2,127	1	3,437	1,720	328	564	128	171	322	13	43	148
July	1,471	19	2,423	1,527	332	262	53	59	99	17	8	66
August	4,200	4	2,713	1,583	189	329	52	134	258	19	23	126
September	2,549	7	2,300	1,168	480	248	31	127	82	3	9	152
October	976	—	3,532	2,374	357	339	54	287	66	2	14	39
November	5,206	17	2,582	1,827	223	211	31	174	85	7	1	23
December	—	1	3,477	2,434	412	241	29	124	103	—	22	112

TABLE 23.—*Ten Principal Imports by Country of Origin, 1952-1955—Continued*

(F.O.B. value in thousand pesos)

Period	Paper, paperboard and manufactures thereof											
	Total	United States	Canada	Sweden	Japan	Spain	France	Hongkong	Germany	United Kingdom	Hawaii	Other countries
1952	31,101	28,041	939	816	295	246	188	144	169	103	42	118
1953	29,552	26,513	884	282	312	150	119	132	235	80	28	817
1954	32,035	27,794	2,028	168	391	348	201	59	241	136	47	622
January	3,504	3,158	133	48	4	54	1	9	25	14	—	58
February	2,198	1,961	76	34	6	28	14	—	—	12	—	67
March	2,536	2,332	40	—	69	—	—	2	11	6	5	71
April	3,580	3,239	73	—	62	55	16	9	—	12	19	95
May	2,610	2,288	151	4	38	—	30	1	16	15	1	66
June	2,071	1,564	326	—	—	113	19	4	1	4	3	37
July	2,310	1,936	178	58	—	—	67	4	7	7	—	53
August	2,011	1,760	112	—	21	21	20	1	20	19	4	33
September	2,312	1,810	281	—	88	38	—	17	46	22	—	10
October	3,232	2,805	226	24	47	—	—	4	60	10	13	43
November	2,632	2,293	153	—	35	39	27	4	34	10	—	37
December	3,039	2,648	279	—	21	—	7	4	21	5	2	52
1955	38,087	32,867	2,572	215	295	258	299	73	485	305	83	635
January	2,793	2,315	186	—	13	84	21	—	26	78	19	51
February	2,541	2,343	87	7	31	—	18	4	11	27	—	13
March	2,659	2,353	128	66	2	31	7	4	13	26	—	29
April	3,827	3,500	130	10	16	—	—	7	39	42	15	68
May	4,431	3,941	241	5	9	11	50	7	34	29	49	55
June	3,924	3,253	314	14	5	17	22	7	149	31	—	112
July	2,197	1,796	212	7	38	46	63	3	10	2	—	20
August	2,527	2,137	242	81	3	—	8	4	15	15	—	22
September	2,161	1,898	97	—	71	19	—	2	20	11	—	43
October	3,723	3,130	363	—	27	18	24	—	29	16	—	116
November	2,763	2,241	327	13	34	32	26	27	11	17	—	35
December	4,541	3,960	245	12	46	—	60	8	128	11	—	71

TABLE 23.—*Ten Principal Imports by Country of Origin*, 1952-1955 (*Concluded*)

(F.O.B. value in thousand pesos)

Period	Electric machinery, apparatus and appliances											
	Total	United States	Canada	Belgium and Luxembourg	Japan	Germany	Netherlands	Sweden	United Kingdom	Italy	Hongkong	Other countries
1952	21,924	20,859	2	106	483	44	216	23	108	38	41	4
1953	26,467	24,891	118	20	355	276	319	33	141	54	206	54
1954	35,048	29,789	1,520	57	1,411	552	436	65	271	104	271	572
January	2,955	2,596	28	—	161	32	56	—	—	59	9	14
February	1,996	1,609	—	—	28	49	40	—	10	—	7	253
March	2,249	2,030	4	—	81	16	9	1	28	4	38	38
April	4,232	2,397	1,483	24	179	66	45	2	9	—	21	6
May	2,974	2,689	—	1	64	106	55	5	7	26	9	12
June	3,050	2,804	2	—	22	67	28	—	11	—	13	103
July	2,670	2,391	2	—	137	47	11	10	44	—	17	11
August	2,831	2,536	1	1	43	36	43	3	71	—	23	74
September	2,975	2,654	—	—	133	38	41	6	25	5	24	49
October	2,879	2,692	—	—	70	10	52	3	22	2	27	1
November	3,238	2,743	—	—	306	39	42	5	41	7	49	6
December	2,999	2,648	—	31	187	46	14	30	3	1	34	5
1955	43,857	38,097	253	122	1,560	1,579	387	68	421	92	356	922
January	3,541	2,934	—	—	148	181	32	—	11	—	13	222
February	4,444	4,097	—	—	95	49	16	21	79	26	54	7
March	3,377	2,854	4	—	63	50	31	1	37	6	45	286
April	3,178	2,921	—	—	55	77	31	3	66	4	18	3
May	6,199	5,733	—	41	119	137	19	2	65	45	35	3
June	5,533	4,972	—	4	182	210	54	1	25	1	32	52
July	3,530	3,009	247	2	84	82	22	5	33	5	36	5
August	2,179	1,695	2	—	95	175	87	34	19	1	50	21
September	2,714	2,045	—	4	201	108	24	—	36	—	5	291
October	2,577	2,206	—	71	124	130	10	1	19	—	7	9
November	2,642	2,268	—	—	190	78	24	—	26	—	50	6
December	3,943	3,363	—	—	204	302	37	—	5	4	11	17

SOURCE OF BASIC DATA: Bureau of Customs.

TABLE 24.—*Imports by Commodity Group*, 1949; 1952-1955

(F.O.B. value in thousand pesos)

Period	Total imports	Food										
		Total	Live animals chiefly for food	Meat and meat preparations	Dairy products, eggs and honey	Fish and fish preparations	Cereals and cereal preparations	Fruits and vegetables	Sugar and sugar preparations	Coffee, tea, cocoa, spices and nuts thereof	Feeding stuff for animals (not including unmilled cereals)	Miscellaneous food preparations
1949	1,172,750	295,942	94	13,701	54,428	32,580	117,781	41,215	8,172	22,489	1,487	3,995
1952	846,097	153,723	66	5,140	36,579	15,325	69,114	13,928	3,057	6,352	2,097	2,065
1953	914,046	153,478	—	6,687	48,190	20,440	43,189	19,650	2,350	8,565	1,867	2,540
1954	965,284	158,295	—	13,947	47,970	14,086	51,712	12,457	2,147	10,705	3,067	2,204
January	83,578	10,713	—	252	2,137	638	4,435	1,552	198	943	269	289
February	59,999	10,412	—	233	4,070	1,364	3,118	750	64	517	155	141
March	81,164	11,047	—	410	4,836	645	2,729	1,088	113	797	243	186
April	80,344	12,579	—	621	3,877	1,394	4,592	590	224	659	310	312
May	84,666	12,950	—	833	4,186	1,153	3,702	1,190	170	1,175	285	256
June	87,023	14,172	—	1,449	3,619	1,100	5,281	1,010	116	856	324	417
July	82,256	11,291	—	1,189	4,775	775	2,555	887	257	628	123	102
August	74,316	13,052	—	2,587	4,321	1,304	2,497	1,040	173	861	174	95
September	72,638	13,769	—	1,731	4,444	1,595	3,647	1,201	158	727	212	54
October	81,310	15,915	—	2,247	3,971	2,120	5,263	823	212	822	385	72
November	87,286	14,744	—	1,422	3,909	895	5,585	1,153	242	999	310	229
December	90,704	17,651	—	973	3,825	1,103	8,308	1,173	220	1,721	277	51
1955	1,095,211	204,763	232	16,170	57,061	25,753	73,830	12,165	2,775	12,404	2,603	1,770
January	96,466	12,486	—	1,197	3,682	1,692	3,181	1,233	177	1,083	79	162
February	82,249	12,668	—	1,202	3,022	3,431r	2,608	838r	205	980	268	114
March	89,226	14,805	—	1,092	5,293	1,440	4,505	716	250	1,066	257	186
April	89,975	18,520	—	1,033	5,454	1,894	7,276	838	293	1,189	177	366
May	111,937	21,520	—	1,019	5,950	2,507	8,747	1,449	355	1,048	263	182
June	102,516	19,409	54	1,446	5,037	2,023	7,741	1,482	286	790	271	279
July	74,718	14,507	—	569	3,658	1,810	6,101	732	204	1,147	216	70
August	75,558	16,559	—	1,647	4,849	2,101	5,318	933	262	1,211	163	75
September	73,113	15,422	178	1,842	4,417	1,486	5,203	923	237	836	217	83
October	82,470	14,684	—	944	4,863	1,107	5,522	824	122	993	234	75
November	95,195	19,604	—	1,376	3,580	1,509	10,843	907	174	988	200	27
December	121,788	24,579	—	2,803	7,256	4,753	6,785	1,290	210	1,073	258	151

TABLE 24.—*Imports by Commodity Group*, 1949; 1952-1955—*Continued*

(F.O.B. value in thousand pesos)

Period	Beverages and Tobacco			Crude Materials, Inedible Except Fuels									
	Total	Beverages	Tobacco	Total	Hides, skins, and fur skins, undressed	Oil seeds oil nuts and oil kernels	Crude rubber including synthetic and reclaimed	Wood, lumber and cork	Pulp and waste paper	Textile fibers not mft'd into yarns, thread or fabric	Crude fertilizers minerals, except coal petroleum & precious stones	Metalliferous ores and metal scrap	Animal & vegetable crude materials, inedible, n.e.s.
1949.....	40,158	4,667	35,491	7,143	38	93	101	1,121	—	1,557	2,541	—	1,692
1952.....	39,737	4,318	35,419	9,815	71	1,290	132	319	—	4,663	748	—	2,592
1953.....	31,112	785	30,327	12,033	44	190	54	169	321	6,454	2,012	9	2,780
1954.....	22,066	1,475	20,591	11,665	225	102	156	208	371	4,876	959	12	4,756
January....	1,763	59	1,704	802	16	2	—	16	5	192	43	—	528
February...	1,517	76	1,441	325	—	—	—	12	—	102	61	—	150
March.....	2,022	182	1,840	1,489	7	1	—	22	1	721	51	—	686
April.....	3,383	222	3,161	689	32	—	16	12	120	36	33	—	440
May.....	3,808	120	3,688	1,295	10	3	6	16	25	743	28	—	464
June.....	2,905	190	2,715	1,121	7	—	24	25	—	711	56	—	298
July.....	2,538	63	2,475	1,520	21	—	30	12	78	892	53	—	434
August.....	1,051	58	993	1,302	1	2	13	—	3	713	99	12	459
September..	543	70	473	1,120	14	1	22	17	—	461	323	—	282
October....	790	198	592	763	28	8	6	57	—	41	134	—	489
November..	1,076	117	959	434	55	9	21	14	7	39	37	—	252
December..	670	120	550	805	34	76	18	5	132	225	41	—	274
1955.....	31,605	1,696	29,909	17,236	797	133	106	577	351	6,927	2,243	48	6,054
January....	5,520	43	5,477	2,119	32	36	8	12	12	874	560	—	585
February...	3,880	31	3,849	1,151	83	25	14	4	29	344	54	—	598
March.....	1,310	221	1,089	517	81	—	7	9	—	114	69	—	237
April.....	3,657	139	3,518	1,718	33	2	1	6	119	1,075	45	—	437
May.....	3,858	96	3,762	1,201	104	43	14	59	—	187	171	—	623
June.....	1,639	211	1,428	1,783	86	—	10	18	24	198	849	12	586
July.....	1,547	97	1,450	697	42	2	15	80	90	14	29	4	421
August.....	2,989	135	2,854	1,820	6	—	—	253	22	943	79	31	586
September..	1,035	182	853	1,340	34	11	2	25	—	512	145	1	610
October....	3,059	212	2,847	1,276	132	—	5	99	4	703	36	—	297
November..	1,631	187	1,444	1,702	71	13	26	52	51	1,028	99	—	362
December..	1,480	142	1,338	1,912	93	1	4	60	—	935	107	—	712

TABLE 24.—*Imports by Commodity Group, 1949; 1952-1955—Continued*

(F.O.B. value in thousand pesos)

Period	Mineral Fuels and Lubricants		Chemicals							
	Total	Mineral fuels, lubricants & related materials	Total	Chemical elements and compounds	Mineral tar and crude chemicals from coal, petroleum and natural gas	Dyeing, tanning and coloring materials	Medicinal and pharmaceutical products	Essential oils, perfume materials toilet, polishing and cleaning preparations	Fertilizers, manufactured	Explosives and misc. chemical materials and products
1949	70,335	70,335	69,931	11,185	65	13,442	23,193	9,024	6,787	6,235
1952	83,654	83,654	65,106	11,467	—	7,909	16,385	2,332	20,522	6,491
1953	97,791	97,791	76,538	13,371	21	10,430	24,003	2,986	14,174	11,553
1954	108,286	108,286	76,230	15,665	56	11,759	22,669	4,097	8,354	13,630
January	11,638	11,638	7,916	1,665	4	1,101	2,381	232	1,223	1,310
February	6,303	6,303	5,031	831	11	527	1,050	218	1,894	500
March	9,329	9,329	5,907	1,334	2	1,004	1,715	241	380	1,231
April	7,383	7,383	5,335	943	3	1,048	1,763	317	136	1,125
May	6,902	6,902	5,819	1,033	—	1,228	2,011	357	56	1,134
June	12,818	12,818	6,501	1,553	4	1,005	2,112	288	300	1,239
July	13,132	13,132	7,365	1,888	—	999	2,431	700	38	1,309
August	10,051	10,051	5,673	1,453	1	937	1,825	235	62	1,160
September	6,885	6,885	5,542	1,830	25	834	1,371	188	43	1,251
October	6,389	6,389	6,464	1,091	—	1,092	1,822	282	1,281	896
November	8,981	8,981	7,519	828	—	980	1,975	634	1,830	1,272
December	8,475	8,475	7,158	1,216	6	1,004	2,213	405	1,111	1,203
1955	107,657	107,657	87,778	16,654	144	12,732	25,396	5,955	11,570	15,327
January	11,723	11,723	7,638	1,691	50	1,508	1,845	458	394	1,692
February	6,192	6,192	7,476	1,778	—	1,219	1,856	455	509	1,659
March	8,518	8,518	6,159	1,001	3	1,368	2,151	565	194	877
April	9,024	9,024	5,465	953	--	929	2,025	214	138	1,206
May	8,564	8,564	7,909	1,369	10	1,551	2,664	492	374	1,449
June	9,840	9,840	6,705	1,321	11	1,171	1,746	595	420	1,441
July	10,879	10,879	5,195	1,288	—	601	1,639	408	501	758
August	8,252	8,252	5,238	1,187	11	1,026	1,665	423	153	773
September	6,732	6,732	6,175	1,251	—	769	1,606	363	642	1,544
October	8,836	8,836	7,161	1,610	9	655	1,821	474	1,383	1,209
November	10,095	10,095	9,093	1,160	3	520	2,112	383	3,648	1,267
December	9,002	9,002	13,564	2,045	47	1,415	4,266	1,125	3,214	1,452

TABLE 24.—*Imports by Commodity Group,* 1949; 1952-1955—*Continued*

(F.O.B. value in thousand pesos)

Period	Animal and vegetable oils & fats		Manufactured Goods Classified Chiefly by Materials									
	Total	Animal and vegetable oils (not essential oils), fats greases and derivatives	Total	Leather, leather manufactures n.e.s. and dressed furs	Rubber manufactures	Wood and cork manufactures (excl. furniture)	Paper and paperboard and manufactures thereof	Textile yarn, fabrics, made-up articles and related products	Non-metallic mineral manufactures, n.e.s.	Silver, platinum, gems and jewelry	Base metals	Manufactures of metals
1949	4,628	4,628	440,803	10,439	22,835	3,721	35,032	225,270	25,545	1,673	60,873	55,415
1952	2,058	2,058	316,852	7,136	30,440	277	31,101	156,927	11,759	334	41,634	37,244
1953	3,464	3,464	342,444	10,508	32,966	485	29,552	158,034	12,410	292	62,281	35,916
1954	3,661	3,661	354,067	9,772	27,851	861	32,035	171,686	15,311	272	60,438	35,841
January	559	559	29,026	852	2,052	38	3,504	13,302	1,298	25	5,189	2,766
February	193	193	18,795	531	1,598	34	2,198	7,909	804	5	3,679	2,037
March	323	323	33,390	1,038	2,854	32	2,536	17,420	1,273	—	4,707	3,530
April	339	339	30,331	1,253	2,741	27	3,580	13,129	1,407	40	4,973	3,181
May	213	213	32,740	842	2,811	68	2,610	15,629	1,292	41	5,790	3,657
June	396	396	29,755	763	2,909	59	2,071	13,419	1,302	10	5,337	3,885
July	322	322	27,046	683	1,756	118	2,310	11,630	1,896	31	5,720	2,902
August	426	426	24,128	548	2,211	29	2,011	9,840	1,465	29	5,036	2,959
September	229	229	27,849	556	2,186	98	2,312	14,318	1,437	30	4,359	2,553
October	223	223	31,925	487	2,106	73	3,232	17,330	1,059	5	4,815	2,818
November	205	205	32,761	1,105	1,933	187	2,632	17,926	1,207	41	4,883	2,847
December	233	233	36,321	1,114	2,694	98	3,039	19,834	871	15	5,950	2,706
1955	3,174	3,174	382,681	9,599	33,446	855	38,087	170,641	16,187	254	77,082	36,530
January	344	344	35,341	687	1,954	41	2,793	18,303	1,685	2	6,665	3,211
February	168	168	30,499	1,002	3,342	114	2,541	12,702	1,333	—	6,369	3,096
March	217	217	36,266	862	3,050	70	2,659	19,499	1,162	55	5,807	3,102
April	213	213	32,036	803	3,272	85	3,827	14,432	1,067	48	5,405	3,097
May	409	409	38,669	1,174	3,196	103	4,431	19,081	1,479	12	5,633	3,560
June	304	304	34,981	801	3,383	76	3,924	13,965	1,823	10	7,562	3,437
July	85	85	24,839	512	2,668	76	2,197	10,075	975	17	5,896	2,423
August	129	129	23,642	664	1,958	31	2,527	8,901	947	—	5,901	2,713
September	357	357	25,194	583	1,725	42	2,161	8,906	1,589	31	7,857	2,300
October	133	133	27,398	854	2,489	21	3,723	10,425	1,002	—	5,352	3,532
November	344	344	33,328	751	2,578	75	2,763	14,548	1,628	1	8,402	2,582
December	471	471	40,488	906	3,831	121	4,541	19,804	1,497	78	6,233	3,477

TABLE 24.—*Imports by Commodity Group*, 1949; 1952-1955—*Continued*

(F.O.B. value in thousand pesos)

Period	Miscellaneous Manufactured Articles							
	Total	Prefabricated building, sanitary, plumbing, heating, and lighting fixtures and fittings	Furniture and fixtures	Travel goods, handbags and similar articles	Clothing	Footwear	Professional, scientific and controlling inst., photographic and optical goods, watches and clocks	Miscellaneous manufactured articles n.e.s.
1949	92,543	6,135	2,834	998	19,747	8,203	11,165	43,461
1952	46,542	5,592	996	218	11,429	1,412	11,456	15,439
1953	45,301	2,837	1,059	164	13,328	663	11,573	15,677
1954	55,238	4,444	718	149	14,930	789	15,145	19,063
January	4,102	331	125	5	867	38	1,243	1,493
February	2,907	243	84	3	494	47	1,125	911
March	4,150	333	38	10	750	39	1,229	1,751
April	4,606	415	31	12	908	26	1,422	1,792
May	5,075	278	26	9	1,002	109	1,643	2,008
June	4,674	482	48	8	782	56	1,297	2,001
July	5,134	406	41	6	2,035	97	1,178	1,371
August	4,758	349	52	21	1,758	86	1,146	1,346
September	4,284	398	26	11	1,264	57	1,119	1,409
October	4,657	304	155	36	1,596	93	1,009	1,464
November	5,386	443	67	16	1,687	78	1,386	1,709
December	5,505	462	25	12	1,787	63	1,348	1,808
1955	48,904	5,811	865	91	10,236	706	14,952	16,243
January	4,553	527	13	5	1,160	32	1,628	1,188
February	3,178	379	6	4	679	33	1,013	1,064
March	4,736	533	110	2	1,457	57	1,347	1,230
April	4,432	502	22	4	1,101	22	1,316	1,465
May	6,029	714	263	7	1,679	67	1,541	1,758
June	4,756	634	43	10	823	78	1,458	1,710
July	2,811	265	27	3	433	45	876	1,162
August	3,282	401	230	13	586	22	827	1,203
September	3,178	407	122	5	436	59	942	1,207
October	3,327	404	15	23	499	85	1,202	1,099
November	3,615	540	6	5	557	136	1,120	1,251
December	5,007	505	8	10	826	70	1,682	1,906

TABLE 24.—*Imports by Commodity Group*, 1949; 1952-1955 (*Concluded*)

(F.O.B. value in thousand pesos)

Period	Machinery and Transport Equipment				Miscellaneous Transactions and Commodities, N.E.S.			
	Total	Machinery and parts other than electric	Electric machinery apparatus and appliances	Transport equipment	Total	Postal packages	Live animals not for food	Returned goods and special transactions
1949	150,399	59,418	34,361	56,620	868	—	134	734
1952	128,463	63,869	21,924	42,670	147	—	147	—
1953	150,867	81,160	26,467	43,240	1,018	—	430	588
1954	174,274	88,524	35,049	50,701	1,502	—	633	869
January	17,005	9,537	2,956	4,512	54	—	9	45
February	14,428	8,842	1,996	3,590	88	—	2	86
March	13,466	7,066	2,249	4,151	41	—	—	41
April	15,600	7,933	4,232	3,435	99	—	25	74
May	15,750	9,106	2,974	3,670	114	—	17	97
June	14,536	6,986	3,050	4,500	145	—	57	88
July	13,795	6,107	2,670	5,018	113	—	8	105
August	13,644	6,476	2,831	4,337	231	—	194	37
September	12,221	6,226	2,975	3,020	196	—	156	40
October	14,079	6,882	2,879	4,318	105	—	44	61
November	16,049	7,196	3,238	5,615	131	—	45	86
December	13,701	6,167	2,999	4,535	185	—	76	109
1955	208,703	104,347	43,857	60,499	2,710	—	2,710	1,386
January	16,475	8,949	3,541	3,985	267	—	267	815
February	16,870	8,245	4,444	4,181	167	—	167	33
March	16,621	8,105	3,377	5,139	77	—	77	31
April	14,891	6,726	3,178	4,987	19	—	19	195
May	22,749	11,227	6,199	5,323	1,029	—	1,029	39
June	23,060	11,191	5,533	6,336	39	—	39	58
July	13,929	6,026	3,530	4,373	229	—	229	68
August	13,611	7,243	2,179	4,189	36	—	36	38
September	13,442	6,953	2,714	3,775	238	—	238	72
October	16,581	8,887	2,577	5,117	15	—	15	18
November	15,297	9,023	2,642	3,632	486	—	486	19
December	25,177	11,772	3,943	9,462	108	—	108	—

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 25.—*Exports to Japan*, 1949-1955

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	Total exports	Copra		Molasses		Raw sugar (muscovado)		Beer, malt, liquor		Abaca, unmanufactured	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity [a]	Value	Quantity	Value
1949	22,691	9,423	3,391	19,101	473	—	—	660	200	12,839	11,014
1950	44,064	28,851	11,694	35,358	687	—	—	372	112	15,813	12,139
1951	60,129	7,638	3,810	47,167	2,604	—	—	434	252	16,886	15,915
1952	76,845	22,401	6,101	115,049	7,131	15,246	3,702	352	192	26,287	16,998
1953	96,586	1,016	385	117,331	3,212	1,738	447	317	182	30,724	19,379
1954	100,920	305	107	141,638	4,618	4,414	1,121	291	170	29,380	14,378
January	8,227	—	—	11,421	375	647	159	—	—	2,630	1,672
February	9,622	—	—	11,500	376	1,174	275	—	—	2,740	1,641
March	7,786	—	—	11,527	376	659	160	—	—	1,628	905
April	9,696	305	107	14,958	487	214	51	77	45	1,447	757
May	6,631	—	—	11,600	378	100	24	115	66	1,496	737
June	6,065	—	—	11,300	368	99	25	—	—	1,113	521
July	7,539	—	—	23,978	783	—	—	38	23	3,058	1,491
August	7,305	—	—	11,500	375	—	—	—	—	2,825	1,418
September	6,856	—	—	12,207	399	—	—	—	—	3,111	1,403
October	7,436	—	—	6,100	199	230	53	—	—	4,160	1,579
November	10,639	—	—	4,550	149	1,291	374	—	—	2,357	977
December	13,118	—	—	10,997	353	—	—	61	36	2,815	1,277
1955	117,927	3,985	1,120	150,058	3,834	1,479	294	510	309	34,429	15,687
January	6,821	—	—	5,800	182	—	—	8	4	2,739	1,255
February	6,237	—	—	16,590	426	—	—	38	23	1,892	883
March	9,888	—	—	11,987	299	1,447	287	77	47	3,387	1,419
April	12,121	—	—	22,661	564	—	—	165	103	2,818	1,100
May	11,570	—	—	16,618	416	—	—	27	16	2,232	960
June	12,676	—	—	24,144	598	32	7	115	68	2,629	1,249
July	11,381	—	—	9,049	224	—	—	42	25	2,929	1,350
August	10,884	—	—	13,972	395	—	—	—	—	3,542	1,598
September	12,143	3,985	1,120	9,092	227	—	—	—	—	3,213	1,544
October	8,848	—	—	4,480	112	—	—	—	—	3,475	1,667
November	6,621	—	—	9,900	247	—	—	—	—	2,196	1,006
December	8,737	—	—	5,765	144	—	—	38	23	3,377	1,656

TABLE 25.—*Exports to Japan*, 1949-1955 (*Concluded*)

(F.O.B. value in thousand pesos)
(Quantity in thousand kilograms)

Period	Logs and Lumber		Copper ore		Chromite ore		Iron ore		Manganese		Others	Re-exports
	Quantity [b]	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
1949	11,274	998	—	—	—	—	349,872	4,756	8,509	339	816	704
1950	59,731	7,834	—	—	27,417	638	466,093	6,390	18,683	1,024	2,924	622
1951	163,920	17,866	404	34	22,359	891	856,103	13,760	13,793	897	4,016	84
1952	224,665	19,449	6,496	306	11,000	601	1,112,665	20,091	23,570	903	1,316	55
1953	432,912	41,599	4,276	185	13,950	944	1,292,802	22,611	18,631	982	6,611	49
1954	454,715	48,767	1,249	74	20,311	1,305	1,346,120	21,495	10,863	492	5,600	2,793
January	33,969	3,551	—	—	—	—	105,504	1,621	3,500	162	687	—
February	48,512	5,091	—	—	2,617	176	124,655	2,024	—	—	33	6
March	40,775	4,140	—	—	—	—	113,065	1,856	4,000	174	74	101
April	33,281	3,528	—	—	6,614	430	93,579	1,450	324	23	152	2,666
May	32,015	3,236	1,249	74	—	—	133,658	2,088	—	—	26	2
June	32,262	3,487	—	—	1,870	125	98,195	1,510	—	—	25	4
July	28,668	2,808	—	—	5,540	364	118,744	1,927	203	11	132	—
August	30,886	2,994	—	—	—	—	151,685	2,397	—	—	120	1
September	33,864	3,306	—	—	225	5	76,729	1,219	2,506	103	421	—
October	37,836	3,774	—	—	2,305	134	89,627	1,418	—	—	276	3
November	48,524	4,796	—	—	—	—	120,451	1,979	—	—	2,364	—
December	54,123	8,056	—	—	1,140	71	120,228	2,006	330	19	1,290	10
1955	547,657	55,382	—	—	36,301	1,728	1,257,023	20,357	12,171	549	18,652	15
January	26,030	2,514	—	—	1,524	54	92,297	1,473	—	—	1,338	1
February	27,591	2,689	—	—	1,320	58	118,687	1,917	—	—	241	—
March	52,862	5,317	—	—	4,243	178	101,939	1,634	2,640	71	634	2
April	71,752	7,345	—	—	1,000	52	147,704	2,298	1,000	61	598	—
May	60,560	6,037	—	—	508	30	117,812	1,910	5,091	264	1,937	—
June	65,723	6,810	—	—	5,942	254	132,483	2,144	550	34	1,512	—
July	60,792	6,157	—	—	5,204	285	78,812	1,277	—	—	2,057	6
August	55,850	5,693	—	—	4,207	239	96,228	1,566	1,490	63	1,329	1
September	47,299	4,795	—	—	4,243	183	145,402	2,329	—	—	1,943	2
October	29,845	3,082	—	—	4,468	243	85,513	1,444	1,400	56	2,244	—
November	23,679	2,381	—	—	2,219	102	53,683	911	—	—	1,974	—
December	25,674	2,562	—	—	1,423	50	86,463	1,454	—	—	2,845	3

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

[a] Thousand liters.
[b] Thousand board feet.

TABLE 26.—*Imports from Japan*, 1952-1955

(F.O.B. value in thousand pesos)

Period	Total imports	Food							Total beverages and tobacco
		Total	Fish and fish preparations	Cereals and cereal preparations	Fruits and vegetables	Coffee, tea, cocoa, spices and nuts thereof	Feeding stuff for animals excluding unmilled cereals)	Miscellaneous food preparations	
1952	36,860	1,156	204	15	913	21	—	3	—
1953	40,157	649	111	15	516	6	—	1	9
1954	58,342	2,765	1,896	13	559	15	251	31	20
January	3,532	86	28	—	48	—	10	—	—
February	4,023	476	451	6	16	—	3	—	—
March	6,447	321	193	—	70	—	58	—	—
April	4,730	486	391	—	38	—	57	—	—
May	4,668	277	217	—	6	—	54	—	—
June	4,296	55	23	—	—	—	32	—	—
July	3,679	49	—	—	37	12	—	—	—
August	3,767	146	56	—	46	—	26	18	—
September	6,614	243	69	—	161	—	11	2	—
October	5,399	415	364	7	30	3	—	11	—
November	4,795	138	80	—	58	—	—	—	4
December	6,392	73	24	—	49	—	—	—	16
1955	86,879	3,948	3,071	20	685	108	24	40	8
January	8,687	481	326	—	148	6	—	1	1
February	6,059	310	267	—	43	—	—	—	1
March	8,512	98	52	—	26	—	—	20	—
April	6,698	165	102	3	55	—	—	5	4
May	7,399	224	165	—	38	11	—	10	—
June	8,775	464	441	—	9	—	14	—	—
July	5,677	298	243	10	31	10	—	4	—
August	4,839	351	285	—	60	6	—	—	—
September	7,850	291[a]	205	—	69	17	—	—	1
October	6,198	273	188	—	63	12	10	—	—
November	8,758	392	326	7	42	17	—	—	—
December	7,427	601	471	—	101	29	—	—	1

TABLE 26.—*Imports from Japan*, 1952-1955—*Continued*

(F.O.B. value in thousand pesos)

Period	Crude, materials, inedible, except fuels			Total mineral fuels, lubricants and related materials	Chemicals						
	Total	Textile fibers (not manufactured into yarn, thread or fabric)	Animal and vegetable crude mats., inedible, n.e.s.		Total	Chemical elements and compounds	Dyeing, tanning and coloring materials	Medicinal and pharmaceutical products	Essential oils, perfume materials, toilet polishing and cleaning preparations	Fertilizers, Manufactured	Explosives and miscellaneous chemical materials and products
1952	106	18	88	75	2,444	209	42	5	—	1,896	292
1953	743	435	308	128	1,264	633	14	10	6	458	143
1954	527	202	325	48	1,312	362	40	84	17	222	587
January	38	13	25	—	101	75	—	1	—	—	25
February	29	29	—	7	110	45	1	4	—	45	15
March	174	25	149	—	94	43	—	11	—	—	40
April	45	16	29	28	132	20	7	—	—	79	26
May	25	25	—	—	48	2	1	4	—	1	40
June	5	—	5	—	45	10	—	—	—	10	25
July	—	—	—	—	53	10	—	18	—	—	25
August	19	11	8	13	98	30	9	1	—	—	58
September	63	54	9	—	136	38	1	14	—	—	83
October	21	12	9	—	91	16	2	20	—	6	47
November	17	4	13	—	151	4	17	3	—	81	46
December	91	13	78	—	253	69	2	8	17	—	157
1955	1,096	125	413	202	3,058	1,477	19	277	6	813	526
January	41	—	41	13	116	89	1	16	—	—	10
February	148	54	94	13	170	133	4	7	—	—	26
March	52	6	46	68	55	12	—	8	—	—	35
April	27	11	16	26	222	71	—	8	—	80	63
May	18	12	6	—	156	23	1	28	—	56	48
June	589[b]	—	35	13	345	261	4	14	1	—	65
July	47	—	47	13	226	154	—	12	1	39	20
August	31	14	17	—	227	80	—	11	—	97	39
September	28	28	—	28	376	254	—	23	4	27	68
October	21	—	21	—	268	169	1	28	—	—	70
November	30	—	30	2	724	88	5	54	—	511	66
December	64[b]	—	60	26	233	143	3	68	—	3	16

TABLE 26.—*Imports from Japan*, 1952-1955—*Continued*

(F.O.B. value in thousand pesos)

Period	Manufactured Goods Classified Chiefly by Materials								
	Total	Leather and leather manufactures, n.e.s. and dressed furs	Rubber manufactures	Wood and cork manufactures (excluding furniture)	Paper and paperboard and manufactures thereof	Textile yarns, fabrics, made-up articles and related products	Non-metallic mineral manufactures, n.e.s.	Base metals	Manufactures of metals
1952	26,865	2	98	7	295	4,316	1,991	17,628	2,528
1953	33,720	1	379	9	312	8,086	2,489	20,614	1,830
1954	45,070	12	1,261	—	391	19,911	3,471	17,178	2,847
January	2,303	—	20	—	4	923	222	989	146
February	3,015	—	79	—	6	1,376	153	1,177	224
March	4,678	10	117	—	69	1,844	306	1,962	370
April	3,250	—	104	—	62	1,406	266	1,224	188
May	3,711	—	21	—	38	981	285	2,041	345
June	3,838	—	199	—	—	2,136	283	940	280
July	3,183	—	24	—	—	1,292	551	1,131	185
August	3,020	—	142	—	21	1,145	260	1,251	201
September	5,066	1	66	—	88	2,129	755	1,659	368
October	4,192	—	129	—	47	2,412	155	1,290	159[a]
November	3,582	1	91	—	35	2,047	79	1,197	132
December	5,232	—	269	—	21	2,220	156	2,317	249
1955	64,679	8	2,562	6	295	25,902	4,938	27,014	3,954
January	7,072	4	124	1	13	3,026	764	2,788	352
February	4,648	—	193	5	31	1,958	279	1,976	206
March	7,379	—	443	—	2	3,055	354	3,111	414
April	5,307	—	171	—	16	2,337	365	2,129	289
May	5,389	4	222	—	9	2,747	492	1,543	372
June	5,935	—	179	—	5	2,226	460	2,737	328
July	4,389	—	184	—	38	1,660	242	1,933	332
August	3,471	—	165	—	3	1,152	239	1,723	189
September	5,668	—	218	—	71	1,204	476	3,219	480
October	4,541	—	251	—	27	2,232	193	1,481	357
November	5,805	—	218	—	34	2,175	823	2,332	223
December	5,075	—	194	—	46	2,130	251	2,042	412

TABLE 26.—*Imports from Japan, 1952-1955—Continued*

(F.O.B. value in thousand pesos)

Period	Miscellaneous Manufactured Articles						
	Total	Pre-fabricated bldg., sanitary, plumbing, heating and lighting fixtures and fittings	Furniture and fixtures	Travel goods, handbags and similar articles	Clothing	Professional, scientific and controlling instruments, photographic and optical goods, watches and clocks	Miscellaneous manufactured articles n.e.s.
1952	1,459	288	25	—	159	256	731
1953	1,365	53	64	—	116	452	680
1954	2,878	198	48	5	201	617	1,809
January	58	2	—	—	13	24	19
February	186	23	2	—	9	69	83
March	565	25	—	4	80	87	369
April	267	3	13	—	18	27	206
May	337	25	9	—	10	116	177
June	144	16	—	—	6	31	91
July	144	24	1	—	3	30	86
August	246	15	2	—	6	33	190
September	384	19	14	—	7	86	258
October	187	4	3	—	27	33	120
November	170	33	—	—	15	48	74
December	190	9	4	1	7	33	136
1955	2,228	242	24	—	118	555	1,289
January	140	23	—	—	17	37	63
February	125	7	—	—	9	36	73
March	224	22	—	—	2	43	157
April	193	22	5	—	—	90	76
May	232	40	—	—	9	65	118
June	197	14	7	—	25	50	101
July	180	4	2	—	2	50	122
August	146	24	—	—	15	8	99
September	238	21	6	—	—	61	150
October	177	16	4	—	6	42	109
November	196	26	—	—	27	41	102
December	180	23	—	—	6	32	119

TABLE 26.—*Imports from Japan*, 1952-1955 (*Concluded*)

(F.O.B. value in thousand pesos)

Period	Machinery and Transportation Equipment				Miscellaneous Transactions and Commodities, N.E.S.		
	Total	Machinery other than electric	Electric machinery, apparatus and appliances	Transport equipment	Total	Live animals	Returned goods and special transactions
1952	4,688	2,298	486	1,904	67	67	—
1953	2,272	1,458	355	459	7	—	7
1954	5,665	3,455	1,411	799	56	16	40
January	944	770	161	13	1	1	—
February	199	134	28	37	1	—	1
March	615	438	81	96	—	—	—
April	507	304	179	24	15	15	—
May	270	159	64	47	—	—	—
June	186	126	22	38	23	—	23
July	247	101	137	9	3	—	3
August	225	135	43	47	—	—	—
September	722	470	133	119	—	—	—
October	492	269	70	153	1	—	1
November	729	305	306	118	4	—	4
December	529	244	187	98	8	—	8
1955	11,536	7,811	1,560	2,165	60	60	—
January	822	501	148	173	—	—	—
February	644	502	95	47	—	—	—
March	636	474	63	99	—	—	—
April	754	523	55	176	—	—	—
May	1,380	1,136	119	125	—	—	—
June	1,232	910	182	140	—	—	—
July	524	315	84	125	—	—	—
August	613	240	95	278	—	—	—
September	1,217	881	201	135	—	—	—
October	918	559	124	235	—	—	—
November	1,609	1,226	190	193	—	—	—
December	1,187	544	204	439	60	60	—

SOURCE OF BASIC DATA: Bureau of Customs.

[a] Includes dairy products, eggs and honey, 3.
[b] Includes crude fertilizers and crude minerals, June, 554; December, 4.
[c] Includes jewelry, 5

TABLE 27.—*Unit Value of Selected Export Items,* 1950-1955

(1948–1949 = 100)

Period	Copra	Abaca (unmanufactured group)	Desiccated coconut	Sugar, centrifugal	Coconut Oil	Pineapple, canned	Copra Meal cake	Iron Ore	Chromite	Leaf Tobacco
1950	88.1	99.2	82.4	105.2	87.7	77.9	107.6	117.3	104.7	145.9
1951	91.3	124.4	79.5	111.1	92.7	94.7	97.0	111.9	114.5	116.8
1952	61.4	91.2	62.1	109.1	56.4	78.7	129.6	131.6	150.4	93.4
1953	89.3	89.1	79.6	117.1	84.6	79.2	117.4	130.9	204.7	95.9
1954	78.6	66.9	75.0	115.9	74.8	65.6	93.2	112.5	144.2	101.7
January	95.5	80.7	85.2	114.3	91.3	81.6	100.0	107.1	143.5	65.9
February	95.5	77.3	88.9	114.3	92.8	57.9	100.0	114.3	160.9	97.6
March	88.6	72.1	84.0	119.1	81.2	73.7	100.0	114.3	130.4	96.3
April	79.6	68.8	79.0	119.1	75.4	79.0	90.9	107.1	156.5	122.0
May	75.0	70.0	74.1	119.1	75.4	73.7	81.8	114.3	152.2	102.4
June	79.6	67.9	70.4	119.1	72.5	73.7	81.8	107.1	134.8	95.1
July	72.7	65.4	67.9	119.1	71.0	76.3	81.8	114.3	152.2	100.0
August	72.7	62.5	69.1	119.1	69.6	60.5	90.9	114.3	126.1	85.4
September	68.2	59.7	67.9	114.3	63.8	52.6	90.9	114.3	126.1	85.4
October	70.5	59.7	69.1	114.3	66.7	52.6	109.1	114.3	134.8	96.3
November	72.7	58.4	71.6	109.5	69.6	52.6	90.9	114.3	178.3	137.8
December	72.7	60.1	72.8	109.5	68.1	52.6	100.0	114.3	134.8	136.6
1955	67.2	62.6	66.5	109.5	65.0	87.3	97.7	117.3	140.6	115.1
January	75.0	59.9	76.5	109.5	75.4	52.6	100.0	128.6	143.5	141.5
February	75.0	57.3	55.6	109.5	71.0	107.9	100.0	114.3	139.1	151.2
March	70.5	62.5	72.8	104.8	69.6	94.7	100.0	114.3	152.2	139.0
April	68.2	63.3	69.1	114.3	65.2	86.8	90.9	114.3	130.4	102.4
May	68.2	62.1	64.2	114.3	65.2	71.1	90.9	114.3	130.4	143.9
June	65.9	61.7	63.0	109.5	65.2	94.7	90.9	114.3	139.1	92.7
July	65.9	60.3	64.2	109.5	62.3	86.8	100.0	114.3	156.5	89.0
August	65.9	62.4	65.4	107.5	60.9	63.2	100.0	114.3	147.8	93.9
September	63.6	62.5	66.7	114.3	59.4	102.6	100.0	114.3	139.1	93.9
October	61.4	65.3	65.4	109.5	62.3	102.6	100.0	121.4	143.5	106.1
November	63.6	66.6	65.4	104.8	62.3	92.1	100.0	121.4	134.8	106.1
December	63.6	67.1	69.1	104.8	60.9	92.1	100.0	121.4	130.4	122.0

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 28.—*Unit Value of Exports by Sectional Title Description, 1950-1955*

(1948–1949 = 100)

Period	All Items	Food	Beverages and tobacco	Crude Mats., inedible	Chemicals	Miscel. mftd. goods
1950	92.8	94.1	114.2	92.3	76.4	84.9
1951	99.0	95.2	123.7	99.5	185.4	109.6
1952	78.0	92.0	112.2	72.2	102.6	96.0
1953	95.2	99.8	114.0	93.3	140.7	88.8
1954	84.5	96.1	115.8	80.1	90.1	78.6
January	96.1	101.2	89.4	94.7	87.6	81.0
February	96.1	99.2	118.5	94.8	98.9	85.9
March	91.2	101.8	115.8	87.3	89.9	79.2
April	87.4	100.1	130.4	82.5	92.1	81.4
May	83.8	97.6	115.2	78.5	89.9	80.1
June	84.7	96.5	114.0	80.3	89.9	74.4
July	82.1	95.8	115.8	76.8	87.6	81.2
August	80.9	95.7	110.1	75.5	92.1	72.7
September	76.2	91.7	104.7	70.1	86.5	82.5
October	77.5	92.6	89.2	72.1	86.5	70.6
November	79.3	90.1	141.3	74.7	89.9	79.0
December	79.1	91.3	144.9	73.9	89.9	75.3
1955	77.5	91.8	125.7	71.6	88.2	74.1
January	81.7	92.5	143.6	77.3	89.9	70.6
February	79.9	90.1	150.1	75.5	92.1	73.3
March	78.7	92.2	143.6	73.1	80.9	76.2
April	78.0	94.7	116.6	71.5	93.3	79.3
May	77.8	91.7	146.7	72.1	89.9	72.5
June	76.6	91.0	109.6	71.0	89.9	78.0
July	76.6	91.3	107.4	71.0	89.9	75.5
August	77.3	89.5	112.7	70.6	83.1	76.4
September	76.0	95.7	112.7	68.7	83.1	67.3
October	75.8	92.9	118.8	69.1	88.8	76.0
November	75.6	89.5	117.0	70.2	88.8	67.8
December	75.6	90.7	130.1	69.5	88.8	75.7

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 29.—*Unit Value of Selected Import Commodities*, 1950-1955

(1948–1949 = 100)

Period	Producers' Goods					Consumers' Goods				
	Gasoline	Cloth, cotton dyed	Cor. roofing (iron and steel)	Leaf Tobacco	Newsprint	Flour wheat	Evaporated milk	Cigarettes	Corned beef	Coffee, roasted or prepared
1950	97.0	88.0	112.3	100.7	76.8	70.5	84.7	121.7	91.3	149.7
1951	102.2	106.1	151.4	122.5	104.2	69.6	90.2	130.8	93.6	180.7
1952	107.6	81.2	112.6	109.5	86.5	71.4	96.9	154.5	120.4	163.9
1953	111.2	83.0	106.9	128.1	76.2	73.2	96.3	156.7	109.4	212.9
1954	90.4	76.3	101.2	128.2	74.4	66.7	86.9	170.0	121.5	354.7
January	93.8	66.2	104.9	157.2	73.8	73.0	91.3	160.0	107.2	327.1
February	89.1	74.6	107.3	163.7	83.3	73.0	89.9	160.0	128.1	320.9
March	82.8	83.1	104.9	147.8	73.8	70.3	87.0	180.0	113.7	331.6
April	90.6	85.9	102.4	126.4	71.4	70.3	87.0	180.0	129.5	354.8
May	85.9	88.7	104.9	127.9	71.4	67.6	85.5	180.0	123.7	347.5
June	92.2	64.8	102.4	110.0	71.4	67.6	82.6	160.0	115.8	422.0
July	92.2	62.0	100.0	131.3	76.2	64.9	89.9	180.0	123.0	351.4
August	93.8	56.3	100.0	137.8	73.8	64.9	87.0	180.0	124.5	367.8
September	90.6	66.2	97.6	95.5	76.2	62.2	88.4	180.0	113.0	316.4
October	93.8	77.5	95.1	82.1	76.2	62.2	85.5	140.0	110.1	495.5
November	90.6	77.5	95.1	105.0	71.4	62.2	84.1	180.0	143.9	352.5
December	89.1	97.2	100.0	154.2	73.8	62.2	84.1	160.0	125.9	268.4
1955	93.4	84.2	99.0	151.1	77.2	65.6	86.1	175.0	115.8	200.0
January	93.8	84.5	95.1	107.0	73.8	64.9	84.1	160.0	129.6	215.8
February	92.5	90.1	95.1	129.4	76.2	62.2	87.0	160.0	120.7	265.5
March	92.2	88.7	95.1	202.0	73.8	64.9	87.0	160.0	119.4	206.2
April	93.8	88.7	92.7	230.3	76.2	64.9	87.0	160.0	115.8	177.4
May	92.2	90.1	107.3	132.3	76.2	64.9	85.5	200.0	123.0	185.3
June	90.6	80.3	100.0	151.2	76.2	67.6	87.0	180.0	112.9	175.1
July	90.6	94.4	90.2	165.7	73.8	67.6	87.0	180.0	109.4	216.9
August	107.8	70.4	100.0	126.4	78.6	67.6	97.1	180.0	116.5	182.5
September	93.8	76.1	102.4	125.9	85.7	62.2	84.1	180.0	107.2	197.7
October	90.6	76.1	104.9	141.8	78.6	67.6	73.9	180.0	116.5	217.5
November	92.2	84.5	102.4	150.7	76.2	67.6	87.0	180.0	110.1	171.2
December	90.6	85.9	102.4	150.2	81.0	64.9	87.0	180.0	108.6	188.7

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

TABLE 30.—*Unit Value of Imports by Sectional Title Description*, 1950-1955

(1948–1949 = 100)

Period	All Items	Food	Beverages and tobacco	Crude Mats., inedible except fuels	Mineral fuels, lubricants, and related materials	Animal and vegetable oils and fats	Chemicals	Manufactured goods classified chiefly by materials	Machinery and transport equipment	Miscellaneous manufactured articles
1950	95.4	85.1	120.7	99.4	95.2	70.5	94.5	92.7	115.7	97.4
1951	107.6	87.7	128.9	129.7	106.9	87.1	96.7	109.5	128.2	124.3
1952	106.0	94.3	149.1	118.3	123.6	76.8	112.1	100.7	121.7	112.4
1953	101.2	96.1	151.9	105.8	112.7	73.9	112.8	91.3	110.9	106.8
1954	96.8	98.4	160.5	95.0	101.5	82.7	96.1	83.2	104.5	101.9
January	99.5	102.0	162.9	104.3	107.8	100.0	93.6	84.0	119.3	101.3
February	97.7	105.9	149.7	96.8	107.2	70.0	69.8	85.8	97.1	99.5
March	98.0	99.1	169.4	125.3	101.3	99.2	84.2	84.9	100.7	115.9
April	100.5	103.4	168.4	95.5	108.1	64.5	96.1	86.3	111.4	103.1
May	101.0	98.9	169.4	80.5	98.1	83.9	102.5	87.1	111.5	121.4
June	99.3	101.8	151.5	80.4	98.7	107.3	101.0	79.9	122.7	115.9
July	95.4	95.4	169.9	86.0	98.9	68.6	93.5	80.5	97.7	111.6
August	90.7	90.7	167.9	78.0	104.6	80.7	107.5	77.8	79.7	78.7
September	92.7	92.7	166.0	74.7	94.7	91.1	90.2	82.1	94.9	88.1
October	97.9	99.4	136.6	67.7	101.6	68.6	98.0	81.9	129.5	98.3
November	95.2	98.6	170.0	101.0	97.4	87.9	101.2	83.4	92.5	97.6
December	93.7	93.4	154.2	150.0	99.4	71.0	95.0	84.5	96.6	91.3
1955	96.8	90.0	164.4	117.7	100.0	79.4	113.2	86.2	109.9	95.9
January	95.7	88.9	147.6	109.6	112.0	62.1	93.1	88.1	107.5	95.7
February	93.6	91.0	155.1	132.5	85.1	65.3	106.4	85.4	97.2	96.8
March	94.7	91.7	149.9	108.1	98.9	64.5	112.6	84.3	102.1	95.8
April	93.1	86.1	154.2	113.4	103.4	69.4	101.2	86.3	105.2	81.7
May	99.7	87.6	181.5	113.2	100.5	67.7	109.3	86.6	129.6	100.9
June	94.8	86.6	164.2	111.9	100.3	80.6	100.7	87.4	104.9	93.3
July	100.3	92.3	165.7	124.7	99.5	100.0	115.9	91.0	107.6	109.9
August	96.2	91.1	167.3	141.4	103.4	108.9	125.0	85.3	102.5	86.1
September	94.4	87.0	168.9	87.0	96.4	108.9	121.1	80.6	117.7	86.5
October	93.2	91.3	171.4	117.9	102.1	75.0	114.9	79.5	100.9	85.8
November	100.8	93.6	173.5	125.7	96.5	75.0	131.4	91.9	113.1	89.1
December	104.5	92.4	173.6	127.3	101.5	75.8	126.9	87.4	130.3	129.1

SOURCES OF BASIC DATA: Bureau of Customs.
Bureau of the Census and Statistics.

APPENDIX C

MONEY, BANKING, CREDIT AND INVESTMENT

TABLE 31.—*Money Supply and Its Origin*[a], 1949-1955

(Million pesos)

End of period	Money supply	International reserve	Domestic credits	Non-money supply deposits	Miscellaneous accounts (Net balance)
1949	1,035.4	520.2	813.9	369.6[b]	(73.6)[b]
1950	1,229.0	711.8	898.4	452.7[b]	(71.4)[b]
1951	1,160.4	607.7	1,114.2	590.6	(34.7)
1952	1,198.2	611.8	1,142.2	539.6	12.9
1953	1,224.1	592.0	1,239.5	572.2	34.3
1954—January.....	1,219.3	592.2	1,241.9	587.4	27.3
February.....	1,236.3	620.4	1,237.9	587.0	30.2
March.....	1,245.8	630.0	1,246.3	597.1	32.4
April.....	1,233.5	617.2	1,245.3	600.1	31.5
May.....	1,213.6	606.0	1,269.6	625.3	30.7
June.....	1,200.4	596.0	1,272.8	621.0	41.9
July.....	1,210.2	617.6	1,263.5	623.6	42.4
August.....	1,213.7	622.1	1,283.7	651.9	37.3
September.....	1,204.8	611.4	1,295.4	660.0	37.9
October.....	1,215.7	592.2	1,323.8	658.9	42.7
November.....	1,215.9	566.3	1,342.6	643.2	47.0
December.....	1,226.6	545.4	1,341.2	618.7	45.7
1955—January.....	1,209.9	533.3	1,363.1	641.8	38.9
February.....	1,222.9	523.7	1,387.8	638.8	39.1
March	1,216.1	508.4	1,407.8	648.0	46.1
April.....	1,221.8	493.6	1,443.0	654.3	47.3
May.....	1,208.6	479.7	1,458.5	678.6	51.0
June.....	1,209.9	488.7	1,531.5	733.7	77.8
July.....	1,216.5	494.8	1,540.3	741.7	79.4
August.....	1,239.6	499.8	1,577.6	746.2	103.6
September.....	1,234.1	491.6	1,596.0	752.4	104.5
October.....	1,276.6	474.4	1,648.3	753.2	95.6
November.....	1,278.6	453.5	1,679.6	747.9	103.2
December.....	1,336.2	418.4	1,753.1	734.5	101.1

SOURCES OF BASIC DATA: Statements of Condition of the Central Bank and Other Banks. Daily Report of the National Treasurer.

[a] This table is a condensed and consolidated presentation of the statements of condition of the Central Bank and Other Banks adjusted to include unused overdraft lines of banks and cash in the National Treasury vaults. In the process of integration, certain inter-bank accounts cancelled out, viz., inter-bank balances and inter-bank credits of reporting banks. The money supply should equal the sum of the iternational reserve and domestic credits minus the non-money supply deposits plus or minus the net balance of the miscellaneous accounts depending on whether it is a debit or credit balance. Any discrepancy is due primarily to recording lags in inter-bank transactions.

[b] Marginal deposits of Other Banks are excluded in the miscellaneous accounts and transferred to non-money supply deposits.

TABLE 32.—*Money Supply and Its Composition*, 1949-1955

(Million pesos)

End of period	Money supply (2 + 5)	Currency in circulation			Peso deposits subject to check						
		Total (3 — 4)	Currency issue	Inactive cash [a]	Total (6 to 11)	Business individuals	Semi-government entities	City, provincial and municipal governments [b]	U.S. government entities	Unused overdraft lines	Cashiers' and managers' checks
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1949	1,035.4	569.9	630.0	60.1	465.5	227.0	87.6	44.6	49.3	52.0	5.0
1950	1,229.0	674.7	733.0	58.3	554.3	352.9	43.8	52.9	22.6	75.6	6.5
1951	1,160.4	644.5	685.3	40.8	515.9	260.1	47.0	77.9	24.5	101.8	4.6
1952	1,198.2	629.7	681.8	52.1	568.5	272.1	62.7	102.1	23.5	103.5	4.6
1953	1,224.1	666.0	709.1	43.1	558.1	259.3	59.8	96.6	20.2	113.6	8.6
1954—January	1,219.3	655.7	704.4	48.7	563.6	252.4	65.6	111.0	20.6	107.4	6.6
February	1,236.3	662.6	710.3	47.7	573.7	258.9	66.3	113.4	19.8	109.2	6.1
March	1,245.8	660.0	711.2	51.2	585.8	270.2	65.7	107.1	19.8	116.2	6.8
April	1,233.5	657.6	705.3	47.7	575.9	265.0	62.1	110.7	17.5	113.7	6.9
May	1,213.6	648.8	702.8	54.0	564.8	251.6	59.0	119.9	18.1	111.2	5.0
June	1,200.4	635.5	686.9	51.4	564.9	254.9	57.7	117.8	15.3	112.9	6.3
July	1,210.2	631.4	684.4	53.0	578.8	255.2	66.4	125.5	13.9	112.2	5.6
August	1,213.7	647.2	699.5	52.3	566.5	250.8	67.1	120.0	13.6	108.5	6.5
September	1,204.8	650.5	701.6	51.1	554.3	257.2	62.9	106.2	13.9	108.3	5.8
October	1,215.7	657.4	704.7	47.3	558.3	254.2	62.7	106.8	13.9	115.6	5.1
November	1,215.9	653.3	708.3	55.0	562.6	255.5	56.5	114.6	13.1	117.1	5.8
December	1,226.6	676.6	719.4	42.8	550.0	269.5	51.8	97.5	13.8	111.0	6.4
1955—January	1,209.9	656.0	705.8	49.8	553.9	266.1	54.9	100.2	14.2	112.5	6.0
February	1,222.9	666.9	717.0	50.1	556.0	263.7	62.4	97.7	12.9	113.0	6.3
March	1,216.1	661.4	711.2	49.8	554.7	260.4	63.7	97.3	13.6	112.6	7.1
April	1,221.8	653.7	702.4	48.7	568.1	255.4	71.9	104.4	14.4	113.1	8.9
May	1,208.6	649.5	693.4	43.9	559.1	246.0	72.6	108.8	19.8	106.7	5.2
June	1,209.9	624.1	669.1	45.0	585.8	257.3	75.1	107.4	22.9	117.0	6.1
July	1,216.5	628.3	673.5	45.2	588.2	245.4	83.0	106.2	27.7	119.2	6.7
August	1,239.6	634.0	680.6	46.6	605.6	252.3	92.5	109.9	23.5	120.5	6.9
September	1,234.1	643.3	684.7	41.4	590.8	256.7	86.3	92.0	24.4	125.2	6.2
October	1,276.6	648.5	696.5	48.0	628.1	273.0	85.4	103.9	27.4	132.7	5.7
November	1,278.6	647.2	700.3	53.1	631.4	286.2	81.9	86.6	30.5	137.5	8.7
December	1,336.2	670.4	722.8	52.4	665.8	305.0	85.5	88.0	35.8	138.1	13.4

SOURCES OF BASIC DATA: Statements of Condition of the Central Bank and Other Banks.
Miscellaneous Statistical Information supplied by Other Banks.

[a] Consisting of cash in Securities Stabilization Fund, cash in Other Banks' vaults and cash in National Treasury vaults.

[b] Including demand deposits of city governments with Central Bank.

TABLE 33.—*International Reserve of the Central Bank and Foreign Exchange Holdings of Other Banks*, 1949-1955

(Million U. S. dollars)

End of period	Total (2 + 3) (1)	International reserve of the Central Bank[a] (2)	Foreign exchange holdings of Other Banks		
			Net (4 — 5) (3)	Gross (4)	Liabilities (5)
1949	260.09	230.70	29.39	53.58	24.19
1950	355.91	295.61	60.30	74.20	13.90
1951	303.87	244.42	59.45	72.42	12.97
1952	305.88	236.06	69.82	80.84	11.02
1953	295.98	240.38	55.60	66.84	11.24
1954—January	296.07	237.12	58.95	70.94	11.99
February	310.16	243.21	66.95	78.13	11.18
March	314.99	240.96	74.03	87.59	13.56
April	308.57	237.93	70.64	81.18	10.54
May	302.96	245.45	57.51	70.30	12.79
June	297.99	246.42	51.57	63.73	12.16
July	308.84	244.13	64.71	75.04	10.33
August	311.07	252.06	59.01	70.92	11.91
September	305.70	237.73	67.97	79.11	11.14
October	296.14	231.81	64.33	76.35	12.02
November	283.14	219.97	63.17	72.07	8.90
December	272.69	207.49	65.20	74.68	9.48
1955—January	266.65	197.11	69.54	79.81	10.27
February	261.85	190.05	71.80	84.95	13.15
March	254.19	189.05	65.14	78.84	13.70
April	246.78	188.15	58.63	70.33	11.70
May	239.88	190.67	49.21	64.17	14.96
June	244.34	191.86	52.48	66.50	14.02
July	247.40	188.86	58.54	69.40	10.86
August	249.92	197.93	51.99	64.56	12.57
September	245.82	191.20	54.62	68.93	14.31
October	237.22	178.85	58.37	70.46	12.09
November	226.73	162.40	64.33	75.04	10.71
December	209.21	154.91	54.30	68.72	14.42

SOURCE OF BASIC DATA: Combined Statement of Foreign Exchange Assets and Liabilities of Other Banks.

[a] Prior to the organization of the Central Bank on January 3, 1949, international reserve refers to the gold holdings and dollar balances of the National Treasury which were taken over by the Central Bank of the Philippines, except the Sinking Fund. The international reserve is exclusive of the dollar balances in the Sinking Fund but inclusive of the gold bullion on deposit with the United States Mint, San Francisco which was revalued from $805,410.00 to $1,360,621.08 at $35 per fine troy ounce. The General Fund was transferred in March, 1949. Beginning July, 1950, adjustments were made to include balances from the Philipppines-Japan Open Acount. Beginning December, 1955 loans from U.S. banks repayment of which is covered by export bills maturing within one year are included in the international reserve of the Central Bank.

TABLE 34.—*Domestic Credits of the Central Bank and Other Banks*, 1949-1955

(Million pesos)

End of period	Total (2 + 6)	Central Bank				Other Banks				
		Total [a] (3 + 5)	Domestic securities [b]	Advances to Other Banks	Other credits [c]	Total (7 to 10)	Domestic securities	Loans and discounts	Overdrafts [d]	Customers' liability acceptances
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1949	813.9	148.1	92.3	40.0	55.8	665.8	44.4	286.7	222.8	111.9
1950	898.4	218.2	157.6	10.0	60.6	680.2	72.5	298.9	261.1	47.8
1951	1,114.2	264.1	241.7	42.0	22.4	850.1	64.0	328.6	324.7	132.8
1952	1,142.2	265.1	235.4	46.0	29.7	877.1	80.4	374.0	313.8	108.9
1953	1,239.5	260.2	230.5	19.4	29.7	979.3	91.8	407.4	342.7	137.4
1954—January	1,241.9	263.1	233.1	24.8	30.0	978.8	92.1	407.4	346.9	132.4
February	1,237.9	263.0	241.1	18.0	21.9	974.9	92.1	404.7	348.6	129.5
March	1,246.3	261.8	239.9	19.2	21.9	984.5	92.2	405.2	352.2	134.9
April	1,245.3	284.6	262.7	8.0	21.9	960.7	92.3	392.2	339.1	137.1
May	1,269.6	270.4	248.5	3.0	21.9	999.2	108.4	402.5	343.6	144.7
June	1,272.8	262.0	240.1	1.1	21.9	1,010.8	121.6	414.5	350.1	124.6
July	1,263.5	249.7	228.0	0.4	21.7	1,013.8	131.5	412.7	346.3	123.3
August	1,283.7	248.1	226.4	4.9	21.7	1,035.6	137.0	420.0	352.9	125.7
September	1,295.4	245.4	224.0	20.0	21.4	1,050.0	137.4	425.3	350.8	136.6
October	1,323.8	246.9	225.6	37.4	21.3	1,076.9	138.3	435.8	359.6	143.2
November	1,342.6	247.5	226.1	49.7	21.4	1,095.1	138.1	443.4	363.9	149.7
December	1,341.2	282.5	261.1	62.5	21.4	1,058.7	102.7	440.5	365.2	150.3
1955—January	1,363.1	295.2	273.7	52.5	21.5	1,067.9	99.5	446.5	375.1	146.8
February	1,387.8	307.5	282.2	37.8	25.3	1,080.3	100.9	452.9	374.4	152.1
March	1,407.8	318.1	289.9	24.6	28.2	1,089.7	101.9	451.1	376.7	160.0
April	1,443.0	315.7	293.8	21.4	21.9	1,127.3	160.0	421.9	375.6	169.8
May	1,458.5	323.8	301.9	27.8	21.9	1,134.7	160.3	415.6	376.6	182.2
June	1,531.5	377.1	295.2	20.1	81.9	1,154.4	184.2	415.4	385.1	169.7
July	1,540.3	379.0	297.3	18.7	81.7	1,161.3	195.8	416.1	387.3	162.1
August	1,577.6	385.5	303.9	16.0	81.6	1,192.1	214.9	426.8	390.4	160.0
September	1,596.0	374.6	353.3	12.0	21.3	1,221.4	230.9	439.4	391.0	160.1
October	1,648.3	388.2	366.9	30.5	21.3	1,260.1	231.6	443.3	412.8	172.4
November	1,679.6	393.4	372.1	31.7	21.3	1,286.2	226.2	446.6	418.7	194.7
December	1,753.1	417.9	396.5	13.3	21.4	1,335.2	229.4	461.7	421.4	222.7

SOURCE OF BASIC DATA: Statements of Condition of the Central Bank and Other Banks.

[a] Excluding advances to Other Banks which cancel out in the consolidation of statements.

[b] Consisting of P.I. Treasury bills and notes, R & D bonds, RFC bonds and other securities.

[c] Including loans to the National Government, local governments and rural banks and the government note pertaining to the Treasury Certificate Account.

[d] Including unused overdraft lines.

TABLE 35.—*Non-Money Supply Deposits and Balances*, 1949-1955

(Million pesos)

End of period	Total (2)+(6 to 9)	National Government balances				Savings deposits [a]	Time deposits [a]	Marginal deposits	Other deposits [b]
		Total (3) to (5)	Central Bank	Philippine Nat'l Bank	Cash in Treas. vaults				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1949	369.6[r]	41.3	2.0	32.2	7.1	255.3	29.0	39.8	4.2[e]
1950	452.7[r]	105.1	19.4	81.4	4.3	254.4	35.5	53.2	4.5
1951	590.6	204.1	152.6	45.6	5.9	248.5	40.3	94.8	2.9
1952	539.6	162.9	97.6	58.6	6.7	267.4	41.5	65.7	2.1
1953	572.2	144.1	44.9	94.6	4.6	314.6	58.8	52.0	2.7
1954—January	587.4	154.1	54.8	95.5	3.8	316.8	59.5	54.4	2.6
February	587.0	149.8	51.8	91.4	6.6	320.5	59.7	54.4	2.6
March	597.1	151.4	47.6	99.7	4.1	325.8	62.2	55.0	2.7
April	600.1	151.9	46.7	101.1	4.1	328.1	65.0	52.4	2.7
May	625.3	180.8	58.9	117.9	4.0	328.8	63.2	50.0	2.5
June	621.0	177.7	49.8	123.9	4.0	329.7	62.9	47.5	3.2
July	623.6	163.4	44.9	114.8	3.7	336.1	69.9	51.6	2.6
August	651.9	190.5	59.7	126.8	4.0	337.3	69.5	52.1	2.5
September	660.0	180.8	41.2	135.2	4.4	343.9	71.5	61.3	2.5
October	658.9	174.1	43.5	125.8	4.8	347.7	71.9	62.7	2.5
November	643.2	155.6	40.6	110.0	5.0	351.2	71.7	62.2	2.5
December	618.7	126.7	21.6	100.2	4.9	353.2	71.4	65.0	2.4
1955—January	641.8	144.4	34.4	104.0	6.0	353.7	76.8	64.9	2.0
February	638.8	136.7	21.8	107.1	7.8	355.1	79.5	65.5	2.0
March	648.0	140.9	22.4	112.2	6.3	357.7	83.1	64.3	2.0
April	654.3	146.2	25.9	112.6	7.7	354.4	86.1	63.6	2.0
May	678.6	180.9	57.6	119.8	3.5	352.8	83.0	60.1	1.8
June	733.7	237.0	99.3	134.3	3.4	354.2	84.5	55.9	2.1
July	741.7	241.4	90.7	145.1	5.6	359.4	82.3	56.0	2.6
August	746.2	239.5	83.9	150.8	4.8	363.6	83.4	57.2	2.5
September	752.4	230.8	64.7	161.3	4.8	369.3	87.0	62.7	2.6
October	753.2	217.4	59.9	154.0	3.5	374.6	90.5	68.1	2.6
November	747.9	202.5	47.0	149.4	6.1	379.1	92.1	71.7	2.5
December	734.5	184.8	44.8	132.7	7.3	381.4	92.0	73.8	2.5

SOURCES OF BASIC DATA: Statements of Condition of the Central Bank and Other Banks.
Daily Report of the National Treasurer.

[a] Excluding accounts of non-resident individuals.

[b] Consisting of foreign currency demand deposits of resident individuals.

TABLE 36.—*Miscellaneous Accounts of the Central Bank and Other Banks, 1949-1955*

(Million pesos)

End of period	Miscellaneous accounts [a] (Net balance) (5)+(8)—(2) (1)	Other assets			Capital accounts [c]			Other liabilities		
		Total (2)	Central Bank [b] (3)	Other Banks (4)	Total (5)	Central Bank (6)	Other Banks (7)	Total (8)	Central Bank (9)	Other Banks (10)
1949	(73.6) r	210.2	144.9	65.3	92.1	16.5	75.6	44.5	27.5	17.0
1950	(71.4) r	208.0	150.5	57.5	110.6	19.9	90.7	26.0	3.2	22.8
1951	(34.7)	212.1	148.6	63.5	134.5	27.4	107.1	42.9	4.1	38.8
1952	12.9	195.0	139.7	55.3	145.5	29.1	116.4	62.4	5.4	57.0
1953	34.3	175.1	139.6	35.5	164.0	32.7	131.3	45.4	5.3	40.1
1954—January	27.3	173.0	140.1	32.9	155.9	23.7	132.2	44.4	6.0	38.4
February	30.2	173.5	141.2	32.3	156.8	24.0	132.8	46.9	6.4	40.5
March	32.4	174.8	141.6	33.2	161.7	24.6	137.1	45.5	6.7	38.8
April	31.5	176.6	142.3	34.3	162.4	25.0	137.4	45.7	7.4	38.3
May	30.7	181.1	142.1	39.0	164.2	25.5	138.7	47.6	7.8	39.8
June	41.9	171.9	138.6	33.3	168.4	28.5	139.9	45.4	4.9	40.5
July	42.4	172.4	139.2	33.2	169.5	28.8	140.7	45.3	5.3	40.0
August	37.3	175.0	139.8	35.2	170.6	28.9	141.7	41.7	5.9	35.8
September	37.9	177.4	143.5	33.9	173.5	28.9	144.6	41.8	6.2	35.6
October	42.7	176.3	141.9	34.4	174.6	29.1	145.5	44.4	6.9	37.5
November	47.0	179.8	142.0	37.8	175.8	29.2	146.6	51.0	9.2	41.8
December	45.7	178.5	140.0	38.5	175.6	31.9	143.7	48.6	6.5	42.1
1955—January	38.9	178.7	140.0	38.7	169.4	25.6	143.8	48.2	5.6	42.6
February	39.1	182.3	143.2	39.1	170.4	25.8	144.6	51.0	7.4	43.6
March	46.1	180.8	144.0	36.8	172.7	26.2	146.5	54.2	6.6	47.6
April	47.3	186.5	146.4	40.1	173.7	26.4	147.3	60.1	4.9	55.2
May	51.0	188.0	148.9	39.1	175.4	26.5	148.9	63.6	5.3	58.3
June	77.8	187.9	149.6	38.3	182.5	29.1	153.4	83.2	23.1	60.1
July	79.4	188.4	148.2	40.2	183.6	29.4	154.2	84.2	25.7	58.5
August	103.6	187.5	149.2	38.3	204.8	29.5	175.3	86.3	27.3	59.0
September	104.5	189.5	149.8	39.7	207.7	30.2	177.5	86.3	26.1	60.2
October	95.6	190.9	150.4	40.5	208.9	30.6	178.3	77.6	26.8	50.8
November	103.2	203.0	160.9	42.1	205.4	31.0	174.4	100.8	27.9	72.9
December	101.1	264.2	218.6	45.6	195.2	33.9	161.3	170.1	31.2	138.9

SOURCE OF BASIC DATA: Statements of Condition of the Central Bank and Other Banks.

[a] Debit balance is indicated by parenthesis.
[b] Including account to secure coinage and the contribution to the International Monetary Fund.
[c] Consisting of paid-in capital, surplus, reserves, and undivided profits.

TABLE 37.—*Ratio of Money Supply Components to Total*, 1949-1955

(Amount in million pesos)

End of period	Money supply	Currency in circulation	Peso demand deposits	Ratio to money supply	
				Currency in circulation	Peso demand deposits
1949	1,035.4	569.9	465.5	55.0	45.0
1950	1,229.0	674.7	554.3	54.9	45.1
1951	1,160.4	644.5	515.9	55.5	44.5
1952	1,198.2	629.7	568.5	52.6	47.4
1953	1,224.1	666.0	558.1	54.4	45.6
1954—January	1,219.3	655.7	563.6	53.8	46.2
February	1,236.3	662.6	573.7	53.6	46.4
March	1,245.8	660.0	585.8	53.0	47.0
April	1,233.5	657.6	575.9	53.3	46.7
May	1,213.6	648.8	564.8	53.5	46.5
June	1,200.4	635.5	564.9	52.9	47.1
July	1,210.2	631.4	578.8	52.2	47.8
August	1,213.7	647.2	566.5	53.3	46.7
September	1,204.8	650.5	554.3	54.0	46.0
October	1,215.7	657.4	558.3	54.1	45.9
November	1,215.9	653.3	562.6	53.7	46.3
December	1,226.6	676.6	550.0	55.2	44.8
1955—January	1,209.9	656.0	553.9	54.2	45.8
February	1,222.9	666.9	556.0	54.5	45.5
March	1,216.1	661.4	554.7	54.4	45.6
April	1,221.8	653.7	568.1	53.5	46.5
May	1,208.6	649.5	559.1	53.7	46.3
June	1,209.9	624.1	585.8	51.6	48.4
July	1,216.5	628.3	588.2	51.6	48.4
August	1,239.6	634.0	605.6	51.1	48.9
September	1,234.1	643.3	590.8	52.1	47.9
October	1,276.6	648.5	628.1	50.8	49.2
November	1,278.6	647.2	631.4	50.6	49.4
December	1,336.2	670.4	665.8	50.2	49.8

SOURCES OF BASIC DATA: Statements of Condition of the Central Bank and Other Banks. Daily Report of the National Treasurer.

TABLE 38.—*Ratio of International Reserve to Money Supply and Currency Issue,* 1949-1955

(Amount in million pesos)

End of period	International reserve	Currency issue	Money supply	Ratio of international reserve to:	
				Currency issue	Money supply
1949	520.2	630.0	1,035.4	82.6	50.2
1950	711.8	733.0	1,229.0	97.1	57.9
1951	607.7	685.3	1,160.4	88.7	52.4
1952	611.8	681.8	1,198.2	89.7	52.1
1953	592.0	709.1	1,224.1	83.5	48.4
1954—January	592.2	704.4	1,219.3	84.1	48.6
February	620.4	710.3	1,236.3	87.3	50.2
March	630.0	711.2	1,245.8	88.6	50.6
April	617.2	705.3	1,233.5	87.5	50.0
May	606.0	702.8	1,213.6	86.2	49.9
June	596.0	686.9	1,200.4	86.8	49.7
July	617.6	684.4	1,210.2	90.2	51.0
August	622.1	699.5	1,213.7	88.9	51.3
September	611.4	701.6	1,204.8	87.1	50.7
October	592.2	704.7	1,215.7	84.0	48.7
November	566.3	708.3	1,215.9	80.0	46.6
December	545.4	719.4	1,226.6	75.8	44.5
1955—January	533.3	705.8	1,209.9	75.6	44.1
February	523.7	717.0	1,222.9	73.0	42.8
March	508.4	711.2	2,216.1	71.5	41.8
April	493.6	702.4	1,221.8	70.3	40.4
May	479.7	693.4	1,208.6	69.2	39.7
June	488.7	669.1	1,209.9	73.0	40.4
July	494.8	673.5	1,216.5	73.5	40.7
August	499.8	680.6	1,239.6	73.4	40.3
September	491.6	684.7	1,234.1	71.8	39.8
October	474.4	696.5	1,276.6	68.1	37.2
November	453.5	700.3	1,278.6	64.8	35.5
December	418.4	722.8	1,336.2	57.9	31.3

SOURCES OF BASIC DATA: Statements of Condition of the Central Bank and Other Banks.
Daily Report of the National Treasurer.
Combined Statement of Foreign Exchange Assets and Liabilities of Other Banks.

TABLE 39.—*Composition of the International Reserve of the Central Bank, December* 31, 1949-1955

(Million U.S. dollars)

Item	1949	1950	1951	1952	1953	1954	1955
TOTAL	230.7	295.6	244.4	236.1	240.4	207.5	154.9
TIME DEPOSITS	210.0	220.0	221.0	206.0	206.0	167.5	112.0
United States Treasury	135.0	75.0	—	—	—	—	—
American Security and Trust Co., Wash., D.C.	—	10.0	15.0	15.0	15.0	15.0	13.0
Bank of America, NTSA, San Francisco, California	25.0	25.0	44.0	42.0	35.0	24.0	17.0
Chemical Corn Exchange Bank, New York, N.Y.	—	—	5.0	5.0	5.0	5.0	5.0
Guaranty Trust Co., New York, N.Y.	—	20.0	25.0	22.0	22.0	14.0	3.0
Irving Trust Co., New York, N.Y.	—	20.0	30.0	26.0	23.0	14.0	12.0
The Chase Manhattan Bank, New York, N.Y.	25.0	35.0	52.0	50.0	50.0	42.0	29.0
The First Nat'l City Bank of New York, N.Y.	25.0	35.0	50.0	46.0	37.0	33.0	14.0
Anglo-Crocker Nat'l Bank, San Francisco	—	—	—	—	2.0	3.0	3.0
Bankers Trust Co., New York, N.Y.	—	—	—	—	2.0	2.0	2.0
Hanover Bank, New York, N.Y.	—	—	—	—	5.0	5.0	3.0
Seattle First National Bank, Seattle, Washington	—	—	—	—	5.0	—	1.0
Manufacturers Trust Co., New York, N.Y.	—	—	—	—	5.0	5.0	5.0
Colonial Trust Co., New York, N.Y.	—	—	—	—	—	0.5	1.0
National Bank of Commerce of Seattle, Seattle, Washington	—	—	—	—	—	5.0	4.0
DEMAND DEPOSITS	13.1	60.6	15.8	7.2	10.9	7.0	15.8
United States Treasury	—	1.5	—	—	—	—	—
American Security and Trust Co., Washington, D.C.	—	2.6	0.1	0.1	0.1	0.1	0.1
Bank of America, NTSA, San Francisco, California	1.6	3.7	3.6	2.4	5.7	0.8	4.0
Bank of America, NTSA, New York, N.Y.	—	—	0.4	0.1	0.1	0.1	—
Chemical Corn Exchange Bank, New York, N.Y.	—	—	—	0.1	0.1	0.1	0.7
Federal Reserve Bank of New York, N.Y.	5.5	33.2	0.5	0.4	0.3	0.2	—
Guaranty Trust Co., New York, N.Y.	—	—	0.5	0.2	0.1	0.1	0.1
Irving Trust Co., New York, N.Y.	—	—	1.4	0.4	0.2	0.4	0.3
The Chase Manhattan Bank, New York, N.Y.	3.0	10.8	3.9	0.4	1.7	1.9	5.5

TABLE 39.—*Composition of the International Reserve of the Central Bank, December* 31, 1949-1955 (*Concluded*)

(Million U.S. dollars)

Item	1949	1950	1951	1952	1953	1954	1955
DEMAND DEPOSITS (Continued)							
The First Nat'l City Bank of New York, N.Y.	3.0	8.8	5.4	3.1	2.4	1.1	4.0
Anglo-Crocker Nat'l Bank, San Francisco	—	—	—	—	—	0.6	0.7
Bankers Trust Co., New York, N.Y.	—	—	—	—	—	0.2	0.1
Hanover Bank, New York, N.Y.	—	—	—	—	0.1	0.1	0.1
Nat'l Bank of Commerce of Seattle, Seattle, Washington	—	—	—	—	—	0.1	—
Manufacturers Trust Co., New York, N.Y.	—	—	—	—	0.1	1.1	0.1
Colonial Trust Co., New York, N.Y.	—	—	—	—	—	0.1	0.1
GOLD	1.3	3.4	6.7	9.2	9.4	9.4	15.5
U.S. TREASURY BILLS	5.0	—	2.0	4.0	3.0	3.0	—
FOREIGN CURRENCY (U.S. Notes and Coins)	—	0.1	0.1	0.1	0.2	0.5	0.5
ACCRUED INTEREST ON TIME DEPOSITS	1.3	1.1	0.6	0.6	0.7	0.4	0.4
SPECIAL ACCOUNT WITH U.S. BANKS	—	—	—	—	—	—	0.8
PHILIPPINES – JAPAN TRADE OPEN ACCOUNT	—	10.4	(1.8)	9.0	10.1	19.7	9.9

TABLE 40.—*Foreign Exchange Holdings of Other Banks*, 1949-1955

(Million U.S. dollars)

End of period	Net foreign exchange assets (2—7) (1)	Gross foreign exchange assets					Foreign exchange liabilities		
		Total (3 to 6) (2)	Due from banks abroad (3)	Unmatured export bills (4)	Foreign securities (5)	Other foreign assets [a] (6)	Total (8+9) (7)	Due to banks abroad (8)	Other foreign liabilities [b] (9)
1949.....	29.4	53.6	42.8	3.3	4.9	2.6	24.2	16.9	7.3
1950.....	60.3	74.2	57.2	11.6	3.1	2.3	13.9	6.3	7.6
1951.....	59.4	72.4	52.3	14.1	3.1	2.9	13.0	8.9	4.1
1952.....	69.8	80.8	63.5	15.6	0.1	1.6	11.0	6.1	4.9
1953.....	55.6	66.8	50.5	14.5	0.1	1.7	11.2	5.9	5.3
1954—January.....	58.9	70.9	53.8	15.8	0.1	1.2	12.0	7.2	4.8
February.....	66.9	78.1	55.7	21.0	0.1	1.3	11.2	6.8	4.4
March.....	74.0	87.6	63.9	22.6	0.1	1.0	13.6	8.7	4.9
April.....	70.7	81.2	58.4	21.8	0.1	0.9	10.5	6.0	4.5
May.....	57.5	70.3	47.2	21.8	0.1	1.2	12.8	9.4	3.4
June.....	51.6	63.7	43.6	18.8	0.1	1.2	12.1	7.5	4.6
July.....	64.7	75.0	51.6	22.3	0.1	1.0	10.3	5.8	4.5
August.....	59.0	70.9	50.9	18.2	0.1	1.7	11.9	5.6	6.3
September.....	68.0	79.1	65.5	12.2	0.1	1.3	11.1	4.8	6.3
October.....	64.3	76.3	62.6	11.8	0.1	1.8	12.0	5.2	6.8
November.....	63.2	72.1	59.0	11.1	0.1	1.9	8.9	5.2	3.7
December.....	65.2	74.7	60.1	13.4	0.1	1.1	9.5	4.0	5.5
1955—January.....	69.5	79.8	62.9	15.0	0.1	1.8	10.3	5.8	4.5
February.....	71.8	85.0	64.6	18.3	0.1	2.0	13.2	7.2	6.0
March.....	65.1	78.8	58.5	18.5	0.1	1.7	13.7	6.9	6.8
April.....	58.6	70.3	49.6	18.8	0.1	1.8	11.7	6.3	5.4
May.....	49.2	64.2	42.2	20.8	0.1	1.1	15.0	8.9	6.1
June.....	52.5	66.5	43.9	19.4	0.1	3.1	14.0	6.3	7.7
July.....	58.5	69.4	51.5	16.4	0.1	1.4	10.9	3.6	7.3
August.....	52.0	64.6	50.9	12.7	0.1	0.9	12.6	4.4	8.2
September.....	54.6	68.9	54.9	11.6	0.1	2.3	14.3	5.0	9.3
October.....	58.4	70.5	59.8	9.4	0.1	1.2	12.1	4.1	8.0
November.....	64.3	75.0	61.2	12.2	0.1	1.5	10.7	4.2	6.5
December.....	54.3	68.7	48.6	17.9	0.1	2.1	14.4	5.0	9.4

SOURCE OF DATA: Combined Statement of Foreign Exchange Assets and Liabilities of Other Banks.

[a] Consisting of foreign currency on hand, loans and advances, and other claims against non-residents.

[b] Consisting of U.S. Government dollar deposits, travelers' letters of credit paid in cash, proceeds of import bills pending remittance to foreign banks, drafts issued outstanding and other similar obligations to non-residents.

TABLE 41.—*Purchases and Sales of Foreign Exchange by the Central Bank, 1949-1955*

(Million U. S. dollars)

Period	Total	Purchases from:		Total	Sales to:	
		The banking system	Other entities[a]		The banking system	Other entities
1949	92.7	38.2	54.5	236.9	236.9	—
1950	532.1	518.4	13.7	482.4	466.3	16.1
1951	517.1	515.8	1.3	574.5	562.4	12.1
1952	468.8	465.4	3.4	504.2	485.5	18.7
1953	510.0	508.2	1.8	538.7	523.2	15.5
1954	512.7	509.9	2.8	579.3	552.8	26.5
January	39.7	39.6	0.1	44.9	44.9	—
February	49.8	49.7	0.1	46.9	46.9	—
March	39.8	39.6	0.2	46.2	46.2	—
April	39.9	39.9	—	45.3	32.1	13.2
May	50.3	50.1	0.2	44.7	40.6	4.1
June	45.6	44.5	0.1	46.7	43.1	3.6
July	50.7	50.4	0.3	55.8	54.8	1.0
August	44.7	44.6	0.1	40.3	40.3	—
September	40.5	40.3	0.2	57.6	57.6	—
October	37.9	37.8	0.1	45.9	45.9	—
November	35.9	35.8	0.1	50.7	50.7	—
December	37.9	37.6	0.3	54.3	49.7	4.6
1955	494.9	493.5	1.4	588.4	579.3	9.1
January	37.8	37.6	0.2	50.6	50.6	—
February	32.2	32.1	0.1	40.6	39.6	1.0
March	48.3	48.2	0.1	50.1	50.1	—
April	37.9	37.9	—	42.1	42.1	—
May	41.9	41.7	0.2	42.9	42.9	—
June	51.9	51.8	0.1	63.4	59.9	3.5
July	47.0	46.9	0.1	53.4	51.9	1.5
August	44.3	44.1	0.2	39.5	39.4	0.1
September	43.5	43.5	—	52.2	50.7	1.5
October	37.1	37.0	0.1	53.3	53.3	—
November	33.4	33.2	0.2	52.2	52.2	—
December	39.6	39.5	0.1	48.1	46.6	1.5

[a] Consisting of agencies of the Philippines or U.S. government and private entities other than banks.

TABLE 42.—*Domestic Credits of the Central Bank Classified by Origin, 1949-1955*

(Million pesos)

End of period	Total domestic credits [a]	Domestic securities			Treasury Certificate Account	Budgetary loans to the government	Loans to the RFC	Loans and advances to banks
		Total	National government	Local governments and semi-government entities				
1949	148.1	92.3	48.3	44.0	18.7	37.1	—	40.0
1950	218.2	157.6	113.6	44.0	22.1	38.5	—	10.0
1951	264.1	241.7	197.7	44.0	22.1	0.3	—	42.0
1952	265.1	235.4	191.2	44.2	21.5	0.2	8.0	46.0
1953	260.2	230.5	178.3	52.2	21.4	0.3	8.0	19.4
1954—January	263.1	233.1	177.9	55.3	21.4	0.5	8.0	24.8
February	263.0	241.1	177.8	63.3	21.4	0.5	—	18.0
March	261.8	239.9	176.6	63.3	21.4	0.5	—	19.2
April	284.6	262.7	172.9	89.8	21.4	0.5	—	8.0
May	270.4	248.5	156.7	91.8	21.4	0.5	—	3.0
June	262.0	240.1	143.3	96.8	21.4	0.5	—	1.1
July	249.7	228.0	126.5	101.5	21.4	0.3	—	0.4
August	248.1	226.4	125.0	101.4	21.4	0.3	—	4.9
September	245.4	224.0	122.6	101.4	21.4	—	—	20.0
October	246.9	225.5	120.7	104.8	21.4	—	—	37.4
November	247.5	226.1	119.3	106.8	21.4	—	—	49.7
December	282.5	261.1	146.3	114.8	21.4	--	—	62.5
1955—January	295.2	273.7	152.3	121.4	21.4	0.1	—	52.5
February	307.5	282.2	153.4	128.8	21.4	3.9	—	37.8
March	318.1	289.9	157.3	132.6	21.4	6.8	—	24.6
April	315.7	293.8	150.1	143.7	21.3	0.6	—	21.4
May	323.8	301.9	153.8	148.1	21.3	0.6	—	27.8
June	377.1	295.2	149.5	145.7	21.3	60.6	—	20.1
July	379.0	297.3	151.0	146.3	21.3	60.4	—	18.7
August	385.5	303.9	154.5	149.4	21.3	60.3	—	16.0
September	374.6	353.3	182.7	170.6	21.3	—	—	12.0
October	388.2	366.9	180.1	186.8	21.3	—	—	30.5
November	393.4	372.1	185.7	186.4	21.3	—	—	31.7
December	417.9	396.5	211.6	184.9	21.3	0.1	—	13.3

[a] Excluding loans and advances to banks as they cancel out in the consolidation of statements.

TABLE 43.—*Domestic Credits of Other Banks Classified by Origin*, 1949-1955

(Million pesos)

End of period	Domestic credits				Domestic securities			Loans, discounts, overdrafts [a] and customers' liability acceptances		
	Total	National government (5)+(8)	Local gov't's. and semi-gov't entities (6)+(9)	Private businesses and individuals (7)+(10)	National government	Local gov't's. and semi-gov't entities	Private businesses	National government	Local gov't's. and semi-gov't entities	Private businesses and individuals
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1949	665.8	20.8	70.8	574.2	18.1	24.0	2.3	2.7	46.8	571.9
1950	680.2	43.5	65.6	571.1	41.3	25.0	6.2	2.2	40.6	564.9
1951	850.1	37.2	52.6	760.3	35.4	24.6	4.0	1.8	28.0	756.3
1952	877.1	60.8	54.3	762.0	56.5	19.2	4.7	4.3	35.1	757.3
1953	979.3	61.9	71.3	846.1	57.8	31.1	3.0	4.1	40.2	843.1
1954—January	978.8	62.0	67.9	848.9	57.9	31.1	3.1	4.1	36.8	845.8
February	974.9	62.0	72.4	840.5	57.9	31.9	2.3	4.1	40.5	838.2
March	984.5	61.5	69.7	853.3	57.4	30.1	4.6	4.1	39.5	848.7
April	960.7	62.1	72.0	826.6	58.1	32.6	1.6	4.0	39.3	825.0
May	999.2	78.2	71.7	849.3	74.2	31.9	2.3	4.0	39.8	847.0
June	1,010.8	91.4	67.5	851.9	87.3	31.2	3.1	4.1	36.3	848.8
July	1,013.8	101.4	60.9	851.5	97.4	31.2	3.0	4.0	29.7	848.5
August	1,035.6	105.8	57.8	872.0	101.8	31.7	3.4	4.0	26.1	868.6
September	1,050.0	106.2	54.6	889.2	102.2	30.2	4.9	4.0	24.4	884.3
October	1,076.9	107.6	52.4	916.9	103.6	29.0	5.6	4.0	23.4	911.3
November	1,095.1	107.4	54.4	933.3	103.4	29.0	5.6	4.0	25.4	927.7
December	1,058.7	78.8	44.6	935.3	77.3	21.9	3.4	1.5	22.7	931.9
1955—January	1,067.9	75.7	47.3	944.9	74.2	22.2	3.1	1.5	25.1	941.8
February	1,080.3	76.6	47.7	956.0	75.2	19.7	6.0	1.4	28.0	950.0
March	1,089.7	77.9	46.8	965.0	76.5	19.7	5.6	1.4	27.1	959.4
April	1,127.3	134.4	32.3	960.6	134.1	22.0	3.8	0.3	10.3	956.8
May	1,134.7	134.6	32.4	967.7	134.3	22.0	3.8	0.3	10.4	963.9
June	1,154.4	145.7	40.7	968.0	145.5	32.7	6.0	0.2	8.0	962.0
July	1,161.3	145.4	52.0	963.9	145.1	45.0	5.7	0.3	7.0	958.2
August	1,192.1	165.9	54.9	971.3	165.7	45.8	3.3	0.2	9.1	968.0
September	1,221.4	181.8	51.2	988.4	181.6	43.7	5.6	0.2	7.5	982.8
October	1,260.1	195.4	41.0	1,023.7	195.2	33.0	3.4	0.2	8.0	1,020.3
November	1,286.2	189.9	39.7	1,056.6	189.7	33.1	3.5	0.2	6.6	1,053.2
December	1,335.2	193.3	41.4	1,100.5	193.1	32.8	3.5	0.2	8.6	1,097.0

SOURCE OF BASIC DATA: Combined Statement of Assets and Liabilities of Other Banks.

[a] Including unused overdraft lines.

