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大日本帝國政府

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- マ 控訴院及第一審裁判所改組ニ關スル大統領令第二七號 三四五
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本領宛先 大東亞大臣、外務大臣

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大日本帝國政府

政務局 第一課  
普通合第一一八號

昭和十九年五月十八日

在フイリピン  
臨時代理大使

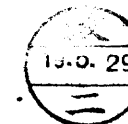
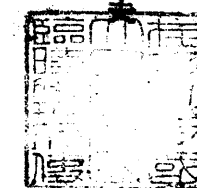
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Official Gazette



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## The Official Month

**EVIDENCE** showing that the Government desires to work out the economic salvation of the people are the issuance of Proclamation No. 10, "calling upon the students of public and private institutions of learning, the members of the Kalibapi, neighborhood associations, civic and religious organizations, and other elements of the community to actively assist in carrying out the campaign for greater food production" and the promulgation by the Food

Administrator of Orders Nos. 7 to 16-A. Of the Food Administration orders, the first fixes the maximum prices of palay in various regions of Luzon; the second creates an organization to be in charge of controlling the production, supply and distribution of rice and such other cereals as the Food Administrator himself may, from time to time, determine; the third provides that the provisions of Act No. 9, known as the Food Administration Act, shall be enforced in the entire Philippines; the fourth provides for the compulsory cultivation of all private yards and vacant lots in Manila; the fifth, fixes the official prices of palay, rice and its by-products in Nueva Ecija, Bulacan, Pampanga, Tarlac, Pangasinan, and Manila; the sixth asks all fish producers to be members of fishery cooperative associations; the seventh provides for the registration of hatirin, bangus fingerlings, and restricts the catching and sale of bangus; the eighth demands the compulsory stocking of idle swimming pools, fountains, backyard ponds and other bodies of fish water with fresh water species of fish like carp, pla-salit, sepatsiam and gourami; the ninth provides for the registration of fishing boats and fishing gear and the control of fishing equipment, supplies and materials; the tenth fixes the maximum prices of fresh fish; and the last fixes the official prices of dried, smoked, or preserved fish.

In connection with the creation of the *Bigasang Bayan* as the body charged with the control of the production, supply, and distribution of rice and other cereals, His Excellency, President Jose P. Laurel, speaking before members of District and Neighborhood Associations at the Manila City Hall on January 5, 1944, declared that the NARIC—which the BIBA was going to replace—had outgrown its usefulness, and that a new organization would have to be created clothed with the same functions as its predecessor, but expected to supervise the production, supply, and distribution of those primary cereals which the people need in an efficient, methodical, and clean manner.

Believing that the campaign for more food can be accomplished if all Filipinos unite, the Board of Information, the creation of which is provided for under Executive

Order No. 29, undertook to effect the provisions of Proclamation No. 11. Proclamation No. 11, specifies that the week from January 19 to 25, 1944, inclusive, be known as General Amnesty Week within which all citizens, public and private, must cooperate in convincing those members of guerrilla units to give up their present activities, return to their respective homes and help in the promotion of peace and in food production.

After the General Amnesty Week expired, the Board of Information was pleased to announce that it had accomplished its task with unexpected results. The Chairman and members of the General Amnesty Board who collaborated with the Board of Information were also cited for the yeoman spirit they showed in persuading guerrilleros to come down and join hands with the young Republic with a view to reconstructing the Philippines and restoring complete peace and order for the welfare, benefit and happiness of all the Filipino people. The Speaker of the National Assembly, as the campaign was going on, also delivered a speech over Station PIAM, during the course of which he appealed "to all our countrymen who still entertain doubts and misgivings concerning the present government of our country" to join the rest of the nation in the great movement to promote the progress of the Philippines and other East Asian nations.

In a statement he issued on January 29, 1944, President Laurel expressed his gratitude to the guerrilleros and to other political offenders who had availed themselves of the General Amnesty Proclamation. He said, "I wish to thank you from the bottom of my heart for this great step you have taken. It lightens so much the more the burden of pursuing the common task of building a new nation that is worthy of our affection and undying loyalty. With you I am happy to share the privilege of carrying on with this great responsibility. I am confident, now that you have pledged yourselves to a life of peace and cooperation, that you will do your very best cheerfully and courageously to assume the obligations that will be yours in strengthening our solidarity as a people, observing the most faithful discipline in so far as it will enhance the common welfare."

While appeals for more food production occupied the attention of the people, the reorganization of the administrative and judicial machinery of the Government went on. On January 3, 1944, Act No. 20, appropriating "funds for the operation of the Republic of the Philippines during the fiscal year ending December 31, 1944, and for other purposes" was approved. Executive Order No. 28, "requiring all government officers and employees whose appointments are not by the Constitution vested in the President to vacate their positions"; Executive Order No. 27, reorganizing the Court of Appeals and Courts of First Instance; Executive Order No. 29, creating the Board of Information; Executive Order No. 30, changing the designations of the Director and Assistant Directors of Constabulary and prescribing a new schedule of salaries therefor and for the other commissioned officers of the Philippine Constabulary; and Executive Order No. 32, transferring the powers, duties, and functions of the board of directors of government owned or controlled corporations to the Office of the President, were issued. On January 12, 1944, newly-appointed Minister and Vice-Minister of Health, Labor and Public Welfare, Emiliano Tria Tirona and Ramon Macasaet, respectively, took their oath of office.

The Government program to advance the study and propagation of the national language was pushed forward further as the Ministry of Education opened a school to be devoted to the teaching of Tagalog. In a message he sent at the opening of the school, the President had this to say to its students: "Hinggil sa ating wikang pambansa, na nasa yugtô ng kaunlaran, kayô, gaya rin nang dati, ang siyang mga pangunahing tagapagtaguyod. Buhat sa paaralang itô kayô ay palalabasin sa kaukulang pa-

nahon na lubô nang sanáy at nakahanda upang ikalat ang mga bagong aralin sa pinakamalayo at pinakatagong sulok ng inyong bansa na ang Republika ng Pilipinas ay may sariling wikâ na ngayon, na siyang makapaghahayag ng mga kaisipan at lunggatin ng mga mamamayan, at ang wikang iyan, sa pamamagitan ng masusing mga pag-aaral at mga pagpapayaman, ay siyang magiging wikâ ng mga batang Pilipino na hindi pa isinisalang sa pagkakatitô na ngayon ang wikang panlahat ng buong bansa." Of our national language, now happily on an advanced stage of perfection, you are, as it were, the first national torchbearers. From this institute you will be sent out in due time fully trained and equipped to spread to the farthest nooks and corners of your country the new gospel that the Republic of the Philippines has now a language of its own, expressive of the people's thoughts and aspirations, and that language, through scientific study and cultivation, will be the language of the Filipino children yet unborn as it is now the official language of the entire nation.

This month, the Bureau of Forestry issued Administrative Order No. 2-R, which sets forth rules and regulations governing the issuance of permits to open, reopen, and to start the operation of sawmills, and other woodworking industries. The Ministry of Agriculture and Natural Resources issued Order No. 9-1, which fixes the maximum retail price of locally-made cigarettes. The Ministry of Finance issued Order No. 1 containing rules and regulations governing the redemption of the currency notes of the Bank of the Philippine Islands remaining in circulation, while the Bureau of Customs and Internal Revenue issued four general circulars dealing with the income tax provisions found in the National Internal Revenue Code.

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## PROCLAMATIONS, EXECUTIVE ORDERS, AND ADMINISTRATIVE ORDERS BY THE PRESIDENT

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

PROCLAMATION No. 10

CALLING UPON THE STUDENTS OF PUBLIC AND PRIVATE INSTITUTIONS OF LEARNING, THE MEMBERS OF THE KALIBAPI, NEIGHBORHOOD ASSOCIATIONS, CIVIC ASSOCIATIONS AND RELIGIOUS ORGANIZATIONS, AND OTHER ELEMENTS OF THE COMMUNITY TO ACTIVELY ASSIST IN CARRYING OUT THE CAMPAIGN OF THE GOVERNMENT FOR GREATER FOOD PRODUCTION.

WHEREAS, in view of the present emergency and for the purpose of taking immediate steps to insure the production of an adequate food supply for the needs of the country, the President of the Republic of the Philippines promulgated on November 20, 1943, Ordinance No. 2 requiring, among others, the owners of all vacant or idle urban lands to plant or cause said lands to be planted to food crops;

WHEREAS, in order to supplement the provisions of said Ordinance No. 2, the President of the Republic of the Philippines issued on December 2, 1943, Administrative Order No. 9 authorizing the planting of public plazas, yards, grounds and sidewalk parking to vegetables and other food crops;

WHEREAS, with a view to accelerating the current food production campaign of the Government, the active assistance and cooperation of not only the farmers but of all elements of the country as well is deemed essential, and certain organizations, like the KALIBAPI, the neighborhood associations, those associations organized for civic purposes and religious bodies can be of great utility to the Government for the effective prosecution of such campaign; and

WHEREAS, the services of the children in public and private schools and students in other institutions of learning should also be enlisted in the present campaign in order to arouse farm consciousness among them and stimulate their interest in agricultural pursuits;

Now, THEREFORE, I, Jose P. Laurel, President of the Republic of the Philippines, pursuant to

the authority in me vested by law, do hereby call upon all our people, as well as upon all residents in our country who share with us the benefits that we enjoy today under the Republic of the Philippines, to contribute their share in the realization of the government program for increased food production by helping in the cultivation of all available vacant lands within their respective communities. I make a special appeal to the students in the public and private institutions of learning, to all the members of the KALIBAPI, to the members of neighborhood associations, to all those affiliated with civic associations, such as the National Federation of Women's Clubs, the Catholic Women's League, the Young Women's Christian Association, the Knights of Columbus, the Young Men's Christian Association, and other organizations engaged in social and community welfare work, and to the members of religious bodies and organizations, to actively assist in carrying out the present campaign of the Government for greater food production in the following manner:

(a) The members of the KALIBAPI, neighborhood associations, and civic and religious organizations may set aside certain day or days of the week in which they may devote their time exclusively to the planting of vegetables and other food crops on the lands owned or held by them in compliance with section 7 of Ordinance No. 2; and if they do not own such lands, they may make the necessary arrangements with the owners thereof through their City or Municipal Mayors or apply for the cultivation of public plazas, grounds, yards and sidewalk parking as community or individual gardens under the conditions provided in Administrative Order No. 9;

(b) In the case of students in public and private institutions of learning, they shall also devote certain hours of such days as may be fixed by the school authorities to the planting of vegetables and other food crops on lands within the school premises or on other vacant lands available for the purpose. The head of the school or college concerned shall so arrange the school hours as to enable the students organized into groups to work by shifts in order not to interfere with the hours assigned for their studies. The Minister of Education, Health and Public Welfare shall determine from time to time in what regions of the Philippines this proclamation shall be enforced in

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so far as it affects the public and private institutions of learning.

The Director of Plant Industry, through the provincial agronomists or other food production agents, and the city and municipal mayors are hereby enjoined to render all possible assistance to the persons or entities appealed to in this proclamation for the successful carrying out of the program of the Government to increase food production.

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 3rd day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:  
(Sgd.) PEDRO SABIDO  
Acting Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

PROCLAMATION No. 11

DECLARING THE WEEK FROM JANUARY 19 TO 25 THIS YEAR, INCLUSIVE, AS GENERAL AMNESTY WEEK AND CALLING UPON ALL PUBLIC OFFICIALS AND PRIVATE CITIZENS TO COOPERATE IN MAKING THE AMNESTY CAMPAIGN A SUCCESS.

WHEREAS, to insure tranquillity and happiness to our people there must be complete peace and order throughout the Philippines;

WHEREAS, for the purpose of establishing complete peace and order throughout the country it is necessary that all members of guerrilla organizations should give up their present activities and return to their respective homes and help in their communities to promote peace and increase food production;

WHEREAS, under my Proclamation No. 2 granting general amnesty and pardon to all citizens of the Philippines, the benefits thereof may be availed of within a period of 60 days from November 25, 1943, the date of its proclamation to January 25, 1944, inclusive; and

WHEREAS, the prescribed period of amnesty is nearing its termination and it is deemed necessary to take most energetic efforts to bring to the attention of all those concerned the importance of taking advantage of the benefits of this amnesty proclamation;

Now, therefore, I, Jose P. Laurel, President of the Republic of the Philippines, by virtue of the powers vested in me by law do hereby proclaim the week from January 19 to 25, 1944, inclusive, as General Amnesty Week and call upon all public officials and all private citizens and inhabitants of the Philippines to give their whole-hearted and intensified efforts in this last week of the period prescribed in the Amnesty Proclamation to the end that the amnesty campaign may succeed in its purpose of bringing about peace and order in the Philippines.

This intensification of efforts during the General Amnesty Week shall be observed throughout Luzon and adjacent islands excluding the cities and municipalities of the Visayas, Mindanao, and Sulu where the Amnesty Proclamation has been promulgated as of dates other than November 25, 1943.

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 January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

EXECUTIVE ORDER No. 25

TRANSPORTATION EXPENSES OF DIRECTORS OF BUREAUS AND OFFICES, AND OTHER OFFICERS OF EQUAL OR SIMILAR RANK.

Pursuant to powers vested in me by law, I, Jose P. Laurel, President of the Republic of the Philippines, do hereby order that—

For the purposes of the provisions of section 5 of Act No. 20, directors of bureaus and offices, and other officers of equal or similar rank who have heretofore been entitled to allowances for transportation, shall certify on vouchers to be drawn by them at the end of each month the total expenses actually incurred by them for transportation during the same month without the need of detailing the particulars of the travels made during such month: *Provided, however*, That reimbursement of such expenses payable from the corresponding ap-

propriations of the bureaus and offices concerned shall not exceed P100.

Done in the City of Manila, this 6th day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

EXECUTIVE ORDER No. 26

CREATING A BOARD ON UNIFORM SALARY SYSTEM FOR THE CLASSIFIED SERVICE.

Whereas, there is need, especially in view of the present emergency, for a more equitable and uniform scale of salaries for employees holding classified positions in the Philippine civil service;

Now, therefore, I, Jose P. Laurel, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby create a Board which shall be known as the Board on Uniform Salary System to be composed of the Auditor General, as Chairman, and the Chief of the Civil Service, the Director of the Budget and Accounts, the Director of Science, the Director of Information, and the Director of the Census and Statistics, as members.

The Board shall have the following powers and duties:

(a) To study and submit a plan of allocation of salaries in the classified service which is equitable and scientific and more in keeping with the present state of emergency; and

(b) To adopt, as far as practicable, a single or uniform salary system by virtue of which employees of the same category or grade shall receive the same salary to be based on the importance of the position, scope and nature of the work, duties and responsibilities, and the qualifications required for the position.

It shall be the duty of each chief of bureau or government agency to furnish the Board all pertinent data as may be needed together with a plantilla of positions in his office. In considering such data, no attempt shall be made by the Board to make a study of each individual position but rather groups or grades of

positions in the same category performing to a certain degree similar duties.

The Board shall submit a report of its work with appropriate findings and recommendations within three months from the date of the issuance of this Order.

Done in the City of Manila, this 6th day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

EXECUTIVE ORDER No. 27

REORGANIZING THE COURT OF APPEALS AND THE COURTS OF FIRST INSTANCE

Pursuant to the powers vested in me by Act No. 10 to effect the changes in the different ministries, bureaus, offices, agencies, and instrumentalities of the Government, and to create new ones or abolish those existing, I, Jose P. Laurel, President of the Republic of the Philippines, do hereby order:

ARTICLE I.—District Courts of Appeals

SECTION 1. *The District Courts of Appeals.*—There shall be five District Courts of Appeals, to wit: The Court of Appeals of Northern Luzon; the Court of Appeals of Central Luzon; the Court of Appeals of Manila; the Court of Appeals of Southern Luzon; and the Court of Appeals of the Visayas, Mindanao, and Sulu.

The Court of Appeals of Northern Luzon shall have jurisdiction over the Provinces of Abra, Cagayan, Ilocos Norte, Ilocos Sur, Isabela, La Union, Mountain Province, Nueva Ecija, Nueva Vizcaya, Pangasinan, Tarlac, and Zambales, and over the City of Baguio.

The Court of Appeals of Central Luzon shall have jurisdiction over the Provinces of Bataan, Bulacan, Cavite, Pampanga and Rizal, and over the City of Cavite.

The Court of Appeals of Manila shall have jurisdiction over the City of Manila and the Province of Palawan.

The Court of Appeals of Southern Luzon shall have jurisdiction over the Provinces of Albay, Batangas, Camarines Norte, Camarines Sur, Laguna, Masbate, Mindoro, Sorsogon, and Tayabas, and over the City of San Pablo.



The Court of Appeals of the Visayas, Mindanao, and Sulu shall have jurisdiction over the Provinces of Agusan, Antique, Bohol, Bukidnon, Capiz, Cebu, Cotabato, Davao, Iloilo, Lanao, Leyte, Occidental Misamis, Oriental Misamis, Occidental Negros, Oriental Negros, Samar, Sulu, Surigao, and Zamboanga, and over the Cities of Bacolod, Cebu, Davao, and Iloilo.

**SEC. 2. Membership; precedence among members.**—Each District Court of Appeals shall consist of a Presiding Justice and two Associate Justices. The Presiding Justice shall be so designated in his commission, and the other Justices of the Court shall have precedence according to the dates of their respective commissions, or according to the order in which the same shall have been issued by the President of the Republic of the Philippines if the commissions bear the same date. Each District Court of Appeals shall, in all cases, sit *in banc*.

**SEC. 3. Presiding Justice to preside sessions of courts.**—If the Presiding Justice is present in any session of the court, he shall preside. In his absence, the Justice who is first in precedence in accordance with the next preceding section shall preside.

**SEC. 4. Vacancy in Office of Presiding Justice.**—In case of vacancy in the Office of the Presiding Justice of any of the District Court of Appeals, or in the event of his inability to perform the duties and powers of his office, they shall devolve upon the Justice of the Court who is first in precedence, until such disability is removed, or another Presiding Justice is appointed and has qualified.

**SEC. 5. Places of holding sessions.**—The Court of Appeals of Northern Luzon shall hold sessions in the City of Baguio; that of Central Luzon, in the City of Manila; that of Manila, in the City of Manila; that of Southern Luzon, in the municipality of Lucena, Province of Tayabas; and that of the Visayas, Mindanao, and Sulu, in the City of Cebu.

Whenever the Minister of Justice shall find that the public interest requires that the Court hold session in any other place within the District, the Court shall, by resolution, make provision for the holding of such session.

**SEC. 6. Regular terms of District Courts of Appeals.**—Each District Court of Appeals shall hold two regular terms for the hearing of cases, the first commencing on the second Monday of January and the second on the second Monday of July. Each regular term shall continue to and include the day before the opening of the next regular term.

The sessions for the hearing of cases shall be held on such days of the week, and for such length of time, as each District Court of Appeals may by its own rules provide.

**SEC. 7. Quorum of the Court.**—Two Justices of a District Court of Appeals shall constitute a quorum for its sessions. In the absence of a quorum, the Court shall stand *ipso facto* adjourned until such time as the requisite number shall be present, and a memorandum showing this fact shall be inserted by the clerk in the minutes of the Court.

**SEC. 8. Decision of cases.**—The affirmative vote of two members of the Court shall be necessary for the pronouncement of a judgment. Whenever in any criminal case submitted to the Court the majority thereof should be of the opinion that the penalty of death or life imprisonment should be imposed, they shall so state in a written opinion, and the said Court shall refrain from entering judgment thereon and forthwith certify the case to the Supreme Court for final determination, as if the case had been brought before it on appeal.

All cases submitted to a District Court of Appeals for decision shall be decided or terminated therein within the term in which they were heard and submitted for decision: *Provided, however*, That when a case is complicated or otherwise attended with special circumstances which demand additional time for its study or consideration, the Minister of Justice may, upon petition of the District Court of Appeals concerned, grant an additional period not exceeding three months for its disposition or termination.

Whenever the calendar of hearings of any District Court of Appeals appears to be so congested that it is impracticable or difficult for said Court to decide and terminate all of them within the time herein provided, the Minister of Justice may, in the interest of a speedy administration of justice, authorize the transfer of cases from said Court to the nearest Court whose calendar may permit of such transfer, and the latter court shall thereafter have jurisdiction to try and determine the same.

**SEC. 9. Clerk of each District Court of Appeals—His bond.**—Each District Court of Appeals shall have a clerk of court who shall exercise the same powers and perform the same duties in regard to all matters within its jurisdiction as are exercised and performed by the clerk of the Supreme Court of the Philippines, in so far as the same may be applicable; and in the exercise of these powers and in the performance of these duties, the clerk shall be under the direction of the Court.

