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1 March 1986

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AUSTRALIA

GOVERNMENT, AID GROUP UPSET OVER PHILIPPINE ELECTIONS

Hayden: Warns of Abuses

BK170915 Melbourne Overseas Service in English 0830 GMT 17 Feb 86

[Text] Australia's foreign affairs minister, Mr Hayden, has said that the Philippine presidential election was evidently marked by irregularities and abuses. He told Parliament in Canberra it was also evident that the ruling party of President Marcos was overwhelmingly responsible for the abuses designed to influence the vote.

Mr Hayden said the scale of abuses had undermined the credibility of the poll. The foreign minister added that widespread perceptions within Australia that the election was unfair would necessarily have an effect on how Australia conducted its relations with the Philippines in the future.

The Australian Government has come under pressure from two (?sources) to suspend all aid to the Philippines. The calls came from an opposition party, the Australian Democrats, and the Australian Council for Overseas Aid--a body that coordinates the work of about 60 nongovernment aid agencies. However, Senator Evans, representing the foreign minister in the Senate, said the suspension aid would have enormous ramifications for Australian interests not only in the Philippines but in Southeast Asia as a whole. Senator Evans said the granting of aid did not imply the endorsement of the policies of the Manila government.

Canberra Urged to Help Remove Marcos

HK170248 Hong Kong AFP in English 0219 GMT 17 Feb 86

[Text] Canberra, Feb 17 (AFP)--Australian aid organisations today urged the federal government to suspend its 11.5 million U.S. dollars annual assistance to the Philippines as a protest against the Marcos regime.

Russell Rollason, executive director of the non-governmental Australian Council for Overseas Aid (ACFOA), also urged the government to recall its ambassador from Manila and to invite beaten Philippines presidential candidate Corazon Aquino to name a representative to Australia.

Mr Rollason said Australia must act to help remove President Ferdinand Marcos by non-violent means.

"This is an unprecedented step for ACFOA, but it is clear to us that the poor of the Philippines will gain most if Mr Marcos steps aside and the violence, intimidation, and abuse of human rights that has come to characterise his government is ended," he said.

Mr Rollason said official Australian aid should be held in trust for the Philippine people or meted out through United Nations programmes or non-government agencies.

/9599

CSO: 4200/698

AUSTRALIA

BRIEFS

NATIONAL COAL STRIKE--Sydney, Australia, Feb 13 (AFP)--Australian coal miners today began a week-long national strike which would cost an estimated 100 million U.S. dollars in lost production, industry spokesmen said. Some 30,000 miners at 110 collieries in Queensland, New South Wales and Tasmania began their strike at midnight despite a last-minute plea from the coal industry tribunal urging them to stay at work. The miners voted for the 7-day strike after the Australian Coal Association last week rejected a series of pay demands based on the industry's 30 percent productivity over the past 2 years. Union leaders today were discussing a further call from the tribunal for the strike to be shortened, but Miners' Federation secretary Barry Swan said he believed the action would "run its course." Industry sources said the strike came at a time when stockpiles were low--less than 7 tonnes in New South Wales--after the long Christmas holiday break and that some grades of coal already were unavailable for export. Production loss of up to 2.6 million tonnes would result in lost export earnings of some 84 million U.S. dollars, they said. [Text] [Hong Kong AFP in English 0419 GMT 13 Feb 86] /9599

HAYDEN TO VISIT INDONESIA, MALAYSIA, HONG KONG--Australia's foreign minister, Mr Hayden, is to visit Indonesia, Malaysia, and Hong Kong next month. Mr Hayden will be in Jakarta between 2 and 4 March, in Kuala Lumpur from 5 to 7 March, and Hong Kong from 7 to 9 March. Officials in Canberra said the tour was part of a regular pattern of consultations by Mr Hayden with regional leaders. Mr Hayden's visit to Jakarta will coincide with the opening of the annual review of Australia's aid program in Indonesia. [Text] [Melbourne Overseas Service in English 0830 GMT 12 Feb 86] /9599

CSO: 4200/698

MALAYSIA

VIEWS ON THE MCA-GERAKAN MERGER AIRED

Editorial Questions Its Realization

Kuala Lumpur BERITA HARIAN in Malay 4 Jan 86 p 10

[Text] The MCA's [Malayan Chinese Association] readiness to merge with the GERAKAN [People's Action Party of Malaysia] as announced by Mr Tan Koon Swan, MCA president, last night created no stir among political observers in our homeland. The proposal really came as no surprise because predictions that the two organizations would cooperate or merge have been bruited about for a long time. Datuk Michael Chen, who at that time was a vice president of the GERAKAN, proposed such a merger 3 years ago. Nevertheless, that proposal vanished in thin air perhaps because it was made by a former MCA leader who hurried to join the GERAKAN. The proposal also might have been viewed as reflecting personal ambitions rather than the interests of the Chinese community.