TABLE 44.—*Available, Required, Excess, and Potential Reserves of Other Banks,* 1949-1955

(Million pesos)

End of period	Available reserves[a]			Potential reserves		
	Total	Required	Excess	Total	Cash in banks' vaults	Eligible foreign balances, Phil. & U.S. securities
1949	143.8	93.2	50.6	153.5	53.4	100.1
1950	244.3	115.7	128.6	170.4	50.0	120.4
1951	116.0	96.7	19.3	146.8	25.8	121.0
1952	147.5	107.8	39.7	165.3	32.6	132.7
1953	147.8	113.5	34.3	138.8	33.2	105.6
1954—January.....	162.6	115.3	47.3	142.9	30.0	112.9
February.....	164.8	116.7	48.1	142.5	26.6	115.9
March.....	164.1	120.6	43.5	162.3	34.1	128.2
April.....	175.2	119.2	56.0	147.6	29.0	118.6
May.....	164.8	122.0	42.8	139.5	35.7	103.8
June.....	173.7	120.7	53.0	146.6	32.0	114.6
July.....	164.4	123.4	41.0	178.3	34.7	143.6
August.....	155.0	124.0	31.0	164.5	34.2	130.3
September.....	160.2	123.8	36.4	172.4	32.2	140.2
October.....	162.3	122.0	40.3	164.6	27.5	137.1
November.....	144.0	119.6	24.4	151.7	35.8	115.9
December.....	165.7	117.6	48.1	157.9	32.9	125.0
1955—January.....	152.1	117.9	34.2	158.4	32.8	125.6
February.....	141.8	119.3	22.5	153.1	32.2	120.9
March.....	147.5	120.4	27.1	141.7	33.2	108.5
April.....	147.8	121.9	25.9	181.8	31.9	149.9
May.....	147.1	121.8	25.3	175.2	30.8	144.4
June.....	152.3	126.8	25.5	169.8	32.0	137.8
July.....	154.8	129.3	25.5	225.7	29.2	196.5
August.....	179.2	133.0	46.2	240.4	30.6	209.8
September.....	165.0	132.8	32.2	265.4	26.1	239.3
October.....	165.5	137.0	28.5	255.3	33.4	221.9
November.....	160.4	137.7	22.7	246.4	36.2	210.2
December.....	188.3	136.6	51.7	264.4	33.9	230.5

SOURCE OF BASIC DATA: Report of Required and Available Reserves of Other Banks.

[a] Consisting of deposits with the Central Bank, eligible Philippine securities, eligible foreign balances and eligible U.S. securities.

TABLE 45.—*Letters of Credit Negotiated Through Banks,* 1949-1955

(Million pesos)

Period	Granted	Negotiated [a]	Outstanding at the end of period
1949	539.5	571.3	83.8
1950	549.3	504.1	129.0
1951	991.7	883.8	236.9
1952	710.3	766.5	180.7
1953	830.9	880.0	131.6
1954	947.5	872.9	206.2
January	97.7	64.4	164.9
February	67.7	54.0	178.6
March	79.4	80.1	177.9
April	56.0	70.1	163.8
May	55.6	83.1	136.3
June	77.2	84.9	128.6
July	82.2	44.0	166.8
August	76.9	71.6	172.1
September	104.8	76.2	200.7
October	73.0	78.1	195.6
November	63.7	79.3	180.0
December	113.3	87.1	206.2
1955	972.6	985.0	193.8
January	87.9	83.5	210.6
February	78.5	76.7	212.4
March	91.7	89.2	214.9
April	68.0	88.6	194.3
May	66.9	95.3	165.9
June	104.1	85.6	184.4
July	83.6	62.1	205.9
August	66.4	91.4	180.9
September	99.9	59.1	221.7
October	88.1	78.2	231.6
November	56.3	78.7	209.2
December	81.2	96.6	193.8

SOURCE OF BASIC DATA: Miscellaneous Statistical Information supplied by Other Banks.

[a] Including cancelled letters of credit.

TABLE 46.—*Turnover Rate of Average Peso Demand Deposits of Other Banks*, 1950-1955

(Amount in million pesos)

Period		Total debits [a] (1)	Average peso demand deposits [b] (2)	Turnover rate (1) ÷ (2) (3)
1950	Monthly average	648.9	546.1	1.19
1951	Monthly average	682.2	548.5	1.24
1952	Monthly average	659.4	545.9	1.21
1953	Monthly average	742.9	561.2	1.32
1954	Monthly average	814.8	567.0	1.44
	January	797.4	560.9	1.42
	February	757.9	568.7	1.33
	March	865.2	579.8	1.49
	April	762.9	580.8	1.31
	May	861.9	570.3	1.51
	June	864.9	564.9	1.53
	July	797.0	571.9	1.39
	August	829.8	572.7	1.45
	September	793.2	560.4	1.42
	October	803.6	556.3	1.44
	November	759.4	560.5	1.35
	December	884.8	556.3	1.59
1955	Monthly average	920.6	585.8	1.57
	January	848.7	552.0	1.54
	February	791.6	555.0	1.43
	March	938.2	555.4	1.69
	April	833.9	561.4	1.49
	May	966.9	560.4	1.72
	June	936.6	572.5	1.64
	July	879.2	587.0	1.50
	August	976.6	596.9	1.64
	September	928.2	598.2	1.55
	October	962.5	609.5	1.58
	November	902.8	629.8	1.43
	December	1,081.9	648.6	1.67

SOURCES OF BASIC DATA: Combined Statement of Assets and Liabilities of Other Banks. Miscellaneous Statistical Information supplied by Other Banks.

[a] Consisting of debits to peso deposits subject to check as defined in the money supply series.

[b] Average of beginning and ending balances.

TABLE 47.—*Assets and Liabilities of the Central Bank,* 1949-1955

(Million pesos)

End of period	Total assets	International reserve [a]	Contribution to IMF	Domestic securities	Loans and advances	Account to secure coinage	Special Accounts-Loans from U.S. banks [b]	Other assets [c]
1949	793.6	460.7	30.0	92.2	77.0	113.3	—	20.4
1950	969.5	590.8	30.0	157.6	48.5	113.3	—	29.3
1951	943.4	488.7	30.0	241.7	42.3	107.6	—	33.1
1952	923.0	472.2	30.0	235.4	54.2	106.9	—	24.3
1953	900.0	481.1	30.0	230.5	27.3	107.0	—	24.1
1954—January	902.5	474.5	30.0	233.1	33.3	107.0	—	24.6
February	908.9	486.8	30.0	241.1	18.5	106.9	—	25.6
March	904.8	482.2	30.0	239.9	19.7	106.9	—	26.1
April	911.2	476.3	30.0	262.6	8.5	107.0	—	26.8
May	906.9	491.3	30.0	248.5	3.6	106.9	—	26.6
June	894.5	492.9	30.0	240.1	1.6	106.9	—	23.0
July	877.5	480.9	30.0	228.0	0.7	106.9	—	31.0
August	897.0	498.5	30.0	226.5	5.2	106.9	—	29.9
September	884.3	475.4	30.0	224.1	20.0	106.9	1.0	26.9
October	889.8	463.5	30.0	225.6	37.4	106.9	1.0	25.4
November	878.9	439.8	30.0	226.1	49.7	106.9	1.0	25.4
December	899.7	414.7	30.0	261.1	62.5	106.9	1.0	23.5
1955—January	882.0	394.3	30.0	273.7	52.6	106.9	—	24.5
February	868.9	380.3	30.0	282.3	41.7	106.9	2.6	25.1
March	864.7	378.1	30.0	289.9	31.4	106.9	2.6	25.8
April	859.7	376.4	30.0	293.8	21.8	106.9	2.6	28.2
May	881.9	381.4	30.0	301.9	28.4	106.9	5.0	28.3
June	930.8	384.0	30.0	295.2	80.7	106.9	5.0	29.0
July	924.0	378.1	30.0	297.3	79.0	106.9	5.0	27.7
August	947.0	396.4	30.0	303.9	76.3	106.9	6.3	27.2
September	919.0	382.6	30.0	353.3	12.0	106.9	6.3	27.9
October	927.4	358.3	30.0	366.9	30.5	106.9	6.3	28.5
November	911.2	325.1	30.0	372.1	31.7	106.9	16.3	29.1
December	966.4	310.2	30.0	396.5	13.4	106.9	80.9	28.5

TABLE 47.—*Assets and Liabilities of the Central Bank*, 1949-1955 (*Concluded*)

(Million pesos)

End of period	Total liabilities and net worth	Currency issue [d]	Demand deposits	International Monetary Fund	International Bank for Reconstruction and Development	Securities Stabilization Fund	Other liabilities [f]	Capital	Surplus	Undivided profits
1949	793.6	629.9	117.7	22.5	2.4	2.0	2.6	10.0	—	6.5
1950	969.5	726.2	208.0	0.5	2.4	6.9	5.6	10.0	1.6	8.3
1951	943.4	678.4	226.4	0.5	2.4	6.8	1.4	10.0	3.7	13.8
1952	923.0	669.5	205.9	0.5	2.4	12.2	3.3	10.0	7.2	12.0
1953	900.0	704.1	151.7	0.5	2.4	5.1	3.6	10.0	10.1	12.5
1954—January	902.5	689.7	164.0	0.5	2.4	14.7	7.5	10.0	13.3	0.4
February	908.9	695.7	163.5	0.5	2.4	14.6	8.2	10.0	13.3	0.7
March	904.8	696.6	156.3	0.5	2.4	14.6	9.8	10.0	13.3	1.3
April	911.2	690.7	166.6	0.5	2.4	14.6	11.4	10.0	13.3	1.7
May	906.9	688.2	167.8	0.5	2.4	14.6	7.9	10.0	13.3	2.2
June	894.5	672.2	170.8	0.5	2.4	14.6	5.5	10.0	13.3	5.2
July	877.5	669.5	154.5	0.5	2.4	14.9	6.9	10.0	13.3	5.5
August	897.0	684.6	157.3	0.5	2.4	14.9	8.4	10.0	13.3	5.6
September	884.3	686.7	138.7	0.5	2.4	14.9	12.2	10.0	13.3	5.6
October	889.8	689.9	138.7	0.5	2.4	14.9	14.3	10.0	13.3	5.8
November	878.9	693.4	121.3	0.5	2.4	14.9	17.2	10.0	13.3	5.9
December	899.7	714.4	135.9	0.5	2.4	5.0	9.6	10.0	13.3	8.6
1955—January	882.0	695.4	139.9	0.5	2.4	10.4	7.9	10.0	15.4	0.1
February	868.9	706.6	115.7	0.5	2.4	10.4	7.5	10.0	15.4	0.4
March	864.7	701.0	117.4	0.5	2.4	10.2	7.0	10.0	15.4	0.8
April	859.7	692.9	120.2	0.5	2.4	9.5	7.9	10.0	15.4	0.9
May	881.9	683.7	151.6	0.5	2.4	9.7	7.5	10.0	15.4	1.1
June	930.8	658.3	205.3	20.5	2.4	10.8	4.5	10.0	15.4	3.6
July	924.0	662.6	194.7	20.5	2.4	10.9	3.6	10.0	15.4	3.9
August	947.0	669.8	208.1	20.5	2.4	10.8	5.9	10.0	15.4	4.1
September	919.0	673.9	174.7	20.5	2.4	10.8	6.5	10.0	15.4	4.8
October	927.4	685.8	170.2	20.5	2.4	10.8	7.1	10.0	15.4	5.2
November	911.2	689.5	150.6	20.5	2.4	10.8	6.5	10.0	15.4	5.5
December	966.4	711.6	176.8	20.5	2.4	11.2	10.0	10.0	15.4	8.5

[a] Beginning December, 1955, loans from U.S. banks repayment of which is covered by export bills maturing within one year are included.
[b] Representing loans from U.S. banks not covered by export bills maturing within one year.
[c] Including government note pertaining to Treasury Certificate Account, monetary adjustment account and exchange items for clearing.
[d] Excluding cash held in the Securities Stabilization Fund.
[f] Including Fiscal Agency Fund, excise tax withheld and deferred credits.

TABLE 48.—*Assets and Liabilities of Other Banks,* 1949-1955

(Million pesos)

End of period	Total assets	Cash	Checks and other cash items	Due from banks	Loans and discounts	Overdrafts	Cust. liab. acpt. L/C & T/R and unmatured export bills	Stocks, bonds and other securities	Banking house, furniture and fixtures	Other real and chattel property owned	Other assets
1949	1,016.4	51.1	8.3	271.2	287.9	171.0	111.9	53.6	10.3	3.0	48.1
1950	1,132.7	47.3	5.0	391.2	298.8	185.6	71.8	77.9	10.9	3.3	40.9
1951	1,126.6	28.1	8.1	251.6	328.6	223.5	162.1	67.1	12.9	1.8	42.8
1952	1,197.5	33.1	6.3	302.2	374.0	212.0	138.7	80.5	15.3	2.1	33.3
1953	1,260.6	33.4	7.5	295.2	407.4	229.1	165.5	91.9	17.4	2.4	10.8
1954—January	1,287.8	29.9	4.6	325.1	407.5	239.6	159.2	92.1	17.5	2.4	9.9
February	1,293.3	26.6	4.2	331.1	404.7	239.5	165.7	92.1	17.7	2.4	9.3
March	1,320.4	32.5	4.2	347.7	405.3	236.0	172.4	92.2	17.8	2.5	9.8
April	1,296.4	28.9	4.6	350.4	392.2	225.5	171.5	92.4	18.1	2.5	10.3
May	1,310.4	35.4	7.8	310.1	402.6	232.5	180.7	108.4	18.2	2.5	12.2
June	1,261.8	32.8	3.6	261.7	414.5	237.3	159.0	121.6	18.7	2.5	10.1
July	1,283.8	34.4	3.8	273.2	412.7	234.2	163.4	131.6	19.0	2.5	9.0
August	1,291.3	33.5	5.2	261.7	420.0	244.5	157.4	137.0	19.2	2.6	10.2
September	1,324.6	31.8	4.0	295.1	425.3	242.6	157.4	137.4	19.2	2.7	9.1
October	1 335.3	27.7	3.6	286.5	435.8	244.2	166.3	138.3	19.4	2.8	10.7
November	1,336.2	35.1	5.4	259.3	443.5	247.0	173.0	138.1	19.5	2.8	12.5
December	1,339.1	32.9	7.1	292.1	440.6	254.7	176.0	102.7	19.3	2.9	10.8
1955—January	1,314.4	33.4	7.1	257.0	446.6	263.1	174.2	99.6	20.1	2.8	10.5
February	1,322.8	31.9	7.5	250.1	453.0	262.3	183.3	101.0	20.2	3.1	10.4
March	1,322.1	33.2	4.8	242.6	451.1	264.3	190.8	101.9	20.1	3.1	10.2
April	1,342.5	31.5	7.6	221.8	421.9	262.6	202.8	160.1	20.2	3.2	10.8
May	1,342.9	30.7	4.9	206.7	415.7	270.0	219.3	160.3	20.3	3.2	11.8
June	1,364.9	30.8	4.9	217.8	415.5	268.2	208.8	184.2	20.6	3.3	10.8
July	1,372.0	28.7	7.1	225.3	416.2	268.2	195.9	195.8	20.7	3.3	10.8
August	1,417.7	30.9	4.1	249.7	426.9	270.0	186.8	214.9	20.9	3.3	10.2
September	1,432.3	25.8	4.6	241.1	439.4	265.9	188.6	230.9	20.8	3.4	11.8
October	1,474.4	33.7	6.4	249.5	443.4	280.8	193.9	231.7	21.0	3.4	10.6
November	1,500.9	36.2	5.8	245.3	446.6	281.3	222.3	226.3	21.0	3.4	12.7
December	1,577.1	33.9	9.2	258.6	461.8	283.5	263.4	229.4	21.0	3.4	12.9

TABLE 48.—*Assets and Liabilities of Other Banks*, 1949-1955 (*Concluded*)

(Million pesos)

End of period	Total liabilities and net worth	Individual deposits subject to check	Savings and time deposits	Deposit of public funds	Due to banks	Cashiers', managers' and certified checks	Dividends payable	Bills payable [a]	Other liabilities	Capital stock	Surplus, reserves and undivided profits
1949	1,016.4	290.7	282.2	166.5	70.3	5.0	—	40.0	86.1	35.9	39.7
1950	1,132.7	389.7	295.1	177.7	86.7	6.4	0.1	10.0	76.3	36.5	54.2
1951	1,126.6	293.7	289.2	166.0	87.9	4.6	0.4	42.1	135.6	37.9	69.2
1952	1,197.5	304.8	310.9	216.9	63.9	4.6	0.4	46.1	133.4	39.9	76.6
1953	1,260.6	290.8	363.8	253.7	100.6	8.6	0.4	19.1	92.2	42.8	88.6
1954—January	1,287.8	281.5	366.8	272.6	109.8	6.6	0.2	24.8	93.3	42.8	89.4
February	1,293.3	288.4	372.0	272.0	107.5	6.1	0.3	19.0	95.2	42.8	90.0
March	1,320.4	300.2	381.3	272.4	108.1	6.8	0.1	19.7	94.7	43.1	94.0
April	1,296.4	289.6	386.6	271.8	101.4	6.9	0.1	10.7	91.9	43.1	94.3
May	1,310.4	276.4	386.3	295.5	113.7	5.0	0.1	3.0	91.7	43.1	95.6
June	1,261.8	279.3	386.9	295.0	61.2	6.4	0.4	2.6	90.2	43.1	96.7
July	1,283.8	278.1	400.8	300.9	62.8	5.7	0.2	0.6	94.2	43.2	97.3
August	1,291.3	275.0	402.6	308.4	61.4	6.5	0.1	4.9	90.7	43.2	98.5
September	1,324.6	281.4	410.7	300.0	61.4	5.8	0.1	20.6	100.0	44.4	100.2
October	1,335.3	278.2	414.9	291.2	59.4	5.1	0.1	38.0	102.9	44.4	101.1
November	1,336.2	276.1	418.4	277.1	55.6	5.8	0.1	50.3	106.2	44.4	102.2
December	1,339.1	294.7	419.8	246.8	55.9	6.4	0.6	63.2	107.9	44.5	99.3
1955—January	1,314.4	289.5	425.0	253.6	34.2	6.0	0.2	53.0	109.1	44.5	99.3
February	1,322.8	287.6	429.1	264.0	40.7	6.3	0.3	39.4	110.8	44.6	100.0
March	1,322.1	285.8	435.2	271.3	34.9	7.1	0.1	27.0	114.2	45.8	100.7
April	1,342.5	280.5	436.9	286.3	35.2	8.9	0.1	26.0	121.2	45.9	101.5
May	1,342.9	270.8	430.4	298.9	38.7	5.2	0.1	34.0	115.9	46.0	102.9
June	1,364.9	286.6	433.4	310.7	33.1	6.1	0.3	26.9	114.4	50.0	103.4
July	1,372.0	278.3	434.0	330.9	29.7	6.7	0.2	25.5	112.5	50.0	104.2
August	1,417.7	281.2	437.8	351.5	28.4	6.9	0.1	24.1	112.5	70.0	105.2
September	1,432.3	287.3	447.5	339.5	32.6	6.3	0.1	20.6	120.9	70.0	107.5
October	1,474.4	304.4	456.2	341.8	30.6	5.7	0.1	39.2	118.1	70.0	108.3
November	1,500.9	316.1	451.3	332.0	37.8	8.8	0.4	50.5	129.5	70.4	104.1
December	1,577.1	346.7	467.7	306.6	51.1	13.4	0.8	95.8	133.7	70.5	90.8

SOURCE OF BASIC DATA: Combined Statement of Assets and Liabilities of Other Banks.

[a] Including special loans payable to U.S. banks.

TABLE 49.—*Deposit Liabilities of Other Banks*, 1949-1955

(Million pesos)

End of period	Total	Demand	Savings	Time
1949	739.4	455.4	255.0	29.0
1950	862.5	567.0	255.4	40.1
1951	748.9	457.8	249.3	41.8
1952	832.6	520.5	269.3	42.8
1953	908.3	520.3	316.2	71.8
1954—January	920.9	529.9	318.4	72.6
February	932.4	545.6	322.1	64.7
March	953.9	559.3	327.3	67.3
April	948.0	548.2	329.6	70.2
May	958.2	563.6	330.3	64.3
June	961.2	565.9	331.3	64.0
July	979.8	570.8	337.7	71.3
August	986.0	576.2	338.9	70.9
September	992.1	573.7	345.6	72.8
October	984.3	561.7	349.4	73.2
November	971.6	545.7	352.9	73.0
December	961.3	534.1	354.5	72.7
1955—January	968.1	535.0	355.0	78.1
February	980.7	543.1	356.6	81.0
March	992.3	548.5	359.2	84.6
April	1,003.7	558.1	357.9	87.7
May	1,000.1	561.0	354.2	84.9
June	1,030.7	588.6	355.7	86.4
July	1,043.2	596.6	362.0	84.6
August	1,070.5	619.8	364.9	85.8
September	1,074.3	614.2	370.6	89.5
October	1,102.4	633.3	376.1	93.0
November	1,099.4	622.3	380.8	96.3
December	1,121.0	641.5	382.9	96.6

SOURCE OF BASIC DATA: Statement of Condition of Other Banks.

TABLE 50.—*Earnings and Expenses of Other Banks*, 1949-1955

(Million pesos)

Item	1949	1950	1951	1952	1953	1954	1955
GROSS EARNINGS	48.0	45.6	56.8	60.6	63.4	71.0	90.5
Interest and discounts on loans	23.1	28.7	33.2	36.2	39.6	43.2	48.0
Interest and dividends on investments	2.3	2.6	2.9	2.3	2.4	3.6	4.2
Interest on balances with other banks	0.1	0.1	0.2	0.5	0.6	0.6	0.7
Domestic exchange and collection charges	2.8	2.8	3.1	1.0	0.7	1.0	1.6
Income on foreign exchange	10.4	5.2	7.4	7.8	8.2	8.1	8.1
Commissions	4.9	3.6	7.0	7.8	8.1	10.0	11.8
Trust Department earnings	0.4	0.5	0.5	0.6	1.0	1.1	1.1
Profit on assets sold or exchanged	0.1	0.2	0.2	0.1	—	0.1	10.7
Recoveries on charged-off assets	–	—	—	—	0.2	0.5	1.2
Other earnings	3.9	1.9	2.3	4.3	2.6	2.8	3.1
EXPENSES	28.6	28.5	37.2	40.0	44.9	50.0	67.7
Salaries and wages	8.7	9.5	11.6	12.7	14.2	15.9	17.9
Interest on savings deposits	3.2	3.3	3.5	3.7	4.7	5.8	6.5
Interest on time certificates of deposit	0.5	0.6	0.8	0.9	1.2	1.7	2.3
Interest on demand deposits	0.3	0.3	0.3	0.2	0.1	0.1	—
Interest on deposits of other banks	0.1	0.1	0.2	0.2	0.3	0.2	0.2
Interest and discount on money borrowed	0.1	0.8	0.9	1.1	0.6	0.5	0.5
Taxes	4.9	4.4	7.7	8.5	8.1	9.2	11.0
Insurance	0.8	0.2	0.3	0.3	0.4	0.4	0.6
Foreign exchange losses	0.1	—	—	—	—	—	—
Depreciation and losses on banking house, furniture and fixtures	0.7	0.7	0.3	0.4	0.4	0.4	1.6
Losses and charged-offs on loans, discounts and other assets	2.9	2.5	0.6	1.5	3.3	1.0	12.0
Provision for bad debts	–	—	—	—	—	2.4	2.6
Other expenses	6.3	6.1	11.0	10.5	11.6	12.4	12.5
NET EARNINGS	19.4	17.1	19.6	20.6	18.5	21.0	22.8

SOURCE OF BASIC DATA: Report of Earnings and Expenses supplied by Other Banks.

TABLE 51.—*Loans Discounts and Overdrafts Granted and Renewed by Other Banks Classified by Purpose, 1953-1955*

(Million pesos)

Period	Total	Commercial	Industrial	Agricultural	Real estate	Public utility	Others
1953	610.7	211.9	59.3	198.1	43.1	12.8	85.5
January	51.3	12.5	8.8	17.5	3.5	1.0	8.0
February	44.4	12.4	4.1	16.2	3.7	0.6	7.4
March	62.8	22.4	4.1	20.0	5.1	4.0	7.2
April	54.2	20.7	4.7	18.0	2.8	0.8	7.2
May	44.3	15.6	4.1	12.8	3.3	1.4	7.1
June	46.7	15.7	2.9	18.0	3.4	0.8	5.9
July	47.0	13.8	6.6	15.5	3.1	0.4	7.6
August	50.8	23.5	5.4	12.4	2.2	0.7	6.6
September	51.2	18.2	5.3	16.6	3.5	0.7	6.9
October	49.0	14.6	5.3	16.4	4.0	1.0	7.7
November	43.5	13.4	3.5	14.9	4.2	0.5	7.0
December	65.5	29.1	4.5	19.8	4.3	0.9	6.9
1954	679.9	270.3	75.4	184.5	50.7	10.0	89.0
January	56.4	21.5	4.6	18.0	4.4	1.1	6.8
February	60.9	18.8	10.7	18.5	5.0	0.5	7.4
March	64.3	27.9	4.8	18.9	3.7	0.9	8.1
April	53.8	23.9	3.8	14.5	4.4	1.1	6.1
May	60.7	25.1	7.2	13.1	4.6	1.4	9.3
June	56.5	20.8	5.7	18.4	3.3	1.1	7.2
July	56.8	19.0	10.3	15.8	3.1	0.6	8.0
August	48.5	19.8	4.8	12.8	4.6	0.5	6.0
September	53.1	19.1	8.8	12.6	5.0	0.7	6.9
October	51.6	21.3	4.6	12.5	4.1	0.5	8.6
November	55.1	27.6	4.0	13.2	3.3	0.7	6.3
December	62.2	25.5	6.1	16.2	5.2	0.9	8.3
1955	765.1	307.7	104.7	175.6	56.4	11.7	109.0
January	64.2	21.9	8.0	14.7	6.1	0.6	12.9
February	62.0	23.6	9.4	15.7	5.6	0.5	7.2
March	67.6	32.0	6.5	17.5	3.1	1.2	7.3
April	59.5	27.9	7.2	12.4	3.3	1.3	7.4
May	65.0	27.0	9.0	15.9	4.1	0.3	8.7
June	65.9	26.2	12.4	13.7	4.1	1.6	7.9
July	55.1	20.8	7.2	11.7	3.6	0.5	11.3
August	62.6	22.1	12.7	14.5	4.6	0.7	8.0
September	61.2	24.3	5.7	13.7	5.7	0.6	11.2
October	61.1	19.8	11.1	13.2	5.0	2.2	9.8
November	52.1	19.8	7.2	12.5	3.8	0.8	8.0
December	88.8	42.3	8.3	20.1	7.4	1.4	9.3

SOURCE OF BASIC DATA: Miscellaneous Statistical Information supplied by Other Banks.

TABLE 52.—*Outstanding Loans, Discounts and Overdrafts of Other Banks Classified by Purpose December 31, 1953-1955*

(Amount in million pesos)

Purpose	Amount			Per cent distribution		
	1953	1954	1955	1953	1954	1955
TOTAL	636.5	695.3	745.0	100.0	100.0	100.0
I. COMMERCIAL	171.5	215.5	236.3	26.9	31.0	31.7
A. Exporters	60.5	82.2	76.2	9.5	11.9	10.2
1. Coconut	26.5	30.1	31.7	4.2	4.3	4.3
2. Sugar	24.2	42.2	32.9	3.8	6.1	4.4
3. Fiber	2.1	2.6	2.5	0.3	0.4	0.3
4. Tobacco	1.5	1.9	1.7	0.2	0.3	0.2
5. Lumber	6.2	5.4	7.4	1.0	0.8	1.0
B. Importers	71.0	84.9	103.7	11.2	12.2	13.9
1. Essential and capital goods	55.8	65.2	82.7	8.8	9.4	11.1
2. Non-essential items	15.2	19.7	21.0	2.4	2.8	2.8
C. Others	40.0	48.4	56.4	6.2	6.9	7.6
II. INDUSTRIAL	48.7	66.2	81.9	7.7	9.5	11.0
A. Mining	4.3	4.3	4.4	0.7	0.6	0.6
1. Gold	2.3	1.9	1.6	0.4	0.3	0.2
2. Iron	0.7	0.8	—	0.1	0.1	—
3. Chromite	—	—	0.3	—	—	0.1
4. Others	1.3	1.6	2.5	0.2	0.2	0.3
B. Manufacturing	44.4	61.9	77.5	7.0	8.9	10.4
1. Textile	1.5	4.9	6.8	0.2	0.7	0.9
2. Leather	2.1	3.5	4.1	0.4	0.5	0.6
3. Tobacco	5.9	5.1	6.9	0.9	0.7	0.9
4. Canning	1.1	0.2	0.1	—	—	—
5. Cement	1.8	2.1	1.4	0.3	0.3	0.2
6. Sugar	5.0	8.3	8.6	0.8	1.2	1.2
7. Others	28.0	37.8	49.6	4.4	5.5	6.6

TABLE 52.—*Outstanding Loans, Discounts and Overdrafts of Other Banks Classified by Purpose December 31, 1953-1955 (Concluded)*

(Amount in million pesos)

Purpose	Amount			Per cent distribution		
	1953	1954	1955	1953	1954	1955
III. AGRICULTURAL	267.0	269.1	275.5	42.0	38.7	37.0
A. Agriculture	257.8	257.9	264.9	40.5	37.1	35.6
1. Rice	57.3	64.5	51.8	9.0	9.3	6.9
2. Corn	3.4	3.7	4.2	0.5	0.5	0.6
3. Sugar	175.5	162.7	177.9	27.6	23.4	23.9
4. Abaca	3.9	4.1	3.4	0.6	0.6	0.5
5. Coconut	10.2	12.1	12.6	1.6	1.8	1.7
6. Tobacco	0.4	0.6	1.7	0.1	0.1	0.2
7. Fruits and vegetables	3.1	5.0	7.5	0.5	0.7	1.0
8. Others	4.0	5.2	5.8	0.6	0.7	0.8
B. Forestry, Fishing and Livestock	9.2	11.2	10.6	1.5	1.6	1.4
1. Forest and its products	4.0	5.2	4.4	0.6	0.7	0.6
2. Fishing	4.1	4.6	4.8	0.7	0.7	0.6
3. Livestock	1.1	1.4	1.4	0.2	0.2	0.2
IV. REAL ESTATE	47.9	54.1	61.9	7.5	7.7	8.3
A. Construction	23.0	23.4	23.5	3.6	3.3	3.1
B. Reconstruction	3.4	4.5	5.7	0.5	0.6	0.8
C. Purchase of real estate	13.7	17.5	22.0	2.2	2.5	3.0
D. Brokerage	3.1	3.4	4.1	0.5	0.5	0.5
E. Others	4.7	5.3	6.6	0.7	0.8	0.9
V. PUBLIC UTILITY	17.1	12.4	8.0	2.7	1.8	1.1
A. Transportation	12.6	11.2	5.5	2.0	1.6	0.7
B. Communications	—	0.1	—	—	—	—
C. Electric and gas	3.1	0.7	2.2	0.5	0.1	0.3
D. Others	1.4	0.4	0.3	0.2	0.1	0.1
VI. OTHERS	84.3	78.0	81.4	13.2	11.3	10.9
A. Consumption	20.0	25.7	24.8	3.1	3.7	3.3
B. Religious and educational institutions	3.6	5.2	5.1	0.6	0.8	0.7
C. Miscellaneous	60.7	47.1	51.5	9.5	6.8	6.9

SOURCE OF BASIC DATA: Miscellaneous Statistical Information supplied by Other Banks.

TABLE 53.—*Outstanding Loans, Discounts and Overdrafts of Other Banks Classified by Type of Security,*[a] 1951-1955

(Million pesos)

End of period	Grand total	Secured								Unsecured		
		Total	Real estate	Merchandise	Stocks and bonds	Endorsed and co-maker	Plant and equipment	Cash margin	Other collateral	Total	Single name paper	Two or more name paper
1951	376.4	281.2	128.1	39.2	36.8	6.1	7.0	4.1	59.9	95.2	41.3	53.9
1952	366.0	278.8	130.0	29.5	40.3	8.0	4.9	6.6	59.5	87.2	33.4	53.8
1953	395.7	294.3	136.5	31.0	37.6	9.4	6.8	4.1	68.9	101.4	42.8	58.6
1954—January	404.9	300.9	136.5	37.0	38.0	14.0	6.9	4.5	64.0	104.0	43.6	60.4
February	406.9	300.0	137.4	44.1	37.5	8.6	6.5	4.0	61.9	106.9	40.8	66.1
March	406.5	307.8	137.4	41.7	38.6	12.7	7.3	3.9	66.2	98.7	40.6	58.1
April	395.0	303.8	141.3	40.2	36.9	12.6	7.0	3.8	62.0	91.2	40.0	51.2
May	413.5	317.1	143.2	40.4	40.1	10.1	6.7	4.7	71.9	96.4	38.2	58.2
June	428.8	331.6	143.4	54.3	38.5	10.2	6.5	4.0	74.7	97.2	37.3	59.9
July	423.7	325.4	142.4	50.2	38.6	9.9	7.2	3.5	73.6	98.3	37.6	60.7
August	437.6	332.9	149.7	41.2	41.4	10.3	8.4	5.0	76.9	104.7	36.2	68.5
September	441.9	338.0	153.0	36.9	42.4	10.1	8.6	4.7	82.3	103.9	33.6	70.3
October	451.6	349.8	157.3	40.6	44.2	9.8	7.2	7.8	82.9	101.8	33.4	68.4
November	456.6	351.9	156.1	43.1	44.3	10.1	6.8	6.7	84.8	104.7	32.7	72.0
December	456.4	347.0	157.6	43.8	40.5	9.9	7.3	6.8	81.1	109.4	36.7	72.7
1955—January	467.1	355.5	160.2	47.3	41.2	10.6	7.2	6.6	82.4	111.6	37.2	74.4
February	470.5	360.6	161.8	48.6	40.9	10.4	8.6	7.2	83.1	109.9	34.2	75.7
March	474.3	363.4	166.4	53.8	37.6	9.9	8.5	6.7	80.5	110.9	37.6	73.3
April	464.8	350.9	170.6	49.2	33.9	9.6	8.4	7.4	71.8	113.9	39.0	74.9
May	470.6	356.4	177.0	52.0	33.1	9.6	8.4	8.2	68.1	114.2	37.3	76.9
June	472.1	355.8	178.0	49.1	34.8	9.8	9.0	7.5	67.6	116.3	38.0	78.3
July	473.5	357.3	185.7	44.6	32.9	9.8	7.9	6.6	69.8	116.2	38.3	77.9
August	481.8	364.5	189.7	46.5	34.4	9.8	8.2	7.6	68.3	117.3	38.6	78.7
September	488.3	371.4	185.4	44.1	36.6	10.9	7.2	6.7	80.5	116.9	35.6	81.3
October	504.6	381.3	190.8	45.7	37.8	10.4	7.3	7.2	82.1	123.3	37.1	86.2
November	501.2	373.7	191.8	42.4	38.0	8.9	6.5	7.2	78.9	127.5	34.6	92.9
December	512.0	381.0	194.3	44.5	37.1	9.0	8.9	7.0	80.2	131.0	42.1	88.9

SOURCE OF BASIC DATA: Miscellaneous Statistical Information supplied by Other Banks.

[a] Excluding those of PNB branches and agencies as data are not available.

TABLE 54.—*Outstanding Loans, Discounts and Overdrafts of Other Banks Classified by Interest Rate,*[a] 1951-1955

(Million pesos)

End of period	Total	Interest rate (Per cent)														
		0	2	3	4	4½	5	5½	6	6½	7	7½	8	9	10	12
1951	376.4	2.2	2.5	—	11.3	50.0	78.1	3.3	103.2	0.6	82.1	1.3	22.8	14.5	1.3	3.2
1952	366.0	2.6	3.0	—	4.6	—	91.6	16.1	109.3	1.1	81.8	0.7	31.6	17.4	2.2	4.0
1953	395.7	1.4	2.2	—	4.7	2.3	87.1	22.5	119.4	1.2	86.3	0.8	37.7	21.9	3.6	4.6
1954—January	404.9	2.1	2.2	0.2	5.7	2.8	92.3	22.7	115.6	1.3	90.5	0.9	39.3	20.6	3.6	5.1
February	406.9	2.1	2.7	0.1	5.7	3.2	91.7	21.9	117.2	1.3	90.9	0.9	39.8	20.5	3.7	5.2
March	406.5	2.1	2.7	0.1	5.0	3.2	91.1	20.3	118.0	1.2	85.3	1.1	45.5	21.2	3.8	5.9
April	395.0	2.1	2.7	0.1	4.5	2.1	76.5	19.5	120.5	0.9	88.1	1.0	47.1	20.7	3.8	5.4
May	413.5	2.1	2.2	0.2	4.9	1.9	76.7	20.1	128.8	1.0	91.1	1.7	49.7	22.8	4.0	6.3
June	428.8	2.1	2.7	0.2	6.1	0.8	77.2	21.7	142.6	1.1	91.4	1.4	48.9	22.4	3.9	6.3
July	423.7	2.0	2.2	0.2	5.3	2.0	73.6	22.4	135.7	1.8	99.5	1.8	44.3	21.9	4.0	7.0
August	437.6	1.9	2.2	0.2	6.0	1.4	83.1	22.1	135.9	1.0	89.5	1.1	57.1	23.3	5.4	7.4
September	441.9	1.9	4.7	0.2	7.6	1.4	80.8	20.5	140.5	1.1	95.9	1.1	53.0	21.8	3.9	7.5
October	451.6	1.9	4.7	0.2	6.6	2.0	81.8	21.8	145.7	1.3	98.1	1.1	52.7	21.9	4.1	7.7
November	456.6	1.9	4.7	0.2	7.0	1.4	85.4	21.5	145.8	2.1	97.9	0.8	54.1	21.9	3.8	8.1
December	456.4	2.1	2.2	0.2	6.6	1.5	94.2	20.2	140.3	1.6	100.1	0.7	55.3	20.1	3.8	7.5
1955—January	467.1	1.9	2.7	0.2	5.8	1.5	98.0	19.2	140.4	1.0	105.3	0.8	55.9	22.3	4.1	8.0
February	470.5	1.9	2.2	0.2	4.8	1.5	102.4	19.4	138.1	1.2	106.4	1.0	56.3	22.8	4.0	8.3
March	474.3	2.0	2.2	0.2	3.7	2.1	101.5	18.2	144.6	1.3	106.1	0.8	55.4	23.5	4.0	8.7
April	464.8	2.0	—	0.3	2.6	2.2	91.5	18.5	147.5	1.3	106.2	0.9	56.2	22.3	4.8	8.5
May	470.6	2.0	—	0.3	2.2	2.5	92.2	18.4	149.7	1.5	106.6	0.7	57.4	24.2	4.1	8.8
June	472.1	2.0	—	0.3	2.6	2.3	91.3	20.2	148.6	1.6	105.8	0.7	58.5	24.4	4.6	9.2
July	473.5	2.0	—	0.3	4.3	2.1	84.6	20.3	155.7	1.6	103.2	0.8	59.4	24.9	5.0	9.3
August	481.8	2.0	—	0.3	5.0	1.7	82.2	21.1	160.3	1.5	107.4	0.9	60.5	24.5	5.0	9.4
September	488.3	1.8	2.6	0.3	6.6	2.0	77.1	20.2	164.4	1.4	106.6	1.0	63.7	25.8	5.0	9.8
October	504.6	1.8	2.6	0.3	6.0	2.9	84.3	24.5	169.1	1.2	107.2	1.2	61.4	27.6	4.7	9.8
November	501.2	2.0	2.6	0.3	5.9	3.0	88.7	22.3	167.2	1.2	103.2	1.2	62.2	25.7	5.8	9.9
December	512.0	2.0	2.6	0.3	6.5	2.9	94.6	23.8	169.9	1.3	101.8	1.3	65.4	24.5	5.3	9.8

SOURCE OF BASIC DATA: Miscellaneous Statistical Information supplied by Other Banks.

[a] Excluding those of PNB branches and agencies as data are not available.

TABLE 55.—*Loans Granted by Selected Financial Institutions*[a] *Classified by Purpose*, 1947-1955

(Thousand pesos)

Period	Total	Agricultural	Industrial	Commercial	Real estate	Consumption	Government	Others
1947.....	91,602	12,818	24,581	—	48,907	2,329	2,967	—
1948.....	95,638	9,999	26,641	—	51,399	4,777	2,822	—
1949.....	103,435	16,293	27,786	—	47,851	7,677	3,828	—
1950.....	68,440	15,093	23,178	—	14,536	14,597	1,036	—
1951.....	101,129	13,683	35,967	—	31,737	16,457	3,285	—
1952.....	174,031	24,642	52,096	—	72,939	19,402	4,952	—
1953.....	144,467	30,531	41,997	798	41,434	24,551	5,129	27
1954.....	153,237	37,573	19,991	1,117	44,689	44,325	5,177	365
January...	9,625	1,892	1,508	58	2,762	2,321	1,070	14
February..	8,305	2,124	64	75	2,801	2,686	540	15
March....	9,719	2,083	410	75	3,283	3,417	428	23
April.....	8,983	1,288	1,248	83	2,931	3,149	274	10
May.....	10,661	2,378	848	104	3,865	3,384	65	17
June.....	14,134	2,658	2,700	108	4,621	3,336	645	66
July.....	13,708	3,551	2,450	73	4,114	2,987	503	30
August....	16,073	3,781	5,371	105	3,509	2,941	335	31
September.	11,270	5,365	144	118	2,067	3,311	230	35
October...	16,899	4,963	3,972	95	3,839	3,494	502	34
November.	7,885	3,317	376	110	624	3,307	100	51
December.	25,975	4,173	900	113	10,273	9,992	485	39
1955.....	197,005	69,907	18,714	1,310	32,826	66,873	6,743	632
January...	24,459	3,843	3,744	70	1,529	14,853	387	33
February..	22,047	5,067	602	96	1,225	14,886	129	42
March....	14,444	6,652	1,167	130	2,301	3,727	403	64
April.....	16,559	4,144	2,524	92	6,736	2,925	107	31
May.....	16,137	6,838	1,301	92	4,051	3,331	486	38
June.....	15,330	5,954	1,418	99	3,693	3,762	348	56
July.....	12,225	6,610	875	118	1,134	2,897	545	46
August....	19,097	8,323	1,201	115	2,752	2,846	3,794	66
September.	13,416	7,297	502	155	2,451	2,803	139	69
October...	14,904	5,843	3,099	114	2,698	2,978	100	49
November.	8,796	3,285	1,130	99	1,647	2,540	35	60
December.	19,591	6,051	1,151	130	2,586	9,325	270	78

[a] Selected financial institutions are the R.F.C., ACCFA, G.S.I.S., rural banks and pawnshops operating in the city of Manila.

TABLE 56.—*Loans Outstanding of Selected Financial Institutions* [a] *Classified by Purpose*, 1947-1955

(Thousand pesos)

End of period	Total	Agricultural	Industrial	Commercial	Real estate	Consumption	Government	Others
1947.....	94,470	19,315	14,385	—	38,325	2,854	19,591	—
1948.....	173,467	27,243	44,559	—	76,671	3,929	21,065	—
1949.....	235,935	36,963	61,681	—	107,805	7,334	22,152	—
1950.....	264,058	43,729	73,105	—	112,132	11,053	24,039	—
1951.....	305,315	50,371	97,013	—	118,975	14,395	24,561	—
1952.....	389,295	63,413	129,205	—	153,959	17,015	25,703	—
1953.....	462,803	83,804	149,943	221	182,677	19,982	25,906	270
1954—								
January...	466,105	85,127	150,258	225	184,170	20,401	25,661	263
February..	467,597	85,360	150,026	228	185,109	20,957	25,575	342
March....	471,738	86,665	150,444	260	186,915	21,832	25,267	355
April.....	474,964	87,255	150,706	276	188,025	22,711	25,532	459
May.....	478,645	88,233	150,898	294	189,728	23,337	25,669	486
June.....	485,993	89,802	153,042	299	192,330	24,253	25,734	533
July.....	466,500	78,931	149,967	289	186,360	24,851	25,509	593
August....	490,971	95,400	149,964	321	194,032	25,308	25,376	570
September.	496,361	99,362	149,741	354	194,834	25,860	25,533	677
October...	500,812	103,120	148,889	337	195,742	26,606	25,421	697
November.	503,776	104,916	148,878	340	196,245	27,401	25,237	759
December.	512,862	105,384	151,818	357	196,511	32,775	25,210	807
1955—								
January...	527,328	109,179	151,395	360	196,732	43,507	25,302	853
February..	543,084	113,861	151,438	374	196,617	54,573	25,292	929
March....	544,866	115,159	151,331	405	196,639	54,833	25,506	993
April.....	551,344	119,057	152,326	399	198,212	54,978	25,281	1,091
May.....	554,757	122,414	151,820	416	198,954	54,688	25,304	1,161
June.....	566,923	125,518	153,805	402	202,973	55,025	27,910	1,290
July.....	564,376	128,507	153,813	434	200,063	54,458	25,816	1,285
August....	569,100	133,780	153,522	478	200,462	53,860	25,724	1,274
September.	572,270	137,943	153,133	524	200,554	52,985	25,748	1,383
October...	573,836	139,671	153,570	562	200,066	52,298	26,280	1,389
November.	575,637	141,829	153,254	558	200,522	51,630	26,376	1,468
December.	580,725	143,687	153,396	559	200,666	54,220	26,625	1,572

[a] Selected financial institutions are the R.F.C., ACCFA, G.S.I.S., rural banks and pawnshops operating in the city of Manila.

TABLE 57.—*Loans Approved*[a] *by the Rehabilitation Finance Corporation Classified by Purpose,* 1947-1955

(Thousand pesos)

Period	Total	Agri-cultural	Indus-trial	Real estate	Govern-ment	Loans on landed estates
1947	89,273	12,818	24,581	42,622	2,967	6,285
1948	90,861	9,999	26,641	48.403	2,822	2,996
1949	95,758	16,293	27,786	47,384	3,828	467
1950	53,843	15,093	23,178	14,536	1,036	—
1951	80,672	13,683	35,967	27,737	3,285	—
1952	146,238	24,642	52,096	64,548	4,952	—
1953	114,331	25,887	41,881	41,434	5,129	—
1954	79,214	18,833	19,868	34,905	5,177	431
January	6,802	1,468	1,502	2,762	1,070	—
February	5,141	1,742	58	2,801	540	—
March	5,777	1,670	396	3,283	428	—
April	5,450	1,003	1,242	2,931	274	—
May	6,267	1,503	834	3,865	65	—
June	8,982	2,024	2,692	3,621	645	—
July	8,776	1,716	2,443	4,114	503	—
August	10,625	1,415	5,366	3,509	335	—
September	4,057	1,781	130	1,916	230	—
October	9,832	1,686	3,959	3,685	502	—
November	2,095	1,009	362	624	100	—
December	5,410	1,816	884	1,794	485	431
1955	74,168	24,789	18,527	23,624	6,743	485
January	7,163	1,531	3,716	1,529	387	—
February	3,599	1,719	593	1,158	129	—
March	5,578	1,891	1,155	2,129	403	—
April	5,846	1,702	2,517	1,520	107	—
May	8,084	2,630	1,287	3,681	486	—
June	5,437	1,918	1,398	1,773	348	—
July	4,336	1,867	857	1,067	545	—
August	9,784	2,556	1,178	1,806	3,794	450
September	5,273	2,252	488	2,394	139	—
October	8,503	2,697	3,082	2,601	100	23
November	3,775	1,120	1,115	1,505	35	—
December	6,790	2,906	1,141	2,461	270	12

SOURCE OF BASIC DATA: Rehabilitation Finance Corporation.

[a] Inclules loans cancelled or reduced.

TABLE 58.—*Loans Outstanding of the Rehabilitation Finance Corporation Classified by Purpose, 1947-1955*

(Thousand pesos)

Period	Total	Agri-cultural	Indus-trial	Real estate	Govern-ment	Loans on landed estates
1947	91,616	19,315	14,385	32,112	19,591	6,213
1948	169,538	27,243	44,559	69,069	21,065	7,602
1949	228,601	36,963	61,681	100,002	22,152	7,803
1950	253,005	43,729	73,105	104,551	24,039	7,581
1951	286,920	50,371	97,013	107,565	24,561	7,410
1952	360,446	63,413	129,205	134,241	25,703	7,884
1953	427,243	79,668	149,886	164,342	25,906	7,441
1954—January	429,953	80,690	150,201	166,028	25,661	7,373
February	430,674	80,768	149,968	167,007	25,575	7,356
March	433,694	81,854	150,382	168,959	25,267	7,232
April	436,092	82,374	150,646	170,314	25,532	7,226
May	438,501	82,730	150,838	172,047	25,669	7,217
June	443,645	84,034	152,987	173,702	25,734	7,188
July	422,001	71,428	149,915	167,974	25,509	7,175
August	444,134	85,999	149,913	175,876	25,376	6,970
September	445,349	86,614	149,689	176,557	25,533	6,956
October	446,332	87,415	148,831	177,726	25,421	6,939
November	447,026	87,816	148,816	178,232	25,237	6,925
December	440,622	86,266	151,751	170,547	25,210	6,848
1955—January	442,619	88,164	151,322	170,725	25,302	7,106
February	443,105	88,684	151,365	170,669	25,292	7,095
March	443,378	88,783	151,253	170,778	25,506	7,058
April	446,279	89,495	152,249	171,809	25,281	7,445
May	446,659	89,777	151,746	172,611	25,304	7,221
June	454,413	90,253	153,725	175,332	27,910	7,193
July	450,462	91,242	153,721	172,519	25,816	7,164
August	451,198	92,324	153,416	172,584	25,724	7,150
September	452,227	93,573	153,031	172,616	25,748	7,259
October	453,896	94,384	153,474	172,518	26,280	7,240
November	454,781	95,157	153,165	172,941	26,376	7,142
December	456,170	95,870	153,306	173,250	26,625	7,119

SOURCE OF BASIC DATA: Rehabilitation Finance Corporation.

TABLE 59.—*Loans Approved*[a] *by the Rehabilitation Finance Corporation Classified by Size,* 1952-1955

(Thousand pesos)

Period	Total	Initial loans						Additional loans
		5,000 and below	5,001 to 10,000	10,001 to 20,000	20,001 to 50,000	50,001 to 100,000	Over 100,000	
1952	146,238	5,575	10,487	16,986	15,655	7,730	57,141	32,664
1953	114,788	6,333	12,744	24,692	7,986	6,459	23,489	33,085
1954	79,976	6,164	12,146	22,791	5,809	3,754	14,550	14,762
January	6,802	359	637	2,007	427	437	1,720	1,215
February	5,141	401	845	1,935	326	195	591	848
March	5,850	413	1,010	2,322	737	195	350	823
April	5,450	334	769	1,753	347	364	747	1,136
May	6,679	560	1,109	2,423	598	211	725	1,053
June	9,069	613	1,198	2,415	621	645	709	2,868
July	8,827	855	1,670	2,271	580	422	1,230	1,799
August	10,672	618	1,310	1,975	377	172	5,390	830
September	4,057	533	956	1,572	340	198	115	343
October	9,924	704	1,589	2,443	551	190	1,950	2,497
November	2,095	238	305	448	208	378	130	388
December	5,410	536	748	1,227	697	347	893	962
1955	75,083	7,171	9,148	17,777	7,236	4,146	16,474	13,131
January	7,163	580	693	1,183	753	358	2,138	1,458
February	3,599	418	519	1,106	584	142	200	630
March	5,613	540	645	1,843	584	358	876	767
April	5,926	482	596	1,316	539	195	2,337	461
May	8,104	760	1,194	2,185	784	401	1,049	1,731
June	5,549	525	829	1,507	647	424	452	1,165
July	4,491	394	444	761	291	262	1,623	716
August	9,961	686	764	1,680	846	331	4,529	1,125
September	5,431	663	993	1,582	616	554	—	1,023
October	8,617	908	1,003	1,962	445	618	1,731	1,950
November	3,806	359	606	1,065	430	155	—	1,191
December	6,823	856	862	1,587	717	348	1,539	914

SOURCE OF BASIC DATA: Rehabilitation Finance Corporation

[a] Including loans cancelled or reduced and subscriptions to capital stock of rural banks.

TABLE 60.—*Geographical Distribution of Loans Approved*[a] *by the Rehabilitation Finance Corporation,* 1952-1955

(Thousand pesos)

Period	Total		Luzon		Visayas		Mindanao	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1952	5,710	146,238	3,635	95,338	1,403	41,198	672	9,702
1953	6,550	114,788	4,291	73,987	1,409	31,248	850	9,553
1954	6,220	79,976	3,896	49,848	1,272	19,635	1,052	10,493
January	396	6,802	264	3,946	80	1,791	52	1,065
February	444	5,141	302	3,626	72	652	70	863
March	513	5,850	347	4,258	98	1,222	68	370
April	387	5,450	248	3,526	66	1,313	73	611
May	599	6,679	392	4,766	83	1,109	124	804
June	627	9,069	381	4,746	142	3,504	104	819
July	775	8,827	472	6,744	141	1,097	162	986
August	585	10,672	364	5,018	110	4,869	111	785
September	535	4,057	276	2,311	153	1,360	106	386
October	692	9,924	467	6,157	136	1,111	89	2,656
November	218	2,095	112	1,293	76	584	30	218
December	449	5,410	271	3,457	115	1,023	63	930
1955	6,684	75,083	3,979	51,591	1,356	13,850	1,349	9,642
January	488	7,163	234	4,345	143	2,278	111	540
February	385	3,599	192	2,285	89	741	104	573
March	532	5,613	331	4,394	99	819	102	400
April	440	5,926	227	2,751	77	778	136	2,397
May	707	8,104	418	5,904	141	1,245	148	955
June	524	5,549	337	3,773	102	842	85	934
July	364	4,491	210	2,539	80	732	74	1,220
August	658	9,961	399	7,797	151	1,752	108	412
September	661	5,431	413	3,986	139	975	109	470
October	817	8,617	532	5,830	146	1,940	139	847
November	362	3,806	230	2,918	43	488	89	400
December	746	6,823	456	5,069	146	1,260	144	494

SOURCE OF DATA: Rehabilitation Finance Corporation.

[a] Including loans cancelled or reduced and subscriptions to capital stock of rural banks.

TABLE 61.—*Agricultural Loans Approved[a] by the Rehabilitation Finance Corporation Classified by Product, 1952-1955*

(Thousand pesos)

Period	Total	Palay	Corn and other staples	Coconut	Sugar	Abaca	Ramie	Tobacco	Orchards	Fish-ponds	Live-stock, poultry and dairy farms	Coffee	Others
1952	24,642	7,808	980	1,883	4,406	2,675	255	130	578	3,834	1,112	—	981
1953	25,886	11,383	786	2,101	3,169	1,669	498	162	847	4,907	304	—	60
1954	18,833	7,707	499	1,522	1,848	1,145	536	224	783	4,159	250	—	160
January	1,468	637	27	103	94	86	—	81	88	295	1	—	56
February	1,742	458	34	233	69	165	244	6	21	478	18	—	16
March	1,670	673	45	101	234	29	4	9	87	459	17	—	12
April	1,003	381	35	107	112	193	3	1	32	139	—	—	—
May	1,503	747	33	123	15	148	60	16	63	295	3	—	—
June	2,024	717	59	157	215	189	171	10	65	439	2	—	—
July	1,716	839	44	130	170	95	31	14	98	290	4	—	1
August	1,415	650	24	80	167	21	—	6	25	429	13	—	—
September	1,781	798	54	131	215	67	13	11	76	411	5	—	—
October	1,686	681	33	134	140	17	4	11	66	454	146	—	—
November	1,009	465	66	69	95	6	2	50	32	224	—	—	—
December	1,816	661	45	154	322	129	4	9	130	246	41	—	75
1955	24,787	9,259	913	2,345	2,549	610	414	509	951	3,029	1,796	2,139	273
January	1,531	634	68	114	157	57	29	57	56	258	46	55	—
February	1,719	557	30	120	142	33	19	30	79	177	152	233	147
March	1,891	663	102	133	230	23	2	16	123	260	72	184	83
April	1,702	464	34	109	145	34	7	39	44	416	190	210	10
May	2,630	958	203	349	77	150	4	17	100	281	201	290	—
June	1,918	884	50	130	124	20	1	5	49	124	333	198	—
July	1,867	582	44	301	64	69	330	9	140	172	60	81	15
August	2,556	1,049	68	227	352	20	—	38	45	352	105	300	—
September	2,251	1,067	45	132	274	33	9	130	78	148	218	110	7
October	2,696	1,141	104	266	376	64	8	63	50	343	111	170	—
November	1,120	328	86	144	78	24	1	17	33	99	174	132	4
December	2,906	932	79	320	530	83	4	88	154	399	134	176	7

SOURCE OF DATA: Rehabilitation Finance Corporation.

[a] Including loans cancelled or reduced.

TABLE 62.—*Industrial Loans Approved*[a] *by the Rehabilitation Finance Corporation Classified by Industry, 1952-1955*

(Thousand pesos)

Period	Total	Rice mills	Pharmaceutical products	Textile and allied products	Bakery and other food products	Jute sack, twine and rope factories	Lumber and allied products	Mining	Cement and Aluminum	Leather products	Public Utilities	Sugar centrals	Others
1952	52,096	787	2,475	544	930	2,543	2,997	1,900	11,961	161	12,546	7,900	7,352
1953	41,880	856	639	4,253	385	1,900	3,245	10	5,796	323	10,126	7,411	6,936
1954	19,868	783	718	2,117	975	700	406	5,800	1,971	258	2,604	2,000	1,536
January	1,502	126	20	500	26	500	—	—	—	—	280	—	50
February	58	9	—	—	15	—	—	—	—	—	—	—	34
March	396	117	—	—	18	—	5	—	—	—	40	—	216
April	1,242	31	201	—	22	—	—	—	—	5	752	—	231
May	834	71	150	—	—	—	—	—	—	—	359	—	254
June	2,692	81	—	—	45	—	165	—	—	—	234	2,000	167
July	2,443	63	50	1,540	8	—	43	—	—	30	611	—	98
August	5,366	18	208	31	627	—	30	4,000	—	206	97	—	149
September	130	6	4	15	42	—	—	—	—	—	41	—	22
October	3,959	83	—	—	33	—	12	1,800	1,871	8	119	—	33
November	362	28	—	—	—	—	131	—	—	—	51	—	152
December	884	150	85	31	139	200	20	—	100	9	20	—	130
1955	18,527	1,541	655	866	453	19	2,899	1,913	66	1,767	2,556	850	4,942
January	3,716	537	157	—	5	5	—	1,188	38	1,500	102	—	184
February	593	76	3	—	80	—	60	—	20	—	212	—	142
March	1,155	121	138	—	—	—	20	—	—	—	145	—	731
April	2,517	36	—	137	—	—	2,105	5	—	3	123	—	108
May	1,287	129	—	10	34	—	13	480	—	14	314	—	293
June	1,398	284	—	171	—	—	70	—	—	—	135	—	738
July	857	35	—	—	3	—	8	—	—	—	96	600	115
August	1,178	95	20	42	131	—	—	240	8	22	254	—	366
September	487	38	—	12	32	—	—	—	—	205	70	—	130
October	3,082	92	—	406	—	14	410	—	—	20	310	250	1,580
November	1,115	67	40	60	109	—	50	—	—	—	234	—	555
December	1,142	31	297	28	59	—	163	—	—	3	561	—	—

SOURCE OF DATA: Rehabilitation Finance Corporation.

[a] Including loans cancelled or reduced.

TABLE 63.—*Loans Granted by the Agricultural Credit and Cooperative Financing Administration, 1953-1955*

(Thousand pesos)

Period	Total	Crop loans	Farm improvement loans	Commodity loans [a]	Facility loans	Other loans [b]
1953	2,789	2,173	467	41	108	—
1954	15,720	8,920	4,266	1,342	1,192	—
January	261	68	9	125	59	—
February	173	10	5	135	23	—
March	107	4	6	66	31	—
April	25	14	1	—	10	—
May	590	26	6	537	21	—
June	266	13	28	205	20	—
July	1,602	1,166	309	115	12	—
August	2,093	1,383	677	33	—	—
September	3,336	2,036	1,238	—	62	—
October	3,042	1,812	896	—	334	—
November	2,092	1,285	669	31	107	—
December	2,133	1,103	422	95	513	—
1955	40,528	16,532	7,020	7,669	6,817	2,490
January	2,046	509	400	408	729	—
February	3,076	720	176	1,153	778	249
March	4,447	574	265	2,417	916	275
April	2,104	97	22	1,321	334	330
May	3,818	444	405	1,825	681	463
June	3,619	1,312	799	28	1,048	432
July	4,249	2,475	1,049	47	581	97
August	5,327	3,365	837	121	449	555
September	4,569	3,044	979	85	419	42
October	2,694	1,437	882	10	340	25
November	1,817	885	544	115	251	22
December	2,762	1,670	662	139	291	—

SOURCE OF BASIC DATA: The Agricultural Credit and Cooperative Financing Administration.

[a] Including sack (commodity) loans.

[b] Consisting of merchandising loans granted to FACOMAS specifically for the purchase of palay to be milled and resold as rice, and tobacco loans intended for the development of the production of tobacco.

TABLE 64.—*Loans Outstanding of the Agricultural Credit and Cooperative Financing Administration, 1953-1955*

(Thousand pesos)

End of period	Total	Crop loans	Farm improvement loans	Commodity loans	Facility loans	Other loans [a]
1953.....	2,708	2,100	467	33	108	—
1954—						
January....	2,907	2,120	474	146	167	—
February...	3,033	2,092	478	273	190	—
March.....	3,103	2,062	483	337	221	—
April.....	3,104	2,065	481	328	230	—
May.....	3,609	2,032	488	839	250	—
June.....	3,689	1,933	515	971	270	—
July.....	5,327	2,860	905	1,268	294	—
August.....	7,275	4,177	1,579	793	726	—
September..	10,389	6,107	2,810	684	788	—
October....	13,249	7,793	3,692	642	1,122	—
November..	14,586	8,517	4,344	485	1,240	—
December..	16,510	9,476	4,750	531	1,753	—
1955—						
January....	18,350	9,900	5,138	886	2,426	—
February...	22,496	12,095	5,395	1,734	3,272	—
March.....	25,292	10,753	5,513	4,383	4,119	524
April.....	26,758	10,329	5,456	5,666	4,453	854
May.....	29,722	10,137	5,802	7,337	5,129	1,317
June.....	32,209	10,666	6,507	7,112	6,175	1,749
July.....	33,918	11,832	6,469	7,065	6,756	1,796
August.....	37,851	14,208	8,083	5,997	7,204	2,359
September..	40,527	16,204	8,981	5,399	7,601	2,342
October....	41,207	17,179	9,807	3,963	7,917	2,341
November..	42,473	17,751	10,295	3,957	8,148	2,322
December..	43,518	19,094	10,913	2,778	8,421	2,312

SOURCE OF BASIC DATA: The Agricultural Credit and Cooperative Financing Administration.

[a] Consisting of merchandising loans granted to FACOMAS specifically for the purchase of palay to be milled and resold as rice, and tobacco loans intended for the development of the production of tobacco.

TABLE 65.—*Loans Granted by Rural Banks Classified by Purpose*, 1953-1955

(Amount in thousand pesos)

Period	Total		Agricultural		Commercial		Industrial		Others	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1953	8,279	2,796	5,559	1,855	2,102	798	406	116	212	27
1954	11,248	4,625	6,993	3,020	1,721	1,117	234	123	2,300	365
January	567	241	371	163	108	58	12	6	76	14
February	651	305	410	209	135	75	13	6	93	15
March	905	418	607	306	129	75	17	14	152	23
April	719	359	527	260	98	83	14	6	80	10
May	945	420	653	285	159	104	17	14	116	17
June	1,422	550	932	368	149	108	16	8	325	66
July	1,017	343	629	233	136	73	16	7	236	30
August	1,096	414	731	273	151	105	17	5	197	31
September	974	415	591	248	149	118	15	14	219	35
October	940	377	542	235	176	95	19	13	203	34
November	972	391	487	216	155	110	27	14	303	51
December	1,040	392	513	224	176	113	51	16	300	39
1955	16,644	6,719	10,474	4,590	2,129	1,310	319	187	3,722	632
January	943	397	553	266	141	70	30	28	219	33
February	985	419	579	272	140	96	24	9	242	42
March	1,077	520	645	314	142	130	27	12	263	64
April	1,086	468	732	338	129	92	13	7	212	31
May	1,437	534	992	390	148	92	17	14	280	38
June	1,566	592	1,038	417	165	99	28	20	335	56
July	1,756	676	1 244	494	179	118	34	18	299	46
August	1,607	644	1,055	440	191	115	22	23	339	66
September	1,804	714	1,077	476	245	155	68	14	414	69
October	1,592	632	1,007	452	220	114	15	17	350	49
November	1,233	522	716	348	179	99	21	15	317	60
December	1,558	601	836	383	250	130	20	10	452	78

SOURCE OF BASIC DATA: Financial Statements of Rural Banks.

TABLE 66.—*Loans Outstanding of Rural Banks Classified by Purpose*, 1953-1955

(Thousand pesos)

End of period	Total	Agricultural	Commercial	Industrial	Other loans and advances[a]
1953	1,976	1,428	221	57	270
1954—					
January	2,075	1,530	225	57	263
February	2,187	1,559	228	58	342
March	2,385	1,708	260	62	355
April	2,572	1,777	276	60	459
May	2,734	1,894	294	60	486
June	2,966	2,079	299	55	533
July	3,110	2,176	289	52	593
August	3,068	2,126	321	51	570
September	3,442	2,359	354	52	777
October	3,548	2,456	337	58	697
November	3,675	2,514	340	62	759
December	3,839	2,608	357	67	807
1955—					
January	3,951	2,665	360	73	853
February	4,057	2,681	374	73	929
March	4,209	2,733	405	78	993
April	4,371	2,804	399	77	1,091
May	4,566	2,915	417	74	1,160
June	4,828	3,056	402	80	1,290
July	5 158	3,347	434	92	1,285
August	5,463	3,605	478	106	1,274
September	5,852	3,843	524	102	1,383
October	6,127	4,080	562	96	1,389
November	6,314	4,199	558	89	1,468
December	6,520	4,299	559	90	1,572

SOURCE OF BASIC DATA: Consolidated Financial Reports of Rural Banks.

[a] Including past due items and loans in litigation.

TABLE 67.—*Assets and Liabilities of Rural Banks*, 1953-1955

(Thousand pesos)

End of period	Total assets	Cash on hand	Checks and other cash items	Due from banks	Loans	Stocks, bonds and other securities	Bank premises, furniture and fixtures	Other assets
1953	2,409	116	26	183	1,976	—	55	53
1954—January	2,450	114	1	152	2,075	—	87	21
February	2,715	130	8	279	2,187	—	90	21
March	2,801	102	1	199	2,385	—	58	56
April	3,069	121	—	253	2,572	—	95	28
May	3,509	66	24	522	2,734	—	133	30
June	3,614	62	3	440	2,966	—	66	77
July	3,627	50	6	320	3,110	—	83	58
August	3,870	82	10	358	3,271	—	70	79
September	3,993	65	11	333	3,442	—	72	70
October	4,137	77	15	351	3,548	—	73	73
November	4,228	86	12	305	3,675	—	73	77
December	4,432	141	4	282	3,839	—	73	93
1955—January	4,449	97	8	229	3,951	—	70	94
February	4,548	94	8	220	4,057	—	70	99
March	4,790	140	12	233	4,209	—	69	127
April	5,022	116	13	323	4,371	—	66	133
May	5,190	122	6	263	4,566	—	69	164
June	5,739	143	9	476	4,828	—	75	208
July	6,092	136	33	466	5,147	78	72	160
August	6,618	106	62	676	5,463	76	140	95
September	6,861	122	24	508	5,852	92	159	104
October	7,069	119	8	445	6,128	92	172	105
November	7,367	132	16	519	6,315	101	181	103
December	7,897	149	44	743	6,521	104	173	163

TABLE 67.—*Assets and Liabilities of Rural Banks,* 1953-1955 (*Concluded*)

(Thousand pesos)

End of period	Total liabilities and net worth	Savings deposits	Due to banks	Liabilities on rediscounted notes	Managers' checks	Other liabilities	Capital paid-in	Surplus, reserves and undivided profits
1953	2,409	3	—	155	—	175	2,125	(49)
1954—January	2,450	3	—	192	—	155	2,144	(44)
February	2,715	3	—	264	—	144	2,344	(40)
March	2,801	3	—	284	—	145	2,401	(32)
April	3,069	3	—	321	—	170	2,599	(24)
May	3,509	3	—	360	—	208	2,956	(18)
June	3,614	3	—	388	—	187	3,045	(9)
July	3,627	3	—	378	—	186	3,058	2
August	3,870	71	—	335	—	188	3,263	13
September	3,993	119	—	347	—	192	3,314	21
October	4,137	161	—	326	—	183	3,435	32
November	4,228	212	—	342	—	185	3,448	41
December	4,432	253	33	349	—	174	3,573	50
1955—January	4,449	317	20	327	—	218	3,500	67
February	4,548	347	20	330	1	253	3,534	63
March	4,790	397	44	360	—	300	3,620	69
April	5,022	427	45	345	—	323	3,817	65
May	5,190	430	65	356	1	317	3,945	76
June	5,739	510	65	409	3	341	4,331	80
July	6,092	538	25	517	3	368	4,560	81
August	6,618	558	170	659	1	318	4,807	105
September	6,861	611	124	659	2	345	5,001	119
October	7,069	648	113	732	1	348	5,087	140
November	7,367	689	203	688	2	348	5,271	166
December	7,897	714	107	906	3	339	5,633	195

SOURCE OF BASIC DATA: Combined Statement of Assets and Liabilities of Rural Banks.

TABLE 68.—*Business Transactions of Pawnshops in the City of Manila*, 1945-1955

(Amount in thousand pesos)

Period	No. of pawnshops operating	Loans granted	Loans paid [a]	Loans outstanding
1945	2	53	26	27
1946	3	488	273	242
1947	5	1,519	1,294	467
1948	8	2,881	2,687	661
1949	15	3,362	2,964	1,059
1950	20	9,479	7,462	3,076
1951	19	10,289	9,170	4,195
1952	27	13,055	11,531	5,719
1953	32	15,122	14,357	6,484
1954		18,548	17,542	
January	33	1,522	1,234	6,772
February	33	1,370	1,318	6,824
March	34	1,642	1,557	6,909
April	35	1,512	1,419	7,002
May	35	1,545	1,415	7,132
June	35	1,545	1,341	7,336
July	35	1,497	1,438	7,395
August	35	1,422	1,429	7,388
September	36	1,575	1,603	7,360
October	36	1,660	1,568	7,452
November	36	1,625	1,387	7,690
December	36	1,633	1,833	7,490
1955 [b]		20,584	19,934	
January	38	1,870	1,496	7,864
February	38	1,545	1,561	7,848
March	38	1,850	1,776	7,922
April	38	1,610	1,636	7,896
May	41	1,809	1,547	8,158
June	41	1,827	1,518	8,467
July	41	1,632	1,574	8,525
August	41	1,748	1,787	8,486
September	41	1,689	1,699	8,476
October	42	1,773	1,761	8,488
November	42	1,594	1,558	8,524
December	42	1,637	2,021	8,140

SOURCE OF BASIC DATA: Pawnshop reports.

[a] Including foreclosures.

[b] Figures for the first quarter were adjusted to include transactions of three new reporting pawnshops two of which started their operations in January, 1955.

TABLE 69.—*Loans Granted by Pawnshops in the City of Manila by Size,* 1951-1955

(Amount in thousand pesos)

Period	Total		Less than ₱100		₱100 to ₱500		Above ₱500	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1951	234,570	10,289	212,329	4,379	20,749	3,528	1,492	2,382
1952	335,303	13,055	308,377	6,136	25,214	3,888	1,712	3,031
1953	423,782	15,122	394,035	8,093	28,287	4,611	1,460	2,418
1954	507,541	18,548	469,229	9,224	36,145	6,038	2,167	3,286
January	44,855	1,522	41,797	821	2,933	501	125	200
February	37,949	1,370	35,192	714	2,627	465	130	191
March	42,942	1,642	39,566	766	3,160	553	216	323
April	39,313	1,512	35,774	739	3,374	490	165	282
May	41,744	1,545	38,516	760	3,030	525	198	260
June	44,052	1,545	40,627	802	3,244	525	181	218
July	44,076	1,497	41,151	797	2,758	444	167	256
August	40,925	1,422	38,133	732	2,614	436	178	254
September	43,366	1,575	40,323	761	2,814	456	229	358
October	44,593	1,660	41,192	795	3,193	528	208	337
November	42,655	1,625	39,420	756	3,047	521	188	348
December	41,071	1,633	37,538	781	3,351	594	182	258
1955	564,693	20,584	517,944	10,161	44,539	7,083	2,210	3,340
January	52,677	1,870	48,848	945	3,613	586	216	339
February	42,971	1,545	39,588	764	3,212	538	171	243
March	47,223	1,850	43,445	899	3,584	591	194	360
April	43,509	1,610	39,910	784	3,444	574	155	252
May	46,520	1,809	41,895	844	4,389	595	236	370
June	49,855	1,827	45,710	914	3,963	650	182	263
July	47,390	1,632	43,918	834	3,308	543	164	255
August	49,450	1,748	45,667	863	3,610	622	173	263
September	47,374	1,689	43,744	830	3,441	591	189	268
October	49,309	1,773	45,231	860	3,878	651	200	262
November	44,693	1,594	40,954	802	3,584	559	155	233
December	43,722	1,637	39,034	822	4,513	583	175	232

SOURCE OF BASIC DATA: Pawnshop reports.

TABLE 70.—*Loans Outstanding of Pawnshops in the City of Manila,* 1951-1955

(Amount in thousand pesos)

End of period	Total		Unmatured		Not more than three months past due		More than three (3) months past due	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1951	90,344	4,195	65,739	3,258	20,112	759	4,493	178
1952	117,422	5,719	90,954	4,697	22,686	862	3,782	160
1953	127,572	6,484	104,296	5,539	18,474	754	4,802	191
1954—January	138,999	6,772	113,618	5,755	19,643	786	5,738	231
February	140,293	6,824	112,758	5,758	21,646	831	5,889	235
March	142,934	6,909	114,019	5,815	21,679	834	7,236	260
April	142,215	7,002	115,712	5,829	21,217	876	5,206	297
May	143,987	7,132	115,718	5,977	21,785	889	6,484	266
June	149,472	7,336	120,068	6,081	23,173	956	6,231	299
July	153,424	7,395	123,363	6,224	23,345	860	6,716	311
August	154,052	7,388	121,217	6,122	25,758	933	7,077	333
September	152,905	7,360	120,154	6,095	24,453	952	8,298	313
October	153,087	7,452	120,598	6,222	25,226	838	7,263	392
November	156,051	7,690	121,401	6,331	27,129	1,039	7,521	320
December	145,029	7,490	108,665	4,947	28,393	2,042	7,971	501
1955—January	155,957	7,864	120,428	6,474	26,808	1,086	8,721	304
February	156,341	7,848	118,750	6,392	28,841	1,126	8,750	330
March	156,750	7,922	119,691	6,467	28,397	1,132	8,662	323
April	158,565	7,896	123,038	6,419	28,074	1,156	7,453	321
May	161,584	8,158	125,731	6,687	27,479	1,085	8,374	386
June	168,153	8,467	131,954	6,966	28,813	1,183	7,386	318
July	170,791	8,525	133,351	6,998	29,978	1,190	7,462	337
August	172,514	8,486	135,867	6,988	29,364	1,177	7,283	321
September	171,563	8,476	132,458	6,901	31,315	1,262	7,790	313
October	172,114	8,488	135,410	7,032	29,075	1,139	7,629	317
November	173,662	8,524	136,558	6,996	29,731	1,212	7,373	316
December	160,761	8,140	128,054	6,716	26,331	1,112	6,376	312

SOURCE OF BASIC DATA: Pawnshop reports.

TABLE 71.—*Loans Granted by the Government Service Insurance System,* 1947-1955

(Thousand pesos)

Period	Total	Salary	Policy	Real estate [a]
1947	810	693	117	—
1948	1,896	1,174	722	—
1949	4,315	2,498	1,817	—
1950	5,118	2,902	2,216	—
1951	10,168	3,542	2,626	4,000
1952	14,738	3,258	3,089	8,391
1953	9,429	6,192	3,237	—
1954	35,130	18,539	7,238	9,353
January	799	500	299	—
February	1,316	904	412	—
March	1,775	1,230	545	—
April	1,637	1,012	625	—
May	1,839	1,105	734	—
June	2,791	1,066	725	1,000
July	1,490	880	610	—
August	1,519	943	576	—
September	1,887	1,080	656	151
October	1,988	1,070	764	154
November	1,682	1,035	647	—
December	16,407	7,714	645	8,048
1955	55,006	36,053	10,236	8,717
January	12,983	12,244	739	—
February	13,408	12,242	1,099	67
March	2,049	781	1,096	172
April	6,531	471	844	5,216
May	1,892	705	817	370
June	3,855	852	1,083	1,920
July	1,332	445	820	67
August	1,594	372	726	496
September	1,171	370	744	57
October	1,302	380	825	97
November	1,088	387	559	142
December	7,801	6,804	884	113

SOURCE OF BASIC DATA: The Government Service Insurance System.

[a] Direct investments of the Government Service Insurance System in government and private corporations.

TABLE 72.—*Loans Outstanding*[a] *of the Government Service Insurance System,* 1947-1955

(Thousand pesos)

End of period	Total	Salary	Policy	Real estate[b]
1947	2,387	636	1,751	—
1948	3,268	1,214	2,054	—
1949	6,275	3,180	3,095	—
1950	7,977	3,919	4,058	—
1951	14,200	4,939	5,261	4,000
1952	23,130	4,599	6,697	11,834
1953	24,392	5,501	7,997	10,894
1954—				
January	24,398	5,490	8,139	10,769
February	24,879	5,784	8,349	10,746
March	25,647	6,293	8,630	10,724
April	26,194	6,739	8,970	10,485
May	26,669	7,148	9,057	10,464
June	28,357	7,492	9,425	11,440
July	28,667	7,687	9,769	11,211
August	29,106	7,857	10,063	11,186
September	29,821	8,046	10,454	11,321
October	30,231	8,236	10,918	11,077
November	30,799	8,415	11,296	11,088
December	44,401	13,602	11,683	19,116
1955—				
January	54,544	23,473	12,170	18,901
February	65,578	33,834	12,891	18,853
March	65,715	33,336	13,575	18,804
April	66,041	32,991	14,091	18,959
May	65,648	32,402	14,124	19,122
June	67,006	31,801	14,757	20,448
July	66,313	30,724	15,209	20,380
August	66,102	29,772	15,602	20,728
September	65,188	28,513	15,996	20,679
October	64,118	27,396	16,414	20,308
November	63,545	26,460	16,646	20,439
December	66,377	29,052	17,028	20,297

SOURCE OF BASIC DATA: The Government Service Insurance System.

[a] Starting October, 1954 the series are adjusted to include real estate loans granted by the Government Service Insurance System under its Retirement Insurance Plan.

[b] Direct investments of the Government Service Insurance System in government and private corporations.

TABLE 73.—*Loans Outstanding of Mutual Building and Loan Associations Classified by Security, 1947-1955*

(Thousand pesos)

End of period	Total	Real estate	Stock
1947	1,909	1,866	43
1948	3,155	3,063	92
1949	3,514	3,421	93
1950	4,333	4,195	138
1951	4,707	4,504	203
1952	6,530	6,266	264
1953	7,209	6,788	421
1954—			
January	7,289	6,850	439
February	7,434	6,970	464
March	7,491	7,039	452
April	7,613	7,156	457
May	7,641	7,172	469
June	7,733	7,262	471
July	7,792	7,321	471
August	7,857	7,346	511
September	7,853	7,365	488
October	7,907	7,420	487
November	7,951	7,431	520
December	6,725	6,164	561
1955—			
January	7,922	7,403	519
February	7,987	7,479	508
March	8,065	7,554	511
April	8,145	7,637	508
May	8,184	7,664	520
June	8,246	7,737	509
July	8,112	7,591	521
August	8,136	7,616	520
September	8,087	7,572	515
October	8,140	7,636	504
November	8,301	7,752	549
December	8,409	7,772	637

SOURCE OF BASIC DATA: Consolidated Statement of Assets and Liabilities of Mutual Building and Loan Associations.

TABLE 74.—*Assets and Liabilities of the Postal Savings Bank, 1949-1955*

(Million pesos)

End of period	Resources				Liabilities		
	Total	Liquid assets [a]	Trust funds with RFC	Other assets [b]	Total	Savings deposits	Other liabilities and capital assets [c]
1949	34.6	6.1	28.2	0.3	34.6	31.6	3.0
1950	32.6	4.0	28.4	0.2	32.6	29.8	2.8
1951	33.0	3.3	29.5	0.2	33.0	29.8	3.2
1952	34.3	4.0	30.0	0.3	34.3	30.5	3.8
1953	37.5	5.1	32.1	0.3	37.5	33.1	4.4
1954—January	38.3	5.7	32.1	0.5	38.3	33.5	4.8
February	38.4	5.3	32.8	0.3	38.4	33.8	4.6
March	38.6	5.1	33.1	0.4	38.6	33.8	4.8
April	38.4	4.9	33.1	0.4	38.4	33.9	4.5
May	38.1	4.6	33.1	0.4	38.1	33.6	4.5
June	38.1	4.4	33.5	0.2	38.1	33.4	4.7
July	38.1	4.3	33.5	0.3	38.1	33.5	4.6
August	38.5	4.5	33.7	0.3	38.5	33.6	4.9
September	38.8	4.6	33.9	0.3	38.8	33.9	4.9
October	38.7	4.5	33.9	0.3	38.7	33.7	5.0
November	38.8	4.5	34.0	0.3	38.8	33.8	5.0
December	38.9	4.6	34.0	0.3	38.9	33.9	5.0
1955—January	39.6	5.0	34.2	0.4	39.6	34.2	5.4
February	39.7	5.1	34.3	0.3	39.7	34.2	5.5
March	39.8	5.0	34.5	0.3	39.8	34.2	5.6
April	39.3	4.3	34.6	0.4	39.3	33.9	5.4
May	39.1	4.0	34.7	0.4	39.1	33.8	5.3
June	38.7	3.5	34.8	0.4	38.7	33.4	5.3
July	38.9	3.7	34.9	0.3	38.9	33.7	5.2
August	39.3	3.7	35.0	0.6	39.3	34.1	5.2
September	39.8	4.2	35.1	0.5	39.8	34.6	5.2
October	40.3	4.6	35.3	0.4	40.3	35.0	5.3
November	40.7	4.9	35.4	0.4	40.7	35.2	5.5
December	41.1	5.2	35.5	0.4	41.1	35.4	5.7

SOURCE OF BASIC DATA: Statement of Assets and Liabilities of the Postal Savings Bank.

[a] Consisting of cash on hand of collecting officers of provincial postmasters and due from Philippine National Bank.

[b] Consisting of banking equipment and other assets.

[c] Consisting of firearms and guaranty deposits; due to national bureaus and offices; checks and thrift stamps payable, undistributed provincial collections and surplus accounts.

TABLE 75.—*Capital Investments of Newly Registered Business Organizations*, 1951-1955

(Amount in thousand pesos)

Period	Total		Corporations [a]			Partnerships		Single Proprietorships	
	Number	Paid-in	Number	Subscribed	Paid-in	Number	Paid-in	Number	Paid-in
1951	7,120	174,977	574	58,206	29,032	729	40,833	5,817	105,112
1952	6,290	152,824	467	58,606	33,426	760	32,696	5,063	86,702
1953	7,242	174,895	586	58,642	21,384	698	30,817	5,958	122,694
1954	7,961	154,167	605	55,666	23,910	681	30,729	6,675	99,528
January	430	9,889	48	7,214	2,180	83	3,376	299	4,333
February	424	11,270	51	3,793	1,707	68	3,110	305	6,453
March	668	18,236	60	4,945	2,965	78	3,166	530	12,105
April	509	11,280	30	2,396	936	68	3,143	411	7,201
May	525	13,073	50	10,861	5,468	49	1,590	426	6,015
June	503	11,105	58	5,298	2,755	69	2,401	376	5,949
July	938	14,764	59	4,733	1,609	57	2,115	822	11,040
August	763	15,045	54	5,069	1,927	53	5,112	656	8,006
September	993	14,202	50	2,573	912	51	1,916	892	11,374
October	893	13,464	50	2,756	908	32	1,393	811	11,163
November	653	12,334	57	4,184	1,936	44	1,826	552	8,572
December	662	9,505	38	1,844	607	29	1,581	595	7,317
1955	6,016	110,762	657	63,810	24,944	505	20,307	4,854	65,511
January	633	12,518	48	3,916	2,605	49	1,905	536	8,008
February	909	13,165	47	4,097	2,073	42	1,164	820	9,928
March	618	9,938	60	3,891	1,482	54	2,564	504	5,892
April	403	7,879	50	3,908	1,267	42	1,963	311	4,649
May	441	8,086	62	6,200	2,580	37	1,679	342	3,827
June	358	12,611	64	9,147	3,914	34	1,127	260	7,570
July	568	8,880	58	6,132	1,891	44	1,476	466	5,513
August	489	6,949	50	4,813	1,646	46	1,229	393	4,074
September	328	6,154	62	5,665	1,790	34	1,434	232	2,930
October	521	9,777	65	7,090	2,604	40	2,101	416	5,072
November	412	6,432	30	4,081	1,196	38	1,487	344	3,749
December	336	8,373	61	4,870	1,896	45	2,178	230	4,299

SOURCES OF BASIC DATA: Bureau of Commerce.
Securities and Exchange Commission.

[a] Including cooperatives.

TABLE 76.—*Capital Investments of Newly Registered Business Organizations Classified by Kind of Industry*, 1951-1955

(Amount in thousand pesos)

Kind of business	Total		Corporations [a]			Partnerships		Single Proprietorships	
	Number	Paid-in capital	Number	Subscribed capital	Paid-in capital	Number	Paid-in capital	Number	Paid-in capital
1951	7,120	174,977	574	58,206	29,032	729	40,833	5,817	105,112
1952	6,290	152,824	467	58,606	33,426	760	32,696	5,063	86,702
1953	7,242	174,895	586	58,642	21,384	698	30,817	5,958	122,694
1954	7,961	154,167	605	55,666	23,910	681	30,729	6,675	99,528
Agriculture	32	1,164	21	1,714	874	7	215	4	75
Forestry, fishing and livestock	67	4,705	18	1,930	571	31	3,709	18	425
Metal mining	42	1,044	16	869	231	19	379	7	434
Non-metallic mining	11	130	3	232	83	—	—	8	47
Manufacturing	1,734	38,566	127	17,556	6,811	133	5,905	1,474	25,850
Construction	57	1,186	15	963	329	19	558	23	299
Electricity, gas and water services	12	290	4	125	65	—	—	8	225
Wholesale and retail trade	5,392	82,553	254	9,211	2,806	388	16,855	4,750	62,892
Banks and other financial institutions	28	2,927	18	6,064	2,549	2	15	8	363
Insurance	22	2,053	12	2,623	1,599	3	15	7	439
Real estate	41	8,451	21	5,782	2,735	14	2,019	6	3,697
Transportation, storage and communication	113	4,456	35	3,396	2,485	20	404	58	1,567
Community and business services	165	1,722	44	1,620	721	36	369	85	632
Recreation and personal services	245	4,920	17	3,581	2,051	9	286	219	2,583
1955	6,016	110,762	657	63,810	24,944	505	20,307	4,854	65,511
Agriculture	47	2,851	26	3,137	1,458	17	1,084	4	309
Forestry, fishing and livestock	75	2,662	26	2,083	708	33	1,554	16	400
Metal mining	23	365	12	425	121	10	144	1	100
Non-metallic mining	7	50	4	151	39	—	—	3	11
Manufacturing	1,339	33,857	130	23,070	7,053	109	5,738	1,100	21,066
Construction	57	1,582	23	2,390	759	14	462	20	361
Electricity, gas and water services	11	507	4	287	202	1	60	6	245
Wholesale and retail trade	3,790	48,164	242	9,740	3,173	204	8,423	3,344	36,568
Banks and other financial institutions	48	5,690	34	9,972	4,622	8	368	6	700
Insurance	23	633	14	1,256	572	2	14	7	47
Real estate	64	5,224	36	6,326	4,186	26	1,034	2	4
Transportation, storage and communication	123	3,468	46	2,817	1,100	26	457	51	1,911
Community and business services	177	1,891	43	1,366	485	41	590	93	816
Recreation and personal services	232	3,818	17	790	466	14	379	201	2,973

SOURCES OF BASIC DATA: Bureau of Commerce.
Securities and Exchange Commission.

[a] Including cooperatives.

TABLE 77.—*Capital Investments of Newly Registered Business Organizations Classified by Nationality*, 1951-1955

(Thousand pesos)

Nationality	Total	Corporations [a]		Partnerships	Single Proprietorships
	Paid-in capital	Subscribed capital	Paid-in capital	Paid-in capital	Paid-in capital
1951	174,977	58,206	29,032	40,833	105,112
1952	152,824	58,606	33,426	32,696	86,702
1953	174,895	58,642	21,384	30,817	122,694
1954	154,167	55,666	23,910	30,729	99,528
Filipinos	97,884	44,188	19.570	11,682	66,632
Chinese	49,083	8,160	3,147	15,447	30,489
Americans	2,371	2,434	739	307	1,325
Others	4,829	884	454	3,293	1,082
1955	110,762	63,810	24,944	20,307	65,511
Filipinos	76,892	48,231	19.696	11,593	45,603
Chinese	29,529	6,304	2,392	7,926	19,211
Americans	2,003	4,509	1,397	252	354
Others	2,338	4,766	1,459	536	343

SOURCES OF BASIC DATA: Bureau of Commerce.
Securities and Exchange Commission.

[a] Including cooperatives.

TABLE 78.—*Capital Investments of Newly Registered Business Organizations Classified by Nationality and Kind of Business,* 1951-1955

(Thousand pesos)

Kind of business	Total	Filipinos	Chinese	Americans	Others
	Paid-in capital	Paid-in capital	Paid-in capital	Paid-in capital	Paid-in capital
1951	174,977	113,616	56,610	2,346	2,405
1952	152,824	102,338	46,813	1,409	2,264
1953	174,895	126,741	42,147	2,021	3,986
1954	154,167	97,884	49,083	2,371	4,829
Agriculture	1,164	1,029	68	60	7
Forestry, fishing and livestock	4,705	1,402	164	139	3,000
Metal mining	1,044	965	11	66	2
Non-metallic mining and quarrying	130	94	—	31	5
Manufacturing	38,566	26,710	11,025	456	375
Construction	1,186	841	300	43	2
Electricity, gas and water services	290	290	—	—	—
Wholesale and retail trade	82,553	45,718	35,179	487	1,169
Banks and other financial institutions	2,927	2,530	186	103	108
Insurance	2,053	1,597	372	1	83
Real estate	8,451	7,416	889	116	30
Transportation, storage and communication	4,456	4,303	113	32	8
Community and business services	1,722	1,616	82	4	20
Recreation and personal services	4,920	3,373	694	833	20
1955	110,762	76,892	29,529	2,003	2,338
Agriculture	2,851	2,695	72	83	1
Forestry, fishing and livestock	2,662	2,236	424	2	—
Metal mining	365	293	38	33	1
Non-metallic mining and quarrying	50	45	—	5	—
Manufacturing	33,857	22,835	8,622	890	1,510
Construction	1,582	1,380	60	109	33
Electricity, gas and water services	507	507	—	—	—
Wholesale and retail trade	48,164	28,622	18,401	414	727
Banks and other financial institutions	5,690	4,596	862	231	1
Insurance	633	593	34	6	—
Real estate	5,224	4,716	499	3	6
Transportation, storage and communication	3,468	3,306	147	13	2
Community and business services	1,891	1,675	120	45	51
Recreation and personal services	3,818	3,393	250	169	6

SOURCES OF BASIC DATA: Bureau of Commerce.
Securities and Exchange Commission.

TABLE 79.—*Capital Investments of Newly Registered Business Organizations Classified by Region, 1951-1955*

(Amount in thousand pesos)

Region	Total		Corporations [a]			Partnerships		Single Proprietorships	
	Number	Paid-in capital	Number	Subscribed capital	Paid-in capital	Number	Paid-in capital	Number	Paid-in capital
1951	7,120	174,977	574	58,206	29,032	729	40,833	5,817	105,112
1952	6,290	152,824	467	58,606	33,426	760	32,696	5,063	86,702
1953	7,242	174,895	586	58,642	21,384	698	30,817	5,958	122,694
1954	7,961	154,167	605	55,666	23,910	681	30,729	6,675	99,528
Manila and Suburbs [b]	3,648	88,615	327	44,034	19,098	388	15,886	2,933	53,631
Luzon	2,329	37,807	189	6,661	2,305	125	5,034	2,015	30,468
Visayas	810	16,724	52	3,999	2,175	96	7,051	662	7,498
Mindanao	1,174	11,021	37	972	332	72	2,758	1,065	7,931
1955	6,016	110,762	657	63,810	24,944	505	20,307	4,854	65,511
Manila and Suburbs [b]	2,607	63,185	377	49,999	19,683	299	12,391	1,931	31,111
Luzon	1,787	28,107	171	8,623	2,839	95	3,164	1,521	22,104
Visayas	832	11,166	55	3,024	1,489	59	2,692	718	6,985
Mindanao	790	8,304	54	2,164	933	52	2,060	684	5,311

SOURCES OF BASIC DATA: Bureau of Commerce.
Securities and Exchange Commission.

[a] Including cooperatives.
[b] Consisting of Quezon City, Pasay City, San Juan, Makati, Mandaluyong and Caloocan.

TABLE 80.—*Capital Investments of Newly Registered Firms Engaged in Manufacturing Classified by Type of Organization,* 1951-1955

(Amount in thousand pesos)

Period	Total		Corporations			Partnerships		Single Proprietorships	
	Number	Paid-in capital	Number	Subscribed capital	Paid-in capital	Number	Paid-in capital	Number	Paid-in capital
1951	2,016	62,161	136	17,945	6,667	209	10,983	1,671	44,511
1952	1,479	42,748	100	15,623	6,423	177	8,704	1,202	27,621
1953	1,630	49,831	121	27,202	9,681	172	8,164	1,337	31,985
1954	1,734	38,566	127	17,556	6,811	133	5,905	1,474	25,850
January	104	2,219	14	1,948	510	20	580	70	1,129
February	78	2,089	10	778	316	9	414	59	1,359
March	133	2,167	13	566	196	9	428	111	1,543
April	63	1,419	3	175	69	14	510	46	840
May	95	4,525	12	6,535	3,414	7	295	76	816
June	79	1,914	13	910	274	10	535	56	1,104
July	180	4,018	10	1,809	502	10	555	160	2,961
August	120	2,275	11	1,033	398	10	704	99	1,173
September	165	2,563	11	1,152	368	5	109	149	2,086
October	231	5,241	13	1,171	368	11	748	207	4,125
November	274	6,205	9	740	200	15	505	250	5,501
December	212	3,931	8	739	196	13	522	191	3,213
1955	1,339	33,857	130	23,070	7,053	109	5,738	1,100	21,066
January	137	2,678	10	927	249	9	319	118	2,111
February	164	3,113	7	1,601	550	13	316	144	2,247
March	162	2,945	12	1,133	530	13	586	137	1,830
April	101	3,410	10	2,130	536	12	338	79	2,536
May	108	2,687	13	3,435	941	9	506	86	1,240
June	85	5,413	9	1,005	297	4	230	72	4,886
July	119	2,978	14	2,904	759	7	745	98	1,473
August	90	2,122	10	2,980	1,037	7	188	73	896
September	82	1,842	12	1,610	517	9	527	61	798
October	105	3,284	17	3,739	1,115	14	978	74	1,191
November	105	1,799	7	659	259	6	392	92	1,148
December	81	1,586	9	947	263	6	613	66	710

SOURCE OF BASIC DATA: Bureau of Commerce.
Securities and Exchange Commission.