Before entering upon the discharge of the duties of his office, the clerk shall file a bond in the sum of five thousand pesos, with sufficient sureties to be approved by the Treasurer of the Philippines, running to the Government, for the benefit of whom it may concern, conditioned for the faithful performance of his duties, and for the delivery of payment to the

Government, or the persons entitled thereto, of all property or sums of money that should officially come into his hands or into those of his deputies or assistants. The bond shall be kept in the office of the Treasurer of the Philippines and entered in his books for the inspection of interested parties.

The clerk may require any of his deputies or assistants to give an adequate bond as security against loss by reason of any wrongdoing on the part of such deputy or assistant.

**SEC. 10. Authority of the Presiding Justice over administration.**—The Presiding Justice of each District Court of Appeals shall have exclusive administrative control of all matters affecting the internal operations of the Court.

**SEC. 11. Applicability of Rules of Court and certain provisions of the Administrative Code.**—All provisions of the Rules of Court relating to the Court of Appeals, except Rule 56 and section 12 of Rule 120, and the provisions of sections 145-A to 145-Q of the Revised Administrative Code shall, as far as practicable, be applicable to the District Courts of Appeals.

#### ARTICLE II.—Courts of First Instance

**SEC. 12. Judicial Districts.**—Judicial Districts for Courts of First Instance in the Philippines are constituted as follows:

The First Judicial District shall consist of the Provinces of Abra, Cagayan, Ilocos Norte, Ilocos Sur, Isabela, La Union, Mountain Province, Nueva Ecija, Nueva Vizcaya, Pangasinan, Tarlac, and Zambales and of the City of Baguio.

The Second Judicial District shall consist of the Provinces of Bataan, Bulacan, Cavite, Pampanga, and Rizal and of the City of Cavite.

The Third Judicial District shall consist of the City of Manila and the Province of Palawan.

The Fourth Judicial District shall consist of the Provinces of Albay, Batangas, Camarines Norte, Camarines Sur, Laguna, Masbate, Mindoro, Sorsogon, and Tayabas and of the City of San Pablo.

The Fifth Judicial District shall consist of the Provinces of Agusan, Antique, Bohol, Bukidnon, Capiz, Cebu, Cotabato, Davao, Iloilo, Lanao, Leyte, Occidental Misamis, Oriental Misamis, Occidental Negros, Oriental Negros, Samar, Sulu, Surigao, and Zamboanga and of the Cities of Bacolod, Cebu, Davao, and Iloilo.

**SEC. 13. Judges of First Instance for Judicial Districts.**—Ten judges shall be commissioned for the First Judicial District. One judge, with permanent residence in the Province of Cagayan, shall preside over the Court of First Instance of Cagayan, except Batanes, and that of the former subprovince of Apayao, Mountain Province; one judge, with permanent residence in Batanes, shall preside over the branch of the Court of First Instance of Cagayan in Batanes; one judge, with permanent residence in the Province of Isabela, shall preside over the Courts of First Instance of Isabela and Nueva Vizcaya; one judge shall preside over the Court of First Instance of, and reside in, the Province of Ilocos Norte; one judge, with permanent residence in the Province of Ilocos Sur, shall preside over the Courts of First Instance of Ilocos Sur and Abra; one judge shall preside over the Court of First Instance of, and reside in, the Province of Nueva Ecija; one judge, with permanent residence in Baguio, shall preside over the Courts of First Instance of La Union, the City of Baguio, and the Mountain Province, except the former subprovince of Apayao; two judges, with residence in Pangasinan, shall preside over the Courts of First Instance of Pangasinan and Zambales; and one judge shall preside over the Court of First Instance of, and reside in, the Province of Tarlac.

Five judges shall be commissioned for the Second Judicial District. One judge shall preside over the Court of First Instance of, and reside in, the Province of Bulacan; two judges, with permanent residence in Pampanga, shall preside over the Courts of First Instance of the provinces of Pampanga and Bataan; one judge, with residence in the Province of Cavite, shall preside over the Courts of First Instance of the Province and City of Cavite; and one judge shall preside over the Court of First Instance of, and reside in, the Province of Rizal.

Seven judges shall be commissioned for the Third Judicial District. Six judges shall reside in the City of Manila and shall preside over the Court of First Instance of Manila and shall be known as judges of the First, Second, Third, Fourth, Fifth, and Sixth Branches, respectively. One judge, with permanent residence in Palawan, shall preside over the Court of First Instance of Palawan.

Seven judges shall be commissioned for the Fourth Judicial District. One judge, with residence in Laguna, shall preside over the Courts of First Instance of the Province of Laguna and the City of San Pablo; one judge shall preside over the Court of First Instance of, and reside in, the Province of Tayabas; one judge, with permanent residence in Batangas, shall preside over the Courts of First Instance of Batangas and Mindoro; two judges, with permanent residence in Camarines Sur, shall preside over the Courts of First Instance of Camarines Sur and Camarines Norte; one judge shall preside over the Court of First Instance of, and reside in, the Province of Albay; and one judge, with permanent residence in the Province of Sorsogon, shall

preside over the Courts of First Instance of Sorsogon and Masbate.

Fourteen judges shall be commissioned for the Fifth Judicial District. Two judges, with residence in the Province of Iloilo, shall preside over the Courts of First Instance of the Province and City of Iloilo and the Province of Antique; one judge, with residence in Occidental Negros, shall preside over the Court of First Instance of the Province of Occidental Negros and the City of Bacolod; one judge shall preside over the Court of First Instance of, and reside in, the Province of Capiz; one judge shall preside over the Court of First Instance of, and reside in, Oriental Negros; two judges, with residence in Cebu, shall preside over the Courts of First Instance of the Province and City of Cebu and the Province of Bohol; two judges, one with residence in Leyte and another with residence in Samar, shall preside over the Courts of First Instance of Leyte and Samar; one judge, with residence in the Province of Zamboanga, shall preside over the Courts of First Instance of Zamboanga and Sulu; one judge, with residence in the Province of Davao, shall preside over the Court of First Instance of the Province and City of Davao; one judge, with residence in the Province of Oriental Misamis, shall preside over the Courts of First Instance of Oriental Misamis, Occidental Misamis, and Bukidnon; one judge, with residence in the Province of Cotabato, shall preside over the Courts of First Instance of Cotabato and Lanao; and one judge, with residence in the Province of Surigao, shall preside over the Courts of First Instance of Surigao and Agusan.

SEC. 14. *Places and times of holding courts.*—Courts of First Instance shall hold court in the places and at the times specified in section one hundred and sixty-one of the Administrative Code, as amended.

SEC. 15. *Judges-at-large.*—In addition to the judges mentioned in section 13 hereof, there shall also be appointed nine judges who shall not be assigned permanently to any judicial district and who shall render duty in such districts or provinces as may, from time to time, be designated by the Minister of Justice.

SEC. 16. *Detail of Judge of First Instance to another district or province.*—If the public interest and the speedy administration of justice so require, a judge of first instance may be detailed by the Minister of Justice to temporary duty, for a period which shall in no case exceed six months, in a district or province other than his own for the purpose of trying all kinds of cases.

SEC. 17. *Period within which cases, petitions, or motions shall be decided.*—Cases, petitions, or motions submitted to Courts of First Instance for decision or resolution shall be de-

cided by the court within the period of thirty days from the date of the conclusion of the trial or hearing: *Provided, however,* That when memoranda are submitted by any or both or all the parties in a case, the date of filing the last memorandum shall be considered as the date of the conclusion of the hearing: *And provided, further,* That a judge of first instance may not grant to any party more than a total period of thirty days within which to file a memorandum.

Upon petition of a judge of first instance, the period of thirty days provided above for the decision of a case, petition or motion may be extended by the Minister of Justice when the case or matter to be decided is complicated or is attended by special circumstances which require additional time for study and consideration.

#### ARTICLE III.—General Provisions

SEC. 18. *Reversion of unexpended fund balances and reapportionment of equipment, materials, etc.*—The unexpended balances of funds or appropriations pertaining to the Court of Appeals and to the Courts of First Instance or branches thereof, which are abolished in accordance with the provisions of this Order, shall be available for expenditure for the maintenance and operation of the District Courts of Appeals created herein, and the same shall be allocated for the purpose in a special budget to be approved by the President. The records, equipment, materials, supplies, and books of the present Court of Appeals shall be apportioned among the District Court of Appeals herein created as may be directed by the Minister of Justice.

SEC. 19. *Vacancies and new appointments.*—The Presiding Justice and Associate Justices, and all the employees of the present Court of Appeals and the judges of the Courts of First Instance whose offices are abolished under this Order shall vacate their respective offices or positions on the date this Order takes effect. The judges of the Courts of First Instance whose offices are not abolished shall continue to exercise their functions, powers, and duties, but shall vacate their respective offices on the expiration of ninety days from the date of the effectivity of this Order, unless reappointed by the President.

SEC. 20. *Retirements.*—Officers and employees whose positions are abolished as a consequence of the reorganization provided in this Order shall be entitled to such gratuity as may be fixed by appropriate legislation on the basis of the actual salary received and under such terms and conditions as may be fixed by law.

SEC. 21. This Order shall be implemented by such legislation as may be necessary to carry out its aims and purposes.

SEC. 22. *Effectivity.*—This Order shall take effect on January tenth, nineteen hundred and forty-four.

Done in the City of Manila, this 7th day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

EXECUTIVE ORDER No. 28

REQUIRING ALL OFFICERS AND EMPLOYEES OF THE GOVERNMENT WHOSE APPOINTMENTS ARE NOT BY THE CONSTITUTION VESTED IN THE PRESIDENT TO VACATE THEIR RESPECTIVE POSITIONS.

Pursuant to the powers vested in me by Act No. 10 to reorganize the Ministries, bureaus, offices, agencies and instrumentalities of the Government, and for the purpose of facilitating such reorganization, I, Jose P. Laurel, President of the Republic of the Philippines, do hereby order—

SECTION 1. All officers and employees of the Government, whose appointments are not by the Constitution vested in the President, shall vacate their respective positions on the expiration of thirty days from the date of effectivity of this Order, unless reappointed by the authorities concerned in accordance with law: *Provided,* That the period of thirty days shall be counted from the date of the receipt of this Order in the case of officers and employees in the provinces and cities outside of Manila.

SEC. 2. Officers and employees who are not reappointed as provided in Section 1 hereof shall be entitled to such gratuity as may be fixed by appropriate legislation on the basis of actual salary received and under such terms and conditions as may be fixed by law. They shall not lose their civil service eligibility for a period of ten years from the date of their separation from the service, and in case an office needs the services of additional personnel, preference in the appointment shall be given to them.

SEC. 3. The provisions of Executive Order No. 24 issued on December 31, 1943, in so far

as they may be inconsistent herewith, are hereby repealed or modified accordingly.

SEC. 4. This Order shall take effect on January eleventh, nineteen hundred and forty-four.

Done in the City of Manila, this 10th day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

EXECUTIVE ORDER No. 29

CREATING A BOARD OF INFORMATION TO CONTROL, DIRECT, SUPERVISE AND COORDINATE THE INFORMATION, AND PUBLICITY ACTIVITIES OF THE GOVERNMENT.

Pursuant to the powers vested in me by Act No. 10 to effect changes in the different Ministries, bureaus, offices, agencies, and instrumentalities of the Government, and to create new ones or abolish those existing, I, Jose P. Laurel, President of the Republic of the Philippines, do hereby order—

SECTION 1. For the purpose of controlling, directing, supervising, and coordinating all the information, and publicity activities of the Government, there is hereby created an office to be known as the Board of Information.

SEC. 2. The Board of Information shall be composed of a Chairman to be known as Spokesman, an Executive Officer and six members who shall be appointed by the President of the Republic of the Philippines. The Chairman shall have the rank and emoluments of a Minister of State and shall be the representative and spokesman of the President in his relations with the people and the press. The Executive Officer and the members shall receive such compensation as may be fixed by the President. One member of the Board shall, by designation of the Spokesman, act as secretary thereof. The Board shall be assisted by such number of technical and subordinate personnel as may be provided in the corresponding budget and appointed in accordance with civil service laws, rules, and regulations.

Sec. 3. The Board of Information shall have the following powers and functions:

(a) To adopt such methods or utilize such means as the radio, cinema films, theaters, newspapers, popular assemblies, district and neighborhood associations, and such other means as it may deem necessary to properly inform the people of the activities, accomplishments and policies of the Government and thereby establish a closer relation and better understanding between the Government and the people;

(b) To act as liaison office between the Government of the Republic of the Philippines and the domestic and foreign press; to issue from time to time news and press releases that have a direct bearing on the activities, functions and policies, and accomplishments of the Government; to arrange press conferences between the President and accredited representatives of the local and foreign press; to receive and reply to inquiries from newspaper offices; to prepare news digests of local and foreign dailies for the information of the President, and to clip and file for ready reference news items published in whatever form and manner which affect or may affect the Office of the President as well as other offices of the National Government;

(c) To disseminate proper and accurate information tending to establish a more intelligent and enlightened public opinion in the Philippines, with a view to bringing about complete restoration of peace and order throughout the country and a more effective cooperation between the people and the Government in the latter's efforts to ameliorate the situation by minimizing the unavoidable ill effects of the present world conflict, also to remedying and repairing as much as possible the ravages and damages caused by the war, thus strengthening the morale of the population in times of crises and emergencies.

(d) To inform the public regarding any subject of great interest to the country such as the revival of our old moral virtues; the reorientation of our people in order to make them think and act as true Orientals; and to keep them posted in all civic activities and duties, including taxation, health problems, food problems, and on any other subject that may be of general interest to the community.

(e) To guide the public, by the proper means of publication, in advanced methods of industry, agriculture, commerce and other fields of economic activity;

(f) To edit and cause to be published the Official Gazette, and to control, direct, supervise, and coordinate the publication of all newspapers, periodicals, magazines, leaflets, and other literature of the Government, its agencies

and instrumentalities; to control, direct, supervise and coordinate Government radio broadcasting facilities, and to prepare for publication at the end of each year the public utterances of the President, his messages to the National Assembly, important communications to the Ministers of State or to any official of the Government or private individual, proclamations, executive orders, administrative orders, ordinances, press statements, and all the laws passed by the National Assembly during that year;

(g) To collect and compile accurate information or data which may serve as rational basis for formulating and executing national policies of the Government of the Republic of the Philippines; and

(h) To perform such other duties pertaining to research and information on any subject which the President may consider of general and public interest.

Sec. 4. In order to carry out the purposes of this Order, the Board of Information shall make arrangements with radio broadcasting stations now or hereafter to be operated in the Philippines, publishers of newspapers, magazines, and other periodicals of private ownership and owners of theatrical enterprises for the use of said facilities by its agents and representatives; it may also request the assistance and cooperation of elements of the population in and outside of the Government in the gathering and in the compilation of the necessary data and information; in the preparation of materials, lectures, literatures, and in the mimeographing, printing, distributing and exhibiting of the same to the general public through the means and methods provided for in this Order.

Sec. 5. The powers and functions now exercised by the Bureau of Information and the Gazette and Library Division of the Office of the President shall be assumed and exercised by the Board of Information herein created. The unexpended balances of funds or appropriations, equipment, materials, records, and any other property pertaining to the Bureau of Information and the Gazette and Library Division shall be merged and consolidated and made available for the use and expenditure of said Board. The Spokesman may retain the services of such personnel as may be needed.

The transfer and merger or consolidation of funds or appropriations, equipment, materials, records, and other properties herein authorized, shall be made by the Spokesman and the Auditor General.

Sec. 6. The Spokesman of the Board of Information is hereby authorized, subject to the approval of the President, to organize the staff

and personnel of the Board within the limits of the combined total of the appropriations allotted to the Bureau of Information and Public Security and the Gazette and Library Division in the General Appropriation Act for the fiscal year 1944: *Provided*, That the salaries or compensation of officers and employees of the Board of Information whose positions are created in accordance with this section shall be governed by the provisions of section 1(11) of Act No. 7, otherwise known as the Rank and Salary Law.

Sec. 7. The provisions of Executive Order No. 24 issued on December 31, 1943, in so far as they may be inconsistent herewith, are hereby repealed and modified accordingly.

Sec. 8. This Order shall take effect on January 16, 1944.

Done in the City of Manila, this 11th day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

EXECUTIVE ORDER No. 30

CHANGING THE DESIGNATIONS OF THE DIRECTOR AND ASSISTANT DIRECTORS OF CONSTABULARY AND PRESCRIBING A NEW SCHEDULE OF SALARIES THEREFOR AND FOR THE OTHER COMMISSIONED OFFICERS OF THE PHILIPPINE CONSTABULARY.

Pursuant to the provisions of Act No. 10 in relation with Executive Order No. 24, dated December 31, 1943, I, Jose P. Laurel, President of the Republic of the Philippines, do hereby order—

1. The designations of the Director and the Assistant Directors of the Constabulary are hereby changed to Chief of Constabulary and Assistant Chief of Constabulary, respectively.

2. The Chief and the Assistant Chiefs of the Philippine Constabulary shall have the ranks of Major General and Brigadier General, respectively, and, together with the other commissioned officers of the Constabulary, they shall receive the following rates of salaries as base pay:

Chief of Constabulary .....	₱5,400.00
Assistant Chiefs of Constabulary .....	4,800.00
Other Brigadier Generals .....	4,800.00
Colonels .....	4,200.00
Lieutenant Colonels .....	3,600.00
Majors .....	3,120.00
Captains .....	2,760.00
First Lieutenants .....	2,400.00
Second Lieutenants .....	2,040.00
Third Lieutenants .....	1,680.00

3. The amount needed to provide for the salary of the Chief of Constabulary and the salary increases herein authorized shall be taken from the savings in the appropriations for salaries and wages of the Philippine Constabulary.

Done in the City of Manila, this 15th day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

EXECUTIVE ORDER No. 31

TRANSFERRING THE POWERS, DUTIES, AND FUNCTIONS OF THE SALARY COMMITTEE TO THE BOARD ON UNIFORM SALARY SYSTEM.

Pursuant to the powers vested in me by Act No. 10 to effect changes in the different offices, agencies, and instrumentalities of the Government, I, Jose P. Laurel, President of the Republic of the Philippines, do hereby order that—

In addition to the powers and duties of the Board on Uniform Salary System created by Executive Order No. 26 dated January 6, 1944, said Board shall hereafter assume and exercise the powers, duties, and functions of the Salary Committee created under Executive Order No. 11, dated February 27, 1942, of the former



Chairman of the Philippine Executive Commission.

Done in the City of Manila, this 22nd day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

EXECUTIVE ORDER No. 32

**TRANSFERRING THE POWERS, DUTIES,  
AND FUNCTIONS OF THE BOARDS  
OF DIRECTORS OF GOVERNMENT-  
OWNED OR CONTROLLED CORPORA-  
TIONS TO THE OFFICE OF THE  
PRESIDENT.**

Pursuant to the powers vested in me by Act No. 10 to effect changes in the different ministries, bureaus, offices, agencies and instrumentalities of the Government, including government-owned or controlled corporations, and to transfer activities and functions from one ministry, bureau, office, agency or instrumentality to another, for the purpose of promoting simplicity, efficiency, and economy in the operation of the Government, I, Jose P. Laurel, President of the Republic of the Philippines, do hereby order—

The powers, duties, and functions which by law pertain to the boards of directors of the government-owned or controlled corporations are hereby transferred to the Office of the President; and until otherwise ordered, said Office shall hereafter assume and exercise said powers, duties, and functions.

Done in the City of Manila, this 26th day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

ADMINISTRATIVE ORDER No. 13

**PRESCRIBING FORM OF LETTERHEADS  
FOR USE BY THE REPUBLIC OF THE  
PHILIPPINES.**

By virtue of the powers vested in me by law, I, Jose P. Laurel, President of the Republic of the Philippines, do hereby order that, in the interest of efficiency and economy, a uniform style of printing letterheads be adopted for the use of the Republic of the Philippines.