Nothing extraordinary really has happened between the GERAKAN and the MCA. If one describes these parties as two organizations with brotherly ties, the merging of or hostility between the GERAKAN and the MCA can better be viewed as the kinds of things that happen within a family. These family ties are not limited to their membership in the National Front. The fact is that the GERAKAN leaders themselves are former MCA leaders. Using the family comparison, the current GERAKAN leadership is like an elder or younger brother who leaves the family because of a family crisis. Although they have violent quarrels, the family ties remain, and this is why the proposal to merge the two parties has caused no stir among political observers.

Also, this is why there is very little difference between the two parties. Although the GERAKAN, when it was first established, promoted itself as a party made up of numerous ethnic groups, it cannot be denied that it represents itself as and is expected to support the Chinese ethnic group. The departure of such founding fathers as Prof Syed Hussein Al-Attas, V. David, and a number of other non-Chinese members resulted in the GERAKAN being identified as an ethnic party. It became even more identified as an ethnic party with the entry on a grand scale of frustrated MCA members, especially when the GERAKAN was headed by Datuk Dr Lim Keng Yeik in 1973 and by Datuk Michael Chen 10 years later.

As fraternal parties and also as members of the National Front, any flare-up in one of them attracts the attention of the other. The leadership crisis

He made this statement when commenting on the MCA's readiness to consider a possible merger with the GERAKAN as a long-term strategy for facing threatening opposition parties.

Last night Mr Tan Koon Swan, the MCA president, said the MCA would also cooperate closely with the GERAKAN to restore confidence and to provide stronger support for the political aspirations of Malaysia's Chinese community.

Mr Tan said the MCA would issue a directive to all leaders at the state and divisional levels to cooperate with the GERAKAN and to make no statements that might disrupt communication between the two parties.

Mr Karpal said Malaysia's Chinese community should be wary of MCA-GERAKAN tactics for seeking support, especially as the general election nears.

New Organization Proposed

Kuala Lumpur BERITA HARIAN in Malay 6 Jan 86 p 2

[Text] Kuala Lumpur, Sunday [5 January]--The proposal to merge the MCA and the GERAKAN causes no problems because the Chinese community has already decided which party will be elected in the coming general election, Tan Sri Tan Chee Khoon, a veteran politician and founder of the GERAKAN, said today.

Nevertheless, he did not name this party, but said the Chinese community would not support the MCA even if it merged with the GERAKAN.

Mr Tan Koon Swan, the MCA president, recently proposed that the MCA and the GERAKAN merge to foster their joint interests. This proposal was well received by Datuk Dr Lim Keng Yeik, who heads the GERAKAN.

Immediate Conference Proposed

Last night Datuk Dr Lim proposed that the members of both parties establish a new organization with a new constitution and confer immediately with the joint MCA-GERAKAN Council organized in April.

Tan Sri Dr Tan said there was little difference between the MCA and the GERAKAN because the majority of GERAKAN members are former members of the MCA.--BERNAMA

National Front Support Urged

Kuala Lumpur UTUSAN MALAYSIA in Malay 6 Jan 86 p 1

[Text] Kuala Lumpur, 5 January--Datuk Haji Abdullah Jaji Ahmad Badawi, UMNO [United Malays National Organization] vice president, said the MCA and the GERAKAN should cooperate within the context of doing something beneficial for the National Front.

Cooperation among all component parties of the National Front, he said, is very important for the interests of all members especially before the general election.

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before the election in the GERAKAN in September 1984 and the MCA leadership crisis just ended are proof of this. The crisis in the GERAKAN, although not as severe as that in the MCA had no small impact on party stability. It began with Datuk Michael Chen opposing Dr Lim Keng Yeik in the election. The defeat of Datuk Chen and his followers by Datuk Dr Lim resulted in the shattering of GERAKAN unity. The campaign to leave the GERAKAN began, and many strong supporters of Datuk Michael Chen joined the MCA.