TABLE 81.—*Capital Investments of Newly Registered Firms Engaged in Manufacturing Classified by Kind of Business,* 1951-1955

(Amount in thousand pesos)

Kind of business	Total		Corporations			Partnerships		Single Proprietorships	
	Number	Paid-in capital	Number	Subscribed capital	Paid-in capital	Number	Paid-in capital	Number	Paid-in capital
1951	2,016	62,161	136	17,945	6,667	209	10,983	1,671	44,511
1952	1,479	42,748	100	15,623	6,423	177	8,704	1,202	27,621
1953	1,630	49,831	121	27,202	9,682	172	8,164	1,337	31,985
1954	1,734	38,566	127	17,556	6,811	133	5,905	1,474	25,850
Food manufacturing	256	4,492	9	529	138	19	1,184	228	3,170
Sugar refineries	1	15	—	—	—	—	—	1	15
Coconut products	2	35	1	20	5	1	30	—	—
Beverages	12	293	4	331	83	1	30	7	180
Tobacco manufactures	9	208	2	24	6	1	10	6	192
Textiles	35	2,367	11	3,274	879	3	175	21	1,313
Footwear (except rubber) and wearing apparel	797	15,292	3	410	174	33	1,512	761	13,606
Wood manufactures	39	921	9	634	184	12	593	18	144
Furniture and fixtures	74	741	4	309	112	4	50	66	579
Paper and paper products	15	280	4	538	134	—	—	11	146
Printing, publishing and allied industries	127	1,234	18	480	175	7	183	102	876
Leather and leather products (except footwear)	10	671	—	—	—	2	77	8	594
Rubber products	2	123	—	—	—	1	120	1	3
Drugs and chemical products	61	2,022	13	1,345	507	8	470	40	1,045
Non-metallic products	45	799	7	275	133	5	195	33	471
Metal products	55	3,815	11	4,923	2,859	8	438	36	518
Machinery, apparatus, appliances and supplies	46	1,706	9	1,157	418	4	93	33	1,195
Transportation equipment	21	214	1	20	5	1	3	19	206
Others	127	3,338	21	3,287	999	23	742	83	1,597

TABLE 81.—*Capital Investments of Newly Registered Firms Engaged in Manufacturing Classified by Kind of Business, 1951-1955 (Concluded)*

(Amount in thousand pesos)

Kind of business	Total		Corporations			Partnerships		Single Proprietorships	
	Number	Paid-in capital	Number	Subscribed capital	Paid-in capital	Number	Paid-in capital	Number	Paid-in capital
1955	1,339	33,857	130	23,070	7,053	109	5,738	1,100	21,066
Food manufacturing	320	5,814	13	2,553	704	27	1,300	280	3,810
Sugar refineries	2	600	1	1,000	500	—	—	1	100
Coconut products	1	15	1	60	15	—	—	—	—
Beverages	9	355	1	40	40	—	—	8	315
Tobacco manufactures	4	70	2	30	8	1	12	1	50
Textiles	27	1,574	7	2,227	626	2	530	18	418
Footwear (except rubber) and wearing apparel	457	8,004	14	2,737	823	21	1,005	422	6,176
Wood manufactures	22	2,446	4	652	425	8	1,333	10	688
Furniture and fixtures	45	471	1	6	1	—	—	44	470
Paper and paper products	12	1,175	3	850	250	3	215	6	710
Printing, publishing and allied industries	111	845	13	231	61	9	156	89	628
Leather and leather products (except footwear)	5	1,158	2	1,220	305	—	—	3	853
Rubber products	2	51	—	—	—	—	—	2	51
Drugs and chemical products	70	1,766	18	2,876	911	3	24	49	831
Non-metallic mineral products	39	4,258	12	3,029	847	5	76	22	3,335
Metal products	41	834	5	688	208	4	167	32	459
Machinery, apparatus, appliances and supplies	36	980	7	2,550	637	1	3	28	340
Transportation equipment	25	517	4	562	141	1	6	20	370
Others	111	2,924	22	1,759	551	24	911	65	1,462

SOURCES OF BASIC DATA: Bureau of Commerce.
Securities and Exchange Commission.

TABLE 82.—*Capital Increases and Withdrawals of Corporations[a] and Partnerships Classified by Kind of Industry,* 1951-1955

(Amount in thousand pesos)

Period and kind of business	Increases		Withdrawals		Net effect
	Number	Amount	Number	Amount	Amount
1951	139	19,099	125	13,931	5,168
1952	100	13,135	148	9,532	3,603
1953	99	28,570	145	10,863	17,707
1954	140	28,493	158	13,828	14,665
Agriculture	5	211	1	80	131
Forestry, livestock and fishing	2	122	4	236	- 114
Metal mining	3	10,977	—	—	10,977
Non-metallic mining and quarrying	—	—	—	—	—
Manufacturing	33	6,338	46	3,128	3,210
Construction	3	56	2	103	- 47
Electricity, gas and water services	1	20	—	—	20
Wholesale and retail trade	74	10,207	91	4,797	5,410
Banks and other financial institutions	4	153	—	—	153
Insurance	—	—	1	141	- 141
Real estate	4	185	1	1,000	- 815
Transportation, storage and communication	2	20	2	4,189	-4,169
Community and business services	8	150	9	110	40
Recreation and personal services	1	54	1	44	10
Others	—	—	—	—	—
1955	114	18,375	121	15,764	2,611
Agriculture	7	207	1	100	107
Forestry, livestock and fishing	3	105	4	139	- 34
Metal mining	2	283	—	—	283
Non-metallic mining and quarrying	—	—	—	—	—
Manufacturing	44	11,803	32	5,948	5,855
Construction	1	460	3	90	370
Electricity, gas and water services	2	62	1	19	43
Wholesale and retail trade	43	3,108	62	6,654	-3,546
Banks and other financial institutions	4	453	1	5	448
Insurance	1	166	—	—	166
Real estate	1	102	1	400	- 298
Transportation, storage and communication	—	—	4	2,012	-2,012
Community and business services	5	1,622	9	263	1,359
Recreation and personal services	1	4	3	134	- 130
Others	—	—	—	—	—

SOURCE OF BASIC DATA: Securities and Exchange Commission.

[a] Including cooperatives.

APPENDIX D

GOVERNMENT FINANCE

TABLE 83.—*Consolidated Statement of Revenue and Expenditures of the National Government, General, Special and Bond Funds Fiscal Years Ending June 30*

(Pesos)

Item	1953	1954	1955
REVENUE:[a]			
Revenue from Taxation	530,886,781	596,901,426	623,792,415
Import duties	28,291,959	35,195,149	44,713,231
Excise tax	281,183,673	318,610,450	298,162,842
License and business tax	151,807,454	164,591,106	176,259,264
Income tax	117,500,769	108,185,955	127,619,290
War profits tax	94,504	61,954	303,081
Wharfage fees	4,566,496	5,039,362	4,737,018
Documentary stamp tax	6,917,712	6,596,228	6,676,627
Tonnage dues	662,931	787,032	952,039
Immigration tax	2,829,036	2,552,205	2,761,040
Inheritance tax	2,906,603	2,706,466	4,490,362
Franchise tax	1,726,057	2,392,436	2,938,262
Residence tax	3,891,616	4,053,879	4,197,776
Revenue from public forests	4,574,068	5,496,008	5,593,536
Miscellaneous taxes	—	—	15
Apportionment of internal revenue and motor vehicle fund to local government	- 76,066,097	- 59,366,804	- 55,611,968
Incidental Revenue	3,335,822	3,078,794	4,126,311
Fines and penalties, internal revenue taxes	2,095,696	1,878,895	2,896,471
Apportionment of internal revenue to local governments, Comm. Act No. 466 as amended	- 157,594	- 172,747	- 178,674
Fines and forfeitures	571,174	601,466	695,083
Sales of public domain	619,186	434,609	394,960
Other incidental revenue	207,360	336,571	318,471
Earnings and Other Credits	91,244,498	63,683,482	89,684,876
Operating income of commercial and industrial units	24,060,655	25,020,073	23,145,155
Income incidental to functional activities	48,922,090	42,017,081	41,455,797
Interest on investment and securities	8,954,808	1,090,456	1,588,580
Receipts from the Philippine Charity Sweepstakes	50,710	125,000	244,120
Other credits	9,256,235	- 4,569,128	23,251,224
Repayment of Advances	5,229,458	5,162,959	3,445,363
Repayment of advances for payment of interest, exchange charges and contributions to sinking funds of the Metropolitan Water District and local government bonds	1,087,573	2,042,081	3,171,196
Repayment of advances on interim bonds	3,959,452	2,900,000	—
Repayment of pre-war loans	2,000	—	—
Repayment of advances for the revision of real property assessments in the provinces and chartered cities, R.A. No. 78.	180,433	220,878	274,167

TABLE 83.—*Consolidated Statement of Revenue and Expenditures of the National Government, General, Special and Bond Funds Fiscal Years Ending June 30—Continued*

(Pesos)

Item	1953	1954	1955
REVENUE (Continued)—			
Extraordinary Income—			
Proceeds from pre-1934 bonds	–	2,000,000	–
Total Revenue	630,696,558	670,826,660	721,048,965
TRANSFERS FROM FIDUCIARY AND OTHER FUNDS	100,073	58,854	265,371
Total Revenue and Transfers	630,796,631	670,885,514	721,314,336
EXPENDITURES:			
Education	167,370,596	194,029,580	211,572,779
Defense and Maintenance of Law and Order	169,560,398	175,418,323	158,608,455
Economic Development	151,015,822	267,703,676	202,476,206
Conservation and development of natural resources	7,569,729	7,612,084	11,856,635
Development of commerce	34,637,398	72,614,681	51,258,709
Development of plant industry	37,472,424	90,522,568	59,771,891
Development of animal industry	1,894,985	1,869,530	2,772,685
Development of mineral resources	1,172,081	1,014,272	1,172,312
Postal and communication service	21,058,135	20,864,142	19,758,051
Geological, economic and scientific investigation and research	1,596,789	1,974,581	3,395,648
Investments	12,288,991	24,636,126	19,479,320
Operation of commercial and industrial units	13,150,198	12,770,784	12,492,422
PHILCUSA Counterpart Fund	20,175,092	33,824,908	20,518,533
Social Welfare	47,576,343	52,198,741	70,238,717
Charity and social service	3,928,577	4,591,401	3,179,773
Social and economic improvement of laborers and employees	1,774,688	1,731,191	2,021,414
Correction of offenders	1,321,588	1,109,469	1,106,014
Pensions and gratuities	19,289,855	16,483,325	22,163,517
Public health and sanitation	21,261,635	28,283,355	41,767,999
Administration	55,745,994	68,992,114	89,600,877
Revenue collection service	8,180,452	9,436,985	10,069,726
Custody of public funds	295,534	490,451	622,029
Protection of life and property from force majeure	1,191,174	2,033,192	2,347,546
Supervision of immigration	490,563	590,768	535,966
Supervision and regulation of public utilities	595,011	543,801	564,713
Meteorological and seismical service	624,415	612,292	604,828
Diplomatic service	4,029,089	4,390,456	4,872,398
Publicity	135,798	470,076	775,419
Legislation	7,402,094	8,094,245	8,187,662
Executive direction and control	25,939,186	34,793,753	52,095,026
Administration of justice	6,862,678	7,536,095	8,925,564

TABLE 83.—*Consolidated Statement of Revenue and Expenditures of the National Government, General, Special and Bond Funds Fiscal Years Ending June 30 (Concluded)*

(Pesos)

Item	1953	1954	1955
EXPENDITURES (Continued)—			
Public Debt[a]	61,062,173	51,637,966	53,121,880
Total Expenditures	652,431,326	809,980,400	785,618,913
TRANSFERS	2,237,457	1,087,043	149,752
Total Expenditures and Transfers	654,668,783	811,067,443	785,768,665
SURPLUS OR DEFICIT (-)	- 23,872,152	-140,181,929	- 64,454,330

SOURCE OF BASIC DATA: General Auditing Office.

[a] Receipts from debt transactions not included. In addition to P60 million advanced by the Central Bank to finance the operations of the General Fund, the National Government sold Public Works and Economic Development bonds in the amount of P78,077,765 in fiscal year 1955.

TABLE 84.—*Statement of Revenue and Expenditures of the National Government, General Fund Fiscal Years Ending June 30*

(Pesos)

Item	1953	1954	1955
REVENUE: [a]			
Revenue from Taxation	486,118,137	526,781,546	546,968,205
Import duties	28,291,959	35,195,149	44,713,231
Excise tax	233,028,625	259,869,704	248,192,581
License and business tax	133,356,756	145,128,982	155,426,537
Income tax	117,500,769	108,185,955	127,619,290
War profits tax	94,503	61,954	303,081
Documentary stamp tax	6,917,713	6,596,228	6,676,627
Tonnage dues	662,931	787,032	952,039
Immigration tax	2,829,036	2,552,205	2,761,040
Inheritance tax	2,906,602	2,706,466	4,490,362
Franchise tax	1,726,057	2,392,436	2,938,262
Residence tax	3,891,616	4,053,879	4,197,776
Revenue from public forests	3,574,052	4,271,539	4,309,332
Miscellaneous tax	—	—	—
Apportionment of internal revenue to local governments, Comm. Act No. 466 as amended	- 48,662,483	- 45,019,983	- 55,611,968
Incidental Revenue	2,490,316	2,378,536	3,438,710
Fines and penalties, internal revenue taxes	2,095,696	1,878,895	2,896,471
Apportionment of internal revenue to local governments, Comm. Act No. 466 as amended	- 157,594	- 172,747	- 178,674
Fines and forfeitures	341,241	332,329	400,932
Sales of public domain	3,613	3,487	1,509
Other incidental revenue	207,360	336,571	318,471
Earnings and Other Credits	49,629,995	36,664,015	53,397,205
Operating income of commercial and industrial units	11,627,407	12,372,213	12,298,780
Income incidental to functional activities	36,942,292	21,202,066	20,996,839
Receipts from the Philippine Charity Sweepstakes	50,711	125,000	244,120
Other credits	1,009,584	2,964,735	19,857,466
Repayment of Advances	1,089,573	2,042,081	3,171,196
Repayment of advances for interest and annuity on Metropolitan Water District and local government bonds	1,087,573	2,042,081	3,171,196
Repayment of pre-war loans	2,000	—	—
Extraordinary Income—			
Proceeds from pre-1934 bonds	—	2,000,000	—
Total Revenue	539,328,021	569,866,177	606,975,317
TRANSFERS AND REVERSION FROM THE VARIOUS SPECIAL AND OTHER FUNDS	327,170	788,995	379,103
Total Revenue, Transfers and Reversions	539,655,191	570,655,173	607,354,420

TABLE 84.—*Statement of Revenue and Expenditures of the National Government, General Fund Fiscal Years Ending June 30 (Concluded)*

(Pesos)

Item	1953	1954	1955
EXPENDITURES:			
Education	160,105,065	186,003,408	202,476,601
Defense and Maintenance of Law and Order	164,111,067	161,291,090	150,705,520
Economic Development	69,647,335	93,775,321	102,583,468
Conservation and development of natural resources	6,142,557	6,575,982	10,547,542
Development of commerce	9,845,607	10,881,726	15,520,685
Development of plant industry	5,592,355	15,832,890	15,474,232
Development of animal industry	1,431,466	1,138,427	1,891,736
Development of mineral resources	853,033	718,947	909,039
Postal and communication service	21,058,135	20,864,141	19,370,589
Geological, economic and scientific investigation and research	1,596,789	1,916,801	2,918,863
Investments	2,952,301	2,021,499	15,432,249
PHILCUSA Counterpart Fund	20,175,092	33,824,908	20,518,533
Social Welfare	46,937,473	51,578,407	68,878,212
Charity and social service	3,667,798	4,403,644	2,999,820
Social and economic improvement of laborers and employees	1,544,552	1,544,629	1,439,501
Correction of offenders	1,321,588	1,109,469	1,106,014
Pensions and gratuities	19,289,855	16,466,847	22,154,255
Public health and sanitation	21,113,680	28,053,818	41,178,622
Administration	49,413,217	61,277,925	80,571,577
Revenue collection service	7,503,719	7,942,459	8,975,448
Custody of public funds	295,534	490,451	622,029
Protection of life and property from force majeure	495,044	1,060,582	1,452,930
Supervision of immigration	590,563	590,768	535,966
Supervision and regulation of public utilities	462,244	477,590	500,104
Meteorological and seismical service	624,415	612,292	604,828
Diplomatic service	4,029,089	4,390,456	4,872,398
Publicity	135,798	470,076	775,419
Legislation	7,402,094	8,094,245	8,187,661
Executive direction and control	21,012,039	29,612,911	45,119,230
Administration of justice	6,862,678	7,536,095	8,925,564
Public Debt [r]	60,857,233	51,637,966	52,721,880
Total Expenditures	551,071,389	605,564,117	657,937,259
TRANSFERS	7,455,883	5,153,170	7,526,630
Total Expenditures and Transfers	558,527,272	610,717,287	665,463,889
SURPLUS OR DEFICIT (–)	– 18,872,082	– 40,062,114	– 58,109,470

SOURCE OF BASIC DATA: General Auditing Office.

[a] Receipts arising from debt transactions not included. In fiscal year 1955 the amount of P60 million was advanced by the Central Bank to finance the operations of the Fund. This is reflected in the public debt statements appearing elsewhere in this report.

TABLE 85.—*Statement of Revenue and Expenditures of the National Government, Special Fund Fiscal Years Ending June 30*

(Pesos)

Item	1953	1954	1955
REVENUE:			
Revenue from Taxation	44,768,644	70,119,880	76,824,210
Excise tax (motor fuel, section 142, Comm. Act No. 466)	48,155,047	58,740,746	49,970,261
Apportionment of Motor Fuel Fund to local governments (section 361, Comm. Act No. 466)	- 20,772,334	- 9,659,905	—
License and business tax (motor vehicles, Act No. 3992 as amended by Comm. Act No. 123, etc.)	18,450,699	19,462,124	20,832,728
Apportionment of Motor Vehicle Fund to local governments (Act No. 3992 as amended)	- 6,631,280	- 4,686,916	—
Wharfage fees (Act No. 3592 as amended by Comm. Act No. 130)	4,566,496	5,039,362	4,737,017
Revenue from public forests	1,000,016	1,224,469	1,284,204
Incidental Revenue	845,506	700,258	687,393
Fines and forfeitures	229,933	269,136	293,942
Sales of public domain	615,573	431,122	393,451
Earnings and Other Credits	41,457,393	27,008,011	36,292,024
Operating income of commercial and industrial units	12,433,248	12,647,859	10,846,375
Income incidental to functional activities	11,890,961	20,814,889	20,444,049
Interest on loans and investments	8,954,808	1,090,456	1,588,580
Contributions from the National Government	—	—	1,544,180
Other credits	8,178,376	- 7,545,193	1,868,839
Repayment of Advances—			
Repayment of advances for the revision of real property in the provinces and chartered cities, Republic Act No. 78	180,433	220,878	274,167
Total Revenue	87,251,976	98,049,028	114,077,793
APPROPRIATIONS RECEIVED FROM THE GENERAL FUND AND OTHER FUNDS	5,799,164	4,066,127	7,524,396
Total Revenue and Transfers	93,051,139	102,115,155	121,602,189
EXPENDITURES:			
Education	7,265,530	8,026,173	9,096,178
Maintenance of Law and Order	5,449,332	14,127,233	7,034,142
Economic Development	70,521,569	150,382,420	86,225,316
Conservation and development of natural resources	1,427,172	1,036,102	1,309,093
Development of commerce	24,628,068	61,632,128	32,075,867
Development of plant industry	30,533,564	73,859,198	38,325,531

TABLE 85.—*Statement of Revenue and Expenditures of the National Government, Special Fund Fiscal Years Ending June 30 (Concluded)*

(Pesos)

Item	1953	1954	1955
EXPENDITURES (Continued)—			
Economic Development (Continued)—			
Development of animal industry	463,518	731,103	880,949
Development of mineral resources	319,048	295,325	263,272
Geological, economic and scientific investigation and research	—	57,780	476,786
Investments	—	—	13,934
Operation of commercial and industrial units	13,150,198	12,770,784	12,492,421
Postal and communication service	—	—	387,463
Social Welfare	638,870	620,334	1,360,506
Charity and social service	260,779	187,758	179,953
Social and economic improvement of laborers and employees	230,136	186,561	581,913
Pensions and gratuities	—	16,478	9,263
Public health and sanitation	147,955	229,537	589,377
Administration	6,255,857	7,603,838	6,592,799
Revenue collection service	676,733	1,494,526	1,094,279
Protection of Life and property from force majeure	532,407	871,783	707,632
Supervision and regulation of public utilities	132,767	66,211	64,609
Executive direction and control	4,913,950	5,171,318	4,726,279
Public Debt	204,940	—	400,000
Total Expenditures	90,336,098	180,759,997	110,708,939
TRANSFERS	907,834	783,278	526,340
Total Expenditures and Transfers	91,243,932	181,543,275	111,235,279
SURPLUS OR DEFICIT (-)	1,807,207	- 79,428,120	10,366,910

SOURCE OF BASIC DATA: General Auditing Office.

TABLE 86.—*Statement of Revenue and Expenditures of the National Government, Bond Fund Fiscal Years Ending June 30*

(Pesos)

Item	1953	1954	1955
REVENUE: [a]—			
Incidental Revenue—			
Fines and forfeitures	—	—	208
Earnings and Other Credits	157,110	11,454	- 4,353
Income incidental to functional activities	88,836	125	14,909
Prior year credits	33,831	11,329	- 19,262
Sale of fixed assets	34,442	—	—
Repayment of Advances—			
Repayment of advances on interim bonds Republic Act No. 266	3,959,452	2,900,000	—
Total Revenue	4,116,561	2,911,455	- 4,145
TRANSFERS FROM THE TREASURY MISCELLANEOUS—			
Fiduciary Fund	100,000	53,136	265,299
Total Revenue and Transfers	4,216,561	2,964,591	261,154
EXPENDITURES:			
Maintenance of Law and Order	—	—	868,793
Economic Development	10,846,919	23,545,935	13,667,421
Development of commerce	163,723	100,827	3,662,157
Development of plant industry	1,346,506	830,481	5,972,128
Investments	9,336,690	22,614,627	4,033,136
Administration	176,919	110,351	2,436,503
Protection of life and property from force majeure	163,723	100,827	186,985
Executive direction and control	13,196	9,524	2,249,518
Total Expenditures	11,023,838	23,656,286	16,972,717
TRANSFERS—			
President's Committee on Schoolhouse Program	—	—	208
Total Expenditures and Transfers	11,023,838	23,656,286	16,972,925
SURPLUS OR DEFICIT (—)	- 6,807,277	- 20,691,695	- 16,711,771

SOURCE OF BASIC DATA: General Auditing Office.

[a] Although borrowings provide the major proportion of the funds for the operation of this account, receipts from this source are not included above inasmuch as they are already form part of the public debt statements appearing elsewhere in this report. In fiscal year 1955 proceeds of sale of Public Works and Economic Development bonds which accrued to this Fund amounted to ₱78,077,765.

TABLE 87.—*Public Debt Outstanding Classified by Levels of Government, As of December* 31, 1953-1955

(Pesos)

Item	1953	1954	1955
TOTAL OUTSTANDING [a]	1,065,975,612	1,086,049,812	1,326,661,387
NATIONAL GOVERNMENT	826,068,809	786,491,299	969,447,351
National Public Improvement Bonds	2,500,000	2,500,000	2,500,000
Rehabiiitation and Development Bonds [b]	200,000,000	200,000,000	200,000,000
Backpay Obligation to Pre-war Government Employees [c]	193,314,662	160,744,484	138,388,612
Loan from the International Monetary Fund [d]	22,000,000	22,000,000	22,000,000
Loan from the U. S. Government [f]	45,887,965	38,887,966	38,887,966
Loan from the U. S. Reconstruction Finance Corporation [g]	90,000,000 r	78,000,000 r	66,000,000 r
Treasury Notes	200,000	—	66,536,000
Treasury Bills	15,000,000	15,000,000	15,000,000
National Planning Commission Development Bonds [h]	625,316	625,316	625,316
Certificates of Indebtedness to Holders of Emergency Currency [i]	5,063,555	5,520,367	5,582,637
Loan from the U. S. General Service Administration [j]	1,477,311 r	1,313,166 r	1,149,020 r
Backpay Obligation to Veterans of World War II [k]	250,000,000	250,000,000	250,000,000
Public Works and Economic Development Bonds	—	11,900,000	162,777,800
PROVINCIAL GOVERNMENT	32,240,330	26,768,604	23,146,021
Occidental Negros Public Improvement Bonds	222,300	222,300	222,300
Cebu Public Improvement Bonds	500,000	500,000	500,000
Backpay Obligation to Pre-war Government Employees [c]	31,324,030	26,046,304	22,423,721
Leyte Loan from the Central Bank of the Philippines	149,000	—	—
MUNICIPAL GOVERNMENT	16,109,555	13,395,373	11,532,384
Backpay Obligation to Pre-war Government Employees [c]	16,109,555	13,395,373	11,532,384
CITY GOVERNMENT	13,219,858	11,662,130	10,677,240
Manila Public Improvement Bonds	3,000,000	3,000,000	3,000,000
Iloilo Public Improvement Bonds	350,000	350,000	350,000
Bacolod Sewer and Waterworks Bonds	120,000	120,000	120,000
Cebu Sewer and Waterworks Bonds	350,000	350,000	350,000
Davao Sewer and Waterworks Bonds	350,000	350,000	350,000
Backpay Obligation to Pre-war Government Employees [c]	8,949,858	7,442,130	6,407,240
Baguio Loan from the Central Bank of the Philippines	100,000	—	—
Tacloban Loan from the Central Bank of the Philippines	—	50,000	50,000
San Pablo Loan from the Central Bank of the Philippines	—	—	50,000

TABLE 87.—*Public Debt Outstanding Classified by Levels of Government, As of December* 31, 1953-1955 (*Concluded*)

(Pesos)

Item	1953	1954	1955
GOVERNMENT CORPORATIONS.....	178,337,060	247,732,406	311,858,391
Metropolitan Water District (NAWASA) Bonds.....	3,000,000	3,000,000	9,000,000
National Power Corporation Bonds.....	8,500,000	14,900,000	45,544,676
Rehabilitation Finance Corporation Bonds [b] ..	108,042,579	167,204,470	175,949,267
Backpay Obligation to Pre-war Government Employees [c]	18,794,481	15,627,936	13,454,448
National Power Corporation Loan from the Export-Import Bank [l]	40,000,000	40,000,000	39,310,000
ACCFA Notes.....	—	6,000,000	19,600,000
ACCFA Certificates of Indebtedness, One Year.....	—	1,000,000	3,000,000
ACCFA Certificates of Indebtedness, Two Years.....	—	—	6,000,000

SOURCES OF BASIC DATA: National Treasury.
General Auditing Office.
Rehabilitation Finance Corporation.
Accounting Department, Central Bank of the Philippines.
Securities Market Department, Central Bank of the Philippines.

[a] Exclusive of bonds issued prior to May 1, 1934 which are fully covered by the Special Trust Account the last installment on which was remitted to the Treasurer of the United States on October 23, 1951.

[b] No sinking fund provision.

[c] As estimated by the Department of Finance. The sinking fund for this obligation which was incurred under Republic Act No. 304 was started in July, 1948 when the law went into effect. Partial cash redemption of this obligation to the extent of 10% of the principal has been authorized under Republic Act No. 800. Due, however, to the unavailability of data with respect to its distribution by levels of government, the amount so far disbursed for the purpose has been tentatively prorated to the national and local governments and to the different state enterprises.

[d] No sinking fund provision; non-interest bearing; non-negotiable. Originally incurred on September 29, 1950, this obligation fell due on September 29, 1955 when it was renewed and made payable in 1960.

[f] Payable in ten (10) annual installments at 2½ per cent yearly interest. Installments and periodic interest thereon were based on the estimated balance of ₱35 million still due from the Armed Forces of the Philippines. However, only the amount of ₱66.887.965.58 was transferred to the Treasurer of the Philippines, although subsequent audit conducted by U.S. Army auditors disclosed that the amount that should have been so transferred was ₱71.025,400.76.

[g] Payable in twenty (20) equal semi-annual installments at 2½ per cent yearly interest on January 1 and July 1 of each year.

[h] Three per cent loan of August 1, 1951 due 1956.

[i] No sinking fund provision. Due in twenty (20) years; non-interest bearing; non-negotiable. Payment of this obligation was authorized under Republic Act No. 369.

[j] Three per cent loan of January 15, 1948 due January 1, 1963, consisting of two promissory notes in the amount of $914.942 and $101.542.52, respectively, and payable in thirteen (13) annual installments, the first such installment having been paid on March 15, 1951, and the remaining installments being payable every January 1 thereafter starting in 1952.

[k] No sinking fund provision. Due in thirty (30) years; non-interest bearing; non-negotiable. This obligation was incurred under Republic Act No. 897.

[l] Four per cent loan of February, August and October, 1953 due January 16, 1975, payable in forty (40) equal semi-annual installments, the first installment thereon having been paid on July 16, 1955, and the remaining installments being payable every January 16 and July 16 thereafter.

TABLE 88.—*Public Debt Outstanding Classified into Bonded and Non-Bonded, As of December 31, 1953-1955*

(Pesos)

Item	1953	1954	1955
TOTAL OUTSTANDING [a]	1,065,975,612	1,086,049,812	1,326,661,387
BONDED	327,560,194	405,022,086	601,289,358
National Government	203,125,316	215,025,316	165,903,116
National Public Improvement Bonds	2,500,000	2,500,000	2,500,000
Rehabilitation and Development Bonds [b]	200,000,000	200,000,000	200,000,000
National Planning Commission Development Bonds [c]	625,316	625,316	625,316
Public Works and Economic Development Bonds	—	11,900,000	162,777,800
Provincial Government	722,300	722,300	722,300
Occidental Negros Public Improvement Bonds	222,300	222,300	222,300
Cebu Public Improvement Bonds	500,000	500,000	500,000
City Government	4,170,000	4,170,000	4,170,000
Manila Public Improvement Bonds	3,000,000	3,000,000	3,000,000
Iloilo Public Improvement Bonds	350,000	350,000	350,000
Bacolod Sewer and Waterworks Bonds	120,000	120,000	120,000
Cebu Sewer and Waterworks Bonds	350,000	350,000	350,000
Davao Sewer and Waterworks Bonds	350,000	350,000	350,000
Government Corporations	119,542,578	185,104,470	230,493,942
Metropolitan Water District Bonds	3,000,000	3,000,000	9,000,000
National Power Corporation Bonds	8,500,000	14,900,000	45,544,676
Rehabilitation Finance Corporation Bonds [b]	108,042,578	167,204,470	175,949,266
NON-BONDED	738,415,418	681,027,726	725,372,029
National Government	622,943,494	571,465,983	603,544,235
Backpay Obligation to Pre-war Government Employees [d]	193,314,662	160,744,484	138,388,612
Loan from the International Monetary Fund [f]	22,000,000	22,000,000	22,000,000
Loan from the U. S. Government [g]	45,887,966	38,887,966	38,887,966
Loan from the U. S. Reconstruction Finance Corporation [h]	90,000,000 r	78,000,000 r	66,000,000 r
Treasury Notes	200,000	—	66,536,000
Treasury Bills	15,000,000	15,000,000	15,000,000
Certificates of Indebtedness to Holders of Emergency Currency [i]	5,063,555	5,520,367	5,582,637
Loan from the U. S. General Service Administration [j]	1,477,311 r	1,313,166 r	1,149,020 r
Backpay Obligation to Veterans of World War II [k]	250,000,000	250,000,000	250,000,000

TABLE 88.—*Public Debt Outstanding Classified into Bonded and Non-Bonded, As of December 31, 1953-1955—Continued*

(Pesos)

Item	1953	1954	1955
NON-BONDED (Continued)—			
Provincial Government	31,518,030	26,046,304	22,423,721
Backpay Obligation to Pre-war Government Employees [d]	31,324,030	26,046,304	22,423,721
Leyte Loan from the Central Bank of the Philippines	194,000	—	—
Municipal Government	16,109,555	13,395,373	11,532,384
Backpay Obligation to Pre-war Government Employees [d]	16,109,555	13,395,373	11,532,384
City Government	9,049,858	7,492,130	6,507,240
Backpay Obligation to Pre-war Government Employees [d]	8,949,858	7,442,130	6,407,240
Baguio Loan from the Central Bank of the Philippines	100,000	—	—
Tacloban Loan from the Central Bank of the Philippines	—	50,000	50,000
San Pablo Loan from the Central Bank of the Philippines	—	—	50,000
Government Corporations	58,794,481	62,627,936	81,364,449
Backpay Obligation to Pre-war Government Employees [d]	18,794,481	15,627,936	13,454,449
National Power Corporation Loan from the Export-Import Bank [1]	40,000,000	40,000,000	39,310,000
ACCFA Notes	—	6,000,000	19,600,000
ACCFA Certificates of Indebtedness, One Year	—	1,000,000	3,000,000
ACCFA Certificates of Indebtedness, Two Years	—	—	6,000,000

SOURCES OF BASIC DATA: National Treasury.
General Auditing Office.
Rehabilitation Finance Corporation.
Accounting Department, Central Bank of the Philippines.
Securities Market Department, Central Bank of the Philippines.

[a] Exclusive of bonds issued prior to May 1, 1934 which are fully covered by the Special Trust Account the last installment on which was remitted to the Treasurer of the United States on October 23, 1951.

[b] No sinking fund provision.

[c] Three per cent loan of August 1, 1951 due 1956.

[d] As estimated by the Department of Finance. The sinking fund for this obligation which was incurred under Republic Act No. 304 was started in July, 1948 when the law went into effect. Partial cash redemption of this obligation to the extent of 10% of the principal has been authorized under Republic Act No. 800. Due, however, to the unavailability of data with respect to its distribution by levels of government, the amount so far disbursed for the purpose has been tentatively prorated to the national and local governments and to the different state enterprises.

[f] No sinking fund provision; non-interest bearing; non-negotiable. Originally incurred on September 29, 1950, this obligation fell due on September 29, 1955 when it was renewed and made payable in 1960.

[g] Payable in ten (10) annual installments at 2½ per cent yearly interest. Installments and periodic interest thereon were based on the estimated balance of ₱35 million still due from the Armed Forces of the Philippines. However, only the amount of ₱66,887,965.58 was transferred to the Treasurer of the Philippines, although subsequent audit conducted by U.S. Army auditors disclosed that the amount that should have been so transferred was ₱71,025,400.76.

TABLE 88.—*Public Debt Outstanding Classified into Bonded and Non-Bonded, As of December* 31, 1953-1955 (*Concluded*)

[h] Payable in twenty (20) equal semi-annual installments at 2½ per cent yearly interest on January 1 and July 1 of each year.

[i] No sinking fund provision. Due in twenty (20) years; non-interest bearing; non-negotiable. Payment of this obligation was authorized under Republic Act No. 369.

[j] Three per cent loan of January 15, 1948 due January 1, 1963, consisting of two promissory notes in the amount of $914,942 and $101,542.52, respectively, and payable in thirteen (13) annual installments, the first such installment having been paid on March 15, 1951, and the remaining installments being payable every January 1 thereafter starting in 1952.

[k] No sinking fund provision. Due in thirty (30) years; non-interest bearing; non-negotiable. This obligation was incurred under Republic Act No. 897.

[l] Four per cent loan of February, August and October, 1953 due January 16, 1975, payable in forty (40) equal semi-annual installments, the first installment thereon having been paid on July 16, 1955, and the remaining installments being payable every January 16 and July 16 thereafter.

TABLE 89.—*Public Debt Outstanding Classified into Domestic and Foreign, As of December* 31, 1953-1955

(Pesos)

Item	1953	1954	1955
TOTAL OUTSTANDING [a]	1,065,975,612	1,086,049,812	1,326,661,387
DOMESTIC	866,610,335	905,848,681	1,159,314.401
National Government	666,703,533	646,290,167	841,410,365
National Public Improvement Bonds	2,500,000	2,500,000	2,500,000
Rehabilitation and Development Bonds [b]	200,000,000	200,000,000	200,000,000
Backpay Obligation to Pre-war Government Employees [c]	193,314,662	160,744,484	138,388,612
National Planning Commission Development Fonds [d]	625,316	625,316	625,316
Treasury Notes	200,000	—	66,536,000
Treasury Bills	15,000,000	15,000,000	15,000,000
Certificates of Indebtedness to Holders of Emergency Currency [f]	5,063,555	5,520,367	5,582,637
Backpay Obligation to Veterans of World War II [g]	250,000,000	250,000,000	250,000,000
Public Works and Economic Development Bonds	—	11,900,000	162,777,800
Provincial Government	32,240,330	26,768,604	23,146,021
Occidental Negros Public Improvement Bonds	222,300	222,300	222,300
Cebu Public Improvement Bonds	500,000	500,000	500,000
Backpay Obligation to Pre-war Government Employees [c]	31,324,030	26,046,304	22,423,721
Leyte Loan from the Central Bank of the Philippines	194,000	—	—
Municipal Government	16,109,555	13,395,374	11,532,384
Backpay Obligation to Pre-war Government Employees [c]	16,109,555	13,395,374	11,532,384
City Government	13,219,858	11,662,130	10,677,240
Manila Public Improvement Bonds	3,000,000	3,000,000	3,000,000
Iloilo Public Improvement Bonds	350,000	350,000	350,000
Bacolod Sewer and Waterworks Bonds	120,000	120,000	120,000
Cebu Sewer and Waterworks Bonds	350,000	350,000	350,000
Davao Sewer and Waterworks Bonds	350,000	350,000	350,000
Backpay Obligation to Pre-war Government Employees [c]	8,949,858	7,442,130	6,407,240
Bagiuo Loan from the Central Bank of the Philippines	100,000	—	—
Tacloban Loan from the Central Bank of the Philippines	—	50,000	50,000
San Pablo Loan from the Central Bank of the Philippines	—	—	50,000

TABLE 89.—*Public Debt Outstanding Classified into Domestic and Foreign, As of December* 31, 1953-1955—*Continued*

(Pesos)

Item	1953	1954	1955
DOMESTIC (Continued)—			
Government Corporations	138,337,059	207,732,406	272,548,391
Metropolitan Water District (NAWASA) Bonds	3,000,000	3,000,000	9,000,000
National Power Corporation Bonds	8,500,000	14,900,000	45,544,676
Rehabilitation Finance Corporation Bonds [b]	108,042,578	167,204,470	175,949,267
Backpay Obligation to Pre-war Government Employees [c]	18,794,481	15,627,936	13,454,448
ACCFA Notes	—	6,000,000	19,600,000
ACCFA Certificates of Indebtedness, One Year	—	1,000,000	3,000,000
ACCFA Certificates of Indebtedness, Two Years	—	—	6,000,000
FOREIGN	199,365,277	180,201,131	167,346,986
National Government	159,365,277	140,201,131	128,036,986
Loan from the International Monetary Fund [h]	22,000,000	22,000,000	22,000,000
Loan from the U. S. Government [i]	45,887,966	38,887,965	38,887,966
Loan from the U. S. Reconstruction Finance Corporation [j]	90,000,000 r	78,000,000 r	66,000,000 r
Loan from the U. S. General Service Administration [k]	1,477,311 r	1,313,166 r	1,149,020 r
Government Corporation	40,000,000	40,000,000	39,310,000
National Power Corporation Loan from the Export-Import Bank [l]	40,000,000	40,000,000	39,310,000

SOURCES OF BASIC DATA: National Treasury.
General Auditing Office.
Rehabilitation Finance Corporation.
Accounting Department, Central Bank of the Philippines.
Securities Market Department, Central Bank of the Philippines.

[a] Exclusive of bonds issued prior to May 1, 1934 which are fully covered by the Special Trust Account the last installment on which was remitted to the Treasurer of the United States on October 23, 1951.

[b] No sinking fund provision.

[c] As estimated by the Department of Finance. The sinking fund for this obligation which was incurred under Republic Act No. 304 was started in July, 1948 when the law went into effect. Partial cash redemption of this obligation to the extent of 10% of the principal has been authorized under Republic Act No. 800. Due, however, to the unavailability of data with respect to its distribution by levels of government, the amount so far disbursed for the purpose has been tentatively prorated to the national and local governments and to the different state enterprises.

[d] Three per cent loan of August 1, 1951 due 1956.

[f] No sinking fund provision. Due in twenty (20) years; non-interest bearing; non-negotiable. Payment of this obligation was authorized under Republic Act No. 369.

[g] No sinking fund provision. Due in thirty (30) years; non-interest bearing; non-negotiable. This obligation was incurred under Republic Act No. 897.

TABLE 89.—*Public Debt Outstanding Classified into Domestic and Foreign, As of December* 31, 1953-1955 (*Concluded*)

h No sinking fund provision; non-interest bearing; non-negotiable. Originally incurred on September 29, 1950, this obligation fell due on September 29, 1955 when it was renewed and made payable in 1960.

i Payable in ten (10) annual installments at 2½ per cent yearly interest. Installments and periodic interest thereon were based on the estimated balance of ₱35 million still due from the Armed Forces of the Philippines. However, only the amount of ₱66,887,965.58 was transferred to the Treasurer of the Philippines, although subsequent audit conducted by U.S. Army auditors disclosed that the amount that should have been so transferred was ₱71,025,400.76.

j Payable in twenty (20) equal semi-annual installments at 2½ per cent yearly interest on January 1 and July 1 of each year.

k Three per cent loan of January 15, 1948 due January 1, 1963, consisting of two promissory notes in the amount of $914,942 and $101,542.52, respectively, and payable in thirteen (13) annual installments, the first such installment having been paid on March 15, 1951, and the remaining installments being payable every January 1 thereafter starting in 1952.

l Four per cent loan of February, August and October, 1953 due January 16, 1975; payable in forty (40) equal semi-annual installments, the first installment thereon having been paid on July 16, 1955, and the remaining installments being payable every January 16 and July 16 thereafter.

TABLE 90.—*Public Debt Outstanding Classified by Purpose of Issue As of December* 31, 1953-1955

(Pesos)

Item	1953	1954	1955
TOTAL OUTSTANDING [a]	1,065,975,612	1,086,049,812	1,326,661,387
BUDGETARY	696,938,106	632,714,561	589,777,008
National Government	621,466,182	570,152,817	535,859,215
Backpay Obligation to Pre-war Government Employees [b]	193,314,662	160,744,484	138,388,612
Loan from the International Monetary Fund [c]	22,000,000	22,000,000	22,000,000
Loan from the the U. S. Government [d]	45,887,965	38,887,966	38,887,966
Loan from the U. S. Reconstruction Finance Corporation [f]	90,000,000 r	78,000,000 r	66,000,000 r
Treasury Notes	200,000	—	—
Treasury Bills	15,000,000	15,000,000	15,000,000
Certificates of Indebtedness to Holders of Emergency Currency [g]	5,063,555	5,520,367	5,582,637
Backpay Obligation to Veterans of World War II [h]	250,000,000	250,000,000	250,000,000
Provincial Government	31,518,030	26,046,304	22,423,721
Backpay Obligation to Pre-war Government Employees [b]	31,324,030	26,046,304	22,423,721
Leyte Loan from the Central Bank of the Philippines	194,000	—	—
Municipal Government	16,109,555	13,395,374	11,532,384
Backpay Obligation to Pre-war Government Employees [b]	16,109,555	13,395,374	11,532,384
City Government	9,049,858	7,492,130	6,507,240
Backpay Obligation to Pre-war Government Employees [b]	8,949,858	7,442,130	6,407,240
Tacloban Loan from the Central Bank of the Philippines	—	50,000	—
San Pablo Loan from the Central Bank of the Philippines	—	—	50,000
Baguio Loan from the Central Bank of the Philippines	100,000	—	—
Government Corporations	18,794,481	15,627,936	13,454,448
Backpay Obligation to Pre-war Government Employees [b]	18,794,481	15,627,936	13,454,448
DEVELOPMENTAL	369,037,506	453,335,251	736,884,379
National Government	204,602,627	216,338,482	433,588,136
National Public Improvement Bonds	2,500,000	2,500,000	2,500,000
Rehabilitation and Development Bonds [i]	200,000,000	200,000,000	200,000,000
Treasury Notes	—	—	66,536,000
National Planning Commission Development Bonds [j]	625,316	625,316	625,316

TABLE 90.—*Public Debt Outstanding Classified by Purpose of Issue As of December 31, 1953-1955—Continued*

(Pesos)

Item	1953	1954	1955
DEVELOPMENTAL (Continued)—			
Loan from the U. S. General Service Administration [k]	1,477,311 r	1,313,166 r	1,149,020 r
Public Works and Economic Development Bonds	—	11,900,000	162,777,800
Provincial Government	722,300	722,300	722,300
Occidental Negros Public Improvement Bonds	222,300	222,300	222,300
Cebu Public Improvement Bonds	500,000	500,000	500,000
City Government	4,170,000	4,170,000	4,170,000
Manila Public Improvement Bonds	3,000,000	3,000,000	3,000,000
Iloilo Public Improvement Bonds	350,000	350,000	350,000
Bacolod Sewer and Waterworks Bonds	120,000	120,000	120,000
Cebu Sewer and Waterworks Bonds	350,000	350,000	350,000
Davao Sewer and Waterworks Bonds	350,000	350,000	350,000
Government Corporations	159,542,579	232,104,469	298,403,943
Metropolitan Water District (NAWASA) Bonds	3,000,000	3,000,000	9,000,000
National Power Corporation Bonds	8,500,000	14,900,000	45,544,676
Rehabilitation Finance Corporation Bonds [i]	108,042,579	167,204,469	175,949,267
National Power Corporation Loan from the Export-Import Bank [l]	40,000,000	40,000,000	39,310,000
ACCFA Notes	—	6,000,000	19,600,000
ACCFA Certificates of Indebtedness, One Year	—	1,000,000	3,000,000
ACCFA Certificates of Indebtedness, Two Years	—	—	6,000,000

SOURCES OF BASIC DATA: National Treasury.
General Auditing Office.
Rehabilitation Finance Corporation.
Accounting Department, Central Bank of the Philippines.
Securities Market Department, Central Bank of the Philippines.

[a] Exclusive of bonds issued prior to May 1, 1934 which are fully covered by the Special Trust Account the last installment on which was remitted to the Treasurer of the United States on October 23, 1951.

[b] As estimated by the Department of Finance. The sinking fund for this obligation which was incurred under Republic Act No. 304 was started in July, 1948 when the law went into effect. Partial cash redemption of this obligation to the extent of 10% of the principal has been authorized under Republic Act No. 800. Due, however, to the unavailability of data with respect to its distribution by levels of government, the amount so far disbursed for the purpose has been tentatively prorated to the national and local governments and to the different state enterprises.

[c] No sinking fund provision; non-interest bearing; non-negotiable. Originally incurred on September 29, 1950, this obligation fell due on September 29, 1955 when it was renewed and payable in 1960.

[d] Payable in ten (10) annual installments at 2½ per cent yearly interest. Installments and periodic interest thereon were based on the estimated balance of ₱35 million still due from the Armed Forces of the Philippines. However, only the amount of ₱66,887,965.58 was transferred to the Treasurer of the Philippines, although subsequent audit conducted by U.S. Army auditors disclosed that the amount that should have been so transferred was ₱71,025,400.76.

TABLE 90.—*Public Debt Outstanding Classified by Purpose of Issue As of December* 31, 1953-1955 (*Concluded*)

[f] Payable in twenty (20) equal semi-annual installments at 2½ per cent yearly interest on January 1 and July 1 of each year.

[g] No sinking fund provision. Due in twenty (20) years; non-interest bearing; non-negotiable. Payment of this obligation was authorized under Republic Act No. 369.

[h] No sinking fund provision. Due in thirty (30) years; non-interest bearing; non-negotiable. This obligation was incurred under Republic Act No. 897.

[i] No sinking fund provision.

[j] Three per cent loan of August 1, 1951 due 1956.

[k] Three per cent loan of January 15, 1948 due January 1, 1963, consisting of two promissory notes in the amount of $914,942 and $101,542.52, respectively, and payable in thirteen (13) annual installments, the first such installment having been paid on March 15, 1951, and the remaining installments being payable every January 1 thereafter starting in 1952.

[l] Four per cent loan of February, August and October, 1953 due January 16, 1975; payable in forty (40) equal semi-annual installments, the first installment thereon having been paid on July 16, 1955, and the remaining installments being payable every January 16 and July 16 thereafter.

TABLE 91.—*Public Debt Outstanding Classified by Periods of Maturity As of December 31, 1953-1955*

(Pesos)

Item	1953	1954	1955
TOTAL OUTSTANDING [a]	1,065,975,612	1,086,049,813	1,326,661,387
LONG TERM	968,592,859	986,078,428	1,239,297,371
National Government	731,376,373	691,998,862	896,954,914
National Public Improvement Bonds	2,500,000	2,500,000	2,500,000
Rehabilitation and Development Bonds [b]	200,000,000	200,000,000	200,000,000
Backpay Obligation to Pre-war Government Employees [c]	193,314,662	160,744,484	138,388,612
Loan from the International Monetary Fund [d]	—	—	22,000,000
Loan from the U. S. Government [f]	24,887,966	17,887,966	17,887,966
Loan from the U.S. Reconstruction Finance Corporation [g]	54,000,000 r	42,000,000 r	30,000,000 r
Treasury Notes	—	—	66,536,000
National Planning Commission Development Bonds [h]	625,316	625,316	625,316
Certificates of Indebtedness to Holders of Emergency Currency [i]	5,063,555	5,520,367	5,582,637
Loan from the U. S. General Service Administration [j]	984,874 r	820,729 r	656,583 r
Backpay Obligation to Veterans of World War II [k]	250,000,000	250,000,000	250,000,000
Public Works and Economic Development Bonds	—	11,900,000	162,777,800
Provincial Government	32,046,330	26,768,604	23,146,021
Occidental Negros Public Improvement Bonds	222,300	222,300	222,300
Cebu Public Improvement Bonds	500,000	500,000	500,000
Backpay Obligation to Pre-war Government Employees [c]	31,324,030	26,046,304	22,423,721
Municipal Government	16,109,555	13,395,374	11,532,384
Backpay Obligation to Pre-war Government Employees [c]	16,109,555	13,395,374	11,532,384
City Government	13,119,858	11,612,130	10,577,240
Manila Public Improvement Bonds	3,000,000	3,000,000	3,000,000
Iloilo Public Improvement Bonds	350,000	350,000	350,000
Bacolod Sewer and Waterworks Bonds	120,000	120,000	120,000
Cebu Sewer and Waterworks Bonds	350,000	350,000	350,000
Davao Sewer and Waterworks Bonds	350,000	350,000	350,000
Backpay Obligation to Pre-war Government Employees [c]	8,949,858	7,442,130	6,407,240
Government Corporations	175,940,743	242,303,458	297,086,812
Metropolitan Water District Bonds	3,000,000	3,000,000	9,000,000
National Power Corporation Bonds	8,500,000	14,900,000	45,544,676
Rehabilitation Finance Corporation Bonds [b]	108,042,578	167,204,470	175,949,267

TABLE 91.—*Public Debt Outstanding Classified by Periods of Maturity As of December 31, 1953-1955—Continued*

(Pesos)

Item	1953	1954	1955
LONG TERM (Continued)—			
Government Corporations (Continued)—			
Backpay Obligation to Pre-war Government Employees [c]	18,794,481	15,627,936	13,454,448
National Power Corporation Loan from the Export-Import Bank [l]	37,603,684	35,571,052	33,538,421
ACCFA Notes	—	6,000,000	19,600,000
MIDDLE TERM	62,724,608	42,067,239	48,393,555
National Government	60,328,291	38,328,291	38,328,291
Loan from the U. S. Government [f]	14,000,000	14,000,000	14,000,000
Loan from the U. S. Reconstruction Finance Corporation [g]	24,000,000	24,000,000	24,000,000
Loan from the U. S. General Service Administration [j]	328,291	328,291	328,291
Loan from the International Monetary Fund [d]	22,000,000	—	—
Government Corporations	2,396,316	3,738,948	10,065,263
National Power Corporation Loan from the Export-Import Bank [l]	2,396,316	3,738,948	4,065,263
ACCFA Certificates of Indebtedness, Two Years	—	—	6,000,000
SHORT TERM	34,658,146	57,904,146	38,970,462
National Government	34,364,146	56,164,146	34,164,146
Loan from the International Monetary Fund [d]	—	22,000,000	—
Loan from the U. S. Government [f]	7,000,000	7,000,000	7,000,000
Loan from the U. S. Reconstruction Finance Corporation [g]	12,000,000	12,000,000	12,000,000
Loan from the U. S. General Service Administration [j]	164,146	164,146	164,146
Treasury Bills	15,000,000	15,000,000	15,000,000
Treasury Notes	200,000	—	—
Provincial Government	194,000	—	—
Leyte Loan from the Central Bank of the Philippines	194,000	—	—
City Government	100,000	50,000	100,000
Tacloban Loan from the Central Bank of the Philippines	100,000	50,000	50,000
San Pablo Loan from the Central Bank of the Philippines	—	—	50,000

TABLE 91.—*Public Debt Outstanding Classified by Periods of Maturity As of December 31, 1953-1955 (Concluded)*

(Pesos)

Item	1953	1954	1955
SHORT TERM (Continued)—			
Government Corporations.....	—	1,690,000	4,706,316
National Power Corporation Loan from the Export-Import Bank [1]	—	690,000	1,706,316
ACCFA Certificates of Indebtedness, One Year.....	—	1,000,000	3,000,000

SOURCES OF BASIC DATA: National Treasury.
General Auditing Office.
Rehabilitation Finance Corporation.
Accounting Department, Central Bank of the Philippines.
Securities Market Department, Central Bank of the Philippines.

[a] Exclusive of bonds issued prior to May 1, 1934 which are fully covered by the Special Trust Account the last installment on which was remitted to the Treasurer of the United States on October 23, 1951.

[b] No sinking fund provision.

[c] As estimated by the Department of Finance. The sinking fund for this obligation which was incurred under Republic Act No. 304 was started in July, 1948 when the law went into effect. Partial cash redemption of this obligation to the extent of 10% of the principal has been authorized under Republic Act No. 800. Due, however, to the unavailability of data with respect to its distribution by levels of government, the amount so far disbursed for the purpose has been tentatively prorated to the national and local governments and to the different state enterprises.

[d] No sinking fund provision; non-interest bearing; non-negotiable. Originally incurred on September 29, 1950, this obligation fell due on September 29, 1955 when it was renewed and made payable in 1960.

[f] Payable in ten (10) annual installments at 2½ per cent yearly interest. Installments and periodic interest thereon were based on the estimated balance of ₱35 million still due from the Armed Forces of the Philippines. However, only the amount of ₱66,887,965.58 was transferred to the Treasurer of the Philippines, although subsequent audit conducted by U.S. Army auditors disclosed that the amount that should have been so transferred was ₱71,025,400.76.

[g] Payable in twenty (20) equal semi-annual installments at 2½ per cent yearly interest on January 1 and July 1 of each year.

[h] Three per cent loan of August 1, 1951 due 1956.

[i] No sinking fund provision. Due in twenty (20) years; non-interest bearing; non-negotiable. Payment of this obligation was authorized under Republic Act No. 369.

[j] Three per cent loan of January 15, 1948 due January 1, 1963, consisting of two promissory notes in the amount of $914,942 and $101,542.52, respectively, and payable in thirteen (13) annual installments, the first such installment having been paid on March 15, 1951, and the remaining installments being payable every January 1 thereafter starting in 1952.

[k] No sinking fund provision. Due in thirty (30) years; non-interest bearing; non-negotiable. This obligation was incurred under Republic Act No. 897.

[l] Four per cent loan of February, August and October, 1953 due January 16, 1975, payable in forty (40) equal semi-annual installments, the first installment thereon having been paid on July 16, 1955, and the remaining installments being payable every January 16 and July 16 thereafter.

APPENDIX E

PRODUCTION

TABLE 92.—*Index of the Physical Volume of Production,* 1949-1955

(1952 = 100)

Year	Agriculture	Mining	Manufacturing
1949	75	51	67
1950	81	65	81
1951	93	81	95
1952	100	100	100
1953	107	102	113
1954	119	98	127
1955 p	123	107	143

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

TABLE 93.—*Agricultural Crop Production*, 1938; 1952-1955

Crop	1938		1952		1953		1954		1955 p	
	Area planted (1000 has.)	Production (1000 m.t.)	Area planted (1000 has.)	Production (1000 m.t.)	Area planted (1000 has.)	Production (1000 m.t.)	Area planted (1000 has.)	Production (1000 m.t.)	Area planted (1000 has.)	Production (1000 m.t.)
Rice, rough (palay)	1,912	2,303	2,466	2,830	2,655	3,144	2,645 [a]	3,182	2,656 [a]	3,203
Corn	703	501	1,070	762	1,101	710	1,120	780	1,394	770
Coconut products	643		989		990		990		990	
Copra	..	698	..	954	..	856	..	942	..	963
Desiccated coconut	..	36	..	52	..	61	..	44	..	40
Sugar cane products	228		201		225		265		268	
Sugar, centrifugal	..	957	..	976	..	1,028	..	1,301	..	1,244
Muscovado and panocha	..	55	..	40	..	58	..	51	..	72
Abaca	508	165	275	115	272	119	239	101	217	104
Tobacco	75	39	46	27	39	22	48	28	53	30
Beans and vegetables	35	39	107	168	151	208	161	216	166	223
Cacao, dry beans	2	.9	6	1	7	1	7	1	7	2
Coffee, dry beans	2	1	12	5	15	6	17	6	19	7
Fruits and nuts	201	256	244	424	306	556	336	600	350	626
Kapok	8	1	3	2	3	2	3	3	3	3
Maguey	39	18	4	1	4	1	4	1	3	5
Peanuts, unshelled	6	4	25	15	27	17	28	18	28	18
Ramie	.2	.2	.4	.1	.7	.1	1	1	3	3
Root crops	118	335	211	732	260	1,135	268	1,180	273	1,200
Rubber, raw	4	.8	5	2	5	2	5	1	5	1

SOURCES OF BASIC DATA: Department of Agriculture and Natural Resources.
Bureau of the Census and Statistics.
Sugar Quota Office.
Fiber Inspection Service.
Private firms.

[a] Area harvested only.

TABLE 94.—*Manufacturing Production*[a], 1953-1955

(Pesos)

Item	1953 r	1954	1955 p
TOTAL	83,702,058	819,515,124	1,134,606,077
Non-Durable Manufactures	99,309,822	712,609,419	975,038,042
Food Manufacturing, Except Beverages	36,679,874	140,174,132	172,625,095
Slaughtering, Preparation and Preserving of Meat	662,110	1,176,414	1,631,025
Bacon and ham	254,691	348,284	595,647
Sausages	407,419	815,297	889,773
Meat preparations, canned	—	12,833	145,605
Manufacture of Dairy Products	5,583,132	7,373,466	7,926,314
Milk, preserved in bottles	625,187	627,155	924,348
Miscellaneous dairy products	4,957,945	6,746,310	7,001,966
Canning and Preserving of Fruits and Vegetables	25,699,112	14,935,336	15,591,890
Fruits, preserved, whole	24,259,123	13,384,628	13,298,498
Fruits jams and jellies	208,601	102,967	133,895
Vegetables, preserved and preparations	262,224	222,308	147,751
Vegetable extract	969,164	1,225,433	2,011,746
Canning and Preserving of Fish and Other Sea Foods	451,572	515,365	1,076,475
Fish, dried, smoked or salted	329,421	72,488	49,880
Miscellaneous fish preparations	122,151	442,877	1,026,595
Manufacture of Cocoa, Coffee, Tea and Sugar Confectionery	9,209,551	10,931,145	17,786,986
Cocoa powder	812,994	372,495	297,143
Coffee, ground	4,182,914	7,055,474	9,235,285
Tea	17,391	3,203	5,691
Sugar confectionery	4,196,252	3,499,973	8,248,867
Manufacture of Miscellaneous Food Preparations	95,074,397	105,242,406	128,612,405
Bakery products	27,196,286	26,714,233	30,315,012
Dried grains	174,382	181,375	174,448
Copra meal	5,909,103	6,629,503	14,092,445
Desiccated coconut	22,302,346	21,342,693	22,994,642
Poultry feed	1,869,231	4,706,491	7,819,257
Margarine	3,205,166	2,567,507	3,501,884
Shortening and lard	22,644,146	22,153,113	24,736,238
Edible oil	7,573,152	10,215,029	11,933,163
Noodle manufactures	1,158,004	1,084,385	1,278,245
Food seasoning and spices	1,147,195	1,302,213	1,325,687
Miscellaneous food preparations, n.e.s.	1,895,386	8,345,864	10,441,384
Beverages	124,900,624	125,929,895	131,112,298
Distilled alcoholic beverages	5,561,143	4,034,098	13,911,484
Wines	3,093,494	3,199,625	4,886,100
Beer	43,207,944	46,458,733	45.280.329
Soft drinks	73,038,043	72,237,439	67,034,385

TABLE 94.—*Manufacturing Production*[a], 1953-1955—*Continued*

(Pesos)

Item	1953 r	1954	1955 p
Tobacco Manufactures	167,301,554	152,136,642	193,286,363
Cigars	5,090,770	3,402,205	4,211,625
Cigarettes, local tobacco	34,029,123	15,205,977	15,184,901
Cigarettes, Virginia tobacco	127,740,832	131,993,778	160,406,100
Other tobacco manufactures	440,829	1,534,682	13,483,737
Manufacture of Textiles	43,925,997	34,236,866	59,757,719
Spinning, Weaving and Finishing of Textiles	29,985,847	21,311,729	45,060,350
Textile yarns and cotton piece goods	19,174,765	12,285,142	15,212,691
Thread	44,892	53,634	3,920,350
Knitted fabrics	10,766,190	8,972,953	25,927,309
Cordage, Rope, Twine and Floor Coverings	13,940,150	12,925,137	14,697,369
Rope and twine	13,043,068	11,879,222	13,023,578
Fishing nets	30,766	221,811	1,048,566
Floor coverings	866,316	824,104	625,225
Manufacture of Footwear, other Wearing Apparel and Made-up Textile Goods	62,803,518	63,118,918	66,631,250
House Footwear, Leather Shoes and Wooden Shoes	14,054,570	12,680,185	13,976,591
House Footwear, leather	293,473	225,479	264,771
House Footwear, others	65,267	33,803	24,888
Shoes, leather	13,569,714	12,332,451	13,606,934
Wooden shoes	126,116	88,452	79,998
Manufacture of Wearing Apparel, Except Footwear	35,676,795	40,297,373	44,263,306
Hosiery	128,456	128,658	1,710,871
Outwear, knitted	3,659,810	5,434,492	4,148,180
Outwear, not knitted	25,636,797	27,791,130	27,802,983
Underwear, knitted	1,099,327	2,523,035	2,310,330
Underwear, not knitted	1,955,617	1,676,200	1,588,222
Other wearing apparel, n.e.s.	3,196,788	2,743,858	6,702,720
Manufacture of Made-up Textile Goods	13,072,153	10,141,360	8,391,353
Bags and sacks for packing	12,280,537	7,998,159	6,013,045
House furnishings and coverlets	405,485	588,034	641,053
Miscellaneous made-up textile goods	386,131	1,555,167	1,737,255
Manufacture of Paper and Paper Products	25,534,623	26,777,601	34,436,840
Paper manufacture	5,511,349	5,110,582	5,643,107
Wallboard paper	1,717,058	2,163,188	3,509,847
Printing and writing paper	2,913,362	3,686,307	4,766,672
Cartons and cardboard	6,250,869	5,214,501	6,233,890
Other articles of paper and paper board	9,141,985	10,603,023	14,283,324
Printing, Publishing and Allied Industries	7,152,039	6,048,653	7,381,054
Pamphlets and magazines	4,627,363	3,395,421	5,079,363
Newspapers and other printed matter	2,524,676	2,653,232	2,301,691

TABLE 94.—*Manufacturing Production*[a], 1953-1955—*Continued*

(Pesos)

Item	1953 r	1954	1955 p
Manufacture of Leather and Leather Products	1,420,576	2,541,492	3,058,090
Tannery products	1,306,641	1,958,708	2,412,555
Leather products, except footwear	113,935	582,784	645,535
Manufacture of Rubber Products	7,274,085	12,460,345	12,590,041
Rubber boots and shoes	6,536,139	6,084,372	9,531,550
Tire manufacture	—	107,495	20,109
Rubber balls	136,362	143,736	163,210
Other articles of rubber, n.e.s.	601,584	6,124,742	2,875,172
Manufacture of Chemicals and Chemical Products	122,316,932	128,058,299	187,140,786
Basic industrial chemicals	4,939,254	3,949,228	23,041,231
Vegetable oils and fats	66,584,763	69,131,385	72,427,823
Medicinal and pharmaceutical preparations	5,629,385	6,838,950	18,013,471
Paints, pigments, varnishes and lacquers	2,930,691	2,554,559	6,135,391
Perfumery, cosmetics and other toilet preparations	2,020,953	1,789,729	4,322,484
Polishes	695,838	768,066	695,444
Soap and other washing, and cleansing compound	25,983,616	27,923,300	36,461,570
Matches	8,990,595	9,396,258	11,599,989
Candles	1,534,254	1,170,600	1,797,950
Plastic materials	1,777,573	2,482,640	9,923,120
Miscellaneous chemical products, n.e.s.	1,230,610	2,053,584	2,722,313
Manufacture of Miscellaneous Products of Petroleum and Coal	—	21,126,576	107,018,506
Fuel and oil	—	21,126,576	107,018,506
Durable Manufactures	84,392,236	106,905,705	159,568,035
Manufacture of Wood and Cork, Except Furniture and Fixtures	7,382,718	14,997,591	21,779,890
Charcoal	76,220	22,818	8,464
Firewood	307,793	199,007	85,921
Piles and poles	550,321	836,102	1,033,005
Creosoted lumber	127,100	595,943	537,723
Plywood and veneer	5,106,808	10,103,412	14,355,884
Doors	78,170	123,038	211,018
Windows	379,941	792,054	679,563
Cork manufactures	125,695	1,703,032	4,565,795
Other articles of wood	630,670	622,185	302,517
Manufacture of Furniture and Fixtures	5,886,803	8,097,552	7,220,137
Metal furniture and fixtures	1,704,819	1,395,094	3,351,036
Rattan furniture and fixtures	698,221	2,338,984	714,787
Wood furniture and fixtures	3,483,763	4,363,474	3,154,314
Manufacture of Non-Metallic Mineral Products, Except Products of Petroleum and Coal	26,339,036	26,028,000	19,858,997

TABLE 94.—*Manufacturing Production*[a], 1953-1955—*Continued*

(Pesos)

Item	1953 r	1954	1955 p
Structural Clay Products	1,628,763	2,152,710	2,068,950
Bricks and tiles	949,977	907,542	985,715
Pipes, cement concrete	678,786	1,245,168	1,083,235
Glass and Glass Products	20,449,226	17,593,198	14,553,486
Plate and sheet glass	801,366	490,154	511,425
Mirrors	1,135,706	2,124,510	335,297
Glass jars and containers	17,789,687	14,739,009	13,470,038
Other articles with glasses	722,467	239,525	236,726
Non-Metallic Mineral Products, n.e.s.	4,261,047	6,282,092	3,236,561
Concrete and stone products	2,143,396	4,789,395	2,003,184
Asbestos products	2,086,350	1,485,154	1,167,424
Pottery products	31,301	7,543	65,953
Basic Metal Products	3,230,187	3,516,692	7,612,564
Cast iron pipes	304,071	203,757	1,442,257
Cast iron pipe fittings	134,738	64,923	459,493
Steel bars, rods, plates, etc.	2,791,378	3,248,012	5,710,814
Manufacture of Metal Products, Except Machinery and Transport Equipment	15,176,650	15,760,258	29,067,735
Hand tools, including agricultural tools	160,937	168,203	404,401
Household utensils and kitchen wares	546,078	1,051,178	3,067,667
Metal containers for storage	1,164,307	1,632,123	4,388,713
Fabricated wires	934,724	760,997	1,080,194
Nails, bolts, nuts, washers, etc.	7,647,598	8,977,932	9,242,299
Kitchen sinks	369,771	141,396	692,567
Lighting fixtures	2,099,056	422,925	367,813
Slide fasteners (Zippers)	1,073,600	1,240,914	4,125,951
Miscellaneous metal products, n.e.s.	1,180,579	1,364,590	5,698,130
Manufacture of Machinery, Except Electrical Machinery	321,699	378,850	186,921
Abaca stripping machines and parts	24,434	25,255	11,570
Ramie decorticating machines and parts	—	19,300	5,200
Rice mills, rice hullers and parts	297,265	334,295	170,151
Manufacture of Electrical Machinery, Apparatus, Appliances and Supplies	4,870,562	6,307,062	14,294,188
Amplifiers	101,357	107,968	197,994
Electric water heaters	21,334	28,282	57,325
Electric stoves	310,480	211,973	511,560
Light bulbs and fluorescent tubes	1,277,449	1,616,741	3,731,051
Radios	273,205	397,623	958,089
Refrigerators and freezers	728,514	804,340	2,555,385
Transformers	30,671	90,608	234,288
Storage batteries	1,583,733	1,747,303	2,773,179
Storage battery plates	432,087	531,494	738,322
Miscellaneous electrical apparatus, appliances and supplies	111,732	770,730	2,536,995
Manufacture of Transport Equipment	14,393,866	24,027,297	45,546,760
Motor vehicles	14,174,296	23,704,615	45,138,067
Motor vehicle bodies	—	33,910	51,695
Bicycles	219,570	268,805	312,047
Hand drawn vehicles	—	19,967	44,951

TABLE 94.—*Manufacturing Production*[a], 1953-1955 (*Concluded*)

(Pesos)

Item	1953 r	1954	1955 p
Miscellaneous Manufacturing Industries.....	6,790,715	7,770,490	14,000,633
Musical Instruments, Phonograph Records and Optical Goods.....	1,609,181	1,675,061	3,669,440
Pianos.....	1,480,904	1,503,600	2,790,578
Phonograph records.....	128,203	139,038	374,219
Other musical instruments.....	74	32,423	3,358
Optical goods.....	—	—	501,285
Manufacturing Industries, n.e.s.	5,181,534	6,117,342	10,331,403
Buttons.....	1,194,970	1,658,827	1,765,346
Ice.....	3,455,767	3,702,345	7,269,190
Kapok.....	68,508	275,643	104,335
Lampshades.....	10,502	61,670	54,296
Pencils.....	222,345	232,728	947,911
Shellcraft and novelties.....	21,720	43,415	26,118
Other manufacturing industries, n.e.s.	207,722	142,714	164,207

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

[a] Reported production of 949 firms for years 1953 & 1954; for 1955, reports cover 1,029 firms.
r Revision due to change in figures of same reporting firms.

TABLE 95.—*Gold Production*, 1941; 1946-1955

Period	Quantity	
	Thousand fine ounces	Index (1949 = 100)
1941	1,264.8r	439.5r
1946	.3r	.1r
1947	65.5r	22.8r
1948	209.2r	72.7r
1949	287.8r	100.0r
1950	334.0r	116.1r
1951	393.6r	136.8r
1952	469.4r	163.1r
1953	480.6r	167.0r
1954	416.1r	144.6r
1955	419.1	145.6
1954—January	37.8	157.5
February	32.5	135.4
March	35.3	147.1
April	35.5	147.9
May	35.1	146.2
June	31.8	132.5
July	32.3	134.6
August	36.3	151.2
September	36.3	151.2
October	35.2	146.7
November	31.5	131.2
December	36.5	152.1
1955—January	37.0	154.2
February	33.2	138.3
March	35.6	148.3
April	35.0	145.8
May	34.2	142.5
June	34.2	142.5
July	37.0	154.2
August	34.7	144.6
September	33.5	139.6
October	34.2	142.5
November	34.5	143.7
December	36.0	150.0

SOURCE OF BASIC DATA: Bureau of Mines.

r Revision due to conversion of monthly averages previously shown to actual output for the period.

TABLE 96.—*Volume of Production of Base Metals*, 1940; 1946-1955

(Quantity in metric tons)
(1949 = 100)

Period	Chromite		Manganese		Copper		Lead		Iron	
	Quantity	Index	Quantity	Index	Quantity	Index	Quantity	Index	Quantity	Index
1940 r	192,960	78.2	48,804	185.7	9,096	151.4	948	249.5	1,240,668	335.2
1946 r	58,000	23.5	—	—	—	—	2	.5	—	—
1947 r	195,103	79.1	3,322	12.6	3,223	53.7	3	.8	—	—
1948 r	256,853	104.1	25,565	97.2	2,043	34.0	72	18.9	18,289	4.9
1949 r	246,744	100.0	26,288	100.0	6,007	100.0	380	100.0	370,172	100.0
1950 r	250,511	101.5	29,867	113.6	10,384	172.9	879	231.3	599,095	161.8
1951 r	334,571	135.6	22,343	85.0	12,712	211.6	571	150.3	903,282	244.0
1952 r	543,514	220.3	20,627	78.5	13,241	220.4	2,300	605.3	1,170,350	316.2
1953 r	557,090	225.8	21,508	81.8	12,715	211.7	2,434	640.5	1,217,864	329.0
1954 r	451,185	182.9	9,393	35.7	14,349	238.9	1,827	480.8	1,424,898	384.9
1955	598,117	242.4	11,912	45.3	17,461	290.6	2,318	610.0	1,432,712	387.0
1954—January	47,617	231.6	3,069	140.1	1,139	227.5	160	500.0	116,772	378.5
February	44,384	215.9	650	29.7	1,154	230.5	153	478.1	105,013	340.4
March	41,380	201.2	3,245	148.1	1,254	250.5	195	609.4	128,322	416.0
April	36,897	179.4	289	13.2	1,214	242.5	165	515.6	114,026	369.6
May	36,137	175.7	—	—	1,275	254.7	188	587.5	134,374	435.6
June	43,760	212.8	—	—	1,339	267.5	76	237.5	129,581	420.1
July	30,170	146.7	—	—	1,198	239.3	51	159.4	140,433	455.2
August	43,286	210.5	2,140	97.7	1,200	239.7	119	371.9	132,314	428.9
September	39,320	191.2	—	—	1,205	240.7	205	640.6	87,931	585.0
October	2,000	9.7	—	—	1,175	234.7	175	546.9	127,272	412.6
November	40,278	195.9	—	—	1,158	231.3	108	337.5	106,874	346.5
December	45,956	223.5	—	—	1,038	207.4	232	725.0	101,986	330.6
1955—January	39,365	191.4	—	—	1,095	218.7	225	703.1	99,649	323.0
February	31,260	152.0	—	—	848	169.4	211	659.4	102,167	331.2
March	38,990	189.6	1,105	50.4	1,233	246.3	198	618.7	121,300	393.2
April	47,767	232.3	985	45.0	1,425	284.7	184	575.0	125,474	406.7
May	21,650	105.3	4,356	198.8	1,576	314.8	135	421.9	152,260	493.6
June	37,855	184.1	996	45.5	1,535	306.6	172	537.5	132,470	429.4
July	67,990	330.7	2,080	94.9	1,699	339.4	181	565.6	108,452	351.6
August	67,233	327.0	1,141	52.1	1,614	322.4	218	681.2	129,344	419.3
September	66,402	322.9	—	—	1,666	332.8	233	728.1	130,181	422.0
October	66,630	324.0	1,249	57.0	1,555	310.6	191	596.9	98,129	318.1
November	54,625	265.7	—	—	1,461	291.9	204	637.5	109,780	355.9
December	58,350	283.8	—	—	1,754	350.4	166	518.7	123,506	400.4

SOURCES OF BASIC DATA: Yearbook of Philippine Statistics, 1940, p. 152.
Bureau of Mines.

r Revision due to conversion of monthly averages previously shown to actual output for the period.

TABLE 97.—*Real Estate Sales and Mortgages in the Suburbs of Manila*, 1948-1955

(Pesos)

Period	Quezon City		Others [a]	
	Sales	Mortgages	Sales	Mortgages
1948	8,951,217	12,076,559	7,410,691	8,806,662
1949	16,682,626	16,280,864	4,270,834	5,823,260
1950	13,769,383	11,770,188	22,710,160	23,912,610
1951	20,206,442	24,720,339	23,295,073	28,364,898
1952	15,839,173	39,153,637	22,847,936	40,502,885
1953	16,456,318	20,369,023	23,791,592	30,899,710
1954	22,206,879	20,277,510	27,375,108	31,227,630
1955	20,828,185	30,300,784	32,406,300	41,716,458
1954—January	1,306,427	1,308,920	2,181,922	4,147,570
February	2,295,413	1,891,440	2,189,407	2,716,662
March	1,501,229	2,132,170	2,401,262	2,190,421
April	1,381,842	1,392,580	1,146,046	1,771,840
May	1,587,327	1,991,400	1,519,367	2,045,165
June	4,280,526	1,486,785	2,341,364	2,726,766
July	1,122,490	1,237,031	2,320,754	1,652,100
August	1,458,729	1,853,529	2,874,091	2,543,642
September	1,184,084	1,746,971	2,465,833	3,740,416
October	2,473,364	1,819,147	1.727,522	3,864,604
November	1,610,178	1,638,178	4,230.489	1,945,833
December	2,005,270	1,779,359	1,977,051	1,882,611
1955—January	2,152,738	1,621,001	4,410,426	4,866,625
February	1,494,750	988,642	3,137,905	2,579,231
March	1,380,002	2,054,042	3,935,191	7,094,790
April	1,165,215	1,397,006	2,243,660	3,756,841
May	1,499,356	7,481,249	2,174,415	2,774,332
June	1,245,396	2,691,135	2,030,674	2,384,605
July	1,592,113	1,392,439	2,476,284	2,359,985
August	1,496,747	1,033,438	2,592,809	2,632,905
September	2,009,807	1,903,994	1,874,532	4,439,854
October	1,524,216	5,237,413	2,109,309	3,123,548
November	1,441,686	1,549,901	2,037,628	2,772,318
December	3,826,159	2,950,524	3,383,467	2,931,424

SOURCE OF BASIC DATA: C. M. Hoskins & Co., Inc., Realtors.

[a] Others suburbs include Pasay City, Makati, Malabon, Caloocan, Mandaluyong, Parañaque and San Juan.

TABLE 98.—*Real Estate Sales and Conveyances in the City of Manila 1937; 1947-1955*

Period	Value	
	Pesos	Index (1949 = 100)
1937 r	20,655,540	47.2
1947 r	68,260,104	156.0
1948 r	57,798,120	132.0
1949 r	43,770,240	100.0
1950 r	43,818,876	100.1
1951 r	38,628,780	88.3
1952 r	36,479,926	83.3
1953 r	34,571,794	79.0
1954 r	30,846,922	70.5
1955	40,291,811	92.1
1954—January	4,757,076	130.4
February	2,444,702	67.0
March	2,811,805	77.1
April	4,692,440	128.6
May	2,412,941	66.2
June	2,584,689	70.9
July	3,383,397	92.8
August	1,948,002	53.4
September	2,255,463	61.8
October	973,165	26.7
November	1,402,826	38.5
December	1,180,416	32.4
1955—January	2,248,421	61.6
February	2,659,845	72.9
March	3,698,757	101.4
April	3,017,054	82.7
May	1,819,794	49.9
June	2,057,966	56.4
July	2,121,345	58.2
August	5,226,005	143.3
September	5,682,166	155.8
October	3,202,732	87.8
November	2,616,198	71.7
December	5,941,528	162.9

SOURCES OF BASIC DATA: Bureau of the Census and Statistics.
C. M. Hoskins & Co., Inc., Realtors.

r Revision due to conversion of monthly averages previously shown to actual output for the period.

TABLE 99.—*Permit Valuation of Building Construction, by Type of Construction, in the City of Manila, 1946-1955*

(Value in pesos)

Period	Total		New residential		New non-residential		Addition, alteration and repair	
	Number	Value	Number	Value	Number	Value	Number	Value
1946	5,466	48,441,015	3,739	22,610,095	399	20,250,690	1,328	5,580,230
1947	6,747	85,590,270	4,245	45,315,750	464	30,093,540	2,038	10,180,980
1948	6,833	80,687,296	3,864	42,463,154	483	28,444,100	2,486	9,780,042
1949	5,222	59,120,070	2,452	28,967,650	335	21,724,250	2,435	8,428,170
1950	4,954	46,017,343	1,494	17,766,050	357	18,210,580	3,103	10,040,713
1951	5,685	53,122,790	1,495	20,225,580	398	23,297,550	3,792	9,599,660
1952	5,806	47,661,160	1,875	19,948,600	459	18,709,410	3,472	9,003,150
1953	5,269	55,766,255	1,447	18,873,500	575	28,072,650	3,247	8,820,105
1954	4,322	37,203,449	1,036	10,205,500	454	19,445,050	2,832	7,552,899
1955	4,399	46,340,365	985	15,577,000	425	22,283,050	2,989	8,480,315
1954—January	392	4,737,655	92	904,500	37	2,914,200	263	918,955
February	404	5,321,390	123	1,100,200	52	3,723,600	229	497,590
March	543	4,006,884	152	1,659,200	47	1,540,300	344	807,384
April	443	2,560,620	126	1,179,100	38	801,650	279	579,870
May	208	1,509,100	54	539,000	22	588,000	132	382,100
June	368	4,554,550	79	785,400	46	3,299,000	243	470,150
July	345	2,319,555	63	753,100	34	1,015,400	248	551,055
August	327	1,944,090	63	629,800	33	760,600	231	553,690
September	397	2,544,870	92	747,700	38	1,298,400	267	498,770
October	337	3,142,440	75	774,400	33	1,149,100	229	1,218,940
November	259	2,979,395	54	490,500	36	1,811,200	169	677,695
December	299	1,582,900	63	642,600	38	543,600	198	396,700
1955—January	319	1,910,650	77	1,087,000	28	384,000	214	439,650
February	387	3,482,690	69	976,500	36	2,006,300	282	499,890
March	433	5,198,950	83	1,455,400	39	3,139,500	311	604,050
April	406	3,201,075	113	1,488,900	31	683,800	262	1,028,375
May	402	3,995,920	88	1,004,300	34	1,382,400	280	1,609,220
June	392	4,900,750	95	1,579,100	33	2,450,600	264	871,050
July	366	3,731,690	67	951,300	31	2,134,600	268	645,790
August	344	3,207,480	68	921,500	42	1,262,600	234	1,023,380
September	361	3,976,620	92	1,532,600	33	2,066,850	236	377,170
October	384	5,237,490	91	2,565,300	46	2,133,500	247	538,690
November	303	3,705,540	63	933,600	30	2,380,300	210	391,640
December	302	3,791,510	79	1,081,500	42	2,258,600	181	451,410

SOURCE OF BASIC DATA: Department of Engineering and Public Works, City Engineer's Office, Manila.

TABLE 100.—*Number of Passengers Carried and Total Receipts from Transportation of Passengers, M. R. R. Co. (By Rail of Main Line and Branches) by Kind and Fare, 1946-1955*

Period	Total		First class		Third class	
	Number of persons	Receipts of transportation of passengers (*Pesos*)	Number of persons	Receipts of transportation of passengers (*Pesos*)	Number of persons	Receipts of transportation of passengers (*Pesos*)
1946	3,217,142	5,606,692.02	..	..	3,217,142	5,606,692.02
1947	3,464,276	6,122,778.26	4,167	53,244.22	3,460,109	6,069,554.04
1948	5,805,973	6,755,833.01	25,290	202,847.61	5,780,683	6,552,985.40
1949	6,205,076	7,288,067.64	30,217	263,293.44	6,174,859	7,024,774.20
1950	6,430,013	7,025,646.35	20,680	180,591.98	6,409,333	6,845,054.37
1951	6,450,608	7,397,481.29	29,127	269,102.47	6,421,481	7,128,378.82
1952	6,740,654	7,396,865.63	29,649	275,297.35	6,711,005	7,121,568.28
1953	6,743,623	7,794,284.96	24,885	219,059.14	6,718,738	7,575,225.82
1954	7,335,967	7,896,930.56	39,363	335,762.90	7,296,604	7,561,167.66
1955 p	7,104,101	8,229,406.63	79,890	711,451.57	7,024,211	7,517,955.26
1954—January	619,480	723,645.04	1,851	16,980.35	617,629	706,664.69
February	542,983	545,613.16	1,784	15,391.15	541,199	530,222.01
March	635,891	621,947.00	2,397	22,928.93	633,494	599,018.07
April	772,368	822,295.12	3,999	34,375.65	768,369	787,919.47
May	747,342	823,225.86	3,204	27,036.93	744,138	796,188.93
June	619,842	736,731.17	2,467	19,316.55	617,375	717,414.62
July	517,702	570,622.73	2,018	15,115.84	515,684	555,506.89
August	509,997	519,948.85	2,197	18,784.14	507,800	501,164.71
September	555,604	567,049.36	3,089	26,020.69	552,515	541,028.67
October	603,219	641,606.70	5,364	44,843.11	597,855	596,763.59
November	560,862	575,302.01	5,076	42,785.05	555,786	532,516.96
December	650,677	748,943.56	5,917	52,184.51	644,760	696,759.05
1955—January	636,193	687,878.56	5,620	48,464.90	630,573	639,413.66
February	562,778	551,228.15	4,913	41,192.71	557,865	510,035.44
March	619,844	621,207.19	5,852	52,763.70	613,992	568,443.49
April	666,266	872,198.05	8,772	71,209.97	657,494	800,988.08
May	695,049	868,810.61	8,423	74,302.76	686,626	794,507.85
June	569,925	778,350.92	6,649	64,693.89	563,276	713,657.03
July	510,330	594,705.17	5,946	53,667.39	504,384	541,037.78
August	497,325	569,831.57	6,220	55,793.37	491,105	514,038.20
September	548,796	597,807.49	6,341	56,252.57	542,455	541,554.92
October	595,353	666,232.97	6,918	62,745.57	588,435	603,487.40
November	551,089	600,449.03	6,563	57,411.83	544,526	543,037.20
December	651,153	820,706.92	7,673	72,952.71	643,480	747,754.21

SOURCE: Manila Railroad Company.

TABLE 101.—*Total Net Tonnage and Gross Receipts from Freight and Express Handled by the Manila Railroad Company (Main Line and Branches), 1946-1955*

Period	Total		Freight		Express	
	Net tonnage (Metric tons)	Gross receipts for freight and express handled (*Pesos*)	Net tonnage (Metric tons)	Gross receipts for freight handled (*Pesos*)	Net tonnage (Metric tons)	Gross receipts for express handled (*Pesos*)
1946	537,881	3,714,996.59	528,448	3,404,734.25	9,433	310,262.34
1947	823,551	6,722,536.64	794,918	5,725,500.17	28,633	997,036.47
1948	1,006,699	9,043,703.14	960,964	7,441,822.88	45,735	1,631,880.26
1949	863,416	8,727,971.01	816,758	6,996,536.79	46,658	1,731,434.22
1950	831,487	8,486,634.86	787,176	6,812,025.60	44,311	1,674,609.26
1951	838,064	8,174,254.81	785,861	6,316,249.89	52,193	1,858,004.92
1952	962,637	8,209,401.55	913,410	6,392,790.00	49,227	1,816,611.55
1953	1,063,886	9,164,296.79	1,009,275	7,145,300.72	54,611	2,018,996.07
1954	1,164,273	8,791,891.49	1,110,663	6,707,333.47	53,610	2,084,558.02
1955 p	1,174,727	9,333,068.80	1,125,826	7,357,379.07	48,901	1,975,689.73
1954—January	131,175	831,074.87	126,302	648,823.27	4,873	182,251.60
February	151,766	858,186.20	147,388	696,518.84	4,378	161,667.36
March	161,433	920,825.11	156,453	741,539.39	4,980	179,285.72
April	193,973	837,856.03	189,474	663,933.66	4,499	173,922.37
May	67,009	775,297.70	61,793	576,838.04	5,216	198,459.66
June	61,299	698,547.20	56,848	519,001.56	4,451	179,545.64
July	58,784	658,218.38	54,464	485,275.05	4,320	172,943.33
August	58,012	614,952.83	53,795	444,541.96	4,217	170,410.87
September	49,660	573,294.51	45,466	410,798.87	4,194	162,495.64
October	61,015	676,313.94	56,428	503,397.25	4,587	172,916.69
November	53,835	591,922.87	50,070	444,747.27	3,765	147,175.60
December	116,312	755,401.85	112,182	571,918.31	4,130	183,483.54
1955—January	145,925	879,690.45	142,051	725,705.85	3,874	153,984.60
February	147,661	923,674.44	143,456	757,899.13	4,205	165,775.31
March	168,182	1,047,899.14	163,472	858,904.55	4,710	188,994.59
April	138,176	854,111.84	134,174	693,929.60	4,002	160,182.24
May	101,903	811,028.31	97 559	635,996.16	4,344	175,032.15
June	77,819	652,539.81	73,850	490,383.10	3,969	162,156.71
July	61,604	698,690.20	57,701	538,879.78	3,903	159,810.42
August	59,795	705,729.79	55,734	540,615.55	4,061	165,114.24
September	51,401	668,378.50	47,426	509,837.59	3,975	158,540.91
October	54,679	694,289.58	50,527	528,002.91	4,152	166,286.67
November	46,575	561,379.94	42,982	422,135.00	3,593	139,244.94
December	121,007	835,656.80	116,894	655,089.85	4,113	180,566.95

SOURCE: Manila Railroad Company.

TABLE 102.—*Operations of the Philippine Airlines, Inc.*, 1946-1955

Period and type of operation	Combined	International (Overseas)	Interisland
Total seat kilometers operated—			
1946	95,427,554	27,297,337	68,130,217
1947	278,548,733	123,746,459	154,802,275
1948	311,778,689	155,382,031	156,396,658
1949	344,588,456	197,003,592	147,548,864
1950	383,676,348	250,829,710	132,846,638
1951	388,667,368	244,525,648	144,141,720
1952	427,923,566	280,405,627	147,517,939
1953	493,277,035	332,853,367	160,423,668
1954	272,807,038	98,064,338	174,742,700
1955	206,645,449	31,309,062	175,336,387
Revenue passenger kilometers—			
1946	60,089,303	21,665,109	38,424,194
1947	129,692,565	46,025,542	83,667,023
1948	166,105,399	70,459,714	95,645,685
1949	163,824,757	86,891,125	76,933,632
1950	187,436,877	110,267,171	77,169,706
1951	209,585,148	117,560,182	92,024,966
1952	213,325,963	131,794,683	81,531,280
1953	227,728,082	139,683,146	88,044,936
1954	128,142,698	38,017,872	90,124,826
1955	119,422,453	18,209,593	101,212,860
Passengers carried—			
1946	124,350	2,143	122,207
1947	171,231	8,683	262,548
1948	310,978	10,930	300,048
1949	260,910	20,819	240,091
1950	250,928	20,216	230,712
1951	298,759	20,399	278,360
1952	262,267	25,051	237,216
1953	273,538	30,643	242,895
1954	273,467	18,267	255,200
1955	315,828	16,271	299,557
Total revenue kilometers flown—			
1946	4,013,654	837,248	3,176,406
1947	10,505,368	3,601,085	6,904,283
1948	11,204,344	3,972,008	7,232,336
1949	11,858,841	4,629,725	7,229,116
1950	11,424,917	5,046,923	6,377,994
1951	11,520,773	4,995,654	6,525,119
1952	12,155,623	5,725,760	6,429,863
1953	13,407,928	6,582,063	6,825,865
1954	8,955,263	2,028,391	6,926,872
1955	7,742,415	732,387	7,010,028
Total cargo carried (kilograms)—			
1946	2,411,621	34,473	2,377,148
1947	4,885,492	303,768	4,581,724
1948	5,318,655	451,437	4,867,218
1949	6,157,469	490,656	5,666,813
1950	6,200,454	569,608	5,630,846
1951	6,702,908	746,961	5,955,947
1952	6,033,868	762,630	5,271,238
1953	6,462,339	895,791	5,566,548
1954	5,485,847	347,474	5,138,373
1955	6,212,603	104,896	6,107,707
Mail carried (kilograms)—			
1946	55,525	261	55,264
1947	269,463	34,927	234,536
1948	235,036	42,201	192,835
1949	318,632	52,162	266,470
1950	239,680	67,084	172,596
1951	272,089	71,206	200,883
1952	338,673	100,385	238,288
1953	478,845	138,569	340,275
1954	393,046	36,140	356,906
1955	369,024	18,740	350,284

SOURCE OF BASIC DATA: Philippine Airlines, Inc.