1. The printing on letterheads for the ministries, bureaus, and offices of the Republic of the Philippines shall be:

(a) REPUBLIKÁ NG PILIPINAS  
TANGGAPAN NG PANGULO

(b) REPUBLIKÁ NG PILIPINAS  
TANGGAPAN NG PANGULO

KAWANIHÁN NG .....  
(Insert name of Bureau or Office)

(c) REPUBLIKÁ NG PILIPINAS  
KAGAWARÁN NG .....  
(Insert name of Ministry)

(d) REPUBLIKÁ NG PILIPINAS  
KAGAWARÁN NG .....  
(Insert name of Ministry)

KAWANIHÁN NG .....  
(Insert name of Bureau or Office)

2. The printing on letterheads for all offices of Provincial, City and Municipal Governments shall be:

(a) REPUBLIKÁ NG PILIPINAS  
LALAWIGAN NG .....  
(Insert name of Province)

(Name of Provincial Capital)

(b) REPUBLIKÁ NG PILIPINAS  
LUNSÓD NG .....  
(Insert name of City)

(c) REPUBLIKÁ NG PILIPINAS  
BAYAN NG .....  
(Insert name of Municipality)

(Name of Province)

3. The printing on letterheads for the judicial courts shall be:

(a) REPUBLIKÁ NG PILIPINAS  
KATAÁS-TAASANG HUKUMAN

(b) REPUBLIKÁ NG PILIPINAS  
HUKUMAN SA PAGHAHABOL

(c) REPUBLIKÁ NG PILIPINAS  
HUKUMANG UNANG DULUGAN

LALAWIGAN NG .....  
(Insert name of Province)

(d) REPUBLIKÁ NG PILIPINAS  
HUKUMANG PAMBAYAN

LUNSÓD NG .....  
(Insert name of City)

(e) REPUBLIKÁ NG PILIPINAS  
HUKUMANG PAMAYAPÁ

BAYAN NG .....  
(Insert name of Municipality)

LALAWIGAN NG .....  
(Insert name of Province)

4. In the case of envelopes, another line shall be added containing the words "Sulat Pampamahalaán."

5. The names of officials or employees may not be printed on official stationery.

6. The use of letterheads in the English language for official correspondence with the governments of foreign countries or their representatives in the Philippines, as well as with representatives of foreign communities, shall be continued.

7. This Order is not to be understood as prohibiting the use of forms now in stock or already ordered until exhausted: *Provided, however,* That if the words "Commonwealth of the Philippines" and "Philippine Executive Commission" appear in any old stationery, the same shall be cancelled or blotted out and the words "Repúbliká ng Pilipinas" or "Republic of the Philippines," as the case may be, shall be superimposed over the said words.

8. The Director of Printing is hereby directed to bring to the attention of the President any pertinent matter affecting the form and style of printing other official stationery not herein included.

Done in the City of Manila, this 3rd day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Acting Executive Secretary

REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
MANILA

BY THE PRESIDENT OF THE REPUBLIC  
OF THE PHILIPPINES

ADMINISTRATIVE ORDER No. 14

**REQUIRING PRIOR SUBMISSION TO THE  
MINISTER OF STATE FOR FOREIGN  
AFFAIRS OF PROGRAMS FOR OFFI-  
CIAL FUNCTIONS AND PUBLIC CER-  
EMONIES WHEREIN THE PRESENCE  
OF HIGH OFFICIALS OF THE REPU-  
BLIC OF THE PHILIPPINES AND  
REPRESENTATIVES OF FOREIGN  
GOVERNMENTS ARE EXPECTED.**

In order to avoid possible causes of embarrassment for failure to observe proper respect and regard to officials of the Republic of the Philippines and representatives of foreign governments and to the governments which they represent in official functions or public ceremonies, it is hereby ordered that in the preparation of programs for official functions or public ceremonies wherein the presence of the President of the Republic of the Philippines, the Speaker of the National Assembly, the Chief Justice of the Supreme Court, and the Ministers of State, and representatives and high officials of foreign governments are expected, the official or person in charge of such programs shall submit a copy of the program, schedule or instructions for such function or public ceremony to the Minister of State for Foreign Affairs within a reasonable time in advance.

The Minister of State for Foreign Affairs shall examine such program, schedule or instructions and may modify, amend or prescribe additional instructions in order to carry into effect the purpose of this Order, and to make the same conform to the rules of precedence and relative ranks established by law and international usages.

Done in the City of Manila, this 25th day of January, in the year of Our Lord, nineteen hundred and forty-four, and of the Republic of the Philippines, the first.

(Sgd.) JOSE P. LAUREL  
President of the Republic  
of the Philippines

By the President:

(Sgd.) PEDRO SABIDO  
Executive Secretary

## FOREIGN AFFAIRS

Article, "Prospects of the Philippines in 1944," for the *Tokyo Shimbun*, by Minister of Foreign Affairs Claro M. Recto, Manila, January 1, 1944:

The Republic of the Philippines faces the New Year, the first since its inauguration, with faith in the promise of the future, confident that it will bring richer opportunities for constructive endeavor in the spiritual, moral, and material aspects of the national life as well as for increased collaboration in the common efforts of the Greater East Asiatic nations to establish a sphere of co-prosperity among themselves.

Fortunately, the policies to be pursued by the Government of the Republic both with respect to internal reconstruction and foreign relations have already been laid down in clear and unequivocal terms. Regarding the internal policies of the Republic it will suffice to say that His Excellency, the President of the Philippines, and the National Assembly have taken the first important steps clearly indicating that the major efforts of the Government in the coming year shall be directed towards the moral and material rehabilitation of the entire nation in accordance with the new creative spirit which Japan has set in motion throughout East Asia since the beginning of the current war. These efforts will aim, on the one hand, at the vigorous resumption of all productive activities not only to the end that the Philippines may attain the goal of economic self-sufficiency but also in order that it may accomplish its just and necessary role as a full-fledged member of the Co-Prosperity Sphere. On the other hand, the Government of the Republic is fully determined to develop the moral and spiritual potentialities of the Filipino people through a process of rediscovering their ancient virtues and traditions and by giving freer and fuller play to their native genius.

With respect to foreign relations, the course of the Republic of the Philippines has been charted with equal clarity by the provisions of the Constitution of the Philippines, the Philippine-Japan Pact of Alliance, and the Joint Declaration adopted by the Assembly of Greater East Asiatic nations. Under the Pact of Alliance, Japan and the Philippines have agreed to observe close political, economic, and military cooperation and to maintain perpetual good relations between them on the basis of mutual respect for each other's sovereignty and independence. Furthermore, under the Joint Declaration, the six independent nations of

Greater East Asia have agreed to establish relations of mutual aid and assistance among themselves upon the basic principle that lasting peace is possible only if the nations of the world have each their proper place in the sun.

It is worthy of note that the dominant principle of the Joint Declaration, like that of the Pact of Alliance, is the principle of mutuality and reciprocity. Whether it be with respect to matters affecting the traditions and creative faculties of each race, the economic development of each country, the cultivation of free relations with other countries, or the promotion of cultural intercourse with the rest of the world—in each and all of these matters the Joint Declaration specifically stipulates that the relations among the nations of Greater East Asia shall be governed by the principle of respect for one another's traditions and idiosyncrasies, reciprocity in the economic sphere, and respect for one another's sovereignty, territory, and independence.

This, then, is what may be described as the seminal principle of the Co-Prosperity Sphere, the fruitful seed out of which shall grow the new strength and beauty, the lasting grandeur and glory of East Asia.

No one has more clearly and more eloquently put this principle into words than His Excellency, Premier Hideki Tozjo himself when, in his speech before the Greater East Asia Congress on November 5, 1943, he said:

"The nations of Greater East Asia, while mutually recognizing their autonomy and independence must, as a whole, establish among themselves relations of brotherly amity. Such relations cannot be created if one country should utilize another as a means to an end. I believe that they come into being only when there is mutual respect for one another's autonomy and independence, when one prospers through another's prosperity and all countries give expression to their true selves."

This statement is all the more significant, coming as it does from the recognized leader and spokesman of the most powerful nation in East Asia. It is significant because, in abominating the old imperialistic policy which sanctioned the utilization of one country by another as a means to an end, Japan has introduced a new morality in international relations, and because this constitutes an act of voluntary renunciation by Japan of the fruits of conquest and the spoils of victory. Lacking this forthright word and act of renunciation, the New Order would be no more than the old order of exploitative imperialism masquerading under a new name, and the

smaller and weaker nations in East Asia would have no surety that by assisting in the establishment of the New Order they are not thereby digging their own graves.

This great principle, enunciated by Premier Tozjo and embodied in the Joint Declaration, was echoed and acclaimed by all the delegates to the Congress. It was enthusiastically affirmed by His Excellency, the President of the Philippines, when, in his speech before the Congress, he declared:

"The starting point of the establishment of the sphere is recognition, respect for the autonomy and independence of every integral unit, so that, with that recognition of political independence and territorial integrity, each nation may develop in accordance with its own institutions, without any particular member monopolizing the resulting prosperity of any given country or nation, but with the object in view of extending that welfare and that prosperity to the other integral units, on the theory that the prosperity of all is the prosperity of the integral parts, but that the prosperity of the integral parts is not necessarily the prosperity of the whole."

Similarly, with a just perception of the underlying philosophy of the Co-Prosperity Sphere and of the rôle which every member should play, His Royal Highness, Prince Wan Waithayakon, representing Thailand, stressed the wisdom and justice of permitting each nation in East Asia to develop its material and intellectual resources in conformity with its native culture and institutions, and to maintain inviolate its sovereignty and independence. He said:

"The principle that will keep this region in continued prosperity is the promotion to the highest degree of the power of each country, including material, moral and spiritual power, through respect of each other's independence and sovereignty, through development of economic relations with one another on the basis of reciprocity and through close co-operation and assistance with one another in conformity with the principles of righteousness and of justice, so as to insure the peace, happiness and prosperity of each country and of this region as a whole. In this way, the various Greater East Asiatic nations will permanently develop in conformity with their own national culture, and will, at the same time, pursue the common object of enhancing the well-being and progress of this Co-Prosperity Sphere. As for the relations between the Greater East Asiatic nations and the other countries in the world, whether in general amity, in commerce or in culture, reliance should be made on the same principles, more particularly on the principle of respect for independence and sovereignty and that of reciprocity. This will help to make the peace of the world solid and secure."

As the newest member of the family of Greater East Asiatic nations, the Republic of the Philippines is naturally inclined to place great weight and reliance upon this principle. For we Filipinos realize only too well that in a world at war, in a world still ruled by the law of force, this is the only guarantee of our continued existence as a free and sovereign

nation. It is specially gratifying for our people to know that Japan should have enunciated the doctrine of equality, reciprocity and mutual respect as a sign of her abounding good will and of her forbearance in the pursuit of selfish ambition.

Out of this manifestation of good will and brotherly amity shall come the unifying force, the creative spirit of which we have spoken, the quickening impulse by which the one billion peoples of East Asia shall be given new life and hope, basking in the bright sunlight of the New Order, having emerged at last from the darkness of age-long oppression and exploitation.

This is the happy prospect which the New Year holds for the Republic of the Philippines and for the Filipino people. It is not a prospect that shall be translated into the Here and the Now by mere wishing or hoping; nor is it a dream or a mirage which the harsh wind of reality shall dissipate like smoke. It is a prospect, and yet also a plan of action and a scheme of endeavor. Therefore, it would be more correct to say, not merely that the Filipino people this New Year's Day look forward to this bright and happy prospect, but that they are working earnestly and determinedly towards it, in conformity with their national ideals and aspirations as well as with the ideals and aspirations which they share in common with their neighbors in East Asia.

Communication of His Eminence, Cardinal Luigi Maglione, Secretary of State of His Holiness, Pope Pius XII, to His Excellency, Jose P. Laurel, President of the Republic of the Philippines, Manila, January 6, 1944, as transmitted through the Apostolic Delegation in Japan:

To His Excellency  
The President of the Philippines

SIR:

I have the honor and pleasure to transmit to Your Excellency a special communication from Vatican City.

His Eminence Cardinal Luigi Maglione, Secretary of State of His Holiness, through the Apostolic Delegation of Japan, has instructed me to assure Your Excellency that the Holy See has received your obliging telegram announcing your exaltation to the Presidency of the Philippines; and to convey to Your Excellency the most sincere thanks for your courtesy.

I have the honor to remain Sir, your most obedient servant

(Sgd.) GUGLIELMO PIANI  
Apostolic Delegate  
in the Philippines

# NATIONAL ASSEMBLY

## FIRST NATIONAL ASSEMBLY

### First Session

Bill No. 199.

[ACT No. 20]

AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE REPUBLIC OF THE PHILIPPINES DURING THE FISCAL YEAR ENDING DECEMBER THIRTY-FIRST, NINETEEN HUNDRED AND FORTY-FOUR, AND FOR OTHER PURPOSES.

*Be it enacted by the National Assembly of the Republic of the Philippines:*

SECTION 1. The following sums or so much thereof as may be necessary are appropriated out of the funds in the National Treasury not otherwise appropriated, for the operation of the Republic of the Philippines during the period from January first to December thirty-first, nineteen hundred and forty-four, except where otherwise specifically provided:

[NOTE.—For lack of space and to avoid duplication in printing only the principal provisions and a summary of the appropriations made in this Act are shown herein. The detailed items may be seen in the copies furnished to all Ministries, Bureaus, and Offices of the Government.—EDITOR.]

### GENERAL FUND

#### ORDINARY EXPENDITURES

A.—OFFICE OF THE PRESIDENT.....	₱2,260,750.00
I.—Salaries and Wages—	
(1) Office of the President.....	₱111,410.00
(2) Office of the Executive Secretary .....	126,240.00
(3) Budget and Auditing Office .....	792,720.00
(4) Bureau of Civil Service.....	151,620.00
(5) Bureau of Purchase and Supply .....	44,840.00
(6) Bureau of Printing.....	157,610.00
(7) Code Committee .....	75,780.00
(8) Council of State.....	44,100.00
(9) Food Administration.....	252,180.00
	1,756,500.00
II.—Sundry Expenses .....	449,800.00
III.—Special Purposes .....	54,450.00

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B.—MINISTRY OF FOREIGN AFFAIRS.....	1,099,460.00
I.—Salaries and Wages—	
(1) Office of the Minister.....	₱111,240.00
(2) General Affairs Bureau.....	60,120.00
(3) Political Affairs Bureau.....	47,400.00
(4) Economic Affairs Bureau .....	39,900.00
	258,660.00
II.—Sundry Expenses .....	133,000.00
III.—Special Purposes .....	707,800.00
C.—MINISTRY OF THE INTERIOR.....	10,398,360.00
I.—Salaries and Wages—	
(1) Office of the Minister.....	₱276,300.00
(2) Bureau of Local Governments .....	119,940.00
(3) Bureau of Religious Affairs .....	87,720.00
(4) Bureau of the Census and Statistics .....	108,180.00
(5) Bureau of Employment.....	154,260.00
(6) Bureau of Information and Publicity .....	111,540.00
	857,940.00
II.—Sundry Expenses .....	103,000.00
III.—Special Purposes .....	1,222,500.00
(7) Bureau of Constabulary.....	8,214,920.00
D.—MINISTRY OF FINANCE .....	6,586,080.00
I.—Salaries and Wages—	
(1) Office of the Minister.....	₱71,940.00
(2) Bureau of Customs and Internal Revenue .....	925,140.00
(3) Bureau of the Treasury.....	49,080.00
(4) Bureau of Financing.....	64,680.00
	1,110,840.00
II.—Sundry Expenses .....	112,100.00
III.—Special Purposes .....	5,363,140.00
E.—MINISTRY OF JUSTICE .....	2,796,210.00
I.—Salaries and Wages—	
(1) Office of the Minister.....	₱267,960.00
(2) Bureau of Justice.....	189,000.00
(3) Bureau of Prisons.....	370,500.00
(4) Court of Appeals.....	165,180.00
(5) Courts of First Instance .....	726,660.00
(6) Justice of the Peace Courts .....	457,560.00
	2,176,860.00
II.—Sundry Expenses .....	585,350.00
III.—Special Purposes .....	34,000.00
F.—MINISTRY OF AGRICULTURE AND COMMERCE.....	5,635,670.00
I.—Salaries and Wages—	
(1) Office of the Minister.....	₱41,700.00
(2) Bureau of Lands.....	240,740.00
(3) Bureau of Forestry and Fishery .....	446,060.00
(4) Bureau of Plant Industry .....	1,747,080.00
(5) Bureau of Animal Industry .....	429,400.00

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(6) Bureau of Mines.....	49,000.00	
(7) Weather Bureau.....	122,280.00	
(8) Bureau of Science.....	164,510.00	
(9) Bureau of Commerce and Industries.....	332,160.00	3,572,930.00
II.—Sundry Expenses.....		684,000.00
III.—Special Purposes.....		1,378,740.00
G.—MINISTRY OF EDUCATION, HEALTH, AND PUBLIC WELFARE.....		20,570,130.00
I.—Salaries and Wages—		
(1) Office of the Minister.....	₱90,060.00	
(2) Bureau of Public In- struction.....	9,181,500.00	
(3) Bureau of Private Edu- cation.....	79,140.00	
(4) Bureau of Physical Edu- cation.....	24,370.00	
(5) Bureau of Health.....	2,075,160.00	
(6) Bureau of Public Wel- fare.....	480,260.00	
(7) University of the Phil- ippines.....	696,020.00	
(8) National Library.....	95,580.00	
(9) Institute of National Language.....	25,010.00	
(10) Philippine General Hos- pital.....	438,280.00	13,185,380.00
II.—Sundry Expenses.....		3,585,010.00
III.—Special Purposes.....		3,799,740.00
H.—MINISTRY OF PUBLIC WORKS AND COMMUNICA- TIONS.....		8,049,140.00
I.—Salaries and Wages—		
(1) Office of the Minister.....	₱46,320.00	
(2) Bureau of Public Works	370,920.00	
(3) Bureau of Communica- tions.....	1,336,200.00	
(4) Bureau of Public Serv- ices.....	473,470.00	2,226,910.00
II.—Sundry Expenses.....		215,410.00
III.—Special Purposes.....		5,606,820.00
Summary.....		
Special provision.....		
I.—NATIONAL ASSEMBLY.....		1,396,260.00
I.—Salaries and Wages.....		1,007,460.00
II.—Sundry Expenses.....		322,200.00
III.—Special Purposes.....		66,600.00
J.—SUPREME COURT OF THE PHILIPPINES.....		141,350.00
I.—Salaries and Wages.....		130,800.00
II.—Sundry Expenses.....		8,800.00
III.—Special Purposes.....		1,750.00
TOTAL FOR ALL MINISTRIES AND OFFICES.....	₱58,993,410.00	
GENERAL PURPOSES.....		1,070,000.00
TOTAL FOR ORDINARY EXPENDITURES.....		₱60,003,410.00

EXTRAORDINARY EXPENDITURES	
C.—MINISTRY OF THE INTERIOR.....	₱34,356,700.00
F.—MINISTRY OF AGRICULTURE AND COMMERCE.....	2,900,000.00
H.—MINISTRY OF PUBLIC WORKS AND COMMUNICA- TIONS.....	3,000,000.00
GENERAL PURPOSES.....	16,119,185.00
TOTAL FOR EXTRAORDINARY EXPENDITURES.....	₱56,375,885.00
TOTAL FOR GENERAL FUND.....	₱116,379,295.00
SPECIAL FUNDS	
D.—MINISTRY OF FINANCE.....	₱2,792,112.00
Property Insurance.....	33,966.00
Fidelity Insurance.....	23,966.00
Public Employees Life Insurance.....	329,680.00
Philippine Charity Sweepstakes.....	2,404,500.00
H.—MINISTRY OF PUBLIC WORKS AND COMMUNICA- TIONS.....	2,672,000.00
Metropolitan Waterworks Office.....	2,672,000.00
TOTAL FOR SPECIAL FUNDS.....	₱5,464,112.00
GRAND TOTAL.....	₱121,843,407.00

SEC. 2. *Allotment of appropriations.*—Except when already itemized in this Act, the appropriations for sundry expenses shall be allotted, as the needs of the service may require, by the President to the bureaus and offices under his direct control, and by the Ministers to the bureaus and offices under their respective control. The appropriations under special purposes shall likewise be assigned by the President and the Ministers, as the case may be, to the corresponding bureaus or offices under their respective control. The appropriation for General Purposes shall be allotted by the President.

SEC. 3. *Authority to cover deficits from savings in any item of appropriations.*—Any savings in the regular appropriations for salaries and wages may, with the approval of the President, be used to cover deficits in sundry expenses. Likewise, the President may authorize the transfer of savings in any item of the appropriations for sundry expenses to cover deficits in any other item of appropriation for said sundry expenses.

SEC. 4. *Positions created out of appropriations for special purposes.*—Positions created out of any appropriation under special purposes authorized in this Act shall be deemed to exist only as long as such appropriation remains available.