The same thing happened when the MCA was confronted with the 1984-85 crisis. Party members who were frustrated by the loss of their leaders left the MCA to join the GERAKAN. When the MCA was given 3 months to settle its crisis, the GERAKAN directed its leaders to be prepared to replace the MCA if that party had to leave the National Front. Although Dr Lim Keng Yeik, when issuing this directive, joined in expressing his hope that the MCA crisis would be settled, the GERAKAN really wanted to become a strong party and effectively represent the Chinese community. The fact that there was no large-scale movement to attract the MCA members is readily understandable since both the MCA and the GERAKAN leaderships feel that the two parties are alike. The difficulties that arose in the negotiations between Dr Lim Keng Yeik and Dr Neo Yee Pan, the MCA acting president, in Hong Kong when the MCA crisis peaked, are proof that this is so. Furthermore, both leaders at that time faced opponents in their own parties.

The current problem is whether Tan Koon Swan's invitation has the same intent as Datuk Chen's proposal or was it really made in the interest of Chinese unity? If it was done as mentioned above in the interest of unity, such unity could have been achieved through the establishment of the joint MCA-GERAKAN Council in April. A logical reason for creating unity now is the need to confront the DAP [Democratic Action Party], which is planning to seize control of Penang Island. This situation may reduce the GERAKAN's bargaining power. Nevertheless, many other things must be settled; at the same time, they make the expected merger more difficult. Attention must be given now to how the GERAKAN will approach the invitation. If the GERAKAN's earlier proposal for a merger did not interest the MCA, will the same proposal from the MCA interest the GERAKAN? Many matters must certainly be analyzed by the GERAKAN leaders and be discussed today.

DAP Is Unconcerned

Kuala Lumpur BERITA HARIAN in Malay 4 Jan 86 p 18

[Text] Kuala Lumpur, Friday [3 January]--The DAP feels the MCA-GERAKAN will have no effect on that party because the merger will have no influence on the way the Chinese will vote in the coming general election.

On the other hand, Mr Karpal Singh, the DAP vice president, accused the MCA of forcing the GERAKAN to merge with it because it feared DAP strength.

Today he said the MCA proposal to merge with the GERAKAN showed that the MCA was being pushed to the wall.

Commenting on the deliberations between the two parties on close cooperation, Mr Haji Abdullah added that such cooperation should contribute in an overall sense to strengthening the National Front.

In regard to the integration proposal, this minister of education said there could be some problems, and the proposal should be studied carefully because the MCA solely represents the Chinese community while the GERAKAN represents a number of ethnic groups.

Nevertheless, he said, whatever is decided between them, the MCA and the GERAKAN should make sure that their cooperation has a positive impact on the strength and interests of the National Front.

Meanwhile, the MCA Central Committee today confirmed that the party president's council had agreed that there should be closer cooperation with the GERAKAN.

Mr Tan Koon Swan, the MCA president, informed UTUSAN MALAYSIA that this was endorsed in a meeting of the executive committee held this morning.

Asked about the statement made by Datuk Dr Lim Kheng Yeik, the GERAKAN president, today to the effect that the MCA-GERAKAN merger was a new kind of merger, and the organization was open to all nationalities, Mr Tan responded that further discussion of this matter was needed.

He said a meeting on the merger proposal and cooperation between the two parties would be held 2 weeks from today.

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CSO: 4213/96

MALAYSIA

U.S. ECONOMIC SANCTIONS AGAINST LIBYA VIEWED

Kuala Lumpur UTUSAN MALAYSIA in Malay 14 Jan 86 p 8

[Editorial: "The Way America Fights Terrorism"]

[Text] The latest dispute between the United States and Libya has again raised the issue of international terrorism and efforts made to combat it. In this latest flare-up, President Ronald Reagan announced that economic sanctions would be levied against Libya to teach that country to stop backing terrorism, which threatens American interests.

It has also been hinted that if this approach has no effect, America is prepared to use military force to eliminate terrorism which, President Reagan said, was being masterminded by Mu'ammarr Qadhafi, the Libyan head of state, in several places in Europe, Canada, and the United States. This means that America will use force to oppose force. The difference is that the United States does not consider its measure a violent one because, according to Mr George Schultz, the U.S. secretary of state, America is taking this step to defend itself against terrorist attacks.