TABLE 103.—*Volume of Production of the Manila Electric Company*
1947-1955

Period	Quantity	
	Kilowatt hours	Index (1949=100)
1947 r	255,979,980	60.9
1948 r	361,510,908	86.0
1949 r	420,491,136	100.0
1950 r	458,576,016	109.1
1951 r	497,222,196	118.2
1952 r	557,458,489	132.6
1953 r	628,356,799	149.4
1954 r	701,784,742	166.9
1955	782,750,265	186.2
1954—January	57,301,254	163.5
February	52,477,118	149.8
March	57,778,947	164.9
April	54,407,647	155.3
May	57,772,647	164.9
June	58,525,047	167.0
July	60,205,547	171.8
August	60,385,247	172.3
September	59,680,247	170.3
October	62,184,447	177.5
November	58,738,547	167.6
December	62,328,047	177.9
1955—January	61,313,547	175.0
February	56,626,447	161.6
March	64,028,747	182.7
April	60,838,547	173.6
May	66,034,947	188.5
June	65,130,447	185.7
July	66,811,695	190.7
August	67,335,947	192.2
September	66,688,447	190.3
October	69,968,047	199.7
November	67,604,000	192.9
December	70,369,447	200.8

SOURCE OF BASIC DATA: Manila Electric Company.

r Revision due to conversion of monthly averages previously shown to actual output for the period.

APPENDIX F
NON-AGRICULTURAL EMPLOYMENT AND WAGES

TABLE 104.—*Employment Index in Reporting Non-Agricultural Establishments in the Philippines by Industry Division*, 1950-1955

(1949=100)

Period	Total	Mining and quarrying	Manufacturing	Transportation and communication	Commerce	Construction	Personal services	Recreational services [a]	Government [b]
1950	99.5	120.2	97.9	99.1	93.4	69.7	98.5	99.0	102.8
1951	100.8	143.3	98.9	94.3	90.5	43.9	101.3	93.3	108.5
1952	103.6	150.1	99.1	96.3	95.1	50.9	89.8	84.1	115.0
1953	107.7	138.7	109.0	97.6	93.6	46.5	90.5	87.5	120.6
1954	108.5	106.8	115.5	98.1	96.6	55.3	84.4	94.5	120.6
January	108.1	109.3	116.1	97.7	90.4	37.2	88.0	90.7	120.0
February	109.9	110.5	119.8	99.0	96.7	44.9	88.3	90.8	119.8
March	109.2	109.1	118.1	98.8	96.0	48.5	88.0	90.9	119.7
April	109.3	109.6	118.2	98.8	95.8	57.2	87.4	91.4	118.8
May	108.4	109.2	116.4	97.2	96.4	58.0	87.2	91.8	118.6
June	107.0	109.1	113.0	97.3	96.3	62.0	87.3	91.3	117.1
July	107.1	106.7	114.0	97.5	96.2	51.8	87.6	97.9	117.6
August	106.5	104.6	112.9	97.0	96.1	56.4	87.4	98.5	117.3
September	107.1	105.4	112.7	97.7	97.6	64.1	87.2	97.7	117.7
October	108.9	102.9	113.4	97.9	99.7	60.4	73.8	97.4	125.0
November	109.1	103.0	113.4	98.3	98.2	61.1	75.0	97.5	126.1
December	111.9	102.1	117.7	99.4	100.1	62.2	75.4	98.2	129.6
1955	111.9	112.3	116.0	100.5	102.1	39.9	73.3	98.3	131.1
January	111.2	109.6	118.4	99.4	98.7	50.7	75.3	96.9	126.0
February	111.1	109.8	118.7	100.0	104.1	36.6	74.8	97.4	124.2
March	112.8	110.0	120.7	100.2	102.1	34.4	74.6	96.8	129.0
April	112.8	108.5	121.0	98.9	101.1	37.8	74.7	100.1	130.0
May	111.9	109.4	118.4	98.4	101.4	39.8	76.4	101.1	129.8
June	111.1	109.2	116.0	98.8	101.8	42.3	76.6	101.2	129.1
July	110.0	114.9	112.1	98.5	100.3	44.7	72.3	101.6	129.6
August	111.3	114.1	112.4	98.4	101.9	43.7	71.6	101.7	134.1
September	110.7	115.0	110.9	97.7	102.3	45.4	71.1	101.7	133.7
October	111.1	114.0	109.3	105.0	103.6	32.4	70.7	94.0	134.5
November	113.4	115.9	114.7	105.2	102.3	34.4	70.9	93.0	135.9
December	115.8	116.7	119.2	106.0	105.6	36.0	70.9	93.8	136.7

SOURCE OF BASIC DATA: Cooperating Establishments.

[a] Actors, actresss and other players in motion picture studios are not included.

[b] Covering 74 bureaus and offices.

TABLE 105.—*Per cent Change in Employment in Reporting Non-Agricultural Establishments in the Philippines, by Industry Division and Group, 1954-1955*

(1949 = 100)

Industry division and group	Number of reporting establishments	Annual index		Per cent change
		1954	1955	
TOTAL	734	108.5	111.9	3.1
MINING AND QUARRYING	14	106.8	112.3	5.1
Coal mining	2	14.6	133.0	811.0
Chromite mining	2	108.5	96.7	- 10.9
Gold mining	3	89.4	87.3	- 2.4
Copper mining	1	153.0	162.6	6.3
Iron ore mining	1	282.0	290.9	3.2
Crude petroleum and natural gas	1	.6	26.3	4,283.0
Non-metallic mining and quarrying	4	50.2	52.7	5.0
MANUFACTURING	302	115.5	116.0	.4
Food manufacturing industries except beverage industries	67	117.2	118.2	.9
Beverage industries	25	110.9	112.0	1.0
Tobacco manufactures	14	161.6	180.7	11.8
Manufacture of textiles	1	99.5	100.3	.8
Manufacture of wearing apparel and other made-up textile goods	31	94.8	93.7	- 1.2
Manufacture of wood and cork except manufacture of furniture	18	102.9	85.8	- 16.6
Manufacture of furniture and fixtures	16	92.2	93.2	1.1
Manufacture of paper and paper products	6	139.9	137.8	- 1.5
Manufacture of rubber products	8	101.5	102.5	1.0
Manufacture of chemicals and chemical products	21	149.6	155.2	3.7
Manufacture of non-metallic mineral products	28	130.2	140.5	7.9
Manufacture of metallic products	17	124.4	128.0	2.9
Manufacture of transportation equipment (ship and boat building and repairing)	3	94.1	97.0	3.1
Manufacturing industries not elsewhere classified	23	128.0	132.1	3.2
Printing, publishing and allied industries	24	110.6	118.8	7.4
TRANSPORTATION AND COMMUNICATION	68	98.1	100.5	2.4
Railroad transportation	1	80.0	81.1	1.4
Other land transportation	22	98.7	98.7	-
Water transportation	20	128.1	132.8	3.7
Air transportation	5	97.3	82.1	- 15.6
Services incidental to transportation	4	56.6	59.5	5.1
Communication	9	131.3	133.5	1.7
Other public utilities	7	94.2	110.7	17.5
COMMERCE	172	96.6	102.1	5.7
Wholesale and retail trade	116	87.2	90.8	4.1
Banks and other financial institutions	17	117.2	125.0	6.7
Insurance	25	173.4	198.6	14.5
Real estate	14	82.9	71.2	- 14.1
CONSTRUCTION	15	55.3	39.9	- 27.8

TABLE 105.—*Per cent Change in Employment in Reporting Non-Agricultural Establishments in the Philippines, by Industry Division and Group,* 1954-1955 (*Concluded*)

(1949=100)

Industry division and group	Number of reporting establishments	Annual index		Per cent change
		1954	1955	
PERSONAL SERVICES	54	84.4	73.3	- 13.2
Restaurants, cafes and other drinking and eating places	15	88.2	86.0	- 2.5
Hotels and lodging houses	6	62.1	33.3	- 46.4
Laundering, cleaning and dyeing	3	118.9	118.2	- .6
Barber shops and beauty parlors	9	81.9	81.8	- .1
Portrait and commercial photographic studios	12	100.3	97.4	- 2.9
Personal services not elsewhere classified	9	91.6	92.2	.7
RECREATIONAL SERVICES	35	94.5	98.3	4.0
Motion picture production and distribution [a]	14	67.0	73.1	9.1
Theaters	17	95.0	101.1	6.4
Other recreational services	4	111.5	112.8	1.2
GOVERNMENT	74	120.6	131.1	8.7

SOURCE OF BASIC DATA: Cooperating Establishments.

[a] Actors, actresses and other players in motion picture studios are not included.

TABLE 106.—*Wage Rates of Laborers in Industrial Establishments in Manila,*[a] 1941; 1946-1955

Period	Wage rates (Pesos)		Index (1941 = 100)		Real wage rates in pesos	
	Skilled laborers	Unskilled laborers	Skilled laborers	Unskilled laborers	Skilled laborers	Unskilled laborers
1941	2.29	1.24	100.0	100.0	2.29	1.24
1946	6.73	4.53	293.9	365.3	1.29	0.87
1947	7.54	4.66	329.2	375.8	1.94	1.20
1948	7.47	4.69	326.2	378.2	2.05	1.28
1949	7.61	4.90	332.3	395.2	2.19	1.41
1950	7.60	4.29	331.9	346.0	2.25	1.27
1951	7.13	4.63	311.4	373.4	1.98	1.29
1952	7.25	4.95	316.8	399.0	2.10	1.43
1953	7.40	5.09	323.2	410.4	2.27	1.56
January	7.37	5.09	321.8	410.5	2.14	1.48
February	7.44	5.08	324.9	409.7	2.25	1.54
March	7.39	5.08	322.7	409.7	2.27	1.56
April	7.38	5.06	322.3	408.1	2.27	1.56
May	7.40	5.09	323.1	410.5	2.30	1.58
June	7.41	5.08	323.6	409.7	2.30	1.58
July	7.36	5.08	321.4	409.7	2.28	1.57
August	7.41	5.10	323.6	411.3	2.28	1.57
September	7.43	5.09	324.5	410.5	2.28	1.56
October	7.39	5.12	322.7	412.9	2.27	1.57
November	7.38	5.10	322.3	411.3	2.27	1.57
December	7.46	5.09	325.8	410.5	2.29	1.56
1954	7.44	5.03	325.1	405.4	2.30	1.56
January	7.41	5.03	323.6	405.6	2.29	1.56
February	7.44	5.03	324.9	405.6	2.39	1.62
March	7.44	5.02	324.9	404.8	2.39	1.61
April	7.42	5.03	324.0	405.6	2.38	1.61
May	7.43	4.96	324.5	400.0	2.34	1.56
June	7.43	5.00	324.5	403.2	2.33	1.57
July	7.46	5.00	325.8	403.2	2.27	1.52
August	7.45	5.06	325.3	408.1	2.25	1.53
September	7.42	5.03	324.0	405.6	2.22	1.51
October	7.44	5.05	324.9	407.3	2.24	1.52
November	7.48	5.04	326.6	406.5	2.25	1.52
December	7.51	5.07	327.9	408.9	2.29	1.55
1955	7.44	5.18	325.0	417.8	2.33	1.62
January	7.40	5.03	323.1	405.6	2.31	1.57
February	7.41	5.05	323.6	407.3	2.34	1.60
March	7.41	5.02	323.6	404.8	2.34	1.59
April	7.39	5.09	322.7	410.5	2.33	1.61
May	7.49	5.24	327.1	422.6	2.35	1.64
June	7.48	5.22	326.6	421.0	2.34	1.63
July	7.48	5.26	326.6	424.2	2.32	1.63
August	7.47	5.28	326.2	425.8	2.32	1.64
September	7.46	5.22	325.8	421.0	2.34	1.64
October	7.44	5.27	324.9	425.0	2.33	1.65
November	7.43	5.26	324.5	424.2	2.29	1.62
December	7.45	5.22	325.3	421.0	2.29	1.60

SOURCES OF BASIC DATA: Private firms.

[a] Prior to 1951, data were furnished by the Bureau of the Census and Statistics.

TABLE 107.—*Wage Rates*[a] *of Agricultural Laborers, by Region,* 1941, 1947-1955

(Wage rates in pesos)

(1941 = 100)

Region	1941	1947		1948		1949		1950	
	Wage rate	Wage rate	Index	Wage rate	Index	Wage rate	Index	Wage rate	Index
PHILIPPINES	0.56	2.05	366.1	1.66	296.4	1.73	308.9	1.70	303.6
Luzon: Ilocos, including Mountain Region	0.53	2.06	388.7	1.40	264.2	1.67	315.1	1.63	307.5
Luzon: Cagayan Valley, including Batanes	0.60	1.44	240.0	1.42	236.7	1.76	293.3	1.62	270.0
Central Luzon: including Zambales	0.67	3.00	447.8	2.35	350.7	2.04	304.5	2.10	313.4
Southern Luzon: including Marinduque and Mindoro	0.66	3.06	463.6	1.92	290.9	2.02	306.1	2.18	330.3
Southern Luzon: Bicol	0.52	2.05	394.2	1.42	273.1	1.51	290.4	1.43	275.0
East Visayan	0.37	1.49	402.7	1.25	337.8	1.27	343.2	1.41	381.1
West Visayan	0.47	1.38	293.6	1.13	240.4	1.37	291.5	1.27	270.2
Mindanao: including Sulu	0.60	1.80	300.0	1.76	293.3	1.86	310.0	1.77	295.0

TABLE 107.—*Wage Rates*[a] *of Agricultural Laborers, by Region,* 1941, 1947-1955 (*Concluded*)

(Wage rates in pesos)

(1941 = 100)

Region	1951		1952		1953		1954		1955 [b]	
	Wage rate	Index	Wage rate	Index	Wage rate	Index	Wage rate	Index	Wage rate	Index
PHILIPPINES	1.71	305.4	1.94	346.4	2.07	369.6	2.14	382.1	..	..
Luzon: Ilocos, including Mountain Region	1.80	339.6	2.11	398.1	2.08	392.5	2.04	384.9	..	..
Luzon: Cagayan Valley, including Batanes	1.54	256.7	2.27	378.3	2.10	350.0	2.07	345.0	..	..
Central Luzon: including Zambales	1.95	291.0	2.13	317.9	2.56	382.1	2.55	380.6	..	..
Southern Luzon: including Marinduque and Mindoro	2.16	327.3	2.45	371.2	2.55	386.4	2.61	395.5	..	..
Southern Luzon: Bicol	1.51	290.4	1.82	350.0	1.69	325.0	1.84	353.8	..	..
East Visayan	1.43	386.5	1.84	497.3	1.84	497.3	1.81	489.2	..	..
West Visayan	1.31	278.7	1.70	361.7	1.92	408.5	1.84	391.5	..	..
Mindanao: including Sulu	1.78	296.7	1.90	316.7	2.10	350.0	2.29	381.7	..	..

SOURCE OF BASIC DATA: Bureau of the Census and Statistics.

[a] Wage rates are averages of daily money wage rates. Aside from this wage, agricultural laborers are furnished with two free meals.

[b] Due to a redistribution of statistical responsibility, among various government agencies, the Bureau of the Census and Statistics starting in 1955 ceased collecting the basic data on agricultural wage rates. This function is under re-assignment by the Office of Statistical Coordination and Standards, National Economic Council.

TABLE 108.—*Average Monthly Earnings*[a] *of Salaried Employees and Wage Earners in Selected Non-Agricultural Industries in the Philippines, by Industry Division, 1952-1955*

(In pesos)

Period	Number of workers	All workers		Mining		Manufacturing		Electricity, gas and heat, water and sanitary services		Commerce		Transport and communication	
		Salaried employees	Wage earners	Salaried employees	Wage earners	Salaried employees	Wage earners	Salaried employees	Wage earners	Salaried employees	Wage earners	Salaried employees	Wage earners
1952	137,081	210	130	216	94	195	107	216	162	231	133	190	152
1953	145,335	221	133	231	102	210	114	229	159	233	139	206	149
1954	150,511	231	140	246	106	202	119	236	175	254	145	215	154
January	155,052	230	137	254	104	196	119	239	159	252	146	209	155
February	156,935	226	137	237	103	196	120	238	166	249	141	208	155
March	155,657	223	139	231	106	192	121	237	169	248	144	207	155
April	154,853	224	136	227	106	200	113	234	160	253	140	208	161
May	154,123	230	139	250	105	208	122	234	164	253	145	204	157
June	150,532	230	140	250	108	207	120	233	171	252	148	208	155
July	146,244	231	135	239	101	206	116	236	168	252	139	222	152
August	143,052	230	136	243	103	196	119	235	166	253	140	221	153
September	144,829	235	137	256	105	201	117	236	170	257	143	223	152
October	147,809	235	143	252	106	205	116	235	200	258	143	223	152
November	146,997	239	146	263	112	208	119	238	200	261	149	223	151
December	150,039	238	149	253	109	210	125	235	204	265	156	226	153
1955	153,995	238	144	259	112	207	122	237	175	265	157	219	156
January	155,651	240	143	269	113	211	121	235	167	266	161	220	155
February	156,189	237	142	256	110	214	124	236	173	263	151	217	152
March	158,010	236	142	260	109	211	125	229	173	261	152	218	153
April	157,309	239	141	271	108	204	119	234	162	267	159	219	159
May	155,830	240	145	269	109	203	123	244	173	263	159	220	159
June	154,831	239	145	265	112	204	122	244	177	264	158	220	158
July	150,420	239	144	265	113	206	119	242	175	264	160	219	154
August	149,403	237	145	260	113	202	121	241	181	263	156	217	153
September	149,235	236	144	256	114	204	122	241	176	261	154	218	153
October	151,031	234	147	243	117	205	124	234	182	267	155	219	158
November	153,179	234	146	246	118	205	118	234	176	266	161	220	158
December	156,851	239	149	246	113	214	130	235	180	277	161	225	159

SOURCE OF BASIC DATA: Private Firms.

[a] Does not include privileges such as food ration, lodging, recreation, etc. Includes only money wage, overtime pay, bonuses and pay for sick leave, holidays, and vacations taken during pay period reported, before taxes.

APPENDIX G
INTERNAL TRADE

TABLE 109.—*Gross Sales and/or Receipts Index of Leading Business Establishments*[a] *in the Philippines, by Industry Division, 1952-1955*

(1951 = 100)

(Unadjusted for price changes)

Period	All items	Mining and quarrying	Manufacturing	Construction	Electricity, gas, heat, water and sanitary services	Commerce	Transport, storage and communication	Services
1952	98.6	113.5	97.8	88.1	109.9	97.1	105.0	95.9
1953	99.2	119.3	103.6	88.3	116.3	94.4	103.7	93.6
1954	101.6	120.3	110.2	74.3	132.6	94.8	99.6	102.5
January	104.1	97.1	115.5	74.1	126.5	98.1	101.2	90.3
February	97.9	85.0	110.0	60.5	119.8	90.7	99.6	97.7
March	105.2	129.0	111.4	76.0	120.0	100.6	105.8	90.7
April	102.3	151.1	110.5	64.8	128.3	94.0	106.1	94.7
May	107.5	128.3	123.0	66.6	131.1	97.1	105.5	99.3
June	103.2	98.1	110.6	68.0	135.5	98.5	101.9	103.8
July	102.3	163.2	112.4	64.7	136.2	92.2	98.3	110.9
August	96.1	82.9	106.0	75.3	136.5	89.6	92.6	106.4
September	100.1	133.5	107.8	85.0	137.3	92.2	99.2	104.7
October	103.7	136.7	112.4	79.0	139.4	96.7	94.9	107.1
November	94.7	106.3	98.7	82.2	135.3	90.0	92.0	108.6
December	102.3	132.8	104.2	95.8	145.1	98.2	97.7	115.5
1955	107.0	122.2	109.2	89.8	142.5	103.9	105.8	106.8
January	99.5	142.1	103.7	69.6	169.6	92.4	95.8	113.8
February	98.6	103.1	102.0	87.4	137.6	94.4	101.4	99.2
March	108.9	125.8	115.1	94.9	137.7	103.3	109.1	108.7
April	104.3	112.5	108.0	96.8	133.1	98.9	115.5	102.9
May	107.8	104.3	111.9	93.2	141.1	101.8	125.0	104.8
June	110.4	107.9	115.0	107.1	136.9	105.6	117.8	106.8
July	107.5	115.3	107.8	75.2	135.7	106.6	105.6	109.2
August	107.6	128.9	109.1	93.6	138.3	105.2	106.4	99.5
September	107.9	138.0	107.6	84.7	138.7	106.3	104.0	109.7
October	109.8	134.9	109.4	97.4	146.9	110.2	94.0	107.7
November	104.8	123.5	104.8	79.3	147.2	104.9	89.6	108.1
December	116.4	129.8	116.1	98.1	146.9	117.0	105.6	111.2

[a] Compiled directly from data furnished by 1,174 cooperating establishments.

TABLE 110.—*Inventories of Non-Farm Business Establishments[r] Classified by Kind of Business,* 1954-1955

(Pesos)

Kind of business	Number of reporting establishments	Value of inventories		Per cent change
		1954	1955	
TOTAL	2,917	530,097,324	588,578,900	+ 11.0
Mining	24	16,741,111	19,095,850	+ 14.1
Producer	1,159	204,813,734	241,059,213	+ 17.7
Food except beverages	282	67,610,856	76,703,592	+ 13.4
Beverage industries	29	25,086,201	34,736,722	+ 38.5
Tobacco	25	12,854,453	17,422,834	+ 35.5
Textiles	33	13,772,295	16,570,065	+ 20.3
Footwear, other wearing apparel and made up textile goods	402	21,573,657	23,104,336	+ 7.1
Wood and cork, except furniture and fixtures	21	6,400,323	7,226,629	+ 12.9
Furniture and fixtures	45	3,146,118	2,830,537	— 10.0
Paper and paper products	50	6,866,371	8,855,184	+ 29.0
Printing, publishing and allied industries	33	5,263,623	5,644,075	+ 7.2
Leather and leather products, except footwear	10	590,646	632,323	+ 7.1
Rubber products	9	2,821,486	5,277,017	+ 87.0
Chemicals and chemical products	71	18,747,348	20,629,788	+ 10.0
Products of petroleum and coal	6	757,091	1,067,812	+ 41.0
Non-metallic products, except products of petroleum and coal	25	2,344,676	2,682,797	+ 14.4
Metal products, except machinery and transport equipment	48	8,191,694	7,329,672	— 10.5
Machinery, except electrical machinery	2	342,806	256,608	— 25.1
Electrical machinery, apparatus, appliances and supplies	10	1,779,825	3,038,002	+ 70.7
Transport equipment	6	1,603,534	1,627,872	+ 1.5
Miscellaneous	52	5,060,731	5,423,348	+ 7.2
Trade	1,734	308,542,479	328,423,837	+ 6.4
Wholesale	1,009	243,786,036	254,904,329	+ 4.6
Food except beverages	121	15,819,357	25,629,031	+ 62.0
Beverages	2	706,003	1,635,506	+131.7
Tobacco	4	535,774	560,366	+ 4.6
Textiles	166	14,268,987	15,426,813	+ 8.1

TABLE 110.—*Inventories of Non-Farm Business Establishments*[r] *Classified by Kind of Business,* 1954-1955 (*Concluded*)

(Pesos)

Kind of business	Number of reporting establishments	Value of inventories		Per cent change
		1954	1955	
Footwear, other wearing apparel and made up textile goods	18	3,134,290	3,179,113	+ 1.4
Paper and paper products	3	578,496	529,449	— 8.5
Printing and publishing	8	1,195,031	1,325,750	+ 10.9
Rubber products	6	6,140,858	6,785,947	+ 10.5
Chemicals and chemical products	34	8,418,975	9,197,626	+ 9.2
Products of petroleum and coal	6	48,748,398	44,104,496	— 9.5
Non-metallic mineral products except petroleum and coal	13	790,232	560,662	— 29.1
Metal products, except machinery and transport equipment	53	32,106,503	35,564,466	+ 10.8
Machinery, except electrical machinery	43	26,136,412	27,803,839	+ 6.4
Electrical machinery, apparatus, appliances and supplies	15	2,518,472	2,390,818	— 5.1
Transport equipment	18	14,836,927	14,420,409	— 2.8
Miscellaneous	499	67,851,321	65,790,038	— 3.0
Retail	725	64,756,443	73,519,508	+ 13.5
Food except beverages	55	4,674,861	5,452,683	+ 16.6
Textiles	97	3,734,823	4,777,186	+ 27.9
Footwear, other wearing apparel and made up textile goods	14	1,185,365	1,137,730	— 4.0
Printing, publishing and allied products	6	605,544	681,034	+ 12.5
Chemicals and chemical products	29	7,084,249	8,944,677	+ 26.3
Non-metallic products except products of petroleum and coal	21	2,282,865	2,100,216	— 8.0
Metal products, except machinery and transport equipment	72	2,685,788	5,574,248	+107.5
Electrical machinery, apparatus, appliances and supplies	35	4,661,500	5,505,717	+ 18.1
Transport equipment	86	11,561,484	10,332,543	— 10.6
Miscellaneous	310	26,339,964	29,013,474	+ 10.2

[r] Revised to increase coverage from 344 to 2,917 cooperating non-farm business establishments in the Philippines.

APPENDIX H
PRICES

TABLE 111.—*Retail Prices Index of Selected Commodities in Manila*, 1950-1955

(1949=100)

Period	All items	Food-stuffs	Wearing apparel	Construction materials	Fuel	Drugs and medicines	School supplies	Beverages and tobacco	Household supplies and equipment
1950	100.2	95.6	98.6	95.5	97.4	115.2	105.1	134.7	108.0
1951	110.4	103.1	115.2	106.8	101.3	141.8	130.1	129.3	137.4
1952	106.3	99.1	98.3	103.0	101.3	124.3	139.0	130.5	129.9
1953	102.9	97.3	94.7	103.2	102.2	114.1	115.2	126.5	123.5
1954	98.2	94.0	88.5	98.9	99.4	107.5	97.8	123.6	117.1
January	100.5	96.5	90.3	102.2	102.3	108.2	93.8	123.6	125.7
February	98.1	92.9	89.1	101.8	97.5	108.2	96.7	123.6	122.8
March	97.3	91.6	89.1	101.2	98.8	108.2	96.7	123.6	120.3
April	97.5	91.6	89.1	100.9	101.7	108.2	96.7	123.6	119.0
May	97.7	92.4	89.1	97.7	101.3	108.2	98.3	123.6	119.3
June	97.9	93.0	89.1	98.9	99.4	108.2	98.3	123.6	118.7
July	98.3	94.4	89.1	98.8	99.4	108.2	96.1	123.6	115.4
August	98.9	95.4	89.1	98.8	99.2	108.2	100.1	123.6	113.0
September	98.6	94.5	89.1	98.9	98.5	108.2	99.2	123.6	112.2
October	97.8	94.5	86.3	96.1	98.5	108.2	99.2	123.6	112.4
November	97.4	94.1	86.2	96.0	98.5	105.1	99.2	123.6	113.0
December	98.9	97.1	86.1	96.0	98.2	103.0	99.2	123.6	113.0
1955	94.6	90.7	80.5	94.7	97.7	99.7	98.3	123.4	110.8
January	98.3	95.6	85.9	97.1	98.2	103.0	100.1	123.6	113.0
February	95.8	91.2	85.5	95.5	98.2	103.0	100.1	123.6	113.0
March	93.0	87.0	81.2	94.1	98.2	100.8	99.8	123.6	112.2
April	92.4	87.0	78.5	93.6	98.2	100.8	98.7	122.9	111.5
May	93.0	88.1	78.5	94.1	98.2	100.8	98.7	122.7	110.5
June	93.6	88.7	79.8	95.4	98.2	100.8	98.4	122.7	110.2
July	94.7	90.3	82.6	95.6	98.2	100.8	98.4	122.7	110.6
August	94.9	91.5	80.6	94.8	98.4	98.0	98.4	122.7	108.4
September	94.1	90.7	78.9	93.9	98.5	97.2	97.3	122.7	108.1
October	94.9	92.7	78.3	93.4	97.1	97.2	96.4	122.8	110.0
November	95.6	93.8	78.3	93.9	96.7	97.2	96.4	124.0	111.0
December	94.7	91.9	77.6	94.9	94.8	97.2	96.4	126.7	111.0

SOURCES OF BASIC DATA: Bureau of Commerce.
Public markets.
Private firms.

TABLE 112.—*Consumer Price Index for Manila,* 1950-1955

(1949 = 100)

Period	All items	Food	Clothing	House rent[r]	Fuel, light, water	Miscellaneous
1950	103.0	97.8	120.4	99.0	99.8	107.9
1951	111.6	105.1	153.8	97.5	100.6	115.6
1952	104.4	100.3	122.2	92.1	98.6	110.0
1953	100.9	94.8	115.6	90.4	92.7	110.3
1954	99.4	93.6	110.3	90.0	86.6	110.0
January	99.3	92.4	114.4	90.0	89.2	109.9
February	97.7	89.8	111.4	90.0	86.9	109.9
March	97.3	89.2	111.2	90.0	86.6	109.7
April	97.6	90.1	110.0	90.0	87.1	109.5
May	98.2	91.5	110.0	90.0	86.8	109.3
June	98.7	92.6	109.9	90.0	86.2	109.4
July	100.5	95.7	111.0	90.0	86.1	110.1
August	101.5	97.7	110.6	90.0	86.1	110.3
September	100.8	96.3	110.0	90.0	86.0	110.4
October	99.8	94.5	108.7	90.0	86.1	110.4
November	100.5	95.9	108.4	90.0	86.2	110.3
December	101.5	98.0	108.5	90.0	86.2	110.3
1955	98.4	92.9	106.6	88.9	83.5	109.6
January	99.8	94.5	108.4	89.5	86.4	110.3
February	98.4	91.9	106.8	89.5	86.4	110.3
March	97.7	90.6	106.4	89.5	86.2	110.2
April	97.5	90.9	105.4	89.5	82.6	110.0
May	97.4	90.8	105.4	89.5	82.3	109.9
June	97.5	90.9	105.4	89.5	82.2	109.9
July	98.0	92.3	105.6	88.3	82.4	109.7
August	98.4	93.0	108.4	88.3	82.6	109.3
September	97.9	92.4	107.0	88.3	82.7	108.8
October	98.3	93.4	106.9	88.3	82.7	108.7
November	100.4	97.9	106.9	88.3	82.7	108.5
December	99.9	96.2	107.0	88.3	82.7	109.6

SOURCES OF BASIC DATA: Bureau of Commerce.
Public markets.
Private firms.
Residential houses.

TABLE 113.—*Retail Price Index of Foodstuffs*[a] *in Manila*, 1950-1955

(1949=100)

Period	All items	Cereals	Fish	Meat	Vegetables	Fruits	Eggs and milk	Fats and oils	Miscellaneous
1950	97.8	88.1	92.3	99.1	115.5	99.8	110.3	92.7	108.1
1951	105.1	92.6	96.1	99.9	119.0	111.6	119.5	108.1	133.0
1952	100.3	87.3	90.2	100.5	124.0	115.1	114.4	86.0	120.1
1953	94.8	76.4	90.2	98.6	111.1	104.1	111.3	88.6	119.2
1954	93.6	72.9	87.3	104.3	116.9	84.2	107.1	85.5	120.6
January	92.4	72.5	90.4	102.2	103.7	92.4	111.9	86.8	113.0
February	89.8	66.6	88.7	107.7	96.6	84.7	109.1	85.4	112.6
March	89.2	66.6	87.3	107.2	94.9	83.7	106.1	84.4	113.7
April	90.1	66.8	87.6	106.6	96.0	84.7	106.7	84.4	119.0
May	91.5	68.6	87.9	106.8	101.1	85.9	108.7	84.3	120.5
June	92.6	70.6	87.9	106.9	106.3	85.5	108.0	85.7	120.5
July	95.7	73.2	87.6	106.7	133.3	83.9	106.8	85.7	121.8
August	97.7	76.2	85.1	103.6	150.6	84.3	105.8	85.7	126.3
September	96.3	81.4	85.4	100.9	124.4	81.9	104.3	85.7	125.1
October	94.5	79.5	85.6	100.9	109.8	80.5	105.5	85.7	124.6
November	95.9	79.1	87.2	100.9	124.2	80.5	104.8	86.0	124.9
December	98.0	74.2	87.1	101.8	161.5	81.9	107.3	86.1	124.8
1955	92.9	74.3	86.3	99.9	128.3	74.9	102.8	82.7	116.2
January	94.5	71.8	86.4	100.3	140.8	82.2	106.0	86.1	120.7
February	91.9	72.2	86.4	100.0	119.5	65.5	104.3	86.1	119.7
March	90.6	73.4	86.4	100.0	104.9	64.8	101.5	85.8	118.5
April	90.9	75.0	86.2	99.9	107.4	65.4	100.2	85.6	116.5
May	90.8	74.2	87.0	99.9	110.4	65.2	99.1	85.1	115.3
June	90.9	74.6	86.9	99.3	111.0	64.7	101.1	85.1	114.7
July	92.3	76.3	87.4	99.3	117.1	68.7	102.5	85.1	114.6
August	93.0	77.0	86.2	99.2	123.1	81.7	104.0	79.5	113.2
September	92.4	75.9	84.6	100.0	122.4	85.0	103.2	78.8	113.0
October	93.4	74.1	85.3	100.3	138.9	86.5	102.3	78.2	112.7
November	97.9	74.1	84.1	100.2	187.8	85.5	103.8	78.4	116.0
December	96.2	73.5	88.5	100.2	155.9	83.8	105.2	78.4	119.2

SOURCES OF BASIC DATA: Bureau of Commerce.
Public markets.
Private firms.

[a] Food component of the consumer price index.

TABLE 114.—*General Wholesale Price Index for Manila*, 1950-1955

(1949=100)

Period	All items	Food	Beverages & tobacco	Crude materials	Mineral fuels	Chemicals	Manufactured goods	Machinery & trans. equip.	Miscellaneous
1950	97.0	88.8	116.0	107.8	99.7	101.4	119.1	110.9	106.1
1951	109.0	98.5	122.6	113.1	107.1	129.6	156.2	143.9	134.3
1952	99.7	95.4	114.6	90.5	113.4	110.6	124.6	153.4	128.9
1953	98.7	89.5	115.1	111.5	108.5	107.9	114.4	137.2	129.3
1954	93.6	86.4	116.4	97.8	105.0	102.8	109.8	128.4	125.1
January	98.5	89.1	116.2	114.4	105.6	104.0	112.0	131.5	129.3
February	95.1	85.1	116.3	109.7	105.6	105.5	111.0	131.2	126.0
March	92.3	83.3	116.3	100.3	105.6	106.2	110.0	129.9	126.0
April	92.2	84.2	116.3	96.5	105.6	105.9	110.6	130.3	126.0
May	93.3	85.7	116.3	97.2	105.6	105.7	111.0	129.9	126.0
June	93.9	87.2	116.7	95.7	105.6	102.1	111.7	128.6	125.0
July	94.0	88.0	116.8	93.6	105.6	102.1	111.7	128.6	125.0
August	93.4	87.8	117.2	92.6	104.4	99.8	109.1	128.2	124.1
September	92.3	86.9	116.0	90.0	104.4	100.3	108.6	127.7	124.1
October	92.2	85.5	116.6	94.7	104.4	100.6	108.5	124.6	123.5
November	93.2	87.2	116.7	94.6	104.4	100.3	107.3	125.2	123.2
December	92.8	86.7	115.9	94.8	103.5	100.5	106.4	124.9	122.7
1955	91.1	84.8	115.1	94.1	103.4	94.7	105.0	124.3	119.9
January	92.3	85.4	115.6	97.6	103.5	95.9	105.9	124.5	121.3
February	91.4	84.1	115.7	97.8	103.5	95.2	105.2	124.5	121.0
March	91.3	85.3	115.5	93.5	103.5	95.1	105.0	124.6	119.3
April	90.7	84.7	115.0	92.4	103.5	95.1	105.0	124.3	119.3
May	89.9	84.0	115.0	89.9	103.5	95.1	105.3	124.3	119.3
June	89.3	82.0	115.0	93.5	103.5	95.2	104.9	123.7	119.3
July	91.8	85.0	114.9	97.6	103.5	95.4	104.5	123.7	119.3
August	92.0	87.1	114.8	91.2	103.5	95.0	104.2	124.0	120.0
September	89.3	82.5	113.3	92.4	103.5	93.6	105.0	123.0	120.2
October	93.1	87.8	114.7	94.8	103.5	93.7	105.1	123.8	120.2
November	91.5	85.6	114.8	93.8	103.5	93.7	105.1	124.0	119.7
December	90.5	83.6	116.9	94.7	101.9	93.7	105.4	127.0	120.0

SOURCES OF BASIC DATA: Bureau of Commerce.
Bureau of Fisheries.
Private firms.

TABLE 115.—*Wholesale Price Index of Domestic Products in Manila,* 1950-1955

(1949 = 100)

Period	All items	Food	Beverages & tobacco	Crude materials	Mineral fuels	Chemicals	Manufactured goods	Miscellaneous
1950.....	92.8	87.2	104.8	107.8	100.4	90.2	94.2	99.2
1951.....	101.3	96.3	107.8	113.1	100.3	112.4	101.0	106.8
1952.....	93.3	93.3	102.9	90.0	100.3	90.2	97.1	102.4
1953.....	93.5	87.2	101.6	111.5	99.4	91.1	94.6	100.1
1954.....	88.2	83.8	102.6	97.8	96.4	89.5	93.2	96.1
January....	93.8	86.9	102.1	114.4	96.6	88.2	93.2	99.9
February...	89.7	82.4	102.3	109.7	96.6	90.6	93.2	97.3
March.....	86.5	80.6	102.3	100.2	96.6	91.6	95.0	97.3
April.....	86.3	81.4	102.3	96.5	96.6	91.6	95.0	97.3
May.....	87.5	82.9	102.3	97.2	96.6	91.6	95.0	97.3
June.....	88.2	84.3	102.8	95.7	96.6	91.6	95.0	97.3
July.....	88.7	85.7	102.9	93.5	96.6	91.6	101.0	94.6
August.....	88.0	85.3	103.3	92.6	96.6	88.2	90.5	94.6
September..	86.8	84.3	102.8	90.0	96.6	88.2	89.8	94.6
October....	86.8	82.9	102.8	94.6	96.6	88.2	89.8	94.6
November..	88.0	84.8	102.8	94.6	96.6	86.4	89.5	94.3
December..	87.7	84.3	102.8	94.8	94.5	86.4	91.7	93.8
1955.....	86.3	82.7	101.7	94.0	94.5	85.8	87.8	91.3
January....	87.5	83.1	102.9	97.6	94.5	86.4	91.7	92.5
February...	86.6	81.8	102.9	97.8	94.5	86.4	91.7	92.5
March.....	86.7	83.2	102.7	93.4	94.5	86.4	91.7	91.2
April.....	86.1	82.7	102.4	92.3	94.5	86.4	91.7	91.2
May.....	85.1	82.0	102.4	89.8	94.5	86.4	91.7	91.2
June.....	84.5	80.0	102.4	93.5	94.5	86.4	91.7	91.2
July.....	87.3	83.0	102.3	97.6	94.5	86.4	85.5	91.2
August.....	87.4	85.3	102.2	91.2	94.5	86.4	83.5	91.2
September...	84.3	80.5	100.1	92.4	94.5	84.7	83.5	90.9
October....	88.5	85.9	100.0	94.7	94.5	84.7	83.5	90.9
November..	86.6	83.5	100.2	93.7	94.5	84.7	83.5	90.9
December..	85.3	81.1	100.3	94.6	94.5	84.7	83.5	90.9

SOURCES OF BASIC DATA: Bureau of Commerce.
Bureau of Fisheries.
Private firms.

TABLE 116.—*Wholesale Price Index of Export Products in Manila*, 1950-1955

(1949 =100)

Period	All items	Food	Beverages & tobacco	Crude materials	Miscellaneous
1950	109.6	103.3	139.9	112.6	100.0
1951	113.0	101.9	127.5	118.6	100.0
1952	89.9	103.2	80.5	83.2	98.0
1953	110.2	111.1	88.0	110.3	95.7
1954	96.8	106.1	120.8	91.8	93.5
January	112.1	107.0	110.9	114.9	95.7
February	107.6	109.1	110.1	107.0	95.8
March	99.9	109.1	110.3	95.1	95.8
April	96.6	109.3	110.8	89.9	95.8
May	96.6	107.7	110.5	90.7	95.8
June	95.1	107.4	121.7	88.4	95.8
July	92.8	104.8	126.8	86.1	91.3
August	91.6	104.4	125.4	84.6	91.2
September	89.1	104.2	129.4	80.8	91.2
October	93.2	102.5	131.3	87.8	91.2
November	93.6	103.6	131.3	87.9	91.2
December	93.6	103.7	131.3	87.9	91.2
1955	89.2	100.2	120.3	83.1	91.2
January	95.8	103.5	133.2	91.3	91.2
February	94.7	100.5	134.6	91.2	91.2
March	89.8	97.8	129.3	85.1	91.2
April	89.3	98.6	118.8	84.0	91.2
May	87.1	100.6	118.3	79.7	91.2
June	88.3	99.9	119.4	81.9	91.2
July	92.6	102.3	117.1	87.3	91.2
August	86.2	101.7	116.0	77.7	91.2
September	86.6	101.5	112.6	78.5	91.2
October	88.2	100.4	111.0	81.5	91.2
November	86.1	97.8	115.7	79.6	91.2
December	85.9	97.6	117.1	79.4	91.2

SOURCES OF BASIC DATA: Bureau of Commerce.
Private firms.

TABLE 117.—*Wholesale Price Index of Locally-Produced Commodities for Home Consumption in Manila,* 1950-1955

(1949 = 100)

Period	All items	Food	Beverages and tobacco	Crude materials inedible	Mineral fuels	Chemicals	Manufactured goods	Miscellaneous
1950	91.6	87.0	108.3	105.8	100.3	90.2	96.2	98.1
1951	100.7	97.5	109.3	111.1	100.3	112.4	100.6	116.1
1952	94.6	94.4	104.4	92.9	100.3	90.2	97.3	118.7
1953	92.8	87.6	102.2	111.9	99.4	91.1	94.9	106.1
1954	88.1	84.2	102.9	99.9	96.4	89.5	93.1	99.9
January	92.8	87.3	102.5	114.1	96.6	88.2	94.0	106.0
February	88.7	82.4	102.8	110.6	96.6	90.7	94.0	99.6
March	86.1	80.8	102.8	102.0	96.6	91.6	95.1	99.6
April	86.0	81.4	102.8	98.8	96.6	91.6	95.1	99.6
May	87.3	83.1	102.8	99.5	96.6	91.6	95.1	99.6
June	88.3	84.7	103.3	98.3	96.6	91.6	95.1	99.6
July	89.2	86.3	103.5	96.1	96.6	91.6	97.6	99.6
August	88.6	86.0	103.6	95.3	96.6	88.2	90.7	99.6
September	87.4	85.0	102.7	93.2	96.6	88.2	90.2	99.6
October	87.1	83.7	102.8	97.0	96.6	88.2	90.2	99.6
November	88.3	85.4	102.8	97.0	96.6	86.4	90.0	99.0
December	87.9	84.8	102.8	97.1	94.5	86.4	90.5	97.7
1955	86.9	83.5	101.8	97.5	94.5	85.9	88.9	91.7
January	87.4	83.5	102.8	99.8	94.5	86.4	91.5	94.7
February	86.5	82.2	102.9	100.0	94.5	86.4	91.5	94.7
March	86.9	83.6	102.7	96.4	94.5	86.4	91.5	91.4
April	86.4	83.2	102.2	95.3	94.5	86.4	91.5	91.4
May	85.5	82.4	102.2	93.4	94.5	86.4	91.5	91.4
June	85.0	80.8	102.3	97.6	94.5	86.4	91.5	91.4
July	87.9	84.1	102.2	101.2	94.5	86.4	87.3	91.4
August	88.3	85.9	102.1	96.0	94.5	86.4	86.0	91.4
September	84.4	81.6	100.5	92.4	94.5	84.8	86.0	90.8
October	89.7	87.1	100.4	99.4	94.5	84.8	86.0	90.8
November	87.6	84.6	100.7	98.7	94.5	84.8	86.0	90.8
December	86.7	82.9	100.7	100.0	94.5	84.8	86.0	90.8

SOURCES OF BASIC DATA: Bureau of Commerce.
Bureau of Fisheries.
Private firms.

TABLE 118.—*Wholesale Price Index of Imported Products in Manila*, 1950-1955

(1949 =100)

Period	All items	Food	Beverages & tobacco	Mineral fuels	Chemicals	Manufactured goods	Machinery & trans. equip.	Miscellaneous
1950.....	121.5	116.9	174.0	99.3	118.4	126.7	110.7	112.8
1951.....	152.8	123.3	202.5	111.9	156.0	174.7	143.2	148.2
1952.....	135.6	125.9	179.2	122.8	141.7	133.6	151.2	145.0
1953.....	128.6	126.9	189.8	115.0	133.5	120.8	137.0	147.4
1954.....	124.7	128.0	193.1	111.2	123.0	115.2	128.4	145.1
January....	125.7	124.1	193.9	112 1	128.2	117.8	131.5	147.8
February...	126.0	127.7	193.9	112.1	128.3	116.5	131.2	147.0
March.....	124.9	126.7	193.9	112.1	128.6	114.7	129.9	147.0
April.....	125.8	128.9	193.9	112.1	127.8	115.6	130.3	147.0
May.....	126.0	129.9	193.9	112.1	127.3	115.6	129.9	147.0
June.....	126.9	134.4	193.9	112.1	118.2	117.1	128.7	145.1
July.....	125.9	131.9	193.9	112.1	118.2	116.3	128.7	145.1
August.....	124.3	128.4	194.4	110.0	117.4	115.1	128.3	143.6
September..	124.0	128.9	189.4	110.0	118.8	114.6	127.8	143.6
October....	123.3	126.8	193.2	110.0	119.5	114.5	124.5	142.5
November..	122.3	124.3	193.7	110.0	121.5	112.9	125.2	142.5
December..	121.2	123.9	188.7	110.0	121.8	111.1	124.9	142.5
1955.....	118.5	118.3	189.5	109.8	108.2	110.4	124.2	142.5
January....	119.8	123.2	186.6	110.0	110.1	110.6	124.4	142.5
February...	118.9	121.8	186.6	110.0	108.6	109.6	124.4	142.1
March.....	118.2	119.5	186.6	110.0	108.4	109.3	124.5	141.6
April.....	117.7	117.5	185.6	110.0	108.2	109.3	124.3	141.6
May.....	117.4	115.7	185.1	110.0	108.2	109.8	124.3	141.6
June.....	117.0	114.8	185.1	110.0	108.5	109.3	123.7	141.6
July.....	117.6	116.1	185.1	110.0	109.2	110.1	123.6	141.6
August.....	117.9	115.3	185.2	110.0	108.0	111.1	124.0	142.9
September..	117.9	115.5	186.8	110.0	107.2	111.0	123.0	143.8
October....	119.0	117.6	196.0	110.0	107.2	111.3	123.8	143.8
November..	119.5	119.6	196.0	110.0	107.2	111.3	124.0	142.9
December..	121.1	122.6	209.5	107.2	107.2	111.8	126.9	143.5

SOURCES OF BASIC DATA: Bureau of Commerce.
Private firms.

TABLE 119.—*Wholesale Prices of Major Export Products in Manila*, 1941; 1946-1955

(In pesos)

Period	Copra resecada (100 kg.)	Sugar centrifugal (picul)	Abaca, unmftd. (picul)	Coconut oil (kilogram)	Lumber (1000 bd. ft.)	Logs (1000 bd. ft.)	Leaf tobacco (115 kg.)	Desiccated coconut (kilogram)	Pineapple, canned (kilogram)	Copra meal (kilogram)	Cordage (kilogram)
1941	6.17	4.81	8.09	.14	66.38	31.21	15.02	.21	.21	.02	.37
1946	23.37	..	32.72	.57	381.01	196.08	82.50	.88	..	.11	1.50
1947	35.03	13.15	41.00	.80	310.72	168.74	81.72	.90	..	.16	1.25
1948	51.49	12.40	52.94	.98	250.69	152.01	94.08	.94	.55	.14	1.04
1949	31.15	13.35	53.54	.62	215.12	141.41	91.52	.68	.37	.09	1.12
1950	35.98	14.14	53.24	.68	221.60	141.75	132.33	.66	.30	.11	.98
1951	36.16	13.59	62.66	.70	229.56	147.14	104.00	.67	.33	.12	1.13
1952	24.63	14.25	38.74	.46	212.76	139.54	61.22	.53	.40	.15	.97
1953	36.62	15.20	38.56	.69	240.01	152.27	67.62	.67	.39	.12	.96
1954	30.76	14.91	27.46	.57	223.13	142.04	98.12	.61	.38	.10	.87
January	39.55	14.88	34.72	.71	236.22	152.49	89.83	.66	.33	.11	.93
February	36.87	15.04	31.28	.67	236.07	152.20	88.61	.68	.34	.12	.93
March	31.92	15.22	28.39	.60	226.55	140.18	88.51	.65	.38	.10	.90
April	29.59	15.34	29.00	.56	223.19	141.68	89.17	.63	.41	.09	.86
May	29.60	15.15	28.63	.56	223.37	142.49	91.10	.63	.37	.09	.83
June	29.17	15.22	28.76	.55	223.37	142.28	99.44	.62	.39	.08	.84
July	28.78	15.26	26.42	.54	221.71	139.49	102.50	.57	.39	.08	.87
August	28.36	15.02	23.71	.52	217.57	138.67	103.07	.57	.36	.09	.83
September	26.76	14.74	23.88	.50	216.98	138.77	105.21	.57	.42	.09	.85
October	29.10	14.25	24.70	.53	216.98	138.88	106.67	.58	.42	.11	.91
November	29.70	14.50	24.58	.54	216.98	138.67	106.67	.57	.42	.10	.85
December	29.75	14.31	25.39	.54	218.60	138.67	106.67	.58	.42	.11	.84
1955	27.12	13.82	30.14	.48	233.67	151.47	97.63	.56	.40	.11	.73
January	31.18	14.04	25.92	.56	225.44	138.67	108.75	.60	.42	.12	.75
February	30.69	13.62	28.71	.55	229.90	138.67	110.00	.58	.42	.11	.74
March	28.12	13.26	28.96	.50	225.81	138.67	105.14	.57	.42	.10	.78
April	27.68	13.66	29.11	.49	220.91	138.57	96.60	.55	.42	.10	.71
May	25.80	13.94	29.22	.46	225.75	138.94	96.25	.56	.42	.11	.70
June	26.75	14.04	28.75	.48	238.96	148.24	97.03	.54	.39	.11	.72
July	29.16	14.13	29.16	.49	238.82	156.55	94.64	.57	.39	.13	.73
August	24.50	14.19	31.12	.44	238.68	155.06	93.75	.56	.39	.11	.75
September	24.85	14.15	32.47	.44	238.49	159.54	90.83	.56	.39	.12	.75
October	26.16	13.92	33.27	.46	238.49	164.74	89.28	.56	.39	.12	.75
November	25.44	13.47	32.90	.43	238.49	167.42	93.89	.54	.39	.12	.73
December	25.10	13.43	32.08	.43	244.28	172.58	95.38	.54	.39	.12	.70

SOURCES OF DATA: Bureau of Commerce.
Bureau of Customs.
Import-Export Department, Central Bank of the Philippines.

TABLE 120.—*Stock Price Index*,[a] 1953-1955

(1952=100)

Period	Over-all	Banks	Insurance	Commercial and Industrial	Mining	Sugar
1953	84.2	100.0	92.0	84.8	83.3	87.2
1954	78.1	124.7	92.2	88.4	67.6	92.4
January	80.2	109.5	92.0	86.3	73.9	89.5
February	79.8	116.6	89.6	88.9	70.9	85.6
March	81.1	121.2	91.8	89.3	73.0	85.6
April	78.3	126.0	93.3	87.5	69.0	89.7
May	76.3	126.0	93.4	89.7	63.0	94.9
June	76.9	126.0	93.4	90.7	63.4	92.7
July	76.1	126.4	93.0	89.3	63.0	93.6
August	77.7	127.6	92.7	90.6	64.8	96.1
September	76.8	128.5	92.6	89.1	64.4	95.3
October	74.6	128.5	92.6	87.2	61.9	96.2
November	76.5	129.6	91.3	87.0	65.7	94.8
December	82.6	130.3	90.8	85.5	78.7	95.3
1955	98.0	135.6	89.8	79.3	114.0	91.5
January	84.2	126.0	89.0	84.8	82.2	98.4
February	79.0	131.2	88.3	81.6	75.2	97.7
March	78.8	140.0	88.4	81.2	75.0	96.4
April	82.7	142.2	88.0	79.8	83.8	95.4
May	85.3	141.9	86.9	79.1	89.6	94.3
June	90.4	137.3	86.9	77.7	100.8	92.7
July	90.1	140.1	87.9	76.7	101.1	90.8
August	100.7	132.5	88.7	77.2	121.2	90.4
September	117.7	131.3	90.5	77.3	154.3	83.9
October	115.1	133.2	94.6	76.6	149.8	82.7
November	119.4	136.3	94.6	77.6	157.0	87.4
December	132.4	135.4	93.7	82.1	178.4	88.0

SOURCE OF BASIC DATA: Manila Stock Exchange.

[a] Over-all and group price indices are weighted arithmetic means of the price relatives. Forty-four stocks of forty-two companies are included in the index.

APPENDIX I
NATIONAL INCOME AND PRODUCT

TABLE 121.—*Total Available Means: Sources and Disposition*, 1954-1955

(Amount in million pesos)

Period	Sources			Total available means	Disposition			
					Domestic consumption		Gross domestic investment	
	Gross national product	Net borrowing from abroad	Net donations from abroad		Private	Government	Private	Government
Amount—								
1954	8,377	111	52	8,540	7,177	640	552	171
1955 r	8,856	267	64	9,187	7,745	642	623	177
Percentage Distribution—								
1954	98.1	1.3	.6	100.0	84.0	7.5	6.5	2.0
1955 r	96.4	2.9	.7	100.0	84.3	7.0	6.8	1.9

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

r First revision in 1955 figures due to change in estimates of U.S. government expenditures by the U.S. Treasury Attache, U.S. Embassy.

TABLE 122.—*The National Accounts*, 1954-1955

1. National Income and Product Account

(Million pesos)

	Item	1954	1955 P
(1)	Compensation of employees (15)	3,124	3,309
	(a) Agricultural	885	917
	(i) Cash	708	734
	(ii) In kind	177	183
	(b) Other	2,239	2,392
(2)	Entrepreneurial and property income of persons (16)	3,975	4,211
	a) Agricultural	2,277	2,359
	(i) Cash	1,708	1,769
	(ii) In kind	569	590
	(b) Other	1,698	1,852
(3)	Other private income (20)	224	244
(4)	Property income of government (26)	35	40
(5)	Total: NATIONAL INCOME AT FACTOR COST	7,358	7,804
(6)	Depreciation (32)	407	430
(7)	Indirect taxes less subsidies (24)	612	622
	Total: GROSS NATIONAL PRODUCT AT MARKET PRICES.	8,377	8,856
(8)	Private consumption (12)	7,177	7,745
(9)	Government current expenditure (21)	640	642
(10)	Gross domestic investment (28)	723	800
	(a) Private	552	623
	(b) Government	171	177
(11)	Net exports and investment income (–35)	–163	–331
	Total: GROSS NATIONAL EXPENDITURE AT MARKET PRICES	8,377	8,856

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

TABLE 122.—*The National Accounts*, 1954-1955—*Continued*

2. Private Appropriation Account

(Million pesos)

Item	1954	1955 P
(12) Private consumption (8)	7,177	7,745
(13) Direct taxes (25)	151	175
(a) Personal	82	99
(b) Corporate	69	76
(14) Private saving (30)	42	-94
Total: PRIVATE OUTLAY	7,370	7,826
(15) Compensation of employees (1)	3,124	3,309
(16) Entrepreneurial and property income of persons (2)	3,975	4,211
(17) Transfer payments (22)	40	46
(18) Net donations from abroad (33b)	7	16
(19) Total PERSONAL INCOME	7,146	7,582
(20) Other private income (3)	224	244
Total: PRIVATE INCOME	7,370	7,826

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

TABLE 122.—*The National Accounts*, 1954-1955—*Continued*

3. Government Appropriation Account

(Million pesos)

	Item	1954	1955 r
(21)	Government current expenditure (9)	640	642
(22)	Transfer payments (17)	40	46
(23)	Government saving (31)	163	197
	Total	843	885
(24)	Indirect taxes less subsidies (7)	612	622
(25)	Direct taxes (13)	151	175
(26)	Property income of government (4)	35	40
(27)	Net donations from abroad (33a)	45	48
	Total	843	885

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

r First revision in 1955 figures due to change in estimates of U.S. government expenditures by the U.S. Treasury Attache, U.S. Embassy.

TABLE 122.—*The National Accounts, 1954-1955—Continued*

4. Combined Capital Account

(Million pesos)

	Item	1954	1955 r
(28)	Gross domestic investment (10)	723 a	800
(29)	Net lending abroad (-34)	-111	-267
	Total	612	533
(30)	Private saving (14)	42	- 94
(31)	Government saving (23)	163	197
(32)	Depreciation (6)	407	430
	Total	612	533

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

r First revision in 1955 figures due to change in estimates of U.S. government expenditures by the U.S. Treasury Attache, U.S. Embassy.

a Revision due mainly to the inclusion of additional locally manufactured goods, data on which were not available in 1954.

TABLE 122.—*The National Accounts*, 1954-1955 (*Concluded*)

5. Rest of the World Account

(Million pesos)

	Item	1954	1955 r
(33)	Net donations to Philippines	52	64
	(a) To government (27)	45	48
	(b) To private sector (18)	7	16
(34)	Net lending to Philippines (–29)	111	267
	Total	163	331
(35)	Net exports to and investment income from Philippines (–11)		
	(a) Net exports of goods and services	50	198
	(b) Net investment income	113	133
	Total	163	331

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

r First revision in 1955 figures due to change in estimates of U.S. government expenditures by the U.S. Treasury Attache, U.S. Embassy.

TABLE 123.—*National Income by Industrial Origin*, 1954-1955

(Million pesos)

Item	1954	1955 p
Agriculture	3,162	3,276
Mining	98	110
Manufacturing	1,012	1,140
Construction	207	232
Trade	781	861
Transportation and communication [a]	235	250
Government	586	623
Personal services	317	326
Recreational services	27	28
Educational services	91	92
Professional services	186	194
All others	656	672
National Income at Factor Cost	7,358	7,804

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

[a] Inclusive of electricity and all other public utilities.

TABLE 124.—*Personal Income by Major Geographical Areas*[a], 1954-1955

(Million pesos)

Area	1954	1955 p
Luzon	4,216	4,473
Visayas	1,929	2,047
Mindanao	1,001	1,062
Personal income	7,146	7,582

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

[a] Figures for all years are based on the actual percentage distribution of 1948.

TABLE 125.—*Derivation of Private Income and National Income from Personal Income, 1954-1955*

(Million pesos)

Item	1954	1955 P
Personal Income	7,146	7,582
Plus:		
Other private income	224	244
Undistributed corporate profits	155	168
Corporate profits taxes	69	76
Equals: Private income	7,370	7,826
Plus:		
Property income of government	35	40
Less:		
Transfer payments by government	40	46
Net donations from abroad	7	16
Equals: National Income at Factor Cost	7,358	7,804

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

TABLE 126.—*Income Originating in Agriculture by Category of Production*, 1954-1955

(Million pesos)

Item	1954	1955 p
Crops [a]	1,664	1,711
Livestock, including poultry	1,012	1,070
Farm marketings and direct consumption	890	955
Value of increase in livestock	122	115
Fishing	272	272
Forestry	300	312
Total, before depreciation	3,248	3,365
Less: Depreciation allowance	86	89
Equals: Net income originating [b]	3,162	3,276

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

[a] Converted from crop to calendar year basis.

[b] Inclusive of agricultural export products not accounted for elsewhere.

TABLE 127.—*Gross Domestic Investment by Major Categories*, 1954-1955

(Million pesos)

Item	1954	1955 p
Gross fixed investment	567.1	627.6
Durable equipment [a]	261.9	286.1
Construction [b]	305.2	341.5
Change in inventories	156.2	172.4
Livestock	122.1	115.1
Sugar	15.9	0.4
Mining	4.3	2.4
Manufacturing [c]	- 4.3	35.6
Trade [c]	18.2	18.9
Total Gross Investment	723.3	800.0
of which		
Private	552.1	622.9
Government	171.2	177.1 [d]

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

[a] The upward revision of the 1954 producer durable equipment is due mainly to the inclusion of additional locally manufactured goods, data on which were not available in 1954.

[b] It is to be noted that the 1955 figures are rough approximations only due to the incompleteness of some data.

[c] The 1954-1955 estimates are not completely comparable to those of the previous years as they are based on the book value change in inventories reported by 2,917 establishments. In 1955, the Central Bank started a survey of producers and importers, which is expected to be completed by the early part of 1956. The new series on the change in the physical volume of inventories when completed will supersede the present series.

[d] Figure for 1955 is for the fiscal year.

TABLE 128.—*Gross Domestic Investment in Durable Equipment by Type, 1954-1955*

(Million pesos)

Type of equipment	1954 r	1955 p
Total durable equipment	261.9	286.1
Machinery, except electrical and agricultural	107.0	119.0
Office machines	6.2	6.8
Printing and bookbinding machines	4.3	5.6
Power generating equipment	17.9	18.7
Construction and conveying machines	9.6	8.6
Other	69.0	79.3
Agricultural machinery and implements	22.3	31.0
Plows, cultivators and harrows	1.5	1.8
Rice hullers and cleaners	1.4	.8
Rice threshers	.2	.4
Tractors	17.4	24.4
Other	1.8	3.6
Electrical machinery and appliances	27.2	38.1
Wiring fixtures	3.4	1.5
Transformers	4.0	7.2
Dynamos and generators	1.9	9.8
Meters	1.8	1.8
Air conditioning equipment	2.1	1.2
Motors	1.6	2.6
Welding equipment	.5	.7
Radio transmitters and related parts	2.6	1.2
Other	9.3	12.1
Vehicles	79.2	77.3
Trucks	61.4	46.5
Automobiles for business use	5.5	16.0
Airplanes	5.5	5.9
Wagons and trailers	1.1	2.5
Railroad equipment	3.4	5.8
Ships and boats	1.1	.5
Other	1.2	.1
Miscellaneous metal manufactures	21.0	17.4
Tools	5.9	5.1
Scientific and laboratory equipment	6.4	5.8
Meters, non-electrical	.7	1.1
Filing cabinets	.2	.2
Office furniture	1.0	1.0
Tackles	.2	—
Other	6.6	4.2
Other equipment	5.2	3.3

SOURCE OF BASIC DATA: International Trade Section, Department of Economic Research, Central Bank of the Philippines.

r The upward revision of the 1954 producer durable equipment is due mainly to the inclusion of additional locally manufactured goods, data on which were not available in 1954.

TABLE 129.—*Percentage Distribution of Private Non-Agricultural Income by Industrial Origin*, 1954-1955

Item	1954	1955 P
Private Non-Agricultural Industries	100.0	100.0
Mining	2.7	2.8
Manufacturing	28.0	29.2
Construction	5.7	5.9
Trade	21.7	22.1
Transportation and communication	6.5	6.4
Personal services	8.8	8.3
All others	26.6	25.3

SOURCES OF BASIC DATA: Cooperating government agencies and private firms.

APPENDIX J

DATA AND DOCUMENTS PERTINENT TO PHILIPPINE EXTERNAL ECONOMIC RELATIONS

Lists of the Legal Parities and/or Exchange Rates, as of January 1955, *of Various Foreign Currencies in Terms of the U. S. Dollar and the Philippine Peso*

Member countries with par values	Unit	Equivalent in U.S. currency	Equivalent in Phil. currency
Australia	Pound	$2.240	₱4.480
Austria	Schilling	.03846	.07692
Belgium	Franc	.020	.040
Bolivia	Boliviano	.00526	.01052
Brazil	Cruzeiro	.05405	.10810
Burma	Kyat	.210	.420
Ceylon	Rupee	.210	.420
Chile	Peso	.00909	.01818
Colombia	Peso	.51282	1.02564
Costa Rica	Colon	.17809	.35618
Cuba	Peso	1.000	2.000
Denmark	Krone	.14478	.28956
Dominican Republic	Peso	1.000	2.000
Ecuador	Sucre	.06667	.13334
Egypt	Pound	2.87156	5.74312
El Salvador	Colon	.400	.800
Ethiopia	Dollar	.4025	.805
Finland	Markka	.00435	.00870
Germany, Fed. Rep. of	Deutsche Mark	.23809	.47618
Guatemala	Quetzal	1.000	2.000
Haiti	Gourde	.20	.40
Honduras	Lempira	.500	1.000
Iceland	Krona	.0614	.1228
India	Rupee	.210	.420
Iran	Rial	.031	.062
Iraq	Dinar	2.800	5.600
Japan	Yen	.00278	.00556
Jordan	Dinar	2.800	5.600
Lebanon	Pound	.45631	.91262
Luxembourg	Franc	.020	.040
Mexico	Peso	.080	.160
Netherlands	Guilder	.26316	.52632
Nicaragua	Cordoba	.200	.400
Norway	Krone	.140	.280
Pakistan	Rupee	.30225	.60450
Panama	Balboa	1.000	2.000
Paraguay	Guarani	.04762	.09524
Sweden	Krona	.1933	.3866
Syria	Pound	.45631	.91262
Turkey	Lira	.35714	.71428
Union of South Africa	Pound	2.800	5.600
United Kingdom	Pound	2.800	5.600
United States	Dollar	1.000	2.000
Venezuela	Bolivar	.2985	.5970
Yugoslavia	Dinar	.0033	.0066

SOURCE OF DATA: International Financial Statistics, January, 1955.

Member countries without par values	Unit	Equivalent in U.S. currency	Equivalent in Phil. currency
Canada	Dollar	$1.03093	₱2.06186
China	Yuan	—	—
France	Franc	.00286	.00572
Greece	Drachma	.03322	.06644
Indonesia	Rupiah		
Official Selling		.08741	.17482
Official Buying		.08803	.17606
Israel	Pound		
Principal rate		.55556	1.11112
Italy	Lira	.0016	.0032
Peru	Sol		
Free rates:			
Certificate		.05263	.10526
Draft		.05244	.10488
Thailand	Baht		
Official Selling rates		.07968	.15936
		.06223	.12446
Official Buying rate		.08032	.16064
Free		.04645	.09290
Uruguay	Peso		
Selling rates:			
Official Basic		.52632	1.05264
Special		.40816	.81632
Buying rate:			
Official Basic		.65833	1.31666

SOURCE OF DATA: International Financial Statistics, January 1955.

Non-member countries without par values	Unit	Equivalent in U.S. currency	Equivalent in Phil. currency
Argentina	Peso		
Selling Rate:			
Basic		$ .133	₱ .266
Preferential		.200	.400
Buying Rate:			
Basic		.200	.400
Preferential		.133	.266
Free		.07168	.14336
Ireland	Pound	2.7856	5.5712
New Zealand	Pound	2.7610	5.5220

Non-member countries without par values	Unit	Equivalent in U.S. currency	Equivalent in Phil. currency
Portugal	Escudo	.03454	.06908
Spain	Peseta		
Official:			
Basic Selling		.08912	.17824
Preferential Selling		.04	.08
Basic Buying		.04566	.09132
Preferential Buying		.04566	.09132
Free		.02567	.05134
Switzerland	Franc	.23337	.46674

SOURCE OF DATA: International Financial Statistics, January, 1955.

Non-metropolitan areas	Unit	Equivalent in U.S. currency	Equivalent in Phil. currency
Hongkong	Dollar	$ .175	₱ .35
British North Borneo			
Brunei, Malaya, Sarawak	Dollar	.32667	.65334

SOURCE OF DATA: International Financial Statistics, January, 1955.

Lists of the Legal Parities and/or Exchange Rates, as of July 1955, of Various Foreign Currencies in Terms of the U. S. Dollar and the Philippine Peso

Member countries with par values	Unit	Equivalent in U.S. currency	Equivalent in Phil. currency
Australia	Pound	$2.240	₱4.480
Austria	Schilling	.03846	.07692
Belgium	Franc	.020	.040
Bolivia	Boliviano	.00526	.01052
Brazil	Cruzeiro	.05405	.10810
Burma	Kyat	.210	.420
Ceylon	Rupee	.210	.420
Chile	Peso	.00909	.01818
Colombia	Peso	.51282	1.02564
Costa Rica	Colon	.17809	.35618
Cuba	Peso	1.000	2.000
Denmark	Krone	.14478	.28956
Dominican Republic	Peso	1.000	2.000
Ecuador	Sucre	.06667	.13334
Egypt	Pound	2.87156	5.74312
El Salvador	Colon	.400	.800
Ethiopia	Dollar	.4025	.805
Finland	Markka	.00435	.00870
Germany, Fed. Rep. of	Deutsche Mark	.23809	.47618
Guatemala	Quetzal	1.000	2.000
Haiti	Gourde	.200	.400
Honduras	Lempira	.500	1.000
Iceland	Krona	.0614	.1228
India	Rupee	.210	.420
Iran	Rial	.03101	.06202
Iraq	Dinar	2.800	5.600
Japan	Yen	.00278	.00556
Jordan	Dinar	2.800	5.600
Lebanon	Pound	.45631	.91262
Luxembourg	Franc	.020	.040
Mexico	Peso	.080	.160
Netherlands	Guilder	.26316	.52632
Nicaragua	Cordoba	.200	.400
Norway	Krone	.140	.280
Pakistan	Rupee	.30225	.60450
Panama	Balboa	1.000	2.000
Paraguay	Guarani	.04762	.09524
Sweden	Krona	.19330	.38660
Syria	Pound	.45631	.91262
Turkey	Lira	.35714	.71428
Union of South Africa	Pound	2.800	5.600
United Kingdom	Pound	2.800	5.600
United States	Dollar	1.000	2.000
Venezuela	Bolivar	.29851	.59702
Yugoslavia	Dinar	.00333	.00666

SOURCE OF DATA: International Financial Statistics, July, 1955.

Member countries without par values	Unit	Equivalent in U.S. currency	Equivalent in Phil. currency
Canada	Dollar	$1.01626	₱2.03252
China	Yuan	—	—
France	Franc	.00286	.00572
Greece	Drachma	.03322	.06644
Indonesia	Rupiah		
Official Selling		.08711	.17422
Official Buying		.08803	.17606
Israel	Pound		
Principal rate		.55555	1.1110
Other rate		.76923	1.53846
Italy	Lira	.00160	.00320
Peru	Sol		
Free rates:			
Certificate		.05263	.10526
Draft		.05233	.10466
Thailand	Baht		
Selling rate:			
Free		.04448	.08896
Buying rates:			
Rubber and tin export rate		.04921	.09842
Other buying transactions		.04486	.08972
Uruguay	Peso		
Selling rates:			
Official Basic		.52632	1.05264
Special		.40816	.81632
Buying rates:			
Official Basic		65833	1.31666
Special I		.56180	1.12360
Special II		.42553	.85106
Free		.30488	.60976

SOURCE OF DATA: International Financial Statistics, July, 1955.

Non-member countries without par values	Unit	Equivalent in U.S. currency	Equivalent in Phil. currency
Argentina	Peso		
Selling rates:			
Basic		$0.133	₱0.266
Preferential		.200	.400
Buying rates:			
Basic		.200	.400
Preferential		.133	.266
Free		.07168	.14336
Ireland	Pound	2.7919	5.5838
New Zealand	Pound		
Selling rate		2.7622	5.5244
Buying rate		2.7939	5.5878

Non-member countries without par values	Unit	Equivalent in U.S. currency	Equivalent in Phil. currency
Portugal	Escudo		
Official selling		.03454	.06908
Spain	Peseta		
Official:			
Basic Selling		.08912	.17824
Preferential Selling		.040	.080
Basic Buying		.04566	.09132
Preferential Buying		.04566	.09132
Free		.02567	.05134
Switzerland	Franc	.23343	.46686

SOURCE OF DATA: International Financial Statistics, July, 1955.

Non-metropolitan areas with par values	Unit	Equivalent in U.S. currency	Equivalent in Phil. currency
Hongkong	Dollar	$0.175	₱0.350
British North Borneo:			
Brunei, Malaya, Sarawak	Dollar	.32667	.65334

SOURCE OF DATA: International Financial Statistics, July, 1955.

INTERNATIONAL SUGAR AGREEMENT SIGNED AT LONDON OCTOBER 16 TO OCTOBER 31, 1953

The Governments party to this Agreement have agreed as follows:—

CHAPTER I.—General Objectives

ARTICLE 1

The objectives of this Agreement are to assure supplies of sugar to importing countries and markets for sugar to exporting countries at equitable and stable prices; to increase the consumption of sugar throughout the world; and to maintain the purchasing power in world markets of countries or areas whose economies are largely dependent upon the production or export of sugar by providing adequate returns to producers and making it possible to maintain fair standards of labour conditions and wages.

CHAPTER II.—Definitions

ARTICLE 2

For the purposes of this Agreement—

(1) "Ton" means a metric ton of 1,000 kilograms.

(2) "Quota Year" means calendar year, that is, the period January 1 to December 31, both inclusive.

(3) "Sugar" means sugar in any of its recognized commercial forms derived from sugar cane or sugar beet, including edible and fancy molasses, syrups, and any other form of liquid sugar used for human consumption, except final molasses and low-grade type of non-centrifugal sugar produced by primitive methods.

Amount of sugar specified in this Agreement are in terms of raw value, net weight, excluding the container. Except as provided in Article 16, the raw value of any amount of sugar means its equivalent in terms of raw sugar testing 96 sugar degrees by the polariscope.

(4) "Net imports" means total imports of sugar after deducting total exports of sugar.

(5) "Net exports" means total exports of sugar (excluding sugar supplied as ships' stores for ships victualling at domestic ports) after deducting total imports of sugar.

(6) "Free market" means the total of net imports of the world market except those excluded under any provisions of this Agreement.

(7) "Basic export tonnages" means the quantities of sugar specified in Article 14(1).

(8) "Initial export quota" means the quantity of sugar allotted for any quota year under Article 18 to each country listed in Article 14(1).

(9) "Export quota in effect" means the initial export quota as modified by such adjustments as may be made from time to time.

(10) "Stocks of Sugar," for the purposes of Article 13, means either:—

(1) All sugar in the country concerned either in factories, refineries, warehouses, or in the course of internal transportation for destinations within the country, but excluding bonded foreign sugar (which term shall be regarded as also covering sugar "en admission temporaire") and excluding sugar in factories, refineries, and warehouses or in the course of internal transportation for destinations within the country, which is solely for distribution for internal consumption and on which such excise or other consumption duties as exist in the country concerned have been paid; or

(2) All sugar in the country concerned either in factories, refineries, warehouses, or in the course of internal transportation for destinations within the country, but excluding bonded foreign sugar (which term shall be regarded as also covering sugar "en admission temporaire") and excluding sugar in factories, refineries, and warehouses or in the course of internal transportation for destinations within the country which is solely for distribution for internal consumption;

according to the notification made to the Council by each Participating Government under Article 13.

(11) "The Council" means the International Sugar Council established under Article 27.

(12) "The Executive Committee" means the Committee established under Article 37.

(13) "Importing Country" means one of the countries listed in Article 33, or any country which is a net importer of sugar, as the context requires.

(14) "Exporting Country" means one of the countries listed in Article 34, or any country which is a net exporter of sugar, as the context requires.

CHAPTER III.—General Undertakings by Participating Governments

1. Subsidies

ARTICLE 3

(1) The Participating Governments recognize that subsidies on sugar may so operate as to impair the maintenance of equitable and stable prices in the free market and so endanger the proper functioning of this Agreement.

(2) If any Participating Government grants or maintains any subsidy, including any form of income or price support, which operates directly or indirectly to increase exports of sugar from, or to reduce imports of sugar into, its territory, it shall during each quota year notify the Council in writing of the extent and nature of the subsidization, of the estimated effect of the subsidization on the quantity of sugar exported from, or imported into, its territory and of the circumstances making the subsidization necessary.

(3) In any case in which a Participating Government considers that serious prejudice to its interests under this Agreement is caused or threatened by such subsidization, the Participating Government granting the subsidy shall, upon request, discuss with the other Participating Government or Governments concerned, or with the Council, the possibility of limiting the subsidization. In any case in which the matter is brought before the Council, the Council may examine the case with the Governments concerned and make such recommendations as it deems appropriate.

2. **Programmes of Economic Adjustment**

ARTICLE 4

Each Participating Government agrees to adopt such measures as it believes will be adequate to fulfill its obligations under this Agreement with a view to the achievement of the general objectives set forth in Article 1 and as will ensure as much progress as practicable within the duration of this Agreement towards the solution of the commodity problem involved.

3. **Promotion of Increased Consumption of Sugar**

ARTICLE 5

With the object of making sugar more freely available to consumers, each Participating Government agrees to take such action as it deems appropriate to reduce disproportionate burdens on sugar, including those resulting from—

(i) private and public controls, including monopoly;

(ii) fiscal and tax policies.

4. **Maintenance of Fair Labour Standards**

ARTICLE 6

The Participating Governments declare that, in order to avoid the depression of living standards and the introduction of unfair competitive conditions in world trade, they will seek the maintenance of fair labour standards in the sugar industry.

CHAPTER IV.—Special Obligations of the Participating Governments of Countries which import Sugar

ARTICLE 7

(1)—(i) The Government of each participating importing country and the Government of each participating exporting country which imports sugar for re-export agrees that, to prevent non-participating countries from gaining advantage at the expense of participating countries, it will not permit the import from non-participating countries as a group during any quota year of a total quantity larger than was imported from those countries as a group during any one of the three calendar years preceding the year in which the Agreement entered into force, i.e., 1951, 1952, 1953; provided that the said total quantity shall not include imports purchased by a participating country from non-participating countries at any time when such country cannot meet its requirements from participating countries at prices not exceeding the maximum established in Article 20, and has so notified the Council.

(ii) The years referred to in sub-paragraph (i) of this paragraph may be varied by determination of the Council on the application of any Participating Government and which considers that there are special reasons for such variation.

(2)—(i) If any Participating Government considers that the obligation it has assumed under paragraph (1) of this Article is operating in such a way that its country's re-export trade in refined sugar or trade in sugar-containing products is suffering damage therefrom, or is in imminent danger of being damaged, it may request the Council to take action to safeguard the trade in question, and the Council shall forthwith consider any such request and shall take such action, which may include the modification of the aforesaid obligation, as it deems necessary for that purpose. If the Council fails to deal with a request made to it under this sub-paragraph within 15 days of its receipt, the Government making the request shall be deemed to have been released from its obligation under paragraph (1) of this Article to the extent necessary to safeguard the said trade.

(ii) If in a particular transaction in the usual course of trade the delay resulting from the procedure provided for in sub-paragraph (i) of this paragraph might result in damage to a country's re-export trade in sugar, the Government concerned shall be released from the obligation in paragraph (1) of this Article in respect of that particular transaction.

(3)—(i) If any Participating Government considers that it cannot carry out the obligation in paragraph (1) of this Article, it agrees to furnish the Council with all relevant facts and to inform the Council of the measures which it would propose to take, and the Council shall

within 15 days examine the matter and may, in respect of such Government, modify the obligation laid down in paragraph (1).

(ii) If the Government of any participating exporting country considers that the interests of its country are being damaged by the operation of paragraph (1) of this Article, it may furnish the Council with all relevant facts and inform the Council of the measures which it would wish to have taken by the Government of the other participating country concerned, and the Council may, in agreement with the latter Government, modify the obligation laid down in paragraph (1).

(4) The Government of each participating country which imports sugar agrees that as soon as practicable after its ratification of, acceptance of, or accession to, this Agreement, it will notify the Council of the maximum quantities which could be imported from non-participating countries under paragraph (1) of this Article.

(5) In order to enable the Council to make the redistributions provided for in Article 19 (1) (ii), the Government of each participating country which imports sugar agrees to notify the Council, within a period fixed by the Council which shall not exceed eight months from the beginning of the quota year, of the quantity of sugar which it expects will be imported from non-participating countries in that quota year; provided that the Council may vary the aforesaid period in the case of any such country.

CHAPTER V.—Special Obligations of Governments of Participating Exporting Countries

ARTICLE 8

(1) The Government of each participating exporting country agrees that exports from its country to the free market will be so regulated that net exports to that market will not exceed the quantities which such country may export each quota year in accordance with the export quotas established for it under the provisions of this Agreement.

(2) The Government of each participating exporting country with a basic export tonnage in excess of 75,000 tons agrees not to permit the export during the first eight months of any quota year of more than 80 per cent of its initial export quota; provided that the Council may increase this percentage if it deems such increase to be justified by market conditions.

ARTICLE 9

The Government of each participating exporting country agrees that it will take all practicable action to ensure that the demands of participating countries which import sugar are met at all times. To this

end, if the Council should determine that the state of demand is such that, notwithstanding the provisions of this Agreement, participating countries which import sugar are threatened with difficulties in meeting their requirements, it shall recommend to participating exporting countries measures designed to give effective priority to those requirements. The Government of each participating exporting country agrees that, on equal terms of sale, priority in the supply of available sugar, in accordance with the recommendations of the Council, will be given to participating countries which import sugar.

ARTICLE 10

The Government of each participating exporting country agrees to adjust the production of sugar in its country during the term of this Agreement and in so far as practicable in each quota year of such term (by regulation of the manufacture of sugar or, when this is not possible, by regulations of acreage or plantings) so that the production does not exceed such amount of sugar as may be needed to provide for domestic consumption, exports permitted under this Agreement, and maximum stocks specified in Article 13.

ARTICLE 11

The Government of each participating exporting country agrees to advise the Council as soon as possible of such part of its country's initial export quota and export quota in effect as it expects will not be used and, on receipt of such advice, the Council shall take action in accordance with Article 10 (1) (i).

ARTICLE 12

If the Government of a participating country fails to give notice within a period determined for the duration of this Agreement by the Council in agreement with that Government, but in any case not exceeding 8 months from the date on which initial export quotas were allocated, of such part of the initial export quota of its country as it expects will not be used, the initial export quota of that country for the following quota year shall be reduced by the difference between the actual exports and the initial export quota or latest export quota in effect, whichever is the less. The Council may decide not to impose this penalty if it is satisfied that a Government failed to give notice because its country's intended exports fell short by reason of **force majeure** or other circumstances beyond its control occurring after the date for notice established in accordance with this Article.

CHAPTER VI.—Stocks

ARTICLE 13

(1) The Governments of participating exporting countries undertake so to regulate production in their countries that the stocks in their respective countries shall not exceed for each country on a fixed date each year immediately preceding the start of the new crop, such date to be agreed with the Council, an amount equal to 20 per cent of its annual production.

(2) Nevertheless, the Council may, if it considers that such action is justified by special circumstances, authorize the holding of stocks in any country in excess of 20 per cent of its production.

(3) The Government of each participating country listed in Article 14 (1) agrees:—

(i) that stocks equal to an amount of not less than 10 per cent of its country's basic export tonnage shall be held in its country at a fixed date each year immediately preceding the start of the new crop, such date to be agreed with the Council, unless drought, flood, or other adverse conditions prevent the holding of such stocks; and

(ii) that such stocks shall be earmarked to fill increased requirements of the free market and used for no other purpose without the consent of the Council, and shall be immediately available for export to that market when called for by the Council.

(4) The Council may increase the amount of the minimum stocks to be carried under paragraph (3) of this Article up to 15 per cent.

(5) The Government of each participating country, in which stocks are held under the provisions of paragraph (3) as they may be modified by the provisions of paragraph (4) of this Article, agrees that unless otherwise authorized by the Council, stocks held under those provisions shall be used neither for meeting priorities under Article 14 B, nor for meeting increases in quotas in effect under Article 22 while such quotas are lower than its country's basic export tonnage, unless the stock so used can be replaced before the beginning of its country's crop in the ensuing quota year.

(6) For the purposes of this Agreement the Cuban Stabilization Reserve shall not be considered part of the stocks available for the free market nor shall it be included in the computation of stocks under paragraph (1) of this Article.

The Cuban Government, however, agrees to consider making such reserve available for the free market on the request of the Council if the Council considers that market conditions make such action advisable.

(7) The Government of each participating exporting country agrees that, so far as possible, it will not permit the disposal of stocks held under this Article, following its withdrawal from this Agreement or following the expiration of this Agreement, in such a manner as to create undue disturbance in the free market in sugar.

(8) Not later than three months after the date of signature of this Agreement, the Government of each participating country shall inform the Council which of the two definitions of "stock of sugar" in Article 2 it accepts as applicable to its country.

CHAPTER VII.—Regulation of Exports

ARTICLE 14

A.—Basic Export Tonnages

(1) For each of the quota years during which this Agreement is in force the exporting countries or areas named below shall have the following basic export tonnages for the free market:—

	(In thousands of tons)
Belgium (including Belgian Congo)	50
Brazil	175
China (Taiwan)	600
Colombia	5
Cuba	2,250
Czechoslovakia	275
Denmark	70
Dominican Republic	600
France (and the countries France represents internationally)	20
Germany, Eastern	150
Haiti	45
Hungary	40
Indonesia	250
Mexico	75
Netherlands (including Surinam)	40[a]
Peru	280
Philippines	25
Poland	220
U.S.S.R.	200
Yugoslavia	20

[a] The kingdom of the Netherlands undertakes not to export over the years 1954, 1955 and 1956, taken as a whole, a greater amount of sugar than they import during the same period.

(2) The export quotas of the Czechoslovak Republic and the People's Republic of Poland do not include their exports of sugar to the U.S.S.R. and these exports are outside this Agreement. The U.S.S.R. export quota is therefore calculated without taking into account imports of sugar from the above-mentioned countries.

(3) The present Agreement does not apply to movements of sugar between France and the countries which France represents internationally, and the Associated States of Cambodia, Laos, and Vietnam.

(4) Costa Rica, Ecuador, and Nicaragua, to which no basic export tonnages have been allotted under this Article, may each export to the free market up to 5,000 tons raw value a year.

(5) This Agreement does not ignore, and does not have the purpose of nullifying Indonesia's aspiration as a Sovereign State for its rehabilitation to its historical position as a sugar exporting country to the extent that may be practicable within the possibilities of the free market.

(6) India shall have the status of an exporting country but has not requested that an export quota be allotted to her.

B.—Priorities on Shortfalls and on Increased Free Market Requirements

(7) In determining export quotas in effect the following priorities shall be applied in accordance with the provisions of paragraph (8) of this Article:—

(a) The first 50,000 tons will be allotted to Cuba.
(b) The next 15,000 tons will be allotted to Poland.
(c) The next 5,000 tons will be allotted to Haiti in the first and second year, this being increased to 10,000 tons in the third year.
(d) The next 25,000 tons will be allotted to Czechoslovakia.
(e) The next 10,000 tons will be allotted to Hungary.

(8)—(i) In redistributions resulting from the provisions of Articles 19(1) (i) and 19(2), the Council shall give effect to the priorities listed in paragraph (7) of this Article.

(ii) In distributions resulting from the provisions of Articles 18, 19(1) (ii) and 22, the Council shall not give effect to the said priorities until the exporting countries listed in paragraph (1) of this Article have been offered export quotas equal to the total of their basic export tonnages, subject to any reductions applied under Articles 12 and 21 (3) and thereafter shall give effect to the said priorities only in so far as the said priorities have not already been brought into effect in accordance with sub-paragraph (i) of this paragraph.

(iii) Reductions resulting from the application of the provisions of Article 21 shall be applied **pro rata** to the basic export tonnages until the export quotas in effect have been reduced to the total of the basic

export tonnages plus the total of the priorities allotted due to increases in free market requirements for that year, after which the priorities shall be deducted in the reverse order and thereafter reductions shall be applied again **pro rata** to basic export tonnages.

ARTICLE 15

This Agreement does not apply to movements of sugar between the Belgo-Luxembourg Economic Union (including the Belgian Congo), France and the countries which France represents internationally, the Federal Republic of Germany, and the Kingdom of the Netherlands (including Surinam).

These countries undertake to restrict the movements referred to in this Article to a net amount of 175,000 tons of sugar per year.

ARTICLE 16

(1) The Government of the United Kingdom of Great Britain and Northern Ireland (on behalf of the British West Indies and British Guiana, Mauritius, and Fiji), the Government of the Commonwealth of Australia, and the Government of the Union of South Africa undertake that net exports of sugar by the exporting territories covered by the Commonwealth Sugar Agreement of 1951 (excluding local movements of sugar between adjoining Commonwealth territories, or islands, in such quantities as can be authenticated by custom) shall not together exceed the following total quantities:—

(i) in the calendar years 1954 and 1955—2,413,793 tons (2,375,000 English long tons) tel quel per year;

(ii) in the calendar year 1956—2,490,018 tons (2,450,000 English long tons) tel quel.

Subject to contractual obligations assumed by the Governments concerned under the Commonwealth Sugar Agreement of 1951, the quantitative limits for the calendar years 1954, 1955, and 1956 specified above shall not be varied and the provisions of all other articles of this Agreement shall be construed accordingly.

(2) These limitations have the effect of leaving available to the free market a share in the sugar markets of Commonwealth countries. The Governments aforementioned would, however, regard themselves as released from their obligation thus to limit exports of Commonwealth sugar if a Government or Governments of a participating exporting country or of participating countries having a basic export tonnage or tonnages under Articles 14 (1) should enter into a special trading arrangement with an importing country of the Commonwealth which would guarantee the exporting country a specified portion of the market of that Commonwealth country.

(3) The Government of the United Kingdom of Great Britain and Northern Ireland, with the concurrence of the Government of the Commonwealth of Australia and the Government of the Union of South Africa, undertakes to provide the Council sixty days in advance of the beginning of each quota year with an estimate of total net export from the exporting territories covered by the Commonwealth Sugar Agreement in such year and to inform the Council promptly of any changes in such estimate during that year. The information supplied to the Council by the United Kingdom pursuant to this undertaking shall be held to discharge fully the obligations in Articles 11 and 12 so far as the aforementioned territories are concerned.

(4) The provisions of paragraphs (3) and (4) of Article 13 shall not apply to the exporting territories covered by the Commonwealth Sugar Agreement.

(5) Nothing in this Article shall be held to prevent any participating country exporting to the free market from exporting sugar to any country within the British Commonwealth nor, within the quantitative limits set out above, to prevent any Commonwealth country from exporting sugar to the free market.

ARTICLE 17

Exports of sugar to the United States of America for consumption therein shall not be considered exports to the free market and shall not be charged against the export quotas established under this Agreement.

ARTICLE 18

(1) Before the beginning of each quota year the Council shall cause an estimate to be made of the net import requirements of the free market during such year for sugar from exporting countries listed in Article 14(1). In the preparation of this estimates, there shall be taken into account, among other factors, the total amount of sugar which the Council is notified could be imported from non-participating countries under the provisions of Article 7(4).

(2) At least 30 days before the beginning of each quota year the Council shall consider the estimate of the net import requirements of the free market prepared in accordance with paragraph (1) of this Article. If the Council adopts that estimate, it shall forthwith assign an initial export quota for the free market for such year to each of the exporting countries listed in Article 14(1) by distributing that estimate among the exporting countries **pro rata** to their basic export tonnages, subject to the provisions of Article 14 B, to such penalties as may be imposed in accordance with the provisions of Article 12 and to such reductions as may be made under Article 21(3).

(3) If there is disagreement in the Council upon the estimate of the net import requirements of the free market prepared in accordance with paragraph (1) of this Article, the question shall be put to a Special Vote. If as a result of that vote, an estimate is adopted, the Council shall thereupon assign initial export quotas in accordance with paragraph (2) of this Article; but if an estimate is not so adopted, then the initial export quotas for the new quota year shall be fixed by distributing the total of the export quotas in effect at the end of the current quota year on the same basis and in the same manner as is provided in paragraph (2) of this Article.

(4) The Council shall have power by Special Vote to set aside in any quota year up to 20,000 tons of the net import requirements of the free market as a reserve from which it may allot additional export quotas to meet proved cases of special hardship.

ARTICLE 19

(1) The Council shall cause export quotas in effect for participating countries listed in Article 14(1) to be adjusted, subject to the provisions of Article 14-B, as follows:—

(i) Within 10 days after the Government of any exporting country has given notice pursuant to Article 11 that a part of the initial export quota or export quota in effect will not be used, to reduce accordingly the export quota in effect of such country and to increase the export quotas in effect of other exporting countries by redistributing an amount of sugar equal to the part of the quota so renounced **pro rata** to their basic export tonnages. The Secretary of the Council shall forthwith notify Governments of exporting countries of such increases, and those Governments shall, within 10 days of receipt of such notification, inform the Secretary of the Council whether or not they are in a position to use the increase in quota allotted to them, and on receipt of such information, a subsequent redistribution of the quantity involved shall be made, and Governments of exporting countries concerned shall be notified forthwith by the Secretary of the Council of the increases made in their countries' export quotas in effect.

(ii) From time to time to take into account variations in the estimates of the quantities of sugar which the Council is notified will be imported from non-participating countries under Article 7; provided, however, that such quantities need not be redistributed until they reach a total of 5,000 tons. Redistributions under this sub-paragraph shall be made on the same basis and in the same manner as is provided in paragraph (1) (i) of this Article.

(2) Notwithstanding the provisions of Article 11, if the Council, after consultation with the Government of any participating exporting country, determines that such country will be unable to use all or part of its export quota in effect, the Council may increase **pro rata** the export quotas of other participating exporting countries on the same basis and in the same manner as is provided for in paragraph (1) (i) of this Article; provided, however, that such action by the Council shall not deprive the country concerned of its right to fill its export quota which was in effect before the Council made its determination.

CHAPTER VIII.—**Stabilization of Prices**

ARTICLE 20

(1) For the purposes of this Agreement the price of sugar shall be considered equitable both to consumers and producers if it is maintained within a zone of stabilized prices between a minimum of 3.25 cents and a maximum of 4.35 cents, United States currency, per pound avoirdupois, free alongside steamer Cuban port; the price of sugar shall be the spot price established by the New York Coffee and Sugar Exchange in relation to sugar covered by Contract No. 4, or any other price which may be established under paragraph (2) of this Article.

(2) In the event of the price referred to in paragraph (1) of this Article not being available at a material period, the Council shall use such other criteria as it sees fit.

(3) The minimum and maximum limits of the zone of stabilized prices referred to in paragraph (1) of this Article may be modified by the Council by a Special Vote.