SEC. 5. *Prohibition on the expenditure of appropriations for additional or extra compensation.*—Any provision of existing law to the contrary notwithstanding, no appropriation provided in this Act shall be used for the payment to any officer or employee who is actually receiving salary or

any other form of compensation from any bureau or office of the Republic of the Philippines, any local government, any government-owned or controlled corporation, and any governmental entity, unless specifically provided in this Act, of additional or extra compensation, allowance for transportation expenses or for the use of privately-owned means of transportation in excess of the amount necessary to reimburse the officer or employee concerned for expenses actually incurred, or salary differential authorized to be paid by Executive Order No. 193, dated August 21, 1943, to officers and employees while on official travel outside of their respective official stations.

SEC. 6. *Payment of outstanding obligations pertaining to prior fiscal periods.*—Outstanding obligations corresponding to any previous fiscal period and arising from activities that are duly authorized and provided for such fiscal period, may, with the prior approval of the President, be paid from any savings in the corresponding items of appropriations authorized in this Act for the bureau or office concerned: PROVIDED, HOWEVER, That such payment shall not relieve the officer or employee responsible for the failure to settle such obligations on time from administrative disciplinary action or personal liability therefore if the circumstances of the case so demand.

SEC. 7. *Use of savings in the appropriations for salaries and wages authorized in this Act for adjustments of compensation.*—Any savings in the appropriations authorized in this Act may, with the approval of the President, be used for the adjustment of salaries to the minimum rates of the allocations pursuant to paragraph 1, section 12 of Commonwealth Act No. 402.

SEC. 8. *Provision for excess of salaries actually received over the rates authorized.*—Any item of appropriation for "excess of actual salary" provided under "salaries and wages" in this Act shall be considered as part of, and be added to, the item of appropriation immediately preceding it, but shall only be available for use in pursuance of the provision of section 12, paragraph (4) of Commonwealth Act No. 402.

SEC. 9. *Payment of allowance or compensation in case of injury, death or sickness incurred in the performance of duty.*—Subject to the approval of the President, any savings in the appropriations authorized in this Act may be used for the payment of allowances or compensations of employees or laborers on account of injury, death or sickness incurred in line of duty as authorized by existing law.

SEC. 10. *Reversion of unexpended balances of appropriations for public and other works projects.*—Any balance of the appropriations authorized in this Act under Special Purposes for the Ministry of Public Works and Communications for public works projects and for the construction

and reconstruction works of the Metropolitan Waterworks Office other than ordinary maintenance, repair and upkeep of improvements already existing, remaining unexpended at the end of the fiscal year covered by this Act, shall continue to be available for expenditure for the purposes for which appropriated during the next succeeding fiscal period.

SEC. 11. *Suspension of expenditures of appropriations.*—Any provision of existing law to the contrary notwithstanding, the President may suspend or otherwise stop the expenditure of any amount appropriated for any purpose under this Act, or any portion thereof, whenever in his judgment the public interest so requires, and thereupon the funds affected by such action shall become available for expenditure for any other purposes authorized in this Act as the President may determine. This provision shall not apply to the appropriations for the National Assembly and the Supreme Court.

SEC. 12. *Effective date.*—This Act shall take effect on January first, nineteen hundred and forty-four.

Approved, January 3, 1944.



## DECISIONS OF THE SUPREME COURT

[No. 48936. June 22, 1943]

RUPERTA, MARIA, FRANCISCO and FELIX BERCEÑO, petitioners, vs. BUENAVENTURA OCAMPO and JOSE SOTELO, respondents.

1. DESCENT AND DISTRIBUTION; LOSS OF DEPOSIT FOR ATTORNEY'S FEES DURING PENDENCY OF APPEAL DOES NOT EXEMPT DISTRIBUTEES FROM PAYING SAME.—From an order requiring the payment of the fees of Attorney Sotelo for services rendered to the estate, the administrators of both estates—of Juan de la Viña and Julia Berceño—appealed. After the perfection of that appeal, the trial court ordered the estate of Julia Berceño (to which all the property of the estate of Juan de la Viña had passed in the meantime by authority of the court) to file a bond in the amount of ₱4,200 or deposit that amount with the clerk of court to answer for the outcome of the appeal. The estate of Julia Berceño made the required deposit, which was subsequently lost. Upon the affirmance of the appealed order, the trial court required the distributees to pay Attorney Sotelo his fees as reduced on appeal. *Held*: That the said order is correct.

2. *Id.*; *Id.*—Attorney Sotelo is a creditor of the estate of Julia Berceño (which succeeded to the assets and liabilities of the estate of Juan de la Viña). As such creditor, he has a statutory lien against said estate of Julia Berceño. Was such lien extinguished by the mere deposit of ₱4,200 with the clerk of court? No, because the deposit was simply a guarantee or security for such amount of fees as may be adjudicated, pending the appeal regarding the fees. It partakes of the nature of the bond required by Rule 91, section 1, second paragraph of the Rules of Court. In fact, the trial court required the estate of Julia Berceño either to file a bond in the amount of ₱4,200 or to deposit that amount with the clerk of court. Certainly, the character of the liability of the estate is not altered by the fact that the estate chose to deposit the amount, instead of filing a bond. As a matter of fact, it was not necessary for the distributees either to make a deposit or file a bond, because in the absence of bond or deposit all the assets of the estate responded for the claim. The order of the court requiring either

bond or deposit was made for the convenience of the distributees, to enable them to get their shares pending their appeal against the allowance of Attorney Sotelo's claim. Therefore, the claim of Attorney Sotelo for fees can be enforced against the distributees of the estate of Julia Berceño, even after the loss of the amount deposited.

3. *Id.*; *Id.*; *EQUITIES OF THE CASE.*—Furthermore, equitable considerations compel the distributees to satisfy this lien against the property which has been distributed to and among them. The assets of Juan de la Viña have passed to them through inheritance from their sister, Julia Berceño, the universal heir of Juan de la Viña. The deposit made by the distributees having been lost through no negligence of either Attorney Sotelo or the distributees, the latter should not be permitted to evade liability to pay for services rendered for the benefit of the estate from which the property already received by them originally came. There is still more than sufficient of that property in the hands of the distributees to satisfy this just and lawful debt of the original estate. Weighing the equities due both sides and neither at fault, the balance must incline toward Attorney Sotelo who should be paid for services actually rendered, rather than toward the distributees who have come to this inheritance through the bounty of their sister, the deceased Julia Berceño. As between hard toil and an act of liberality of the testatrix, the choice is not difficult to make. The principle underlying this just solution is recognized in positive legislation, such as the lien of creditors against the estate of deceased persons, and the inheritance tax laws which discourage gratuitous transmission of property.

4. *Id.*; *Id.*; *DISTINCTION BETWEEN A DEPOSIT FOR COSTS AND THE DEPOSIT UNDER CONSIDERATION.*—Counsel for the distributees cites the resolution of this court in *Gutierrez vs. Gutierrez* (G. R. No. 48055), denying a motion of respondent therein for a writ of execution against petitioner therein, the money deposited for costs having been lost in the government treasury on account of the present emergency. However, there is a clear distinction between a deposit for costs and the deposit under consideration.

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A deposit for costs made by a party in a suit constitutes payment in advance of a fixed and definite sum to the other party, if the latter should win the case. The deposit for costs in this court is obligatory on the depositor because it is a condition precedent to the admission of his petition or the allowance of his appeal. And the adverse party has no lien against all the property of the depositor, as in the instant case. The sum deposited for costs is a specific amount, held in trust by the government for the other party if and when the latter should succeed. If the amount is later lost by *force majeure*, the depositor cannot again be made liable, as held in the *Gutierrez* case, *supra*.

PETITION for review on certiorari.

The facts are stated in the opinion of the court.

*Hilarion U. Jarencio* for petitioners.  
*Jose Sotelo* for respondents.

BOCOBO, J.:

The question in this case is whether the loss of a sum deposited with the Clerk of Court to answer for Attorney's Fees, during the pendency of an appeal, exempts the distributees of the estate of a deceased person from paying the fees, the attorney having rendered his services to the estate. From an order of the respondent court compelling said distributees to pay the fees to respondent attorney, the petitioners have appealed to this Court.

It appears that Attorney Jose Sotelo had been rendering services to the estate of Juan de la Viña in the special proceedings before the Court of First Instance of Manila. The universal heir of Juan de la Viña was his wife Julia Berceño, who also died before the final settlement of her husband's estate. Julia Berceño's heirs are her brothers and sisters, petitioners herein. The Court of First Instance, on April 8, 1940, ordered the administrator of the estate of Juan de la Viña to pay the fees of Attorney Jose Sotelo. The administrators of both estates—of Juan de la Viña and Julia Berceño—appealed from that order to the Court of Appeals. After the perfection

of that appeal, and under date of May 27, 1940, the Court of First Instance ordered the estate of Julia Berceño (to which all the property of the estate of Juan de la Viña had passed in the meantime by authority of the court) to file a bond in the amount of ₱4,200 or deposit that amount with the Clerk of Court to answer for the outcome of the appeal from the order of April 8, 1940 ("para estar a las resultas de la apelación interpuesta"). Accordingly, on August 2, 1940, the estate of Julia Berceño deposited ₱4,200 with the Clerk of Court. The Court of Appeals later affirmed the order referred to but reduced the amount of fees to ₱4,200, from which the sum of ₱1,464 which had already been received by Attorney Jose Sotelo, should be deducted. The petitioners have already received their shares of the estate of Julia Berceño, which has been settled.

In an order dated January 25, 1943, the respondent court ordered petitioners herein to pay, in the respective portions therein stated, the respondent Attorney Jose Sotelo the sum of ₱2,736 within ten days; otherwise, a writ of execution would be issued. That order is questioned by petitioners in this appeal.

Petitioners contend that respondent Attorney Sotelo became the owner of ₱2,736 (the unpaid balance of the fees due him) from the date of the deposit, and he should therefore bear the loss, while petitioners themselves should also bear the loss of ₱1,464. To support this theory, counsel for petitioners cites our resolution in *Gutierrez vs. Gutierrez*, G. R. No. 48055 (dated December 23, 1942) denying a motion of respondent therein for a writ of execution against petitioner therein, the money deposited for costs having been lost in the government treasury on account of the present emergency. However, we believe and so hold that there is a clear distinction between a deposit for costs and the deposit under consideration. Attorney Sotelo is a creditor of the estate of Julia Berceño (which succeeded to the assets and liabilities of the estate of Juan

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de la Viña). As such creditor, he has a statutory lien against said estate of Julia Berceño. (Suiliong & Co. vs. Chio-Taysan, 12 Phil., 13; Enriquez vs. Panopio, G. R. No. 48891, May 28, 1943.) Was such lien extinguished by the mere deposit of P4,200 with the Clerk of Court? No, because the deposit was simply a guarantee or security for such amount of fees as may be adjudicated, pending the appeal regarding the fees. It partakes of the nature of the bond required by Rule 91, Section 1, 2nd paragraph, of the Rules of Court, which provides:

"No distribution shall be allowed until the payment of the obligations above mentioned has been made or provided for, unless the distributees, or any of them, give a bond, in a sum to be fixed by the court, conditioned for the payment of said obligations within such time as the court directs."

In fact, the Court of First Instance in its order of May 27, 1940, required the estate of Julia Berceño either to file a bond in the amount of P4,200 or to deposit that amount with the Clerk of Court. Certainly, the character of the liability of the estate is not altered by the fact that the estate chose to deposit the amount, instead of filing a bond. As a matter of fact, it was not necessary for the petitioners either to make a deposit or file a bond, because in the absence of bond or deposit all the assets of the estate responded for the claim. The order of the court requiring either bond or deposit was made for the convenience of the distributees, to enable them to get their shares pending their appeal against the allowance of Attorney Sotelo's claim. Therefore, the claim of Attorney Sotelo for fees can be enforced against the distributees of the estate of Julia Berceño, even after the loss of the amount deposited.

On the other hand, a deposit for costs made by a party in a suit constitutes payment in advance of a fixed and definite sum to the other party, if the latter should win the case. The deposit for costs in this Court is obligatory on the depositor because it is a condition precedent to the admission of his petition or the allowance

of his appeal. And the adverse party has no lien against all the property of the depositor, as in the instant case. The sum deposited for costs is a specific amount, held in trust by the government for the other party if and when the latter should succeed. If the amount is later lost by *force majeure*, the depositor cannot again be made liable, as we held in the Gutierrez case, *supra*.

Furthermore, equitable considerations compel petitioners to satisfy this lien against the property which has been distributed to and among them. The assets of Juan de la Viña have passed to them through inheritance from their sister, Julia Berceño, the universal heir of Juan de la Viña. The deposit made by the petitioners having been lost through no negligence of either Attorney Sotelo or the petitioners, the latter should not be permitted to evade liability to pay for services rendered for the benefit of the estate from which the property already received by them originally came. There is still more than sufficient of that property in the hands of petitioners to satisfy this just and lawful debt of the original estate. Weighing the equities due both sides and neither being at fault, the balance must incline toward Attorney Jose Sotelo who should be paid for services actually rendered, rather than toward petitioners who have come to this inheritance through the bounty of their sister, the deceased Julia Berceño. As between hard toil and an act of liberality of the testatrix, the choice is not difficult to make. The principle underlying this just solution is recognized in positive legislation, such as the lien of creditors against the estate of deceased persons, and the inheritance tax laws which discourage gratuitous transmission of property.

Petitioners' counsel advances the theory that the estate of Julia Berceño having been closed, there should be a prior declaration in a separate and independent proceeding to the effect that the heirs (petitioners herein) are liable, before the Court of First Instance can acquire juris-

diction to make the heirs pay this debt. But the obligation of both estates of Juan de la Viña and Julia Berceño for the payment of the attorney's fees having become final upon the affirmance by the Court of Appeals of the order of the Court of First Instance dated April 8, 1940, this point of the respondent's counsel is not well taken. The estate of Julia Berceño (which succeeded to the rights and liabilities of the estate of Juan de la Viña) being liable, the responsibility of the distributees of Julia Berceño's estate necessarily follows. Further declaration to that effect in a separate action would be superfluous.

Wherefore, the order of January 25, 1943, requiring the petitioners herein to pay the respondent Attorney Jose Sotelo the sum of P2,736 under the terms stated therein, should be and is hereby affirmed, with costs against petitioners. So ordered.

Yulo, C. J., Moran, Ozaeta and Paras, JJ., concur.

Order affirmed.

[No. 48444. June 30, 1943]

In the matter of the intestate estate of the late Kaw Singco (*alias* Co Chi Seng). Sy OA, administratrix and appellee, vs. Co Ho, oppositor and appellant.

1. JURISDICTION OF SUPREME COURT IS ONE OVER SUBJECT MATTER.—A perusal of all the laws of jurisdiction in the Philippines—Act No. 136 and its amendments; Philippine Constitution, Article VIII, sections 2 and 3; and Commonwealth Acts Nos. 3 and 259—will readily show that the word "jurisdiction" as used in their different provisions is intended to have reference to the subject matter only. It may fairly be assumed, therefore, that when particularly the same word is used in clause 3 of section 2 of Article VIII of the Constitution and in clause 3 of section 138 of the Revised Administrative Code as amended by Commonwealth Acts Nos. 3 and 259, it is also intended to refer to the same kind of jurisdiction, since there is nothing therein to show that it is employed in a broader sense.

2. ID.; DOCTRINE IN REYES vs. DIAZ (G. R. No. 48754), CONFIRMED.—This court said in its decision in Reyes vs. Diaz, *supra*, that the question of jurisdiction referred to in

clause 3 of section 138 of the Revised Administrative Code, as amended by Commonwealth Acts Nos. 3 and 259, is one which calls for interpretation and application of the law of jurisdiction which distributes the judicial power among the different courts in the Philippines. It is now maintained that if such issue of jurisdiction is merely question of law, then clause 3 would be a surplusage, for it would be covered by clause 6 of the same section which confers upon the Supreme Court exclusive appellate jurisdiction over all cases in which only errors or question of law are involved. This is certainly a misapprehension. Under clause 6, the Supreme Court may entertain appellate jurisdiction when absolutely no questions of fact are involved in the appeal. But under clause 3, there may be issues of fact involved, but if aside from such issues the question of jurisdiction over the subject matter is properly raised, the Supreme Court shall have appellate jurisdiction, in exactly the same manner as under clause No. 1 where the Supreme Court shall have the same appellate jurisdiction when the constitutionality or validity of a law is raised regardless of any question of fact that there might be upon other issues.

3. ID.; ID.; RESIDENCE OF DECEASED IN PROBATE PROCEEDINGS IS A MATTER OF VENUE AND NOT OF JURISDICTION.—Section 600 of Act No. 190, providing that the estate of a deceased person shall be settled in the province where he had last resided, could not have been intended as defining the jurisdiction of the probate court over the subject matter, because such legal provision is contained in a law of procedure dealing merely with procedural matters, and, as this court has said time and again, procedure is one thing and jurisdiction over the subject matter is another. (Attorney-General vs. Manila Railroad Company, 20 Phil., 523.) The law of jurisdiction—Act No. 136, section 56, No. 5—confers upon Court of First Instance jurisdiction over all probate cases independently of the place of residence of the deceased. Since, however, there are many courts of first instance in the Philippines, the law of procedure, Act No. 190, section 600, fixes the venue or the place where each case shall be brought. Thus, the place of residence of the deceased is not an element of jurisdiction over the subject matter but merely of venue. And it is upon this ground that in the new Rules of Court the province where the estate of a deceased person shall be settled is properly called "venue." (Rule 75, section 1.)

4. *Id.*; *Id.*; *Id.*—This court is not unaware of existing decisions to the effect that in probate cases the place of residence of the deceased is regarded as a question of jurisdiction over the subject matter. But it declines to follow this view because of its mischievous consequences. For instance, a probate case has been submitted in good faith to a Court of First Instance of a province where the deceased had not resided. All the parties, however, including all the creditors, have submitted themselves to the jurisdiction of the court and the case is therein completely finished except for a claim of a creditor who also voluntarily filed it with said court but on appeal from an adverse decision raises for the first time in this court the question of jurisdiction of the trial court for lack of residence of the deceased in the province. If this court considers such question of residence as one affecting the jurisdiction of the trial court over the subject matter, the effect shall be that the whole proceedings including all decisions on the different incidents which have arisen in court will have to be annulled and the same case will have to be commenced anew before another court of the same rank in another province. That this is of mischievous effect in the prompt administration of justice is too obvious to require comment.

ORIGINAL action in the Supreme Court.  
Mandamus.

The facts are stated in the opinion of the court.

Ramon Diokno and Marcelino Lontok for petitioner.

Quintin Paredes and Geronimo Paredes for respondents.

MORAN, J.:

Oppositor-appellant Co Ho seeks the reconsideration of our resolution which reads as follows:

"The question involved in G. R. No. 48444, Sy Oa, administratrix-appellee, vs. Co Ho, oppositor-appellant, not being one of jurisdiction over the subject-matter but rather of venue which in turn hinges on a question of fact, i. e., whether the deceased, at the time of his death, was residing in Camarines Sur or in the City of Manila, pursuant to the ruling laid down in Reyes vs. Diaz, G. R. No. 48754, November 26, 1941, and Bernabe vs. Vergara, G. R. No. 48652, September 16, 1942, this case is hereby

certified to the Court of Appeals for further proceedings."

It is maintained that our interpretation of Article VIII, section 2, No. 3, of the Constitution, and section 138, No. 3, of the Revised Administrative Code, as enunciated in Reyes vs. Diaz, G. R. No. 48754 and Bernabe et al. vs. Vergara, G. R. No. 48652, is erroneous. In Reyes vs. Diaz we said that the term "jurisdiction" as used in the Constitution and in the statutes, means jurisdiction over the subject-matter only, unless an exception is clearly intended by reason of its employment in a broader sense. We so ruled, because, independently of the American laws and facts involved in the American decisions therein cited, such interpretation appears to be the clear intent of our substantive laws. A perusal of all the laws of jurisdiction in the Philippines—Act No. 136 and its amendments; Philippine Constitution, Article VIII, sections 2 and 3; and Commonwealth Acts Nos. 3 and 259—will readily show that the word "jurisdiction" as used in their different provisions is intended to have reference to the subject-matter only. It may fairly be assumed, therefore, that when particularly the same word is used in clause 3 of section 2 of Article VIII of the Constitution and in clause 3 of section 138 of the Revised Administrative Code as amended by Commonwealth Acts Nos. 3 and 259, it is also intended to refer to the same kind of jurisdiction, since there is nothing therein to show that it is employed in a broader sense.