Based on the reception given it by other countries, including nations friendly to the United States, President Reagan's economic sanctions will not bring about the desired results. It can be said that U.S. friends in Western Europe disagree that this measure should be taken because they want to protect their respective economic and trade interests. Even a strong Reagan supporter in Europe, Mrs Margaret Thatcher, the British prime minister, has been reported as saying that it would be futile to levy economic sanctions on Libya.

Arab friends of the United States displayed a similar attitude. Even Arab nations that up to now had been hostile toward Qadhafi were united in their support of Libya. The same is true of the Islamic Nations Organization.

All of these developments, of course, support our conclusion that this latest approach, like the economic sanctions levied on Libya several years ago, will end in failure. If this is true, what other measures will Washington take? Will it use military force to confront this problem? If force is used, is there any guarantee that international terrorism will disappear, or will it spread?

We feel that whatever is done depends on the posture displayed by the United States toward fighting international terrorism. If it maintains its current posture, which is to close its eyes to terrorism committed by nations that can safeguard their interests, such as Israel and the white regime of South Africa, and to fight against terrorism committed by those whom it dislikes, again it will not succeed.

6804

CSO: 4213/96

MALAYSIA

BRIEFS

WARNING AGAINST PAS SLOGANS--Melaka, Saturday [4 January]--Datuk Dr Ling Leong Sik, MCA [Malayan Chinese Association] vice president, advised the Chinese community in this country not to fall prey to slogans cried out by the PAS [Pan-Malayan Islamic Party]. Asked to comment on last night's videotape presentation of the Memali Hamlet affair, he said it showed that the PAS used this tactic to establish that the people used violence, paying no heed to the regulations and laws. "I believe what occurred in Memali Village indicates that religion was misused while all religions teach us to be peaceful, to respect each other, and do not teach us to use violence. I am distressed because the residents of this village were used by the PAS," he said. Dr Ling feels that what happened in Memali Village is a national problem and not merely a Malay or Islamic problem. He said steps should be taken immediately by the authorities to guard against the misuse of religion as well as unlawful acts rather than letting this problem spread and then expecting the public to be on guard. [Text] [Kuala Lumpur BERITA MINGGU in Malay 5 Jan 86 p 2] 6804

SABAH PARTY FORMATION DENIED--Kota Kinabalu, Monday [6 January]--Datuk Dr James Ongkili, adviser to the BERJAYA [Sabah People's Union] denied a report that he was involved in organizing a new political party, the Sabah People's Party. This minister employed in the prime minister's office and minister of justice said he had heard about this matter some 4 or 5 weeks ago, and it started with someone saying this as a joke. The minister stated explicitly that he was a member of the BERJAYA and was not involved in the formation of a new party. In Sabah, Datuk Dr Ongkili said, people like to find something new to talk about from time to time. "I cannot satisfy everyone in politics," he said. So, it has become the custom for someone to be interested in forming a new party. Datuk Clarence Mansul, vice president of the BERJAYA, also denied that he was involved. Mr Marcel Leiking, a member of the highest council of the BERJAYA, also said he was not implicated in forming a new party, and that certain persons had merely invented the report. [Text] [Kuala Lumpur BERITA HARIAN in Malay 7 Jan 86 p 5] 6804

CSO: 4213/96

PHILIPPINES

AFP SEES LEFTIST GAINS FROM PHILIPPINE ELECTORAL CONFUSION

HK120851 Hong Kong AFP in English 0831 GMT 12 Feb 86

[Article by Teodoro Benigno]

[Text] Manila, Feb 12 (AFP)--Philippine leftists are counting on the confusion and acrimony of the country's presidential election to produce a wave of recruits in their drive to replace moderates as the chief opposition force.

While the National Assembly struggled to decide the winner in the race between President Ferdinand Marcos and Corazon Aquino, communist leaders prepared for strategy talks tomorrow, reliable sources here said.

They did not give any details.

But Father Louie Jalandoni of the National Democratic Front (NDF), an umbrella group that includes the outlawed Communist Party, was already counting the political profit for the left in the widespread allegations of poll fraud.

The Europe-based priest was quoted today as telling a radio interviewer that he expected a "broad alliance which will raise popular and nationalist demands will grow out of this shameless (electoral) farce."