ARTICLE 21

(1) (i) If at any time the Council decides that market conditions make it advisable to reduce the export quotas in effect with a view to preventing the price of sugar from falling below the minimum price established under Article 20, it may make such reduction in the export quotas in effect as it deems necessary **pro rata** to the basic export tonnages, subject to the provisions of Article 14 B.

(ii) Notwithstanding the provisions of paragraph (1) (i) of this Article, whenever the average daily spot price of sugar for any one period of fifteen consecutive market days, has averaged less than the minimum price established under Article 20, the Council shall, within ten days of the end of such fifteen-day period, make such reduction as it deems necessary in the export quotas in effect, **pro rata** to the basic export tonnages and subject to the provisions of Article 14 B; provided that no

further alteration in the export quotas in effect shall be made under this sub-paragraph within a period of fifteen consecutive market days from the date of any adjustment in quotas in effect, pursuant to the provisions of this sub-paragraph and of Article 22.

(iii) If the Council cannot agree within the said period of ten days upon the amount of the reduction under paragraph (1) (ii) of this Article, the export quotas in effect shall be reduced each time by 5 per cent of the basic export tonnages, subject to the provisions of Article 14 B.

(iv) Notwithstanding the provisions of paragraph (1) (i), (1) (ii), and (1) (iii) of this Article, if any country's export quota in effect has been reduced under Article 19 (1) (i), such reduction shall be deemed to form part of reductions made in the same quota year under the terms of the aforesaid sub-paragraphs.

(2) The Secretary of the Council shall notify the Governments of participating countries of each reduction made under this Article in the export quotas in effect.

(3) If any of the reductions provided for in the preceding paragraphs of this Article cannot be fully applied to the export quota in effect of an exporting country because, at the time the reduction is made, that country has already exported all or part of the amount of such reduction, a corresponding amount shall be deducted from the initial export quota of that country for the following quota year.

ARTICLE 22

(1) If, at any time, the Council decides that market conditions make it advisable to increase the export quotas in effect with a view to preventing the price of sugar from rising above the maximum price established under Article 20, it may make such increase in the export quotas in effect as it deems necessary, **pro rata** to the basic export tonnages subject to the provisions of Article 14 B.

(2) (i) Notwithstanding the provisions of paragraph (1) of this Article, whenever the average daily spot price of sugar for any one period of fifteen consecutive market days has averaged more than the maximum price established under Article 20, the Council shall, within ten days of the end of such fifteen-day period, make such increases as it deems necessary in the export quotas in effect, **pro rata** to the basic export tonnages and subject to the provisions of Article 14 B; provided that no further alteration in the export quotas in effect shall be made under this sub-paragraph within a period of fifteen consecutive market days from the date of any adjustment in quotas in effect, pursuant to the provisions of this sub-paragraph and of Article 21.

(ii) If the Council cannot agree within the said period of ten days upon the amount of the increase under paragraph (2) (i) of this article, the export quotas in effect shall be increased each time by 7½ per cent of the basic export tonnages, subject to the provisions of Article 14 B.

(3) The Secretary of the Council shall notify the Governments of participating countries of each increase made under this Article in the export quotas in effect.

CHAPTER IX.—General Limitation of Reductions in Export Quotas

ARTICLE 23

(1) Except in respect of penalties imposed under Article 12 and reductions made under Article 19 (1) (i), the export quota in effect of any participating exporting country listed in Article 14 (1) shall not be reduced below 80 per cent of its basic export tonnage and all other provisions of this Agreement shall be construed accordingly; provided, however, that the export quota in effect of any participating exporting country having a basic export tonnage under Article 14 (1) of less than 50,000 tons shall not be reduced below 90 per cent of its basic export tonnage.

(2) A reduction of quotas under Article 21 shall not be made within the last forty-five calendar days of the quota year.

CHAPTER X.—Sugar Mixtures

ARTICLE 24

Should the Council at any time be satisfied that, as the result of a material increase in the exportation or use of sugar mixtures, those products are taking the place of sugar to such an extent as to prevent full effect being given to the purpose of this Agreement, it may resolve that such products or any of them shall be deemed to be sugar, in respect of their sugar content, for the purposes of the Agreement; provided that the Council shall, for the purpose of calculating the amount of sugar to be charged to the export quota of any participating country, exclude the sugar equivalent of any quantity of such products which has normally been exported from that country prior to the coming into force of this Agreement.

CHAPTER XI.—Monetary Difficulties

ARTICLE 25

(1) If, during the term of this Agreement the Government of a participating importing country considers that it is necessary for it to forestall the imminent threat of, or to stop or to correct a serious decline in its monetary reserves, it may request the Council to modify particular obligations of this Agreement.

(2) The Council shall consult fully with the International Monetary Fund on questions raised by such request and shall accept all findings of statistical and other facts made by the Fund relating to foreign exchanges, monetary reserves, and balance of payments, and shall accept the determination of the Fund as to whether the country involved has experienced or is imminently threatened with a serious deterioration in its monetary reserves. If the country in question is not a member of the International Monetary Fund and requests that the Council should not consult the Fund, the issues involved shall be examined by the Council without such consultation.

(3) In either event, the Council shall discuss the matter with the Government of the importing country. If the Council decides that the representations are well founded and that the country is being prevented from obtaining a sufficient amount of sugar to meet its consumption requirements consistent with the terms of this Agreement, the Council may modify the obligations of such Government or of the Government of any exporting country under this Agreement in such manner and for such time as the Council deems necessary to permit such importing country to secure a more adequate supply of sugar with its available resources.

CHAPTER XII.—Studies by the Council

ARTICLE 26

(1) The Council shall consider and make recommendations to the Governments of participating countries concerning ways and means of securing appropriate expansion in the consumption of sugar, and may undertake studies of such matters as:—

(i) The effects of (a) taxation and restrictive measures and (b) economic, climatic, and other conditions on the consumption of sugar in the various countries;

(ii) Means of promoting consumption, particularly in countries where consumption **per caput** is low;

(iii) The possibility of cooperative publicity programmes with similar agencies concerned with the expansion of consumption of other foodstuffs;

(iv) Progress of research into new uses of sugar, its by-products, and the plant from which it is derived.

(2) Furthermore, the Council is authorized to make and arrange for other studies, including studies of the various forms of special assistance to the sugar industry, for the purpose of assembling comprehensive information and for the formulation of proposals which the Council deems relevant to the attainment of the general objectives set forth in Article 1 or relevant to the solution of the commodity problem involved.

Any such studies shall relate to as wide a range of countries as practicable and shall take into consideration the general social and economic conditions of the countries concerned.

(3) The studies undertaken pursuant to paragraphs (1) and (2) of this Article shall be carried out in accordance with such terms as may be laid down by the Council, and in consultation with the Participating Governments.

(4) The Governments concerned agree to inform the Council of the results of their consideration of the recommendations and proposals referred to in this Article.

CHAPTER XIII.—Administration

ARTICLE 27

(1) An International Sugar Council is hereby established to administer this Agreement.

(2) Each Participating Government shall be a voting member of the Council and shall have the right to be represented on the Council by one delegate and may designate alternate delegates. A delegate or alternate delegates may be accompanied at meetings of the Council by such advisers as each Participating Government deems necessary.

(3) The Council shall elect a non-voting Chairman who shall hold Office for one quota year and shall serve without pay. He shall be selected alternately from among the delegations of the importing and exporting participating countries.

(4) The Council shall elect a Vice-Chairman who shall hold office for one quota year and shall serve without pay. He shall be selected alternately from among the delegations of the exporting and importing participating countries.

(5) The Council is authorized after consultation with the International Sugar Council established under the International Agreement regarding the Regulation of Production and Marketing of Sugar signed in London, May 6, 1937 [a], to accept the records, assets, and liabilities of that body.

(6) The Council shall have in the territory of each Participating Government, and to the extent consistent with its laws, such legal capacity as may be necessary in discharging its functions under this Agreement.

---

[a] "Treaty Series No. 1 (1952)." Cmd. 8437.

ARTICLE 28

(1) The Council shall adopt rules of procedure which shall be consistent with the terms of this Agreement, and shall keep such records as are required to enable it to discharge its functions under this Agreement and such other records as it considers desirable. In the case of inconsistency between the rules of procedure so adopted and the terms of this Agreement, the Agreement shall prevail.

(2) The Council shall publish at least once a year a report of its activities and of the operation of this Agreement.

(3) The Council shall develop, prepare and publish such reports, studies, charts, analyses, and other data as it may deem desirable and helpful.

(4) The Participating Governments undertake to make available and supply all such statistics and information as are necessary to the Council or the Executive Committee to enable it to discharge its functions under this Agreement.

(5) The Council may appoint such permanent or temporary Committees as it considers advisable in order to assist it in performing its functions under this Agreement.

(6) The Council may, by a Special Vote, delegate to the Executive Committee set up under Article 37 the exercise of any of its powers and functions other than those requiring a decision by Special Vote under this Agreement. The Council may, at any time, revoke such a delegation by a majority of the votes cast.

(7) The Council shall perform such other functions as are necessary to carry out the terms of this Agreement.

ARTICLE 29

The Council shall appoint an Executive Director, who shall be its senior full-time paid officer, a Secretary, and such staff as may be required for the work of the Council and its Committees. It shall be a condition of employment of these officers and of the staff that they do not hold or shall cease to hold financial interest in the sugar industry or in the trade in sugar and that they shall not seek or receive instructions regarding their duties under this Agreement from any Government or from any other Authority external to the Council.

ARTICLE 30

(1) The Council shall select its seat. Its meeting shall be held at its seat, unless the Council decides to hold a particular meeting elsewhere.

(2) The Council shall meet at least once a year. It may be convened at any other time by its Chairman.

(3) The Chairman shall convene a session of the Council if so requested by

(i) Five Participating Governments, or

(ii) Any Participating Government or Governments holding not less than 10 per cent of the total votes, or

(iii) The Executive Committee.

ARTICLE 31

The presence of delegates holding 75 per cent of the total votes of the Participating Governments shall be necessary to constitute a quorum at any meeting of the Council, but if no such quorum is present on the day fixed for a meeting of the Council which has been called pursuant to Article 30, such meeting shall be held seven days later in the presence of delegates holding 50 per cent of the total votes of the Participating Governments shall then constitute a quorum.

ARTICLE 32

The Council may make decisions, without holding a meeting, by correspondence between the Chairman and the Participating Governments, provided that no Participating Government makes objection to this procedure. Any decision so taken shall be communicated to all the Participating Governments as soon as possible and shall be set forth in the minutes of the next meeting of the Council.

ARTICLE 33

The votes to be exercised by the respective delegations of importing countries on the Council shall be as follows:—

Austria	20
Canada	80
Ceylon	30
Federal Republic of Germany	60
Greece	25
Israel	20
Japan	100
Jordan	15
Lebanon	20
Norway	30
Portugal	30
Saudi Arabia	15
Spain	20
Switzerland	45
United Kingdom	245
United States	245
Total	1,000

ARTICLE 34

The votes to be exercised by the respective delegations of exporting countries on the Council shall be as follows:—

Australia	45
Belgium	20
Brazil	50
China	65
Cuba	245
Czechoslovakia	45
Denmark	20
Dominican Republic	65
France (and the countries which France represents internationally)	35
Haiti	20
Hungary	20
India	30
Indonesia	40
Mexico	25
Netherlands	20
Nicaragua	15
Peru	40
Philippines	25
Poland	40
South Africa	20
U.S.S.R.	100
Yugoslavia	15
Total	1,000

ARTICLE 35

Whenever the membership of this Agreement changes or when any country is suspended from voting or recovers its votes under any provision of this Agreement, the Council shall redistribute the votes within each group (importing countries and exporting countries), having regard in respect of importing countries to their average imports over the two preceding years, and in respect of exporting countries having regard to the ratio 40 to 60 to their average production over the two preceding years and to the basic export tonnages allotted to them; provided that in no case shall any country have less than 15 or more than 245 votes and that there shall be no fractional votes.

ARTICLE 36

(1) Except where otherwise specifically provided for in this Agreement, decisions of the Council shall be by a majority of the votes cast by the exporting countries and a majority of the votes cast by the import-

ing countries, provided that the latter majority shall consist of votes cast by not less than one-third in number of the importing countries present and voting.

(2) When a Special Vote is required, decisions of the Council shall be by at least two-thirds of the votes cast, which shall include a majority of the votes cast by the exporting countries and a majority of the votes cast by the importing countries; provided that the latter majority shall consist of votes cast by not less than one-third in number of the importing countries present and voting.

(3) Notwithstanding the provisions of paragraphs (1) and (2) of this Article, at any session of the Council convened in accordance with Article 30 (3) (i) or Article 30 (3) (ii) to deal with any question relating to Articles 21 and 22, decisions of the Council on action taken by the Executive Committee under the said Articles shall be by a simple majority of the votes cast by the participating countries present and voting taken as a whole.

(4) The Government of any participating exporting country may authorize the voting delegate of any other exporting country and the Government of any participating importing country may authorize the voting delegate of any other importing country to represent its interests and to exercise its votes at any meeting or meetings of the Council. Evidence of such authorization satisfactory to the Council shall be submitted to the Council.

(5) Each Participating Government undertakes to accept as binding all decisions of the Council under the provisions of this Agreement.

ARTICLE 37

(1) The Council shall establish an Executive Committee, which shall be composed of representatives of the Governments of five participating exporting countries which shall be selected for a quota year by a majority of the votes held by the exporting countries and of representatives of the Governments of five participating importing countries which shall be selected for a quota year by a majority of the votes held by the importing countries.

(2) The Executive Committee shall exercise such powers and functions of the Council as are delegated to it by the Council.

(3) The Executive Director of the Council shall be **ex officio** Chairman of the Executive Committee but shall have no vote. The Committee may elect a Vice-Chairman and shall establish its Rules of Procedure subject to the approval of the Council.

(4) Each member of the Committee shall have one vote. In the Executive Committee, decisions shall be by a majority of the votes cast by the exporting countries and a majority of the votes cast by the importing countries.

(5) Any Participating Government shall have the right of appeal to the Council under such conditions as may be prescribed by the Council, against any decision of the Executive Committee. In so far as the decision of the Council does not accord with the decision of the Executive Committee, the latter shall be modified as of the date on which the Council makes its decision.

CHAPTER XIV.—Finance

ARTICLE 38

(1) Expenses of delegations to the Council and members of the Executive Committee shall be met by their respective Governments. The other expenses necessary for the administration of this Agreement, including remuneration which the Council pays, shall be met by annual contributions by the Participating Governments. The contribution of each Participating Government for each quota year shall be proportionate to the number of votes held by it when the budget for that quota year is adopted.

(2) At its first session the Council shall approve its budget for the first quota year and assess the contributions to be paid by each Participating Government.

(3) The Council shall, each quota year, approve its budget for the following quota year and assess the contribution to be paid by each Participating Government for such quota year.

(4) The initial contribution of any Participating Government acceding to this Agreement under Article 41 shall be assessed by the Council on the basis of the number of votes to be held by it and the period remaining in the current quota year, but the assessment made upon other Participating Governments for the current quota year shall not be altered.

(5) Contributions shall become payable at the beginning of the quota year in respect of which the contribution is assessed and in the currency of the country where the seat of the Council is situated. Any Participating Government failing to pay its contribution by the end of the quota year in respect of which such contribution has been assessed shall be suspended of its voting rights until its contribution is paid, but, except by Special Vote of the Council, shall not be deprived of any of its other rights nor relieved of any of its obligations under this Agreement.

(6) To the extent consistent with the laws of the country where the seat of the Council is situated, the Government of that country shall grant exemption from taxation on the funds of the Council and on remuneration paid by the Council to its employees.

(7) The Council shall, each quota year, publish an audited statement of its receipts and expenditures during the previous quota year.

(8) The Council shall, prior to its dissolution, provide for the settlement of its liabilities and the disposal of its records and assets upon the termination of this Agreement.

CHAPTER XV.—Cooperation with other Organizations

ARTICLE 39

(1) The Council, in exercising its functions under this Agreement, may make arrangements for consultation and cooperation with appropriate organizations and institutions and may also make such provisions as it deems fit for representatives of those bodies to attend meetings of the Council.

(2) If the Council finds that any terms of this Agreement are materially inconsistent with such requirements as may be laid down by the United Nations or through its appropriate organs and specialized agencies regarding inter-governmental commodity agreements, the inconsistency shall be deemed to be a circumstance affecting adversely the operation of this Agreement and the procedure prescribed in Article 43 shall be applicable.

CHAPTER XVI.—Disputes and Complaints

ARTICLE 40

(1) Any dispute concerning the interpretation or application of this Agreement, which is not settled by negotiation, shall, at the request of any Participating Government party to the dispute, be referred to the Council for decision.

(2) In any case where a dispute has been referred to the Council under paragraph (1) of this Article, a majority of Participating Governments or Participating Governments holding not less than one-third of the total votes may require the Council, after full discussion, to seek the opinion of the advisory panel referred to in paragraph (3) of this Article on the issues in dispute before giving its decision.

(3)—(i) Unless the Council unanimously agrees otherwise, the panel shall consist of—

(a) two persons, one having wide experience in matters of the kind in dispute and the other having legal standing and experience, nominated by the exporting countries;

(b) two such persons nominated by the importing countries; and

(c) a chairman selected unanimously by the four persons nominated under (a) and (b), or, if they fail to agree, by the Chairman of the Council.

(ii) Persons from countries whose Governments are parties to this Agreement, shall be eligible to serve on the advisory panel.

(iii) Persons appointed to the advisory panel shall act in their personal capacities and without instructions from any Government.

(iv) The expenses of the advisory panel shall be paid by the Council.

(4) The opinion of the advisory panel and the persons therefor shall be submitted to the Council which, after considering all the relevant information, shall decide the dispute.

(5) Any complaint that any Participating Government has failed to fulfill its obligations under this Agreement shall, at the request of the Participating Government making the complaint, be referred to the Council which shall make a decision on the matter.

(6) No Participating Government shall be found to have committed a breach of this Agreement except by a majority of the votes held by the importing countries. Any finding that a Participating Government is in breach of the Agreement shall specify the nature of the breach.

(7) If the Council finds that a Participating Government has committed a breach of this Agreement, it may, by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries, suspend the Government concerned of its voting rights until it fulfills its obligations or expel that Government from this Agreement.

CHAPTER XVII.—Signature, Acceptance, Entry into Force, and Accession

ARTICLE 41

(1) This Agreement shall be open for signature from September 15 to October 31, 1953, by the Governments represented by delegates at the Conference at which this Agreement was negotiated.

(2) This Agreement shall be subject to ratification or acceptance by the signatory Governments in accordance with their respective constitutional procedures, and the instruments of ratification or acceptance shall be deposited with the Government of the United Kingdom of Great Britain and Northern Ireland.

(3) This Agreement shall be open for accession by any of the Governments referred to in paragraph (1) of this Article and accession shall be effected by the deposit of an instrument of accession with the Government of the United Kingdom of Great Britain and Northern Ireland.

(4) The Council may approve accession to this Agreement by any Government not referred to in paragraph (1) of this Article, provided that the conditions of such accession shall first be agreed upon with the Council by the Government desiring to effect it.

(5) The effective date of a Government's participation in this Agreement shall be the date on which the instrument of ratification, acceptance, or accession is deposited with the Government of the United Kingdom of Great Britain and Northern Ireland.

(6)—(i) This Agreement shall come into force on December 15, 1953, as regards Articles 1, 2, 18, and 27—46 inclusive, and on January 1, 1954, as regards Articles 3—17 and 19—26 inclusive, if on December 15, 1953, instruments of ratification, acceptance or accession have been deposited by Governments holding 60 per cent of the votes of importing countries and 75 per cent of the votes of exporting countries under the distribution set out in Articles 33 and 34; provided that notifications to the Government of the United Kingdom of Great Britain and Northern Ireland by Governments which have been unable to ratify, accept, or accede to this Agreement by December 15, 1953, containing an undertaking to seek to obtain as rapidly as possible under their constitutional procedure, and during a period of four months from December 15, 1953, ratification, acceptance, or accession, will be considered as equivalent to ratification, acceptance, or accession. If, however, such a notification is not followed by the deposit of an instrument of ratification, acceptance, or accession by May 1, 1954, the Government concerned shall then no longer be regarded as an observer. In any event the obligations under this Agreement of Governments of exporting countries which have ratified, accepted, or acceded to this Agreement by May 1, 1954, for the first quota year will run as from January 1, 1954.

(ii) If at the end of the period of four months mentioned in sub-paragraph (i) the percentage of votes of importing countries or of exporting countries which have ratified, accepted, or acceded to this Agreement is less than the percentage provided for in sub-paragraph (i), the Governments which have ratified, accepted, or acceded to this Agreement may agree to put it into force among themselves.

(iii) The Council may determine the conditions under which the Governments which have not ratified, accepted, or acceded to this Agreement by December 15th, 1953, but who have made known their intention to obtain as rapidly as possible a decision on ratification, acceptance, or accession may take part in the work of the Council as non-voting observers if they so wish.

(7) The Government of the United Kingdom of Great Britain and Northern Ireland will notify all signatory Governments of each signature, ratification, acceptance of, or accession to this Agreement, and shall inform all signatory Governments of any reservation or condition attached thereto.

CHAPTER XVIII.—Duration, Amendment, Suspension, Withdrawal, Termination

ARTICLE 42

(1) The duration of this Agreement shall be five years from January 1, 1954. The Agreement shall not be subject to denunciation.

(2) Without prejudice to Articles 43 and 44, the Council shall in the third year of this Agreement examine the entire working of the Agreement, especially in regard to quotas and prices and shall take into account any amendment to the Agreement which in connection with this examination any Participating Government may propose.

(3) Not less than three months before the last day of the third quota year of this Agreement the Council shall submit a report on the results of the examination referred to in paragraph (2) of this Article to Participating Governments.

(4) Any Participating Government may, within a period of not more than two months after the receipt of the Council's reports referred to in paragraph (3) of this Article, withdraw from this Agreement by giving notice of withdrawal to the Government of the United Kingdom of Great Britain and Northern Ireland. Such withdrawal shall take effect on the last day of the third quota year.

(5)—(i) If, after the two months referred to in paragraph (4) of this Article, any Government which has not withdrawn from this Agreement under that paragraph considers that the number of Governments which have withdrawn under the said paragraph, or the importance of those Governments for the purposes of this Agreement, is such as to impair the operation of this Agreement, such Government may, within thirty days following the expiration of the said period, request the Chairman of the Council to call a special meeting of the Council at which the Governments party to this Agreement shall consider whether or not they will remain party to it.

(ii) Any special meeting called pursuant to a request made under sub-paragraph (i) shall be held within one month of the receipt by the Chairman of such request and Governments represented at such meeting may withdraw from the Agreement by giving notice of withdrawal to the Government of the United Kingdom of Great Britain and Northern Ireland within thirty days from the date on which the meeting was held. Any such notice of withdrawal shall become effective thirty days from the date of its receipt by that Government.

(iii) Governments not represented at a special meeting held pursuant to sub-paragraphs (i) and (ii) may not withdraw from this Agreement under the provisions of those sub-paragraphs.

ARTICLE 43

(1) If circumstances arise which, in the opinion of the Council, affect or threaten to affect adversely the operation of this Agreement, the Council may, by a Special Vote, recommend an amendment of this Agreement to the Participating Governments.

(2) The Council shall fix the time within which each Participating Government shall notify the Government of the United Kingdom of Great Britain and Northern Ireland whether or not it accepts an amendment recommended under paragraph (1) of this Article.

(3) If, within the time fixed under paragraph (2) of this Article, all Participating Governments accept an amendment, it shall take effect immediately on the receipt by the Government of the United Kingdom of Great Britain and Northern Ireland of the last acceptance.

(4) If, within the time fixed under paragraph (2) of this Article, an amendment is not accepted by the Governments of exporting countries which hold 75 per cent of the votes of the exporting countries and by the Governments of importing countries which hold 75 per cent of the votes of the importing countries, it shall not take effect.

(5) If, by the end of the time fixed under paragraph (2) of this Article, an amendment is accepted by the Governments of exporting countries which hold 75 per cent of the votes of the exporting countries and the Governments of importing countries which hold 75 per cent of the votes of importing countries but not by the Governments of all the exporting countries and the Governments of all the importing countries—

(i) the amendment shall become effective for the Participating Governments which have signified their acceptance under paragraph (2) of this Article at the beginning of the quota year next following the end of the time fixed under that paragraph;

(ii) the Council shall determine forthwith whether the amendment is of such a nature that the Participating Governments which do not accept it shall be suspended from this Agreement from the date upon which it becomes effective under sub-paragraph (i) and shall inform all Participating Governments accordingly. If the Council determines that the amendment is of such a nature, Participating Governments which have not accepted that amendment shall inform the Council by the date on which the amendment is to become effective under sub-paragraph (i) whether it is still unacceptable and those Participating Governments which do so shall automatically be suspended from this Agreement; provided that if any such Participating Government satisfies the Council that it has been prevented from accepting the amend-

ment by the time the amendment becomes effective under sub-paragraph (i) by reason of constitutional difficulties beyond its control, the Council may postpone suspension until such difficulties have been overcome and the Participating Government has notified its decision to the Council.

(6) The Council shall establish rules with respect to the reinstatement of a Participating Government suspended under paragraph (5) (ii) of this Article and any other rules required for carrying out the provisions of this Article.

ARTICLE 44

(1) If any Participating Government considers its interests to be seriously prejudiced by the failure of any signatory Government to ratify or accept this Agreement, or by conditions or reservations attached to any signature, ratification, or acceptance, it shall notify the Government of the United Kingdom of Great Britain and Northern Ireland. Immediately on the receipt of such notification, the Government of the United Kingdom of Great Britain and Northern Ireland shall inform the Council, which shall, either at its first meeting, or at any subsequent meeting held not later than one month after receipt of the notification, consider the matter. If, after the Council has considered the matter, the Participating Government still considers its interests to be seriously prejudiced, it may withdraw from this Agreement by giving notice of withdrawal to the Government of the United Kingdom of Great Britain and Northern Ireland within thirty days after the Council has concluded its consideration of the matter.

(2) If any Participating Government demonstrates that, notwithstanding the provisions of this Agreement, its operation has resulted in an acute shortage of supplies or in prices on the free market not being stabilized within the range provided for in this Agreement, and the Council fails to take action to remedy such situation, the Government concerned may give notice of withdrawal from this Agreement.

(3) If, during the period of this Agreement, by action of a non-participating country, or by action of any participating country inconsistent with this Agreement, such adverse changes occur in the relation between supply and demand on the free market as are held by any Participating Government seriously to prejudice its interests, such Participating Government may state its case to the Council. If the Council declares the case to be well-founded, the Government concerned may give notice of withdrawal from this Agreement.

(4) If any Participating Government considers that its interests will be seriously prejudiced by reason of the effects of the basic export tonnage to be allotted to a non-participating exporting country seeking to

accede to this Agreement pursuant to Article 41 (4), such Government may state its case to the Council which shall take a decision upon it. If the Government concerned considers that, notwithstanding the decision by the Council, its interests continue to be seriously prejudiced, it may give notice of withdrawal from this Agreement.

(5) The Council shall take a decision within thirty days on any matters submitted to it in accordance with paragraphs (2), (3), and (4) of this Article; and if the Council fails to do so within that time, the Government which has submitted the matter to the Council may give notice of withdrawal from this Agreement.

(6) Any Participating Government may, if it becomes involved in hostilities, apply to the Council for the suspension of some or all of its obligations under this Agreement. If the application is denied, such Government may give notice of withdrawal from this Agreement.

(7) If any Participating Government avails itself of the provisions of Article 16 (2), so as to be released from its obligations under that Article, any other Participating Government may at any time during the ensuing three months give notice of withdrawal after explaining its reasons to the Council.

(8) In addition to the situations envisaged in the preceding paragraphs of this Agreement, when a Participating Government demonstrates that circumstances beyond its control prevent it from fulfilling its obligations under this Agreement, it may give notice of withdrawal from this Agreement, subject to a decision of the Council that such withdrawal is justified.

(9) If any Participating Government considers that a withdrawal from this Agreement notified in accordance with the provisions of this Article by any other Participating Government, in respect of either its metropolitan territory or all or any of the non-metropolitan territories for whose international relations it is responsible, is of such importance as to impair the operation of this Agreement, that Government may also give notice of withdrawal from this Agreement at any time during the ensuing three months.

(10) Notice of withdrawal under this article shall be given to the Government of the United Kingdom of Great Britain and Northern Ireland and shall become effective thirty days from the date of its receipt by that Government.

ARTICLE 45

The Government of the United Kingdom of Great Britain and Northern Ireland shall promptly inform all signatory and acceding Governments of each notification and notice or withdrawal received under Articles 42, 43, 44, and 46.

CHAPTER XIX.—Territorial Application

ARTICLE 46

(1) Any Government may at the time of signature, ratification, acceptance of, or accession to this Agreement or at any time thereafter, declare by notification given to the Government of the United Kingdom of Great Britain and Northern Ireland that the Agreement shall extend to all or any of the non-metropolitan territories for whose international relations it is responsible and the Agreement shall from the date of receipt of the notification extended to all territories named therein.

(2) Any Participating Government may, by giving notice of withdrawal to the Government of the United Kingdom of Great Britain and Northern Ireland in accordance with the provisions for withdrawal in Articles 42, 43, and 44, withdraw from this Agreement separately in respect of all or any of the non-metropolitan territories for whose international relations it is responsible.

In witness whereof the undersigned, having been duly authorized to this effect their respective Governments, have signed this Agreement on the dates appearing opposite their signatures.

The texts of this Agreement in the Chinese, English, French, Russian, and Spanish languages are all equally authentic, the originals being deposited with the Government of the United Kingdom of Great Britain and Northern Ireland, which shall transmit certified copies thereof to each signatory and acceding Government.

Done at London the first day of October one thousand nine hundred and fifty-three.

For Australia:
THOMAS WHITE,
October 20, 1953.

For Belgium:
MARQUIS du PARC LOCMARIA,
October 22, 1953.

For Brazil:
S. de SOUZA LEAO GRACIE,
October 30, 1953.

For China:
MAO-LAN TUAN
October 31, 1953.

The Government of the Republic of China, which was represented by the Chinese Delegation throughout the United Nations Sugar Conference held in London from July 13 to August 24, 1953, is the only

legitimate Government of China. The Chinese Delegation, in proceeding to sign this Agreement, declares, in the name of the Government of the Republic of China, that it considers as illegal and therefore null and void any declaration or reservations made by any Governments in connection with the Final Act of the United Nations Sugar Conference signed in London on August 24, 1953, or the present Agreement, which are incompatible with or derogatory to the legitimate position of the Government of the Republic of China.

It is further recalled that during the Conference the Chinese Delegation, when supporting the Cuban reservation that the balance of the Cuban 1953 sale to the United Kingdom should not be charged against her 1954 quota, did also declare that the balance of shipment contracted by the Republic of China with Japan for 1953 should be similarly treated. The balance is now estimated at 50,000 metric tons not to be charged against the 1954 quota of the Republic of China. It is with this reservation that the Chinese delegation signs the present Agreement.

Mao Lan Tuan

For Cuba:

ROBERTO G. de MENDOZA,
October 26, 1953.

In affixing their signature to this Agreement, the Government of the Republic of Cuba does so subject to the condition that, in accordance with the understanding reached on the recommendations of the Steering Committee to the United Nations International Sugar Conference on August 21, 1953, and which is contained in documents Conference Room Paper Ex 7 and E/CONF./15SR17, it is understood that the shipment after January 1, 1954, of the balance of the Sugar sold by Cuba to the United Kingdom under the 1953 transaction covering 1,000,000 tons, shall not be charged against the export quotas for 1954 established for Cuba under the provisions of this Agreement.

Roberto G. de Mendoza

For Czechoslovakia:

J. ULLRICH,
October 31, 1953.

Signed with following reservations:—

In view of the fact that Czechoslovak economy is a full-scale planned economy, Article 3, relating to the subsidization of exports of sugar, and Articles 10 and 13 relating to limitations of production and stocks of sugar, are not applicable to Czechoslovakia.

It is understood that Czechoslovakia will supply the Council with relevant statistics and information required under Article 28,

par. 4, of the Agreement which it will deem necessary, so as to enable the Council or the Executive Committee to discharge their functions under this Agreement.

The signing of the Agreement mentioning in Article 14 China (Taiwan) and 34 China in no way signifies recognition of the Kuomintang authorities' power over the territory of Taiwan neither recognition of the so-called "Nationalist Chinese Government" as a legal and competent Government of China.

J. Ullrich.

For Denmark:

ANTHON VESTBIRK,
October 30, 1953.

At the time of signing the present Agreement I declare that, since the Danish Government does not recognize the Nationalist Chinese authorities as the competent Government of China, they cannot regard signature of the Agreement by a Nationalist Chinese representative as a valid signature on behalf of China.

Anthon Vestbirk.

For the Dominican Republic:

LUIS LOGRONO COHEN,
October 26, 1953.

For France and the countries which France represents internationally:

R. MASSIGLI,
October 26, 1953.

For the Federal Republic of Germany:

DR. KARL MULLER,
October 30, 1953.

For Greece:

J. PHRANTZES,
October 31, 1953.

For Haiti:

LOVE O. LEGER
October 29, 1953.

For Japan:

S. MATSUMOTO,
October 28, 1953

For Lebanon:

VICTOR KHOURI,
October 31, 1953.

For Mexico:

FRANCISCO A. de ICAZA,
October 30, 1953.

For the Kingdom of the Netherlands:

Subject to the reservation that the agreement does not apply to the movement of sugar between the component parts of the Kingdom.

STIKKER,
October 30, 1953.

For the Republic of the Philippines:

ENRIQUE M. GARCIA,
October 30, 1953.

For the Polish People's Republic:

E. MILNIKIEL,
October 31, 1953.

1. The signing of this agreement, which in Articles 14 and 34 mentions China, may under no circumstances be regarded as a recognition of the authority of the Kuomintang over the territory of Taiwan nor of the so-called "Chinese nationalist government" as the legal and component government of China.

2. Considering the fact that the Polish People's Republic is a country of a planned economy, the provisions of the present Agreement concerning production, stocks, and subsidization of export, especially Articles 10, 13, and 3, do not apply to the Polish People's Republic.

E. Milnikiel.

For Portugal:

ALBANO NOGUEIRA,
October 30, 1953.

At the time of signing the International Sugar Agreement on behalf of the Portuguese Government I desire to formulate the reservation already recorded in the Minutes of the International Sugar Conference to the effect that I do so on the understanding that the Province of Mozambique (Portuguese East Africa) will continue to export sugar to the territories of Southern Rhodesia, Northern Rhodesia, and Nyasaland, and that Portugal will be recognized as an exporting country to which, in consequence, a basic export quota will be allotted when her position shall have become that of a Net Exporter.

Albano Nogueira.

For the Union of South Africa:

A. L. GEYER,

October 30, 1953.

For the Union of Soviet Socialist Republics:

N. ANDRIENKO,

October 29, 1953.

(Translation)

It is understood that in view of the social and economic structure of the U.S.S.R. and its planned economy, Articles 10 and 13, relating to limitations of production and to stocks of sugar, and Article 3 relating to the subsidization of exports of sugar, are not applicable to the U.S.S.R.

The signing on behalf of the Union of Soviet Socialist Republics of this text of the Agreement, mentioning in Articles 14 China (Taiwan) and 34 China, in no way signifies recognition of the Kuomintang authorities' power over the territory of Taiwan neither recognition of the so-called "Nationalist Chinese Government" as a legal and competent Government of China.

A. Andrienko,

For the United Kingdom of Great Britain and Northern Ireland:

H. D. HANCOCK,

October 16, 1953.

At the time of signing the present Agreement I declare that since the Government of the United Kingdom does not recognize the Nationalist Chinese authorities as the competent Government of China they cannot regard signature of the Agreement by a Nationalist Chinese representative as a valid signature on behalf of China.

The Government of the United Kingdom interprets Article 38 (6) as requiring the Government of the country where the Council is situated to exempt from taxation the funds of the Council and the remuneration paid by the Council to those of its employees who are not nationals of the country where the Council is situated.

H. S. Hancock

For the United States of America:

WINTHROP W. ALDRICH,

October 23, 1953.

For the Federal People's Republic of Yugoslavia:

P. TOMIC

October 30, 1953.

AGREEMENT BETWEEN THE REPUBLIC OF THE PHILIPPINES AND THE UNITED STATES OF AMERICA CONCERNING TRADE AND RELATED MATTERS DURING A TRANSITIONAL PERIOD FOLLOWING, THE INSTITUTION OF PHILIPPINE INDEPENDENCE, SIGNED AT MANILA ON JULY 4, 1946, AS REVISED

The President of the Republic of the Philippines and the President of the United States of America, mindful of the close economic ties between the people of the Philippines and the people of the United States during many years of intimate political relations, and desiring to enter into an agreement in keeping with their long friendship, which will be mutually beneficial to the two peoples and will strengthen the economy of the Philippines so as to enable that Republic to contribute more effectively to the peace and prosperity of the free world, have agreed to the following Articles:

ARTICLE I

1. The ordinary customs duty to be collected on United States articles as defined in Subparagraph (e) of Paragraph 1 of the Protocol, which during the following portions of the period from January 1, 1956, to July 3, 1974, both dates inclusive, are entered, or withdrawn from warehouse, in the Philippines for consumption, shall be determined by applying the following percentages of the Philippine duty as defined in Subparagraph (h) of Paragraph 1 of the Protocol:

(a) During the period from January 1, 1956, to December 31, 1958, both dates inclusive, twenty-five per centum.

(b) During the period from January 1, 1959, to December 31, 1961, both dates inclusive, fifty per centum.

(c) During the period from January 1, 1962, to December 31, 1964, both dates inclusive, seventy-five per centum.

(d) During the period from January 1, 1965, to December 31, 1973, both dates inclusive, ninety per centum.

(e) During the period from January 1, 1974, to July 3, 1974, both dates inclusive, one hundred per centum.

2. The ordinary customs duty to be collected on Philippine articles as defined in Subparagraph (f) of Paragraph 1 of the Protocol, other than those specified in the Schedule to Paragraph 2 of Article II,

which during such portions of such period are entered, or withdrawn from warehouse, in the United States for consumption, shall be determined by applying the following percentages of the United States duty as defined in Subparagraph (g) of Paragraph 1 of the Protocol:

(a) During the period from January 1, 1956, to December 31, 1958 both dates inclusive, five per centum.

(b) During the period from January 1, 1959, to December 31, 1961, both dates inclusive, ten per centum.

(c) During the period from January 1, 1962, to December 31, 1964, both dates inclusive, twenty per centum.

(d) During the period from January 1, 1965, to December 31, 1967, both dates inclusive, forty per centum.

(e) During the period from January 1, 1968, to December 31, 1970, both dates inclusive, sixty per centum.

(f) During the period from January 1, 1971, to December 31, 1973, both dates inclusive, eighty per centum.

(g) During the period from January 1, 1974, to July 3, 1974, both dates inclusive, one hundred per centum.

3. Customs duties on United States articles, and on Philippine articles, other than ordinary customs duties, shall be determined without regard to the provisions of Paragraphs 1 and 2 of this Article, but shall be subject to the provisions of Paragraph 4 of this Article.

4. With respect to United States articles imported into the Philippines, and with respect to Philippine articles imported into the United States, no duty on, or in connection with, importation shall be collected or paid in an amount in excess of the duty imposed with respect to like article which are the product of any other foreign country, or collected or paid in any amount if the duty is not imposed with respect to such like articles. As used in this Paragraph, the term "duty" includes taxes, fees, charges, or exactions, imposed on, or in connection with, importation, but does not include internal taxes or ordinary customs duties.

5. With respect to products of the United States which do not come within the definition of United States articles, imported into the Philippines, duty on, or in connection with, importation shall be collected or paid in an amount in excess of the duty imposed with respect to like articles which are the product of any other foreign country, or collected or paid in any amount if the duty is not imposed with respect to such like article which are the product of any other foreign country.

As used in this Paragraph the term "duty" includes fees, taxes, charges, or exactions, imposed on, or in connection with, importation, but does not include internal taxes.

6. With respect to products of the Philippines, which do not come within the definition of Philippine articles, imported into the United States, no duty on, or in connection with, importation shall be collected or paid in an amount in excess of the duty imposed with respect to like articles which are the product of any other foreign country (except Cuba), or collected or paid in any amount if the duty is not imposed with respect to such like articles which are the product of any other foreign country (except Cuba). As used in this Paragraph the term "duty" includes taxes, fees, charges, exactions, imposed on, or in connection with, importation, but does not include internal taxes.

7. Notwithstanding the provisions of Paragraph 1 of this Article, the Philippines shall impose a temporary special import tax, in lieu of the present tax on the sale of foregin exchange, on any article or product imported or brought into the Philippines, irrespective of source; provided that such special levy is applied in a non-discriminatory manner pursuant to Paragraphs 4 and 5 of this Article, that the initial tax is at a rate no higher than the present rate of the foreign exchange tax, and that the tax shall be progressively reduced at a rate no less rapid than that specified in the following Schedule. If, as a result of applying this Schedule, the total revenue from Philippine customs duties and from the special import tax on goods coming from the United States is less in any calendar year than the proceeds from the exchange tax on such goods during the calendar year 1955, no reduction need be made in the special import tax for the next succeeding calendar year, and, if necessary to restore revenues collected on the importation of United States goods to the level of exchange tax on such goods in calendar year 1955, the Philippines may increase the rate for such succeeding calendar year to any previous level provided for in this Schedule which is considered to be necessary to restore such revenues to the amount collected from the exchange tax on United States goods in calendar year 1955. Rates for the special import levy in subsequent years shall be fixed in accordance with the schedules specified in this Article, except as the Philippine Government may determine that higher rates are necessary to maintain the above-mentioned level or revenues from the importation of United States goods. In this event, such rate shall be determined by the Philippine Government, after consultation with the United States Government, at a level of the Schedule calculated to cover any anticipated deficiency arising from the operation of this provision.

SCHEDULE FOR REDUCING SPECIAL IMPORT TAX

(a) After December 31, 1956, ninety per centum.

(b) After December 31, 1957, eighty per centum.

(c) After December 31, 1958, seventy per centum.

(d) After December 31, 1959, sixty per centum.

(e) After December 31, 1960, fifty per centum.

(f) After December 31, 1961, forty per centum.

(g) After December 31, 1962, thirty per centum.

(h) After December 31, 1963, twenty per centum.

(i) After December 31, 1964, ten per centum.

(j) On and after January 1, 1966, nil.

ARTICLE II

1. During the period from January 1, 1956, to December 31, 1973, both dates inclusive, the total amount of the articles falling within one of the classes specified in Items A and A-1 of the Schedule to this Paragraph, which are Philippine articles as defined in Subparagraph (f) of Paragraph 1 of the Protocol, and which, in any calendar year, may be entered, or withdrawn from warehouse, in the United States for consumption, shall not exceed the amounts specified in such Schedule as to each class of articles. During the period from January 1. 1956 to December 31, 1973, both dates inclusive, the total amount of the articles falling within the class specified in Item B of the Schedule to this Paragraph which are the product of the Philippines, and which, in any calendar year, may be entered, or withdrawn from warehouse, in the United States for consumption, shall not exceed the amount specified in such Schedule as to such class of articles. During the period from January 1, 1974, to July 3, 1974, both dates inclusive, the total amounts referred to in the preceding sentences of this Paragraph shall not exceed one-half of the amount specified in such Schedule with respect to each class of articles, respectively. The establishment herein of the limitations on the amounts of Philippine raw and refined sugar what may be entered, or withdrawn from warehouse in the United States for consumption, shall be without prejudice to any increases which the Congress of the United States might allocate to the Philippines in the future. The following Schedule to Paragraph 1 shall constitute an integral part thereof.

SCHEDULE OF ABSOLUTE QUOTAS

Item	Classes of articles	Amounts
A	Sugars	952,000 short tons
	A-1 of which not to exceed .. .. may be refined sugars, meaning "direct consumption sugar" as defined in Section 101 of the Sugar Act of 1948, as amended, of the United States which is set forth in part as Annex I to this Agreement.	56,000 short tons
B	Cordage including yarns .. .. twines, (including binding twine described in Paragraph 1622 of the Tariff Act of 1930 of the United States, as amended, which is set forth as Annex II to this Agreement), cords, cordage, rope, and cable tarred or untarred, wholly or in chief value of Manila (abaca) or other fiber.	6,000,000 lbs.

2. Philippine articles as defined in Subparagraph (f) of Paragraph 1 of the Protocol falling within one of the classes specified in the items included in the Schedule to this Paragraph, which, during the following portions of the period from January 1, 1956, to December 31, 1973, both dates inclusive, are entered, or withdrawn from warehouse, in the United States for consumption, shall be free of ordinary customs duty, in quantities determined by applying the following percentages to the amounts specified in such Schedule as to each such class of articles:

(a) During each of the calendar years 1956 to 1958, inclusive, ninety-five per centum.

(b) During each of the calendar years 1959 to 1961, inclusive, ninety per centum.

(c) During each of the calendar years 1962 to 1964, inclusive, eighty per centum.

(d) During each of the calendar years 1965 to 1967, inclusive, sixty per centum.

(e) During each of the calendar years 1968 to 1970, inclusive, forty per centum.

(f) During each of the calendar years 1971 to 1973, inclusive, twenty per centum.

(g) On and after January 1, 1974, nil.

The following Schedule to Paragraph 2, shall constitute an integral part thereof:

SCHEDULE OF TARIFF QUOTAS

Item	Classes of articles	Amounts
A	Cigars (exclusive of cigarettes .. .. cheroots of all kinds, and paper cigars and cigarettes, including wrappers).	200,000,000 cigars.
B	Scrap tobacco and stemmed and .. .. unstemmed filler tobacco described in Paragraph 602 of the Tariff Act of 1930 of the United States, as amended which is set forth as Annex III to this Agreement.	6,500,000 lbs.
C	Coconut Oil	200,000 long tons.
D	Buttons of pearl or shell	850,000 gross.

The quantities shown in the Schedule to this Paragraph represent base quantities for the purpose of computing the tariff-free quota and are not absolute quotas. Any such Philippine article so entered, or withdrawn from warehouse, in excess of the duty-free quota provided in this Paragraph shall be subject to one hundred per centum of the United States duty as defined in Subparagraph (g) of Paragraph 1 of the Protocol.

ARTICLE III

1. Except as otherwise provided in Article II or in Paragraph 2 of this Article, neither country shall impose restrictions or prohibitions on the importation of any article of the other country, or on the exportation of any article to the territories of the other country, unless the importation of the like article of, or the exportation of the like article to, all third countries is similarly restricted or prohibited. If either country imposes quantitative restrictions on the importation or exportation of any article in which the other country has an important interest and if it makes allotments to any third country, it shall afford such other country a share proportionate to the amount of the article, by quantity or value, supplied by or to it during a previous representative period, due consideration being given to any special factors affecting the trade in such article.

2. (a) Notwithstanding the provisions of Paragraph 1 of this Article, with respect to quotas on United States Articles as defined in Subparagraph (e) of Paragraph 1 of the Protocol or with respect to quotas on Philippine articles as defined in Subparagraph (f) of Paragraph 1 of the Protocol (other than the articles for which quotas are provided in Paragraph 1 of Article 11) a quota may be established only if—

(1) The President of the country desiring to impose the quota, after investigation, finds and proclaims that, as the result of preferential treatment accorded pursuant to this Agreement, any article of the other country is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers like or directly competitive articles; or

(2) The President of the country desiring to impose the quota finds that such action is necessary to forestall the imminent threat of, or to stop, a serious decline in its monetary reserves, or, in the event its monetary reserves are very low to achieve a reasonable rate of increase in its reserves.

(b) Any quota imposed for any twelve-month period under (a) (1) above for the purpose of protecting domestic industry shall not be less than the amount determined by the President of the importing country as the total amount of the articles of such class which, during the twelve months preceding entry into effect of the quota, was entered, or withdrawn from warehouse, for consumption, after deduction of the amount by which he finds domestic production can be increased during the twelve-month period of the quota; or if the quota is established for any period other than a twelve-month period, it shall not be less than a proportionate amount.

(c) Each Party agrees not to apply restrictions so as to prevent unreasonably the importation of any description of goods in minimum commercial quantities, the exclusion of which would seriously impair regular channels of trade, or restrictions which would prevent the importation of commercial samples, or prevent compliance with patent, trademark, copyright, or similar procedures.

(d) Any quota established pursuant to this Paragraph shall not continue in effect longer than necessary to achieve the purposes for its imposition, at which time the President of the country imposing the quota, following investigation, shall find and proclaim that the conditions which gave rise to the establishment of such quota no longer exist.

3. Either country taking action pursuant to the provisions of this Article shall give notice to the other country as far in advance as may be practicable, and shall afford it an opportunity to consult in respect of the proposed action. It is understood that this right of consultation does not imply that the consent of the other country to the establishment of the quota is needed in order for the quota to be put into effect.

ARTICLE IV

1. With respect to articles which are products of the United States coming into the Philippines, or with respect to articles manufactured in the Philippines wholly or in part from such articles, no internal tax shall be—

(a) Collected or paid in an amount in excess of the internal tax imposed with respect to like articles which are the product of the Philippines, or collected or paid in any amount if the internal tax is not imposed with respect to such like articles;

(b) Collected or paid in an amount in excess of the internal tax imposed with respect to like articles which are the product of any other foreign country, or collected or paid in any amount if the internal tax is not imposed with respect to such like articles.

Where an internal tax is imposed with respect to an article which is the product of a foreign country to compensate for an internal tax imposed (1) with respect to a like article which is the product of the Philippines, or (2) with respect to materials used in the production of a like article which is the product of the Philippines, if the amount of the internal tax which is collected and paid with respect to the article which is the product of the United States is not in excess of that permitted by paragraph 1 (b) of Article IV, such collection and payment shall not be regarded as in violation of the first sentence of this Paragraph.

2. With respect to articles which are products of the Philippines coming into the United States, or with respect to articles manufactured in the United States wholly or in part from such articles, no internal tax shall be—

(a) Collected or paid in an amount in excess of the internal tax imposed with respect to like articles which are the product of the United States, or collected or paid in any amount if the internal tax is not imposed with respect to such like articles;

(b) Collected or paid in an amount in excess of the internal tax imposed with respect to like articles which are the product of any other foreign country, or collected or paid in any amount if the internal tax is not imposed with respect to such like articles.

Where an internal tax is imposed with respect to an article which is the product of a foreign country to compensate for an internal tax imposed (1) with respect to a like article which is the product of the United States, or (2) with respect to materials used in the production of a like article which is the product of the United States if, the amount of the internal tax which is collected and paid with respect to the article which is the product of the Philippines is not in excess of that permitted by Paragraph 2 (b) of Article IV, such collection and payment shall not be regarded as in violation of the first sentence of this Paragraph. This Paragraph shall not apply to the taxes imposed under sections 4591, 4812, or 4831 of the Internal Revenue Code of the United States which are set forth in part as Annexes IV, V, and VI of this Agreement.

3. No processing tax or other internal tax shall be imposed or collected in the United States or in the Philippines with respect to articles coming into such country for the official use of the Government of the Philippines or of the United States, respectively, or any department or agency thereof.

4. No processing tax or other internal tax shall be imposed or collected in the United States with respect to Manila (abaca) fiber not dressed or manufactured in any manner.

5. The United States will not reduce the preference of two cents per pound provided in Section 4513 of the Internal Revenue Code of the United States (relating to processing taxes on coconut oil, etc.), which is set forth as Annex VII to this Agreement, with respect to articles "wholly the production of the Philippine Islands" or articles "produced wholly from materials the growth or production of the Philippine Islands"; except that it may suspend the provisions of section 4511 (b) of the Internal Revenue Code of the United States, after consultation with the President of the Philippines, finds that adequate supplies of neither copra nor coconut oil, the product of the Philippines, are readily available for processing in the United States.

ARTICLE V

The Republic of the Philippines will take the necessary legislative and executive actions, prior to, or at the time of, the entry into

force of the revisions of this Agreement authorized by the Congress of the Philippines and the Congress of the United States in 1955, to enact and implement legislation similar to that already enacted by the Congress of the United States as Public Law 419, 83rd Congress, Chapter 323, 2nd Session, to facilitate the entry of Philippine traders.

ARTICLE VI

1. The disposition, exploitation, development, and utilization of all agricultural, timber, and mineral lands of the public domain, waters, minerals, coal, petroleum and other mineral oils, all forces and sources of potential energy, and other natural resources of either party and the operation of public utilities, shall, if open to any person, be open to citizens of the other Party and to all forms of business enterprise owned or controlled, directly or indirectly, by citizens of such other Party in the same manner as to and under the same conditions imposed upon citizens or corporations or associations owned or controlled by citizens of the Party granting the right.

2. The rights provided for in Paragraph 1 may be exercised, in the case of citizens of the Philippines with respect to natural resources in the United States which are subject to Federal control or regulations, only through the medium of a corporation organized under the laws of the United States or one of the States thereof and likewise, in the case of citizens of the United States with respect to natural resources in the public domain in the Philippines, only through the medium of a corporation organized under the laws of the Philippines and at least 60 per cent of the capital stock of which is owned or controlled by citizens of the United States. This provision, however, does not affect the right of citizens of the United States to acquire or own private agricultural lands in the Philippines or of citizens of the Philippines to acquire or own land in the United States which is subject to the jurisdiction of the United States and not within the jurisdiction of any State and which is not within the public domain. The Philippines reserves the right to dispose of its public lands in small quantities on especially favorable terms exclusively to actual settlers or other users who are its own citizens. The United States reserves the right to dispose of its public lands in small quantities on especially favorable terms exclusively to actual settlers or other users who are its own citizens or aliens who have declared their intention to become citizens. Each Party reserves the right to limit the extent to which aliens may engage in fishing or engage in enterprises which furnish communications services and air or water transport. The United States also reserves

the right to limit the extent to which aliens may own land in its outlying territories and possessions, but the Philippines will extend to American nationals who are residents of any of those outlying territories and possessions only the same rights, with respect to ownership of lands, which are granted therein to citizens of the Philippines. The rights provided for in this Paragraph shall not, however, be exercised by either Party so as to derogate from the rights previously acquired by citizens or corporations or associations owned or controlled by citizens of the other Party.

3. The United States of America reserves the rights of the several States of the United States to limit the extend to which citizens or corporations or associations owned or controlled by citizens of the Philippines may engage in the activities specified in this Article. The Republic of the Philippines reserves the power to deny any of the rights specified in this Article to citizens of the United States who are citizens of States, or to corporations or associations at least 60 per cent of whose capital stock or capital is owned or controlled by citizens of States, which deny like rights to citizens of the Philippines, or to corporations or associations which are owned or controlled by citizens of the Philippines. The exercise of this reservation on the part of the Philippines shall not affect previously acquired rights, provided that in the event that any State of the United States of America should in the future impose restrictions which would deny to citizens or corporations or associations owned or controlled by citizens of the Philippines the right to continue to engage in activities in which they were engaged therein at the time of the imposition of such restrictions, the Republic of the Philippines shall be free to apply like limitations to the citizens or corporations or associations owned or controlled by citizens of such States.

ARTICLE VII

1. The Republic of the Philippines and the United States of America each agrees not to discriminate in any manner, with respect to their engaging in business activities, against the citizens or any form of business enterprise owned or controlled by citizens of the other and that new limitations imposed by either Party upon the extent to which aliens are accorded national treatment with respect to carrying on business activities within its territories, shall not be applied as against enterprises owned or controlled by citizens of the other party which are engaged in such activities therein at the time such new limitations are adopted, nor shall such new limitations be applied to American citizens or corporations or associations owned or controlled by American citizens whose States do not impose like limitations on citizens or corporations or associations owned or controlled by citizens of the Republic of the Philippines.

2. The United States of America reserves the rights of the several States of the United States to limit the extent to which citizens or corporations or associations owned or controlled by citizens of the Philippines may engage in any business activities. The Republic of the Philippines reserves the power to deny any rights to engage in business activities to citizens of the United States who are citizens of States, or to corporations or associations at least 60 per cent of the capital stock or capital of which is owned or controlled by citizens of States, which deny like rights to citizens of the Philippines or to corporations or associations owned or controlled by citizens of the Philippines. The exercise of this reservation on the part of the Philippines shall not affect previously acquired rights, provided that in the event that any State of the United States of America should in the future impose restrictions which would deny to citizens or corporations or associations owned or controlled by citizens of the Philippines the right to continue to engage in business activities in which they were engaged therein at the time of the imposition of such restrictions, the Republic of the Philippines shall be free to apply like limitations to the citizens or corporations or associations owned or controlled by citizens of such States.

ARTICLE VIII

Nothing in this Agreement shall be construed:

(1) to require either Party to furnish any information the disclosure of which it considers contrary to its essential security interests; or

(2) to prevent either Party from taking any action which it considers necessary for the protection of its essential security interests—

(a) relating to fissionable materials or the materials from which they are derived;

(b) relating to the traffic in arms, ammunition, and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment;

(c) taken in time of war or other emergency in international relations; or

(3) to prevent either Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

ARTICLE IX

1. Upon the taking effect of this Agreement, and upon the taking effect of the revisions thereof authorized by the Congress of the Philippines and the Congress of the United States in 1955, the provisions placing obligations on the United States: (a) if in effect as laws of the United States at the time of such taking effect, shall continue in effect as laws of the United States during the effectiveness of the Agreement; or (b) if not so in effect, shall take effect and continue in effect as laws of the United States during the effectiveness of the Agreement. The Philippines will continue in effect as laws of the Philippines, during the effectiveness of this Agreement, the provisions thereof placing obligations on the Philippines.

2. The Philippines and the United States will promptly enact, and shall keep in effect during the effectiveness of this Agreement, such legislation as may be necessary to supplement the laws of the Philippines and the United States, respectively, referred to in Paragraph 1 of this Article, and to implement the provisions of such laws and the provisions of this Agreement placing obligations on the Philippines and the United States, respectively.

ARTICLE X

The Philippines and the United States agree to consult with each other with respect to any questions as to the interpretation or the application of this Agreement, concerning which either Government may make representations to the other. Not later than July 1, 1971, the Philippines and the United States agree to consult with each other as to joint problems which may arise as a result or in anticipation of the termination of this Agreement.

ARTICLE XI

1. This Agreement shall have no effect after July 3, 1974. It may be terminated by either the Philippines or the United States at any time, upon not less than five years' written notice. If the President of the Philippines or the President of the United States determines and proclaims that the other country has adopted or applied measures or practices which would operate to nullify or impair any right or obligation provided for in this Agreement, then the Agreement may be terminated upon not less than six months' written notice.

2. The revisions of this Agreement authorized by the Congress of the Philippines and the Congress of the United States in 1955 shall enter into force on January 1, 1956.

IN WITNESS WHEREOF the respective Plenipotentiaries have signed this Agreement and have affixed hereunto their seals.

DONE in duplicate in the English language at Washington this sixth day of September, one thousand nine hundred and fifty-five.

FOR THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES:

(Sgd.) CARLOS P. ROMULO
Special and Personal Envoy of
the President of the Philippines

FOR THE PRESIDENT OF THE UNITED STATES OF AMERICA:

(Sgd.) JAMES M. LANGLEY
Special and Personal Envoy of
the President of the United States of America

PROTOCOL TO ACCOMPANY THE AGREEMENT BETWEEN THE REPUBLIC OF THE PHILIPPINES AND THE UNITED STATES OF AMERICA CONCERNING TRADE AND RELATED MATTERS DURING A TRANSITIONAL PERIOD FOLLOWING THE INSTITUTION OF PHILIPPINE INDEPENDENCE, SIGNED AT MANILA ON JULY 4, 1948, AS REVISED

The undersigned duly empowered Plenipotentiaries have agreed to the following Protocol to the Agreement between the Republic of the Philippines and the United States of America concerning trade and related matters during a transitional period following the institution of Philippine Independence, signed at Manila on July 4, 1946, as revised, which shall constitute an integral part of the Agreement:

1. For the purpose of the Agreement—

(a) The term "person" includes partnerships, corporations, and associations.

(b) The term "United States" means the United States of America and, when used in a geographical sense, means the States, the District of Columbia, the Territories of Alaska and Hawaii, and Puerto Rico.

(c) The term "Philippines" means the Republic of the Philippines and, when used in a geographical sense, means the territories of the Republic of the Philippines, whether a particular act in question took place, or a particular situation in question existed, within such territories before or after the institution of the Republic of the Philippines. As used herein the territories of the Republic of the Philippines comprise all the territories specified in Section 1 of Article I of the Constitution of the Philippines which is set forth as Annex X to this Agreement.

(d) The term "ordinary customs duty" means a customs duty based on the article as such (whether or not such duty is also based in any manner on the use, value, or method of production of the article, or on the amount of like articles imported, or on any other factor); but does not include—

(1) A customs duty based on an act or omission of any person with respect to the importation of the article, or of the country from which the article is exported, or from which it comes; or

(2) A countervailing duty imposed to offset a subsidy, bounty, or grant; or

(3) An anti-dumping duty imposed to offset the selling of merchandise for exportation at a price less than the prevailing price in the country of export; or

(4) Any tax, fee, charge, or exaction, imposed on or in connection with importation unless the law of the country imposing it designates or imposes it as a customs duty or contains a provision to the effect that it shall be treated as a duty imposed under the customs laws; or

(5) The tax imposed by Section 4581 of the Internal Revenue Code of the United States, which is set forth as Annex VIII to this Agreement, with respect to an article, merchandise, or combination, ten per centum or more of the quantity by weight of which consists of, or is derived directly or indirectly from, one or more of the oils, fatty acids, or salts specified in Section 4511 of such Code which is set forth as Annex VII to this Agreement; or the tax imposed by Section 4501 (b) of such Code which is set forth as Annex IX to this Agreement.

(e) The term "United States article" means an article which is the product of the United States unless, in the case of an article produced with the use of materials imported into the United States from any foreign country (except the Philippines) the aggregate value of such imported materials at the time of importation into the United States was more than twenty per centum of the value of the article imported into the Philippines, the value of such article to be determined in accordance with, and as of the time provided by, the customs laws of the Philippines in effect at the time of importation of such article. As used in this Subparagraph the term "value", when used in reference to a material imported into the United States includes the value of the material ascertained under the customs laws of the United States in effect at the time of importation into the United States, and, if not included in such value, the cost of bringing the material to the United States, but does not include the cost of landing it at the port of importation, or customs duties collected in the United

States. For the purposes of this Subparagraph any imported material, used in the production of an article in the United States, shall be considered as having been used in the production of an article subsequently produced in the United States, which is the product of a chain of production in the United States in the course of which an article, which is the product of one stage of the chain, is used by its producer or another person, in a subsequent stage of the chain, as a material in the production of another article. It is understood that "United States articles" do not lose their status as such, for the purpose of Philippine tariff preferences, by reason of being imported into the Philippines from a country other than the United States or from an insular possession of the United States or by way of or via such a country or insular possession.

(f) The term "Philippine article" means an article which is the product of the Philippines, unless, in the case of an article produced with the use of materials imported into the Philippines from any foreign country (except the United States) the aggregate value of such imported materials at the time of importation into the Philippines was more than twenty per centum of the value of the article imported into the United States, the value of such article to be determined in accordance with, and as of the time provided by, the customs laws of the United States in effect at the time of importation of such article. As used in this Subparagraph the term "value", when used in reference to a material imported into the Philippines, includes the value of the material ascertained under the customs laws of the Philippines, in effect at the time of importation into the Philippines, and, if not included in such value, the cost of bringing the material to the Philippines, but does not include the cost of landing it at the port of importation, or customs duties collected in the Philippines. For the purposes of this Subparagraph any imported material, used in the production of an article in the Philippines, shall be considered as having been used in the production of an article subsequently produced in the Philippines, which is the product of a chain of production in the Philippines in the course of which an article, which is the product of one stage of the chain, is used by its producer or another person, in a subsequent stage of the chain, as a material in the production of another article. It is un-

derstood that "Philippine articles" do not lose their status as such, for the purpose of United States tariff preferences, by reason of being imported into the United States from a country other than the Philippines or from an insular possession of the United States or by way of or via such a country or insular possession.

(g) The term "United States duty" means the rate or rates of ordinary customs duty which (at the time and place of entry, or withdrawal from warehouse, in the United States for consumption, of the Philippine article) would be applicable to a like article if imported from that foreign country which is entitled to the lowest rate, or the lowest aggregate of rates, of ordinary customs duty with respect to such like article.

(h) The term "Philippine duty" means the rate or rates of ordinary customs duty which (at the time and place of entry, or withdrawal from warehouse, in the Philippines for consumption, of the United States article) would be applicable to a like article if imported from the foreign country which is entitled to the lowest rate, or the lowest aggregate of rates, of ordinary customs duty with respect to such like article.

(i) The term "internal tax" includes an internal fee, charge, or exaction, and includes—

(1) The tax imposed by Section 4581 of the Internal Revenue Code of the United States which is set forth as Annex VIII to this Agreement, with respect to an article, merchandise, or combination, ten per centum or more of the quantity by weight of which consists of, or is derived directly or indirectly from, one or more of the oils, fatty acids, or salts specified in Section 4511 of such Code which is set forth as Annex VII to this Agreement; and the tax imposed by Section 4501 (b) of such Code which is set forth as Annex IX to this Agreement; and

(2) Any other tax, fee, charge, or exaction, imposed on or in connection with importation unless the law of the country imposing it designates or imposes it as a customs duty or contains a provision to the effect that it shall be treated as a duty imposed under the customs laws.

2. For the purposes of Subparagraphs (g) and (h) of Paragraph 1 of this Protocol—

(a) If an article is entitled to be imported from a foreign country free of ordinary customs duty, that country shall be considered as the country entitled to the lowest rate of ordinary customs duty with respect to such article; and

(b) A reduction in ordinary customs duty granted any country, by law, treaty, trade agreement, or otherwise, with respect to any article, shall be converted into the equivalent reduction in the rate of ordinary customs duty otherwise applicable to such article.

3. For the purposes of Paragraphs 1 and 2 of Article IV, any material, used in the production of an article, shall be considered as having been used in the production of an article subsequently produced, which is the product of a chain of production in the course of which an article, which is the product of one stage of the chain, is used by its producer or another person, in a subsequent stage of the chain, as a material in the production of another article.

4. The terms "includes" and "including" when used in a definition contained in this Agreement shall not be deemed to exclude other things otherwise within the meaning of the term defined.

IN WITNESS WHEREOF the respective Plenipotentiaries have signed this Protocol and have affixed hereunto their seals.

DONE in duplicate in the English language at Washington this sixth day of September, one thousand nine hundred and fifty-five.

FOR THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES:

(Sgd.) CARLOS P. ROMULO
Special and Personal Envoy of
the President of the Philippines

FOR THE PRESIDENT OF THE UNITED STATES OF AMERICA:

(Sgd.) JAMES M. LANGLEY
Special and Personal Envoy of
the President of the United States of America

ANNEXES OF STATUTORY PROVISIONS REFERRED TO IN THE AGREEMENT BETWEEN THE REPUBLIC OF THE PHILIPPINES AND THE UNITED STATES OF AMERICA CONCERNING TRADE AND RELATED MATTERS DURING A TRANSITIONAL PERIOD FOLLOWING THE INSTITUTION OF PHILIPPINE INDEPENDENCE AS REVISED

ANNEX I

Sugar Act of 1948 of the United States, as amended to September 6, 1955.

SECTION 101. For the purposes of this Act, except Title V—

"(a) The term 'direct-consumption sugar' means any sugars which are principally of crystalline structure and which are not to be further refined or otherwise improved in quality." 61 Stat., Pt. 1, 922.

ANNEX II

Tariff Act of 1930 of the United States, as amended to September 6, 1955.

"PAR. 1622. All binding twine and twine chiefly used for baling hay, straw, and other fodder and bedding materials, manufactured from New Zealand hemp, henequen, manila, istle or Tampico fibre, sisal grass, or sunn, or a mixture of any two or more of them, of single ply and measuring not exceeding seven hundred and fifty feet to the pound." 46 Stat., Pt. 1, 675; 65 Stat. 655.

ANNEX III

Tariff Act of 1930 of the United States, as amended to September 6, 1955.

"PAR. 602. The term 'wrapper tobacco' as used in this title means that quality of leaf tobacco which has the requisite color, texture, and burn, and is of sufficient size for cigar wrappers, and the term 'filler tobacco' means all other leaf tobacco..."

ANNEX IV

Internal Revenue Code of 1954 of the United States, as amended to September 6, 1955.

"SEC. 4591. IMPOSITION OF TAX.

"(a) RATE.—There is hereby imposed on all oleomargarine imported from foreign countries, in addition to any import duty imposed on the same, an internal revenue tax of 15 cents per pound, such tax to be represented by coupon stamps..."

"SEC. 4592. DEFINITIONS.

"(a) OLEOMARGARINE.—For the purposes of section 4591, certain manufactured substances, certain extracts, and certain mixtures and compounds, including such mixtures and compounds with butter, shall be known and designated as 'oleomargarine', namely: All substances known prior to August 2, 1886, as oleomargarine, oleo, oleomargarine oil, butterine, lardine, suine, and neutral; all mixtures and compounds of oleomargarine, oleo, oleomargarine oil, butterine, lardine, suine, and neutral: all lard extracts and tallow extracts; and all mixtures and compounds of tallow, beef fat, suet, lard oil, fish oil or fish fat, vegetable oil, annatte, and other coloring matter, intestinal fat, and offal fat;—if (1) made in imitation or semblance of butter, or (2) calculated or intended to be sold as butter or for butter, or (3) churned, emulsified, or mixed in cream, milk, water, of other liquid and containing moisture in excess of 1 per centum or common salt." 68A Stat. 545.

"(a) SHORTENING OR CONDIMENTS.—Section 4591 shall not apply to puff-pastry shortening not churned or emulsified in milk or cream, and having a melting point of 118 degrees Fahrenheit or more, nor to any of the following containing condiments and spices: salad dressings, mayonnaise dressings, or mayonnaise products, nor to liquid emulsion, pharmaceutical preparations, oil meals, liquid preservatives, illuminating oils, cleansing compounds, or flavoring compounds."

ANNEX V

Internal Revenue Code of 1954 of the United States, as amended to September 6, 1955.

"SEC. 4812. IMPORTATION OF ADULTERATED BUTTER.

"There shall be imposed upon adulterated butter imported from a foreign country, in addition to any import duty imposed on the same, an internal revenue tax of 15 cents per pound, such tax to be represented by coupon stamps as in the case of adulterated butter manufactured in the United States..." 68A Stat. 571.

"SEC. 4826. DEFINITIONS.

"(a) BUTTER.—For the purpose of this part, the word 'butter' shall be understood to mean the food product usually known as butter, and made exclusively from milk or cream, or both, with or without common salt, and with or without additional coloring matter.

(b) ADULTERATED BUTTER.—'Adulterated butter' is defined to mean a grade of butter produced by mixing, reworking, rechurning in milk or cream, refining, or in anyway producing a uniform, purified, or improved product from different lots or parcels of melted or unmelted butter or butter fat, in which any acid, alkali, chemical, or any substance whatever is introduced or used for the purpose or with the effect of cheapening in cost the product, or any butter in the manufacture or manipulation of which any process or material is used with intent or effect of causing the absorption of abnormal quantities of water, milk, or cream." 68A Stat. 576.

ANNEX VI

Internal Revenue Code of 1954 of the United States, as amended to September 6, 1955.

"SEC. 4831. IMPOSITION OF TAX.

"(b) IMPORTED.—There shall be imposed upon all filled cheese imported from a foreign country, in addition to any import duty imposed on the same, an internal revenue tax of 8 cents per pound; and such imported filled cheese and the packages containing the same shall be stamped, marked, and branded, as in the case of filled cheese manufactured in the United States." 68A Stat. 577.

"SEC. 4846. DEFINITIONS.

"For the purposes of this part—

"(1) CHEESE.—The word 'cheese' shall be understood to mean the food product known as cheese, and made from milk or cream and without the addition of butter, or any animal, vegetable, or other oils or fats foreign to such milk or cream, with or without additional coloring matter.

"(2) FILLED CHEESE.—Certain substances and compounds shall be known and designated as 'filled cheese,' namely: All substances made of milk or skimmed milk, with the admixture of butter, animal oils or fats, vegetable or any other oils, or compounds foreign to such milk, and made in imitation or semblance of cheese. Substances and compounds, consisting principally of cheese with added edible oils, which are not sold as cheese or as substitutes for cheese but are primarily useful for imparting a natural cheese flavor to other foods shall not be considered 'filled cheese' within the meaning of this part." 68A Stat. 579.

ANNEX VII

Internal Revenue Code of 1954 of the United States, as amended to September 6, 1955.

"SEC. 4511. IMPOSITION OF TAX

"(a) GENERAL.—There is hereby imposed upon the first domestic processing of coconut oil, palm oil, palm-kernel oil, fatty acids derived from any of the foregoing oils, salts of any of the foregoing (whether or not such oils, fatty acids, or salts have been refined, sulphonated, sulphated, hydrogenated, or otherwise processed), or any combination or mixture containing a substantial quantity of any one or more of such oils, fatty acids, or salts, a tax of 3 cents per pound, to be paid by the processor.

"(b) ADDITIONAL RATE ON COCONUT OIL.—There is hereby imposed (in addition to the tax imposed by the preceding subsection) a tax of 2 cents per pound to be paid by the processor, upon the first domestic processing of coconut oil or of any combination or mixture containing a substantial quantity of coconut oil with respect to which oil there has been no previous first domestic processing.

"(c) TERMINATION OF ADDITIONAL RATE.—The tax imposed by subsection (b) shall not apply to any domestic processing after July 3, 1974."

"SEC. 4513. EXEMPTIONS.

"(a) ACIDS AND SALTS PREVIOUSLY TAXED.—The tax under section 4511 shall not apply—

"(1) with respect to any fatty acid or salt resulting from a previous first domestic processing taxed under such section or upon which an import tax has been paid under subchapter E of chapter 38, or

"(2) with respect to any combination or mixture by reason of its containing an oil, fatty acid, or salt with respect to which there has been a previous first domestic processing or upon which an import tax has been paid under subchapter E of chapter 38.

"(b) FROM ADDITIONAL TAX ON COCONUT OIL.—The additional tax imposed by section 4511 (b) shall not apply when it is established, in accordance with regulations prescribed by the Secretary or his delegate, that the coconut oil (whether or not contained in a combination or mixture),—

"(1) is wholly the production of the Philippine Islands, any possession of the United States, or the Territory of the Pacific Islands (hereinafter in this paragraph referred to as the "Trust Territory"), or

"(2) was produced wholly from materials the growth or production of the Philippine Islands, any possessions of the United States, or the Trust Territory..." 68A Stat. 536-537.

ANNEX VIII

Internal Revenue Code of 1954 of the United States, as amended to September 6, 1955.

"SEC. 4581. IMPOSITION OF TAX.

"In addition to any other tax or duty imposed by law, there is hereby imposed upon the following articles imported into the United States, unless treaty provisions of the United States otherwise provide, a tax at the rates set forth, to be paid by the importer—

"any article, merchandise, or combination (except oils specified in section 4511), 10 per cent or more of the quantity by weight of which consists of, or is derived directly or indirectly from, one or more of the products specified in sections 4561 and 4571, or of the oils, fatty acids, or salts specified in section 4511, a tax at the rate or rates per pound equal to that proportion of the rate or rates prescribed in sections 4561 and 4571 or section 4511 in respect of such product or products which the quantity by weight of the imported article, merchandise, or combination, consisting of or derived from such product or products, bears to the total weight of the imported article, merchandise, or combination;

"SECTION 4582. EXEMPTIONS—

"(a) CERTAIN NATURAL OILS.—There shall not be taxable under section 4581 any article, merchandise, or combination (other than an oil, fat, or grease, and other than products resulting from processing seeds without full commercial extraction of the oil content), by reason of the presence therein of an oil, fat, or grease which is a natural component of such article, merchandise, or combination and has never had a separate existence as an oil, fat, or grease." 68A Stat. 544.

ANNEX IX

Internal Revenue Code of 1954 of the United States, as amended to September 6, 1955.

"SEC. 4501. IMPOSITION OF TAX.

"(b) IMPORT TAX.—In addition to any other tax or duty imposed by law, there is hereby imposed, under such regulations as the Secretary or his delegate shall prescribe, a tax upon articles imported or brought into the United States as follows:

"(1) on all manufactured sugar testing by the polariscope 92 sugar degrees, 0.465 cent per pound, and for each 0.00865 cent per pound additional, and fractions of a degree in proportion;

"(2) on all manufactured sugar testing by the polariscope less than 92 sugar degrees, 0.5144 cent per pound of the total sugars therein;

"(3) on all articles composed in chief value of manufactured sugar, 0.5144 cent per pound of the total sugars therein." 68A Stat. 533.

"SEC. 4502. DEFINITIONS.

"For the purposes of this subchapter.—

"(3) MANUFACTURED SUGAR.—The term 'manufactured sugar' means any sugar derived from sugar beets or sugarcane, which is not to be, and which shall not be, further refined or otherwise improved in quality; except sugar in liquid form which contains nonsugar solids (excluding any foreign substance that may have been added or developed in the product) equal to more than 6 per centum of the total soluble solids and except also sirup of cane juice produced from sugarcane grown in continental United States. The grades or types of sugar within the meaning of this definition shall include, but shall not be limited to granulated sugar, lump sugar, cube sugar, powdered sugar, sugar in the form of blocks, cones, or molded shapes, confectioners' sugar, washed sugar, centrifugal sugar, clarified sugar, turbinado sugar, plantation white sugar, muscovado sugar, refiners' soft sugar, invert sugar mush, raw sugar, sirups, molasses, and sugar mixtures.

"(4) TOTAL SUGARS.—The term 'total sugars' means the total amount of the sucrose (Clerget) and of the reducing or invert sugars. The total sugars contained in any grade or type of manufactured sugar shall be ascertained in the manner prescribed in paragraphs 758, 759, 762, and 763 of the United States Customs Regulations (1931 edition)." 68A Stat. 534.

ANNEX X

Constitution of the Philippines as amended to September 6, 1955.

"ARTICLE I.—THE NATIONAL TERRITORY

"SECTION 1. The Philippines comprises all the territory ceded to the United States by the Treaty of Paris concluded between the United States and Spain on the tenth day of December, eighteen hundred and ninety-eight, the limits of which are set forth in Article III of said treaty, together with all the islands embraced in the treaty concluded at Washington, between the United States and Spain on the seventh day of November, nineteen hundred, and in the treaty concluded between the United States and Great Britain on the second day of January, nineteen hundred and thirty, and all territory over which the present Government of the Philippine Islands exercises jurisdiction."

September 6, 1955

Excellency:

I have the honor to acknowledge the receipt of your note of today's date regarding the recent negotiations between representatives of the Government of the Republic of the Philippines, acting pursuant to and subject to the provisions of Republic Act No. 1393 of the Republic of the Philippines, and representatives of the Government of the United States of America, acting pursuant to and subject to the provisions of Public Law 419, 83rd Congress, of the United States of America, for the conclusion of an agreement, based on reciprocity, for the entry of nationals of either country into the territories of the other for purposes of trade, investment and related activities, and for their sojourn therein.

The terms of the agreement which have been reached as a result of these negotiations, as expressed in your note, are as follows:

"1. Persons coming within any of the following categories shall be permitted to enter the territories of either country as non-immigrants:

(a) Nationals of either country who seek to enter the territories of the other country solely to carry on substantial trade principally between the territories of the two countries.

(b) Nationals of either country who seek to enter the territories of the other country solely to develop and direct the operations of enterprises in which they have invested, or are actively in the process of investing, a substantial amount of capital.

(c) Spouses and unmarried minor children of persons referred to in sub-paragraphs (a) and (b), if accompanying or following to join such nationals.

"2. Persons who enter either country in accordance with the provisions of paragraph 1 shall be permitted to remain therein during such period as they maintain the status in which they were admitted.

"3. The provisions of paragraphs 1 and 2 shall be subject to the right of either Government to exclude or expel particular individuals, on any of the grounds specified in the immigration laws, for the purpose of protecting public order, health, morals and safety.

"4. The word "substantial" as used herein with reference to trade or investment shall not be interpreted to discourage particular types of investment or necessarily to exclude small

traders or investors. The criteria for determining eligibility for treaty investors and treaty traders status have been influenced by considerations of preventing abuse or evasion of the two countries' immigration laws, including quota restrictions. What constitute a substantial investment is a relative matter and is not determined alone by size of investment.

"5. The territories to which this agreement shall apply with respect to the United States are the continental United States, Alaska, Hawaii, Puerto Rico, Guam, and the Virgin Islands.

"6. The present agreement shall remain in force until July 3, 1974, and thereafter until terminated as provided herein. Either Government may, by giving one year's written notice to the other Government, terminate this agreement at the end of the initial period, July 3, 1974, or at any time thereafter."

In addition, there are annexed to your note certain regulations, with an explanatory note, setting forth principles applied by the Government of the United States in the enforcement of the United States immigration laws equivalent to the provisions of the agreement. You request to be informed whether the Government of the Republic of the Philippines will apply comparable regulations and interpretations in implementing the terms of the agreement. I wish to inform you that my Government considers the regulations and explanatory note annexed to your note as furnishing appropriate guidance in carrying out the agreement and that my Government will apply comparable regulations and interpretations.

The agreement set forth above is acceptable to my Government and, in accordance with the statement made in the last paragraph of your note under reference, the Government of the Republic of the Philippines considers your note and this reply as constituting an agreement between our two Governments, which enters into force as of today.

Accept, Excellency, the assurances of my highest consideration.

CARLOS P. ROMULO
Special and Personal Envoy
of the President of the Philippines

His Excellency
James M. Langley
Special Representative of the
President of the United States of America

September 6, 1955

Excellency:

I have the honor to refer to the conversations which have recently taken place between representatives of the Governments of the United States of America and the Republic of the Philippines regarding the desirability of establishing a stable and enduring basis, grounded in reciprocity, for the entry of nationals of either country into the territories of the other for purposes of trade, investment and related activities, and for their sojourn therein, and acting, on the part of the United States, pursuant to and subject to the provisions of Public Law 419, 83rd Congress of the United States of America.

My understanding of the agreement reached as a result of these conversations is as follows:

1. Persons coming within any of the following categories shall be permitted to enter the territories of either country as non-immigrants:

   (a) Nationals of either country who seek to enter the territories of the two countries.

   (b) Nationals of either country who seek to enter the territories of the other country solely to develop and direct the operations of enterprises in which they have invested, or are actively in the process of investing, a substantial amount of capital.

   (c) Spouses and unmarried minor children of persons referred to in sub-paragraphs (a) and (b), if accompanying or following to join such nationals.

2. Persons who enter either country in accordance with the provisions of paragraph I shall be permitted to remain therein during such period as they maintain the status in which they were admitted.

3. The provisions of paragraphs 1 and 2 shall be subject to the right of either Government to exclude or expel particular individuals, on any of the grounds specified in the immigration laws, for the purpose of protecting public order, health, morals and safety.

4. The word "substantial" as used herein with reference to trade or investment shall not be interpreted to discourage particular types of investment or necessarily to exclude small traders or investors. The criteria for determining eligibility for treaty investors and treaty traders status have been influenced by considerations of preventing abuse or evasion of the two countries' immigration laws, including quota restrictions. What constitutes a substantial investment is a relative matter and is not determined alone by size of investment.

5. The territories to which this agreement shall apply with respect to the United States are the continental United States, Alaska, Hawaii, Puerto Rico, Guam, and the Virgin Islands.

6. The present agreement shall remain in force until July 3, 1974, and thereafter until terminated as provided herein. Either Government may, by giving one year's written notice to the other Government, terminate this agreement at the end of the initial period, July 3, 1974, or at any time thereafter.

There are annexed hereto certain regulations and an explanatory note which set forth the principles presently applied by my Government in the enforcement of those provisions of the United States immigration laws equivalent to the provisions set forth above. I request to be informed whether your Government considers these as providing appropriate guidance to both Governments in the application of the present agreement with respect to the subjects to which they relate and, if so, that your Government will apply comparable regulations and interpretations in the enforcement of the provisions set forth above.

Upon receipt of a note from you indicating that the foregoing is acceptable to the Government of the Republic of the Philippines, the Government of the United States of America will consider this note and your reply as constituting an agreement between the two Governments on this subject, the agreement to enter into force on the date of your note in reply.

Accept, Excellency, the assurances of my highest consideration.

JAMES M. LANGLEY
Special Representative of the
President of the United States of America

His Excellency
Carlos P. Romulo
Special and Personal Envoy of the
President of the Philippines

Enclosures:
Annex.

ANNEX

Section 41.71 (b), Title 22, United States
Code of Federal Regulations

(b) An alien applying for a visa as a non-immigrant treaty trader under the provisions of section 101 (a) (15) (E) (i) of the Act shall be required to present any evidence deemed necessary by the consular officer to establish that he is entitled to non-immigrant classification under that section. Such alien shall establish specifically that:

(1) He is proceeding to the United States solely for the purpose of carrying on substantial trade principally between the United States and the foreign state of which he is a national, under and in pursuance of the provisions of a treaty of commerce and navigation between the United States and such foreign state. In this connection, bank statements, invoices, and correspondence from persons or organizations with whom or with which he has, and will have, commercial relations, may be required;

(2) He intends in good faith, and will be able, to depart from the United States upon the termination of his status; and that

(3) If he is employed or to be employed, his employer shall be a foreign person or organization and he shall be engaged in duties of a supervisory or executive character, or if he is, or is to be, employed in a minor capacity, he has special qualifications which make his services essential to the efficient operations of the employer. An alien employed solely in a manual capacity shall not be entitled to classification as a treaty trader.

Section 41.76 (b), Title 22, United States Code of Federal Regulations

(b) An alien applying for a visa as a non-immigrant under the provisions of section 101(a) (15) (E) (ii) of the Act shall be required to present any evidence deemed necessary by the consular officer to establish that he is entitled to non-immigrant classification under that section. Such alien shall establish specifically that:

(1) He seeks to enter the United States solely for the purpose of developing and directing the operations of an enterprise in the United States: (i) In which he has invested, or is actively in the process of investing, a substantial amount of capital; or (ii) in which his employer has invested, or is actively in the process of investing, a substantial amount of capital: Provided, that such employer is a foreign person or organization of the same nationality as the applicant and that the applicant is employed by such person or organization in a responsible capacity; or

(2) He seeks to enter the United States as the spouse or child of an alien described in subparagraph (1) of this paragraph; and

(3) He is not applying for a non-immigrant visa in an effort to evade the quota or other restrictions which are applicable to immigrants;

(4) He intends in good faith, and will be able, to depart from the United States upon the termination of his status; and

(5) The enterprise is one which actually exists or is in active process of formation, and is not a fictitious paper operation.

Explanatory Note to Section 41.71 (b) (3)

A foreign organization within the meaning of this Section is an organization which possesses the nationality of the alien desiring to qualify as a "treaty trader." The fact that an organization is incorporated under the laws of a State of the United States does not necessarily determine that it is not a foreign organization. The nationality of such a corporation may be determined for visa purposes by the nationality of those persons who own the principal amount (i.e., 51 per cent or more of the stock of that corporation).

September 6, 1955

Excellency:

I have the honor to refer to conversations recently held by officers of our two Governments regarding certain provisions of the Agreement concerning Trade and Related Matters during a Transitional Period following the Institution of Philippine Independence, as revised and signed today.

It is the understanding of my Government that Paragraph 7 of Article I of the Agreement provides that, in lieu of any tax on the sale of foreign exchange during the life of the revised Agreement, the Government of the Philippines shall impose the special import tax, subject to the specifications provided for in the paragraph.

It is further the understanding of my Government that Paragraph 3, Article III, in addition to providing for prior notification and an opportunity for consultation regarding quotas imposed pursuant to Paragraph 2 of that Article, would also afford a basis for consultation in case of non-discriminatory import and export restrictions or prohibitions to the extent that the two parties find such consultation practicable. It is understood that the right of consultation with respect to the application of any non-discriminatory import or export restrictions or prohibitions does not imply that the prior consent of the other party is necessary before any such restrictions or prohibitions can be put into effect.

If the above is in accord with the understanding of your Government, I should appreciate receiving your confirmation of this fact.

Accept, Excellency, the assurances of my highest consideration.

JAMES M. LANGLEY
Special Representative of the
President of the United States of America

His Excellency
Carlos P. Romulo
Special and Personal Envoy of the
President of the Philippines

September 6, 1955

Excellency:

I have the honor to refer to conversations recently held by officers of our two Governments regarding certain provisions of the agreement concerning trade and related matters during a transitional period following institution of Philippine Independence, as revised and signed today, and to your note of today's date setting forth the views of your Government on certain matters relating to such agreement, which reads as follows:

"It is the understanding of my Government that paragraph 7 of Article I of the Agreement provides that, in lieu of any tax on the sale of foreign exchange during the life of the revised Agreement, the Government of the Philippines shall impose the special import tax, subject to the specifications provided for in the paragraph.

"It is further the understanding of my Government that Paragraph 3, Article III, in addition to providing for prior notification and an opportunity for consultation regarding quotas imposed pursuant to Paragraph 2 of that Article, would also afford a basis for consultation in case of non-discriminatory import and export restrictions or prohibitions to the extent that the two parties find such consultation practicable. It is understood that the right of consultation with respect to the application of any non-discriminatory import or export restrictions or prohibitions does not imply that the prior consent of the other party is necessary before any such restrictions or prohibitions can be put into effect."

I am happy to state that the understanding of your Government as set forth above in your note is also the understanding of my Government.

Accept, Excellency, the assurances of my highest consideration.

CARLOS P. ROMULO
Special and Personal Envoy
of the President of the Philippines

His Excellency
James M. Langley
Special Representative of the
President of the United States of America

APPENDIX K

MAJOR LEGAL AND ADMINISTRATIVE MEASURES OF ECONOMIC SIGNIFICANCE ADOPTED BY THE GOVERNMENT AND THE MONETARY BOARD DURING 1955

REPUBLIC ACT NO. 1278

AN ACT APPROPRIATING AN ADDITIONAL SUM OF TWENTY-THREE MILLION PESOS AS COUNTERPART FUND TO CARRY OUT THE PURPOSES OF REPUBLIC ACT NUMBERED SIX HUNDRED AND FOUR.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. The sum of twenty-three million pesos is hereby appropriated, out of any funds in the National Treasury not otherwise appropriated, as additional Counterpart Fund to carry out the purposes of Republic Act Numbered Six hundred and four.

SEC. 2. This appropriation shall be available for expenditure until exhausted even after June thirty, nineteen hundred and fifty-seven.

SEC. 3. This Act shall take effect July first, nineteen hundred fifty-six.

Approved, June 14, 1955.

REPUBLIC ACT NO. 1285

AN ACT TO AMEND SECTIONS FIVE, NINE, TWELVE, FOURTEEN, SEVENTEEN, EIGHTEEN, NINETEEN AND THIRTY-ONE OF REPUBLIC ACT NUMBERED EIGHT HUNDRED AND TWENTY-ONE.

Be it enacted by the Senate and House of Representatives of the Pdilippines in Congress assembled:

SECTION 1. Section five of Republic Act Numbered Eight hundred and twenty-one is hereby amended to read as follows:

"SEC. 5. **Special powers.**—The Administration is authorized and directed:

"(1) To establish such regional, provincial and local offices as are considered necessary for the efficient conduct of the Administration's activities.

"(2) To formulate policies and procedures with respect to credits to small farmers and the financing and construction as well as the operation of facilities to be financed by the Administration.

"(3) To approve such loans as deemed necessary and appropriate and on terms specified by the Board, and to delegate this authority to officials of the Administration.

"(4) To establish and operate terminal markets or producers' exchanges equipped with the necessary facilities for adequate storage which will serve as clearing houses for the cooperative associations, these exchanges to be eventually owned jointly by the cooperative associations in either a region or individual province.

"(5) To control the issuance of the warehouse receipts for the purpose of facilitating liberal production credit and other short-term loans and for the protection of the lending institutions.

"(6) To supervise and administer any aid to cooperatives which may be entrusted to it by any duly authorized agency, governmental or private, and to provide continuity of the program of assistance initiated by such agency for the small farmers.

"(7) To take charge of all government activities relating to the promotion, organization and supervision of cooperative associations in rural areas particularly to promote education in the principles and practices of cooperative production, marketing and credit among farmers.

"(8) To encourage diversified agriculture and accumulate all necessary statistics related to agricultural production, marketing, credit and financing.

"(9) To float debentures for the purpose of implementing this Act when sufficient revolving funds to undertake the financing program are not provided for by Congress.

"(10) To accept savings and time deposits from members of cooperative associations and from associations duly affiliated with it and to pay interest for such deposits at a rate not to exceed two and one-half per centum."

SEC. 2. Section nine (e) of the same Act is hereby amended to read as follows:

"(e) Provincial directors who will be responsible for administering the Administration's activities in rural communities. Supervisory jurisdiction over provincial directors may be delegated by the Administrator to the regional supervisors to the extent which he deems necessary for the efficient accomplishment of the Administration's activities.

"The office of a provincial director shall be established in any municipality or city within the territorial limits of the province to which such official is assigned. Contract with loan applicants and borrowers will be maintained through loan supervisors and assistant loan supervisors as authorized by the Administration."

SEC. 3. Section twelve of the same Act is hereby amended to read as follows:

"SEC. 12. **Definition.**—For purposes relating to the implementation of this Act, the following definitions shall apply:

"(a) A farmers cooperative association shall be a voluntary business organization among farmers (producers of agricultural products including tenants and landlords) established for the purpose of marketing farm products and/or buying farm supplies and implements and basic everyday necessities collectively for the members' direct benefit. It is governed according to the cooperative principles of one-man-one vote basis, limited interest on capital and the savings apportioned among the members on the basis of patronage.

"(b) The term "small farmer" shall mean an individual person who exclusively uses the labor available from within his immediate farm household in the cultivation of his holding and/or one who owns agricultural land of not more than twenty-four hectares and engages directly in its cultivation and resides in the municipality where the farm is located."