Our attention is also directed to a comparison between subsections 3 and 6 of section 138 of the Revised Administrative Code, as amended by Commonwealth Acts Nos. 3 and 259. Said section reads:

"Sec. 138. *Jurisdiction of the Supreme Court.*—The Supreme Court shall have such original jurisdiction as may be possessed and exercised by the Supreme Court of the Philippines at the time of the approval of this Act, including cases affecting ambassadors, other public ministers, and consuls.

"The Supreme Court shall have exclusive jurisdiction to review, revise, reverse, modify

or affirm, on appeal, certiorari or writ of error, as the law or rules of court may provide, final judgments and decrees of inferior courts as herein provided, in—

"(1) All cases in which the constitutionality or validity of any treaty, law, ordinance, or executive order or regulation is in question;

"(2) All cases involving the legality of any tax, impost, assessment or toll, or any penalty imposed in relation thereto;

"(3) All cases in which the jurisdiction of any inferior court is in issue;

"(4) All criminal cases involving offenses for which the penalty imposed is death or life imprisonment, and those involving other offenses which, although not so punished, arose out of the same occurrence or which may have been committed by the accused on the same occasion, as that giving rise to the more serious offense, regardless of whether the accused are charged as principals, accomplices, or accessories, or whether they have been tried jointly or separately.

"(5) All civil cases in which the value in controversy exceeds fifty thousand pesos, exclusive of interests and costs, or in which the title or possession of real estate exceeding in value the sum of fifty thousand pesos to be ascertained by the oath of a party to the cause or by other competent evidence, is involved or brought in question. The Supreme Court shall likewise have exclusive jurisdiction over all appeals in civil cases, even though the value in controversy, exclusive of interests and costs, is fifty thousand pesos or less, when the evidence involved in said cases is the same as the evidence submitted in an appealed civil case within the exclusive jurisdiction of the Supreme Court as provided herein.

"(6) All other cases in which only errors or questions of law are involved."

We said in our decision in Reyes vs. Diaz, *supra*, that the question of jurisdiction referred to in clause 3 of the above-quoted provision, is one which calls for interpretation and application of the law of jurisdiction which distributes the judicial power among the different courts in the Philippines. It is now maintained that if such issue of jurisdiction is merely question of law, then clause 3 would be a surplusage, for it would be covered by clause 6 of the same provision which confers upon the Supreme Court exclusive appellate jurisdiction over all cases in which only errors or questions of law are involved. This is certainly a misapprehension. Under clause 6, the Su-

preme Court may entertain appellate jurisdiction when absolutely no questions of fact are involved in the appeal. But under clause 3, there may be issues of fact involved, but if aside from such issues the question of jurisdiction over the subject-matter is properly raised, the Supreme Court shall have appellate jurisdiction, in exactly the same manner as under clause No. 1 where the Supreme Court shall have the same appellate jurisdiction when the constitutionality or validity of a law is raised regardless of any question of fact that there might be upon other issues.

We are not unaware of existing decisions to the effect that in probate cases the place of residence of the deceased is regarded as a question of jurisdiction over the subject-matter. But we decline to follow this view because of its mischievous consequences. For instance, a probate case has been submitted in good faith to a Court of First Instance of a province where the deceased had not resided. All the parties, however, including all the creditors, have submitted themselves to the jurisdiction of the court and the case is therein completely finished except for a claim of a creditor who also voluntarily filed it with said court but on appeal from an adverse decision raises for the first time in this Court the question of jurisdiction of the trial court for lack of residence of the deceased in the province. If we consider such question of residence as one affecting the jurisdiction of the trial court over the subject-matter, the effect shall be that the whole proceedings including all decisions on the different incidents which have arisen in court will have to be annulled and the same case will have to be commenced anew before another court of the same rank in another province. That this is of mischievous effect in the prompt administration of justice is too obvious to require comment. (Cf. Tanunchuan vs. Dy Buncio & Co., G. R. No. 48206, December 31, 1942.) Furthermore, section 600 of Act No. 190, providing that the estate of a deceased person shall be settled in the province where he had last resided, could

not have been intended as defining the jurisdiction of the probate court over the subject-matter, because such legal provision is contained in a law of procedure dealing merely with procedural matters, and, as we have said time and again, procedure is one thing and jurisdiction over the subject-matter is another. (*Attorney-General vs. Manila Railroad Company*, 20 Phil., 523.) The law of jurisdiction—Act No. 136, Section 56, No. 5—confers upon Courts of First Instance jurisdiction over all probate cases independently of the place of residence of the deceased. Since, however, there are many courts of First Instance in the Philippines, the Law of Procedure, Act No. 190, section 600, fixes the venue or the place where each case shall be brought. Thus, the place of residence of the deceased is not an element of jurisdiction over the subject-matter but merely of venue. And it is upon this ground that in the new Rules of Court the province where the estate of a deceased person shall be settled is properly called "venue." (Rule 75, section 1.) Motion for reconsideration is denied.

*Yulo, C. J., Ozaeta, Paras and Bocobo, JJ., concur.*

*Motion denied.*

[No. 48797. July 30, 1943]

**FUA CAM LU**, plaintiff and appellee, *vs.* **YAP FAUCO** and **YAP SINGCO**, defendants and appellants.

1. JUDGMENT; NOVATION BY SUBSEQUENT AGREEMENT.—Appellee obtained in civil case No. 42125 of the Court of First Instance of Manila a judgment sentencing appellants to pay P1,538.04, with legal interest and costs. Subsequently, appellants executed a mortgage in favor of appellee, wherein it was stipulated that their obligation under the judgment in civil case No. 42125 was reduced to P1,200, which was made payable in four installments of P300; that to secure the payment the said P1,200, a *camarin* belonging to appellants was mortgaged to appellee; that in case appellants defaulted in the payment of any of the installments, they would pay ten per cent of the unpaid balance as attorney's fees, plus the costs of the action to be brought

by appellee by reason of such default, and the further amount of P338, representing the discount conceded to appellants. *Held:* That appellants' liability under the judgment in civil case No. 42125 had been extinguished by the statement evidenced by the mortgage executed by them in favor of appellee. Although said mortgage did not expressly cancel the old obligation, this was impliedly novated by reason of incompatibility resulting from the fact that, whereas the judgment was for P1,538.04 payable at one time, did not provide for attorney's fees, and was not secured, the new obligation is for P1,200 payable in installments, stipulates for attorney's fees, and is secured by a mortgage. The later agreement did not merely extend the time to pay the judgment, because it was therein recited that appellants promised to pay P1,200 to appellee as a settlement of the said judgment. Said judgment cannot be said to have been settled, unless it was extinguished.

2. *Id.*; EXECUTION; SHERIFF'S SALE VOID FOR LACK OF PUBLICATION.—After appellee obtained the said judgment and before it was novated by the subsequent agreement between the parties, by virtue of a writ of execution, a certain parcel of land belonging to appellants was levied upon by the provincial sheriff of Sorsogon who, on November 15, 1933, made a notice, duly posted in three conspicuous places in the municipalities of Donsol and Sorsogon and published in the *Mamera Press*, that said land would be sold at public auction on December 12, 1933. As a result of the agreement thus reached by the parties, the sale of the land did not take place. However, pursuant to an alias writ of execution issued by the Court of First Instance of Manila in civil case No. 42125 on March 31, 1934, the provincial sheriff, without publishing a new notice, sold said land at a public auction held on May 28, 1934, to appellee for P1,923.32. On June 13, 1935, the provincial sheriff executed a final deed in favor of appellee. *Held:* That the sheriff's sale in favor of appellee is void because no notice thereof was published other than that which appeared in the *Mamera Press* regarding the sale to be held on December 12, 1933.

PETITION for review for mandamus and certiorari.

The facts are stated in the opinion of the court.

*Vicente J. Francisco* for petitioner.  
*M. H. de Joya* for respondents.

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**PARAS, J.:**

The plaintiff-appellee, **Fua Cam Lu**, obtained in civil case No. 42125 of the Court of First Instance of Manila a judgment sentencing the defendants-appellants, **Yap Fauco** and **Yap Singco**, to pay P1,538.04, with legal interest and costs. By virtue of a writ of execution, a certain parcel of land belonging to the appellants, assessed at P3,550 and situated in Donsol, Sorsogon, was levied upon by the provincial sheriff of Sorsogon who, on November 15, 1933, made a notice, duly posted in three conspicuous places in the municipalities of Donsol and Sorsogon and published in the *Mamera Press*, that said land would be sold at public auction on December 12, 1933. On December 16, 1933, the appellants executed a mortgage in favor of the appellee, wherein it was stipulated that their obligation under the judgment in civil case No. 42125 was reduced to P1,200 which was made payable in four installments of P300 during the period commencing on February 8, 1934, and ending on August 8, 1935; that to secure the payment of the said P1,200, a *camarin* belonging to the appellants and built on the above-mentioned land, was mortgaged to the appellee; that in case the appellants defaulted in the payment of any of the installments, they would pay ten per cent of the unpaid balance as attorney's fees, plus the costs of the action to be brought by the appellee by reason of such default, and the further amount of P338, representing the discount conceded to the appellants. As a result of the agreement thus reached by the parties, the sale of the land advertised by the provincial sheriff did not take place. However, pursuant to an alias writ of execution issued by the Court of First Instance of Manila in civil case No. 42125 on March 31, 1934, the provincial sheriff, without publishing a new notice, sold said land at a public auction held on May 28, 1934, to the appellee for P1,923.32. On June 13, 1935, the provincial sheriff executed a final deed in favor of the appellee. On August 29, 1939, the appellee instituted the present

action in the Court of First Instance of Sorsogon against the appellants in view of their refusal to recognize appellee's title and to vacate the land. The appellants relied on the legal defenses that their obligation under the judgment in civil case No. 42125 was novated by the mortgage executed by them in favor of the appellee and that the sheriff's sale was void for lack of necessary publication. These contentions were overruled by the lower court which rendered judgment declaring the appellee to be the owner of the land and ordering the appellants to deliver the same to him, without special pronouncement as to costs. The appellants seek the reversal of this judgment.

We concur in the theory that appellants' liability under the judgment in civil case No. 42125 had been extinguished by the settlement evidenced by the mortgage executed by them in favor of the appellee on December 16, 1933. Although said mortgage did not expressly cancel the old obligation, this was impliedly novated by reason of incompatibility resulting from the fact that, whereas the judgment was for P1,538.04 payable at one time, did not provide for attorney's fees, and was not secured, the new obligation is for P1,200 payable in installments, stipulates for attorney's fees, and is secured by a mortgage. The appellee, however, argues that the later agreement merely extended the time of payment and did not take away his concurrent right to have the judgment executed. This could not have been the purpose for executing the mortgage, because it was therein recited that the appellants promised to pay P1,200 to the appellee as a settlement of the judgment in civil case No. 42125 (*en forma de transacción de la decisión \* \* \* en el asunto civil No. 42125*). Said judgment cannot be said to have been settled, unless it was extinguished.

Moreover, the sheriff's sale in favor of the appellee is void because no notice thereof was published other than that which appeared in the *Mamera Press* regarding the sale to be held on December

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12, 1933. Lack of new publication is shown by appellee's own evidence and the issue, though not raised in the pleadings, was thereby tried by implied consent of the parties, emphasized by the appellants in the memorandum filed by them in the lower court, and squarely threshed out in this Court by both the appellants and the appellee. The latter had, besides, admitted that there was no new publication, and so much so that in his brief he merely resorted to the argument that "section 460 of Act 190 authorized the sheriff to adjourn any sale upon execution to any date agreed upon in writing by the parties \* \* \* and does not require the sheriff to publish anew the public sale which was adjourned." The appellee has correctly stated the law but has failed to show that it supports his side, for it is not pretended that there was any written agreement between the parties to adjourn the sale advertised for December 12, 1933, to May 28, 1934. Neither may it be pretended that the sale in favor of the appellee was by virtue of a mere adjournment, it appearing that it was made pursuant to an alias writ of execution. Appellee's admission has thus destroyed the legal presumption that official duty was regularly performed.

The appealed judgment is, therefore, reversed and the defendants-appellants, who are hereby declared to be the owners of the land in question, are absolved from the complaint, with costs against the appellee. So ordered.

*Yulo, C. J., Ozaeta and Bocobo, JJ., concur.*

*MORAN, J., dissenting:*

I dissent.

By virtue of a judgment for ₱1,538.04 which appellee obtained against appellants, a writ of execution was issued in pursuance of which a parcel of land belonging to appellants was levied upon and its sale at public auction duly advertised. The sale was, however, suspended as a result of an agreement between the par-

ties, by the terms of which the obligation under the judgment was reduced to ₱1,200 payable in four installments, and to secure the payment of this amount, the land levied upon with its improvement was mortgaged to appellee with the condition that in the event of appellants' default in the payment of any installment, they would pay 10 per cent of any unpaid balance as attorney's fees as well as the difference between the full judgment credit and the reduced amount thus agreed. Appellants failed to comply with the terms of the settlement, whereupon, appellee sought the execution of the judgment, and by virtue of an alias writ of execution, the land was sold at public auction to appellee and a final deed was executed in his favor. Appellants refused, however, to vacate the land and to recognize appellee's title thereto; hence, the latter instituted the present action for recovery.

The majority sustained appellants' theory upon two grounds: (1) that their liability under the judgment has been extinguished by the agreement and that accordingly there was legally no judgment to execute; and (2) that the auction sale was void not only because the judgment sought to be executed has been extinguished but also because there was no publication thereof as required by law.

The first ground is contrary to a doctrine laid down by this Court in a previous case. In *Zapanta vs. De Rotache* (21 Phil., 154), plaintiff obtained judgment against defendant for a sum of money. Thereafter, the parties entered into an agreement by virtue of which the obligation under the judgment was to be paid in installments and that, upon default of defendant to comply with the terms of the agreement, plaintiff shall be at liberty to enter suit against him. Defendant defaulted and plaintiff sued out a writ of execution to recover the balance due upon the judgment credit and by virtue thereof defendant's property was levied upon and sold at public auction. Upon the issue of whether the agreement extinguished the

judgment and plaintiff's right to an execution thereunder, this Court held:

"A final judgment is one of the most solemn obligations incurred by parties known to law. The Civil Code, in article 1156, provides the method by which all civil obligations may be extinguished. One of the methods recognized by said code for the extinguishment of obligations is that by novation. (Civil Code, arts. 1156, 1203, 1213.) In order, however, that an obligation shall be extinguished by another obligation (novation) which substitutes it, the law requires that the novation or extinguishment shall be expressly declared or that the old and the new obligations shall be absolutely incompatible. (Civil Code, art. 1204.) In the present case, the contract referred to does not expressly extinguish the obligations existing in said judgment. Upon the contrary, it expressly recognizes the obligation existing between the parties in said judgment and expressly provides a method by which the same shall be extinguished which method is, as is expressly indicated in said contract, by monthly payments. The contract, instead of containing provisions 'absolutely incompatible' with the obligations of the judgment, expressly ratifies such obligations and contains provisions for satisfying them. The said agreement simply gave the plaintiff a *method and more time* for the satisfaction of said judgment. It did not extinguish the obligations contained in the judgment, until the terms of said contract had been fully complied with. Had the plaintiff continued to comply with the conditions of said contract, he might have successfully invoked its provisions against the issuance of an execution upon said judgment. The contract and the punctual compliance with its terms only delayed the right of the defendant to an execution upon the judgment. The judgment was not satisfied and the obligations existing thereunder still subsisted until the terms of the agreement had been fully complied with. The plaintiff was bound to perform the conditions mentioned in said contract punctually and fully, in default of which the defendant was remitted to the original rights under his judgment." (pp. 159-160.)

I see no reason why this decision cannot be made to control in the instant case. Here, as in the *Zapanta* case, there was an agreement providing for the manner of payment of the obligation under the judgment. In both cases, plaintiff has, by express stipulation, the option to enter an independent suit against defendant

should the latter fail to comply with the terms of the settlement. If, in the *Zapanta* case, plaintiff's alternative right to execute the judgment has been upheld, I perceive no cogent reason why plaintiff in the instant case would be denied a like option to merely execute the judgment and be compelled, instead, to enter an independent suit on the terms of the settlement. The spirit of the new Rules which frowns upon multiplicity of suits lends additional argument against the majority view.

The majority maintains that here there is an implied novation by "reason of incompatibility resulting from the fact that, whereas the judgment was for ₱1,538.04 payable at one time, did not provide for attorney's fees, and was not secured, the new obligation is for ₱1,200 payable in installments, stipulates for attorney's fees, and is secured by a mortgage." With respect to the amount, it should be noted that, while the obligation under the judgment was reduced to ₱1,200, there was, however, a stipulation to the effect that the discount would be recoverable in the event of appellants' default to comply with the terms of the agreement. And as to attorney's fees and the security by way of mortgage, the stipulation therefor contained in the agreement is of no moment, for it is merely incidental to, and anticipatory of, a suit which appellee may choose to take against appellants. Far, therefore, from extinguishing the obligation under the judgment, the agreement ratifies it and provides merely a new method and more time for the judgment debtor to satisfy it. If the judgment debtor fail to comply with the terms of the agreement, the judgment creditor shall be deemed remitted to his original rights under the judgment which he may choose to execute or enter, instead, a separate suit on the terms of the settlement. This is the *ratio decidendi* in the *Zapanta* case; this is the *ratio decidendi* here.

Upon the question of the nullity of the auction sale, the majority appears to have



deduced the lack of publication of the necessary notice from isolated parts of the records and from the fact that the published notice regarding the first sale which was suspended, was merely appended to the second sheriff's sale. It should be noted, however, that appellants have never raised this issue in their pleadings and that the nullity of the sale by them pleaded is made to rest only upon the ground of "fraud and deceit" or "without or with false consideration." There having been no issue as to the publication of notice, no evidence thereon has been adduced by both parties whose attention has

never been directed to the question of whether the notice appended to the second sale is or is not the true notice published in connection therewith. Under such circumstance, we have only to rely on the presumption of law in favor of the regularity of official action. We cannot safely disregard this presumption of law for the temptation that isolated pieces of the records on appeal may offer in support of one conjecture or another on matters not expressly litigated by the parties.

I, therefore, vote for the affirmance of the judgment of the trial court.

*Judgment reversed.*

## MINISTRY AND BUREAU ADMINISTRATIVE ORDERS AND REGULATIONS

### Ministry of Agriculture and Natural Resources

#### Ministry Order No. 9-1

#### MAXIMUM RETAIL PRICE OF LOCALLY MADE CIGARETTES

January 3, 1944

Effective immediately, the official maximum retail price of locally made cigarettes per package of 30 cigarettes each is hereby fixed at P0.25. This includes the following local brands: Blanco, Cagayanes, Cortos Extra, Farmer, Hebra, Pagkakaisa, Rositas, Abutin, Corona, El Amor, Katipunan, Laban, La Dicha, La Estrella, La Grandeza, La Indiana, La Nobleza, La Simpatica, Herald, La Suavedad, Liwayway, Masque, Taliba, and Ulliran.

This order amends Department Order No. 9 of this Office dated June 26, 1943.

RAFAEL R. ALUNAN  
Minister

### BUREAU OF FORESTRY

#### Administrative Order No. 2-R

#### RULES AND REGULATIONS GOVERNING THE ISSUANCE OF PERMIT TO OPEN, REOPEN AND TO START OPERATION OF SAWMILLS AND OTHER WOOD- WORKING INDUSTRIES.

December 27, 1943

Pursuant to Ministry Administrative Order No. 26, dated October 26, 1943, of the Minister of Agriculture and Commerce and in enforcing the provisions of Administrative Order No. 4, dated July 14, 1942, of the former Department of Agriculture and Commerce, the following rules and regulations are hereby promulgated for the guidance of the operation of sawmills and other wood-working industries:

1. *Application for authority or permit to operate.*—Application for the authority to open, re-open and to start operation of sawmills and other wood-working industries shall be addressed to the Director of Forestry and Fishery, Manila, and it shall be in the manner provided in section 2 of Administrative Order

No. 4 of the former Department of Agriculture and Commerce. No permit shall be issued unless the requirements in section 5 of the same Order are complied with.

2. *Organization of Sawmill Operators' Union.*—The policy of this Office is better served if the sawmills and other wood-working industries will pool their activities and operate through a corporate body. Accordingly, the Manila Sawmill Operators' Union has been organized to function under the advice of the Minister of Agriculture and Commerce, through the Director of Forestry and Fishery. These sawmill companies, partnerships, associations, owners or operators of sawmills and other wood-working industries in the City of Manila who have constituted themselves as members of said Union, by representation or otherwise, should not secede or resign from same as long as they are holders of government license to operate inasmuch as other sawmills and wood-working industries in Manila shall have no quota of timber as herein provided unless they are admitted as members in accordance with the By-Laws of the Union.

3. *Functions of sawmill operators or wood-working industries union.*—Sawmill operators or wood-working industries union shall act as an instrumentality which will represent the members thereof in their dealings with the Government or any of its instrumentalities which may be designated to supervise the operation of sawmills and other wood-working industries; to effectively cooperate with the Government in the development and promotion of the lumber industry; and to introduce improvements in the method, and endeavor to establish uniform costs, charges or fees of sawmilling, manufacturing, trading and utilization of timber or lumber.

4. *Allocation of quota of timber.*—The Director of Forestry and Fishery as Executive Director of the Forest Products Producers' Federation of the Philippines may grant or allocate from the Federation a certain quota of timber to each of the sawmills or wood-working industries which have organized themselves into a union for their operation at such fees as he may determine and fix from time to time. It should be the duty of such sawmills or wood-working industries to saw or

work on such timber as allocated in accordance herewith. No timber other than that allocated shall be sawn or disposed of unless with the knowledge and approval of the Director of Forestry and Fishery.

5. *Fixing of sawmilling fees.*—Sawmilling and other milling or manufacturing fees of sawmills and other wood-working industries shall be determined and fixed from time to time by the Director of Forestry and Fishery. To this effect, there shall be conducted by the Manager of the Manila Sawmill Operators' Union, as conditions may warrant, a joint study of sawmilling cost and operation cost of sawmills and other wood-working industries with the personnel of the Bureau of Forestry and Fishery. For this purpose, said officials shall have access, upon demand, to all books, records or accounts of such sawmills and other wood-working industries and shall be admitted to their premises in accordance with section 11 of Department Administrative Order No. 4 of the former Department of Agriculture and Commerce.

6. *Fixing of selling price of lumber.*—Upon the recommendation of the Director of Forestry and Fishery, the Minister of Agriculture and Commerce may fix the selling price of the lumber sawn or manufactured by the sawmills and other wood-working industries when offered for sale or disposed of to the public, after considering all the cost of the materials and labor and other circumstances incident to the manufacture or production thereof.

7. *Submission of monthly and other reports.*—The monthly reports on sawmills and other wood-working industries required in section 9 of Department Administrative Order No. 4 shall hereafter be submitted to the Director of Forestry and Fishery. It shall also be the duty of the operators of these sawmills and wood-working industries to submit to the Bureau of Forestry and Fishery, regularly or otherwise, whenever so required, reports on data or information as may be necessary in the conduct of study of their milling or manufacturing costs.

8. *Penal provision.*—Any violation of this Order shall be punishable by the suspension of the quota or allocation of timber provided for in section 4 hereof, or the cancellation of the government license to operate, in the discretion of the Director of Forestry and Fishery.

9. *Effectivity.*—This Order shall take effect on January 3, 1944.

FLORENCIO TAMESIS  
Director of Forestry

Approved:  
RAFAEL R. ALUNAN  
Minister of Agriculture and Natural Resources

## Ministry of Finance

### Ministry Order No. 1

#### RULES AND REGULATIONS GOVERNING THE REDEMPTION OF THE CURRENCY NOTES OF THE BANK OF THE PHILIPPINE ISLANDS REMAINING IN CIRCULATION.

January 10, 1944

By virtue of the authority conferred upon me by Proclamation No. 5, dated December 3, 1943, the following rules and regulations are hereby prescribed for the redemption of the currency notes of the Bank of the Philippine Islands remaining in circulation.

1. Circulating notes of the Bank of the Philippine Islands redeemable under the provisions of the above-mentioned Proclamation are only those issued by the said bank under the name of "The Bank of the Philippine Islands."

2. On or before March 2, 1944, residents within the City of Manila who are holders of notes eligible for redemption shall present for redemption the notes in their possession to the Bank of the Philippine Islands, No. 10, Plaza Cervantes, Manila.

3. On or before May 31, 1944, residents outside the City of Manila who are holders of notes eligible for redemption shall present for redemption the notes in their possession to the branches of the Bank of the Philippine Islands in Cebu, Iloilo and Zamboanga, and in the places where no branch of that bank is operating, to provincial, city or deputy treasurers. Provincial, city and deputy treasurers shall keep a record of the notes redeemed, showing their serial numbers, denominations and dates of issue, as well as the names and addresses of the parties who presented them for redemption.

4. Holders of notes who fail to present the notes for redemption within the period specified above shall lose their right to the benefits of redemption.

5. Notes which are not mutilated shall be redeemed at full face value without any deduction whatsoever. The following shall be observed in the redemption of mutilated notes:

(a) A note which is totally destroyed is not redeemable.

(b) A fragment of a note clearly not more than two-fifths of its original size shall have no value.

(c) A fragment of a note clearly more than two-fifths but less than three-fifths of its original size shall be redeemed at one-half of its face value.

(d) A fragment of a note clearly three-fifths or more of its original size shall be redeemed at full face value.

(e) A note which is complete as to its original size but which shows the drawing and design of one side only shall be redeemed at one-half of its face value.

(f) A mutilated note, the correct exchange value of which is doubtful, shall first be forwarded to the Bureau of the Treasury or to the Bank of the Philippine Islands at Manila for determination of its exchange value.

6. Notes redeemed shall be cancelled by the Bank of the Philippine Islands and its branches and by the provincial, city and deputy treasurers, either by a series of perforations or by marking thereon in ink the word "PAID" in bold letters, and the redemption value thereof shall be reimbursed by the National Treasurer from the "Notes of the Bank of the Philippine Islands Redemption Fund." The notes redeemed by the Bank of the Philippine Islands and its branches shall be presented to the Bureau of the Treasury by the head office of the bank in Manila for reimbursement, while those redeemed by provincial, city and deputy treasurers shall be handled as prescribed below.

7. The amounts needed by provincial, city and deputy treasurers to redeem the notes presented to them shall be taken from the National Disbursing Funds. Whenever the National Disbursing Funds are insufficient, the provincial or city treasurer concerned shall with the provincial or city auditor, as the case may be, immediately telegraph the Director of the Budget and Accounts a request for the remittance of additional funds. In the meantime, any available funds in the possession of provincial, city or deputy treasurers may be used, and until reimbursement of the amount used is received from the National Disbursing Funds, the redeemed notes shall be accounted for as cash on hand. The redeemed notes, the redemption value of which has been reimbursed from the National Disbursing Funds, shall be transmitted by the safest possible means direct to the Bureau of the Treasury. The corresponding debit-credit memos covering the actual redemption value and the expenses incident to the transmittal of the redeemed notes which have been charged to the National Disbursing Funds together with all other supporting papers shall be submitted through the Bureau of the Budget and Accounts to the Bureau of the Treasury in accordance with General Circular No. 18 of the former Auditor General and Director of the Budget.

ANTONIO DE LAS ALAS  
Minister of Finance

Concurred in:

For the Minister of Home Affairs:

ARSENIO BONIFACIO  
Vice-Minister of Home Affairs  
PIO PEDROSA  
Acting Auditor General

## BUREAU OF CUSTOMS AND INTERNAL REVENUE

### General Circular No. 539

#### ACT No. 19, AMENDING CERTAIN INCOME TAX PROVISIONS OF THE NATIONAL INTERNAL REVENUE CODE.

January 4, 1944

To all Internal Revenue Officers and others concerned:

For your information and guidance, the changes effected by Act No. 19, which amends sections 21, 22, 24, 27, 51, 53, and 54 of the National Internal Revenue Code, are set forth hereunder:

*Rates of tax on individuals.*—Sections 1 and 2 of Act No. 19 amend sections 21 and 22, respectively, of the National Internal Revenue Code by increasing the rate of tax on individuals, whether citizens, residents, or nonresidents. The amendatory act does not alter the rates of tax prescribed by the Tax Code on the net income of individuals not exceeding P20,000; so that an individual having a net income not exceeding P20,000 is subject to the rates of tax equivalent to those fixed under the Tax Code. The new rates and the tax corresponding to each income bracket are shown below:

From—	To—	Bracket	Rate	Tax	Total tax
P2,000	P2,000	1%		P20	P20
P2,000	4,000	2%		40	60
4,000	6,000	3%		60	120
6,000	10,000	4%		160	280
10,000	20,000	5%		500	780
20,000	30,000	7%		700	1,480
30,000	40,000	10%		1,000	2,480
40,000	50,000	13%		1,300	3,780
50,000	60,000	16%		1,600	5,380
60,000	70,000	19%		1,900	7,280
70,000	80,000	22%		2,200	9,480
80,000	90,000	25%		2,500	11,980
90,000	100,000	28%		2,800	14,780
100,000	120,000	30%		6,000	20,780
120,000	140,000	32%		6,400	27,180
140,000	160,000	34%		6,800	33,980
160,000	180,000	36%		7,200	41,180
180,000	200,000	38%		7,600	48,780
200,000	225,000	40%		10,000	58,780
225,000	250,000	42%		10,500	69,280
250,000	275,000	44%		11,000	80,280
275,000	300,000	45%		11,250	91,530
300,000	350,000	46%		23,000	114,530
350,000	400,000	47%		23,500	138,030
400,000	450,000	48%		24,000	162,030
450,000	500,000	49%		24,500	186,530
500,000	.....	50%		.....	.....

The tax on the net income of nonresident alien individuals not engaged in trade or business in the Philippines or not having an office or place of business therein is increased from 8 to 12 per cent. If the net income of such nonresident alien exceeds P90,000 (instead of P80,000 as prescribed in the Tax Code), the

new graduated rates of tax on citizens, residents, and nonresidents engaged in trade or business in the Philippines or having an office or place of business therein shall be applicable.

**Rate of tax on corporations.**—Section 3 of Act No. 19 amends section 24 of the Tax Code by raising the tax on corporations from 8 to 12 per cent. The tax due on income realized by a corporation filing returns on a fiscal year basis, for a fiscal year ended during the year 1943, shall be computed by subjecting to the income tax at the rate of 8 per cent that portion of the net income attributable to the period falling within the calendar year 1942 and to the tax at the rate of 12 per cent that portion of the net income attributable to the period falling within the calendar year 1943, in case segregation of income is possible, as where the corporation closes its books at the end of every month. Where such segregation cannot be made, the tax shall be computed by subjecting to the tax at 8 per cent that proportion of the net income for the entire fiscal year ended during 1943 which the number of months of such fiscal year falling within the calendar year 1942 bears to twelve months, and by subjecting to tax at 12 per cent that proportion of the net income which the number of months of such fiscal year falling within the calendar year 1943 bears to twelve months.

To illustrate: If a corporation has a net income of P12,000 for its fiscal year ending June 30, 1943, one half of such net income, or P6,000, is subject to tax at 8 per cent, in which case a tax of P480 is due on that portion of its net income. The other half is subject to tax at 12 per cent, in which case a tax of P720 is due on the remainder of such net income. A total tax of P1,200 is, therefore, due and collectible.

If the corporation has already paid the tax on its net income for any fiscal year ended during the calendar year 1943, the balance of the tax still due, as a result of the increase in the tax on corporations, will be assessed as a deficiency.

**Exemption.**—Section 4 of Act No. 19 amends section 27 of the Tax Code by withdrawing the exemption granted to building and loan associations. Said associations are now treated as taxable corporations.

Section 4 of Act No. 19 also withdraws the full exemption of corporations organized and operated exclusively for religious, charitable, scientific, athletic, cultural, or educational purposes. These corporations are now placed likewise within the category of taxable corporations, but they may be exempted from tax in respect to income spent by them exclusively for religious, charitable, scientific, athletic, cultural or educational purposes, provided that satisfactory proof is presented showing how income sought to be exempted has been spent.

**Computation of surcharge and interest.**—Section 5 of Act No. 19 amends section 51 of the

Tax Code by eliminating from subsection (d) thereof the three-year period within which discovery of failure to file a return or of the error, falsity, or fraud therein should be made. Subsection (e) of section 51 has also been modified in such a way that to the tax due on delinquent returns or to the deficiency tax assessed on erroneous or fraudulent returns there shall be added the 5 per cent surcharge and 1 per cent monthly interest from the due date of the tax as fixed in subsection (b) or subsection (c) of the same section.

Heretofore, the tax on delinquent returns or the deficiency tax assessed on erroneous or fraudulent returns was increased by the 5 per cent surcharge and the 1 per cent monthly interest only in case of failure to pay such tax or deficiency tax within the period fixed in the assessment notice. Under the amendatory act, the 5 per cent surcharge and the 1 per cent monthly interest, reckoned from the due date of the tax, are to be added right away to the tax assessed on delinquent returns or to the deficiency tax due on erroneous or fraudulent returns, i. e., the assessment notice shall require the taxpayer to pay not only the tax but also the accrued delinquency penalties.

To illustrate: If an individual files his 1943 return on June 1, 1944 and a tax of P20 is due on the return, he will be required to pay not only the tax of P20 but also the 5 per cent surcharge of P1 and the 1 per cent monthly interest from May 15, 1944 to the date of payment. If the same return is subsequently verified and a deficiency tax of P30 is assessed thereon, say, on December 1, 1944, the taxpayer will be liable not only to pay the deficiency tax of P30 but also to the 5 per cent surcharge of P1.50 and the 1 per cent monthly interest thereon from May 15, 1944 to the date of payment.

**Rate of withholding income tax.**—Sections 6 and 7 of Act No. 19 amend sections 53 and 54 of the Tax Code by raising the rate of the withholding tax from 8 to 12 per cent. In case a withholding agent has already remitted to his principal income received in 1943 and has withheld a tax equivalent to only 8 per cent of such income, the withholding agent may deduct the additional 4 per cent increase in the withholding tax from the income which such withholding agent will receive hereafter.

**Effectivity.**—Section 8 of Act No. 19 provides that said Act shall take effect so as to apply to income received from January 1, 1943. The Act was approved on December 29, 1943.

**Publicity.**—All provincial and city treasurers, their deputies, and other internal revenue officers are hereby enjoined to give wide publicity to the provisions of Act No. 19 and of this circular.

BIBIANO L. MEER  
Director

# General Circular No. 540

## FILING OF 1943 INCOME TAX RETURNS AND ASSESSMENT OF INCOME TAXES

January 6, 1944

To all Provincial Revenue Agents, Provincial and City Treasurers, their Deputies, and other Internal Revenue Officers concerned:

1. Information should be given to the public that income tax returns for the calendar year 1943 should be filed not later than March 1, 1944 and that if the returns are not filed on or before that date, the penalties provided by law will be imposed. Such penalties are: (a) in the case of individuals, a fine of not more than P2,000 or imprisonment for not more than 6 months, or both; and (b) in the case of corporations, partnerships, and associations a fine of not more than P20,000. In either case, a surcharge of 25 per cent will be added to the tax, unless the return is voluntarily and without notice from the Director or other officer filed after March 1, 1944 and it is shown that the failure to file it was due to a reasonable cause. If the failure to file the return is due to wilful neglect, a surcharge of 50 per cent will be added to the tax due.

2. Provincial and city treasurers are requested to see to it that all their deputies in the various municipalities and cities are provided with a sufficient supply of blank forms of income tax returns. If the supply is lacking, requisitions therefor should be made immediately to this Office so as not to delay the presentation of income tax returns.

3. All income tax returns received in the offices of provincial revenue agents, provincial and city treasurers, and their deputies should be forwarded without delay by registered mail direct to this Office. The date of the receipt of each return should be indicated on the face thereof by the official receiving it. A record of all returns received should be kept by the receiving officer. Such record shall contain the name of each taxpayer, the date when the return has been filed, and the date when the same has been forwarded to this Office.

4. Provincial revenue agents, provincial and city treasurers, and their deputies are not empowered to grant extensions of time for the filing of income tax returns. All requests for extension should be forwarded to this Office for decision. Such requests should be made so as to reach the offices of the provincial revenue agents, provincial or city treasurers, or any of their deputies on or before March 1, 1944. The officer receiving such requests should indicate on the face thereof the date of their receipt at his office.

5. Notwithstanding the foregoing, provincial revenue agents in the Visayan and Mindanao provinces may, in meritorious cases, grant extensions for the filing of income tax returns but, in no case should an extension, in respect to income tax returns prepared on the calendar year basis, be granted later than April 30, 1944, because the law requires that the tax, or the first installment thereof, if payable by installments, be paid on or before May 15, 1944, and the taxpayer be notified of the amount of the tax at least fifteen days before the due date for the payment thereof. And in the case of income tax returns filed by corporations on a fiscal year basis, no extension for the filing thereof should be granted later than the last day of the fourth month following the close of the fiscal year. Provincial revenue agents stationed in such provinces may also assess the taxes due on the returns, and for this purpose they are hereby authorized to require income tax or assistant income tax examiners assigned in their respective units to carefully audit the returns. Any doubt or question regarding any item of income or deduction shown in an income tax return, or in determining the tax due thereon should at once be referred to this Office for resolution. The taxpayers should be notified of the amount of the tax for which they are respectively liable on or before the first day of May, 1944, or, in the case of a corporation filing on a fiscal year basis, on or before the first day of the fifth month following the close of the fiscal year. Assessment notices should be made in quadruplicate, the original thereof to be sent to the taxpayer, the duplicate to be retained by the provincial revenue agent, and the triplicate and quadruplicate copies to be furnished the city or municipal treasurer and the Office of the Director, respectively. The duplicate copies of assessment notices, together with the duplicate copies of the income tax returns should be carefully kept in the file of provincial revenue agents for purposes of record and examination. The original copies of the income tax returns, together with the above-mentioned copies of the assessment notices and letters of extension, should be forwarded to the Office of the Director for permanent file.

6. Provincial revenue agents should lend every assistance necessary to the city and municipal treasurers, or otherwise fully cooperate with them in the collection of income taxes. No effort should be spared in enforcing prompt payment of the income taxes due for the calendar year 1943.

BIBIANO L. MEER  
Director

## General Circular No. 541

EXEMPTION FROM THE DOCUMENTARY  
STAMP TAX OF AFFIDAVITS SUB-  
MITTED IN SUPPORT OF REQUESTS  
FOR RELIEF FOR THE LOSS OF GOV-  
ERNMENT PROPERTIES.

January 19, 1944

To all customs and internal revenue officers  
and others concerned:

The attention of all customs and internal revenue officers and others concerned is hereby invited to the provisions of Executive Order No. 219 of the Chairman of the Executive Commission, amending section 236 (d) of the National Internal Revenue Code, which took effect on October 8, 1943, by including among the documents exempt from the documentary stamp tax affidavits submitted by accountable officers in support of requests for relief for the loss of government properties. Section 236 (d), as amended, reads as follows:

"(d) Certificates of oaths administered to any Government official, in his official capacity, or of acknowledgment by any Government official in the performance of his official duties; written appearances in any court by any Government official, in his official capacity; certificates of the administration of oaths to any person as to the authenticity of any paper required to be filed in court by any person or party thereto, whether the proceedings be civil or criminal; papers and documents filed in Courts by or for the central, provincial, city, or municipal governments; affidavits of poor persons for the purpose of proving poverty; affidavits supporting requests of accountable officers and employees for relief for the loss of government properties due to causes beyond their control; statements and other compulsory information required of persons or corporations by rules and regulations of the central, provincial, city, or municipal governments exclusively for statistical purposes and which are wholly for the use of the bureau or office in which the same are filed and not at the instance or for the use or benefit of the person filling the same; certified copies and other certificates placed upon documents, instruments, and papers for the central, provincial, city, or municipal governments, made at the instance and for the sole use of the central, provincial, city, or municipal governments; and certificates of the assessed value of

lands, not exceeding two hundred pesos in value assessed, furnished by provincial, city, or municipal treasurer to applicants for registration of title to land. (Italics supplied.)

"When any bond, note, or other obligation is secured by a mortgage, pledge, deed of trust, or by the assignment or transfer of any documentary security, one tax only shall be collected upon such papers, such tax to be at the highest rate imposed on such mortgage, bond, note, obligation, or other documents, as the case may be.

In accordance with the above-quoted provisions of the executive order, affidavits supporting requests of accountable officers and employees for relief for the loss of government properties due to causes beyond their control shall be exempt from the documentary stamp tax beginning October 8, 1943, the date of the effectivity of the order.

Strict compliance with the provisions of this circular is hereby enjoined.