SEC. 4. Section fourteen (e) of the same Act is hereby amended to read as follows:

"(e) No application for loan shall be considered unless the applicant has entered into a marketing contract with the cooperative asso-

ciation of which he is a member in accordance with the provisions of section thirty-five of Act Numbered Three thousand four hundred twenty-five. The contract shall be registered and a copy thereof filed in the office of the municipal treasurer of the municipality where the association has its principal office, for with a book for that purpose shall be kept showing the date the contract was presented for registration, the name of the parties, the amount and kind of produce to be marketed, and the period of the contract. No charge or fee in any form shall be collected for registration.

"Such registration will operate to encumber the produce in favor of the association, and any production loan extended by the Administration and/or the association on account of said marketing contract shall constitute a preferential lien over the produce of the member for the duration of the contract until paid. In case of agricultural tenants, such lien shall be enforceable to the extent of seventy-five per centum of his total share of the harvest. The preferential lien herein granted shall be an exception to the provisions of the Civil Code and of the Chattel Mortgage Law as well as of other laws or parts of laws on credit preferences which are inconsistent herewith. Unauthorized disposition by the member of the produce so encumbered shall be punished as violation of chattel mortgage."

SEC. 5. Section seventeen of the same Act is hereby amended to read as follows:

"SEC. 17. Personal short term loans to members in good standing with cooperatives may be granted by the association from funds which it may receive in advance from the Administration for the said purpose; such loans may be granted against warehouse receipts of the cooperative association to the extent of eighty per centum of the market value of the stored produce; loans upon the security of expected production from the current crop to the extent of sixty per centum of the value of expected yield: **Provided, however,** That no loan shall be granted on any production estimated to exceed the applicant's previous year's stored crop with the cooperative by more than fifty per centum.

"The administration may extend loans to individual members or group of members of any farmers' cooperative marketing association for the construction or acquisition of facilities under the same terms and conditions for granting facility loans to a cooperative association prescribed in section fifteen: **Provided,** That such loans shall not exceed eighty per centum of the total value of the properties of the borrower or borrowers and the facilities to be constructed or acquired, all of which shall be encumbered by way of first mortgage as security for the loan."

SEC. 6. Section eighteen of the same Act is hereby amended to read as follows:

"SEC. 18. **Transfer of functions, personnel, and equipment of the Cooperatives Administration Office.**—All the powers vested in and the duties conferred upon the Cooperatives Administration Office by Commonwealth Act Numbered Five hundred and sixty-five, as amended by Commonwealth Act Numbered Seven hundred and thirteen, relative to the promotion, organization and supervision of cooperative marketing associations as authorized by Act Numbered Three thousand four hundred and twenty-five and such number of personnel and equipment as are now used and utilized in the promotion, organization and supervision of said cooperative marketing associations by the Cooperatives Administration Office and the unexpended balance of the funds provided for in Commonwealth Act Numbered Seven hundred and thirteen and Republic Act Numbered Five hundred and eighty-three, are hereby absorbed by, and transferred to the Agricultural Credit and Cooperative Financing Administration.

"The supervisory powers of the Administration over farmers' cooperative marketing associations affiliated with it shall include the authority to declare vacant any or all offices or positions and order an election to fill them whenever any of the following grounds occur:

"1. Serious losses in the business operations of the association.

"2. Failure to pay or meet its obligations to the Administration or other parties.

"3. Repeated and willful violation or disregard of rules and regulations of the Administration.

"4. Extravagance in the management of the association resulting in serious depletion of its resources.

"Action under this section shall be taken only upon approval by a majority vote of the Board of Governors and upon due notice to the association and after the officers concerned have been given a chance to be heard. The order relieving any officer or officers from any position shall state the ground or grounds therefor.

"In case the association should refuse or fail to elect or appoint new officers, the Administration may designate new officers from the membership of the association or from its own staff to manage the affairs of the association until the order has been complied with or until the next election of officers. Nothing contained herein shall be construed to prevent any officer or officers removed by the Administration from contesting in the proper court the veracity of the ground or grounds upon which the authority has been exercised."

SEC. 7. Section nineteen (a) of the same Act is hereby amended to read as follows:

"SEC. 19. (a) Obligations issued by the Administration in accordance with the authority of paragraph (d) of section ten of this Act shall be secured by the assets of the Administration including all securities held by it under the provisions of this Act. These obligations shall be redeemable at the option of the Administration at or before maturity and in such manner as may be stipulated therein and shall bear such rate of interest as may be fixed by the Administration. The Administration shall provide for appropriate reserves for the redemption or retirement of such obligations. Obligations issued and offered for sale by the Administration may be offered at such price or prices as the Administration may determine. The said obligations shall and are hereby fully and unconditionally guaranteed both as to principal and interest by the Government of the Republic of the Philippines and such guaranty shall be expressed on the face thereof."

SEC. 8. Section thirty-one of the same Act is hereby amended to read as follows:

"SEC. 31. All acts, parts of acts, and any special charter, or parts thereof, of the banking and financing institutions, or laws or parts of laws inconsistent herewith are hereby repealed."

SEC. 9. This Act shall take effect immediately after its approval.

Approved, June 15, 1955.

REPUBLIC ACT NO. 1287

AN ACT GRANTING A SPECIAL PRIVILEGE TO ANY PERSON WHO DISCOVERS OR INVENTS A NEW PROCESS, DISCOVERY OR INVENTION FOR THE CONVERSION OF ANY NATIVE AGRICULTURAL RAW PRODUCT INTO A PRODUCT WHICH WILL STABILIZE NOT ONLY THE NATIONAL ECONOMY BUT ALSO THE DOLLAR RESOURCES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Any person, natural or juridical, who discovers or invents a new process, discovery or invention for the conversion of any native agricultural raw product into a product which will stabilize not only the national economy but also the dollar resources, such as the discovery or invention of a process to convert native leaf tobacco into tobacco with the same appearance, taste and aroma as those of leaf tobacco of the Virginia type, and similar discoveries or inventions, is granted the special privilege to exploit, produce and benefit from such process, discovery or invention to the exclusion of all others for a period of twenty-five years. Such person is also granted automatically the benefits provided for in Republic Act Numbered Nine hundred one: Provided, That a substantial improvement of an old invention or discovery shall be considered as a new invention or discovery for the purposes of this Act.

SEC. 2. A board is hereby created, to be composed of the Director of the Institute of Science and Technology, as chairman, and the Governor of the Central Bank of the Philippines and the Director of Patent Office, as members, which shall determine applications for the special privilege provided for herein. Decisions of the Board shall be appealable to the Supreme Court by certiorari.

The board shall issue such rules and regulations as may be necessary to carry out the purposes of this Act, including the collection of fees for its expenses.

SEC. 3. Any person who shall violate any provisions of this Act or of any rule or regulation issued thereunder or infringe a special privilege granted under the provisions of this Act shall, in addition to whatever civil liability he may thereby incur, be punished by imprisonment for not less than five years and not more than ten years or by a fine of not less than five thousand pesos and not more than ten thousand pesos. If the offender is a corporation or association, the penalty shall be imposed upon its officers responsible for the offense.

SEC. 4. This Act shall take effect upon its approval.

APPROVED, June 15, 1955.

REPUBLIC ACT NO. 1291

AN ACT TO AMEND SECTION THREE OF REPUBLIC ACT NUMBERED SIX HUNDRED, ENTITLED "AN ACT TO PRESCRIBE A GRADUATED SCALE FOR THE INCOME TAX ON CORPORATIONS BY AMENDING SECTIONS TWENTY-FOUR AND FIFTY-FOUR OF COMMONWEALTH ACT NUMBERED FOUR HUNDRED AND SIXTY-SIX, OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED, AND FOR OTHER PURPOSES."

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section three of Republic Act Numbered Six hundred, as amended by Republic Act Numbered Eight hundred and sixty-eight, and Republic Act Numbered One thousand sixty-five, is further amended to read as follows:

"SEC. 3. The provisions of this Act shall apply to income received from January first, nineteen hundred and fifty-one to December thirty-one, nineteen hundred ad fifty-seven, after the expiration of which later date the provisions of sections twenty-four and fifty-four of the National Internal Revenue Code, as amended, shall again be in full force and effect."

SEC. 2. This Act shall take effect upon its approval.

APPROVED, June 15, 1955.

REPUBLIC ACT NO. 1292

AN ACT TO ENCOURAGE FILIPINO RETAILERS AND TO CREATE THE FILIPINO RETAILERS FUND.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. It shall be a national policy to encourage Filipino retailers.

SEC. 2. For the purpose of providing credit facilities for the promotion and development of the Filipino retail trade, there is hereby created a revolving fund to be known as the "Filipino Retailers' Fund," which shall be under the administration of the Secretary of Commerce and Industry, or any other office that the President may designate, with the provincial, city and municipal treasurers as his deputies.

SEC. 3. Importers of prime commodities shall sell to Filipino retailers at the same mark-up as their sales through their present trade channels at least thirty per cent of their imports.

SEC. 4 This Fund should be used either as guarantee fund to underwrite loans made by any government financing institutions to any bona fide Filipino retailer or as loan fund: Provided, however, That not more than twenty per cent of the funds of the Retailers' Fund shall be given as cash loans. Loans not exceeding five thousand pesos each may be granted to any Filipino citizen who fully owns a retail store and who personally manages it, hereinafter referred to as Filipino retailer, or Filipino citizen who wishes to be a retailer. Said loans shall be payable in five equal annual installments with interest at four per centum per annum. In no case shall the interest be collected in advance. The assets of the retail store owned by the retailer or to be established by him shall be mortgaged to the Filipino Retailers' Fund to secure the payment of the loan.

SEC. 5. It shall be the function of the Retailers' Fund to help in the promotion and development of the Filipino retail trade by assisting Filipino retailers in securing liberal credit facilities, extending to them technical assistance, teaching them merchandising techniques and skill, and, in general, equipping them with the necessary tools to compete more effectively with aliens in the retail business to the end that Filipino merchants may wrest control of this important phase of the national economy from the hands of foreigners.

SEC. 6. Applications for such loans shall be made in writing and under oath and shall contain, among other things, the following:

(a) A statement to the effect that the retailer is of good moral standing in the community and that he has not been convicted previously of estafa or any other crime involving moral turpitude; and

(b) A statement that the proceeds of the loan shall be used solely for purchasing articles needed in the retail business in which he is engaged or will engage and that said articles shall be sold by the applicant at his retail store directly to the public.

SEC. 7. It shall be unlawful to use the proceeds of the loan or any part thereof, for any purpose or purposes other than that set out in the application therefor. Any violation of this provision shall be sufficient cause for the rescission of the contract in which case the balance of the loan and the interest thereon shall become immediately due and demandable.

SEC. 8. The Secretary of Commerce and Industry shall issue the necessary rules and regulations to carry into effect the provisions of this Act and to insure the stable and orderly management and success of the Filipino retail store.

The Secretary of Commerce and Industry shall extend such technical information or assistance to any Filipino retailer as he deems necessary to preserve, to protect and promote the objectives of this Act: Provided, however, That said information or assistance shall be without cost on the part of the retail store.

SEC. 9. To carry out the purposes of this Act, there shall be created a guidance division in the Department of Commerce and Industry to take charge of the processing of loans to be granted under this Act and to help borrowers make their purchases without unnecessary loss of time and/or money.

SEC. 10. There is hereby appropriated out of any funds in the National Treasury not otherwise appropriated, the sum of twenty million pesos, to constitute the revolving fund provided for in section two of this Act. All income or receipts derived from the operation of such revolving fund shall accrue to and form part of the same and shall be available for expenditure and/or investment for the purposes of this Act.

SEC. 11. This Act shall take effect upon its approval.

Approved, June 15, 1955.

REPUBLIC ACT NO. 1295

AN ACT TO ESTABLISH THE ABACA CORPORATION OF THE PHILIPPINES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

CHAPTER I

ESTABLISHMENT AND OBJECTIVES

SECTION 1. **Name, duration and domicile.**—A corporation is hereby created which shall be known as the Abaca Corporation of the Philippines, which shall be organized immediately upon the approval of this Act and shall be under the direct supervision of the Office of Economic Coordination or its successor. It shall exist for a term of thirty years from the date of the approval of this Act, and shall have its main office in the City of Manila and branches and agencies within or outside the Philippines, as may be necessary for the proper conduct of its business.

SEC. 2. **Purposes and objectives.**—The Abaca Corporation of the Philippines shall have the following objectives:

(a) To insure a permanent, sufficient and balanced production of abaca for the requirements of the local industry and for exportation.

(b) To check all speculation tending to promote a decrease in the prices of abaca and to stabilize said prices at a level sufficient to cover the cost of production plus a reasonable profit.

(c) To assist in preventing a short as well as an excess production of abaca and in either case serve as a regulating organ in order to avoid a disorganization of this activity of the national economy and its consequences, such as suspensions of work, unemployment and other social calamities.

(d) To promote the effective merchandising of abaca in the domestic and foreign markets so that those engaged in the industry will be placed on a basis of economic security.

(e) To establish warehousing and marketing facilities in suitable centers and supervise the selling and buying of abaca and other fibers.

(f) To promote the prompt, extensive and thorough industrialization of the abaca industry.

In achieving the above-named purposes and objectives of this Act, the Abaca Corporation shall limit its activities or intervention simply in aid of private capital or enterprise already dedicated or ready to be dedicated in any manner directly or indirectly to the promotion of the abaca industry in the Philippines: Provided, however, That if no private capital shall be interested in any of the proposed activities of the corporation, then it may directly initiate, promote and develop such activities.

CHAPTER II

POWERS

SEC. 3. **Specific and general powers.**—For carrying out the purposes mentioned in the preceding section, subject to the terms of the last paragraph thereof, the Abaca Corporation of the Philippines shall have authority:

(a) To buy, sell, export, barter, and in any other manner deal in abaca.

(b) To buy, sell, assign, own, operate, rent or lease, subject to existing law, merchant vessels, rails, railroad lines, and any other means of transportation, stripping machines, decorticators, presses, warehouses, buildings, and any other equipment and material for stripping, decorticating, warehousing and, in general, for everything connected with the proper handling of abaca.

(c) To act as agent, broker, commission merchant or representative of the producers, merchants, pressmen or other dealers in abaca and the products derived therefrom.

(d) To grant loans to abaca planters, cooperatives or centrals, guaranteed by a mortgage or pledge on abaca crops, fibers or other securities: Provided, however, That no loan shall be granted, which is in excess of eighty per cent of the market value of the securities: Provided, however, That no loan shall be granted, which is in excess of eighty per cent of the market value of the securities: And provided, further, That interest thereon shall not be in excess of four per cent per annum.

(e) To invest the funds of the Corporation in the form of ordinary or preferred shares, in any private corporation established for the purpose of raising, developing, managing or administering abaca plantations, or establishing industrial plants using abaca or its by-

products as their prime raw materials, or warehouses for the storage of abaca fibers, its by-products, derivatives or resulting manufactured products, or cooperatives founded in aid of the abaca industry: Provided, however, That no investment in excess of one million pesos shall be granted without the approval of the Office of Economic Coordination or its successor.

(f) To borrow or otherwise raise funds for carrying out the objects of this corporation, whenever the needs of this industry require it, with the consent of the President of the Philippines.

(g) To enter into, make and execute contracts of any kind as may be necessary or incidental to the attainment of its purposes, with any person, firm or public or private corporation, with the Governments of the Philippines or the United States or of any state, territory or possession thereof, or with any foreign government.

(h) In general, to do everything directly or indirectly necessary or incidental to, or in furtherance of the purposes of the Corporation.

(i) In the transaction of its business, to perform all acts which a co-partnership or natural person is authorized to perform under the laws now existing or which may be enacted hereafter.

(j) Generally, to exercise such incidental powers as may be necessary to carry out the purposes and objectives of this Act within the limitations prescribed by the same.

CHAPTER III

MANAGEMENT

SEC. 4. The management of the Abaca Corporation of the Philippines shall be vested in a Board of Directors consisting of not more than five members appointed by the President of the Philippines, with the consent of the Commission on Appointments. The President of the Philippines shall appoint the Chairman of the Board from among its members. The members of the Board shall serve as designated by the President of the Philippines in their respective appointents for terms of one, two and three years, respectively, from the date they qualify and assume office, but their successors shall thereafter be appointed for a term of three years, except that any person chosen to fill a vacancy shall serve only for the unexpired term of the member whom he succeeds.

Before entering upon the discharge of their duties, each of the directors shall take the oath prescribed in section twenty-three of the Revised Administrative Code and in the Constitution of the Philippines.

The members of the Board shall each receive a per diem of not to exceed twenty-five pesos for each day of meeting actually attended by them except the Chairman of the Board who shall at the same time be general manager of the Corporation and shall receive a salary not to exceed twelve thousand pesos per annum: Provided, That no member shall earn more than one hundred pesos a month in per diems: Provided, further, That if the member is a public official, he shall not be entitled to any per diem.

The administrative powers and duties of the Board of Directors shall be:

(a) To prescribe, amend, modify, or repeal by-laws, rules and regulations not consistent with the provisions of this Act, governing the manner in which the general business of the Abaca Corporation of the Philippines shall be exercised;

(b) To fix the compensation of the officers and employees of the Abaca Corporation;

(c) To approve the annual and/or such supplemental budget of the Abaca Corporation which may be submitted to it by the management from time to time;

(d) To carry on the business of the Abaca Corporation as provided herein and by law;

(e) To perform such other duties as may be assigned to it by the President of the Philippines, in accordance with law;

(f) In general to do everything directly or indirectly necessary or incidental to, or in furtherance of the purposes of the Corporation.

The Chairman of the Board shall have the following powers and duties:

(a) To direct and manage the affairs and business of the Abaca Corporation of the Philippines on behalf of the Board of Directors and subject to its control and supervision;

(b) To submit within sixty days after the close of each fiscal year an annual report to the President of the Philippines and to each House of Congress, through the Board of Directors;

(c) To appoint and fix the number, with the approval of the Board of Directors, of such subordinate officials and personnel as may be necessary for the proper discharge of the duties and functions of the Abaca Corporation, and, with the approval of the Board, to remove, suspend, or otherwise discipline, for just cause, any subordinate employee of the Abaca Corporation; and

(d) To perform such other duties as may be assigned to him by the Board of Directors from time to time.

CHAPTER IV

APPOINTMENTS AND PROMOTIONS

SEC. 5. **Basis.**—In the appointment and promotion of officers and employees of the Abaca Corporation of the Philippines, merit, seniority and efficiency and not civil service eligibility shall serve as bases, and no political test or qualifications shall be prescribed and considered for such appointments, and promotions. Any person appointed by the Board in violation of this prohibition shall be removed: Provided, however, That other things being approximately equal, duly recognized veterans should be given preference.

CHAPER V

AUDIT

SEC. 6. **Personnel.**—The Auditor General shall appoint a representative who shall be the auditor of the Corporation, and the necessary personnel to assist said representative in the performance of his duties. The salary of such auditor and the number and salaries of said personnel shall be determined by the Auditor General, with the advice of the Board of Directors. In case of disagreement, the matter shall be submitted to the President of the Philippines whose decision shall be final. Said salaries and all other expenses of maintaining the Auditor's Office shall be paid by the Corporation.

CHAPTER VI

FUNDS

SEC. 7. **Capitalization.**—The capital stock of the Abaca Corporation of the Philippines shall be twenty million pesos, divided into two hundred thousand shares of stock, having a par value of one hundred pesos each, and no stock of said corporation shall be issued at less than par or except for cash.

The entire authorized capital of twenty million pesos shall be subscribed for and paid by the Republic of the Philippines upon the organization of said Corporation in the manner provided in the following section.

SEC. 8. **Payment of Subscription to the Capital.**—The amount of twenty million pesos required to pay for the entire authorized capitalization of the Abaca Corporation of the Philippines herein recited shall be raised by means of the sale or disposition of bonds under Republic Act Numbered One Thousand, and for that purpose it is hereby declared that the organization of the Abaca Corporation of the Philippines is

one of the Economic projects contemplated under said Act to be financed by the sale or disposition of bonds therein specifically authorized to be sold; or, by borrowings which the government of the Republic of the Philippines may be able to secure thru the Central Bank.

CHAPTER VII

MISCELLANEOUS PROVISIONS

SEC. 9. **Applicability of the Corporation Law.**—The Abaca Corporation of the Philippines shall be subject to the provisions of the Corporation Law insofar as the same are compatible with the provisions of this Act and with the purposes for which it has been created, and it shall enjoy the general powers mentioned in said corporation law in addition to those herein specified.

SEC. 10. **Repealing clause.**—All acts, executive orders, administrative orders, proclamations, rules and regulations, or parts thereof, inconsistent with any of the provisions of this Act are repealed or modified accordingly.

SEC. 11. **Separability clause.**—If any provisions of this Act or the application of such provision to any person or circumstances is declared unconstitutional, the remainder of the Act or the application of such provision to other persons or circumstances shall not be affected by such declaration.

SEC. 12. **Effectivity.**—This Act shall take effect upon its approval.

Approved, June 15, 1955.

REPUBLIC ACT NO. 1296

AN ACT TO PROHIBIT THE IMPORTATION OF ONIONS, POTATOES, GARLIC AND CABBAGES, EXCEPT FOR SEEDLING PURPOSES, AND TO PROVIDE PENALTIES FOR THE VIOLATION THEREOF.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. It shall be unlawful for any person, association or corporation to import into any point in the Philippines onions, potatoes, garlic and cabbages: Provided, however, That for seedling purposes potatoes and garlic may be imported: And provided, further, That should there be an existing or imminent shortage in the local production of the above mentioned commodities, the President may, upon the recommendation of a board to be composed of the Secretary of Agriculture and National Resources as chairman, and the Secretary of Commerce and Industry and the Administrator of the Agricultural Cooperative Credit and Financing Administrative (ACCFA) as members, authorize the Price Stabilization Corporation (PRISCO) to import as much of these commodities as may be necessary to meet the local demand for them, stabilize their price, and insure a steady, normal supply of the same.

SEC. 2. The penalty or fine of not less than two thousand pesos nor more than twenty thousand pesos or imprisonment of not less than two years or more than five years, or both, such fine and imprisonment, at the discretion of the Court, shall be imposed upon persons found guilty of violation of the provision of this Act: Provided, That in the case of aliens, the penalty to be imposed shall consist of the payment of the fine hereinabove provided for and that of immediate deportation without any further proceedings on the part of any Deportation Board: Provided, further, That if the violation is committed, by the manager, representative, director, agent or employee of any natural or juridical person in the interest of the latter, such violation shall render the employer amenable to the penalty corresponding to the offense, without prejudice to the imposition of the corresponding penalty, either personal or pecuniary or both, upon the manager, representative, director, agent or employee committing the violation: Provided, furthermore, That in the case of the violation being committted by or in the interest of a foreign juridical person duly licensed to engage in business in the Philippines, the immediate revocation of such license to engage in business shall form part of the penalty to be imposed: Provided, also, That if the act com-

mitted by a public officer or employee is penalized by any other law, the penalties prescribed in the law punishing the offense shall be imposed in addition to those prescribed herein and that of perpetual absolute disqualification: Provided, finally, That commodities imported in violation of this Act shall be subject to forfeiture in accordance with the procedure established in the Revised Administrative Code, the proceedings to terminate within thirty days after the importation and under no circumstances or conditions may such goods be released to the importer without the previous approval of the President.

SEC. 3. This Act shall take effect upon its approval.

APPROVED, June 16, 1955.

REPUBLIC ACT NO. 1299

AN ACT AMENDING FURTHER SECTION TWO HUNDRED FORTY-SIX OF COMMONWEALTH ACT NUMBERED FOUR HUNDRED SIXTY-SIX, AS AMENDED, BY DEFINING THE WORDS "MINERALS" AND "MINERAL PRODUCTS."

(Clarification in collection of royalties and ad valorem taxes.)

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section two hundred and forty-six of Commonwealth Act Numbered Four hundred sixty-six, as amended by Republic Act Numbered Eight hundred thirty-four, is hereby amended to read as follows:

"SEC. 246. **Definitions of the terms 'gross output,' 'minerals and 'mineral products'—Disposition of royalties and ad valorem taxes.**—The term 'gross output' shall be interpreted as the actual market value of minerals or mineral products, or of bullion from each mine or mineral lands operated as a separate entity without any deduction from mining, milling, refining, transporting, handling, marketing, or any other expenses; **Provided**, however, That if the minerals or mineral products are sold or consigned abroad by the lessee or owner of the mine under C.I.F. terms, the actual cost of ocean freight and insurance shall be deducted. The output of any group of contiguous mining claims shall not be subdivided. The word 'minerals' shall mean all inorganic substances found in nature whether in solid, liquid, gaseous, or any intermediate state. The term 'mineral products' shall mean things produced by the lessee, concessionaire or owner of mineral lands, at least eighty per cent of which things must be minerals extracted by such lessee, concessionaire, or owner of mineral lands. Five per centum of the royalties and ad valorem taxes herein provided shall accrue to the municipality where the mines are situated, and ninety-five per centum to the National Treasury."

SEC. 2. This Act shall take effect upon its approval.

APPROVED, June 16, 1955.

REPUBLIC ACT NO. 1322

AN ACT TO FINANCE PEOPLE'S HOMESITE AND HOUSING CORPORATION PROJECTS FROM THE BOND ISSUE UNDER REPUBLIC ACT NUMBERED ONE THOUSAND.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Subject to allocation by the President of the Philippines under the terms of Republic Act Numbered One thousand and subject to such rules and regulations as he may prescribe, the sum of twenty million pesos from the proceeds of the sales of bonds to be issued under Republic Act Numbered One thousand shall be reserved and utilized for projects of the People's Homesite and Housing Corporation, as follows:

1. Construction of low-cost housing projects, including site acquisition;
2. Acquisition and subdivision of landed estates for resale without structures;
3. Acquisition and clearance of slum areas; and
4. Construction of housing for destitutes and paupers.

SEC. 2. The first two types of projects shall be self-liquidating projects, while the last two shall be non-self-liquidating and non-revenue-producing projects. When a slum area is to be acquired and cleared for construction of a low-cost housing project, the cost of acquiring and clearing the area shall be non-self-liquidating, while the cost of constructing the housing project thereon shall be self-liquidating.

SEC. 3. To bring the dwelling units in its housing projects within the reach of families belonging to the lowest economic class possible, the People's Homesite and Housing Corporation is authorized to amortize the cost of said projects for a period longer than, but not exceeding twice the redemption period of the bonds, and to contribute to the sinking fund under section two of Republic Act Numbered One thousand only the net income of said projects. However, when the bonds near maturity, the estimated deficiency and the People's Homesite and Housing Corporation contribution to the sinking fund shall be raised from another set of bonds to be sold under the provisions of this Act and Republic Act Numbered One thousand.

SEC. 4. Any housing project to be financed under this Act shall be undertaken through public bidding, but if there are no bidders or

if the project can be executed at a reasonably lower cost than the lowest bid, such project may be executed by administration.

SEC. 5. The acquisition of landed estates that may be financed under this Act shall be limited only to urban lands intended for residential purposes, without prejudice to setting aside appropriate areas for public and semi-public areas needed by the community.

SEC. 6. The construction of housing for destitutes and paupers shall not be undertaken, unless the Social Welfare Administration or any government agency designated by the President to operate the same, is provided with, or assured of, funds to maintain and operate the same.

SEC. 7. All the projects of the People's Homesite and Housing Corporation financed under this Act shall be exempt from national and local taxes and fees of any kind.

SEC. 8. This Act shall take effect upon its approval.

APPROVED, June 16, 1955.

REPUBLIC ACT. NO. 1328

AN ACT TO AMEND REPUBLIC ACT NUMBERED SIX HUNDRED AND THIRTY-TWO, BY ENLARGING THE POWERS, FUNCTIONS AND DUTIES OF THE PHILIPPINE SUGAR INSTITUTE, PROVIDING FOR THE FINANCING THEREOF, AND FOR OTHER PURPOSES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section two of Republic Act Numbered Six hundred and thirty-two is hereby amended to read as follows:

"SEC. 2. **Purposes and Objectives.**—The PHILSUGIN shall have the following purposes and objectives:

"(a) To conduct research work for the sugar industry in all its phases, either agricultural or industrial, for the purpose of introducing into the sugar industry such practices or processes that will reduce the cost of production, increase and improve the industrialization of the by-products of sugar cane, and achieve greater efficiency in the industry;

"(b) To improve existing methods of raising sugar cane and of sugar manufacturing;

"(c) To insure a permanent, sufficient and balanced production of sugar and its by-products for local consumption and exportation;

"(d) To establish and maintain such balanced relation between production and consumption of sugar and its by-products, and such marketing conditions therefor, as will insure stabilized prices at a level sufficient to cover the cost of production plus a reasonable profit;

"(e) To promote the effective merchandising of sugar and its by-products in the domestic and foreign markets so that those engaged in the sugar industry will be placed on a basis of economic security;

"(f) To improve the living and economic conditions of laborers engaged in the sugar industry by the gradual and effective correction of the inequalities existing in the industry; and

"(g) To finance the activities of the sugar industry, or any of its component elements, where such assistance is needed and conducive to the progress of the industry in all its phases."

SEC. 2. Section three of Republic Act Numbered Six hundred and thirty-two is hereby amended to read as follows:

"SEC. 3. **Specific and General Powers.**—For carrying out the purposes mentioned in the preceding section, the PHILSUGIN shall have the following powers:

"(a) To establish, keep, maintain and operate, or help establish, keep, maintain, and operate one central experiment station and such number of regional experiment stations in any part of the Philippines as may be necessary to undertake extensive research in sugar cane culture and manufacture, including studies as to the feasibility of mechanizing sugar cane farms, the control and eradication of pests, the selection and propagation of high-yielding varieties of sugar cane suited to Philippine climatic conditions, and such other pertinent studies as will be useful in adjusting the sugar industry to a position independent of existing trade preference in the American market;

"(b) To purchase such machineries, materials, equipment, and supplies as may be necessary to prosecute successfully such researches and experimental work;

"(c) To explore and expand the domestic and foreign markets for sugar and its by-products to assure mutual benefits to consumers and producers, and to promote and maintain a sufficient general production of sugar and its by-products by an efficient coordination of the component elements of the sugar industry of the country;

"(d) To buy, sell, assign, own, operate, rent or lease, subject to existing laws, machineries, eqquipment, materials, merchant vessels, rails, railroad lines, and any other means of transportation, warehouses, buildings, and any other equipment and material for the production, manufacture, handling, transportation and warehousing of sugar and its by-products;

"(e) To borrow or raise or secure money for the purpose of meeting the financial needs of the industry, the growers and the millers; to issue bonds and debentures to carry out the purposes and objectives outlined in Chapter one of this Act;

"(f) To provide credit facilities and/or loans, on reasonable terms, to sugar cane growers and/or millers when it deems such loans advisable;

"(g) To enter, make and execute contracts of any kind as may be necessary or incidental to the attainment of its purposes with any person, firm, or public or private corporation, with the Government of the Philippines or of the United States, of any state, territory or persons thereof or with any foreign government and, in general, to do everything directly or indirectly necessary or incidental to, or in furtherance of, the purposes of the corporation;

"(h) To do all such other things, transact all such business and perform such functions directly or indirectly necessary, incidental or conducive to the attainment of the purposes of the corporation; and

"(i) Generally, to exercise all the powers of a corporation under the Corporation Law insofar as they are not inconsistent with the provisions of this Act."

SEC. 3. A Section is hereby inserted between sections sixteen and seventeen of Republic Act Numbered Six hundred and thirty-two, to be known as section sixteen-A, to read as follows:

"SEC. 16-A. The proceeds of all collections made under Commonwealth Act Numbered Five hundred and sixty-seven, shall constitute a special fund and accrue to the Sugar Research and Stabilization Fund which shall likewise be available for the maintenance, operation and use of the Philippine Sugar Institute."

SEC. 4. This Act shall take effect upon its approval.

APPROVED, June 16, 1955.

REPUBLIC ACT NO. 1345

AN ACT CREATING THE NATIONAL MARKETING CORPORATION AND DISSOLVING THE PRICE STABILIZATION CORPORATION, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. **Declaration of Policy.**—It is hereby declared to be the policy of Congress to assist Filipino retailers and businessmen by supplying them with merchantable goods at prices that will enable them to compete successfully in the open market so that they may have greater participation in the distribution system of our eoonomy. In order to do this, it is necessary that a government corporation be created for the purpose of engaging in the activities of procurement, buying and distributing merchantable goods to Filipino retailers and businessmen not for the purpose of making profit but to render an essential public service in order to promote the social and economic welfare of the Nation.

SEC. 2. **Name and Duration.**—There is hereby created a private corporation under the name of the "National Marketing Corporation" which, in short, shall be known as the "NAMARCO." The Corporation shall exist for a period of twenty-five years from the effective date of this Act.

SEC. 3. **Principal Office.**—The Corporation shall have its main office and principal place of business in the City of Manila or Quezon City, but may establish such branches and agencies in other places, within and outside the Philippines, as may be necessary for the proper conduct of its business.

SEC. 4. **General Powers.**—The NAMARCO is hereby authorized to exercise the following general powers:

(a) To adopt, alter and use a corporate seal which shall be judicially noticed;

(b) To make contracts;

(c) To purchase, hold, convey, sell, lease, let, mortgage, encumber and otherwise deal with such real and personal property as the purposes for which the Corporation was formed may permit and the transaction of lawful business of the Corporation may reasonably and necessarily require;

(d) To sue and be sued in any court;

(e) To do all such other things and to transact all such business directly or indirectly necessary, incidental or conducive to the attainment of the purposes of the Corporation; and

(f) To exercise generally all the powers of the Corporation under the Corporation Law in so far as they are not inconsistent with the provisions of this Act.

SEC. 5. **Special Powers.**—The NAMARCO is authorized and directed;

(a) To procure and buy commodities for distribution at reasonable prices to Filipino retailers and businessmen in order to promote their greater participation in the distribution system of the national economy;

(b) To stabilize the prices of commodities in short supply by supplying commodities to the general public at fair prices through Filipino businessmen;

(c) To formulate policies and procedures with respect to the use and acceptance of eligible evidence of indebtedness in the sale of commodities on credit to Filipino retailers and businessmen in accordance with established business practices;

(d) To establish and operate distribution offices and agencies and/or to enter into contracts with wholesale business throughout the Philippines for the purchase and distribution of such commodities that may be deemed essential for carrying out the purposes of the Corporation authorized in this Act.

(e) To accept eligible evidence of indebtedness in carrying out its authorized activities and to rediscount said eligible evidence of indebtedness with the Central Bank of the Philippines, Rehabilitation Finance Corporation, Philippine National Bank and/or any other government financial institution; and

(f) To borrow money from any credit institution for any of the purposes herein provided.

SEC. 6. **Capitalization and Revolving Fund.**—(a) The NAMARCO shall have an authorized capital of thirty million pesos to be subscribed entirely by the Republic of the Philippines and to be paid out of any general fund in the National Treasury, as follows:

The sum of ten million pesos upon approval of this Act; and

The sum of ten million pesos for every fiscal year thereafter for a period of two years which shall be automatically appropriated and included in the General Appropriation Acts for such subsequent fiscal years. The authorized capital of thirty million pesos shall constitute as a revolving fund for the purpose of financing its business transactions, except as herein provided for.

(b) For the operating expenses of the NAMARCO, the Board of Directors may appropriate out of the said authorized capital a sum not exceeding one million pesos during each fiscal year and a standing annual appropriation is hereby made out of any general fund in the National Treasury of such sum as may be necessary to reimburse the NAMARCO of the total amount actually expended out of the said one million pesos for overhead expenses during each fiscal year, which reimbursement shall accrue to the revolving fund. The unexpended balance of the appropriation for overhead expenses at the end of each fiscal year shall automatically revert to the said revolving fund and whatever earnings of the NAMARCO, if any, shall also accrue to the revolving fund.

SEC. 7. **Board of Directors — Composition, Appointment and Compensation.**—The corporate powers of the Corporation shall be vested in and exercised by a Board of Directors of seven members, consisting of the Secretary of Commerce and Industry, as **ex officio** Chairman, and six members who shall be appointed by the President of the Philippines, with the consent of the Commission on Appointments. The said members shall serve as designated by the President of the Philippines in their appointments for terms of one to three years, respectively, from the date they qualify and assume office; but their successors shall be appointed for terms of three years, except that any person chosen to fill a vacancy shall serve only for the unexpired term of the member he succeeds.

The Board shall hold regular weekly meetings and such number of special meetings as may be called by the Chairman or any three members from time to time. For attendance at meetings, each director shall receive a **per diem** of twenty-five pesos: Provided, That no member of the Board shall receive more than two hundred pesos as **per diems** a month.

SEC. 8. **Powers and duties of the Board of Directors.**—The Board of Directors shall have the following powers and duties:

(a) To prescribe, amend and repeal by-laws, rules and regulations governing the manner in which the general business of the Corporation may be exercised, including provisions for the formation of such committee or committees as the Board of Directors may deem necessary to facilitate its business.

(b) To appoint and fix the compensation of the General Manager and Assistant General Manager, subject to the approval of the President of the Philippines, and to appoint and fix the compensation of a secretary of the Board and such other corporate officials as may be needed. The Board, by a majority vote of all the members, may, for cause, and with the approval of the President of the Philippines, suspend and/or remove the General Manager and/or the Assistant General Manager; and

(c) To approve the annual budget and/or such supplementary budgets of the Corporation which may be submitted to it by the General Manager from time to time.

SEC. 9. **Suspension and removal of Directors.**—Any member of the Board of Directors may be suspended or removed by the President of the Philippines, upon the recommendation of the Chairman of the Board of Directors.

SEC. 10. **Prohibition for Board members.**—No Chairman or member of the Board of Directors of the Corporation shall at the same time serve in the Corporation in any capacity whatsoever other than Chairman or Member thereof.

SEC. 11. The General Manager and members of the Board of Directors of the Corporation shall not intervene, directly or indirectly, in the management or control of any private enterprise which in any way may be affected by the functions of their office; nor shall they, directly or indirectly, be financially interested in any contract with the Corporation or in any business activity that may be benefited by the operations of the Corporation.

SEC. 12. **Managing Head.**—The management of the Corporation shall be vested in the General Manager.

SEC. 13. **Powers and Duties of the General Manager.**—The General Manager shall have the following powers and duties;

(a) To direct and manage the affairs and business of the Corporation, on behalf of the Board of Directors, and subject to its control and supervision;

(b) To sit in all meetings of the Board of Directors, and participate in its deliberations, but without the right to vote;

(c) To submit within sixty days at the close of each fiscal year an annual report, through the Board of Directors, to the President of the Philippines;

(d) To appoint and fix the number and salaries, with the approval of the Board of Directors, of such subordinate personnel as may be necessary for the proper discharge of the duties and functions of the Corporation, and, with the approval of the Board, to remove, suspend, or otherwise discipline for cause, any subordinate employee of the corporation; and

(e) To perfom such other duties as may be assigned to him by the Board of Directors from time to time.

SEC. 14. **Appointment and Promotion, basis.**—In the appointment and promotion of officers and employees, merit and efficiency shall serve as bases and no political test or qualification shall be prescribed and considered for such appointments or promotions. Any person appointed by the General Manager in violation of the above provision shall be removed from the service by the Board of Directors.

SEC. 15. **Organizational Operation.**—The Corporation shall be organized along the following setup:

(a) Purchasing Department—responsible for the procurement, or arranging for the procurement, of required commodities;

(b) Marketing Department—responsible for the sale and distribution of commodities through appropriate outlets;

(c) Traffic-Storage Department—responsible for the transportation, shipping and warehousing of stocks and commodities.

In addition, the General Manager shall have the following specified staff offices to assist him in his work:

(a) Personnel Office—provide advice and assistance on personnel management problems, including employment, training, employee relations and salary classification matters;

(b) Finance Office—provide advice and assistance on all budgeting, accounting and financial matters of the NAMARCO;

(c) Market Analysis Office—responsible for market analysis to determine necessary quantities and prices of commodities to be purchased or sold to stabilize or control prices;

(d) General Service Office—provide supply, records and building maintenance services;

(e) Office of the General Counsel—provide advice and assistance on all legal matters of the NAMARCO, including investigations and preparation of contracts. The Secretary of Justice shall be the **ex officio** legal adviser of the NAMARCO. He shall appoint a representative who shall be the General Counsel thereof. Any assistant legal counsel and other personnel shall be appointed by the General Manager, subject to the approval of the Board of Directors. All salaries and operating expenses of the Office of the General Counsel shall be fixed by the Board of Directors and paid by the NAMARCO.

(f) Auditing Office—responsible for the audit of the financial transactions of the NAMARCO in accordance with law, administrative regulations and the principles and procedures applicable to commercial corporate transactions. The Auditor General shall be the **ex officio** Auditor in charge of the Auditing Office of the NAMARCO. He shall appoint a representative who shall be the Auditor thereof. The Auditor General shall, upon the recommendation of the Auditor of the NAMARCO, appoint or remove personnel of the Auditing Office. The operating expenses of the Auditing Office and the number of salaries of officers and employees of such office shall be fixed by the Board of Directors and paid by the NAMARCO. The representative of the Auditor General shall render an annual report within sixty days after each fiscal year on the financial condition of the NAMARCO to the President of the Philippines, the Secre-

tary of Finance, the Auditor General, and the Board of Directors. The report shall contain a statement of the resources and liabilities including earnings and expenses, the amount of paid-up capital stock, surplus, reserves, as well as losses, bad debts and such other facts which the Auditor considers necessary to accurately describe the financial condition of the NAMARCO.

SEC. 16. General Provisions.—(a) Obligations issued by the NAMARCO in accordance with the authority of paragraphs (c) and (e) of section five of this Act shall be secured by the assets of the NAMARCO, including all securities held by it under the provisions of this Act. These obligations shall be redeemable at the option of the NAMARCO, at or before maturity and in such manner as may be stipulated therein and shall bear such rate of interest as may be fixed by the NAMARCO. The NAMARCO shall provide for appropriate reserves for the redemption or retirement of such obligations. Obligations issued and offered for sale by the NAMARCO may be offered at such price or prices as the NAMARCO may determine. The said obligations shall and are hereby fully and unconditionally guaranteed both as to principal and interest by the Government of the Republic of the Philippines, and such guaranty shall be expressed on the face thereof.

(b) In the event that the NAMARCO shall be unable to pay debentures, bonds, collaterals, notes or such other obligations issued by it, the Secretary of Finance shall pay the amount thereof which is hereby appropriated out of any funds in the National Treasury not otherwise appropriated and thereupon, to the extent of the amounts so paid, the Government of the Republic of the Philippines shall succeed to all of the rights of the holders of such bonds, debentures, notes, collaterals or other obligations.

(c) The NAMARCO shall be exempt from all taxes incidental to its operation except as herein provided for. All notes, bonds and debentures and other obligations issued by the NAMARCO shall be exempt from all taxes, both as to principal and interest, except inheritance and gift taxes.

SEC. 17. Penal Provisions.—(a) No officer or employee of the NAMARCO nor any government official who may exercise executive or supervisory authority over the said NAMARCO, either directly or indirectly, for himself or as the representative or agent of others shall become a guarantor, indorser, or surety for credits from the NAMARCO to others. Any such officer or employee who violates the provisions of this section shall be immediately removed by competent authority and said officer or employee shall be punished by imprisonment for not less than one year nor exceeding five years and a fine of not less than one thousand nor more than five thousand pesos.

(b) No fee, commission, gift, or charge of any kind shall be exacted, demanded, or paid, for obtaining credit facilities from the NAMARCO, and any officer, employee, or agent of the NAMARCO, exacting, demanding, or receiving any fee for service in obtaining a credit, shall be punished by a fine of not less than one thousand nor more than three thousand pesos and imprisonment for not less than one year nor more than three years.

(c) Any person who, for the purpose of obtaining, renewing, or increasing a credit line or the extension of the period thereof in his own or another's behalf, should give false information or cause, through his intrigue or machination, the existence and production of any false information with regard to the identity, situation, productivity, or value of the security, or with regard to a point which would effect the granting or denial of the request for credit, whether the latter has been consummated or not, and every officer or employee of the NAMARCO who, through connivance or negligence, should allow by action or omission such false information to pass unnoticed, thereby causing damage to the NAMARCO or exposing the latter to the danger of suffering such damage, shall be punished with imprisonment for not less than three months nor more than three years ,and a fine of not less than the amount of the credit obtained or applied for, nor more than three times such amount.

(d) It shall be unlawful for any officer or employee of the NAMARCO to speculate directly or indirectly in the commodity support program of the NAMARCO in the purchase of locally produced and/or manufactured goods or in transactions relating thereto, or in the purchase of imported commodities, or in the stock of membership interest of any association or corporation engaged in the handling, processing, or disposing of any such commodity or product. Any such person violating this section shall, upon conviction thereof, be fined not more than twenty thousand pesos, or imprisoned not more than ten years, or both.

SEC. 18. Transitory Provisions.—(a) The NAMARCO shall retain the existing regional provincial sales organization of the Price Stabilization Corporation (PRISCO): **Provided, however,** That as sales and distribution methods are changed or improved, any such outlets could be eliminated: **Provided, further,** That there shall be in each province at least one provincial sales organization or agency.

(b) The Price Stabilization Corporation (PRISCO) is hereby dissolved in the manner hereinafter provided:

(1) Any reference to the PRISCO in any existing law, or in any executive order, administrative order or proclamation of the President shall, with respect to any duty or function assumed by the NAMARCO created in this Act, be deemed hereafter to have reference to the National Marketing Corporation (NAMARCO);

(2) The personnel, records, cash, such needed equipment, rights and contracts of the PRISCO involving real estate, fixed assets and stock in trade are hereby transferred to, vested in, and assumed by the NAMARCO and all the business concerning obligations and liabilities of the PRISCO on real estate, fixed assets, and stock in trade shall be liquidated, assumed and continued by the NAMARCO: **Provided,** That the liquidation, settlement and payment of other choses in action, obligations and liabilities of the PRISCO shall be handled by the Board of Liquidators: **Provided, further,** That the inventory and valuation of the real estate properties, needed equipment, fixed assets, stock in trade or choses in action, rights, obligations, liabilities and contracts of the PRISCO relative thereto shall be made by the Auditor General and during the inventory and valuation, the accountable officers of the PRISCO shall continue to be accountable therefor until actual transfer to and acceptance by the corresponding accountable officers of the NAMARCO; **Provided, further,** That, other assets, liabilities and obligations of the PRISCO shall be transferred to, vested in and assumed by the Board of Liquidators as hereinabove provided: **Provided finally,** That the personnel of the PRISCO hereby transferred shall be reappointed in the NAMARCO in accordance with Republic Act Numbered Nine hundred ninety-seven, commonly known as the "Reorganization Act of Nineteen hundred and fifty-four," and that those not reappointed within one hundred twenty days from the establishment and activation of the NAMARCO shall either be transferred to other offices or be considered separated or released from the service and that the said one hundred twenty days shall constitute as the advance separation notice required by law.

(3) The officials and employees of the PRISCO who may be separated from the service by virtue hereof shall be entitled to the commutation of the money value of their vacation and sick leaves standing to their credit. If the officials and employees of the PRISCO so separated from the service are entitled to retire under the Osmeña Retirement Law (Act 2589, as amended) or under Republic Act Numbered Six hundred sixty, they shall be so retired upon the payment of the obligation of the PRISCO to the Government Service Insurance System subsisting under the said Republic Act Numbered Six hundred sixty on the date of the approval hereof. Those who may not be retired under the aforesaid laws shall be entitled to gratuity, which shall be paid in one lump sum, equivalent to one month's salary for every year of continuous, satisfactory service rendered in the PRISCO and in any branch of the government and government agencies and instrumentalities on the basis of the last salary received by them, but not exceeding twelve months in the aggregate: **Provided, however,** that in the case of subsequent reinstatement in the government service or in any government owned or controlled corporation of any such officer or employee who has been paid gratuity, vaca-

tion and/or sick leaves, he shall refund to the National Government the value of the unexpired portion of his gratuity and of his vacation and/or sick leaves, if any: **And provided, further,** That, the amount necessary to pay the said gratuity and the money value of the sick and vacation leaves standing to the credit of the laid-off employees is hereby appropriated out of any general fund in the National Treasury not otherwise appropriated, which sum shall be used by the NAMARCO to pay such obligations.

SEC. 19. **Miscellaneous Provisions.**—(a) All Acts or Executive Orders, Administrative Orders and Proclamations or part thereof inconsistent with any of the provisions of this Act are hereby repealed or modified accordingly;

(b) If any provisions of this Act should be held invalid, the other provisions shall not thereby be affected.

SEC. 20. **Effectivity.**—This Act shall take effect upon its approval.

APPROVED, June 17, 1955.

REPUBLIC ACT NO. 1350

AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES DURING THE PERIOD FROM JULY FIRST, NINETEEN HUNDRED AND FIFTY-FIVE TO JUNE THIRTIETH, NINETEEN HUNDRED AND FIFTY-SIX, AND FOR OTHER PURPOSES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. **Appropriation of funds.**—The following sums, or so much thereof as may be necessary, are appropriated out of any funds in the Philippine Treasury not otherwise appropriated for the operation of the Government of the Republic of the Philipines during the period from July first, nineteen hundred and fifty-five to June thirtieth, nineteen hundred and fifty-six, except where otherwise specifically provided:

(Itemized portions on salaries and wages and other expenditures omitted for lack of space)

GENERAL PROVISIONS

SEC. 2. **Authority to pay salaries not in conformity with the prescribed grades or rates of compensation.**—Payment to incumbent employees of salaries the rates of which are not in conformity with the schedule of grades or rates of compensation provided in section three of Commonwealth Act Numbered Four hundred and two, as amended, is hereby authorized: **Provided,** That new appointments, whether original or promotional, to positions not carrying the salary rates prescribed in Commonwealth Act Numbered Four hundred and two, as amended, shall be made only at rates authorized in the said Act.

SEC. 3. **Personnel in the classified Civil Service under Performance Budget.**—The adoption of the budgetary system based on functions, activities and projects in terms of expected results in the Bureau of Civil Service, Bureau of Internal Revenue, Land Registration Commission, Bureau of Lands, Bureau of Telecommunications, Bureau of Public Libraries, Bureau of Labor, Wage Administration Service, Industrial Safety Division, Armed Forces of the Philippines, Bureau of Health and Bureau of Commerce, shall neither result in any manner in the laying off of personnel in the classified Civil Service except for cause as provided by law nor in the reduction of actual salaries of incumbent.

SEC. 4. **Appendix covering Plantillas of Personnel.**—The appendix containing the plantillas of personnel in the different bureaus and offices whose budgets are presented pursuant to the provisions of Republic Act No. 992, is hereby made part of this Act.

SEC. 5. **Authority to use savings in appropriations for "personal services," for "maintenance and other operating expenses," and for "furniture and equipment" to cover deficits.**—Except as otherwise provided in this Act, any savings in the regular appropriations authorized in this Act for the Executive Departments for personal services, for maintenance and other operating expenses, and for furniture and equipment of the Bureaus and offices under any Department, may, with the approval of the President, be used to cover a deficit in any other item of the regular appropriations, except for personal services, under the same Department. Likewise, any savings in the appropriations for personal services, for maintenance and other operating expenses, and for furniture and equipment of any item under "special purposes," may with the approval of the President, be used to cover a deficit in any other item of appropriation, except for personal services, under the same or other special purpose under the same Department: **Provided,** That, whenever authorized positions are transferred from one program or project to another program or project under the performance budgets, the corresponding amounts appropriated for personal services are also deemed transferred, without increasing the total outlay for personal services of the office concerned. In no case, however, shall any item in the regular appropriations and appropriations for "special purposes" be augmented, pursuant to the authority granted in this section, by more than forty per centum of the original appropriation provided in this Act for such item.

SEC. 6. **Quarterly report to Congress on transfers of appropriations and accomplishments of bureaus and offices whose appropriations are based on Performance Budget.**—The Auditor General and the Commissioner of the Budget shall submit separately to the Congress a quarterly report of any transfer of appropriation made to cover a deficit, the report to specify the items and the amounts involved and shall furnish copies to each member of Congress in his office: **Provided,** That the heads of bureaus or officers whose appropriations provided for in this Act are based on the Performance Budget shall likewise submit separately to the Congress a quarterly report of their accomplishments in the various projects as set forth in their respective performance budget.

SEC. 7. **Authority to use savings for other purposes.**—The President of the Philippines is authorized to use any savings in the appropriations provided in this Act for the Executive Departments for the settlement of the following obligations incurred during the current fiscal year and/or previous fiscal years, the limitation in section 7-I (27) of Commonwealth Act Numbered Two hundred forty-six, as amended, notwithstanding: (1) claims under section 699 of the Revised Administrative Code and the Workmen's Compensation Act, whichever is applicable, of officers, employees and laborers who died or were injured in line of duty; (2) commutation of the money value of the additional leave, extended leave and accrued leave earned by American and deceased Filipino

officers and employees, or by Filipino officers and employees separated from the service except for cause, for service rendered prior to November twenty-ninth, nineteen hundred and twenty-six; (3) purchase of furniture and equipment to replace those that may be lost through accident, fire, or other calamity, or may have been damaged through the same cause, the disposal of which is deemed reasonable and necessary, if it would be more expensive to have them repaired, and purchase with the approval of the President of furniture and equipment to replace unserviceable ones condemned by the Auditor General; (4) payment of salaries of suspended employees who have subsequently been exonerated; (5) payment of the share of the National Government in the salaries of national officials in newly created cities and provinces where no appropriation has been provided therefor; (6) three per cent contribution of the Government to the Government Service Insurance System for the employees' insurance premiums corresponding to the period from December thirty-first, nineteen hundred and forty-one to February twenty-eight, nineteen hundred and forty-five, pursuant to section four of Republic Act Numbered One hundred thirty-two, the provisions of section 7(c) of Commonwealth Act Numbered One hundred eighty-six as amended, to the contrary notwithstanding; (7) commutation of sick and vacation leaves of employees who may be retired under existing laws; (8) additional compensation to government nurses assigned to public health nursing at ₱50 a month in lieu of quarters, subsistence and laundry allowances as provided under section three of Republic Act Numbered Six hundred forty-nine; (9) purchase or rental of accounting machines to carry out the plan of mechanizing the accounting system in the Government; (10) obligation of the National Government under the provisions of subsection (a) of section 2553 of the Revised Administrative Code; (11) cash commutation of the accumulated vacation and sick leave of employees who voluntarily resign or are separated from the service thru no fault of their own, in accordance with the provisions of Republic Act Numbered Six hundred eleven; (12) printing of briefs in cases appealed by the Government; (13) gratuity of employees whose positions are abolished or who are retired; (14) improvement of food rations in government hospitals and leprosaria; (15) rural improvement; and (16) payment of salary differentials to officials and employees whose salary items have been reduced in the 1956 Budget to the amounts they were actually receiving at the time of the preparation of the said Budget but who before June 30, 1955 were promoted to higher rates provided for their respective salary items.

SEC. 8. **Suspension of expenditure of appropriations.**—Except as otherwise provided in this Act and whenever in his judgment the public interest so requires, the President is authorized to suspend or otherwise stop the expenditure of any amount herein appropriated in any item or items for the Executive Departments for any purpose, except those for salaries of positions with incumbents, and thereupon the funds affected

by such action shall become available for any other expenditures authorized in this Act for the Executive Departments as the President may determine, except for personal services; **Provided,** That, whenever authorized positions are transferred from one program or project to another program or project under the performance budgets, the corresponding amounts appropriated for personal services are also deemed transferred, without increasing the total outlay for personal services of the office concerned. In no case, however, shall any item of appropriation be augmented, pursuant to the authority granted in this section, by more than forty per centum of the original appropriation provided in this Act for such item. The Auditor General and the Commissioner of the Budget shall report separately to the Congress within a period of thirty days any suspension or transfer of funds made by the President during the previous quarter and shall furnish copies to each member of Congress in his office.

SEC. 9. **Provision for "excess of actual salary."**—Appropriations provided in this Act may be used for payment of excess of actual salaries to the incumbent of a position to which said "excess" pertains who is actually receiving the same "excess" as part of the salary granted to him upon his appointment to the said position before the reduction of the basic pay thereof to the amount provided: **Provided, however,** That if the position be vacated and the successor to its previous incumbent shall have previously received an equal salary plus the "excess of actual salary" in the same or any other branch of the government service, such excess shall be allowable to him.

SEC. 10. **Allotment of Appropriations.**—To prevent the incurrence of deficits, authorized appropriations shall be allotted in accordance with the procedure outlined hereunder:

a. No appropriation authorized for any department or agency shall be available for expenditure until the head of such department or agency shall have submitted to the Commissioner of the Budget a request for allotment of funds, showing the estimated amounts needed for each function, activity or purpose for which the funds are to be expended during the applicable allotment period and until the request shall have been approved by the Commissioner of the Budget as hereinafter provided. The form of the request for allotment shall be prescribed by the Commissioner of the Budget and shall be submitted to him at least twenty-five days prior to the beginning of the fiscal year showing the proposed quarterly allotments of the whole authorized appropriation for the department or agency.

b. For purposes of the administration of the allotment system herein provided, each fiscal year shall be divided into four quarterly allotment periods beginning, respectively, on the first day of July, October, January and April: **Provided,** That in any case where the quarterly allot-

ment period is found to be impracticable, the Commissioner of the Budget may prescribe a diffrent period suited to the circumstances but not extending beyond the end of the fiscal year.

c. Each request for allotment shall be reviewed by the Commissioner of the Budget and the respective amounts therein shall be alloted for expenditures, provided the estimate therein is within the terms of the appropriations as to amount and purpose, having due regard for the probable future needs of the bureau, office or agency for the remainder of the fiscal year or other term for which the appropriation was made, and provided the bureau, office or agency contemplates expenditure of the allotment during the period. Otherwise, the said Commissioner of the Budget shall modify the estimate so as to conform with the terms of the appropriation and the prospective needs of the bureau, office or agency, and shall reduce the amount to be allotted accordingly. The Commissioner of the Budget shall act promptly upon all request for allotment and shall notify every bureau, office or agency of its allotments at least five days before the beginning of each allotment period. The total amount allotted to any bureau, office or agency for the fiscal year or other term for which the appropriation was made shall not exceed the amount appropriated for said year or term. The notification which will be sufficient authority for the Accounting Officer to enter the allotment in the books, shall include an explanation for any decrease or increase in the request of the head of the department or agency.

d. At the end of each quarter, each department or agency must report to the Commissioner the current status of its appropriations, the cumulative allotments, obligations, expenditures, and unliquidated obligations and unobligated and unexpended balances, and the results of expended appropriations. Such department or agency may, at any time, initiate or request for a change in allotments in order to adapt its functions or activities to altered conditions.

e. The Commissioner of the Budget shall have authority also at any time to modify or amend any allotment previously made by him. In case he shall find at any time that the probable receipts from taxes or other sources for any fund will be less than were anticipated and that as a consequence the amount available for the remainder of the term of the appropriation, or for any allotment period will be less than the amount estimated or allotted therefor, he shall, with the approval of the President, and after notice to the department or agency concerned, reduce the amount or amounts to be allotted, so as to prevent deficits.

f. The Commissioner of the Budget shall promptly transmit records of all allotments and modifications thereof to the Auditor General, the Chairman of the Committee on Finance of the Senate, the Chairman of the Committee on Appropriations and the Chairman of the Committee on Ways and Means of the House of Representatives, and the Secretary of Finance.

g. The Commissioner of the Budget shall maintain control records showing quarterly by funds, accounts, and other pertinent classifications, the amounts appropriated, the estimated revenues, the actual revenues or receipts, the amounts allotted and available for expenditures, the unliquidated obligations, actual balances on hand, and the unencumbered balances of the allotments for each agency of the Government.

h. No funds shall be disbursed and no expenditures or obligation chargeable against any authorized allotments shall be incurred or authorized by any head of department or agency, without first securing the certification of the corresponding accounting officers of the Budget Commission as to the availability of funds and allotment or appropriation against which the expenditure or obligation may properly be charged, after taking into consideration all previous expenditures and outstanding obligations.

i. Every expenditure or obligation authorized or incurred in violation of the provisions of this Act shall be void. Every payment made in violation of said provisions shall be illegal, and every officer or employee authorizing or making such payment, or taking part therein, and every person receiving such payment, or any part thereof, shall be jointly and severally liable to the Government for the full amounts so paid or received. If any officer or employee of the Government shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of this Act, or take part therein, it shall be ground for his removal by the officer appointing him, and if the appointing officer be other than the President and shall fail to remove such officer or employee, the President shall exercise such power of removal after giving notice of the charges and opportunity for hearing thereon to the accused officer or employee and to the officer appointing him.

j. Since the effective operation of the allotment system with respect to the appropriations authorized in this Act is affected by the appropriations authorized in other Acts, the provisions of this section relating to the allotment system are hereby made expressly applicable to other appropriations and funds of all kinds, including standing or continuing appropriations, and special, trust and other funds; but the provisions hereof relating to the allotment system shall not apply to appropriations for the Congress of the Philippines, Supreme Court, Court of Appeals, Courts of First Instance and Justice of the Peace Courts nor to appropriations or any other monies made available for the General Auditing Office and the Commission on Elections.

SEC. 11. **Creation of appropriation reserves.**—The chiefs of bureaus and offices shall establish reserves of not less than five per centum of the total appropriations of their respective bureaus and offices to provide for contingencies and emergencies which would otherwise require a deficiency appropriation. All or a portion of an appropriation may be reserved when it is determined that the amounts involved may not be needed. Should conditions change during the fiscal year which

would justify the use of the reserve, the necessary adjustment may be made by the Commissioner of the Budget when requested by the bureau or office affected.

SEC. 12. **Purchase of locally manufactured furniture, equipment, parts, accessories, supplies and materials.**—All appropriations for the purchase of furniture, equipment, supplies and materials authorized in this Act shall be available only for locally manufactured furniture, equipment, parts, accessories, supplies and materials, except when none is available in the market, or when the prices of the locally manufactured article exceed those determined by the Flag Law by ten per cent.

SEC. 13. **Renting of automobiles, jitneys or trucks for a continuous period exceeding fifteen days prohibited.**—No appropriation provided in this Act for the Executive Departments shall be used for renting automobiles, jitneys or trucks on the monthly basis nor on the daily basis for a continuous period exceeding fifteen days.

SEC. 14. **Authority to purchase motor vehicles.**—No appropriation authorized in this Act shall be used for the purchase of automobiles, jitneys, jeeps, station wagons, motorcycles and other motor vehicles unless otherwise specifically provided in this Act.

SEC. 15. **Officials entitled to government motor transportation.**—The following officials are entitled to use government motor transportation chargeable against the appropriations authorized in this Act:

(1) The President of the Philippines,
(2) The Vice-President of the Philippines,
(3) The President of the Senate,
(4) The Speaker of the House of Representatives,
(5) The President Pro-Tempore of the Senate,
(6) The Majority Floor Leader of the Senate,
(7) The Chairman, Committee on Finance of the Senate,
(8) The Chairman, Committee on Accounts of the Senate,
(9) The Chairman, Committee on Foreign Relations of the Senate,
(10) The Chairman, Committee on Public Works of the Senate,
(11) The Minority Floor Leader of the Senate,
(12) The Secretary of the Senate,
(13) The Speaker Pro-Tempore of the House of Representatives,
(14) The Majority Floor Leader of the House of Representatives,
(15) The Chairman, Committee on Appropriations of the House of Representatives,
(16) The Chairman, Committee on Accounts of the House of Representatives,

(17) The Chairman, Committee on Foreign Affairs of the House of Representatives,
(18) The Chairman, Committee on Public Works of the House of Representatives,
(19) The Minority Floor Leader of the House of Representatives,
(20) The Secretary of the House of Representatives,
(21) The Chief Justice of the Supreme Court,
(22) The Presiding Justice of the Court of Appeals,
(23) The Auditor General,
(24) The Ambassadors, Ministers Plenipotentiary and Consuls in charge of consulates while in their respective stations abroad, and
(25) The Chief of Staff and the Vice-Chief of Staff and the Commanding Officers of the other Major Services of the Armed Forces of the Philippines.

SEC. 16. **Officials entitled to transportation allowance.**—The Department Heads, including the Administrator of Economic Coordination, the Commissioner of the Budget, the Chairman of the Commission on Elections, and the Social Welfare Administrator are hereby granted a commutable transportation allowance of two hundred fifty pesos each per month; the Undersecretaries of Departments and officials with the same rank, the Public Service Commissioner, the Legislative Secretary, the Legislative Liaison Officer, the Presiding Judge of the Court of Industrial Relations, and the Presiding Judge of the Court of Tax Appeals, two hundred pesos each per month, and the following Directors or chiefs of bureaus and offices, and the Sergeant at Arms of the House of Representatives, one hundred pesos each per month, chargeable against the appropriations authorized in this Act for their respective offices:

(1) The Director of Printing,
(2) The Commissioner of Civil Service,
(3) The Commissioner of Customs,
(4) The Collector of Internal Revenue,
(5) The Treasurer of the Philippines,
(6) The Purchasing Agent, Bureau of Supply,
(7) The Insurance Commissioner,
(8) The Commissioner, Land Registration Commission,
(9) The Director, National Bureau of Investigation,
(10) The Commissioner of Immigration,
(11) The Director of Prisons,
(12) The Chairman, Code Commission,
(13) The Director of Plant Industry,
(14) The Director of Animal Industry,
(15) The Director of Forestry,
(16) The Director of Lands,
(17) The Director of Mines,

(18) The Director of Fisheries,
(19) The Director of Soil Conservation,
(20) The Director of Agricultural Extension,
(21) The Manager, Fiber Inspection Service,
(22) The Director of Public Works,
(23) The Director of Posts,
(24) The Director of Telecommunications,
(25) The Chief, Motor Vehicles Office,
(26) The Commissioner of Public Highways,
(27) The Director of Public Schools,
(28) The Director of Public Libraries,
(29) The Director, Institute of National Language,
(30) The Director of National Museum,
(31) The Director of Private Schools,
(32) The Director of Labor,
(33) The Commissioner, Workmen's Compensation Commission,
(34) The Chief, Wage Administration Service,
(35) The Captain (Director), Bureau of Coast and Geodetic Survey,
(36) The Chairman, Philippine Veterans Board,
(37) The Chairman, Board on Pensions for Veterans,
(38) The Director of Quarantine,
(39) The Director of Hospitals,
(40) The Director of Health,
(41) The Director of Commerce,
(42) The Administrator, Sugar Quota Administration,
(43) The Director, Patent Office,
(44) The Commissioner, Securities and Exchange Commission,
(45) The Administrator, Civil Aeronautics Administration,
(46) The Director, Weather Bureau,
(47) The Director of the Census and Statistics,
(48) The Administrator, Cooperatives Administration Office,
(49) The Director, Institute of Science and Technology,
(50) The Director, Philippine General Hospital,
(51) The Counselors in the Department of Foreign Affairs, and
(52) The Chief, Irrigation Service Unit.

SEC. 17. **Bureau and offices entitled to use, operate and maintain government motor vehicles and launches.**—No bureau or office shall use, operate or maintain from the appropriations authorized in this Act government service cars, jeeps, station wagons, vans, service trucks, pick-up trucks, launches, speedboats, motorcycles, etc., except the following:

(1) The House of Representatives, for general service purposes;
(2) The Senate, for general service purposes;
(3) Malacañang, for general service purposes;

(4) The National Intelligence Coordinating Agency, in the coordination of the national intelligence activities and in carrying out its functions in the interest of national security;

(5) The Radio Station DZFM, for covering special events for delayed broadcasts, servicing of sponsored programs, contacting artists, fetching "sign on" personnel and conducting home those "signing off;"

(6) The Social Welfare Administration, for ministering relief, during military actions against dissidents, to evacuees the injured and incapacitated and to the victims of typhoons, earthquakes, fires, floods, tidal waves and volcanic eruptions; and for conducting the inmates of Welfareville to and from the Courts, hospitals and other offices, procuring materials and food supplies for their subsistence, and delivering food to the various units within the Welfareville compound, including collection and disposal of garbage;

(7) The Budget Commission, for the gathering from the various government offices and instrumentalities of such data and information as are essentially material or pertinent to the exercise of authority over budget operations and control, for the performance of duties connected with the preparation of the National Budget, and for wage and position classification survey;

(8) The Bureau of Printing, for the delivery and/or shipment of printed matters, books and/or forms to various offices;

(9) The Department of Foreign Affairs, for carrying out protocol duties in connection with the arrival or visit in the Philippines of high dignitaries and officials or accredited representatives of foreign governments, and for the delivery of diplomatic pouches to and from points of embarkation or shipment;

(10) The Bureau of Customs, for use of examiners of the Appraisers Division in the inspection of bonded warehouses, including embroidery factories, for hauling parcels from the Bureau of Posts to the Customs Building for examination, and for carrying out the so-called "immediate payment system" under which the Division will dispatch in a motor vehicle import entries for examination to its supervisors stationed at the piers for distribution to the examiners detailed under them and have the examined entries and the examiners' samples brought to the Customs Building, and for carrying out detective and police duties of the Port Patrol Division in Manila and of the patrol service in the Port of Cebu;

(11) The Bureau of Internal Revenue, for the strict enforcement of the internal revenue laws and regulations and detection of violations thereof:

(12) The Bureau of the Treasury, for transportation of cash from the Central Bank of the Philippines to the Bureau of Treasury, and vice versa;

(13) The National Bureau of Investigation, for detection and investigation of crimes and criminals and other law violations;

(14) The Court of Tax Appeals, for transportation of its personnel whenever the Court holds its hearing outside the City of Manila pursuant to Section 6 of Republic Act No. 1135;

(15) The Bureau of prisons, for conducting prisoners to and from the Bureau of Prisons, inspection of prison institutions and stations, procuring food supplies and materials, and delivering products and/or manufactures of the Prison Industries in Muntinlupa and in the penal colonies;

(16) The Division of Agricultural Economics, Office of the Secretary of Agriculture and Natural Resources, for gathering agricultural statistics for researches and analyses in agriculture;

(17) The Division of Agricultural Information, Office of the Secretary of Agriculture and Natural Resources, for distribution of agricultural information materials for guidance of farmers in improving their farming methods;

(18) The Agricultural Tenancy Commission, for conducting education rallies, researches on tenancy practices observed in the different regions of the country, and for inspection of farm mechanization;

(19) The Bureau of Plant Industry, for the control of abaca mosaic and other plant pests and diseases, including demonstration and extension work;

(20) The Bureau of Animal Industry, for the distribution of animal products and transportation of animals and feeds, including insemination work;

(21) The Bureau of Forestry, for the distribution of seedlings and transportation of supplies and materials and cinchona barks to ports of shipment;

(22) The Bureau of Lands, for the survey and sub-division of public agricultural lands and land management;

(23) The Bureau of Mines, for the transportation of mineral samples to and from the office for the geological, mineralogical and mineral land survey parties operating in the different parts of the Philippines;

(24) The Bureau of Fisheries, for the collection of marine specimens, inspection of experimental fish farms and distribution of seedlings;

(25) The Bureau of Soil Conservation, for carrying out soil survey and conservation work in the different regions of the country;

(26) The Bureau of Agricultural Extension, for carrying out its extension work and diffusing among the people, particularly those in rural areas, useful and practical information on agriculture, soil conservation,

livestock, fisheries, forest conservation, public lands and natural resources laws, home economics and rural life by means of field demonstrations lectures, conferences, publications and other means of disseminating information;

(27) The Fiber Inspection Service, for carrying out its work of inspection and supervision of fiber grading-baling establishments, fiber improvement and demonstration work;

(28) The Bureau of Public Works, for undertaking the construction of public works projects, inspection and supervision thereof, and for the procurement of construction supplies and materials;

(29) The Bureau of Posts, for the transportation of strictly mail matters;

(30) The Bureau of Telecommunications, for the construction, repair, transfer and maintenance of telegraph, telephone and radio stations and circuits and the delivery of telegrams and radiograms;

(31) The Motor Vehicles Office, for the enforcement of the provisions of the Motor Vehicle Law;

(32) The Wage Administration Service, for use by regional wage inspection supervisors in supervising the enforcement of the Minimum Wage Law, in the inspection of agricultural, industrial and commercial establishments, especially in out-of-the-way locations, and in making special investigations and economic surveys necessary for the administration and enforcement of the law;

(33) The vocational schools, for instructional purposes requiring the use, demonstration and/or operation of motor or other powered vehicles;

(34) The Bureau of Private Schools, for the inspection of private schools that are out-of-the-way places, and for undertaking rush investigation of complaints from various sources;

(35) The Bureau of Coast and Geodetic Survey, for carrying out field reconnaissance, triangulations, precise leveling and magnetic and gravity measurements and for ship servicing;

(36) The Armed Forces of the Philippines, when on military operations or on active duty in the restoration and maintenance of peace and order;

(37) The Department of Health, for the use of the Division of Tuberculosis in BCG vaccination and Traveling X-ray Examination Units, the Division of Health Education and Information in exhibiting health films and dissemination of health information in rural areas, and the Public Health Research Laboratories in connection with health research, including the distribution of vaccines, sera and other biological preparations;

(38) Government hospitals, for ambulance service and procuring food supplies and materials for the subsistence of patients and personnel entitled thereto;

(39) The Bureau of Health, for health, sanitation and prevention and control of epidemics;

(40) The Bureau of Quarantine, whenever used by quarantine officers exclusively for quarantine work;

(41) The Civil Aeronautics Administration, for the operation and maintenance of its landing fields, including supervision and reconstruction or repair of signaling equipment located thereat;

(42) The Weather Bureau, for the maintenance, operation and inspection of its meteorological stations, including the Manila International Airport Forecasting Center and the Diliman Geophysical and Astronomical Station, and delivery of supplies thereto;

(43) The Office of Economic Coordination, for use in inspecting projects being undertaken by government corporations, including private industrial establishments applying for tax exemption under Republic Act Numbered Thirty-five, and in gathering and transmitting data and information necessary for the efficient supervision and coordination of the activities of the said corporations;

(44) The Institute of Science and Technology, for visit and inspection of factories, for the collection of forest plant, animal and marine by-products and agricultural wastes for use in research and laboratory investigations including survey of sources of raw materials in different regions;

(45) The General Auditing Office, for the inspection of the delivery of equipment and supplies and materials to the various bureaus and offices of the Government, as well as to sites of public works construction, and for surprise examinations of disbursing officers;

(46) The Commission on Volcanology, for inspecting and observing volcanoes and warning people in danger areas; and

(47) The Philippine Council for United States Aid (PHILCUSA), for use in inspecting projects being undertaken by the Government jointly with the Foreign Operations Administration (FOA) and in gathering and transmitting data and information necessary for the efficient supervision and coordination of the activities of said projects.

SEC. 18. **Proper use of government motor vehicles.**—The use of government motor vehicles by bureaus and offices for the purposes enumerated in section seventeen hereof shall be authorized only through the issuance for each trip of a serially numbered ticket, duly signed by the chief or the administrative officer of the bureau or office concerned. These motor vehicles shall be used strictly for official busi-

ness, bear government plates only and after office hours kept in the garage provided therefor by the bureau or office to which they belong, except when in use for strictly official business outside office hours.

SEC. 19. **Use of more than one motor vehicle prohibited.**—With the exception of the President, no government official or employee authorized to use any vehicle operated and maintained from the funds appropriated in this Act shall be allowed to use more than one such motor vehicle: **Provided, However,** That the Vice-President, the President of the Senate, and the Speaker of the House of Representatives may be allowed to use two motor vehicles each: **And Provided, Finally,** That no official who has been furnished motor transportation by any government corporation shall be allowed to use motor vehicle transportation operated and maintained from funds appropriated in this Act.

The Auditor General is hereby empowered to issue rules and regulations for the proper implementation and enforcement of the provisions of this section and sections 16, 17 and 18.

SEC. 20. **Disposition of motor vehicles not used by a bureau or office.**—All motor vehicles owned by or assigned to the different departments, bureaus, offices and branches of the National Government not needed by the officials and for the purposes enumerated in sections fifteen and seventeen of this Act shall be disposed of to the highest bidder at public auction sales announced in newspapers of general circulation at least ten days before the sale: **Provided,** That the former user thereof shall be given preference if he offers and pays a price equal to that of the highest bid by others.

SEC. 21. **Prohibition against the use of appropriations for the payment of salaries and wages of officers or employees engaged in a strike against the Government.**—Subject to existing civil service rules and regulations and the proper administrative proceedings, no part of the funds of, or available for expenditure by, any agency included in this Act shall be used to pay the salary or wages of any officer or employee who engages in a strike against the Government of the Republic of the Philippines or who is a member of an organization of government employees that in the opinion of the Secretary of Justice asserts the right to strike against the Government of the Republic of the Philippines, or who in the opinion of said Secretary of Justice advocates, or is a member of an organization that advocates, the overthrow of the Government of the Republic of the Philippines by force or violence: **Provided,** That for the purposes hereof an affidavit shall be considered sufficient evidence that the person making the affidavit has not, contrary to the provisions of this section, engaged in a strike against the Government of the Republic of the Philippines, is not a member of any organization of government employees that asserts the right to strike against the Government of the Republic of the Philippines, or that such person does not

advocate, and is not a member of an organization that advocates, the overthrow of the Government of the Republic of the Philippines by force or violence.

SEC. 22. **Per diems outside of the Philippines.**—No per diems in excess of fifty pesos shall be paid to any official or employee traveling outside of the Philippines.

SEC. 23. **No transfer of salary savings to the Government Service Insurance System.**—The provisions of Republic Act No. 660 to the contrary notwithstanding, no savings from personal services under the general fund and the special, revolving, trust, depository and other funds shall be transferred to the Government Service Insurance System.

SEC. 24. **Reinsurance of government buildings to be equitably distributed among private insurance companies in the Philippines.**—In all cases where appropriations are provided in this Act for payment of premiums covering the insurance of government buildings with the Property Insurance Fund, reinsurance shall be equitably distributed among private insurance companies doing business in the Philippines on uniform terms, conditions and rates of premiums.

SEC. 25. **Prohibition against the transfer of appropriations of the Department of National Defense.**—The provisions of section eight of this Act to the contrary notwithstanding, no amount appropriated for the Department of National Defense shall be transferred to any other Executive Department.

SEC. 26. **Limitation of special details of officials and employees.**—Any provision of existing law to the contrary notwithstanding, no portion of any appropriation provided for in this act shall be made available for the payment of salaries of officials or employees who are not actually performing the duties and functions pertaining to their positions and assigned to the place of employment as specified in this Act: **Provided,** That this shall not apply to special assignments for a period not exceeding one hundred eighty days which shall not be renewed or extended. Any official who shall allow the payment of salaries to officials or employees who are not in their designated place of employment and performing their assigned tasks shall be required to refund to the government such sums as may have been paid to such officials or employees.

SEC. 27. **Authority to harmonize the appropriation structure with new terminology of classification of accounts.**—The Commissioner of the Budget is hereby authorized to harmonize the appropriation structure with the new terminology of classification of accounts that may be prescribed by law or regulations: **Provided,** That such reclassification shall not increase or decrease the aggregate sum appropriated in this Act for the various objects affected under each Department, bureau or office.

SEC. 28. **The Committee on Finance of the Senate and the Committee on Appropriations of the House of Representatives to look into all matters relating to public expenditures.**—The Committee on Finance of the Senate and the Committee on Appropriations of the House of Representatives are hereby authorized to look at any time into all matters relating to funds for the expenditures of the National Government and for the payment of public indebtedness; auditing of accounts and expenditures of the National Government; claims against the Government; and in general all matters relating to public expenditures.

SEC. 29. **Expenditure and disbursement of special funds.**—No expenditure shall be incurred, nor any disbursement made, out of the appropriations authorized in this Act from special, revolving and trust funds and from receipts automatically appropriated which will exceed at any one time either the fund itself or the cash in the National Treasury pertaining to such fund, except when, in the opinion of the President, such expenditure or disbursement is required by the exigency of the service, and sufficient income or receipts are expected to accrue to such funds to cover said expenditure or disbursement, in which case the necessary amount may be advanced from the general fund.

SEC. 30. **Appropriations chargeable against the Philippine Charity Sweepstakes Fund.**—The appropriations provided in this Act for carrying out the activities heretofore financed from the receipts of the Philippine Charity Sweepstakes Fund shall continue to be charged against the said Fund, and the Board of Directors of the Philippine Charity Sweepstakes shall allot the amounts thereof in the distribution of the Philippine Charity Sweeptakes Fund.

SEC. 31. **Immediate payment of accounts.**—In order to insure the immediate collection of income due any bureau or office for services rendered or sale of any commodity or article produced or manufactured by the same, no such service shall be rendered or sale made except on the cash basis. Any official or employee who allows such service to be rendered or sale to be made on account shall be held personally liable therefor and such act shall be considered sufficient ground for his removal from office: **Provided,** That the provision of this section shall apply only to transactions of the government with private parties.

SEC. 32. **Incumbents of positions whose designations or titles were modified not to be laid off.**—Incumbents of positions whose designations or titles were modified or otherwise changed in this Act shall not be laid off, nor the salaries authorized in this Act for such positions increased by reason of such change in designation or title the provision of existing law to the contrary notwithstanding.

SEC. 33. **Effective date.**—This Act shall take effect on July first, nineteen hundred and fifty-five, except where otherwise stated.

APPROVED, June 16, 1955.

REPUBLIC ACT NO. 1355

AN ACT AUTHORIZING THE PRESIDENT OF THE PHILIPPINES TO ENTER INTO A REVISED AGREEMENT WITH THE PRESIDENT OF THE UNITED STATES ON THE BASIS OF THE FINAL ACT OF NEGOTIATIONS RELATIVE TO THE REVISION OF THE 1946 TRADE AGREEMENT BETWEEN THE REPUBLIC OF THE PHILIPPINES AND THE UNITED STATES OF AMERICA, WHICH WAS SIGNED AT WASHINGTON, D.C. ON DECEMBER 15, 1954.

WHEREAS, the existing Trade Agreement between the Philippines and the United States is embodied in the enabling legislation approved respectively by the two countries, namely: Commonwealth Act No. 733 on the part of the Philippines and Public Law 317, 79th Congress on that of the United States;

WHEREAS, pursuant to Republic Act No. 1137 of the Philippines and Public Law 474, 83rd Congress, of the United States, the free trade period provided for in Article I of the Trade Agreement, which was to have terminated on July 3, 1954, was extended for eighteen months, i.e., from July 4, 1954 to December 31, 1955 which extension was agreed upon and approved in order to permit consultations between the two countries with a view to securing a mutually satisfactory modification or revision of the aforesaid Agreement;

WHEREAS, as a result of mutual efforts and consultations, the Philippine Economic Mission and the United States Delegation concluded and signed on December 15, 1954 at Washington, D.C., the Final Act of Negotiations embodying their joint recommendations for the revision of the 1946 Trade Agreement between the Philippines and the United States;

WHEREAS, the full text of the Final Act, as corrected, is as follows:

FINAL ACT
OF NEGOTIATIONS RELATIVE TO
REVISION OF THE 1946 TRADE AGREEMENT BETWEEN
THE UNITED STATES OF AMERICA AND
THE REPUBLIC OF THE PHILIPPINES

The Delegations of the Governments of the United States of America and of the Republic of the Philippines have concluded negotiations in Washington this day relative to amendment of the 1946 Trade Agreement (hereinafter referred to as the Agreement) between the United States of America and the Republic of the Philippines signed at Manila, July 4th, 1946.

As a result of the discussions which have taken place, the two Delegations have agreed to recommend to their respective Governments for consideration the following proposed revisions in the Agreement:

REVISION OF PREAMBLE

As amended, the Preamble would read as follows:

> "The President of the United States of America and the President of the Republic of the Philippines, mindful of the close economic ties between the people of the United States and the people of the Philippines during many years of intimate political relations, and desiring to enter into an agreement in keeping with their long friendship, which will be mutually beneficial to the two peoples and will strengthen the economy of the Philippines so as to enable that Republic to contribute more effectively to the peace and prosperity of the free world, have agreed to the following Articles:"

REVISION OF ARTICLE I

1. In Paragraph 1 change date of "July 3, 1954 to read "December 31, 1955," in accordance with Public Law 474 of the 83rd Congress of the United States of America, and Philippine Republic Act No. 1137 of June 16, 1954.

2. Amend Paragraph 2 so as to provide acceleration of the application of the Philippine duties on imports from the United States and deceleration of the application of United States duties on imports from the Philippines, during the period January 1, 1956, to July 3, 1974, according to the schedule specified, with complete elimination of such preferences to be accomplished by July 4, 1974.

3. The Philippine Government, in addition to the duties provided for herein, will be authorized to impose a tax on imports to replace the exchange tax currently in effect. Such tax on imports would be temporary and on a declining basis; it would begin at a level no higher than the current exchange tax.

As amended, Article I would read as follows:

"ARTICLE I

> "1. The ordinary customs duty to be collected on United States articles as defined in Subparagraph (e) of Paragraph I of the Protocol, which during the following portions of the period from January 1, 1956 to July 3, 1974, both dates inclusive, are entered, or withdrawn from warehouse, in the Philippines for consumption, shall be deter-

mined by applying the following percentages of the Philippine duty as defined in Subparagraph (h) of Paragraph 1 of the Protocol.

"(a) During the period from January 1, 1956, to December 31, 1958, both dates inclusive, twenty-five **per centum**.

"(b) During the period from January 1, 1959, to December 31, 1961, both dates inclusive, fifty **per centum.**

"(c) During the period from January 1, 1962, to December 31, 1964, both dates inclusive, seventy-five **per centum**.

"(d) During the period from January 1, 1965, to December 31, 1973, both dates inclusive, ninety **per centum.**

"(e) During the period from January 1, 1974, to July 3, 1974, both dates inclusive, one hundred **per centum.**

"2. The ordinary customs duty to be collected on Philippine articles as defined in Subparagraph (f) of Paragraph 1 of the Protocol, other than those specified in the Schedule to Paragraph 2 of Article II, which during such portions of such period are entered, or withdrawn from warehouse, in the United States for consumption, shall be determined by applying the following percentages of the United States duty as defined in Subparagraph (g) of Paragraph 1 of the Protocol:

"(a) During the period from January 1, 1956, to December 31, 1958, both dates inclusive, five **per centum.**

"(b) During the period from January 1, 1959, to December 31, 1961, both dates inclusive, ten **per centum.**

"(c) During the period from January 1, 1962, to December 31, 1964, both dates inclusive, twenty **per centum.**

"(d) During the period from January 1, 1965, to December 31, 1967, both dates inclusive, forty **per centum.**

"(e) During the period from January 1, 1968, to December 31, 1970, both dates inclusive, sixty **per centum.**

"(f) During the period from January 1, 1971, to December 31, 1973, both dates inclusive, eighty **per centum.**

"(g) During the period from January 1, 1974, to July 3, 1974, both dates inclusive, one hundred **per centum.**

"3. Customs duties on United States articles, and on Philippine articles, other than ordinary customs duties, shall be determined without regard to the provisions of Paragraphs 1 and 2 of this Article, but shall be subject to the provisions of Paragraph 4 of this Article.

"4. With respect to United States articles imported into the Philippines, and with respect to Philippine articles imported into the United States, no duty on or in connection with importation shall be collected or paid in an amount in excess of the duty imposed with respect to like articles which are the product of any other foreign country, or collected or paid in any amount if the duty is not imposed with respect to such like articles. As used in this Paragraph the term 'duty' includes taxes, fees, charges, or exactions, imposed on or in connection with importation, but does not include internal taxes or ordinary customs duties.

"5. With respect to products of the United States which do not come within the definition of United States articles, imported into the Philippines, no duty on or in connection with importation shall be collected or paid in an amount in excess of the duty imposed with respect to like articles which are the product of any other foreign country, or collected or paid in any amount if the duty is not imposed with respect to such like articles which are the product of any other foreign country. As used in this Paragraph the term 'duty' includes taxes, fees, charges, or exactions, imposed on or in connection with importation, but does not include internal taxes.

"6. With respect to products of the Philippines, which do not come within the definition of Philippine articles, imported into the United States, no duty on or in connection with importation shall be collected or paid in an amount in excess of the duty imposed with respect to like articles which are the product of any other foreign country (except Cuba), or collected or paid in any amount if the duty is not imposed with respect to such like articles which are the product of any other foreign country (except Cuba). As used in this Paragraph the term 'duty' includes taxes, fees, charges, or exactions, imposed on or in connection with importation, but does not include internal taxes.

"7. Notwithstanding the provisions of Paragraph 1 of this Article, the Philippines shall impose a temporary special import tax, in lieu of the present tax on the sale of foreign exchange on any article or product imported or brought into the Philippines, irrespective of source; provided that such special levy is applied in a non-discriminatory manner pursuant to Paragraphs 4 and 5 of this Article, that the initial tax is at a rate no higher than the present rate of the foreign exchange tax, and that the tax shall be progressively reduced at a rate no less rapid than that specified in the following Schedule. If, as a result of applying this Schedule, the total revenue from Philippine customs duties and from the special import tax on goods coming from the United States is less in any calendar year than the proceeds from the exchange tax on such goods during the calendar year 1955, no reduction need be made in the special import tax for the next succeeding calendar year, and, if necessary to restore revenues collected on the importation of United States goods to the level of the exchange tax on such goods in calendar year 1955, the Philippines may increase the rate for such succeeding calendar year to any previous level provided for in this Schedule which is considered to be necessary to restore such revenues to the amount collected from the exchange tax on United States goods in calendar year 1955. Rates for the special import levy in subsequent years shall be fixed in accordance with the schedules specified in this Article, except as the Philippine Government may determine that higher rates are necessary to maintain the above-mentioned level of revenues from the importation of United States goods. In this event, such rate shall be determined by the Philippine Government, after consultation with the United States Government, at a level of the Schedule calculated to cover any anticipated deficiency arising from the operation of this provision.

"SCHEDULE FOR REDUCING SPECIAL IMPORT TAX

"(a) After December 31, 1956, ninety **per centum**.
"(b) After December 31, 1957, eighty **per centum**.
"(c) After December 31, 1958, seventy **per centum**.
"(d) After December 31, 1959, sixty **per centum**.
"(e) After December 31, 1960, fifty **per centum**.
"(f) After December 31, 1961, forty **per centum**.
"(g) After December 31, 1962, thirty **per centum**.
"(h) After December 31, 1963, twenty **per centum**.
"(i) After December 31, 1964, ten **per centum**.
"(j) On and after January 1, 1966. nil."

REVISED ARTICLE II

1. Amend Paragraph 1 so as to delete rice and remove cigars, scrap tobacco, coconut oil and buttons of pearl or shell from the application of the absolute quota provisions. Also provide that the present absolute quotas on Philippine raw and refined sugars shall be without prejudice to any increases which the United States Congress might allocate to the Philippines in the future.

2. Amend Paragraph 2 so as to provide for a diminishing duty-free quota on cigars, scrap tobacco, coconut oil and buttons of pearl or shell, such duty-free quota to be reduced at fixed percentages somewhat different from the 5 per cent annual reductions provided in the Agreement. The articles subject to the tariff quota shall no longer be subject to absolute quotas.

3. Delete Paragraphs 3 and 4 concerning the allocation by the Philippines of quotas.

As amended, Article II would read as follows:

"ARTICLE II

"1. During the period from January 1, 1956 to December 31, 1973, both dates inclusive, the total amount of the articles falling within one of the classes specified in Items A and A-1 of the Schedule to this Paragraph, which are Philippine articles as defined in Subparagraph (f) of Paragraph 1 of the Protocol, and which, in any calendar year, may be entered, or withdrawn from warehouse in the United States for consumption, shall not exceed the amounts specified in such Schedule as to each class of articles. During the period from January 1, 1956, to December 31, 1973, both dates inclusive, the total amount of the articles falling within the class specified in Item B of the Schedule to this Paragraph which are the product of the Philippines, and which, in any calendar year, may be entered, or withdrawn from warehouse, in the United States for consumption, shall not exceed the amount specified in such Schedule as to such class of articles. During the period from January 1, 1974, to July 3, 1974, both dates inclusive, the total amounts referred to in the preceding sentences of this Paragraph shall not exceed one-half of the amount specified in such Schedule with respect to each class of articles respectively. The establishment herein of the limitations on the amounts of Philippine raw and refined sugar that may be entered, or withdrawn from warehouse, in the United States for consumption, shall be without prejudice to any increases which the Congress of the United States might allocate to the Philippines in the future. The following Schedule to Paragraph 1 shall constitute an integral part thereof:

"SCHEDULE OF ABSOLUTE QUOTAS

"Item	Classes of articles	Amounts
A	Sugars	952,000 short tons
A-1	of which not to exceed ..... may be refined sugars, meaning 'direct-consumption sugar' as defined in Section 101 of the Sugar Act of 1948, as amended, of the United States which is set forth in part as Annex I to this Agreement.	56,000 short tons
B	Cordage, including yarns, twines (including binding twine described in Paragraph 1622 of the Tariff Act of 1930 of the United States, as amended, which is set forth as Annex II to this Agreement), cords, cordage, rope, and cable, tarred or untarred, wholly or in chief value of manila (abaca) or other hard fiber.	6,000,000 lbs.

"2. Philippine articles as defined in Subparagraph (f) of Paragraph 1 of the Protocol falling within one of the classes specified in the items included in the Schedule to this Paragraph, which during the following portions of the period from January 1, 1956, to December 31, 1973, both dates inclusive, are entered, or withdrawn from warehouse, in the United States for consumption, shall be free of ordinary customs duty, in quantities determined by applying the following percentages to the amounts specified in such Schedule as to each such class of articles:

"(a) During each of the calendar years 1956 to 1958, inclusive, ninety-five **per centum.**

"(b) During each of the calendar years 1959 to 1961, inclusive, ninety **per centum.**

"(c) During each of the calendar years 1962 to 1964, inclusive, eighty **per centum.**

"(d) During each of the calendar years 1965 to 1967, inclusive, sixty **per centum.**

"(e) During each of the calendar years 1968 to 1970, inclusive, forty **per centum.**

"(f) During each of the calendar years 1971 to 1973, inclusive, twenty **per centum.**

"(g) On and after January 1, 1974, nil.