BIBIANO L. MEER  
Director

## General Circular No. 542

TAX LIABILITY OF BUSINESS OR IN-  
DUSTRIES OWNED OR CONTROLLED  
BY JAPANESE FIRMS OR CORPO-  
RATIONS.

January 29, 1944

To all customs and internal revenue officers  
and others concerned:

For the information of all customs and internal revenue officers and others concerned, there is quoted hereunder a letter of the Honorable, the Minister of Finance, dated January 13, 1944, regarding the tax liability of businesses or industries owned or controlled by Japanese firms or corporations:

SIR:

In connection with the question of the tax liability of businesses or industries owned or controlled by Japanese firms or corporations, I have the honor to inform you that all businesses or industries operated, owned or controlled by Japanese nationals, Japanese firms or corporations, are subject to the payment of all the internal revenue taxes due on their business

in accordance with the National Internal Revenue Code.

However, as regards the firms below named which are operated or controlled by the Imperial Japanese

Army, they should be allowed for the time being to collect the taxes due and pay them to the Government in the same manner as customs duties are at present collected and paid.

Names and Address	Kind of Business
1. Hito Mokuzai Kumiai, Manila	Lumber and forest products
2. Nippon Mokuzai K. K., Chaco Bldg., Manila	Lumber and forest products
3. Manila Gyogyo Kumiai (Manila Fishing Association), 805 Echague, Manila	Fishing, manufacture of fish by-products and dock
4. The Philippine Salt Control Association (Hito Sio Tosei Kumiai), 35 Juan Luna, Manila	Purchase, distribution and export of salt
5. Philippine Sugar Regulation Association, 101-103 Escolta, Manila	Purchase and distribution of sugar
6. Rizal Cement Co., Binafagonan, Rizal	Manufacture of cement
7. Nissa Norin Kogyo K. K. (Phil. Match Co.), 625 P. Paterno, Manila	Manufacture of matches
8. Hito Seitai K. K., Pureza, Sta. Mesa, Manila	Manufacture of jute bags
9. Marcos Hermose Factory, Meycauayan, Bulacan	Manufacture of sole and upper leather
10. Philippine Tannery, Malabon, Rizal	Tanning of leather
11. Nippon Paint K. K. (Elizalde Paint & Oil Factory) 384-388 Tanduan, Manila	Paste, mixed paints, varnish and oil manufacture
12. Taiwan Pulp K. K. K. (Compañia Celulosa de Filipinas (Bals Cellulose Factory) Ayala Bldg., Manila	Paper, pulp and hydrochloric acid manufacture
13. Hito Seikatsu Hitujyu Bussai Kaikyu Tosei Kumiai, Hongkong & Shanghai Bank Bldg., Manila	Control and distribution of prime commodities

Respectfully,

ANTONIO DE LAS ALAS  
Minister of Finance

In accordance with the above-quoted letter, all businesses or industries operated, owned or controlled by Japanese nationals, Japanese firms and corporations, are subject to the payment of all internal revenue taxes due on their businesses in accordance with the National Internal Revenue Code and other laws administered by the Bureau of Customs and Internal Revenue, the same as other private persons or entities. The firms and entities, however, enumerated in the second paragraph of the letter of the Honorable, the Minister of Finance will be allowed to collect the taxes due on their business and pay them to the Government in the same manner as customs duties are now collected and paid. Customs duties are collected in accordance with Executive Order No. 225 of the former Chairman

of the Executive Commission which provides that all duties collected for each month under the provisions of the said order shall be delivered to the Director of Customs and Internal Revenue on or before the end of the following month. The above firms, therefore, need not pay the taxes due on their business in the manner provided for in the National Internal Revenue Code and other laws administered by the Bureau of Customs and Internal Revenue for other taxpayers but they shall make their returns and pay the taxes due from them for each month, to the Bureau of Customs and Internal Revenue.

Compliance with the provisions of the Circular is hereby enjoined.

BIBIANO L. MEER  
Director



**Ministry of Justice****Administrative Order No. 1**

January 3, 1944

In the interest of the administration of justice, the Hon. Vicente del Rosario, Judge of the Sixth Judicial District, is hereby authorized to hold court at Lucena, Tayabas, beginning January 10, 1944, or as soon thereafter as practicable, for the purpose of trying all kinds of cases, and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 2**

January 15, 1944

In the interest of the administration of justice, the Hon. Jose Gutierrez David, Judge-at-large, is hereby authorized to hold court in the Province of Rizal, beginning January 17, 1944, or as soon thereafter as practicable, for the purpose of trying all kinds of cases, and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 3**

January 14, 1944

In the interest of the administration of justice, the Hon. Amado P. Amador, Judge-at-large, is hereby authorized to decide in Manila, Criminal Case No. 213 of the Court of First Instance of Laguna, "P. P. I. vs. Sofio Sahagun," for murder.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 4**

January 22, 1943

In the interest of the administration of justice, the Hon. Higinio de Guia, Judge of the Eighth Judicial District, is hereby authorized to decide in Manila Criminal Case No. 11635 "People vs. Trinidad," for murder, and such other cases tried by him while holding court in the Province of Nueva Ecija.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 5**

January 26, 1944

In the interest of the administration of justice, the Hon. Primitivo Gonzales, Judge-at-

large, is hereby authorized to hold court in the Province of Batangas, beginning January 26, 1944, or as soon thereafter as practicable, for the purpose of trying all kinds of cases, and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 6**

January 26, 1944

In the interest of the administration of justice, the Hon. Felix Bautista Angelo, Judge of the Fifth Judicial District, is hereby authorized to continue holding court in the Province of Laguna, for the purpose of trying all kinds of cases, and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 7**

January 26, 1944

In the interest of the administration of justice, the Hon. Roberto Concepcion, Judge-at-large, is hereby authorized to decide Criminal Cases Nos. 988, 1010 and 1038 "People vs. Marie Josephine Panzani et als." of the Court of First Instance of Manila, and Sagay Cadastral Case No. 27, G. L. R. O. No. 284, and to hold court in Manila beginning January 26, 1944, or as soon thereafter as practicable, for the purpose of trying all kinds of cases, and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 8**

January 26, 1944

In the interest of the administration of justice the Hon. Jose Gutierrez David, Judge-at-large, is hereby authorized to hold court in Manila beginning January 26, 1944, or as soon thereafter as practicable, for the purpose of trying all kinds of cases and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 9**

January 26, 1944

In the interest of the administration of justice, the Hon. Francisco Jose, Judge of the First Judicial District, is hereby authorized to continue holding court in the Province of Zam-

bales, for the purpose of trying all kinds of cases, and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 10**

January 26, 1944

In the interest of the administration of Justice, the Hon. Juan L. Luna, Judge-at-large, is hereby authorized to continue holding court in Calamba, Laguna, for the purpose of trying all kinds of cases, and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 11**

January 26, 1944

In the interest of the administration of justice, the Hon. Vicente del Rosario, Judge of the Fourth Judicial District, is hereby authorized to continue holding court in the Province of Tayabas, for the purpose of trying all kinds of cases, and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 12**

January 27, 1944

In the interest of the administration of justice, the Hon. Amado P. Amador, Judge-at-large, is hereby authorized to hold court in Manila beginning January 27, 1944, or as soon thereafter as practicable, for the purpose of trying all kinds of cases and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 13**

January 27, 1944

In the interest of the administration of justice, the Hon. Emilio Peña, Judge of the Second Judicial District is hereby authorized to hold court in the City of Manila, beginning February 1, 1944, or as soon thereafter as practicable, for the purpose of trying all kinds of cases, particularly the cases arising under the Food Administration Act, and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 14**

January 31, 1944

In the interest of the administration of justice, the Hon. Pedro Magsalin, Judge of the Second Judicial District, is hereby authorized to decide either in Manila or in Malolos, Bulacan, those cases tried by him while holding court in the Province of Rizal.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 15**

January 31, 1944

In the interest of the administration of justice, the Hon. Manuel Blanco, Judge of the Fifth Judicial District, is hereby authorized to decide in Manila the following:

Criminal case No. 22, People vs. Marcelino Ragudo et al., for rape;  
Criminal case No. 1624, People vs. Pascual Baylon et al., for murder;  
Civil case No. 3552, Maria Lopez vs. Fortunata Lotusquen, for recovery of property;  
Civil case No. 3556, Ceferina Quibilan et al. vs. Policarpio Leones et al., for recovery of property;  
Civil case No. 3579, Concepcion Ontañon vs. Maximo Vega et al., for annulment of sale, which were tried by him while holding court in the Provinces of Ilocos Sur and Abra.

TEOFILO SISON  
Minister of Justice**Administrative Order No. 17**

December 31, 1943

In the interest of the administration of justice, the Hon. Juan L. Luna, Judge of the Seventh Judicial District, is hereby authorized to hold court at Calamba, Laguna, beginning January 5, 1944, or as soon thereafter as practicable, for the purpose of trying all kinds of cases, and to enter final judgments therein.

TEOFILO SISON  
Minister of Justice**Food Administration****Food Administration Order No. 7**

FIXING THE MAXIMUM PRICES OF PALAY IN VARIOUS REGIONS OF LUZON.

January 3, 1944

Pursuant to the provisions of section 3, paragraph (d) of Act No. 9, and with the approval



of the President of the Republic of the Philippines, it is hereby ordered that—

1. The buying price of all varieties of palay per cavan is fixed as follows:

<i>Northern Luzon</i>	
Mountain Province .....	P11.00
<i>Northwestern Luzon</i>	
Ilocos Norte .....	P8.50
Ilocos Sur .....	10.00
Abra .....	13.50
La Union .....	8.50

<i>South Central Luzon</i>	
Zambales, Bataan, Rizal, Cavite, Laguna, Batangas .....	P9.50

<i>Southern Luzon</i>	
Sorsogon, Albay, Camarines Norte, Camarines Sur, Tayabas and Mindoro....	P10.00

2. The prices of palay herein fixed are made effective as of January 1, 1944.

JOSE G. SANVICTORES  
Food Administrator

#### Food Administration Order No. 8

CREATING THE "BIGASANG BAYAN" (BIBA) AS THE ORGANIZATION TO BE IN CHARGE OF CONTROLLING THE PRODUCTION, SUPPLY AND DISTRIBUTION OF RICE AND SUCH OTHER CEREALS AS THE FOOD ADMINISTRATOR MAY FROM TIME TO TIME DETERMINE.

January 4, 1944

By virtue of the powers vested in me under section 3(c) of Act No. 9, entitled "An Act creating the Food Administration," it is hereby ordered—

SECTION 1. There is hereby created an organization to be known as the "Bigasang Bayan" (Biba) to take charge of the control of the production, supply and distribution of rice and such other cereals as the Food Administrator may from time to time determine. Its principal office shall be in the City of Manila and shall have such branch office in any province or city or municipality as may be necessary to enable the organization to carry out the objects and purposes of this Order.

SEC. 2. The objects of the "Bigasang Bayan" (Biba) shall be as follows:

(a) To stabilize the rice and other cereals industry in the Philippines;

(b) To encourage and promote the efficient production of rice and other cereals and their by-products;

(c) To check all kinds of speculation tending to promote an inordinate increase in the price of rice and other cereals, or in any way affect the supply thereof;

(d) To control the importation and exportation of rice and other cereals; and

(e) To effect the control of the supply and distribution of rice and other cereals in order to secure the equitable distribution of such commodities.

SEC. 3. In order to carry out the objects for which the "Bigasang Bayan" (Biba) has been organized, it shall have the following powers:

(1) To fix the amount of palay or of other cereals which each producer thereof may keep for his own consumption and for seed after each harvest in accordance with section 4 of Ordinance No. 1, promulgated on November 20, 1942, and Act No. 9 of the Republic of the Philippines;

(2) To buy, sell, import, export, deal in, barter, exchange and handle in every other manner, rice and other cereals, as well as their by-products;

(3) To own, lease, operate or otherwise hold, subject to existing laws, trucks, railway lines, or any other means of transportation, mills, elevators and warehouses and structures of every nature and kind for the processing, storage, handling, utilization, and sale of rice and other cereals, and their by-products;

(4) To enter into management and financing contracts with any private person or entity under such terms and conditions as may be consistent with law and regulations for the purpose of carrying out the intents and purposes of this Order;

(5) To enter into, make, perform and carry out such other contracts of any class and description as may be necessary or incidental to the realization of the purposes contemplated in this Order;

(6) To purchase or acquire shares of stock of any other corporation or entity engaged in similar enterprises, and to encumber the same;

(7) To borrow, or raise or secure money and to mortgage or otherwise encumber any of its properties, subject to the approval of competent authorities;

(8) To provide loans on reasonable terms and upon proper securities to persons and entities engaged in the rice and other cereals industry;

(9) To control the purchase, sale, transfer or movements of rice and other cereals from one municipality, city or province, to another;

(10) To issue licenses to any person or entity authorized to handle or deal in rice and other cereals, in accordance with the instructions of the Food Administrator; and

(11) Generally, to do all such other things and to transact all such business as may be directly or indirectly incidental or conducive to the attainment of its purposes and objects, and to do any and all acts and things, and to exercise any and all powers which a natural or juridical person could do and exercise, and which now or hereafter may be authorized by law.

SEC. 4. The capital stock of this organization shall be subscribed for by the Government.

SEC. 5. The National Rice and Corn Corporation organized under the Corporation Law is hereby dissolved. Such properties, assets, rights, choses in action, obligations, liabilities, and contracts as may be transferred from the National Rice and Corn Corporation to the "Bigasang Bayan" (Biba) by competent authorities shall be assumed by the latter.

SEC. 6. The direction and management of the "Bigasang Bayan" (Biba) shall be vested in a General Manager to be appointed by the President of the Republic of the Philippines, with the advice of his Cabinet, at such rate of compensation as may be fixed by him. All other officers and employees of this organization shall be appointed by the General Manager, with the approval of the Food Administrator.

SEC. 7. The "Bigasang Bayan" (Biba) shall submit to the Food Administrator for approval such rules and regulations as are necessary to carry into effect the provisions of this Order.

SEC. 8. The "Bigasang Bayan" (Biba) shall have the power to designate or organize provincial, city or municipal subsidiaries to take charge of the local supply or distribution of rice and other cereals and to carry out the provisions of this Order and such rules and regulations as may be promulgated thereunder, and to dissolve such subsidiaries. These subsidiaries may or may not be capitalized by the "Bigasang Bayan" (Biba) but the operation of such subsidiaries shall be subject to its direction, supervision, and control.

SEC. 9. This Order shall take effect upon approval by the President of the Republic of the Philippines.

JOSE G. SANVICTORES  
Food Administrator

Approved:

JOSE P. LAUREL  
President of the Republic  
of the Philippines

#### Food Administration Order No. 9

##### TERRITORIAL APPLICATION OF ACT No. 9

January 17, 1944

In accordance with the provisions of section 18 of Act No. 9, otherwise known as the Food Administration Act, which took effect on December 3, 1943, it is hereby ordered that:

1. The provisions of Act No. 9, otherwise known as the Food Administration Act, shall be enforced in the whole Philippines.

2. This Order shall take effect as of December 4, 1943.

JOSE G. SANVICTORES  
Food Administrator

#### Food Administration Order No. 10

##### COMPULSORY CULTIVATION OF ALL PRIVATE YARDS AND VACANT LOTS IN MANILA.

January 17, 1944

Pursuant to the provisions of section 3(a) of Act No. 9 approved on December 3, 1943, in relation to those of Ordinance No. 2 promulgated by the President of the Republic of the Philippines on November 20, 1943, and for the purpose of increasing the production of vegetables and other food crops in the City of Manila, it is hereby ordered that—

1. All vacant or idle private lands in the City of Manila shall be placed under cultivation by their owners or possessors, be they individuals, associations or corporations, on or before January 19, 1944, for the production of leaf and fruit vegetables, beans, root crops and other short-season food crops suited to local conditions.

2. The seeds necessary to initiate the gardening activities provided for in paragraph 1 hereof shall be furnished free of charge by the Bureau of Plant Industry which shall take the necessary steps for the distribution of such

seeds through its field agents and employees in the City of Manila in coöperation with those of the City Mayor engaged in food production campaign. Thereafter each gardener shall set aside and reserve from his crop enough seeds for his use for the next planting. Free seeds shall not be distributed by the Bureau of Plant Industry subsequent to the first harvest unless there is shortage or failure of crops without fault or negligence of the gardener.

3. Presidents of district associations and leaders of neighborhood associations in the City of Manila, organized under Executive Order No. 77 of the Chairman of the former Executive Commission, shall see to it that all vacant or idle lands within their territorial jurisdictions are placed under cultivation by their owners or possessors in accordance with the provisions of paragraph 1 hereof. If for some justifiable reasons such owner or possessor cannot undertake the cultivation, personally or through the members of his family or other representative, of the whole area or portion of his land, the same shall be assigned by the district president to the head or heads of families in the neighborhood, or to the male members thereof.

4. The presidents of district associations in the City of Manila shall immediately confer with the chief or head of the bureau, office, or entity in charge of a public plaza, ground, yard, or sidewalk parking for the purpose of securing the necessary permission for the cultivation of said places, as are within their districts, in the form of individual or community gardens in accordance with the provisions of Administrative Order No. 9 of the President of the Republic of the Philippines. The chief or head of the bureau, office, or entity in charge of a public plaza, ground, yard or sidewalk parking shall determine which portion thereof may be set aside for cultivation and shall grant the necessary permission on condition that no trees or public improvements be destroyed and that public interest be not impaired thereby. Those intended for playground or recreational purposes as may be determined by the City Playground Director shall be exempt from cultivation.

5. The members of the KALIBAPI, district and neighborhood associations, civic and religious organizations and the students of public and private institutions of learning in the City of Manila, for the purpose of intensifying the food production campaign provided for herein, are hereby enjoined to comply with the provisions of Proclamation No. 10 issued by the President of the Republic of the Philippines on January 3, 1944, by fixing the necessary day or days of the week in which they may devote their time exclusively to the planting of vegetables, beans, root crops, and other food crops on lands owned

or possessed by them, or as may be assigned to them by the heads of their respective groups.

6. Persons to whom vacant or idle lands in the City of Manila have been assigned for cultivation by the presidents of district associations and leaders of neighborhood associations as provided in paragraph 3 hereof, for the reason that the owners or possessors thereof cannot for some justifiable cause cultivate such lands or refuse to cultivate them, shall in the first case be obliged to deliver ten per cent of the produce of such lands to the owners or possessors thereof; and in the second case, they shall be free from the payment of rentals, and the defaulting owners or possessors shall be subject to the penal provisions of the law. However, the persons cultivating the land shall in all cases set aside or reserve enough from each harvest for the next planting.

7. Presidents of district associations and leaders of neighborhood associations shall be charged with the execution of the provisions of this Order and all violations thereof shall be promptly reported, through the District Chief, to the City Fiscal of Manila, for prosecution in accordance with section 11 of Act No. 9.

8. This Order shall take effect upon approval by the President of the Republic of the Philippines.

JOSE G. SANVICTORES  
Food Administrator

Approved: January 17, 1944.

By direction of the President:

PEDRO SABIDO  
Executive Secretary

#### Food Administration Order No. 11

#### OFFICIAL PRICES OF PALAY, RICE AND BY-PRODUCTS IN NUEVA ECIJA, BULACAN, PAMPANGA, TARLAC, PANGASINAN AND MANILA.

January 11, 1944

By virtue of the powers vested in me under section 3(c) of Act No. 9, entitled "An Act creating the Food Administration," it is hereby ordered that—

The official prices of palay, rice and by-products in the five provinces of Central Luzon and Manila are hereby fixed as per attached Schedule A.

The official selling prices of rice in Manila, per sack and per kilo, are hereby fixed as per attached Schedule B.

This Order shall take effect as of January 1, 1944.

JOSE G. SANVICTORES  
Food Administrator

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#### SCHEDULE A.—Price quotations for Central Luzon and Manila

Commodity	Unit	Purchasing price	Selling Price	
			Central Luzon	Manila
1. Palay:				
(1) Tagalog	Sack of 44 kilos, net	P8.00	P9.25	P10.00
(2) Ilocano	In Manojos per kilo	0.13½		
(3) Ilocano	Arroba of 11½ kilos	1.55		
(4) Malagkit	Sack of 44 kilos, net	12.00	13.25	14.00
2. Rice:				
(1) Regular Varieties	Sack of 56 kilos, net	17.00	18.50	19.88
(2) Malagkit	Sack of 56 kilos, net	24.60	26.20	27.40
3. By-Products:				
(1) Tiki-Tiki No. 1	Sack of 48 kilos, net	6.00	7.00	7.50
(2) Tiki-Tiki No. 2	Sack of 45 kilos, net	4.70	5.50	6.00
(3) Tiki-Tiki No. 3	Sack of 45 kilos, net	3.40	4.00	4.50
(4) Kiskisan-Tiki-Tiki	Sack of 45 kilos, net	1.25	1.50	2.00
(5) Mata-Mata	Sack of 45 kilos, net	3.80	4.50	5.00
(6) Binlid	Sack of 50 kilos, net	7.20	8.50	9.00

#### NOTES:

1. All the above prices are to be understood to exclude containers.
2. Prices for Tagalog and Ilocano palay are for any variety.
3. Buying prices are f.o.b. BIBA or R.G.C.A. warehouses.
4. Selling prices are ex-BIBA warehouses.