The following Schedule to Paragraph 2 shall constitute an integral part thereof:

"SCHEDULE OF TARIFF QUOTAS

"Item	Classes of articles	Amounts
A	Cigars (exclusive of cigarettes, cheroots of all kinds, and paper cigars and cigarettes, including wrappers).	200,000,000 cigars
B	Scrap tobacco, and stemmed and unstemmed filler tobacco described in Paragraph 602 of the Tariff Act of 1930 of the United States, as amended, which is set forth as Annex III to this Agreement.	6,500,000 lbs.
C	Coconut oil	200,000 long tons
D	Buttons of pearl or shell	850,000 gross

The quantities shown in the Schedule to this Paragraph represent base quantities for the purposes of computing the tariff-free quota and are not absolute quotas. Any such Philippine article so entered, or withdrawn from warehouse, in excess of the duty-free quota provided in this Paragraph shall be subject to one hundred **per centum** of the United States duty as defined in Subparagraph (g) of Paragraph 1 of the Protocol.

REVISION OF ARTICLE III

Amend Article III to provide that the authority to impose new quantitative restrictions be reciprocal and to provide for application of quantitative restriction for balance of payments reasons.

As amended, Article III would read as follows:

"ARTICLE III

"1. Except as otherwise provided in Article II or in Paragraph 2 of this Article, neither country shall impose restrictions or prohibitions on the importation of any article of the other country, or on the exportation of any article to the territories of the other country, unless the importation of the like article of, or the exportation of the like article to, all third countries is similarly restricted or prohibited. If either country imposes quantitative restrictions on the importation or exportation of any article in which the other country has an important interest and if it makes allotments to any third country, it shall afford such other country a share proportionate to the amount of the article, by quantity or value, supplied by or to it during a previous representative period, due consideration being given to any special factors affecting the trade in such article.

"2.(a) Notwithstanding the provisions of Paragraph 1 of this Article, with respect to quotas on United States articles as defined in Subparagraph (e) of Paragraph 1 of the Protocol or with respect to

quotas on Philippine articles as defined in Subparagraph (f) of Paragraph 1 of the Protocol (other than the articles for which quotas are provided in Paragraph 1 of Article II) a quota may be established only if—

> "(1) The President of the country desiring to impose the quota, after investigation, finds and proclaims that, as the result of preferential treatment accorded pursuant to this Agreement, any article of the other country is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or directly competitive articles; or
>
> "(2) The President of the country desiring to impose the quota finds that such action is necessary to forestall the imminent threat of, or to stop, a serious decline in its monetary reserves, or, in the event its monetary reserves are very low, to achieve a reasonable rate of increase in its reserves.

"(b) Any quota imposed for any twelve-month period under (a) (1) above for the purpose of protecting domestic industry shall not be less than the amount determined by the President of the importing country as the total amount of the articles of such class which, during the twelve months preceding entry into effect of the quota, was entered, or withdrawn from warehouse, for consumption, after deduction of the amount by which he finds domestic production can be increased during the twelve-month period of the quota; or if the quota is established for any period other than a twelve-month period, it shall not be less than a proportionate amount.

"(c) Each Party agrees not to apply restrictions so as to prevent unreasonably the importation of any description of goods in minimum commercial quantities, the exclusion of which would seriously impair regular channels of trade, or restrictions which would prevent the importation of commercial samples or prevent compliance with patent, trade mark, copyright, or similar procedures.

"(d) Any quota established pursuant to this Paragraph shall not continue in effect longer than necessary to achieve the purposes for its imposition, at which time the President of the country imposing the quota, following investigation, shall find and proclaim that the conditions which gave rise to the establishment of such quota no longer exist.

"3. Either country taking action pursuant to the provisions of this Article shall give notice to the other country as far in advance as may be practicable, and shall afford it an opportunity to consult in respect of the proposed action. It is understood that this right of consultation does not imply that the consent of the other country to the establishment of the quota is needed in order for the quota to be put into effect."

REVISION OF ARTICLE IV

1. Amend the Article to delete provisions in Paragraph 3 prohibiting imposition of an export tax by the United States on articles exported to the Philippines, or by the Philippines on articles exported to the United States.

2. Redesignate Paragraphs 4, 5 and 6, as Paragraphs 3, 4 and 5.

As amended, Article IV would read as follows:

"ARTICLE IV

"1. With respect to articles which are products of the United States coming into the Philippines, or with respect to articles manufactured in the Philippines wholly or in part from such articles, no internal tax shall be—

"(a) Collected or paid in an amount in excess of the internal tax imposed with respect to like articles which are the product of the Philippines, or collected or paid in any amount if the internal tax is not imposed with respect to such like articles;

"(b) Collected or paid in an amount in excess of the internal tax imposed with respect to like articles which are the product of any other foreign country, or collected or paid in any amount if the internal tax is not imposed with respect to such like articles.

Where an internal tax is imposed with respect to an article which is the product of a foreign country to compensate for an internal tax imposed (1) with respect to a like article which is the product of the Philippines, or (2) with respect to materials used in the production of a like article which is the product of the Philippines, if the amount of the internal tax which is collected and paid with respect to the article which is the product of the United States is not in excess of that permitted by Paragraph 1 (b) of Article IV such collection and payment shall not be regarded as in violation of the first sentence of this Paragraph.

"2. With respect to articles which are products of the Philippines coming into the United States, or with respect to articles manufactured in the United States wholly or in part from such articles, no internal tax shall be—

"(a) Collected or paid in an amount in excess of the internal tax imposed with respect to like articles which are the product of the United States, or collected or paid in any amount if the internal tax is not imposed with respect to such like articles;

"(b) Collected or paid in an amount in excess of the internal tax imposed with respect to like articles which are the product of any other foreign country, or collected or paid in any amount if the internal tax is not imposed with respect to such like articles.

Where an internal tax is imposed with respect to an article which is the product of a foreign country to compensate for an internal tax imposed (1) with respect to a like article which is the product of the United States, or (2) with respect to materials used in the production of a like article which is the product of the United States, if the amount of the internal tax which is collected and paid with respect to the article which is the product of the Philippines is not in excess of that permitted by Paragraph 2(b) of Article IV such collection and payment shall not be regarded as in violation of the first sentence of this Paragraph. This Paragraph shall not apply to the taxes imposed under Sections 4591. 4812, or 4831 of the Internal Revenue Code of the United States which are set forth in part as Annexes IV, V, and VI to this Agreement.

"3. No processing tax or other internal tax shall be imposed or collected in the United States or in the Philippines with respect to articles coming into such country for the official use of the Government of the Philippines or of the United States, respectively, or any department or agency thereof.

"4. No processing tax or other internal tax shall be imposed or collected in the United States with respect to Manila (abaca) fiber not dressed or manufactured in any matter.

"5. The United States will not reduce the preference of two cents per pound provided in Section 4513 of the Internal Revenue Code of the United States (relating to processing taxes on coconut oil, etc.), which is set forth as Annex VII to this Agreement, with respect to articles 'wholly the production of the Philippine Islands' or articles 'produced wholly from materials the growth or production of the Philippine Islands'; except that it may suspend the provisions of Section 4511(b) of the Internal Revenue Code of the United States during any period as to which the President of the United States, after consultation with the President of the Philippines, finds that adequate supplies of neither copra nor coconut oil, the product of the Philippines, are readily available for processing in the United States."

NEW ARTICLE V

1. Delete all of old Article V relating to currency and exchange.

2. Delete all of old Articles VI regarding immigration, which is obsolete.

3. Insert a new Article to be designated as Article V, to provide that the Republic of the Philippines will implement Public Law 419 of the 83rd Congress of the United States of America regarding the establishment of treaty merchant status for aliens of the two countries.

The new Article V would read as follows:

"ARTICLE V

"The Republic of the Philippines will take the necessary legislative and executive actions, prior to or at the time of the approval of this Agreement, to enact and implement legislation similar to that already enacted by the Congress of the United States as Public Law 419, 83rd Congress, Chapter 323, 2d Session, to facilitate the entry of Philippine traders.

NEW ARTICLE VI

1. Amend the old Article VII so as to provide for mutualization of rights which either Party accords to the other.

2. Redesignate the Article as "Article VI". The new Article VI would read as follows:

"ARTICLE VI

"1. The disposition, exploitation, development, and utilization of all agricultural, timber, and mineral lands of the public domain, waters, minerals, coal, petroleum and other mineral oils, all forces and sources of potential energy, and other natural resources of either Party, and the operation of public utilities, shall, if open to any person, be open to citizens of the other Party and to all forms of business enterprise owned or controlled, directly or indirectly, by citizens of such other Party in the same manner as to and under the same conditions imposed upon citizens or corporations or associations owned or controlled by citizens of the Party granting the right.

"2. The rights provided for in Paragraph 1 may be exercised, in the case of citizens of the Philippines with respect to natural resources in the United States which are subject to Federal control or regulations, only through the medium of a corporation organized under the laws of the United States or one of the States thereof and likewise, in the case of citizens of the United States with respect to natural resources in the public domain in the Philippines, only through the medium of a corporation organized under the laws of the Philippines and at least 60% of the capital stock of which is owned or controlled by citizens of the United States. This provision, however, does not affect the right of citizens of the United States to acquire or own private agricul-

tural lands in the Philippines or citizens of the Philippines to acquire or own land in the United States which is subject to the jurisdiction of the United States and not within the jurisdiction of any State and which is not within the public domain. The Philippines reserves the right to dispose of its public lands in small quantities on especially favorable terms exclusively to actual settlers or other users who are its own citizens. The United States reserves the right to dispose of its public lands in small quantities on especially favorable terms exclusively to actual settlers or other users who are its own citizens or aliens who have declared their intention to become citizens. Each Party reserves the right to limit the extent to which aliens may engage in fishing or engage in enterprises which furnish communications services and air or water transport. The United States also reserves the right to limit the extent to which aliens may own land in its outlying territories and possessions, but the Philippines will extend to American nationals who are residents of any of those outlying territories and possessions only the same rights, with respect to ownership of lands, which are granted therein to citizens of the Philippines. The rights provided for in this Paragraph shall not, however, be exercised by either Party so as to derogate from the rights previously acquired by citizens or corporations or associations owned or controlled by citizens of the other Party.

"3. The United States of America reserves the rights of the several States of the United States to limit the extent to which citizens or corporations or associations owned or controlled by citizens of the Philippines may engage in the activities specified in this Article. The Republic of the Philippines reserves the power to deny any of the rights specified in this Article to citizens of the United States who are citizens of States, or to corporations or associations at least 60% of whose capital stock or capital is owned or controlled by citizens of States, which deny like rights to citizens of the Philippines, or to corporations or associations which are owned or controlled by citizens of the Philippines. The exercise of this reservation on the part of the Philippines shall not affect previously acquired rights, provided that in the event that any State of the United States of America should in the future impose restrictions which would deny to citizens or corporations or associations owned or controlled by citizens of the Philippines the right to continue to engage in activities in which they were engaged therein at the time of the imposition of such restrictions, the Republic of the Philippines shall be free to to apply like limitations to the citizens or corporations or associations owned or controlled by citizens of such States."

NEW ARTICLE VII

1. Old Article VII, revised, becomes Article VI.

2. New Article VII provides for reciprocal non-discrimination by either Party against the citizens or enterprises of the other with respect to engaging in business activities.

New Article VII would read as follows:

"ARTICLE VII

"1. The Republic of the Philippines and the United States of America each agrees not to discriminate in any manner, with respect to their engaging in business activities, against the citizens or any form of business enterprise owned or controlled by citizens of the other and that new limitations imposed by either Party upon the extent to which aliens are accorded national treatment with respect to carrying on business activities within its territories, shall not be applied as against enterprises owned or controlled by citizens of the other Party which are engaged in such activities therein at the time such new limitations are adopted, nor shall such new limitations be applied to American citizens or corporations or associations owned or controlled by American citizens whose states do not impose like limitations on citizens or corporations or associations owned or controlled by citizens of the Republic of the Philippines.

"2. The United States of America reserves the rights of the several States of the United States to limit the extent to which citizens or corporations or associations owned or controlled by citizens of the Philippines may engage in any business activities. The Republic of the Philippines reserves the power to deny any rights to engage in business activities to citizens of the United States who are citizens of States, or to corporations or associations at least 60% of the capital stock of capital of which is owned or controlled by citizens of States, which deny like rights to citizens of the Philippines or to corporations or associations owned or controlled by citizens of the Philippines. The exercise of this reservation on the part of the Philippines shall not affect previously acquired rights, provided that in the event that any State of the United States of America should in the future impose restrictions which would deny to citizens or corporations or associations owned or controlled by citizens of the Philippines the right to continue to engage in business activities in which they were engaged therein at the time of the imposition of such restrictions, the Republic of the Philippines shall be free to apply like limitations to the citizens or corporations or associations owned or controlled by citizens of such States."

NEW ARTICLE VIII

1. Old Article VIII, as amended, is redesignated Article IX.

2. Insert a new Article with respect to Security Exceptions. The new article VIII would read as follows:

"ARTICLE VIII

"Nothing in this Agreement shall be construed:

"(1) to require either Party to furnish any information the disclosure of which it considers contrary to its essential security interests; or

"(2) to prevent either Party from taking any action which it considers necessary for the protection of its essential security interests—

"(a) relating to fissionable materials or the materials from which they are derived;

"(b) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment;

"(c) taken in time of war or other emergency in international relations; or

"(3) to prevent either Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

NEW ARTICLE IX

1. Amend the old Article VIII by deleting the last clause of Paragraph 1, which is now obsolete; by deleting the portion of Paragraph 2 relating to allocation in the Philippines of United States quotas on Philippine articles, retaining only the first sentence of the Paragraph; and by deleting all of Paragraph 3, which is probably obsolete and which is irrelevant to the general subject of the Agreement.

2. Redesignate the Article as "Article IX".

The new Article IX would read as follows:

"ARTICLE IX

"1. Upon the taking effect of this Agreement the provisions thereof placing obligations on the United States: (a) if in effect as laws of the United States at the time this Agreement takes effect, shall continue in effect as laws of the United States during the effectiveness of the Agreement; or (b) if not so in effect at the time the Agreement takes effect, shall take effect and continue in effect as laws of the United States during the effectiveness of the Agreement. The Philippines will continue in effect as laws of the Philippines, during the effectiveness of this agreement, the provisions thereof placing obligations on the Philippines.

"2. The United States and the Philippines will promptly enact, and shall keep in effect during the effectiveness of this Agreement, such legislation as may be necessary to supplement the laws of the United States and the Philippines, respectively, referred to in Paragraph 1 of this Articles, and to implement the provisions of such laws and the provisions of this agreement between the United States of America and the Philippines respectively.

NEW ARTICLE X

1. Amend the old Article IX by adding a provision for consultation not later than July 1, 1971, as to joint problems which may arise in anticipation of the termination of the Agreement.

2. Redesignate the Article as "Article X".

The new Article X would read as follows:

"ARTICLE X

"The United States and the Philippines agree to consult with each other with respect to any questions as to the interpretation or the application of this Agreement, concerning which either Government may make representations to the other. Not later than July 1, 1971, the United States and the Philippines agree to consult with each other as to joint problems which may arise as a result or in anticipation of the termination of this Agreement.

NEW ARTICLE XI

1. Amend the old Article X to delete Paragraphs 1 and 3, which are obsolete, and Paragraph 4, the substance of which in part has been incorporated in a new Article (Article VII).

2. Redesignate the Article as Article XI.

The new Article XI would read as follows:

"ARTICLE XI

"1. This Agreement shall have no effect after July 3, 1974. It may be terminated by either the United States or the Philippines at any time, upon not less than five years' written notice. If the President of the United States or the President of the Philippines determines and proclaims that the other country has adopted or applied measures or practices which would operate to nullify or impair any right or obligation provided for in this Agreement, then the Agreement may be terminated upon not less than six months' written notice.

"2. This Agreement, which revises and replaces the agreement between the United States of America and the Republic of the Philippines concerning trade and related matters during a transitional period following the institution of Philippine Independence, signed at Manila on July 4, 1946, shall enter into force on January 1, 1956.

In recommending to their respective Governments the foregoing revisions as the basis of an agreement amending the Trade Agreement

of July 4, 1946, the two delegations will also recommend that, following consideration of the recommendations, negotiations be resumed looking toward the early conclusion of an agreement.

In witness whereof the Chairmen of the Delegations of the United States of America and the Republic of the Philippines hereby sign these proceedings in the English language.

Done in duplicate at Washington, this 15th day of December, one thousand nine hundred and fifty-four.

FOR THE DELEGATION OF THE UNITED STATES OF AMERICA:

FOR THE PHILIPPINE ECONOMIC MISSION:

AMENDMENT TO PROTOCOL OF THE AGREEMENT

1. Amend Paragraph 1 of the Protocol to include additional description of the terms "United States article" and "Philippine article", at the end of subparagraphs (e) and (f), respectively.

As amended, Subparagraphs (e) and (f), would read as follows:

"(e) The term 'United States article' means an article which is the product of the United States, unless in the case of an article produced with the use of materials imported into the United States from any foreign country (except the Philippines) the aggregate value of such imported materials at the time of importation into the United States was more than twenty **per centum** of the value of the articles imported into the Philippines, the value of such article to be determined in accordance with, and as of the time provided by the customs laws of the Philippines in effect at the time of importation of such article. As used in this Subparagraph the term 'value' when used in reference to a material imported into the United States, includes the value of the material ascertained under the customs laws of the United States in effect at the time of importation into the United States, and, if not included in such value, the cost of bringing the material to the United States, but does not include the cost of landing it at the port of importation, or customs duties collected in the United States. For the purposes of this Subparagraph any imported material, used in the production of an article in the United States, shall be considered as having been used in the production of an article subsequently produced in the United States, which is the product of a chain of production in the United States in the course

of which an article, which is the product of one stage of the chain, is used by its producer or another person, in a subsequent stage of the chain, as a material in the production of another article. It is understood that 'United States articles' do not lose their status as such, for the purpose of Philippine tariff preferences, by reason of being imported into the Philippines from a country other than the United States or from an insular possession of the United States or by way of or via such a country or insular possession.

"(f) The term 'Philippine article' means an article which is the product of the Philippines, unless, in the case of an article produced with the use of materials imported into the Philippines from any foreign country (except the United States) the aggregate value of such imported materials at the time of importation into the Philippines was more than twenty **per centum** of the value of the article imported into the United States, the value of such article to be determined in accordance with, and as of the time provided by, the customs laws of the United States in effect at the time of importation of such article. As used in this Subparagraph the term 'value' when used in reference to a material imported into the Philippines, includes the value of the material ascertained under the customs laws of the Philippines in effect at the time of importation into the Philippines, and, if not included in such value, the cost of bringing the material to the Philippines, but does not include the cost of landing it at the port of importation, or customs duties collected in the Philippines. For the purposes of this Subparagraph any imported material, used in the production of an article in the Philippines, shall be considered as having been used in the production of an article subsequently produced in the Philippines, which is the product of a chain of production in the Philippines in the course of which an article, which is the produt of one stage of the chain, is used by its producer or anoter person, in a subsequent stage of the chain, as a material in the production of another article. It is understood that 'Philippine articles' do not lose their status as such, for the purpose of United States tariff preferences, by reason of being imported into the United States from a country other than the Philippines or from an insular possession of the United States or by way of or via such a country or insular possession."

WHEREAS, under the terms of the Final Act, in order that the recommendations for the revision of the 1946 Trade Agreement shall take effect and be binding between the two countries, it is essential and necessary that an agreement be concluded between the Philippines and the United States with the said Final Act as the basis thereof; Now, Therefore,

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. **Authorization To enter Into a Revised Agreement.**—The President of the Philippines, at any time prior to January 1, 1956, is hereby authorized to enter into an agreement with the President of the United States for the revision of the 1946 Trade Agreement between the Philippines and the United States on the basis of the Final Act of Negotiations, which was signed at Washington, D.C. on December 15, 1954.

SEC. 2. **Modification of Text of Revised Agreement.**—The text of the revised agreement, which is embodied in the Final Act and set forth in the fourth paragraph of the enabling clauses of this Act, may be modified before such agreement is signed, but only—

(A) To the extent necessary

(1) For correction of minor errors,

(2) For correction of references to or Pro Forma Insertion of Cited Laws; and/or

(B) If such modifications are merely changes in style or form.

SEC. 3. **Proclamation of Revised Agreement.**—If the revised agreement has been entered into prior to January 1, 1956, the President of the Philippines shall so proclaim, and such agreement shall be effective in, and binding on, the Philippines in accordance with the terms thereof.

SEC. 4. **Date of Effectivity.**—This Act shall take effect upon its approval.

APPROVED, June 18, 1955.

REPUBLIC ACT NO. 1369

AN ACT APPROPRIATING THE SUM OF THIRTY MILLION PESOS, OUT OF THE PROCEEDS OF THE SALE OF BONDS TO BE ISSUED UNDER REPUBLIC ACT NUMBERED ONE THOUSAND OR FROM ANY LOAN, FOR THE PURPOSE OF FINANCING THE MANUFACTURE OF COCONUT PRODUCTS AND BY-PRODUCTS AND THE COMPONENT PARTS OF COCONUT TREES, AND OTHERWISE FOR THE INDUSTRIALIZATION OF THE COCONUT TREES AND COCONUT PRODUCTS AND BY-PRODUCTS.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. There is hereby appropriated, out of the proceeds of the sale of bonds to be issued under Republic Act Numbered One Thousand or from any loan, the sum of thirty million pesos which shall be invested: (a) in the construction, establishment and operation of necessary centrals or mills for the manufacture, on commercial scale, or industrialization of coconut products and by-products and the component parts of coconut trees, hereinafter called coconut centrals; or (b) in loans to persons who are citizens of the Philippines or to associations or corporations organized under the laws of the Philippines, the capital of which is owned by the citizens of the Philippines, for the purpose of financing the establishment of such centrals or mills; or (c) in shares, hereafter called contributions, or in subscriptions by the Government to the capital of such associations or corporations engaged or which will engage in such enterprise or coconut industrialization.

SEC. 2. The administration and investment of the sum appropriated under section one shall be vested in the Philippine Coconut Administration. In pursuance hereof, the Philippine Coconut Adminisration is authorized and empowered:

(a) To construct, establish and operate coconut centrals and to purchase the necessary machineries and equipment for such centrals;

(b) To make loans not exceeding the amount of fifty thousand pesos to any Filipino citizen or corporation the majority of whose stock is owned by Filipinos, properly secured in accordance with existing banking laws; in the event that the loan exceeds fifty thousand pesos, the approval of the Economic Coordinator or his successor shall be required.

(c) To enter into partnership with Filipino producers and/or Filipino citizens engaged in the industry, or associations the majority of whose stock is owned by Filipinos, or subscribe to the capital stock of a corporation the majority of whose stock is owned by Filipinos for the purpose of financing the manufacture, on commercial scale, of

coconut products and by-products and the component parts of coconut trees, including the construction, establishment and operation of the necessary coconut centrals or mills in connection therewith: **Provided, however,** That if the contribution shall exceed fifty thousand pesos, the approval of the Economic Coordinator or his successor shall be required;

(d) To make the necessary disbursement from the sum appropriated in section one on account of the loans, contributions, subscriptions and/or investments pursuant to subsections (a), (b), and (c), of this section;

(e) To make contracts and otherwise to execute such acts and exercise such powers as may be necessary to carry out the purposes of this Act.

The Philippine Coconut Administration shall make studies and investigations of the enterprises or projects for which the loans, contributions and subscriptions to the capital of the enterprise/or investments mentioned in the preceding paragraphs are needed, and to determine the advisability of financing such enterprises or projects as provided in this Act.

SEC. 3. Such shares contributed by the Philippine Coconut Administration to the capital of a partnership or shares of stock of a corporation subscribed by it shall be sold at any time at its actual market value or at least its par value to private individuals who are citizens of the Philippines who may desire to buy such shares: **Provided, however,** That in the sale of the said shares contributed by the Philippine Coconut Administration to the capital of a partnership or of the said shares of the stock subscribed by it, the members of the partnership or the stockholders of the corporation, as the case may be, shall be given at least six months' option within which to purchase the said shares in proportion to their respective holdings, but in the absence of such buyers, preference shall be given to residents of the locality or province where the partnership or corporation is located, as the case may be.

SEC. 4. All loans authorized under this Act shall be made upon the security of a mortgage of, or deed of trust on, the assets of the enterprise to be established and operated with the proceeds of such loans: **Provided,** That the amount of each loan shall not exceed seventy per cent of the appraised value of real assets given as security; **Provided further,** That the appraised value of said real assets shall be determined by the PHILCOA. All said loans shall be self-liquidating within a period of not to exceed ten years, and shall bear interest at the rate of six **per centum per annum: Provided, however,** That all such loans shall be on such terms and conditions relating to the expenditure of the moneys loaned as the Philippine Coconut Administration shall determine and may be made payable in whole or in part out of the income of the enterprise for the establishment and operation of which the loans were made:

Provided, further, That said loans shall not be made or approved unless the Philippine Coconut Administration finds and certifies that in its judgment the security therefor is reasonably adequate and such loans will be repaid within the time agreed.

SEC. 5. The Philippine Coconut Administration is authorized and empowered to bid for and purchase at any foreclosure or other sale, or otherwise to acquire the enterprise, including all its property, pledged or mortgaged to secure any loan made pursuant to this Act; to pay the purchase price and any costs and expenses incurred in connection therewith from the sum appropriated in section one of this Act; to accept title to any enterprise, including all its property, so purchased or acquired in the name of the Government of the Philippines; to operate or lease such enterprise for such period as may be deemed necessary or advisable to protect the investment therein, but not to exceed five years after the acquisition thereof; and to sell such enterprise and all its property, so acquired, upon such terms and for such consideration as the Philippine Coconut Administration shall determine to be reasonable.

No borrower of funds under this Act shall, without the approval of the Philippine Coconut Administration, sell or dispose of its enterprise, property, or rights, acquired under the provisions of this Act, until any loan obtained from the said Philippine Coconut Administration, including all interest and charges, shall have been repaid.

SEC. 6. For the purpose of making the studies and investigations herein provided for, the Philippine Coconut Administration may request and utilize, with the approval of the proper Heads of Departments, free of charge, such services of national officers and employees and of officers and employees of any Government-owned or controlled corporation as are available, and such services so utilized shall be considered to have been rendered to the departments, bureaus or offices in which they are employed.

SEC. 7. The Philippine Coconut Administration is empowered to issue the necessary rules and regulations to carry out the provisions of this Act. It shall present to the Congress at the close of each fiscal year a full report of its activities under this Act.

SEC. 8. The penalty of imprisonment for one year to five years shall be imposed upon any person or persons found guilty of violating the provisions of this Act.

SEC. 9. This Act shall take efect upon its approval.

APPROVED, June 18, 1955.

REPUBLIC ACT NO. 1375

AN ACT AMENDING SECTIONS ONE AND TWO OF REPUBLIC ACT NUMBERED SIX HUNDRED ONE, AS AMENDED BY REPUBLIC ACTS NUMBERED ELEVEN HUNDRED SEVENTY-FIVE AND ELEVEN HUNDRED NINETY-SEVEN.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Sections one and two of Republic Act Numbered Six hundred one, as amended by Republic Acts Numbered Eleven hundred seventy-five and Eleven hundred ninety-seven, are further amended to read as follows:

"SECTION 1. Except as herein otherwise provided, there shall be assessed, collected, and paid a special excise tax of seventeen **per centum** on the value in Philippine peso of foreign exchange sold and/or authorized to be sold by the Central Bank of the Philippines, or any of its agents until June thirtieth, nineteen hundred and fifty-six.

"SEC. 2. The tax provided for in section one of this Act shall not be collected on foreign exchange used for the payment of the cost, transportation and/or other charges incident to importation into the Philippines of canned milk, canned beef, cattle, canned fish, cocoa beans, malt, stabilizer and flavors, vitamin concentrate; supplies and equipment purchased directly by the Government or any of its instrumentalities for its own exclusive use; machinery, equipment, accessories, and spare parts, for the use of industries, miners, mining enterprises, planters and farmers; and fertilizers when imported by planters or farmers directly or through their cooperatives; articles or containers used, including materials for the manufacture of tin containers used by the importer himself in the manufacture or preparation of local products for consignment or export abroad; textbooks, reference books, and supplementary readers approved by the Board on Textbooks and/or established public or private educational institutions; paper imported by publishers for their exclusive use in the publication of books, pamphlets, magazines and newspapers; carbides, explosives and dynamite for mining purposes; drugs and medicines, and medical and hospital supplies listed in the appendix of this Act; payment in respect of reinsurance; payment in respect of marine and aviation insurance; spare parts to be used in the repair of vessels of Philippine registry or airplanes and such other parts thereof as may be certified by the Hulls and Boilers Division of the Bureau of Customs or the Civil Aeronautics Administration, respectively, as essential to the maintenance of vessels or airplanes; payment of purchase price of vessels or ships of any kind or nature intended for Philippine re-

gistry, ninety per cent of the ownership of which belongs exclusively to Filipinos, or charter fees of airplanes and vessels of Philippnie register; remittances by airlines of American registry operating between the Philippines and the United States of income in the Philippines to their head office in the United States: **Provided,** That such airlines have been granted a permit to operate under the Air Transport Agreement between the United States and the Philippines prior to the enactment of Republic Act Numbered Six hundred one; remittances for payment of principal and interest of foreign loan contracted under obligation of the Philippine Government or any of its instrumentalities; remittances for payment of living expenses of students pursuing courses of studies abroad not exceeding the equivalent of two hundred and fifty dollars per month including payment of tuition, books, medical expenses and other school fees; and dollar allocations for one trip a year and not exceeding three hundred dollars for each Filipino pilgrim of any religion travelling abroad under permit of the Government; payment of premiums by veterans on life insurance policies under the Government of the United States; and payment of premiums and other amounts due by policyholders on life insurance policies issued before December nine, nineteen hundred and forty-nine, and payment of machinery and/or raw materials to be used by new and necessary industries as determined in accordance with Republic Act Numbered Thirty-five as amended by Republic Act Numbered Nine hundred and one."

SEC. 2. This Act shall take effect on July 1, 1955.

APPROVED, June 18, 1955.

APPENDIX

Drugs and Medicines

1. Adrenalin (Epinephrine) Chloride (not preparations)
2. Aluminum Hydroxide
3. Amebacides except emetine preparations
4. Amino acid preparations, solutions, parenteral
5. Antihelmintic preparations except calomel and santonin
6. Antihypertension preparations
7. Anti-Leprosy preparations
8. Antimalarials except quinine preparations
9. Antisyphilitic preparations
10. Antitetanic serum
11. Aureomycin preparations
12. Blood Testing serums and solutions

13. Cardiac stimulants except aminophylline preparations and digitalis preparations
14. Castor Oil
15. Chenopodium Oil
16. Chloromycetin preparations
17. Coagulants
18. Cortisone Acetate preparations
19. Diagnostic Reagents (not chemical reagents) for chemical analysis
20. Digitalis
21. Diphtheria Antitoxin and other immunological preparations
22. Diphtheria Toxoid
23. Discoids of Hydrocyanic Acid (HCN) for fumigation work
24. Drugs (crude or otherwise), chemicals (simple or compound) for pharmaceutical manufacture
25. Drugs and medicines for the use of the dental and veterinary professions
26. Ergot
27. Gas Gangrene Antitoxin
28. Gland products and synthetic substitutes
29. Heparin derivatives
30. Hormone preparations
31. Hydrogen Peroxide preparations
32. HTH—Commercial (not solution)
33. Insulin preparations, all forms
34. Laboratory Stains
35. Cresol, Creolin or Animal Dip
36. Liver Extract
37. Magnesium Hydroxide
38. Magnesium Trisilicate
39. Mercurial Diuretics
40. Mercurochrome Crystals
41. Merthiolate preparations
42. Neomycin and preparations
43. Novocain and other anaesthetics for general, spinal, intravenous, local or dental use
44. Opium, its alkaloids and their salts, and synthetic substitutes
45. Pancreatic extracts
46. Plasma
47. Pregnenolon Acetate
48. Protein Solutions, powders and compounds
49. Quarternary Ammonium compounds

50. Saccharine
51. Salt Substitutes
52. Similac, Klim, Lactogen and other dehydrated powdered milk
53. Sera and vaccines
54. Terramycin and preparations
55. Tuberculin Tablets PPD, 1st and 2nd Tests
56. Anti-biotics powder (bulk) for pharmaceutical preparations
57. Tetracyn and preparations
58. Achromycin and preparations

Medical and Hospital Supplies

1. Applicators, wood
2. Bandage, gauze
3. Bandage, specialists, Plaster of Paris
4. Cotton, Absorbent
5. Dental instruments and supplies
6. Diagnostic instruments
7. Droppers, medicine
8. Electro Medical Equipment
9. Gauze, plain
10. Gauze, sponges
11. Major Operating table (not examining table)
12. Needles, hypo, all sizes
13. Operating lights
14. Optometric instruments and supplies
15. Plasters, adhesive, all sizes
16. Sterilizers, autoclaves
17. Surgical instruments
18. Sutures, all kinds and sizes
19. Syringes, hypo, all sizes
20. X-Ray films
21. X-Ray equipment and supplies
22. Radium for therapy
23. Not more than two new well-tested drugs, authorized by the Secretary of Health upon the recommendation of the Philippine Medical Association and the Medical Association of Private Practitioners.

REPUBLIC ACT NO. 1392

AN ACT TO AMEND SECTION ELEVEN OF THE PHILIPPINE TARIFF ACT OF 1909 AND EXEMPTING TEXTILES MADE OF 100 PER CENT PHILIPPINE RAMIE FIBER FROM THE PAYMENT OF DUTY TO PROVIDE INCENTIVES FOR THE DEVELOPMENT OF THE RAMIE INDUSTRY.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section eleven of the Philippine Tariff Act of 1909 is hereby amended by adding thereto another paragraph to read as follows:

"355. Ramie threads, yarns, textiles and industrial fabrics hereinafter also called ramie goods, when processed abroad from 100 per cent ramie fiber grown in the Philippines and bought direct from farmer-producers or any of their cooperatives by any government agency designated by the President of the Philippines and by it exported abroad in exchange therefore when their importation is made through the government agency so designated by the President: **Provided,** That such tax-exempt importation herein contemplated shall be allocated proportionately among the original farmer-producers or any of their cooperatives from whom the government agency herein specified obtained the ramie fiber for processing abroad.

"The exemption above granted shall cease two years after the date of approval of this amendatory Act or at any earlier date upon proclamation of the President on recommendation of the National Economic Council to the effect that sufficient degumming, spinning and/or weaving jills to process the entire production of ramie fiber shall have been established in the country."

SEC. 2. This Act shall take effect upon its approval.

APPROVED, August 23, 1955.

REPUBLIC ACT NO. 1393

AN ACT TO FACILITATE THE ENTRY INTO THE PHILIPPINES AS INTERNATIONAL TRADERS OF NATIONALS OF THE UNITED STATES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Upon a basis of reciprocity, a national of the United States and the spouse and children of any such national, if accompanying or following to join him, may if otherwise eligible for a visa and if otherwise admissible under Commonwealth Act Numbered Six hundred thirteen, otherwise known as the Philippine Immigration Act of Nineteen hundred forty, as amended be considered to be classifiable as a non-immigrant under section nine (d) of said Act if entering (a) solely to carry on substantial trade principally between the Philippines and the United States, or (b) solely to develop and direct the operations of an enterprise in which he has invested, or of an enterprise in which he is actively in the process of investing, a substantial amount of capital.

SEC. 2. This Act shall take effect upon its approval.

APPROVED, August 29, 1955.

REPUBLIC ACT NO. 1394

AN ACT TO IMPOSE A SPECIAL IMPORT TAX ON ALL GOODS, ARTICLES OR PRODUCTS IMPORTED OR BROUGHT INTO THE PHILIPPINES, AND TO REPEAL REPUBLIC ACTS NUMBERED SIX HUNDRED AND ONE, EIGHT HUNDRED AND FOURTEEN, EIGHT HUNDRED AND SEVENTY-ONE, ELEVEN HUNDRED AND SEVENTY-FIVE, ELEVEN HUNDRED AND NINETY-SEVEN AND THIRTEEN HUNDRED AND SEVENTY-FIVE.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Except as herein otherwise provided, there shall be levied, collected and paid a special import tax on all goods, articles or products imported or brought into the Philippines, irrespective of source, during the period and in accordance with the rates provided for in the following schedule:

(1) Calendar year 1956, seventeen per cent;

(2) Calendar year 1957, fifteen and three-tenths per cent;

(3) Calendar year 1958, thirteen and six-tenths per cent;

(4) Calendar year 1959, eleven and nine-tenths per cent;

(5) Calendar year 1960, ten and two-tenths per cent;

(6) Calendar year 1961, eight and five-tenths per cent;

(7) Calendar year 1962, six and eight-tenths per cent;

(8) Calendar year 1963, five and one-tenth per cent;

(9) Calendar year 1964, three and four-tenths per cent; and

(10) Calendar year 1965, one and seven-tenths per cent: **Provided, however,** That this Act does not repeal the specific and compensating taxes on imported goods.

SEC. 2. (a) Notwithstanding the provisions of section one of this Act, if as a result of the application of the schedule therein, the total revenue derived from the customs duties and from the special import tax on goods, articles or products imported from the United States is less in any calendar year than the proceeds from the exchange tax imposed under Republic Act Numbered Six hundred and one, as amended, on such goods, articles or products during the calendar year 1955, the President may, by proclamation, suspend the reduction of the special import tax for the next succeeding calendar year as prescribed in the schedule, and, in order to restore the total revenue to be collected on the importation of United States goods, articles or products to the level of the exchange

tax thereon during the calendar year 1955, increase the special import tax on all goods coming from any country, for such succeeding calendar year to any previous rate provided for in this Act which is deemd necessary to restore the said revenue to the level attained in calendar year 1955.

(b) After the President shall have made adjustments in the rate of tax for any given year in accordance with paragraph (a) of this section, the tax to be imposed in subsequent years shall be as provided for the corresponding year in the schedule in section one: **Provided,** That the President may impose any higher rate of tax within the schedule other than that fixed for the corresponding year in order to cover anticipated deficiency in revenue arising from the operation of this Act.

SEC. 3. The value for assessment of the special import tax on goods, articles or products shall be the price at which, at the time of exportation, those goods, articles or products or one of the same kind is offered for sale in the exporting country, in the usual wholesale quantities and in the ordinary course of trade excluding internal excise taxes to be remitted or rebated, plus ordinary expenses prior and incidental to the lading of such goods, articles or products on board the vessel at the port of export including taxes or duties, if any, and ordinary freight as well as ordinary insurance covering the transportation of such goods, articles or products to the port of entry.

SEC. 4. The special import tax shall be paid by the importer to the Bureau of Customs in accordance with regulations to be promulgated by the Department of Finance and prior to the release of the imported goods, articles or products from customs custody.

SEC. 5. Republic Act Numbered Six hundred and one, as amended, is hereby repealed.

SEC. 6. The tax provided for in section one of this Act shall not be imposed against the importation into the Philippines of machinery and/or raw materials to be used by new and necessary industries as determined in accordance with Republic Act Numbered Nine hundred and one; cattle; canned milk, canned beef, canned salmon and sardines, cocoa beans, malt, stabilizer and flavors, vitamin concentrate; supplies and equipment purchased directly by the Government or any of its instrumentalities for its own exclusive use; machinery, equipment, accessories, and spare parts, for the use of industries, miners, mining enterprises, planters and farmers; and fertilizers when imported by planters or farmers directly or through their cooperatives; spare parts to be used in the repair of vessels of Philippine registry or airplanes and such other parts thereof as may be certified by the Hulls and Boilers Division of the Bureau of Customs or the Civil Aeronautics Administration, respectively, as essential to the maintenance of vessels or airplanes; vessels or ships of any kind or nature intended for Philippine registry, sixty per cent of the ownership of which

belongs exclusively to Filipinos; articles or containers used, including materials for the manufacture of tin containers used by the importer himself in the manufacture or preparation of local products for consignment or export abroad; textbooks, reference books, and supplementary readers approved by the Board on Textbooks and/or established public or private educational institutions; paper and newsprint imported by publishers for their exclusive use in the publication of books, pamphlets, magazines and newspapers; cyanide explosives and dynamite for mining purposes; drugs and medicines, and medical, dental and hospital supplies enumerated as follows:

Drugs and Medicines

1. Amebacides, except emetine preparations.
2. Amino acid preparations and analgesic poultices.
3. Anaesthetics, all types.
4. Antiacids, absorbents, and preparations.
5. Antibiotics and preparations, except dosage forms of penicillin, streptomycin and/or combinations.
6. Anticholinergic preparations.
7. Anticoagulants.
8. Anti-leprosy preparations.
9. Antimalarials, except quinine preparations.
10. Antispasmodic, anticonvulsant, and sympathomimetic preparations.
11. Antitoxins, vaccines, sera, toxoids, and antigens.
12. Dehydrated milks and homogenized baby foods.
13. Diagnostic and laboratory reagents.
14. Digitalis and preparations.
15. Drugs (crude or otherwise), chemicals (simple or compound) for pharmaceutical manufacture.
16. Drugs and medicines for the use of the dental and veterinary professions.
17. Ergot and preparations.
18. Fumigants, disinfectants, and preparations.
19. Gland products and synthetic substitutes.
20. Hemostatics for topical use.
21. Hexylresorcinol preparations.
22. Insulin, all forms.
23. Liver extract.
24. Mercurial Diuretics.
25. Narcotics and hypnotics, natural or synthetic, and preparations.

26. Pharmaceutical glassware and containers not manufactured locally.
27. Plasma.
28. Saccharin and substitutes.
29. Salt substitutes.
30. Steroids and preparations.
31. Surgical antiseptics.

Medical, Dental and Hospital Supplies

1. Adhesives, plasters, bandages, gauzes, and dressings.
2. Cottons, absorbents or synthetic substitutes.
3. Dental instruments, equipment and supplies.
4. Diagnostic instruments.
5. Hospital and surgical rubber goods including catheters.
6. Electro-medical therapy equipment.
7. Optometric instruments and supplies.
8. Surgical instruments, equipment and supplies, including operating lights and sterilizers, except examining and treatment tables.
9. X-Ray equipment, films and supplies.
10. Radium and radioactive materials for therapy.
11. Spare parts for dental, electro-medical, therapy and X-Ray equipment.
12. Supplies and equipment to be used exclusively by the Blood Bank of the Philippine Red Cross.
13. Not more than two new well-tested drugs authorized by the Secretary of Health each year upon the recommendation of the Philippine Medical Association and the Philippine Federation of Private Medical Practitioners.

SEC. 7. This Act shall take effect on January 1, 1956: **Provided,** That on or before said date, the President shall have previously declared by proclamation the taking effect of a trade agreement between the Philippines and the United States revising the Executive Agreement on Trade and Related Matters between the President of the Philippines and the President of the United States dated July 4, 1946, failing which this Act shall have no force and effect.

APPROVED, August 29, 1955.

REPUBLIC ACT NO. 1403

AN ACT TO AMEND SECTION THIRTEEN OF REPUBLIC ACT NUMBERED SEVEN HUNDRED AND TWENTY, ENTITLED "AN ACT PROVIDING FOR THE CREATION, ORGANIZATION AND OPERATION OF RURAL BANKS, AND FOR OTHER PURPOSES."

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section thirteen of Republic Act Numbered Seven hundred and twenty is hereby amended by adding a new paragraph thereof, to read as follows:

"In normal times, the Central Bank may rediscount against paper evidencing a loan granted a rural bank to any of its customers which can be liquefied within a period of two hundred and seventy days."

SEC. 2. This Act shall take effect upon its approval.

APPROVED, September 9, 1955.

REPUBLIC ACT NO. 1405

AN ACT PROHIBITING DISCLOSURE OF OR INQUIRY INTO, DEPOSITS WITH ANY BANKING INSTITUTION AND PROVIDING PENALTY THEREFOR.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. It is hereby declared to be the policy of the Government to give encouragement to the people to deposit their money in banking institutions and to discourage private hoarding so that the same may be properly utilized by banks in authorized loans to assist in the economic development of the country.

SEC. 2. All deposits of whatever nature with banks or banking institutions in the Philippines including investments in bonds issued by the Government of the Philippines, its political subdivisions and its instrumentalities, are hereby considered as of an absolutely confidential nature and may not be examined, inquired or looked into by any person, government official, bureau or office, except upon written permission of the depositor, or in cases of impeachment, or upon order of a competent court in cases of bribery or dereliction of duty of public officials, or in cases where the money deposited or invested is the subject matter of the litigation.

SEC. 3. It shall be unlawful for any official or employee of a banking institution to disclose to any person other than those mentioned in Section two hereof any information concerning said deposits.

SEC. 4. All Acts or parts of Acts, Special Charters, Executive Orders, Rules and Regulations which are inconsistent with the provisions of this Act are hereby repealed.

SEC. 5. Any violation of this law will subject offender upon conviction, to an imprisonment of not more than five years or a fine of not more than twenty thousand pesos or both, in the discretion of the court.

SEC. 6. This Act shall take effect upon its approval.

APPROVED, September 9, 1955.

REPUBLIC ACT NO. 1410

AN ACT TO PROHIBIT THE SO-CALLED "NO-DOLLAR" IMPORTS EXCEPT UNDER CERTAIN CONDITIONS.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. No importation into the Philippines under the so-called "no-dollar remittance" shall be allowed except:

(a) Subject to tariff and internal revenue laws, machineries, equipments, their accessories, and capital goods except raw materials imported by persons engaged in dollar-producing and dollar-saving industries as certified by the Secretary of Commerce and Industry when the said machineries, equipments, their accessories and capital goods are needed and will be used in such industries: **Provided**, That the repatriation of the dollar value of said capital investments shall not be allowed except when authorized by the President who shall take into consideration the level of our dollar reserves.

(b) Commodities of a value not exceeding ten thousand pesos which are being imported for the personal use of the person or family importing them, as well as gifts sent from abroad through the post office, of an aggregate value of not more than five hundred pesos unless there is evidence of abuse in the use of this privilege, each gift to be allowed only once every six months. In case, however, of Filipino residents abroad, they may send gifts of a value not more than five hundred pesos each gift once every month, but which may be accumulated to a value not exceeding five thousand pesos.

(c) Commodities brought from abroad by a person who is returning to the Philippines, provided they are not being brought for commercial purposes, and do not exceed five thousand pesos in value, unless there is evidence of abuse in the use of this privilege, provided this allowance will be granted only to persons returning to the Philippines once a year.

(d) Commodities in exchange for goods exported by persons or firms making the importation on a straight barter basis when authorized by the Secretary of Commerce and Industry.

(e) Cloths of all kinds entering the Philippines on consignment basis to be embroidered in the country and re-exported abroad after having been embroidered: **Provided,** That a sufficient bond be required to insure re-exportation under such rules and regulations that the Department of Commerce and Industry may promulgate.

(f) Commodities imported pursuant to the provisions of subsections (b), (c) and (d) in excess of the amounts therein authorized shall be subject to seizure and confiscation as provided in Section 3 thereof.

SEC. 2. **Definition.**—For the purposes of this Act imports under the "no-dollar remittance" basis, refer to those commodities, goods or merchandise which are imported for the payment of which no foreign exchange has been allocated by the Central Bank of the Philippines.

SEC. 3. Any violation of this law or any provision hereof shall subject the articles imported to seizure and confiscation by the Collector of Customs without any right of redemption or release under bond, existing laws to the contrary notwithstanding: **Provided, however,** That goods and commodities in transit or previously imported on a no-dollar remittance basis at the time of the approval of this Act shall not be affected by the operation of this Act.

SEC. 4. Any person wilfully violating the provisions of section 1(a) of this Act shall suffer imprisonment of not more than one year in the discretion of the court, in addition to the penalty provided for in section three hereof.

SEC. 5. The implementation of the provisions of this Act shall be as it hereby is entrusted to the Department of Commerce and Industry which is hereby empowered to draft, promulgate and publish such rules and regulations as it may deem necessary for such implementation.

SEC. 6. All existing laws or parts thereof, executive orders and administrative regulations contrary to the provisions of this Act are hereby repealed: **Provided,** That no provision of this Act shall be interpreted to allow the importation of articles which are limited or prohibited to be imported by existing law, like virginia leaf tobacco, onions, garlic, potatoes and cabbages.

SEC. 7. This Act shall take effect upon its approval.

Enacted, without Executive approval, September 10, 1955.

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 101

WAIVING THE ADDITIONAL PROGRESSIVE TAXES TO BE COLLECTED FROM, AND PAID BY, PROPRIETORS AND OPERATORS OF CERTAIN SUGAR MILLS FOR THE 1953-1954 CROP

WHEREAS, most of the sugar centrals in the Philippines are still undertaking the rehabilitation of their facilities, including the bulidings and dwelling houses of their laborers, which were damaged during the last war, and are incurring heavy expenditures for this purpose;

WHEREAS, some of these centrals have been operating at a loss, and others at profits which are inconsiderable; and

WHEREAS, the imposition of the additional progressive taxes on these centrals would be unduly oppressive and, in a few instances, even confiscatory in effect;

NOW, THEREFORE, I, Ramon Magsaysay, President of the Philippines do hereby waive the additional progressive taxes to be paid by proprietors and operators of the following sugar mills for the 1953-1954 crop under section 2 of Commonwealth Act No. 567:

1. Asturias Sugar Central, Inc.
2. Bogo-Medellin Milling Co., Inc.
3. Central Azucarera Don Pedro
4. Central Azucarera del Norte
5. Hind Sugar Company
6. Ormoc Sugar Company, Inc.

subject to the condition that in the case of the Asturias Sugar Central, Inc., the amount waived, as hereby authorized, shall be paid over to the planters.

Done in the City of Manila, this 3rd day of March, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the ninth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

FRED RUIZ CASTRO
Executive Secretary

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 107

CREATING A PRESIDENTIAL COMMITTEE ON TRADE AGREEMENTS AND RELATED MATTERS COVERED BY REPUBLIC ACT NO. 1189

By virtue of the authority vested in me by Republic Act 1189 and in order to review and recommend the implementation and/or modification of the commitments of the Government of the Republic of the Philippines under any trade and financial agreement, I, Ramon Magsaysay, President of the Philippines, do hereby order:

SECTION 1. In order to expand foreign markets and establish new ones for Philippine products, and in order to carry out the objectives of Republic Act 1189, there is hereby created a Presidential Committee on Trade and Financial Agreements and related matters composed of a representative each from the Department of Foreign Affairs, as Chairman; the Departments of Commerce and Industry, Agriculture and Natural Resources, Economic Coordination, Central Bank and the Tariff Commission, as members.

This Committee shall (a) explore the possibilities of negotiating trade and financial agreements between the Philippines and other countries as a means of expanding Philippine overseas trade; (b) review and recommend the modification or revision of any agreement, in whole or in part, once concluded; (c) study ways and means, consistent with export/import and exchange laws, rules and regulations, of effectively implementing all trade and financial agreements as have been, or may hereafter be, entered into between the Philippines and other countries; (d) study the commodity composition of trade plans (including the need for their revision) as well as the operation of any trade and financial agreement as it actually affects the national economy in terms of productivity, employment, and the country's fiscal and foreign exchange position; and (e) submit a report of its findings and recommendations to the President quarterly or as often as it is so directed.

SECTION 2. In order to coordinate the functions and activities of this Committee with other economic planning or advisory bodies in

respect to the overall policy, it shall from time to time as it finds necessary, or as directed by the President, consult with the National Economic Council and/or any other economic planning and development authority that may be established.

SECTION 3. Any provisions of existing executive and/or administrative orders as are inconsistent with the provisions of this Order are hereby repealed.

SECTION 4. This Order shall take effect on March 15, 1955.

Done in the City of Manila, this 15th day of March, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the ninth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

FRED RUIZ CASTRO
Executive Secretary

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 128

REQUIRING ALL GOVERNMENT ENTITIES, BUREAUS, AGENCIES, AND INSTRUMENTALITIES PRODUCING PALAY AND CORN TO SELL THEIR SURPLUS PRODUCTION TO THE NATIONAL RICE AND CORN CORPORATION

Whereas, the National Rice and Corn Corporation is performing the function of stabilizing the prices of palay and corn;

Whereas, in carrying out this function, said corporation buys palay and corn from farmers and planters throughout the country;

NOW, THEREFORE, I, Ramon Magsaysay, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

All government entities, bureaus, agencies, and instrumentalities producing palay and corn shall hereafter sell their surplus production to the National Rice and Corn Corporation at prevailing government prices.

Done in the City of Manila, this 23rd day of September, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the tenth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

FRED RUIZ CASTRO
Executive Secretary

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 129

DESIGNATING THE AGRICULTURAL CREDIT AND COOPERATIVE FINANCING ADMINISTRATION (ACCFA) AS THE GOVERNMENT AGENCY TO HANDLE THE PURCHASE AND EXPORTATION OF RAMIE FIBER AND THE IMPORATION OF RAMIE GOODS PROCESSED FROM 100 PER CENT PHILIPPINE RAMIE FIBER.

Pursuant to the provisions of Republic Act No. 1392, I, Ramon Magsaysay, President of the Philippines, do hereby designate the Agricultural Credit and Cooperative Financing Administration (ACCFA) as the government agency to take charge of the purchase and exportation of ramie fiber and the importation of ramie goods processed abroad from 100 per cent ramie fiber grown in the Philippines.

Done in the city of Manila, this 23rd day of September, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the tenth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

FRED RUIZ CASTRO
Executive Secretary

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 98

Creating an Economic Planning Board

WHEREAS, the proposed revision of the Trade Agreement between the Philippines and the United States demands the creation of an entity to consider the effects of such revision upon the national economy and to study measures necessary to meet the resulting situation;

NOW, THEREFORE, I, Ramon Magsaysay, President of the Philippines, by virtue of the powers vested in me by law, do hereby create an Economic Planning Board composed of the following:

Hon. Miguel Cuaderno	Chairman
Hon. Jaime Hernandez	Member
Senator Jose P. Laurel	Member
Senator Gil J. Puyat	Member
Representative Jose J. Roy	Member
Representative Godofredo P. Ramos	Member
Mr. Filemon Rodriguez	Member
Mr. Toribio Teodoro	Member
Mr. Hans Menzi	Member
Mr. Hermenegildo B. Reyes	Member
Mr. Teodoro Valencia	Member

The functions of the Board shall be as follows:

1. Considering the major impact on the nation's economy of the revision of the Trade Agreement between the Philippines and the United States, to make a study of, and submit recommendations on, the present program of economic development and the activities of the various government agencies and instrumentalities which are related to or may have a bearing on economic development, devoting major attention to specific high priority development projects which the Government should promote;

2. To submit recommendations on the establishment of a tariff structure that will influence economic development;

3. To submit drafts of measures necessary to implement the revised economic relations between the Philippines and the United States, as contemplated in the new Trade Agreement between these two countries;

4. To submit recommendations on the necessary measures to encourage investment of domestic and foreign private capital for economic development; and

5. To review and submit recommendations on economic and financial policies.

The Board shall from time to time submit reports and recommendations on any of the matters included within the scope of its functions.

The Board is authorized to call upon any department, bureau, office, agency or instrumentality of the Government, or upon any officer or employee thereof, for such assistance as it may need in the performance of its work.

Done in the City of Manila, this 7th day of February, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the ninth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

FRED RUIZ CASTRO
Executive Secretary

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 120

CREATING A COMMITTEE TO COORDINATE ACTION ON NO-DOLLAR IMPORTATIONS SO AS TO PREVENT CONFLICT OR CONFUSION IN THE EXECUTION OF THE CENTRAL BANK ACT AND THE ANTI-DUMPING ACT.

WHEREAS, the issuance of no-dollar-allocation licenses by the Central Bank has in some cases resulted in the importation of goods in violation of the Anti-Dumping Act, thereby making it necessary for the Secretary of Finance to order the reshipment of the goods abroad or to permit their importation upon payment of special customs duties in addition to the regular duties; and

WHEREAS, this situation has caused no little embarrassment, considering that the Secretary of Finance is the Chairman of the Monetary Board of the Central Bank;

NOW, THEREFORE, I, Ramon Magsaysay, President of the Philippines, by virtue of the powers vested in me by law, do hereby create a committee to coordinate action on no-dollar importations so as to prevent conflict or confusion in the execution of the Central Bank Act and the Anti-Dumping Act. The Committee shall be composed of the following:

Honorable Jaime Hernandez, Secretary of Finance .. Chairman
Honorable Miguel Cuaderno, Governor, Central Bank .. Member
Honorable Salvador Araneta, Secretary of Agriculture and Natural Resources ..... Member
Honorable Alfredo Montelibano, Administrator of Economic Coordination ..... Member
Mr. Manuel Manahan, Actg. Com. of Customs ..... Member
Colonel Jaime C. Velasquez, Technical Assistant, Office of the President ..... Member

The Committee is authorized to call upon any department, bureau, office, agency, or instrumentality of the Government for such assistance or cooperation as it may need in the performance of its functions.

Done in the City of Manila, this 22nd day of June, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the ninth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

MARIANO YENKO, JR.
Assistant Executive Secretary

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 132

REQUIRING CERTAIN PUBLIC OFFICIALS TO MAKE PERIODICAL REPORTS FOR STATISTICAL DATA TO THE NATIONAL RICE AND CORN CORPORATION AND PROVIDING PENALTY FOR VIOLATION OF ITS PROVISIONS.

WHEREAS, the National Rice and Corn Corporation is charged by Republic Act No. 663 with the duty, among others, of stabilizing the price of rice and corn;

WHEREAS, in the performance of this duty, the said Corporation needs adequate and up-to-date statistical data to guide it in its course of action.

NOW, THEREFORE, I, Ramon Magsaysay, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

Municipal Treasurer.—Every Municipal Treasurer shall submit a weekly report to the National Rice and Corn Corporation by telegram on the current market and farm prices for the different varieties of palay, rice and corn within his municipality; he shall also submit a list of all warehouses (specifying bonded or otherwise), threshing machines, and rice-mills, showing their corresponding capacities, existing within his municipality, by mail, not later than the 31st day of January of each year, on forms to be provided by the NARIC;

Agricultural Credit and Cooperative Financing Administration.—The Administrator of the Agricultural Credit and Cooperative Financing Administration shall submit a weekly report by mail on the price of palay, rice, and corn in each municipality or district where a FACOMA is organized and shall also submit a monthly report by mail of the stock on hand of each FACOMA within the first five days of each succeeding month, on forms to be provided by the NARIC;

Commercial Agent.—Every Commercial Agent shall submit a weekly report by telegram to the NARIC Office in Manila of the current market and farm prices of the different varieties of palay, rice and corn in all important trading points within his province or jurisdiction. In addition to the above reports, every Commercial Agents shall also cause to be mailed to the National Rice and Corn Corporation, with-

in the first five days of each month, a copy of the stock report of all bonded warehouses within his province or jurisdiction;

Collector of Customs.—Collector of Customs in ports of entry in the Philippines, shall make and submit a report by mail to the NARIC Office in Manila within the first five days of each month, showing the quantity of palay, rice and corn shipped or unloaded in their respective ports, on forms to be provided by the NARIC;

Manila Railroad Company.—The General Manager of the Manila Railroad Company shall make and submit a monthly report by mail to the NARIC within the first five days of each month, on forms to be provided by the NARIC, showing the quantity of palay, rice, and corn shipped by the Company as well as the point of origin and the point of destination of each shipment;

Department of Foreign Affairs.—The Secretary of Foreign Affairs shall cause all the offices of his Department in foreign countries to submit by wire to the NARIC a forthnightly report on the prices of rice in the world market.

All charges of communications in connection with these reports submitted by the above-named officials shall be chargeable against the NARIC. In case wire communication is used, the NARIC shall pay ₱0.20 per telegram transmitted within the the Philippines and the usual government rates for telegram of official business transmitted by the Foreign Offices of the Department of Foreign Affairs and the Philippines.

Any or all of the above-named officials covered by this Order shall also render and submit their respective reports to the National Rice and Corn Corporation at any other time not provided by this Order and on forms provided by the NARIC, whenever the National Rice and Corn Corporation shall deem it necessary.

A certified true copy of each report submitted by any official or agency in compliance with this Order shall be furnished by the National Rice and Corn Corporation to the Secretary of Agriculture and Natural Resources and the Administrator of the Agricultural Credit and Cooperative Financing Administration not later than one week after receipt of the original report.

Done in the City of Manila, this 1st day of August, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the tenth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

MARIANO YENKO, JR.
Assistant Executive Secretary

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 142

DESIGNATING THE PHILIPPINE NATIONAL BANK AS THE ADMINISTRATOR OF THE FILIPINO RETAILERS' FUND, WITH THE PROVINCIAL, CITY, AND MUNICIPAL TREASURERS AS ITS DEPUTIES.

Pursuant to the provisions of section 2 of Republic Act No. 1292, entitled "An Act to encourage Filipino Retailers and to create the Filipino Retailers' Fund," the Philippine National Bank is hereby designated to administer the revolving fund known as the "Filipino Retailers' Fund" created under said Act, with the provincial, city and municipal treasurers as its deputies.

Done in the City of Manila, this 23rd Day of September, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the tenth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

MARIANO YENKO, JR.
Assistant Executive Secretary

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 160

CREATING A TAX ADVISORY BOARD TO STUDY PROBLEMS OF TAXATION AND RECOMMEND APPROPRIATE SOLUTIONS.

A Tax Advisory Board is hereby created to study the problems of taxation in the Philippines and recommend appropriate solutions. The Board shall be composed of the following:

Hon. Jaime Hernandez	Chairman
Hon. Dominador Aytona	Member
Gov. Miguel Cuaderno	Member
Mr. Silverio Blaquera	Member
Hon. Manuel P. Manahan	Member
Mr. Jose Arañas	Member
Mr. Alfonso Calalang	Member
Dean Artemio N. Lobrin	Member

The present tax system of the Philippines and the attendant difficulties in its administration shall be carefully examined by the Tax Advisory Board with a view to recommending immediate reforms which would effect a more equitable distribution of the tax burdens, make the tax collecting machinery more efficient and effective, prevent tax evasion, and insure adequate revenues to finance expanding essential services and public improvements.

A special study of the existing tax rates shall be made with a view to correcting inequalities and revising antiquated laws so as to jibe with the principle of ability to pay, without, however, hampering the growth of agriculture commerce and industry, or aggravating the difficulties in living conditions of the poor.

The Board is authorized to call upon any department, bureau, office, agency, or instrumentality of the Government for such assistance or information as it may require in the performance of its functions.

It is desired that the Board shall meet immediately after Christmas and submit within two weeks its report and recommendation so that

the same may be made available to the committees of Congress concerned with finance and tax matters, for their consideration or implementation.

Done in the City of Manila, this 22nd day of December, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the tenth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

MARIANO YENKO, JR.
Assistant Executive Secretary

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

PROCLAMATION NO. 206

MAKING PUBLIC THE INTERNATIONAL AGREEMENT FOR THE REGULATION OF THE PRODUCTION AND MARKETING OF SUGAR, 1953.

Whereas, the International Agreement for the Regulation of the Production and Marketing of sugar, which was adopted by the Sugar Conference convoked by the United Nations in London from July 13 to August 24, 1953, to take the place of the Sugar Agreement of 1937, was signed by the Authorized representatives of the Philippines and twenty-three other countries;

Whereas, Article 41 (2) of the aforementioned Agreement provides that it shall be subject to ratification or acceptance by the signatory Governments in accordance with their respective constitutional procedures and that the instruments of ratification or acceptance shall be deposited with the Government of the United Kingdom of Great Britain and Northern Ireland;

Whereas, the Senate of the Congress of the Philippines, by its Resolution No. 8, adopted on April 8, 1954, concurred in the ratification of the said International Sugar Agreemnt subject to the following reservation: "That in case the Executive Agreement between the United States of America and the Republic of the Philippines whereby the latter is allowed to export to the former 850,000 long tons of sugar duty free is abrogated, the Philippines will seek a revision of this treaty to protect its own interest"; and

Whereas, the Republic of the Philippines formally ratified the said Agreement subject to the reservation above quoted, and deposited her instrument of ratification on May 1, 1954, with the Government of the United Kingdom of Great Britain and Northern Ireland;

Now, therefore, be it known that I, Ramon Magsaysay, President of the Philippines, have caused the said Agreement, a copy of which is hereto attached, to be made public to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the Republic of the Philippines and the citizens thereof, subject to the aforesaid reservation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Republic of the Philippines to be affixed.

Done in the City of Manila, this 17th day of October, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the tenth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

FRED RUIZ CASTRO
Executive Secretary

MALACAÑANG
RESIDENCE OF THE PRESIDENT
OF THE PHILIPPINES
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

PROCLAMATION NO. 216

WHEREAS, section 1 of Republic Act No. 1355, approved on June 18, 1955, authorizes the President of the Philippines, at any time prior to January 1, 1956, to enter into an agreement with the President of the United States of America for the revision of the 1946 Trade Agreement between the Philippines and the United States on the basis of the Final Act of Negotiations, which was signed at Washington, D.C., on December 15, 1954;

WHEREAS, pursuant to the provisions of said section 1 of Republic Act No. 1355 and section 201 of the Act of Congress of the United States of America, entitled "Philippine Trade Agreement Revision Act of 1955," the President of the Philippines and the President of the United States of America, through, their respective plenipotentiaries, signed an agreement at Washington on September 6, 1955, revising the Agreement concerning Trade and Related Matters entered into by the President of the Philippines and the President of the United States of America on July 4, 1946;

WHEREAS, on September 6, 1955, the two Governments exchange notes clarifying certain provisions of the said Agreement between the Republic of the Philippines and the United States of America concerning Trade and Related Matters during a Transitional Period following the institution of Philippine Independence signed at Manila on July 4, 1946; as revised;

WHEREAS, section 3 of Republic Act No. 1355 provides that "If the revised agreement has been entered into prior to January 1, 1956, the President of the Philippines shall so proclaim, and such agreement shall be effective in, and binding on, the Philippines in accordance with the terms thereof"; and

WHEREAS on October 26, 1955, the President of the United States of America proclaimed the aforesaid Revised Agreement, including a Protocol, Annexes, and related exchange of notes, in pursuance of section 301(a) of the Philippine Trade Agreement Revision Act of 1955 of the Congress of the United States of America;

NOW, THEREFORE, be it known that I, Ramon Magsaysay, President of the Philippines, in pursuance of the aforesaid section 3 of Re-

public Act No. 1355, do hereby proclaim and make public the Agreement between the Republic of the Philippines and the United States of America concerning Trade and Related Matters during a Transitional Period following the institution of Philippine Independence signed at Manila on July 4, 1946, as Revised in Washington on September 6, 1955, including a Protocol, Annexes, and Related Exchange of Notes both dated September 6, 1955, copies of which are hereto attached, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the Republic of the Philippines and the citizens thereof on and after January 1, 1956.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the seal of the Republic of the Philippines.

Done in the City of Manila, this 28th day of November, in the year of Our Lord, nineteen hundred and fifty-five, and of the Independence of the Philippines, the tenth.

RAMON MAGSAYSAY
President of the Philippines

By the President:

MARIANO YENKO, JR.
Assistant Executive Secretary

CIRCULAR NO. 58

January 27, 1955

All Authorized Agent Banks are hereby notified that no letters of credit for transaction falling within the Trade and Financial Agreements with Japan shall be opened later than January 31, 1955, the date when these Agreements terminate. However, Authorized Agent Banks may permit the negotiation of drafts on letters of credit up to March 2, 1955, provided that the same are established on or before January 31, 1955.

(SGD.) M. CUADERNO, SR.
Governor

CIRCULAR NO. 59
Series of 1955

In accordance with an official advice received from the Department of Foreign Affairs, all Authorized Agent Banks are hereby informed that the Trade and Financial Agreements between the Philippines and Japan have been further extended for the period beginning February 1, 1955 up to and including May 31, 1955.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

February 3, 1955

CIRCULAR NO. 60

IMPORT AND EXPORT OF PHILIPPINE COINS AND NOTES INCLUDING BUT NOT LIMITED TO DRAFTS, CHECKS AND/OR OTHER BILLS OF EXCHANGE IN PHILIPPINE PESOS DRAWN ON BANKS OPERATING IN THE PHILIPPINES.

Pursuant to section 14 of Republic Act No. 265, the Monetary Board hereby amends Circular No. 37, so that hereafter, the same shall read as follows:

Section 1. The import and export of Philippine coins and notes including but not limited to drafts, checks, money orders and/or other bills of exchange in Philippine pesos drawn on banks operating in the Philippines, or any order for payment in Philippine pesos, is prohibited without the necessary license issued by the Central Bank, except in the following cases:

(a) Returning Philippine residents and transient visitors entering the Philippines may bring in Philippine coins and notes in an amount not exceeding ₱100, provided the coins do not exceed ₱50. In case of returning Philippine residents or transient visitors arriving on ships, the coins they can bring individually shall not exceed ₱50 for first class passengers, ₱20 for second class passengers and ₱10 for third class passengers.

(b) Outgoing Philippine residents and transient visitors leaving the Philippines may take with them Philippine coins and notes in an amount not exceeding ₱100, provided the coins do not exceed ₱5.

(c) Peso-checks or peso-drafts, in any amount, drawn on local banks by their correspondents, or on foreign banks' branches in the Philippines by their head offices, remitted directly by mail or otherwise, which are funded in U.S. dollars and duly reported to the Central Bank.

Section 2. The following shall also be held liable within the meaning of this Circular:

(a) Any outgoing passenger already booked and ready to leave the country found having in his person or among his luggage, at the airports or piers, Philippine currency, or any note, draft, check, money order, bill of exchange, or any order for payment in Philippine pesos, except notes up to ₱100 or Philippine coins up to ₱5 as provided in the preceding paragraph.

(b) The sender of any mail matter, envelope or package, addressed or intended for delivery abroad, already deposited in

the mails or manifested or put on board an outgoing international carrier, found to contain Philippine coins and/or notes, drafts, checks, money order, other bills of exchange, or order for payment drawable on peso accounts with banks in the Philippines, in any amount, when no license therefor has been previously obtained.

Section 3. All circulars, notifications or regulations previously promulgated by the Monetary Board inconsistent herewith are hereby repealed.

Section 4. Violation of any of the provision hereof shall subject the offender to the penal provision of section 34 of said Act.

Approved:

By the Monetary Board
May 12, 1955.

(SGD.) M. CUADERNO, SR.
Governor

F. STA. ANA
Secretary

IMPORT-EXPORT OFFICE

REGULATION NO. 11
IMPLEMENTATION CIRCULAR NO. 44

SUBJECT: *Basis of Foreign Exchange Allocations for the Payment of Imports for the First Semester, 1955.*

I—GOVERNMENT ENTITIES

A. **Definition—**

The term "government entities" shall include all political subdivisions and instrumentalities of the Government, the Armed Forces of the Philippines, and corporations wholly owned or the majority interest in which is owned by the Government.

B. **Instructions to Agent Banks—**

1. All government entities desiring to purchase foreign exchange to pay for imported merchandise during the first semester, 1955 shall apply with the Philippine National Bank for their respective exchange quotas.

2. An amount equivalent to the second semester, 1954 quota allocation is hereby certified to the Philippine National Bank, the utilization of which shall be limited to highly essential and essential categories.

3. A government entity who desires to purchase foreign exchange in payment of imports through any bank other than the Philippine National Bank may do so upon prior notification to the latter. The Philippine National Bank shall thereupon deduct from its government entities' quota the amount desired to be transferred and shall make a certification thereof to the transferee bank together with a statement of pertinent data on the category of goods which shall be confined to highly essential items only.

4. All exchange quotas transferred from the Philippine National Bank to any other bank shall be considered as non-recurring quotas.

5. In the event that the amount of foreign exchange applied for is in excess of the allocation set forth in paragraph 2 above or the commodities sought to be imported fall under the non-essential category, the application with all the supporting papers shall be forwarded by the Philippine National Bank to the Monetary Board for action.

II—PRODUCERS

A. **Definitions—**

The term "producer" shall include:

1. **Producers of Agricultural, Industrial and Mineral Products**
   Any person or organization who, by physical or chemical process, extracts raw materials or reasonably alters any raw material, or manufactured or partially manufactured products, for the purpose of sale or distribution to the general public and/or for sale abroad and not for his own use or consumption.

2. **Public Utilities**
   Any organization, either public or private, impressed with a public interest providing some public service such as transportation, for either passengers or freight, communications (telephone, wire or wireless telegraph, radio broadcasting), power, gas, electricity, water supply, and sewerage system, and those operating bonded warehouses, wharves or docks, shipyards, and ice plants.

3. **Hospitals**
   Any institution which is primarily established and operated for the care and medical treatment of the sick or injured.

4. **Publishers**
   Any person or organization engaged primarily in the business of publishing books, pamphlets, newspapers, and other papers for sale or circulation to the general public.

5. **Educational Institutions**
   Any accredited institution recognized by the Government which is established and operated primarily for the improvement of the mental, moral and intellectual faculties of individuals.

   PROVIDED, that they produce on a commercial scale; i.e., the production for sale in the normal course of business in quantities and at prices which justify the operation of an industrial or agricultural unit as a going concern with a reasonable degree of permanency and at a fixed place of business.

B. **Classfiication**—Producers may be old or new as defined hereunder:

1. "Old Producers" are such enterprises as described in paragraph A above:
   a) that were granted foreign exchange quotas either as Old or New Producers from July 1, 1953 to December 31, 1954; or

b) that have been established and in continuous operation for at least six months prior to January 1, 1955 without the benefits of a foreign exchange quota.

2. "New Producers" are those enterprises that meet the definition of "Producers" but either have not started operation or have only been in operation less than six months as of January 1, 1955 without the benefits of a foreign exchange quota.

C. **Instructions to Agent Banks**

1. The following are instructions to Authorized Agent Banks for the first semester, 1955.

a) to grant foreign exchange in payment of imports of "raw materials" and "spare parts" in an amount equivalent to the second semester quota for 1954 for "Old Producers'" and "New Producers" (previously qualified and granted quotas by the Central Bank prior to January 1, 1955 including all adjustments granted by the Monetary Board during the same period, except importation of leaf tobacco and flour which are subject to special allocation by the Monetary Board. Producers granted quotas for the first time during the second semester, 1954 by the Bankers' Committee from the Contingency Fund, may be granted the same amount authorized in the second semester, 1954 as their regular quota for the first semester, 1955. Any advance quota allocations for the first semester, 1955 which were approved by the Monetary Board during the second semester of 1954 as well as overdrawings in the quotas from the second semester of 1954, shall be deducted from the quota for this semester. Likewise, all non-recurring items shall not be included in the computation of the exchange quotas for the first semester of 1955 quotas.

b) to grant foreign exchange in payment of imports of such raw materials and spare parts as are essential to the current productive needs of "Old Producers" as defined in paragraph B-1 above except leaf tobacco, flour, tires and tubes, and component parts for the assembly of passenger cars and textiles materials classified in Code Nos. 650201 to 650422 inclusive:

i) the term "raw materials" is used in the broad sense to include any articles, materials, or supplies normally consumed in the processing or forming a part of the finished product.

ii) the term "spare parts" represents those parts required for the normal maintenance and repair of the productive machinery.

iii) the expression "essential to the current productive needs" shall be interpreted to preclude stockpiling in excess of normal business practice. In general, additional imports of raw materials should not be made when such imports combined with (a) existing inventories on hand, (b) irrevocable orders pending shipment, and (c) raw material content of finished products exceed six months supply in relation to the rated productive capacity of the plant or capacity to consume such raw materials. In the case of spare parts of maximum supply equivalent to 10 per cent of the original value of the machinery may be used as a guide to a semestral requirement.

2. **Special Exclusions**—Although certain commodities may appear to qualify as raw materials or spare parts, foreign exchange may not be granted to producers to import the following types without the specific authorization of the Central Bank:

a) Such producers may not import commodity:

i) for resale or distribution in the same form, such as commissary or incentive consumer goods;

ii) for their exclusive and non-productive use, such as construction materials for factory and housing, office supplies, and passenger cars.

b) No item included in the "Unclassified List" may be imported under this regulation.

c) Care should be exercised in the granting of exchange to preclude the import of any commodity that is produced locally in adequate quantities and quality at reasonably competitive prices.

3. Those "Old Producers" granted foreign exchange quotas for the first time under this regulation shall be required to submit the appropriate Information Sheet (CB Form Nos. 1 to 4) in quadruplicate accompanied by all required supporting documents specified in Regulation No. 1 to Circular No. 44.

4. Applications by "Old Producers" for foreign exchange to pay for the importation of **machinery and equipment shall** be filed with any Authorized Agent Bank, which shall make appropriate recommendation to the Monetary Board to grant or deny such applications.

D. **New Producers**

Applications by "New Producers" for foreign exchange to pay for the importation of machinery, equipment, spare parts and raw materials shall be filed with any Authorized Agent Bank, which shall make appropriate recommendation to the Monetary Board to grant or deny said applications after it has satisfied itself that the following requisites have been met:

1. In the case of new enterprise that intends to manufacture products presently classified under the "Essential" categories, a demonstration must be shown that the landed dollar value of the finished product compared with the total amount of foreign exchange needed to manufacture same (including cost of machinery indicating the annual depreciation, rate, spare parts, raw materials, technical know-how, patents, royalties, dividends profits, interest, and the like) indicates potential dollar earnings or a reasonable opportunity for dollar saving;

2. In the case of new enterprise that intends to manufacture products presently included in the "non-essential" or "unclassified" lists, a demonstration must be made that the value of imported raw materials does not exceed sixty (60) per cent of the prime cost (raw materials and productive labor) of the finished product, and/or show potential dollar earnings from exports;

3. That the raw materials proposed to be imported enter directly into the processing of the finished article in the plant or establishment of the producer, and are not for resale in the original form;

4. That the spare parts are for the machinery used or to be used by the applicant and are urgently needed for the operation of his plant or establishment, and that they are not for resale;

5 That the items proposed to be imported represent actual production requirements for the semester, and that there is no accumulation of inventories of said items beyond normal business practice in that industry;

6. That the documents submitted in support of the application are genuine and do not contain material omissions and/or misrepresentations; and

7. In addition to those required in Part I, Article III, Section 1, of Regulation 1 to Circular No. 44, the following documents shall be submitted by a new producer applying for foreign exchange to pay for imports:

a) Organization and/or registration papers;

b) Latest financial statements with detailed schedules showing the names, addresses and nationalities of stockholders, indicating their respective subscribed and paid-up capital;

c) Statement of other sources of funds;

d) Detailed description of the contemplated enterprise indicating site of plant or establishment, planned production for the first three years, actual or estimated annual power requirements of the plant, number of employees and laborers, and a description of the technical process involved in the manufacture of the product;

e) Itemized statement of the dollar requirements for machinery, equipment, spare parts, and raw materials for the current year and the two ensuing years;

f) Certified copy of income tax return if applicable; and

g) Tax clearance.

E. **Penalties**

1. Producers are warned that importations made contrary to any of the conditions set forth above shall be deemed sufficient grounds to prohibit the company or owner or stockholders from further participation in the privilege of utilizing foreign exchange for the duration of Exchange Controls.

F. **Miscellaneous**—Authorized Agents Banks are hereby instructed

1. To make the following amendments to outstanding letters of credit or M/T, T/T, D/D payments against shipping documents involving change:

   a) in the name of beneficiary or supplier;

   b) in country of origin; and

   c) in the extension of expiry dates which were established in 1953 and thereafter under **Circular No. 44** provided meritorious reasons are given which justify the extension.

2. To allow the utilization of the individual quota allocations with all banks in full subject to the following remittance schedule:

   a) An amount not exceeding $10,000 or 1/3 of the quota allocation, whichever is higher, may be remitted within the first two months of the semester;

   b) An amount not exceeding $20,000 or 2/3 of the quota allocation whichever is higher, may be remitted within the first four months of the semester; and

c) Any balance of the utilized quota allocation may be remitted during the last two months of the semester.

The restrictions on remittances as stated above shall not apply to the utilization of quotas for "highly essential" items, machinery and items covered by the Barter Trade Agreement with Japan.

III—IMPORTERS

A. **Definition—**

An "importer" is any person, corporation, firm or association, other than government entities and producers as defined in this Regulation, applying for foreign exchange to pay for imports.

B. **Classification—**

Importers may be old or new in accordance with the following definitions:

1. **Old Importers**—This term includes all persons, whether natural or juridical, who have records of importations in 1949 and who have established letters of credit and/or made remittances by M/T, T/T, or D/D for payment of imported merchandise in 1952.
2. **New Importers**—This term includes all Filipino and American merchants, whether natural or juridical who qualified as new importers under Republic Act No. 650, or under the delegated authority of the Banker's Committee, or by authority of the Monetary Board and who have opened letters of credit and/or made remittances by M/T, T/T, or D/D up to and including the second semester of 1954 in payment of imported merchandise.
3. **New Importer Applicants**—This term shall include Filipino and American merchants, other than those classified as Old Importers and New Importers, who are actively engaged in the business of retail merchandising.

C. **Instructions to Agent Banks**

Authorized Agent Banks are hereby instructed to administer the functions as enumerated below applicable to the allocation of foreign exchange quota for the first semester of 1955:

1. **Old Importers—**

To grant foreign exchange in payment of imports in an amount equivalent to the second semester quota for 1954 including all adjustments granted by the Monetary Board during the same period, except importations of leaf tobacco, flour, and the special allocation for meat and cattle.

2. **New Importers—**
To grant foreign exchange in payment of imports in an amount equivalent to the **second** semester of quota for 1954 including all adjustments granted by the Monetary Board during the same period, except importations of leaf tobacco, flour, and the special allocation for meat and cattle.

3. Any advance quota allocations for the **first** semester, 1955 which were approved by the Monetary Board during the second semester of 1954 as well as overdrawings in the quotas from the second semester of 1954, shall be deducted from the quota for this semester. Likewise, all non-recurring items shall not be included in the computation of the exchange quotas for the **first** semester of 1955 quotas.

4. **New Importer Applicants—**
To grant applications for foreign exchange in payment of imports to 1955 New Importers after appropriate investigation has been made that the applicant has met the following conditions:

a) He must be a Filipino or American citizen, in the case of a single proprietorship; or 60 per cent owned by either Filipino or American nationals in the case of a partnership or a corporation;

b) He must be actively engaged in the retail merchandising business, maintaining a fixed place of business in accordance with standard commercial practice;

c) He must have at least a total gross sales for the preceding semester of not less than ₱50,000.

PROVIDED, that utilization of these foreign exchange be confined to highly essential and essential items and for an amount equal to 20 per cent of the gross sales of the applicant during the preceding semester, or $10,000, whichever is lower.

Each applicant shall be required to submit all the papers and documents called for under Regulation No. 1 implementing Circular No. 44.

5. To grant foreign exchange for remittances for the payment of books for personal use and individual subscriptions to foreign magazines, periodicals, and pamphlets in amounts not exceeding $25.00 per applicant per calendar month, provided that the application is accompanied by published ads, advertising literature or letters from the publishers or distributors of the books or the publishers of the magazines, periodicals, pamphlets showing the cost or rate of subscription as the case may be.

6. To grant foreign exchange in an amount not exceeding $500 per applicant per semester to dentists and doctors for the purchase of dental and medical equipment for their exclusive use in the exercise of their profession provided that they are not for resale and said items are not available locally from local importers or dealers. The amounts granted shall be considered as non-recurring items.

7. To make the following amendments to outstanding letters of credit or M/T, T/T, D/D payments against shipping documents involving changes:

   a) in the name of the beneficiary or supplier;
   b) in country of origin;
   c) in the extension of expiry dates which were established in 1953 and thereafter under Circular No. 44 provided meritorious reasons are given which justifies the extension;

8. To allow the utilization of the individual quota allocations **with all banks** in full subject to the following remittance schedule:

   a) an amount not exceeding $10,000 or 1/3 of the quota allocation, whichever is higher, may be remitted within the first two months of the semester;

   b) an amount not exceeding $20,000 or 2/3 of the quota allocation whichever is higher, may be remitted within the first four months of the semester; and

   c) any balance of the utilized quota allocation may be remitted during the last two months of the semester.

   The restrictions on remittances as stated above shall not apply to the utilization of quotas for "highly essential" items machinery, and items covered by the Barter Trade Agreement with Japan.

9. To permit switching from one commodity to another commodity under the same category or from a lower category to a higher category, but not vice-versa. Excluded from these provisions are:

   a) Switching from any commodity to exchange allocations for flour; leaf tobacco; shoes, textiles[x]; upper leather; rubber heels; rubber soles; rubber sheets, used clothing; hair pins and hairclips, of iron or steel; button blanks and /or button molds, of metal; lead pencil; and smoothing iron.

[x] except as authorized in MAAB No. 122.

b) Switching from exchange allocations established for flour; leaf tobacco; drugs and medicines; corned beef; milk (HE items); books; X-Ray films; and agricultural, industrial and mining machineries and parts thereof; and the special and/or regular allocation for meat and cattle to any other commodity.

PART IV—REPORTING

A. Authorized Agent Banks shall submit to the Import-Export Office of the Central Bank one copy of every letter of credit opened and remittance made by M/T, T/T, or D/D in payment of imported merchandise during the day together with the covering CB-Form No. 7 (Revised—6-22-54) "list of L/C's opened" in quadruplicate which must be consecutively numbered, indicating whether it is regular quota or ex-quota, before the close of the following business day.

B. All the required supporting documents as enumerated in Regulation No. 1 implementing Circular No. 44 for each status of importer or producer shall be submitted and maintained on an annual basis, such as—certified income tax return for 1953, tax clearance for 1953, financial and operating statements for the year 1953 and their supporting schedules, etc.

C. Any material omission or misrepresentation in an application or in any required supporting papers and documents, shall be sufficient cause for the outright rejection of such application without prejudice to such other penalties that may be imposed or recommended by the Monetary Board in accordance with the provisions of Republic Acts Nos. 265 and 337 and of other pertinent laws.

D. Authorized Agent Banks who fail to meet the reporting schedule set forth in paragraph 1 above, may not continue to open letters of credit until such reports are on file with the Central Bank.

E. No item of import shall be released by the Bureau of Customs without the presentation of a release certificate issued by the Central Bank or any Authorized Agent Bank on CB-Form No. 5, (Revised—6-22-54).

F. Any provision of Circular No. 44 and all regulations and memoranda issued implementing same that is contrary to any provision of this regulation shall be deemed null and void and without effect.

G. This Regulation supercedes Regulation No. 10 and takes effect beginning January 1, 1955.

For the Monetary Board:

(SGD.) M. CUADERNO, SR.
Governor

REGULATION NO. 12

February 22, 1955

REGULATIONS GOVERNING APPLICATIONS FOR FOREIGN EXCHANGE FOR IMPORTATIONS UNDER THE REVISED INFORMATIONAL MEDIA GUARANTY PROGRAM SUPERSEDING AND REVOKING REGULATION NO. 8.

SECTION 1. Nature of the Program.—The salient features of the Informational Media Guaranty Program are as follows:

(1) Informational media which convey scientific, cultural, technical, educational and other information originating from the United States are to be made available by American publishers and publishing companies to Philippine importers provided that they are classified under the following Commodity Code Numbers of the Statistical Classification of Commodities of the Central Bank:

EC-890201	College and high school textbooks
EC-890202	Technical and Scientific books and journals
NEC-890203	Pamphlets and Magazines
NEC-890204	Newspapers and periodicals, both of current issue (strictly for subscriptions only)
NEC-890205	Music: Printed, engraved or in manuscript, unbound or bound
EC-890220	Supplementary Readers and library books (except supplementary readers for elementary grades)

(2) All Philippine transactions involving the importation from the United States of books, newspapers and periodicals as enumerated in paragraph (1) above shall be effected pursuant to the guaranties covered in the Revised Agreement and that the United States will accept responsibility for the fact that the specific publications exported to the Philippines pursuant to guaranty contracts approved by the two Governments shall conform to the standards of the two Governments, as expressed in the guaranty contracts. Moreover, the United States Government recognizes that the Philippine Government is free to deny entry through Philippine Customs of any specific publications, the importation of which is considered contrary to Philippine public interest.

(3) The accumulation of peso funds arising from payments in pesos for imports made under the Program will ultimately belong to the United States Government after the latter has made the equivalent payment in dollars to American publishers and publishing companies.

(4) Peso accumulations during a twelve-month period ending with the last day of February of every year in excess of ₱5.6 millions acquired by the United States Government arising from transactions consummated

under the Program will be utilized by the said Government within a specified period of time for the financing of educational, cultural and informational projects or such other related activities that the United States Government may propose subject to the approval of the Philippine Government.

(5) Under Administrative Order No. 204, dated November 25, 1952 of His Excellency, the President of the Philippines, the Informational Media Guaranty Program Committee was created to screen, approve or disapprove applications of American publishers and publishing companies for contracts to supply the Philippines with media materials under the Program.

SEC. 2. Who may import under the Program.—Only the following may import under this Program:

(1) Any bureau, office or instrumentality of the Government;

(2) Any educational institution as defined under existing rules and regulations implementing Central Bank Circular No. 44;

(3) Any natural or juridical person, association or individual merchant licensed to engage in the sale or distribution of informational media materials who has qualified as an importer in accordance with the rules and regulations implementing Central Bank Circular No. 44;

(4) Any individual provided that the importation is for his own personal use and subscriptions, both in an aggregate amount not to exceed $25 per applicant per calendar month.

SEC. 3. Media Materials that may be imported.—Only such media materials as are defined in section 1, paragraph (1) hereof may be imported under this Program.

SEC. 4. Manner of filing applications.—Subject to the applicable provisions of the rules and regulations implementing Central Bank Circular No. 44 and the rules specified hereunder, applications for foreign exchange for importations under this Program shall be filed with any Authorized Agent Bank of the Central Bank.

SEC. 5. Opening of Letters of Credit.—Upon approval of the application by the Authorized Agent Bank concerned, the corresponding domestic letters of credit to be opened shall contain the following stipulations: "Reimbursement to be effected in pesos in the Philippines in accordance with the terms of the Informational Media Guaranty Program." A duplicate non-negotiable copy of the letter of credit shall be sent to the supplier abroad for his information in preparing documents. The original negotiable copy of the letter of credit shall be dispatched to the local depository bank as may be designated by the foreign supplier.

SEC. 6. Peso payments by Importer and Accounting thereof.—All payments for media materials imported under the Informational Media Guaranty Program shall be made in pesos to be calculated at the selling rates authorized by the Central Bank, which shall be received by the Authorized Agent Bank concerned and, with the exception of the premium on the selling rate, be kept in a separate account of the publishers concerned, to be known as the "Informational Media Guaranty Program Account," which account may be transferred from one Authorized Agent Bank to another. Drawings against this account shall be made payable only to the Treasurer of the United States.

SEC. 7. Payment of the 17 per cent Exchange Tax.—No peso payment for media materials imported under the Informational Media Guaranty Program shall be accepted by the Authorized Agent Bank concerned except upon payment by the importer of the corresponding excise tax of 17 per cent on the sale of foreign exchange that shall, in the proper case, be assessed on the peso value of the foreign exchange covered by the drafts drawn against the letter of credit. In those cases where a given item of importation may be entitled to exemption from the excise tax on sales of foreign exchange, the usual application for exemption shall be filed with the Office of Exchange Tax Administration, Central Bank of the Philippines.

SEC. 8. Effectivity of this Regulation.—This Regulation, which supersedes and revokes Regulation No. 8, dated November 27, 1953, shall take effect March 1, 1955.

For the Monetary Board:

(SGD.) M. CUADERNO, SR.
Governor

APPROVED by the Monetary Board, February 22, 1955

F. STA. ANA
Secretary

IMPORT-EXPORT DEPARTMENT

REGULATION NO. 13
IMPLEMENTING CIRCULAR NO. 44

SUBJECT: *Basis of Foreign Exchange Allocations for the Payment of Imports for the Third Quarter, 1955*

SECTION 1. Foreign exchange quota allocations of Importers and Producers for the third quarter of 1955 shall be equivalent to one half of their **regular** quotas during the first semester of 1955.

SECTION 2. Producers granted quotas for the first time during the first semester, 1955, by the Bankers' Committee from the Contingency Fund may be allocated amounts equivalent to one half of quotas so granted, same to constitute as their regular quotas for third quarter, 1955.

SECTION 3. Any advance quota allocations for the period beginning July 1, 1955, which were approved by the Monetary Board during the first semester of 1955, as well as overdrawings in quotas from the first semester of 1955, shall be deducted from the quotas for the third quarter, 1955. Likewise, any other deductions from, reductions in or cancellations of, individual quota allocations as previously advised by the Central Bank to Agent Banks which have not as yet been made shall be effected during the third quarter of 1955.

SECTION 4. An amount equivalent to one half of the aggregate regular quotas of all government entities during the first semester of 1955 shall be set up by the Philippine National Bank and denominated as "Quota for Government Entities." The utilization of this quota shall be limited to highly essential and essential categories.

SECTION 5. Utilization of individual quota allocations, as computed in accordance with Section 1 and 2 above, need not be subject to any remittance schedule.

SECTION 6. No Contingency Fund will be made available to Agent Banks during the third quarter of 1955.

SECTION 7. The provisions of Regulations Nos. 1 and 11 implementing Central Bank Circular No. 44 (as amended or modified by subsequent memorandums or instructions to Agent Banks), which are not inconsistent with the provisions of this Regulation, shall, as modified by the provisions hereof in the appropriate cases, remain in force and effect.

SECTION 8. This Regulation shall take effect July 1, 1955.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

June 30, 1955

MEMORANDUM TO AUTHORIZED AGENTS

Effective Wednesday, June 15, 1955, the following procedure with respect to the exemption from, and refund of the exchange tax shall be observed:

(1) All applications for exemption shall be filed by the applicants concerned with their respective banks. However, as heretofore, applications for exemption of new and necessary industries, of any department, bureau or office of the Government, government corporations, of the United States Government and its instrumentalities, or contractors having contracts with the United States Government whose transactions are tax-exempt as provided for in the Agreement between the United States Government and the Philippine Government, shall be filed with the Office of Exchange Tax Administration, Central Bank.

(2) All aplications for the refund of the exchange tax shall also be filed by the applicants concerned with their respective banks, except applications for refund of the exchange tax claimed by the entities or persons enumerated in paragraph 1 hereof, which shall, as heretofore, be filed with the Office of Exchange Tax Administration, Central Bank;

(3) As heretofore, letters of exemption will be released by the Central Bank;

(4) The refund of the exchange tax will be made by the Central Bank through the Authorized Agent Banks. The procedure will be for the Central Bank to issue a refund check in the name of the respective bank, which, in turn, will make the corresponding refund to its various clients in accordance with the list to be prepared by the Central Bank showing the amount due to each taxpayer, the said list to accompany the check to be delivered to the authorized representative of the bank, which refund check shall be properly receipted for;

(5) All applications for exemption or refund filed with the Authorized Agent Banks shall be forwarded to the Office of Exchange Tax Administration, Central Bank with the least practicable delay;

(6) The Central Bank will not entertain any direct inquiries from the public as to the status of their applications for exemption or refund, as such inquiries will be made by the representatives of Authorized Agent Banks who may obtain from the office of Exchange Tax Administration of the Central Bank the necessary information;

(7) Refund checks will be delivered daily by the Accounting Department of the Central Bank to representatives of Authorized Agent Banks from 9:00 o'clock, A.M. to 12:00 o'clock, M.

As the close cooperation of the Authorized Agent Banks with the Central Bank of the Philippines is absolutely essential in the proper implementation of the Exchange Tax Law and regulations promulgated thereunder, it is requested that Authorized Agent Banks give their considered attention to this new procedure.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

June 14, 1955

OFFICE OF THE DEPUTY GOVERNOR

MEMORANDUM to—

All Banks, Insurance Companies, Members of the Manila Stock Exchange and Holders of Registered R & D Bonds

It is hereby announced, for the information and guidance of all concerned, that the transfer books covering registered R &-D bonds are closed against transfer or exchange of such bonds one month preceding the semi-annual interest payment dates, namely, **June 1** and **December 1**. Interest is declared in favor of holders of registered bonds on record at the close of business on May 1 and November 1 (or a day or so earlier in certain cases). The transfer books are reopened for all purposes at the opening of business on June 2 and December 2, respectively.

Section 4-a(6) of Circular No. 28 (Revised), Regulations Governing Open Market Operations, Stabilization of the Securities Market, Issue, Servicing and Redemption of the Public Debt, governing the closing of transfer books, is hereunder quoted for ready reference;

"x x x

"(6) Closing of transfer books.—For the purpose of preparing interest checks. the books of the Securities Market Department, Central Bank of the Philippines, are closed against the transfer or exchange of registered bonds of the various bond issues at the close of business one month preceding the interest payment dates, and interest is declared in favor of the holders on record on such dates. The books are reopened for all purposes at the opening of business on the day following the date on which interest falls due. If registered bonds forwarded for transfer or exchange are not actually received by the Department on or before the date fixed for closing the transfer books, transfer or exchanges thereof will not be made until the reopening of the books, and interest will be paid to the holders on record at the time the transfer books closed. If the date set for the closing of the transfer books falls on a Sunday or a legal holiday, the books will be closed on the last business day preceding such date, and if the date set for the reopening of the transfer books falls on a Sunday or a legal holiday, the books will reopen on the first business day following such date. Registered bonds presented for transfer or exchange with assignments which are imperfect or not supported by the required authority will be passed for transfer or exchange only when the imperfections have been corrected or the required authority furnished; if, in the meantime, the transfer books closed in anticipa-

tion of an interest payment, action with respect to any such transfer or exchange will not be taken until the transfer books reopen, and interest accordingly will be paid to the holder on record at the time the transfer books closed."

For the present, no transfer closing periods are contemplated for government bond issue other than R & D bonds. In any case, should transfer closing periods become necessary for other bond issues, the same will be similarly declared and all concerned, duly notified.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

November 11, 1955

AMENDMENT TO NOTIFICATION TO AUTHORIZED SECURITY DEALERRS NO. 1

January 31, 1955

Effective immediately, Paragraph 4, Section b(2) ii of Notification to Authorized Security Dealers No. 1 dated January 18, 1950, is hereby amended to read as follows:

"(ii) The proceeds of the sale may be reinvested only in Philippine domestic securities which have been issued and offered for public subscription, purchased not later than the fifteenth day from the date of the sale."

(SGD.) M. CUADERNO, SR.
Governor

NOTIFICATION TO AUTHORIZED AGENTS NO. 57

February 15, 1955

SUBJECT: *Living Allowance of Residents of the Philippines attending educational institutions abroad.*

1. Authorized Agents may, on behalf of the Exchange Control Department, issue license on E.C. Form No. 51 (Revised), authorizing the purchase of foreign exchange for living and educational expenses of residents of the Philippines leaving the country for the purpose of attending educational institutions abroad, regardless of the academic course to be pursued, subject to the provisions of existing circulars, memoranda and Notifications to Authorized Agents on the matter.

2. A monthly living allowance for such residents of the Philippines may be allowed as follows:

(a) $300 for those studying in the United States;

(b) $250 for those studying in Europe; and

(c) $150 for those studying elsewhere.

3. Residents of the Philippines for whom foreign exchange have been made available upon their departure for the specific purpose of studying and who are at present attending educational institutions abroad, may be allowed a monthly living allowance at the same rates mentioned above, provided that no foreign exchange license for the purpose shall be issued by an Authorized Agent who did not issue the student's foreign exchange license in the first instance.

4. All provisions of existing notifications and memoranda inconsistent herewith are hereby revoked.

(SGD.) M. CUADERNO, Sr.
Governor

AMENDMENT TO NOTIFICATION TO AUTHORIZED AGENTS NO. 57

SUBJECT: *Living Allowance of Residents of the Philippines attending educational institutions abroad.*

Effective immediately, Paragraph 2 of Notification to Authorized Agents No. 57, dated February 15, 1955, is hereby amended to read as follows:

"2. A monthly living allowance for such residents of the Philippines may be allowed as follows:

a) $300 for those studying in the United States and Canada;

b) $250 for those studying in Europe, Central and South America; and

c) $150 for those studying elsewhere."

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

March 15, 1955

NOTIFICATION TO AUTHORIZED SECURITY DEALERS NO. 4

SUBJECT: *Switch transactions for account of non-residents involving securities of Philippine companies organized after December 9, 1949*

1. Effective immediately, all Authorized Security Dealers are hereby requested not to issue any license authorizing switch transactions for account of non-residents, involving securities of Philippine companies organized after December 9, 1949.

(SGD.) M. CUADERNO, SR.
Governor

July 28, 1955

EXCHANGE CONTROL DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENTS

It has been noted that Authorized Agents are forwarding to the Exchange Control Department, for action, applications for foreign exchange for travel, which they are authorized to license under standing regulations; viz.;

(1) Notification to Authorized Agents No. 15 dated January 20, 1950, as amended on January 25, 1950, February 18, 1950, September 7, 1950, October 18, 1950 and June 17, 1954;

(2) Memorandum to Authorized Agents dated August 20, 1952; and

(3) Notification to Authorized Agents No. 57 dated February 15, 1955, as amended on March 15, 1955.

As provided in these regulations, Authorized Agents may issue exchange licenses for travel, in amounts up to the limits of their authority. Only when additional funds for travel are needed by applicants are the applications to be forwarded by Authorized Agents to the Exchange Control Department for processing.

(SGD.) G. L. RIALP
Acting Director

April 6, 1955

EXCHANGE CONTROL DEPARTMENT

MEMORANDUM TO AUTHORIZED SECURITY DEALERS

Effective immediately, Authorized Security Dealers may accept and forward to the Exchange Control Department for licensing, applications by or on behalf non-residents, on E.C. Form X for the purchase and exportation of Philippine securities issued by companies existing as of December 9, 1949, chargeable against blocked peso funds of applicants held with Philippine banks to the extent of fifty per cent (50%) of such balances outstanding as at the close of business on October 4, 1955. Applications under the foregoing category shall be accompanied by a certified statement of the depository bank in which the blocked peso funds of the applicant are held, indicating the name and address of the non-resident applicant, the outstanding balance as of October 4, 1955, and the name of the person operating the account in the Philippines.

Transactions effected by Authorized Security Dealers under licenses issued by the Exchange Control Department against such applications shall be reported to this Department every Monday of each week.

(SGD.) G. L. RIALP
Acting Director

October 12, 1955

EXCHANGE CONTROL DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENTS

Authorized Agents are hereby informed that the Exchange Control Department will not extend the validity date of any expired exchange license authorizing foreign exchange remittances abroad for more than thirty days at a time, and in no case beyond the last banking day of December, 1955. Remittances authorized to be effected during the period up to December, 1955, which are not availed of until the last banking day of the said month, shall be considered waived and the Exchange Control Department will not, thereafter, issue any other license to authorize the same remittance.

All Authorized Agents of the Central Bank are requested to transmit the contents of this memorandum to all of their clients.

(SGD.) G. L. RIALP
Acting Director

October 18, 1955

EXCHANGE CONTROL DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENTS

This memorandum is being issued as a reminder to all concerned that, under existing regulations, the dollar proceeds of marine insurance policies accruing to a resident from foreign insurance companies are required to be surrendered to the Central Bank. Any Philippine resident who comes into possession of dollars, as a result of being the beneficiary in any insurance policy, marine or otherwise, is under obligation to sell these dollars to the Central Bank thru any one of its Authorized Agents. Under no circumstances should these dollars be utilized to replace merchandise lost, without the prior permission of the Central Bank.

Authorized Agents are, therefore, requested to bring the foregoing information to the attention of their clients for compliance, advising them also that any violation of the regulations mentioned above may subject the person or firm concerned to the penalties provided for under Republic Act No. 265, otherwise known as the Central Bank Act.

(SGD.) G. L. RIALP
Acting Director

November 21, 1955

EXCHANGE CONTROL DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENTS

All Authorized Agents are requested to submit to the Exchange Control Department the daily reports on remittances effected under the provisions of Notification to Authorized Agents No. 56 dated July 13, 1954, as amended, using for this purpose E. C. Form No. 5-A-2 (Revised), a sample copy of which is attached. This report shall be accomplished in eight copies. The upper right hand corner shall be marked "DAILY REPORT ON SALES OF FOREIGN EXCHANGE IN ACCORDANCE WITH NOTIFICATION TO AUTHORIZED AGENTS NO. 56, AS AMENDED." Four copies of the report shall be furnished the Budget Control Section of the Exchange Statistics Division and the other three copies shall be appended to the **Schedule of Payments Listed under Items 4 to 10, E. C. Form No. 5-A,** to be submitted as usual to the Reports Section of the same Division. The eighth copy shall be retained by the reporting Authorized Agents for his files.

(SGD.) G. L. RIALP
Acting Director

November 28, 1955

EXCHANGE CONTROL DEPARTMENT

MEMORANDUM TO ALL FOREIGN NON-LIFE INSURANCE COMPANIES AND/OR SETTLING AGENTS OF FOREIGN INSURERS

Effective immediately, all foreign non-life insurance companies and/or settling agents of foreign insurers are requested to render a monthly report to the Central Bank, showing in detail all claims adjusted and/or settled during the current month by their settling agents and/or Head Offices abroad, and indicating thereon the circumstances surrounding the loss, the name and address of the beneficiary and the source of the proceeds for these settlements.

In this connection, the attention of all concerned is invited to the provisions of Memorandum to Authorized Agents dated November 21. 1955, on the subject of dollar proceeds of marine insurance accruing to a resident from foreign insurance companies.

(SGD.) G. L. RIALP
Acting Director

December 5, 1955

CENTRAL BANK OF THE PHILIPPINES
Manila

July 15, 1955

TO ALL BANKS:

In connection with our MEMORANDUM TO ALL AUTHORIZED AGENTS dated July 15, 1955, please be advised that an amount of $8,000,000 has been made available thru the Foreign Operations Administration under Procurement Authorization No. 92-0901-00-84-5601, to finance importations of canned milk (specifically, evaporated and condensed) from the United States.

Applications for the importation from the United States of canned milk specified above may, therefore, be filed with the Foreign Exchange Department of the Central Bank in the usual manner prescribed on applications for FOA financing, subject to the following additional conditions:

1) The contract cut-off date is September 30, 1955 and the Delivery cut-off date is November 30, 1955.

2) Sub-authorizations under this authorization may be issued only to private importers. These importers must have qualified to import in accordance with the provisions of the existing rules and regulations, implementing Central Bank Circular No. 44.

3) Supplier must execute on his invoice, or separately, certificate reading as follows: "The undersigned certifies that the milk for which payment is sought was produced in the United States."

4) At least three (3) copies of firm offer from the supplier should accompany the applications.

5) Peso payments to the Central Bank, as required under paragraph 10 of Circular No. 30, July 10, 1951, for imports effected under this authorization, shall be transmitted to the Foreign Exchange Department, Central Bank, separately from all other checks and/or other forms of payment submitted for other transactions.

(SGD.) G. L. RIALP
Director
Foreign Exchange Department

CENTRAL BANK OF THE PHILIPPINES
Manila

August 3, 1955

TO ALL BANKS:

With further reference to our circular letter dated July 15, 1955, regarding the importation of canned evaporated and condensed milk made available thru the International Cooperation Administration (formerly FOA) under Procurement Authorization No. 92-0901-84-5601, the ICA has called our attention to the need of indicating clearly the following statements on each letter of credit issued against the Procurement Authorization, viz.:

> "Supplier must execute on his invoice, or separately, certificate reading as follows: 'The undersigned certifies that the milk for which payment is sought was produced in the United States'."

and

> "At least 50% of Liner tonnage, at least 50% of the Tramp tonnage, and at least 50% of the Tanker tonnage, financed by FOA hereunder, must be shipped on U.S. Flag Vessels."

Please remind all importers that, under the terms of the above-mentioned Procurement Authorization, they should advise their suppliers that the goods must be labeled in accordance with FOA Regulation No. 1 dated October 1954, paragraph 201.12. Kindly advise your customers to consult the ICA for further details of this regulation.

Your cooperation in this matter is enjoined.

(SGD.) G. L. RIALP
Director
Foreign Exchange Department

CENTRAL BANK OF THE PHILIPPINES
Manila

September 28, 1955

TO ALL BANKS:

Please be advised that the contracting period of ICA Procurement Authorization No. 92-0901-00-84-5601 for the importation of evaporated and condensed milk, has been extended from September 30, 1955 to January 31, 1956, and the delivery period from November 30, 1955 to February 29, 1956.

(SGD.) G. L. RIALP
Director
Foreign Exchange Department

CENTRAL BANK OF THE PHILIPPINES
Manila

September 30, 1955

TO ALL BANKS:

With the concurrence of the International Cooperation Administration, please be advised that the following clause may be stamped on letters of credit issued against the Procurement Authorization No. 92-0901-00-84-5601 covering imports of canned evaporated and condensed milk:

> "Subject to regulations governing shipments on Philippine-flag vessels, shipments are encouraged and permitted on Philippine-flag vessels, in which event 'freight collect' bills of lading only will be accepted and the amount of 'freight collect' changes on the bills of lading are deducted on the invoice from the c. & f. value."

Your usual cooperation in this matter is requested.

(SGD.) G. L. RIALP
Director
Foreign Exchange Department

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 137

January 3, 1955

Pursuant to a resolution of the Monetary Board passed in its meeting held on December 29, 1954, Agent Banks are hereby authorized to permit producers and importers to utilize their non-recurring and/or non-switchable quotas during the second semester, 1954 up to and including January 15, 1955.

(Sgd.) ANDRES V. CASTILLO
Acting Deputy Governor

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 138

January 3, 1955

As an exception to the provisions of Regulation No. 11 implementing Circular No. 44, Agent Banks shall, effective immediately, refer to the Import-Export Department of the Central Bank all applications of Knitting and Weaving Factories for foreign exchange covering importation of cotton yarn and other raw material requirements.

(Sgd.) CESAR M. LORENZO
Acting Director

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 141

January 4, 1955

Pursuant to a resolution adopted by the Monetary Board at its meeting held on December 21, 1954, the switching of foreign exchange allocation to or from the importation of "Storage Batteries for Industrial Machineries", Code No. 720110-A (NEP), is hereby prohibited.

(Sgd.) CESAR M. LORENZO
Acting Director

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 145

January 18, 1955

Please be advised that with the reclassification of "Storage Batteries for automobiles and trucks" (UI-720110) under the "UI" category, foreign exchange may not be provided for the importation of said storage batteries not only by Old or New Importers but by Producers as well, including car and truck assembly plants. Such assembly plants should, therefore, exclude said storage batteries when applying for foreign exchange for the importation of component parts for cars or trucks.

(Sgd.) CESAR M. LORENZO
Acting Director

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 153

Pursuant to a resolution adopted by the Monetary Board at its meeting held on January 18, 1955, all importers' existing semestral foreign exchange quota allocations for the importation of rubber heels, rubber soles and rubber soling sheets shall further be reduced by twenty-five percent (25%) beginning the first semester of 1955. The said importers' quota reduction shall be reassigned to Highly Essential and/or Essential Producer commodities.

Please be guided accordingly.

(Sgd.) CESAR M. LORENZO
Acting Director

February 4, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 154

Pursuant to a resolution of the Monetary Board passed in its meeting held on January 25, 1955, please be advised that a levy of 1/8 of 1% service charged shall be collected by the agent banks on the combined amounts of letters of credit issued and M/T, T/T and D/D for payment of imports. At the end of each day, the amount collected shall be remitted to the Central Bank.

This shall take effect immediately.

(Sgd.) M. CUADERNO, Sr.
Governor

February 7, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 155

Pursuant to a resolution adopted by the Monetary Board at its meeting held on January 27, 1955, Agent Banks may, upon prior application therefor and presentation of evidence of firm offer of foreign supplier, sell foreign exchange through the medium of L/Cs for the importation of milk products classified under the highly essential commodity group, as follows:

a) Evaporated Milk
b) Condensed Sweetened Milk
c) Powdered Milk
d) Dry Skim Milk
e) Sterilized Natural Milk

The foregoing authorization is being given subject to the following conditions:

1. The applicant for foreign exchange covering the importation of milk products classified under the highly essential commodity group, as stated above, must have duly qualified as an importer in accordance with the rules and regulations implementing Central Bank Circular No. 44.

2. The foreign exchange purchases as authorized above shall be non-shiftable in nature and shall not form part, nor be taken as a basis in the computation, of the regular quota allocation of importers.

3. In submitting reports of letters of credit required to be made on CBP Form No. 7, the letters of credit authorized herein shall be identified by the words "Memorandum to Authorized Agent Banks No. 155."

The Provisions of this Memorandum shall take effect immediately.

(Sgd.) CESAR M. LORENZO
Acting Director

February 7, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 158

Please be advised that Memorandum to Authorized Agent Banks No. 153 is hereby amended to read as follows:

> "Pursuant to a resolution adopted by the Monetary Board at its meeting held on January 18, 1955, all importers' existing semestral foreign exchange quota allocations for the importation of rubber heels, rubber soles and **rubber sheeting and soling** shall further be reduced by twenty-five percent (25%) beginning the first semester of 1955. The said importers' quota reductions shall be reassigned to Highly Essential and/or **Essential** Commodities."

It is also advised that effective immediately the commodity items "rubber sheeting and soling" and "rubber sheets and plates" are hereby reclassified from the "Essential Producer" to the "Non-Essential Producer" category.

(Sgd.) CESAR M. LORENZO
Acting Director

February 16, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 159

DECONTROL OF WHEAT FLOUR

Pursuant to a resolution adopted by the Monetary Board at its meeting held on February 17, 1955, Agent Banks may, upon prior application therefor and presentation of evidence of firm offer of foreign supplier, sell foreign exchange through the medium of L/Cs for the importation of wheat flour.

The foregoing authorization is subject to the following conditions:

1. The applicant for foreign exchange covering the importation of wheat flour, must have duly qualified to import in accordance with the rules and regulations implementing Central Bank Circular No. 44.

2. The foreign exchange purchases for wheat flour shall be non-shiftable in nature. All outstanding regular semestral quotas of both Producers and Importers shall be cancelled. A report of the amount so cancelled should be submitted by agent banks not later than March 15, 1955.

3. Shipments are restricted to vitamin-enriched flour made from wheat.

4. In submitting reports of letters of credit required to be made on CBP Form No. 7, the letters of credit authorized herein shall be identified by the words "Memorandum to Authorized Agent Banks No. 159."

5. All Authorized Agent Banks are hereby notified that in acting on applications for dollar allocation for use in the importation of wheat flour, they shall require the importer to present a certification from the PRISCO that he has already purchased from or contracted to purchase cassava flour with manufacturers or suppliers of locally produced cassava flour equivalent to not more than thirty per centum (30%) but not less than two per centum (2%), by weight, of his monthly importation of wheat flour for 1955; not less than ten per centum (10%), by weight, for 1956; not less than fifteen per centum (15%), by weight, for 1957; not less than twenty-five per centum (25%), by weight, for 1958; and not less than thirty per centum (30%), by weight, for 1959. Henceforth, no importer shall be granted dollar allocation for use in the importation of wheat flour without the certification from the PRISCO referred to above.

6. The provisions of this Memorandum shall take effect immediately.

(Sgd.) ANDRES V. CASTILLO
Acting Deputy Governor

February 18, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 161

Effective immediately, Authorized Agent Banks may now give due consideration to applications of leather shoe manufacturers for the opening of letters of credit or for the purchase of foreign exchange to pay for imports of "Rayon Shoe Lining" up to 15% of the total regular semestral quota of each. The lining sought to be imported should be limited to plain colors.

(Sgd.) CESAR M. LORENZO
Acting Director

February 21, 1955

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 163

February 22, 1955

Pursuant to a resolution of the Monetary Board at its meeting held on January 25, 1955:

1. Agent Banks are instructed to cancel all foreign exchange quota allocations for the importation of the following commodity items which shall be reverted to the Central Bank:

EC-890201 College and high school textbooks
EC-890202 Technical and Scientific books and journals
NEC-890203 Pamphlets and Magazines
NEC-890204 Newspapers and Periodicals
NEC-890205 Music, Printed, engraved or in manuscript, unbound or bound
EC-890220 Supplementary Readers and library books (except supplementary readers for elementary grades)

The quotas to be cancelled are those computed on the basis of 1952 L/C's or M/T, or T/T or D/D remittances (including those opened or made in January, 1953), as well as those granted by the Monetary Board as additional or increased allocations for the above commodity items.

2. Part III, Section C, paragraph 5 of Regulation No. 11 is hereby amended to exclude the importations of such materials from the United States which shall be effected under the Revised Informational Media Guaranty Program (Regulation No. 12 superseding and revoking Regulation No. 8).

3. Agent Banks may, upon prior application therefor and presentation of evidence of firm offer of foreign supplier, sell foreign exchange through the medium of L/C's or in appropriate cases by M/T, T/T or D/D against shipping documents, for the importation of media materials described in paragraph 1 above, subject to the following conditions:

A. Those qualified to apply are:

(a) Any bureau, office or instrumentality of the Government;

(b) Any educational institution as defined in the regulations implementing Central Bank Circular No. 44:

(c) Any natural or juridical person, association or individual merchant licensed to engage in the sale or distribution of informational media materials who has qualified as an importer in accordance with the rules and regulations implementing Central Bank Circular No. 44; and

(d) Any individual provided that the importation is for personal use and subscriptions in an amount not to exceed $25.00 per applicant per calendar month.

B. Foreign exchange purchases authorized above shall be non-shiftable in nature and shall not form a part, nor be taken as a basis in the computation, of the regular quota allocations of importers.

C. Applications for foreign exchange to import textbooks and supplementary readers defined in paragraph 1 above shall be supported by a certificate issued by the Board on Textbooks.

D. Applications involving the importation of informational media, outlined in paragraph 1 above, from the United States shall be processed in conformance with Regulation No. 12.

4. This memorandum specifically excludes any transaction involving the importation of UI-890221 textbooks and supplementary readers for elementary grades and UI-640109 old newspapers.

5. The provisions of this memorandum shall take effect March 1, 1955.

(Sgd.) CESAR M. LORENZO
Acting Director

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 164

February 22, 1955

It is hereby informed that, pursuant to a resolution adopted by the Monetary Board at its meeting held on February 17, 1955, the said Board decided to suspend, in the meantime, the granting of dollar allocations to new importer applicants, as provided for under Regulation No. 11, and the readjustment of semestral dollar quota allocations for established importers, as well as the restoration of unused and/or cancelled quotas of importers, including importers in previous years who do not at present enjoy dollar quota allocations.

The above suspension takes effect immediately.

Agent Banks are requested to bring the provisions hereof to the attention of their clients who are or may be affected thereby.

(Sgd.) ANDRES V. CASTILLO
Acting Deputy Governor

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 167

This is to confirm the verbal instructions transmitted to Agent Banks sometime ago to cancel immediately all foreign exchange quota allocations for the milk products covered by Memorandum to Authorized Agent Banks No. 155, dated February 7, 1955, the quota to be cancelled being those computed on the basis of 1952 L/C's or M/T, T/T or D/D remittances (including those opened or made in January, 1953), as well as those granted by the Monetary Board as additional or increased allocations for said commodity items.

An itemized report of the amounts so cancelled should be submitted to the Import-Export Department of the Central Bank by each Agent Bank as soon as possible.

(Sgd.) CESAR M. LORENZO
Acting Director

February 25, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 170

Pursuant to a resolution of the Monetary Board adopted as its meeting held on March 8, 1955:

1. Agent Banks are instructed to cancel all foreign exchange quota allocations for the importation of the following commdodity items which shall be reverted to the Central Bank:

EC 030203 Cuttlefish (squid)
EC 030206 Salmon
EC 030207 Sardines (including anchovies, sardine-style packed)

The quotas to be cancelled are those computed on the basis of 1952 L/C's or M/T, T/T or D/D remittances (including those opened or made in January, 1953), as well as those granted by the Monetary Board as additional or increased allocations for the above commodity items. A report of the amount so cancelled should be submitted by Agent Banks not later than April 15, 1955.

2. Agent Banks may, upon prior application therefor and presentation of evidence of firm offer of foreign supplier, sell foreign exchange through the medium of L/C's or M/T, T/T or D/D against shipping documents in permissible cases, for the importation of canned squid, salmon and sardines described in paragraph 1 above.

The foregoing authorization is subject to the following conditions:

a) The applicant for foreign exchange covering the importation of canned squids, salmon and sardines must have duly qualified to import in accordance with rules and regulations implementing Central Bank Circular No. 44.

b) The foreign exchange purchases for canned squids, salmon and sardines shall be non-shiftable in nature and shall not form part, nor be taken as a basis in the computation, of the regular quota allocation of importers.

c) In submitting reports of letters of credit required to be made on CBP Form No. 7-A, the letters of credit authorized herein shall be identified by the words "Memorandum to Authorized Agent Banks No. 170."

The provisions of this Memorandum shall take effect immediately.

(Sgd.) ANDRES V. CASTILLO
Acting Deputy Governor

March 9, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 173

Pursuant to a resolution adopted by the Monetary Board at its meeting held on March 15, 1955, the following instructions are hereby transmitted to Agent Banks:

1. All semestral foreign exchange quota allocations granted by the Monetary Board to Producers for the importation of knitting yarn shall be reduced by fifty per cent (50%);

2. The above cancelled quotas shall be reverted to the Central Bank as unutilized quotas;

3. No additional or ex-quota allocation shall be given by Agent Banks from their Contingency Funds for the importation of knitting yarn and any additional or ex-quota allocation that has so far been granted by any Agent Bank shall be cancelled; and

4. Foreign exchange quota holders other than Producers shall not be permitted to utilize their quotas for the importation of knitting yarn.

The provisions of this Memorandum shall take effect immediately.

(Sgd.) ANDRES V. CASTILLO
Acting Deputy Governor

March 15, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 175

Pursuant to a resolution adopted by the Monetary Board at its meeting held on March 8, 1955, Paragraph 9, Section C, Part II of Regulation No. 11 implementing Central Bank Circular No. 44 is hereby amended to read as follows:

> "9. To permit switching from one commodity to another commodity under the same category or from a lower category to a higher category, but not vice versa, **provided that such switching is done during the same semester to which the relative foreign exchange quotas correspond.** x x"

(Sgd.) ANDRES V. CASTILLO
Acting Deputy Governor

March 18, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 176

Pursuant to a resolution adopted by the Monetary Board at its meeting held on March 22, 1955, the following amendments to and clarification of the Statistical Classification of Commodities, implementing Central Bank Circular No. 44 (Revised January 1, 1955), shall take effect immediately:

For deletion:

NEC 530307 — "Ready mixed paints"

For inclusion:

UI 530307 — "Ready mixed paints"
NEC 530319 — "Other lacquers and thinners"

For correction:

EP 530305 — "Enamel"
EP 530306 — "Lacquers and thinners"
should read:
EP 530305 — "Enamel pigments and opacifiers for use in ceramics, enamelling or glass industries"
EP 530306 — "Nitriocellulose-based Lacquers and corresponding thinners."

The quota allocation of Producers assigned for the importation of ready mixed paints (UI-530307) shall be cancelled and reverted to the Central Bank, the quota to be cancelled being that computed on the basis of 1952 L/C's or M/T, T/T or D/D remittances (including those opened or made in January 1953), as well as those granted by the Monetary Board as additional or increased allocations for said commodity item. In the case of importers, the quota assigned for the importation of ready mixed paints and computed on the basis stated above shall be reclassified to the Highly Essential and/or Essential category. Switching from any commodity to EP-530306, EP-530318 and EP-530319 is prohibited.

For and in the absence of the
Acting Deputy Governor:

(Sgd.) NICANOR TOMAS
(Superintendent of Banks)

March 29, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 181

The following supplemental instruction to Agent Banks regarding the importation of knitting yarn, which was the subject of a Monetary Board Resolution dated March 15, 1955, and our Memorandum to Authorized Agent Banks No. 173 of the same date, is hereby given for the purpose of clarification:

Importation by knitting mills of knitting yarn shall be restricted to knitting yarn **on cones**. Knitting yarn other than **on cones**, e. g., in skeins or hanks, shall not be allowed.

(Sgd.) ANDRES V. CASTILLO
Acting Deputy Governor

April 25, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 182

Effective immediately, Agent Banks are hereby advised that Memorandum to Authorized Agent Banks No. 151 dated January 27, 1955, is hereby revoked.

Please be guided accordingly.

(Sgd.) ANDRES V. CASTILLO
Acting Deputy Governor

April 27, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 184

Pursuant to Resolution No. 875 adopted by the Monetary Board at its meeting held on May 10, 1955, on and after May 16, 1955, all exporters of copra/or coconut oil must appoint recognized, approved, independent surveyors and chemists at the port or ports of discharge within 10 days after the date of exportation of each and every parcel of copra and/or coconut oil. The attached appendices list the samplers, weighers and chemists at the various foreign ports whose reports will be accepted. A copy of the letters of appointment must be furnished to the Central Bank.

The surveyors and chemists so appointed must be instructed by the shipper in his letter of appointment to furnish the original Report of Discharge, Weights & Analysis directly to the shipper and to supply the Central Bank of the Philippines with a copy of the same report, via airmail, within 30 days after the discharge of the copra and/or coconut oil at the port or ports of discharge. These reports must be accompanied by a certificate stating that the quantity discharged, as evidenced by the Survey Report, is the total amount of copra and/or coconut oil unloaded at the said port from the particular vessel and voyage. This certificate must be attested to by the agent or owner of the vessel in question at that particular port. This requirement is to apply to all copra and/or coconut oil exported from the Philippines, whether it is sold on a C & F, CIF or FOB basis. The failure of an exporter to comply with this new regulation will result in future applications for export licenses being denied until he has complied fully with this regulation.

The above requirement has been prescribed in order to facilitate granting of export licenses and to facilitate the settlement of claims and adjustments made on the basis of outturn weights and quality.

(Sgd.) ANDRES V. CASTILLO
Acting Deputy Governor

May 12, 1955

SAMPLERS, WEIGHERS AND CHEMISTS

For the Handling of Copra and Coconut Oil Shipments at European Ports

SAMPLERS AND WEIGHERS

Sorveglianza	Naples
Beckmann & Jorgensen	Oslo
Skandinavisk Kontrol Aktieselskab	—do—
Soc. Commerciale de Transports Transatlantiques	Paris
Sorveglianza	Rome
Algemeen Vrachtkantoor, N. V.	Rotterdam
Beckmann & Jorgensen	—do—
Caleb Brett & Son, Ltd.	—do—
Heinrich Hanno & Company	—do—
Internationale Controle Maatschappij	—do—
Netherland's Superintending & Sampling Co.	—do—
Pakhuismeesteren	—do—
H. Schutter, JZN	—do—
Chemical Laboratory "Dr. A. Verwey"	—do—
Visser & Co.	—do—
Transit et Transports Jules Roy	Rouen
Beckmann & Jorgensen	Stockholm
Scandinavian Superintending Co., Ltd.	—do—
Controllo Continentale S. A.	Trieste
Sorveglianza	—do—
Controllo Continentale S. A.	Venice
Sorveglianza	—do—

CHEMISTS

Laboratories d'Analyses Agrees, E. Van Den Schrieck	Antwerp
Laboratoire pour l'Analyse, Ph. J. Van der Kelen	Brussels
Vizern & Guillot	Marseille
Chemical Laboratory "Dr. A. Verwey"	Rotterdam

SAMPLERS, WEIGHERS AND CHEMISTS

For the Handling of Copra and Coconut Oil Shipments at U. S. A. Ports

SAMPLERS AND WEIGHERS

Chas. V. Bacon, Ch. E.	117 Liberty St., New York, N. Y.
Curtis & Tompkins, Ltd.	236 Front St., San Francisco 11, Calif.
Dyke, Shutes & Company	Boston, Massachusetts
General Testing Laboratories, Ltd.	755 Beatty St., Vancouver, B. C.
A. M. Judge & Co.	427 Exposition, New Orleans, Louisiana
Kippel Bros.	117 East "B" St., Wilmington, Calif.
Laucks Testing Laboratories, Inc.	1008 Western Ave., Seattle 4, Wash.
J. T. Steeb & Co., Inc.	Board of Trade Bldg., Portland, Oregon
John C. Vaughan & Co.	24 Stone St., New York, N. Y.
Superintendence Co., Inc.	2 Broadway, New York, N. Y.
Superintendence Co., Inc.	Baltimore, Maryland
Superintendence Co., Inc.	Philadelphia, Pa.

CHEMISTS

Chas. V. Bacon, Ch. E.	117 Liberty St., New York, N. Y.
Curtis & Tompkins, Ltd.	236 Front St., San Francisco 11, Calif.
Geo. W. Gooch Laboratories, Ltd.	2580 E. 8th St., Los Angeles 23, Calif.
General Testing Laboratories, Ltd.	755 Beatty St., Vancouver, B. C.
New York Produce Exchange ..	2 Broadway, New York, N. Y.

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 185

Agent Banks are hereby advised that Section 3 of Article III, Part I, Regulation No. 1 on Rules and Regulations Implementing Central Bank Circular No. 44, is hereby amended to read as follows:

> "SECTION 3. Applications for import shall be filed in accordance with the commodity classification mentioned in Article II, Section 2 hereof. Each application shall indicate clearly the status of the applicant, whether government, old producer, new producer, old importer, new importer (Pre-1953) or new importer (1953)."

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

May 17, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 186

To attain a desirable pattern of commodity imports consistent with the limited foreign exchange resources and the development program of the country, the following regulations, which were approved by the Monetary Board of the Central Bank at its meeting held on May 12, 1955, are hereby issued for your guidance:

1. The provisions of Regulation No. 11 and all other existing rules and regulations authorizing switching are hereby revoked; switching may, however, be permitted from one commodity item to another in the same category in the same division.

2. In case of Producers, exchange switching shall be permitted only when the commodities are raw materials that will actually enter into or be utilized directly in the manufacture of the finished product. A daily report on cases approved by the Banker's Committee shall be submitted to the Department of Economic Research of the Central Bank.

The provisions of this Memorandum shall take effect immediately.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

May 18, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO 187

Pursuant to a resolution adopted by the Monetary Board at its meeting held on May 24, 1955, it was decided that as an exception to the provisions of paragraph 3-D of Memorandum to Authorized Agent Banks No. 163, dated February 22, 1955, Agent Banks may sell foreign exchange for the importation of media materials from the United States where the publisher concerned is not a subscriber to the Informational Media Guaranty Program.

Foreign exchange made available by virtue of the above authorization shall be identified in the customary daily reports to the Department of Economic Research of the Central Bank by the notation "MAAB No. 187."

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

May 24, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 191

To attain a desirable pattern of commodity imports consistent with the limited foreign exchange resources and the development program of the country, the Monetary Board of the Central Bank at its meeting held on May 26, 1955, approved the following, as amendments, to the switching provisions presently in force under Regulation 11:

1. For old importers, including "Pre-1953 New Importers", switching and utilization of non-restricted quotas shall be permitted only when the commodities applied for pertain to their regular line or lines of business. As a guide, reference may be made to the pattern of commodity importations of the respective importers during the base period, which is either the year 1952 (inclusive of January, 1953) or the period from July 1, 1952 to June 30, 1953 as the case may be.

2. For qualified new importers given quota allocations for any highly essential and/or essential commodities, their allocations shall be confined to such commodities to be determined by Agent Banks, with the approval of the Bankers' Committee, to conform with the importers' regular line or lines of business, using as base period the second semester of 1954.

3. In case of producers, exchange switching shall be permitted only where the commodities are raw materials that will actually enter into or be utilized directly in the manufacture of the finished product and upon prior approval of the Bankers' Committee. A weekly report on cases approved by the Bankers' Committee shall be submitted to the Department of Economic Research of the Central Bank.

Memorandum to Authorized Agent Banks No. 186 is hereby revoked.

The provisions of this Memorandum shall take effect immediately.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

May 27, 1955

IMPORT-EXPORT DEPARTMENT

NEMORANDUM TO AUTHORIZED AGENT BANKS NO. 197

Pursuant to a resolution adopted by the Monetary Board on May 26, 1955, Paragraph 1 of Memorandum to Authorized Agent Banks No. 110 dated November 12, 1954 is hereby amended to read as follows:

> "1. No foreign exchange shall be provided for the importation of low-grade pencils valued at ₱5.00 and below per gross, C.I.F. Manila, including colored pencils."

Please be guided accordingly.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

June 6, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 199

In accordance with Monetary Board Resolution No. 1016 of June 2, 1955, we are attaching herewith an additional list of samplers and weighers for all ports in Venezuela, Colombia, Central and South American and other European ports. The attached list is a supplement to our Memorandum to Authorized Agent Banks No. 184 of May 12, 1955.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

June 13, 1955

Encl.

SAMPLERS, WEIGHERS AND CHEMISTS

For the Handling of Copra and Coconut Oil Shipments at European Ports

SAMPLERS AND WEIGHERS

Skandinavisk Control A/S	— Aarhus
Near East Superintendence Co., Ltd.	— Alexandria
General Superintendence Co., Ltd.	— Algiers
N. V. Internationale Controle Mij	— Amsterdam
"Supervigilancia" Sociedad General de Control S.A.	— Barcelona
Middle East Superintending Co., Ltd.	— Basrah
Near East Superintending Co., S.A.L.	— Beyrouth
Controll — Co. m.b.H.	— Bremen
General Superintendence Co., Ltd.	— Dunkirk
General Superintendence Co., Ltd.	— Le Havre
Cargo Superintendents (London) Ltd.	— Liverpool
Cargo Superintendents (London) Ltd.	— London
"Supervigilancia" Sociedad General de Control S.A.	— Madrid
Skandinaviska Controll A/B	— Malmo
General Superintendence Co., Ltd.	— Marseille
General Superintendence Co., Ltd.	— Paris
General Superintendence Co., Ltd.	— Rouen
Skandinaviska Controll A/B	— Stockholm

SAMPLERS AND WEIGHERS

For the Handling of Copra and Coconut Oil Shipments

General Superintendence Co. Grace & Co.	All ports in Venezuela, Colombia, Central and South America

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 215

All firm offers on decontrolled commodities must specify the brand of the commodity to be imported and such papers should be referred to the Central Bank for confirmation before opening the Letters of Credit.

This shall take effect immediately.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

June 27, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 224

Pursuant to a resolution adopted by the Monetary Board at its meeting today, all unutilized balances, as of the close of business on July 14, 1955, of quota allocations for the Third Quarter, 1955, covering all categories of textiles under Divisions 65, 84 and 94, except those enumerated hereunder, are hereby cancelled.

Category	Code Number	Commodity Description
NEP	650101	Spun silk
NEP	650102	Silk thread
NEP	650103	Silk yarns
NEP	650104	Catgut
EP	650105	Thread, wool and hair
EP	650106	Yarns, wool and hair
EC	650107	Cotton, thread, unbleached, not mercerized
EC	650109	Cotton thread, bleached, dyed or mercerized
NEP	650111	Flax and linen thread
EP	650115	Rayon thread
EP	650116	Rayon yarn
NEP	650117	Other yarn and thread of synthetic fibers (includes catgut, nylon bristle and spun glass)
NEP	650118	Yarn of textile fibers mixed with metal
EP	650119	Jute thread
EP	650120	Jute yarn
EP	650122	Yarn and thread, other fibers
NEP	650504	Canvas
NEP	650505	Rubberized cotton fabrics (shoe tops)

Category	Code Number	Commodity Description
NEP	650506	Rubberized and other impregnated fabrics, n.e.s., (including textile fabrics with preparations of cellulose derivatives or other artificial plastic materials)
EP	650515	Beltings for machinery
EP	650516	Wicks, lamps and stoves
EP	650518	Tire cloth and tire fabrics
NEC	650519	Book cloth, pyroxylin, coated or impregnated
NEP	650520	Silk screen
EP	650521	Filter cloth of special textile materials
NEP	650525	Gaskets of special textile materials
NEC	650526	Tape measures
NEC	650605	Tarpaulins, tents, awnings, sails and other made-up canvas goods
EP	840147	Miner's hats and/or miner's helmets

Authorized Agent Banks shall report to the Central Bank, on or before July 21, 1955, all unutilized balances thereby reverted on form sample attached.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

July 14, 1955

MEMORANDUM TO ALL AUTHORIZED AGENTS

SUBJECT: *Importations from the United States of canned milk.*

Pursuant to a resolution adopted by the Monetary Board at its meeting held on June 14, 1955, it is hereby advised that, effective immediately, importations from the United States of canned milk as specified in Memorandum to Authorized Agent Banks No. 155 shall be effected under the provisions of the Memorandum of Understanding arrived at by and between the Central Bank of the Philippines, the Philippine Council for United States Aid (PHILCUSA) and the United States of America Operations Mission to the Philippines (USOM), signed on June 9, 1955. The procedure to be followed under the above-mentioned Memorandum of Understanding shall be similar to the present system of handling importations under the FOA.

Accordingly, all applications for importation of canned milk from the United States which qualify under Procurement Authorization No. 92-0901-00-84-5601 shall be covered by requests for sub-authorization to be submitted to the Foreign Exchange Department of the Central Bank. Applications for the importation of CANNED MILK from countries other than the United States shall continue to be handled in line with the procedures outlined in Memoranda to Authorized Agent Banks Nos. 155 and 215 dated February 7, 1955 and June 27, 1955, respectively.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

July 15, 1955

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 228

Pursuant to a resolution adopted by the Monetary Board at its meeting held on June 14, 1955, it is hereby advised that, effective immediately, importations from the Unitted States of canned milk as specified in Memorandum to Authorized Agent Banks No. 155 shall be effected under the provisions of the Memorandum of Understanding arrived at by and between the Central Bank of the Philippines, the Philippine Council for United States Aid (PHILCUSA) and the United States of America Operations Mission to the Philippines (USOM), signed on June 9, 1955. The procedure to be followed under the above-mentioned Memorandum of Understanding shall be similar to the present system of handling importations under the FOA.

Accordingly, all applications for importation of canned milk from the United States which qualify under Procurement Authorization No. 92-0901-00-84-5601 shall be covered by requests for sub-authorization to be submitted to the Foreign Exchange Department of the Central Bank. Applications for the importation of CANNED MILK from countries other than the United States shall continue to be handled in line with the procedures outlined in Memoranda to Authorized Agent Banks Nos. 155 and 215 dated February 7, 1955 and June 27, 1955, respectively.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

July 22, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 231

As an exception to the provisions of Memorandum to Authorized Agent Banks No. 215, dated June 27, 1955, it is hereby advised that Agent Banks may proceed to open letters of credit covering the importation of flour, subject to the provisions of Memorandum to Authorized Agent Banks No. 159 and provided that the price quoted does not exceed $4.76 per 100 lbs., F.O.B. Canada or United States, the maximum price stipulated under the International Wheat Agreement.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

July 28, 1955

REDUCTIONS IN THE QUOTA ALLOCATIONS FOR THE SECOND SEMESTER OF 1955 IN ACCORDANCE WITH A RESOLUTION OF THE MONETARY BOARD ADOPTED AT ITS MEETING HELD ON AUGUST 16, 1955

A. **General Reduction of 50%**

1. Non-Essential Consumer items, exclusive of Division 65 and NEC quotas of Filipinos whose aggregate quota is $15,000.00 and below per semester;

2. Division 65—Textile yarns, fabrics and make-up articles, exclusive of quotas of Filipinos whose total allocation is $15,000.00 and below per semester; and

3. Non-Restricted Quotas—
   (a) Highly Essential or essential commodity
   (b) Miscellaneous and various
   (c) NEP or NEC

   except those of Filipinos whose total allocation is $15,000.00 and below per semester

B. **Special Reductions**

1.	Auto CKD parts	20%
2.	Steelrods and bars	50%
3.	Refrigerators (Household and Industrial) finished	30%
4.	Refrigerator parts (Imported by importers and not by producers)	30%

C. Quotas of Filipinos falling below $15,000, after the cut, have been proportionately readjusted to $15,000.

D. Essential and Non-Essential Producer Items, except textiles, are not subject to reduction.

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 240

As an exception to the provisions of Memorandum to Authorized Agent Banks No. 215, dated June 27, 1955, it is hereby advised that Agent Banks may proceed to open letters of credit covering the importation of flour, subject to the provisions of Memorandum to Authoriezd Agent Banks No. 159, provided that the price quotations will not exceed the following:

Canadian first grades	$5.95	C & F	Manila	per	100	#	or lbs.
American first grades	5.95	"	"	"	"	"	
American second grades	4.95	"	"	"	"	"	
American third grades	4.80	"	"	"	"	"	
Australian flour	4.26	"	"	"	"	"	

C & F quotations for Cebu and Iloilo shall carry an extra cost for freight of $0.07, for Davao, $0.30, and for Legaspi, $0.12 per 100 lbs.

This supersedes Memorandum to Authorized Agent Banks No. 231, dated July 28, 1955.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

August 16, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 241

Pursuant to a resolution adopted by the Monetary Board at its meeting held on August 16, 1955. Paragraph No. 1 of Memorandum to Authorized Agent Banks No. 191 dated May 27, 1955 is hereby amended to read as follows:

> "For old importers, including Pre-1953 New Importers, switching, as well as utilization of non-restricted quotas, shall be permitted only when the commodities applied for pertain to their regular line or lines of business as may be determined by the Bankers' Committee. As a guide, reference may be made to the pattern of commodity importations during the preceding calendar year."

Please be guided accordingly.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

August 17, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 243

Authorized Agent Banks are hereby requested to submit to this Department the names of their representatives and alternates together with three (3) copies of their latest photographs (about one inch square in size) in order that new identification cards can be issued to them.

Agent Bank representatives who do not have the new identification cards after August 31, 1955, will not be entertained in this Department.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

August 23, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 250

Pursuant to a resolution adopted by the Monetary Board on August 25, 1955, Agent Banks are hereby advised that no switching of foreign exchange allocation shall be permitted for the importation of Fans, Code No. NEC-890910 of the Central Bank Statistical Classification of Commodities dated July 1, 1955.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

September 8, 1955

Office of the Deputy Governor

MEMORANDUM TO AUTHORIZED AGENT BANKS

Effective immediately, all applications for refund of the 17% exchange tax must be filed with the Department of Finance, in accordance with a resolution of the Monetary Board dated September 13, 1955.

This procedure, therefore, supersedes that outlined in the Memorandum to Authorized Agents dated June 14, 1955 only with respect to applications for the refund of the exchange tax.

(SGD.) ANDRES V. CASTILLO
Acting Deputy Governor

September 19, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 251

Pending extension of the Trade and Financial Agreements with Japan which are expiring on September 30, 1955, Authorized Agent Banks are advised not to open letters of credit after said date.

Agent Banks may authorize the negotiation up to October 30, 1955, of drafts against letters of credit opened on or before the terminal date (September 30, 1955) of the aforecited Agreements.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

September 21, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 259

Pursuant to a resolution adopted by the Monetary Board at its meeting held on October 4, 1955, switching of commodity allocations to "Glazed Tiles," Commodity Code "NEP"—660207, is hereby limited to fifty (50%) per cent of the values of the letters of credit opened and negotiated during 1954 (against foreign exchange allocations for other commodities) for the importation of said commodity item.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

October 5, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 260

Pursuant to a resolution adopted by the Monetary Board at its meeting held on October 4, 1955, Agent Banks are hereby advised that:

1. All semestral foreign exchange quota allocations for "Shoe Laces", Commodity Code "NEC"—650522, are reduced by fifty (50%) per cent; and

2. No switching of commodity allocations to "Shoe Laces" shall henceforth be allowed.

The provisions of this Memorandum shall take effect immediately.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

October 5, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 264

As an exception to the provisions of Memorandum to Authorized Agent Banks No. 191, as amended, please be advised that Agent Banks may permit exchange switching by producers from spare parts to spare parts, provided that the total amount switched per semester shall not exceed 10% of the semestral quota for spare parts, or $1,000.00, whichever is lower, and provided further that such spare parts will be utilized directly in their productive operations.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

October 20, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 266

Effective today, Memorandum to Authorized Agent Banks Nos. 84 and 112 dated September 20 and November 17, 1954, respectively, are hereby revoked.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

October 20, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 267

Effective immediately, a levy of one-eight (1/8) of one per cent service charge shall be collected by Agent Banks on the combined amounts of M/T, T/T, D/D and letters of credit for payment of imports under ICA, PHILCUSA-USOM credits.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

October 20, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 270

The following rules shall govern extensions of letters of credit:

1. Agent Banks may extend unexpired L/C's up to six months from original date of opening.

2. Agent Banks may, for meritorious reasons and upon prior approval of the Bankers' Committee, extend unexpired L/C's covering agricultural, industrial and mining machinery and parts thereof beyond six months from date of opening, but in no case beyond one year from date of opening.

3. Expired L/C's opened against quotas pertaining to a previous semester may no longer be renewed (nor extended).

4. Where shipments of the commodities were effected on or before the expiry date of L/C's, as evidenced by the covering bills of lading, but presentation of shipping documents was made after such expiry date, the delay in presentation being due to circumstances beyond the control of the shipper, extension of relative L/C's may be authorized by Agent Banks, upon prior approval of the Bankers' Committee, only to permit negotiation of drafts drawn against said L/C's.

5. Expired L/C's opened during a current semester may be extended during the same semester, provided that the life of such L/C's shall not exceed six months from original date of opening.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

October 27, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 272

Pursuant to a resolution adopted by the Monetary Board on October 25, 1955, Agent Banks are hereby advised that:

1. No more additional foreign exchange allocation may be granted for the importation of coffee beans (NEP-070101);

2. The present fifty (50) per cent reduction on quota allocations for roasted, ground coffee (NEC-070102) and coffee extracts (NEC-070103) shall be maintained; and

3. No switching of quota allocations shall be allowed from other commodities to:

   NEP-070101 — Coffee, raw or green,

   NEC-070102 — Coffee, roasted including ground, and

   NEC-070103 — Coffee, extracts, essences and similar preparations.

This shall take effect immediately.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

October 31, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 273

Pursuant to a resolution adopted by the Monetary Board at its meeting held on October 18, 1955, Agent Banks are hereby advised that:

a) the commodity item "steel wool" has been deleted from the nomenclature of Commodity Code "EC"-690988, "Iron or steel wool, pot scourers, scouring and polishing pads etc."; and

b) a new commodity code number: "UI"-700925 has been assigned to "steel wool", for the importation of which no foreign exchange shall be provided.

The provisions of this Memorandum shall take effect immediately.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

October 31, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 276

Agent Banks are hereby requested to cancel immediately all foreign exchange quota allocations for beef and meat products covered by Memorandum to Authorized Agent Banks No. 49, as amended, dated July 16, 1954, as follows:

1. **Frozen beef**

   Code No. 010101 (EC) — Meat of bovine cattle (Beef, veal)

   Code No. 010108 (NEC)— Liver, kidney, tongue and heart of beef only

2. **Canned Meat**

   Code No. 010301 (EC) — Sausages of all kinds (except Bilbao type)

   Code No. 010306 (EC) — Corned beef

   Code No. 010305 (NEC)— Beef (containing 51% or more beef)

   Code No. 010312 (NEC)— Meat pastes and spreads containing 51% or more beef

The quotas to be cancelled as above stated shall be those computed on the basis of 1952 L/C's or M/T, T/T, or D/D remittances (including those opened or made in January, 1953) as well as those granted by the Monetary Board as additional or increased allocations for said commodity items.

An itemized report of the amounts so cancelled should be submitted to the Import-Export Department of the Central Bank by each Agent Bank as soon as possible.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

November 14, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 279

Pursuant to a resolution adopted by the Monetary Board at its meeting held on November 17, 1955, Agent Banks are hereby advised that, effective immediately, a levy of 1/8 of 1% service charge shall be collected on letters of credit to be opened by virtue of barter permits issued by the Department of Commerce and Industry. The collections shall be remitted to the Central Bank.

Please be guided accordingly.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

November 18, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 282

The following amendments to the Statistical Classification of Commodities, implementing Central Bank Circular No. 44 (Revised January 1, 1955), shall take effect today:

For correction:

NEC	650319	— "Cotton knitted fabrics"
NEC	650320	— "Synthetic knitted fabrics"

should read:

UI	650319	— "Cotton knitted fabrics"
UI	650320	— "Synthetic knitted fabrics"

All quota allocations (for Producers and Importers alike) for knitted fabrics described above shall be cancelled and reverted to the Central Bank.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

November 21, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 288

With reference to Memorandum to Authorized Agent Banks No. 273, Agent Banks are hereby requested to cancel all foreign exchange quotas of importers and producers established for the commodity item "steel wool", Code No. EC-690988 "Iron or steel wool, pot scourers, scouring and polishing pads, etc.", which has been reclassified to the UI category (UI-700925).

Henceforth, all foreign exchange quotas of producers as well as importers established for commodities which are subsequently reclassified to the UI category, shall be cancelled and reverted to the Central Bank.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

November 22, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 290

The following amendment to the Statistical Classification of Commodities, implementing Central Bank Circular No. 44 (Revised January 1, 1955) shall take effect immediately:

For correction:

NEC 890944 — "Appliances, apparatus and accessories for gymnastics, athletics or for sports and outdoor games (except rubber sole fabric top footwear)"

should read:

NEC 890944 — "Appliances, apparatus and accessories for gymnastics, athletics or for sports and outdoor games (except baseball catcher's mask, baseball body protector, baseball base, softball catcher's mask, softball body protector, softball base, and rubber sole fabric top footwear)"

Switching from any commodity allocation to NEC 890944, as amended, is prohibited.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

November 25, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 297

The following amendments to the Statistical Classification of Commodities, implementing Central Bank Circular No. 44 (Revised January 1, 1955) shall take effect immediately:

For correction:

Outerwear, knit or made of knitted fabrics

NEC 840121 — "Jackets, sweaters and other outerwear, cotton, n. e. s."

NEC 840123 — "Jackets, sweaters and other outerwear, rayon and other fabrics, n. e. s."

should read:

Outerwear, knit or made of knitted fabrics

UI 840121 — "Jackets, sweaters, and other outerwear, cotton, n. e. s."

UI 840123 — "Jackets, sweaters and other outerwear, rayon and other fabrics, n. e. s."

All quota allocations for the particular items of outerwear described above shall be cancelled and reverted to the Central Bank.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

December 9, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 299

Pursuant to a resolution adopted by the Monetary Board, the following instructions are hereby transmitted to Agent Banks:

1. The present foreign exchange quota allocations for "Household utensils, enamelled", Commodity Code No. "NEC"-690948, are further reduced by fifty (50%) per cent; and

2. The portions of such quota allocations so deducted shall be cancelled and reverted to the Central Bank.

The provisions of this Memorandum shall take effect immediately.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

December 14, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 301

Pursuant to a resolution adopted by the Monetary Board at its meeting held on December 1, 1955, Agent Banks may, upon prior application therefor, authorize the importation of the following commodity items under the Revised Informational Media Guaranty Program, covered by Regulation No. 12, dated February 22, 1955:

NEC 860301 — Cinematographic films exposed, whether developed or not

NEC 890211 — Maps and charts

Applications for the importation of the above commodity items under the Informational Media Guaranty Program must be supported by a certificate from the Philippine Informational Media Guaranty Program Committee to the effect that they are educational, scientific or cultural in nature.

The above commodity items may be considered as decontrolled when imported under the provisions of the Informational Media Guaranty Program and where no dollar remittance shall be involved; otherwise, such importation shall be charged to the quota allocation of the importer concerned.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

December 14, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 302

Effective today, Agent Banks are hereby instructed to refer to the Import-Export Department of the Central Bank all applications for opening letters of credit, or for the purchase of foreign exchange, to pay for imports of (a) new machinery and/or equipment with a unit price in excess of $30,000.00; and (b) used machinery and/or equipment with a unit price in excess of $5,000.00, chargeable against MRO quotas of "Producers", for proper valuation and appraisal by the Central Bank Consulting Engineer.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

December 16, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 306

Supplementing our Memorandums to Authorized Agent Banks Nos. 184 and 199 dated May 12, 1955, and June 13, 1955, respectively, Philippine copra exporters may now avail of the services of Blaauwhoed N. V. as sampler and weigher of copra shipments for the ports of Amsterdam and Rotterdam.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

December 20, 1955

MEMORANDUM TO ALL AUTHORIZED AGENT BANKS

For your information and guidance, it is hereby announced that the Philippine National Bank has been designated by the Monetary Board as the exclusive agent of the Central Bank in connection with transactions that may be authorized under the Escrow Account established in the Agreement between the Republic of the Philippines and the Government of Japan, which was signed in Manila on December 8, 1955, for the purchase by Japan of Philippine sugar in exchange for Japanese products. The Bank of Tokyo was designated by the Japanese Government as agent of the Bank of Japan to deal with the Philippine National Bank exclusively for the same purpose.

(SGD.) N. TOMAS
Acting Deputy Governor

December 22, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 308

Please be advised that importers and producers may utilize their 2nd semester 1955 regular quota allocations up to and including December 29, 1955.

Applications to open letters of credit and/or requests to remit by M/T, T/T, D/D in payment for imports against the 2nd semester regular quota allocations must be received by Agent Banks not later than 5 o'clock p.m. on December 29, 1955. Such applications which should be supported by all documents required under existing Central Bank regulations on the matter, should be stamped with the date and time they are received duly acknowledged by a responsible official of the Bank.

Agent Banks are hereby authorized to permit—

a) Utilization within thirty (30) days from receipt of advice of non-recurring and non-shiftable quotas granted by the Central Bank to importers and producers in December 1955;

b) Utilization within thirty (30) days from receipt of advice of approval by the Central Bank of requests for switching of second semester quota allocations which were filed with the Central Bank prior to the date of this memorandum. This refers to advices received by Agent Banks subsequent to December 1, 1955.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

December 23, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 311

The following amendment to the Statistical Classification of Commodities, implementing Central Bank Circular No. 44 (Revised July 1, 1955) shall take effect immediately:

For correction:

NEC 050317 — Concentrates (except pineapple)

should read:

NEP 050317 — Concentrates (except pineapple)

It shall be understood that, notwithstanding the above reclassification, the present quota allocations for this commodity item (as reduced by 50%) shall be maintained.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

December 28, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 313

For your information and guidance, we quote hereunder a letter of Acting General Manager of the National Marketing Corporation dated December 20, 1955, to wit:

> "Pursuant to our implementation of the Cassava Flour Law, we have previously authorized our Regional Managers for Iloilo, Cebu, Davao, and Legaspi to sign and issue 'Certification of Cassava Flour Purchase', a legal requirement for wheat flour importers in the opening of their letters of credit for wheat flour importations within their corresponding regions.
>
> "In view of the fact that we are closing all our Regional Offices and Agencies by December 31, 1955, we are, therefore, advising your good office our withdrawal of the said authority previously granted to the aforesaid Regional Managers effective January 1, 1956. 'Certification of Cassava Flour Purchase', as of January 1, 1956, will be issued only by our Central Office."
>
> Please be guided accordingly.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

December 28, 1955

IMPORT-EXPORT DEPARTMENT

MEMORANDUM TO AUTHORIZED AGENT BANKS NO. 318

In connection with the implementation of Export Regulations No. 1 dated December 16, 1949, and Memorandum to Authorized Agent Banks No. 12 dated May 12, 1953, effective January 1, 1956, authorized agent banks are requested to submit directly to the Export Division, Import-Export Department, the duplicate copies of utilized export declarations immediately after examination of the relative shipping documents. The schedule of export declarations described in Memorandum to Authorized Agent Banks No. 12 will continue to be submitted to the Department of Economic Research.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

December 29, 1955

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

January 4, 1955
(Release No. 32)

For deletion:

NEC 720110—Storage batteries—M.B. Res. dated December 21, 1954

For inclusion:

UI 720110—Storage batteries for automobiles and trucks—M.B. Res. dated December 21, 1954

NEP 720110-A—Storage batteries for industrial machineries—M.B. Res. dated December 21, 1954

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

January 26, 1955
(Release No. 33)

For deletion:

NEC 730201—Automobiles (passenger cars)

NEC 730202—Used automobiles

NEC 730205—Other passenger vehicles, including taxis
M. B. Res. dated January 25, 1955

For inclusion:

UI 730201—Automobiles (passenger cars)

UI 730202—Used automobiles

UI 730205—Other passenger vehicles, including taxis
M. B. Res. dated January 25, 1955

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

February 16, 1955
(Release No. 34)

For correction:

EP 530314—Zinc Paint

should read:

EP 530314—Zinc Pigment

EP 530317—Other, iron oxide and other mineral paints

should read:

EP 530317—Other, iron oxide and other mineral pigments

UI 660205—Floor tiles

should read:

UI 660205—Floor tiles (except vitrified tiles)

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

March 7, 1955
(Release No. 35)

For inclusion:

EC 890958—Colored and Indelible Pencils
M. B. Res. dated February 22, 1955

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

March 7, 1955
(Release No. 36)

For correction:

EP 530314—Zinc Pigment

should read:

EP 530314—Zinc Pigment (dry or packed in oil)

For deletion:

EP 890913—Button blanks and button molds, of metal

For inclusion:

NEP 890913—Button blanks and button molds, of metal

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

March 15, 1955
(Release No. 37)

For amendment:

The sub-heading—

"Articles made of plastics, n.e.s." under Division 89 "Miscellaneous Manufactured Articles" shall be amended to read:
"Articles made of synthetic materials, n.e.s."
M. B. Res. dated March 3, 1955

For deletion:

UI 890927—Toilet articles
M. B. Res. dated March 3, 1955

For inclusion:

UI 890927—Hygienic, medical and surgical articles of synthetic materials
M. B. Res. dated March 3, 1955

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

March 15, 1955
(Release No. 38)

For correction:

UI 890927—Hygienic, medical and surgical articles of synthetic materials
M. B. Res. dated March 3, 1955

should read:

EC 890927—Hygienic, medical and surgical articles of synthetic materials
M. B. Res. dated March 3, 1955

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

April 1, 1955
(Release No. 39)

For inclusion:

NEP 240310 —Balsa wood
NEC 510103-A —Hydrochloric acid (chemically pure)
NEC 510106-A —Sulfuric acid (chemically pure)
NEP 590920 —Handbag frames of synthetic materials
NEC 590921 —Cellulose tape or scotchtape
NEC 590922 —Beads and spangles of synthetic materials
NEC 670303 —Watch bands of base metal
NEP 700919 —Miscellaneous accessories and parts of household utensils, n.e.s.
NEP 700920 —Scale and balance parts and accessories
NEP 700921 —Handbag frames of base metal
EC 710634 —Accessories and parts, sewing machine
EP 710664 —Match making machineries
EP 710665 —Match making machinery parts and accessories
NEC 720163-A —Vacuum cleaner parts and accessories
EP 720184 —Chemical and pharmaceutical machineries
EP 720185 —Chemical and pharmaceutical machinery parts and accessories
NEC 840170 —Diapers
EP 860117 —Dental supplies, n.e.s.
EP 860130 —Safety equipment, apparatus and parts (all materials)
UI 890946-A —Parts and accessories of wheeled toys designed to be ridden by children
NEC 890959 —Fittings for loose-leaf binders
NEC 890995 —Compacts (vanity cases) of base metal
M. B. Res. dated March 22, 1955

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

April 19, 1955
(Release No. 40)

For deletion:

EP 710634—Accessories and parts, sewing machine

UI 890959—Fittings for loose-leaf binders

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

May 17, 1955
(Release No. 41)

For Correction:

EP 530315—Others, unprepared
should read:
EP 530315—Other chemical pigments, n.e.s.
EP 530318—Marine paint
should read:
NEC 530318—Marine paint
EP 610102—Patent leather
should read:
NEP 610102—Patent leather
EP 650515—Beltings
should read:
EP 650515—Beltings for machinery
EP 660414—Glass bulbs and glass envelopes for electric lamp manufacture
should read:
EP 660414—Electric light bulb blanks (without filament, bases or fittings)
NEC 660505—Glass tableware
should read:
NEC 660505—Table and kitchen glasswares and kitchen utensils
NEC 660510—Chimneys, globes, shades, not electrical
should read:
NEC 660510—Chimneys, globes, shades, for lighting fixtures
EP 720115—Parts of batteries
should read:
NEP 720115—Parts of batteries
NEC 890111—Musical instrument parts, n.e.s.
should read:
NEC 890111—Musical instrument parts and accessories, n.e.s.

For Correction:

UI 890970—Costume jewelry (including cuff links, studs and other articles for personal adornment)

should read:

UI 890970—Costume jewelry and other articles for personal adornment, n.e.s.

EP 240404—Shoe lasts

to be transferred to the group under the sub-heading of Wood Manufactures, n.e.s. (Page 28)

should read:

EP 630213—Shoe lasts

(M. B. Res. dated May 5, 1955)

For Inclusion:

NEC 010314	Meat juice
NEC 060110	Maple sugar and maple syrup
NEC 090922	Food preparations for babies
NEP 240404	Shoe cork fillers
EC 590909	Herbicides and other similar preparations, n.e.s.
EC 590923	Pipes, tubes and fittings of synthetic materials
NEC 590924	Screen wire of synthetic material
NEC 620925	Rubber tiring for tricycles, baby carriages and other velocipedes
EC 690934	Sewing machine needles
NEP 700922	Shoe shanks of metal
NEC 700923	Shoe trees, of metal
EC 710421	Accounting and bookkeeping machine parts
EC 710422	Stapling machine parts
EP 710611-A	Well drilling machinery parts
EP 710666	Wrapping and packing machinery, parts and accessories
NEC 890950-A	Ball pens
NEC 890954-A	Ball pen cartridges
NEC 890996	Sewing and embroidery kits
UI 890997	Ruler (all materials)
NEC 890998	Cuff links, studs and key chains

(M. B. Res. dated May 5, 1955)

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on January 1, 1955) and Circular No. 45 and Clarification Thereof

June 1, 1955
(Release No. 42)

For Correction:

NEP 510116—Calcium carbide

should read:

UI 510116—Calcium carbide—M.B. Res. dated May 24, 1955

EC 890960—Writing ink

should read:

UI 890960—Writing ink—M. B. Res. dated May 24, 1955

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof

July 20, 1955
(Release No. 43)

For reclassification:

EP 650505—Rubberized cotton fabrics (shoe tops)

should read:

NEP 650505—Rubberized cotton fabrics (shoe tops)
M. B. Res. dated July 12, 1955

For inclusion:

NEP 010316—Sausage casings, artificial

NEP 010317—Sausage casings, natural
M. B. Res. dated July 12, 1955

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof

August 29, 1955
(Release No. 44)

For inclusion:

NEC 891007—Christmas tree decorations of all materials (excluding lighting fittings and bulbs)

EC 060111—Corn syrup, milk modifier for infant feeding

UI 060112—Corn syrup for table use

UI 550215—Hair Pomade

EC 720186—Automobile, truck, bus, and tractor service equipment, and appliances

NEP 640225—Filter paper, cut to size

NEP 640226—Fiber paper, woven for upholstery

NEC 310324—Bituminous coatings, liquid and plastic

EP 530322—Pyroxylin undercoat and putties

For Correction:

EP 590901—Plastic sheets and sheetings

to read:

EP 590901—Plastic sheets and sheetings (excludes manufactured products)

Page 52, sub-heading entitled:
Apparatus (other than radio & TV) for communications; Electric line telephone and telegraphic

to read:

Apparatus for communications; Electric line telephone and telegraphic

UI 890997—Ruler (all materials)

to read:

UI 890997—Rulers, all materials (excluding carpenter's rules)

UI 820101—Chairs and other seats (including convertible bed-settees and the like) and parts thereof, of wood

to read:

UI 820101—Chairs and other seats (including convertible bed-settees and the like), of wood

UI 820102—Medical and surgical furnitures (operating tables, hospital beds, dentists' pedestals, dentists' and other chairs with mechanical fittings) and parts thereof, of wood

to read:

UI 820102—Medical and surgical furniture (operating tables, hospital beds, dentists' pedestals, dentists' and other chairs with mechanical fittings), of wood

UI 820103—Other furniture and parts thereof, of wood, n.e.s.

to read:

UI 820103—Other furniture, of wood, n.e.s.

UI 820105—Chairs and other seats (including convertible bed-settees and the like) and parts thereof, of metal

to read:

UI 820105—Chairs and other seats (including convertible bed-settees and the like), of metal

NEC 820106—Medical and surgical furniture (operating tables, hospital beds, dentists' pedestals, dentists' and other chairs with mechanical fittings) and parts thereof, of metal

to read:

NEC 820106—Medical and surgical furniture (operating tables, hospital beds, dentists' pedestals, dentists' and other chairs with mechanical fittings), of metal

UI 820107—Other furniture and parts thereof, of metal (desks and other office furniture), n.e.s.

to read:

UI 820107—Other furniture, of metal (desks and other office furniture), n.e.s.

UI 820108—Chairs and other seats and parts thereof, of other materials

to read:

UI 820108—Chairs and other seats, of other materials

UI 820109—Other furniture and parts thereof, of other materials, n.e.s.

to read:

UI 820109—Other furniture, of other materials, n.e.s.

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof

August 29, 1955
(Release No. 45)

For correction:

NEC 690107—Rifles

should read:

NEC 690107—Rifles (excluding .22 caliber rifles, Model 511 of Remington and Model 69 of Winchester)
M. B. Res. dated August 18, 1955

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44 (Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof

October 4, 1955
(Release No. 46)

For correction:

HE 540103—Chloromycetin (bulk or dosage)

to read:

HE 540103—Chloramphenicol, bulk (includes Chloromycetin)

Page 22, Sub-heading entitled:

Vaccines

to read:

Biologicals for human use

EP 690978—Other metal containers for transport and storage, n.e.s.

to read:

EP 690978—Other metal containers for transport and storage, n.e.s. (including collapsible tubes)

NEC 090903—Gelatin, edible, includes empty gelatin capsules

to read:

NEC 090903—Gelatin, edible

NEC 730308—Baby carriages

to read:

NEC 730308—Baby perambulators (buggies, carriages, prams, sulkies, strollers, walkers)

EP 700912—Stoppers, bottle caps, capsules and other packing accessories of base metal

to read:

EP 700912—Stoppers, bottle caps, (screw-cap type, excluding crown caps for soft-drinks and beverage bottles) capsules, and other packing accessories of base metal

UI 700924—Crown corks

to read:

UI 700924—Crown corks or crown caps for soft-drink and beverage bottles

For deletion:

EC 540251—Other biologics, n.e.s.

For inclusion:

EP 510220—Medicinal chemicals, n.e.s. (including chemicals of U.S.P., N.F., C.P. or other official grades)

EC 540103-A Chloramphenicol, dosage (includes Chloromycetin)

EC 540231—Other biologicals, n.e.s.

EP 540411—Culture media for assay and testing

EP 540421—Alkaloids and glucosides in bulk

NEP 540431—Chemical mixtures, formulas or compounds, in bulk

EP 690917—Gelatin capsules, empty

EP 620926—Bottle caps, bulbs, plugs, seals, and stoppers of rubber

EP 510322—Printing ink specialties and driers

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof

October 10, 1955
(Release No. 47)

For reclassification:

EP 730212—Chassis, with engines mounted, of trucks, busses and lorries

to read:

UI 730212—Chassis, with engines mounted, of trucks, busses and lorries

For correction:

EP 730215—Bodies, chassis, frames, engines, and any other part for assembly plants

to read:

EP 730215—Bodies, chassis, frames, engines, or any other truck parts, completely knockdown and specially fabricated for truck assembly plants

For inclusion:

EP 730216—Bodies, chassis, frames, engines, or any other passenger car parts, completely knockdown and specially fabricated for passenger car assembly plants

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES IMPLEMENTING CIRCULAR NO. 44

(Revised on July 1, 1955) and Circular No. 45 and Clarification Thereof

October 19, 1955
(Release No. 48)

For correction:

NEP–080109—"Food wastes and prepared animal feeds, n.e.s.

should read:

NEP–080109—"Food wastes and prepared animal feeds, n.e.s. (including alfalfa meal)"

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES (REVISED JULY 1, 1955), IMPLEMENTING CIRCULAR NOS. 44 AND 45

(Release No. 49)

October 31, 1955

For correction:

EC - 590906 — Disinfectants and deodorants

to read:

EC - 590906 — Disinfectants and deodorants, household and industrial (excluding personal deodorants)

For reclassification:

NEP - 590903 — Other plastic materials, in primary forms, n.e.s.

to read:

EP - 590903 — Other plastic materials, in primary forms, n.e.s.

For correction and reclassification:

EC - 690988 — Iron or steel wool, pot scourers, scouring and polishing pads, etc.

to read:

NEC - 690988 — Pot scourers, scouring and polishing pads, etc. (made of iron, copper or other metal alloy except steel wool)

For inclusion:

EC - 550216 — Personal deodorants, all kinds (Mum, Odorono, etc.)

EC - 640227 — Pressure-sensitive adhesive tapes, paper-backed

UI - 700925 — Steel wool

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES (REVISED JULY 1, 1955), IMPLEMENTING CIRCULAR NOS. 44 AND 45

(Release No. 50)

November 9, 1955

For correction:

NEC - 010311 — Soups, consomme, chowder

to read:

EC - 010311 — Soups, consomme, chowder

NEC - 090914 — Vegetable soup

to read:

EC - 090914 — Vegetable soup

The amendments indicated above shall take effect immediately.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES (REVISED JULY 1, 1955), IMPLEMENTING CIRCULAR NOS. 44 AND 45

(Release No. 51)

November 18, 1955

For inclusion:

1. EC - 891008 — Duplicating ink

   NEC - 890216 — Comic magazines, new issues

For correction:

1. EP - 680408 — Aluminum powder

   to read:

   EP - 680408 — Aluminum powder and paste

2. EP - 640221 — Multiwall bags for desiccated coconuts

   to read:

   EP - 640221 — Multiwall bags and sacks for desiccated coconuts, cement, gypsum, and other articles weighing 25 lbs. or more

3. EP - 530310 — Lead, white

   EP - 530311 — Lead, red

   to read:

   EP - 530310 — Lead, white (in powder form or packed in oil)

   EP - 530311 — Lead, red (in powder form or packed in oil)

The amendments indicated above shall take effect immediately.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES (REVISED JULY 1, 1955), IMPLEMENTING CIRCULAR NOS. 44 AND 45

(Release No. 52)

November 21, 1955

For correction:

1. EP - 690923 — Nuts, bolts, washers, rivets, screws, and spikes iron and steel

to read:

EP - 690923 — Iron and steel heavy machine bolts and heavy nuts, washers, screws, spikes: Iron and steel carriage bolts (ribbed neck, countersunk head, deck bolt, sleigh shoe bolt); Iron and steel rivets (small countersunk head rivets, small flat head rivets, large cone head rivets, large flat-top countersunk rivets, large round top countersunk rivets, large pan head rivets, large swell neck on rivets). (All except those specified under Commodity Code No. UI-700926.)

For inclusion:

1. UI - 700926 — Iron and steel regular machine bolts (square and hexagonal heads) and regular nuts (square and hexagonal) with sizes as follows:

Diameter	Length
1/4"; 5/16"	3/4"; 3"
3/8"	1" to 12"
1/2"; 5/8"	1" to 36"
3/4"; 7/8"; 1"	2" to 36"
1-1/2"; 1-1/4"	6" to 26"

Iron and steel carriage bolts (square neck), with sizes as follows:

1/4"; 5/16"; 3/8"; 1/2" ..... 1" to 6"

Iron and steel rivets (round head), with sizes as follows:

3/16"; 1/4"; 5/16"	3/8" to 1-1/2"
3/8"	3/4" to 4"
1/2"; 5/8"; 3/4"; 1"	1" to 6"

Nuts alone (without bolts), not included.

The amendments indicated above shall take effect immediately.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES (REVISED JULY 1, 1955), IMPLEMENTING CIRCULAR NOS. 44 AND 45

(Release No. 53)

November 23, 1955

For correction:

NEC - 890944 — "Appliances, apparatus and accessories for gymnastics, athletics or for sports and outdoors games (except rubber sole fabric top footwear)"

to read:

NEC - 890944 — "Appliances, apparatus and accessories for gymnastics, athletics or for sports and outdoor games (except baseball catcher's mask, baseball body protector, baseball base, softball catcher's mask, softball body protector, softball base, and rubber sole fabric top footwear)"

The amendment indicated above shall take effect immediately.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES (REVISED JULY 1, 1955), IMPLEMENTING CIRCULAR NOS. 44 AND 45

(Release No. 54)

December 9, 1955

For inclusion:

1. EP 650527 — Twines and cords, silk and synthetic fibers
2. EP 640130 — Paper materials, coated, impregnated, rubberized, or vulcanized, other than bituminized or asphalted
3. NEC 530323 — Tire paints

For correction:

1. NEC 650208 — Cotton duck
   NEP 650504 — Canvas
   to read:
   NEC 650208 — Cotton duck and/or canvas
   NEP 650504 — Cotton duck and/or canvas, rubberized
2. HE 540109 — Ilotycin (bulk or dosage)
   to read:
   HE 540109 — Erythromycin, bulk or dosage (including Ilotycin, Erythrocin, etc.)
3. EP 590916 — Blacking and leather dressing
   to read:
   EP 590916 — Blacking and leather dressing (excluding paste and powder for cleaning, polishing and preserving leather, i.e. shoe polish, shoe dyes, etc.)
4. EC 840171 — Sanitary belts
   to read:
   EC 840171 — Sanitary belts, abdominal belts, elastic abdominal supporters, elastic stockings for varicose veins, sacroilliac supporters, and similar articles.

For Deletion:

1. NEC 650507 — Garters, suspenders, armbands, and braces (all materials, includes supporters)

The amendments indicated above shall take effect immediately.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

IMPORT-EXPORT DEPARTMENT

AMENDMENTS TO THE STATISTICAL CLASSIFICATION OF COMMODITIES (REVISED JULY 1, 1955), IMPLEMENTING CIRCULAR NOS. 44 AND 45

(Release No. 55)

December 14, 1955

For correction:

Household utensils of iron, steel and aluminum (whether enamelled or not)

NEC 690948 — Household utensils, enamelled

to read:

NEC 690948 — Household utensils, enamelled (excluding rice plates, coffee pots and lunch carriers, all enamelled, now "UI")

Sinks, washbasins, bidets, baths, and other sanitary and plumbing fixtures of metal (whether enamelled or not)

EC 810203 — Of iron and steel

to read:

EC 810203 — Of iron and steel (excluding chamber pots and washbasins, enamelled, now "UI")

The amendments indicated above shall take effect immediately.

(SGD.) G. S. LICAROS
Special Assistant to the Governor

PROCEDURE GOVERNING APPLICATION BY END-USERS FOR EXCHANGE SETTLEMENT

I. End-users are classified into "industrial raw material end-users" and "direct end-users". The applications of such end-users for exchange settlements for imports shall be governed by the provision of this Procedure, unless otherwise provided for by laws or executive orders.

II. The applications of Industrial Raw Material end-users shall be limited to applications for import of essential raw materials needed for production and such applicants shall be limited to those important industries connected with national defense and the people's livelihood, or whose products are for export, so as to increase our exchange receipts or to save our exchange expenditure through substitution of such products for imported commodities.

III. Factories, qualified under II above, in possession of factory registration certificates and constantly manufacturing products specified in their factory registration cards may register themselves with the administrative agency in charge of the industry as periodic end-users for industrial raw materials and apply for such registration by submission of the following:

(1) Condition of production facilities; (inclusive of power-driven machinery, plants, equipments, etc.)

(2) Item, description, and quantity of products manufactured in the past six months, quantity and amount of the actual sales of such products.

(3) Item, description, quantity and amount of raw materials bought by the factory in the past six months and their actual consumption.

(4) Item, description, quantity and usage of raw materials to be applied for import.

(5) Other related matter; (such as consumption amount of power and fuel).

IV. Industrial raw material users who have applied for registration shall be investigated by staff of the administrative agency in charge of industry or jointly with the guild or association of the respective industry concerned or with the provincial association of industries on their actual conditions and shall be screened in accordance with their production policy and actual requirements. Results of such screening shall be transmitted to FETCC for final screening and approval.

V. Industrial raw material users, whose registrations have been approved, shall be investigated once every two months by the administrative agency in changes of industry to find out their use of raw mate-

rials, to check whether the quality of their products is up to standard, whether the sales prices of their products are fair and reasonable and to decide on whether the allocation should be continued, curtailed or suspended. After the announcement of the import commodity budget for a given period, the agency shall compile and submit a list of allocation for approval of FETCC, and notice of allocation shall be issued by FETCC or through the said agency.

VI. Industrial raw material end-users shall apply within twenty days after the issuance of the notice of allocation, for exchange settlement with a complete set of application form for import exchange settlement (in six copies) supplier's letter or cable of quotations or offers; and notice of allocation in accordance with the procedure governing application for import exchange settlement or appoint registered, qualified traders to apply for their account together with letter of authorization and the above-mentioned documents.

VII. Direct end-users shall be limited to the following end-users and supplies.

(1) Such users shall be limited to factories, mines or other direct-users, or agricultural or fishery bodies duly approved by FETCC.

(2) Supplies shall be limited to important machinery, productive implements, equipment, vehicles, vessels or raw materials, seeds, fish fry and animals for breeding purpose required for their own use by the respective end-users or members.

VIII. Direct end-users shall apply within the import exchange budget for items for special end-user allocations financed with Government exchange or United States Aid commercial procurement funds as announced by FETCC or within the periodic import exchange budget for items for end-users, and for items of supply within the amounts, and periods of application with agencies as specified therein.

IX. FETCC or the Administrative agency concerned, may order direct end-users to report on their production and sales conditions, business plans or other related matters for screening purposes. Agricultural and fishery bodies applying for import of productive implements, and seeds for their members should submit detailed plan of allocation and list of allocation. Administrative agency in charge shall be informed by FETCC to supervise such allocation when application has been approved.

X. A notice of allocation shall be issued by FETCC or by the administrative agency in charge on its behalf when the application of direct end-users for import has been directly approved by FETCC or through the administrative agency in charge.

XI. Following the issuance of the notices of allocations for exchange settlement, direct end-users shall within the time limit specified therein in accordance with the procedure governing application for import exchange settlement, apply to Bank of Taiwan for exchange settlement with a complete set of application form for import exchange settlement (in six copies) supplier's letter or cable of quotations or offers and notice of allocation.

XII. This procedure shall be implemented upon approval of FETCC.

CRITERIA GOVERNING SCREENING OF APPLICATIONS FOR ORDINARY IMPORT FOREIGN EXCHANGE

I. Applications for ordinary Import Foreign Exchange included in the foreign exchange allocation budget to private importers and to private end-users announced periodically at certain fixed periods and/or under a special import foreign exchange budget without fixed periods shall be screened according to these criteria. Allocations of foreign exchange under United States Aid Commercial Procurements to private importers and/or to end-users through FETCC under an overall plan except where they are subject to special regulations for such procurements shall be screened by these criteria.

II. Importers applying for ordinary import foreign exchange must conform to the Procedures governing Import Foreign Exchange Settlements and their applications shall be screened by FETCC according to the following criteria:

(1) No consideration shall be given to an application in which the commodity to be imported is not within the registered business scope of the applicant.

(2) No consideration shall be given to an application for importing a commodity for which there is no more foreign exchange available under the commodity budget.

(3) Applications not in conformity with the stipulated procedures and/or without the necessary supporting document shall not be given consideration.

(4) Applications in which the amount of foreign exchange applied for exceeds the maximum limit specified in the Procedure Governing application for Import Foreign Exchange shall be considered.

(5) No application shall be approved in cases where the required price quotations are not submitted, signed, and stamped according to regulations, or where the prices listed do not check with the prices prevailing abroad and the transaction shows a sign of possible illicit arbitrage.

(6) Approval will be given when the total amount of applications for the respective commodities does not exceed the amount available from the budgeted amount and the unit price, description and other matters are found to be in conformity with requirements.

III. If, after deleting the disqualified applications, the total amount of applications exceeds the amount of foreign exchange available under the respective categories in the Commodity Budget, such applications may be dealt with in the following ways:

(1) Priority of approval shall be given to those applications where a lower import cost compatible with quality or a lower maximum local wholesale price are declared.

(2) Applications of importers who have registered as dealers in one single category of import commodities may be given priority of approval.

(3) Priority of approval shall be given to currencies having a larger balance in the exchange budget.

(4) Applications for import foreign exchange filed at earlier dates shall be given priority of approval over applications filed at later dates.

(5) If the applicant is the holder of a Foreign Exchange Certificates and has attached a copy of the certificate to the application for import foreign exchange settlement filed with Bank of Taiwan, his application may be given priority of approval.

(6) Aside from the foregoing, FETCC may allocate foreign exchange to applications screened and approval under the same criteria and such allocations shall be made pro-rata to the various amounts applied for. Or alternately, out of the total budgeted amount of exchange then available for allocation, a minimum Basic amount shall be fixed for each applicant above which basic minimum amount, exchange shall be allocated pro-rata to the various applications.

(7) If the amount of foreign exchange allocated to any importer is insufficient to cover his application but is over and above the cost of a minimum unit quantity of the commodity to be imported, the amount of the allocation given may be increased or decreased so as to enable the importer to import a minimum quantity of the commodity to be imported.

(8) If the amount of foreign exchange alloted to an importer is less than the amount originally applied for so that the unit cost, freight, insurance, etc., must be increased proportionately, he may file with Bank of Taiwan another application for the additional foreign exchange within the limit of the terms contained in the proforma invoice.

(9) FETCC may designate traders applying for a certain category of commodities to jointly open one letter of credit if it is considered that the respective amounts of approval are too small.

IV. Applications for ordinary import foreign exchange by end-users shall be made according to the Procedures Governing Applications by End-Users for import exchange and screened by FETCC according to the following criteria:

(1) Applications by End-Users for industrial raw materials shall be made according to the items of supplies to be imported, their specifications, quantities and amounts as contained in the Notice of Allocation

issued by the administrative agency in charge of industry or FETCC. No application shall be approved if it exceeds such specified limits.

(2) Applications by end-users under a special import budget or a periodic import budget shall be made according to the descriptions, specifications, quantities, and amounts in the Notice of Allocation. No application shall be approved if it exceeds such specified limits.

(3) No application shall be approved unless it is accompanied by seller's proforma invoice and unless the prices submitted are true and competitive.

(4) No application shall be approved if it is made after the time specified in the Notice of Allocation has already expired and has not been extended on prior application.

(5) Approvals shall be given to applications in which all details are in agreement with those in the respective Notice of Allocation and in which prices have been found to be reasonable.

V. These criteria shall be implemented upon approval of FETCC.

PROCEDURE GOVERNING THE APPLICATION FOR IMPORT EXCHANGE BY PRIVATE TRADERS

I. The application for import exchange by registered private traders shall be governed by these regulations unless otherwise provided for by laws or executive orders of the Government.

II. Private traders should apply for import exchange in accordance with commodity classifications, amounts and periods of application as specified in the periodic import commodity budget or special import commodity budget as announced by the FETCC.

III. The periodic import commodity budget shall be announced once every two months. FETCC shall specify the dates for accepting the applications for different categories of commodities, or designate certain commodities whose applications shall be accepted in different batches in order to meet the market needs.

IV. The categories of commodities, amounts, periods of application, qualifications of applicants, and methods of allocation in the special import commodity budget shall be formulated and announced by FETCC from time to time in the light of the market supply and demand situation and the issuance of commercial procurement P/A's.

V. The categories of commodities whose import exchange is being applied for by private traders shall be limited by the following:

(1) Commodities to be applied for shall be limited to the registered business scope of the respective traders.

(2) The commodity to be applied for in each application shall be limited to only one category of commodity in the Import Commodity Budget.

(3) Application for pharmaceuticals, Chinese medicines, radio equipment, food stuffs, seedlings and other commodities whose trading requires special business license as prescribed by administrative agency in charge shall be accompanied by such special business license for examination.

(4) Application for suspended or controlled import items shall be supported by import license for import of suspended or controlled items issued by the agency in charge.

(5) Commodities whose import shall be jointly applied for by the respective trade concerned as specified by FETCC shall be imported accordingly.

VI. Any trader applying for the exchange allocation for his import should give due consideration to the quota available for the com-

modity in the import commodity budget and of his business capability and should not send in an application beyond the said limits.

FETCC may set up criteria to restrict the amounts of the applications sent in by the traders.

VII. Applications of traders for import exchange shall be submitted to BOT, Head Office and its Kselung, Kaohsiung and Tainan branches for transmission to FETCC for screening, with the following documents:

(1) Importer's qualification card;

(2) Complete set of application for permission to import (Hereinafter referred to as "application");

(3) Foreign seller's proforma invoice in duplicate;

(4) An applicant in possession of exchange settlement certificates may submit copies of such certificates together with his applications for import;

(5) Declaration of maximum local wholesale price of commodities to be imported (forms attached);

(6) Other documents to be submitted as required by this Procedure.

VIII. Attention should be paid to the following matters in the filing of applications:

(1) The name, trade mark, source of supply, quality, packing unit (the quantity or weight contained in each unit) and all other specifications, such as length, dimension, size, weight, grade, net content of the commodity should be filled in detail item by item.

(2) In reporting the price of the commodity, the freight, insurance premium and fee for consular invoice should be listed separately, calculated according to the total FOB cost of the import commodity in addition to the listing of unit price on FOB basis. No consolidated price on CIF basis is allowed.

(3) All the foreign commissions, rebates or other foreign currency receipts earned by the trader on the business should be correctly and truthfully listed.

(4) The Chinese name of the commodity should be given when there is a Chinese name. If the name used for the commodity does not signify the nature of the commodity, its technical name should be given.

(5) Use of the commodity should be given if its use is not generally known.

(6) Designs, photos, samples or written description should be submitted for machinery or other special commodities.

(7) The number of registration certificate issued by the Ministry of Interior should be given for import of pharmaceuticals which require registration with the said Ministry.

IX. Attention should be given to the following matters in the proforma invoice:

(1) The proforma invoice should contain the price of the commodity, the terms and the date of quotation or offer, signed or chopped by the supplier and counter-chopped with the seal of the applicant's firm.

(2) The offerer or consignor contained in the proforma invoice should be the same as contained in the application.

(3) If the offer is on CIF basis, the unit price, freight and insurance premium should be separately listed. If there is any variation of unit price, freight and insurance premium on account of increase or decrease of goods to be bought, such variation should also be given.

(4) Reasons for varying prices for the same category of commodity should be given.

(5) The latest copy of price lists currently printed and mailed by manufacturers or their agents may be submitted to PSCI for reference by the applicant, after putting on the seal of the applicant's firm on such lists. Written statements may be made on subsequent applications to the effect that the price of the commodity under application is contained on a certain page of the price list previously submitted, and no price list need be attached. However, when there is any change in the price list, notice should be given to the PSCI for registration from time to time.

(6) Branch offices or general agents in Taiwan of foreign manufacturers may issue proforma invoices, but letters or cables containing quotations or offers by the head offices or manufacturers concerned should be submitted to FETCC for registration.

X. Traders should submit for record an undertaking (see attached form) to PSCI when they apply for import exchange for the first time in order to confirm that they will abide by the foreign exchange and trade regulations, and various laws and executive orders on currency, finance and commodity prices promulgated by the Government.

XI. Traders applying for import exchange financed by United States Aid Commercial Procurement funds shall be governed by these regulations unless otherwise provided for in the United States Aid Commercial Procurement Procedure.

XII. These regulations shall be implemented upon approval of FETCC.

Seventh Annual Report, 1955
Central Bank of the Philippines

E R R A T A

Page	Lines to be corrected	As corrected
11	2nd line of 2nd paragraph: to be a record $387 billion	a record $387 billion ....
22	2nd line of 1st paragraph: from ₱272.69 million at	from $272.69 million at ....
46	2nd column of table: Raw Materials 610,511	Raw Materials 610,501
59	4th line of footnote d/: ....which did not include money supply, ...	.... which did not increase money supply, ...
119	5th line from the last line of the 4th paragraph: ....about 2 million or 68 per cent above the	.... over 2 million or 68 per cent above the ....
135 & 136	Caption of last column: Per cent (Ratio, 1955/1954_	Per cent (Ratio, 1955/1954)
146	Footnote r/ of table: The urgent revision of the	The upward revision of the ....
322	Indentions of Table 94: Non-Durable Manufactures Food Manufacturing, Slaughtering.... .... Beverages	Non-Durable Manufactures Food Manufacturing ..... Slaughtering .... Beverages

PRINTED BY CACHO HNOS., INC.
2709 LEGARDA, MANILA