#### SCHEDULE B.—Selling price of rice in Manila

	Per sack of 56 kos. net	Per kilo
1. Ex-BIBA warehouse	P19.88	P0.355
2. To Distributor—delivered at distribution points	20.44	0.365
3. By Distributor to Retailer	20.72	0.37
4. By Retailer to Consumer	22.40	0.40

#### Food Administration Order No. 12

#### COMPULSORY MEMBERSHIP OF FISH PRODUCERS IN FISHERY COOPERATIVE ASSOCIATIONS.

January 17, 1944

Pursuant to section 3, paragraph (a) of Act No. 9 and with the approval of the President of the Republic of the Philippines, it is hereby ordered that—

1. In order to effect a better organized system of fish production, it shall be compulsory for all fishermen and fish producers to be members of regularly organized fishery associations.

2. All provincial governors, city and municipal mayors, of provinces, cities or municipalities where no such fishery associations have as yet been formed, are enjoined to attend to the immediate organization of said associations in accordance with the provisions of Executive Order No. 197 of the former Philippine Executive Commission, dated September 1, 1943.

3. Provincial governors, and city and municipal mayors shall render periodic reports to the Food Administrator of their accomplish-

ments in carrying out the provisions of this Order.

4. This Order shall take effect upon approval by the President of the Republic of the Philippines.

JOSE G. SANVICTORES  
Food Administrator

Approved: January 26, 1944.

By authority of the President:

PEDRO SABIDO  
Executive Secretary

#### Food Administration Order No. 13

#### REGISTRATION OF HATIRIN (BAÑGUS FINGERLINGS) AND RESTRICTION ON THE CATCHING AND SALE OF BAÑGUS.

January 17, 1944

Pursuant to section 3 (a) and (h) of Act No. 9 and with the approval of the President of the Republic of the Philippines, it is hereby ordered that—

1. All owners of *semilleros* (bañgus nursery ponds) shall submit to the Fish Culture Federation of the Philippines on or before the end of August of each year, a report of the number of bañgus fry (*kawag-kawag*) planted, and the dates when such fry were acquired, and shall keep a record of the disposal and/or sale of *hatirin*. The sale of said *hatirin* shall be made only through the Fish Culture Federation of the Philippines at government controlled price.

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2. It shall be unlawful to sell bañigus less than twelve inches (12 in.) total length (measured from the tip of the snout to the end of the tail) except for propagation purposes and as bait in longline fishing for tuna.

3. This Order shall take effect upon approval by the President of the Republic of the Philippines.

JOSE G. SANVICTORES  
Food Administrator

Approved: January 26, 1944.

By authority of the President:

PEDRO SABIDO  
Executive Secretary

**Food Administration Order No. 14**  
**COMPULSORY STOCKING OF IDLE SWIMMING POOLS, FOUNTAINS, BACKYARD PONDS AND OTHER BODIES OF FRESH-WATER.**

January 17, 1944

Pursuant to section 3, paragraph (a) of Act No. 9 and with the approval of the President of the Republic of the Philippines, it is hereby ordered that—

1. All idle swimming pools, fountains, backyard ponds and other bodies of fresh-water shall be stocked with such fresh-water species like carp, pla-salit, sepat-siam and gorami.

2. In order to insure adequate supply of feed for the above-mentioned species, all fresh-water marsh lands unfit for the cultivation of rice shall be planted to such lowland crops like kangkong and gabi.

3. The Bureau of Fisheries shall be charged with the execution of this project, especially in relation to—

(a) Census of available sites and  
(b) Supply of fry of the above-mentioned fresh-water species to be supplied either without cost or to be sold at nominal prices.

4. Provincial governors and city and municipal mayors shall supervise the execution of this Order in their respective jurisdictions and shall render periodic reports to the Food Administrator of the accomplishments made pursuant to this Order.

5. This Order shall take effect upon approval by the President of the Republic of the Philippines.

JOSE G. SANVICTORES  
Food Administrator

Approved: January 26, 1944.

By authority of the President:

PEDRO SABIDO  
Executive Secretary

**Food Administration Order No. 15**  
**REGISTRATION OF FISHING BOATS AND FISHING GEAR AND THE CONTROL OF FISHING EQUIPMENT, SUPPLIES AND MATERIALS.**

January 17, 1944

By virtue of the powers vested in me under section 3, paragraph (a) of Act No. 9 and with the approval of the President of the Republic of the Philippines, it is hereby ordered that:

1. In order to utilize all available fishing boats and fishing gear, all owners, natural or juridical, of such appliances shall submit to the office of the city or municipal mayor of the city or municipality wherein he is a resident, a detailed report containing the following information:

- Name and address of owner
- Number, dimension, and condition of fishing boats and equipment
- Name and condition of fishing gear
- Pre-war evaluation
- The use being made of the fishing boats and/or fishing gear.

These reports shall, in turn, be submitted by the mayors to the Food Administrator.

2. All dealers of fishing equipment, supplies, and materials shall submit to the Food Administrator a true and correct report of their stock not later than January 31, 1944. It shall be unlawful for any person, natural or juridical, to sell or display for sale or dispose of in any manner said fishing equipment, supplies, and materials without prior authorization from the Food Administrator.

3. After the submission of the inventory, the dealers of fishing equipment, supplies and materials shall sell all or part of their stock at prices to be fixed by the Food Administrator to the Fish Culture Federation of the Philippines which shall be charged with the sale and disposal of said articles to members of regularly organized fishery associations at prices to be fixed by the Food Administrator. Equipment, supplies, and materials needed by industries other than the fishing industry will be sold to the Fish Culture Federation of the Philippines only in such quantities, to be determined by the Food Administrator, as to meet the requirements of the Fish Culture Federation of the Philippines without prejudicing the interests of other industries that also need such equipment, supplies and materials.

4. For the purpose of this Order, the terms fishing equipment, supplies, and materials shall include the following:

- Fishing boat equipment
- Fishing lamps and accessories
- Cotton yarns, twine, and netting

(d) Net accessories such as floats, sinkers, and ropes

(e) Tanning and tarring materials

(f) Lumber, nails, rattan, diliman, fish hooks, sinamay, cement, adobe stones, sand, gravel, nipa and bamboo.

5. This Order shall take effect upon approval by the President of the Republic of the Philippines.

JOSE G. SANVICTORES  
Food Administrator

Approved: January 26, 1944.

By authority of the President:

PEDRO SABIDO  
Executive Secretary

**Food Administration Order No. 16**  
**FIXING THE MAXIMUM PRICES OF FRESH FISH**

January 26, 1944

1. Pursuant to section 3(d) of Act No. 9 and section 1(a) of Executive Order No. 157 authorizing the Food Administrator to fix, from time to time, the maximum prices at which any and all commodities may be fixed, the following prices for fresh fish are fixed as follows, effective immediately:

BANGUS		Per kilo
Producer's selling price		P3.00
Shipper's selling price		3.30
Control Body's selling price		3.50
Retailer's selling price		4.00

**OTHER KINDS OF FRESH FISH (Per kilo)**

Kinds	Selling price per kilo			
	Producer's	Shipper's	Control bodies	Retailer's
Suppo	P6.00	P6.90	P7.00	P8.00
Pusit	6.00	6.90	7.00	8.00
First class: Albacora, Apahap, Bambang, Bisugo, (large), Lapulapu, Malasugul, Mamali (large), Pampango, Rompe-candado, Talakitok, Tanguigue	5.00	5.90	6.10	7.00
Second class: Agutot, Alumahan, Bacoco, Bidbid, Banak, Bitilla, Bunguan, Espada (large), Hasahasa, Hipoon (ordinary), Kalangkaw, Mamanali (small), Mayamaya, Sap-sap (malaway)	4.25	5.15	5.35	6.25
Third class: Alakaak, Aschos, Biang puti, Kitang, Salay-Salay (large), Salmon, Dalag, Samarai, Talilong, Torsillo, Tulungan	3.75	4.30	4.50	5.00
Fourth class: Batalay, Bisugo (small), Buan-Buan, Cabase (Suwagan), Dalagang Bukid, Lapad (big), Ome, Oreles, Pugita, Salay-salay balang (small), Saranullete, Tamban, Tunsuy	3.40	3.70	3.80	4.00
Fifth class: Ayungin, Bogaong, Buging				

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Kinds	Selling price per kilo			
	Producer's	Shipper's	Control bodies	Retailer's
Calaso, Dilis, Espada (med.), Igat, Loro, Martinico, Pague (pinosta), Palos, Papanol (big), Pating (pinosta), Pindanga, Sapsap malaway (small), Silinyasi, Talimusak, Alamang, Alimasa (alive), Cabase	3.00	3.25	3.30	3.50
Sixth class: Dalagang Bukid, Biliog (small), Tagunton, Gurami, Kanduli, Arahan (small), Labahita (small)	1.50	1.70	1.75	2.00
Seventh class: Espada (small), Pague, Papanol, (small), Pating, Sapsap (small)	1.00	1.20	1.25	1.50
Miscellaneous: Almango	2.50	3.00	3.20	3.60
Talaba per ordinary kang	3.30	3.80	4.10	5.00
Talangka	.80	1.00	1.15	1.60
Dulong, Halaan, Paros, Cabibe, Balay	.25	.35	.40	.60
Jaco	.35	.45	.50	.70
Tulya, Suso, Kalligay, Kuhl	.20	.25	.30	.40

2. The provisions of Food Administration Order No. 6, dated December 23, 1943, are hereby rescinded.

JOSE G. SANVICTORES  
Food Administrator

**Food Administration Order No. 16-A**  
**FIXING THE OFFICIAL PRICES OF DRIED, SMOKED OR PRESERVED FISH**

January 26, 1944

1. Pursuant to section 3(d) of Act No. 9 and section 1(a) of Executive Order No. 157 authorizing the Food Administrator to fix, from time to time, the maximum prices at which any and all commodities may be fixed the following prices for dried, smoked or preserved fish are fixed as follows, effective immediately:

Kinds	Selling price per kilo			
	Producers	Shippers	Control bodies	Retailers
Alakaak Daling	P6.30	P7.30	P7.50	P8.30
Alumahan daling	6.00	7.00	7.20	8.00
Bacoco daling	5.80	6.80	7.00	7.80
Bangos daling	6.30	7.30	7.50	8.30
Cabase daling	4.80	5.80	6.00	6.60
Calugong (buro)	3.30	4.30	4.50	5.00
Canduli	4.80	5.80	6.00	6.60
Cores	3.80	4.80	5.00	5.50
Dilis	3.50	4.70	4.90	5.50
Espada	5.30	6.30	6.50	7.20
Hasahasa daling	6.30	7.30	7.50	8.30
Kapak daling	5.80	6.80	7.00	7.80
Lapad	5.00	6.20	6.40	7.00
Oreles daling	5.80	6.80	7.00	7.80
Pusit daling	9.00	11.00	11.50	12.50
Salaysalay	5.80	6.80	7.00	7.80
Sapsap (small)	2.00	3.00	3.20	3.60
Sapsap (big)	3.80	4.90	5.10	5.70
Sardinas (buro)	2.80	3.80	4.00	4.50
Shrimp	4.80	5.80	6.00	6.60
Silinyasi	3.80	4.80	5.00	5.50
Talibubu	3.80	4.80	5.00	5.50
Tamban	3.30	4.30	4.50	5.00
Tunsuy	5.50	6.60	6.80	7.50
BAGOONG (Per can)				
Alamang	P22.00	P24.50	P25.00	P27.50
Dilis	20.00	22.00	22.50	25.00

BY DURO OF FIVE PIECES EACH  
(Per 100 duro)

Kinds	Producer's	Shipper's	Control bodies	Retailer's
Ayungin cincillo	P3.00	P4.00	P4.20	P4.60
Ayungin (kalas), per kilo	2.00	3.00	3.20	3.50
Ayungin doble	4.00	5.00	5.20	6.00
Tawilis	20.00	24.00	24.50	28.00

TINAPA (Per 100 pieces)

Bangos (per Kilo)	P6.50	P7.50	P7.70	P8.50
Lapad (small)	7.00	8.00	8.20	9.00
Lapad (big)	8.00	10.00	10.30	11.00
Tunsoy (small)	14.00	15.50	15.80	16.50
Tunsoy (big)	15.50	17.00	17.30	18.50

JOSE G. SANVICTORES  
Food Administrator

Ministry of Public Works and  
Communications

BUREAU OF COMMUNICATIONS  
Press Bulletin

REOPENING OF POST OFFICES

January 20, 1944

Six more post offices transacting postal, savings bank, and money order business have been reopened in the following municipalities:

Baao, Camarines Sur	Baler, Nueva Ecija
Pamplona, Camarines Sur	Balungao, Pangasinan
Saravia, Negros Occidental	Basey, Samar

The post office in Aurora, Tayabas, was temporarily closed effective January 6, 1944.

In addition to the above-named reopened post offices, a postal agency handling ordinary mails has been established in each of the following places where there are no post offices yet. Letters and other articles mailable under the existing postal regulations, addressed for delivery at any of these places, may be sent from any reopened post office. Registered mails for these places shall, however, be addressed via the distributing post offices indicated, where the addressees or their authorized representatives should take delivery of the same upon receiving the usual registry notices:

Place having postal agency	Distributing post office
Calolbon, Albay	Tabaco, Albay
Baclayon, Bohol	Tagbilaran, Bohol
Dauis, Bohol	Tagbilaran, Bohol
Barili, Cebu	Cebu City
Carmen, Cebu	Cebu City
Ronda, Cebu	Cebu City
Burgos, La Union	Naguilian, La Union
Santa Magdalena, Sorsogon	Irosin, Sorsogon

JUAN RUIZ

Director of Communications

Approved: January 24, 1944

SERGIO BAYAN  
Vice-Minister of Public Works  
and Communications

Rulings of the Auditor General

EXCESS PURCHASES WILL NOT BE ALLOWED  
IN AUDIT

15TH INDORSEMENT  
September 8, 1943

Respectfully returned, through the Director of Purchase and Supply, to the Honorable, the Commissioner of Justice, Manila.

It is contended in the last paragraph of the next preceding indorsement that paragraph (6) of Executive Order No. 302, series of 1940, has superseded Department Order No. 73 of the former Department of Commerce and Communications for the reason that the amount limitations set forth in the latter appear to have been completely omitted from the former and, therefore, said limitations do not now exist.

Executive Order No. 302 expressly supercedes Executive Order No. 93, as amended by Executive Order No. 126, both series of 1937, and any other orders or circulars inconsistent therewith. It does not expressly repeal or supersede Department Order No. 73. Executive Order No. 302 is only inconsistent with Department Order No. 73 in so far as the time of filing the requisitions covering emergency purchases is concerned in that, while the latter requires the filing of such requisitions to the Bureau of Purchase and Supply covering all purchases made for the preceding month on the first day of every month or as soon thereafter as possible, the former, in paragraph 6 thereof, requires the immediate filing of such requisitions after each emergency purchase has been made.

Neither is there an implied repeal of Department Order No. 73 by Executive Order No. 302 for the reason that they do not relate to the same subject matter and have different objects or purposes. Department Order No. 73, which was promulgated under the provisions of section 2043 of the Revised Administrative Code, authorizes local purchases by bureaus and offices in emergency cases subject to the monthly amount limitations for each bureau or office provided therein. On the other hand, Executive Order No. 302 was promulgated to implement the provisions of Commonwealth Act No. 320 transferring the control and supervision of the Salvage Warehouse from the former Budget Commission to the former General Auditing Office, the control and disposition of unused and dormant supplies, materials or equipment and prescribing the procedure in making regular and emergency purchases and in ordering repairs of furniture and equipment. Such being the case, and, although they, apparently, relate to each other, there is a difference in the whole purview of the two orders.

The mere fact, therefore, that the monthly limitations set forth in Department Order No. 73 were omitted from Executive Order No. 302 which did not expressly repeal the former, does not necessarily make both Orders repugnant or inconsistent with each other as regards said limitations. The following rules of statutory construction are in point:

"Repeals by implication are not favored, and will not be indulged if there is any other reasonable construction. The presumption is always against the intention to repeal where express terms are not used, and the implication, in order to be operative, must be necessary. A law is not repealed by a later enactment, if the provisions of the two laws are not irreconcilable nor necessarily inconsistent, but both may stand and be operative without repugnance to each other." (25 Ruling Case Law, pp. 918-919.)

"To effect an implied repeal of one statute by another they must both relate to the same subject and have the same object or purpose. Where there is a difference in the whole purview of two statutes apparently relating to the same subject, the former is not repealed." (Ibid, p. 922.)

"\* \* \* Where the later act is not intended as a complete revision of the subject matter, but is merely an amendment of prior acts and amounts to supplemental legislation, the mere omission of some of the provisions of earlier acts or of their substance does not warrant the inference that a repeal was intended, unless the new act is inconsistent and repugnant with such omitted provisions." \* \* \* (Ibid, p. 923.)

In view hereof, this office is of the opinion and so holds that the amount limitations, as provided in Department Order No. 73, are still in force. Recent pieces of correspondence from His Excellency, the Chairman of the Executive Commission, authorizing chiefs of bureaus and offices to make emergency purchases within certain monthly limitations amendatory to those fixed in said Department Order No. 73, confirm this view. It is, therefore, reiterated that, unless the authority of His Excellency for the excess purchases of P769.09 and P10,857.76 of the Bureau of Prisons for the months of July and August, 1942, respectively, is secured, the said excess purchases will not be allowed in audit.

SERAFIN MARABUT  
Auditor General and Director  
of the Budget

PAYMENT OF SALARY DIFFERENTIALS

2ND INDORSEMENT  
September 18, 1943

Respectfully returned to the Auditor, Bureau of Public Instruction, Manila.

Section 1 of Executive Order No. 181, dated July 21, 1943, authorizes the payment of salary differentials to employees of the Central Ad-

ministrative Organization and Judicial Courts receiving salaries of P100 or less per month. From the tenor of the Executive Order it would appear to be the intention that the payment of the salary differential should be made along with the payment of the salary. In the case given in the basic communication, both Miss B, the substitute who rendered actual service from July 1 to August 31, 1943, and received the corresponding salary, and Mrs. X who was on maternity leave with half pay during the same period, are, therefore, entitled to receive the salary differential attached to the position. However, as Mrs. X received only half pay during that period, she is only entitled to receive 50 per cent of the salary differential, while Miss B, who received full pay, can collect the full amount thereof.

It may be stated in this connection that the condition imposed by the Executive Order that the employment be continuous in nature, applies to the status of the position and not to the incumbent thereof.

SERAFIN MARABUT  
Auditor General and Director  
of the Budget

SALARY PAYMENT FOR ACTUAL SERVICE  
RENDERED

10TH INDORSEMENT  
November 6, 1943

Respectfully returned, through His Excellency, the President of the Republic of the Philippines, to the Honorable, the Minister of Justice, Manila.

In line with its action in previous similar cases, this office will offer no objection to the payment of the salary of Mr. Jose Casia Garces as *de facto* Justice of the Peace of Bauguen and Concepcion, Ilocos Sur, for actual service rendered during the period from January 23 to June 30, 1942, at the rate of P46.66 per month, in the total amount of P246.85, from savings in the current appropriation for salaries of justices of the peace, if approved by His Excellency. As Mr. Garces rendered actual service in only two out of the three municipalities comprising the circuit court occupied by him, he is entitled to two-thirds only of the regular monthly salary of P70 attached to the position, or P46.66. Out of the amount of P246.85 aforementioned, reimbursement may be made to the Municipal Treasurer of Bauguen of the sum of P16.20, which he paid to Mr. Garces as partial payment of the latter's salary for March, 1942.

Any previous ruling of this office inconsistent herewith is hereby revoked.

PIO PEDROSA  
Acting Auditor General and  
Director of the Budget