He said that the election, described by some as the dirtiest in the Philippines' history, would send disaffected moderates flocking to the ultranationalist Bayan coalition or underground with the NDF.

Mrs Aquino, 53, has claimed victory and asked Mr Marcos to agree to a "smooth and peaceful transfer of power." But the 68-year-old president, in power for 20 years, says he expects the assembly to proclaim him the winner.

Observers said the situation was potentially explosive, with Mrs Aquino vowing to lead protests in the streets if cheated of the presidency.

Should any eventual demonstrations be dispersed by the pro-Marcos armed forces, the left could end up filling the opposition vacuum, the observers said.

Commanding the left is the communist New People's Army of about 16,000 guerrillas, its network of front organizations headed by the NDF which is active in Manila and 63 out of the 74 provinces.

The left also includes ultranationalist groups of various shades from socialist to crypto-communist, including the major Bayan and Bandila groups and the Roman Catholic basic christian communities.

Analysts expect the left to eventually comprise some present Catholic moderates organizing into urban guerrilla groups similar to the Light a Fire and April 6 liberation movements which emerged in 1979 and 1982.

These two movements bombed and torched various government buildings, banks, and major business establishments supporting the Marcos regime, but their leaders were eventually captured and jailed.

With the U.S. Government reportedly balking at an outright denunciation of the Marcos government for alleged widespread electoral frauds, veteran observers anticipate the moderates will gradually lose ground to the left.

Experts say that although the NPA may not have the military clout to overwhelm the 250,000-strong military, the NDF can launch crippling strikes all over the country.

NPA "sparrow liquidation units" are in Metro Manila to sow urban terror when the time is ripe, military and police sources say.

The communist leadership has closely studied the Sandinista rebellion in Nicaragua, according to its official documents, and expects something like the "Terceceristas" to materialize in the Philippines.

The Terceceristas comprised non-communist business, religious, civic, profession, and labor groups whose switch to the Sandinist rebellion overcame the U.S.-backed dictatorship of Anastacio Somoza.

While Mrs Aquino and the United Nationalist Democratic Front (UNIDO) remain confident that peaceful people power can chase Mr Marcos from the presidency, the left bides its times in the wings.

/9599

CSO: 4200/700

PHILIPPINES

COMPUTER WORKERS UNVEIL EVIDENCE OF FRAUD

HK140217 Manila BUSINESS DAY in English 13 Feb 86 p 20

[Article by Marites Danguilan-Vitug]

[Text] The 35 computer technicians who walked out of the Commission on Elections (COMELEC) quick count operations Sunday fear for their security and loss of jobs but will stand by their charges of tally manipulation by Col. Pedro Baraoidan, National Computer Center (NCC) director, and others whom they cannot name at this time.

In an interview with women journalists, Linda Kapunan, 33, program manager and most senior of the quick count staff, said that despite threats to their lives, they will not retract their earlier statements: "Our dignity is non-negotiable."

She also denied accusations by Baraoidan that they hatched the plot to "sabotage" the quick count operations and that they are "hard-core oppositionists." Kapunan said she was one of the last to decide to join the walk-out, describing it was "spontaneous."

Her account: On Saturday, February 8, some actions of the NCC director aroused their suspicions. Baraoidan, at about 10 or 11 pm asked Kapunan to secretly bring a calculator to the backstage of the Philippine International Convention Center (PICC) plenary hall. Very discreetly, Kapunan brought the calculator to a room but was bothered why they would need it when the system was computerized. She saw Baraoidan and "higher ups" in the COMELEC and First Data Corporation huddled in the room secured by five guards.

By 11:30 pm, they sensed something "fishy." The programmers were starting to become restless. One of them saw discrepancies in the computer printout election results and those written on the tallyboard. (See tables)

The Marcos-Tolentino team was leading by a slight margin at the tallyboard when the computer printout showed a very slight Aquino-Laurel lead. They assumed it was a copying error even if it seemed unlikely. However, they noticed that the computer printouts were no longer passed around. They were also told not to go near the printer when the results were being printed.

Instead of going direct from the printer to the tallyboard, the officials met briefly before releasing the results to the tallyboard.

COMELEC officials at PICC added 137,024 votes to the votes of Mrs Aquino in Regions 1 and 2 and added 336,217 votes to the votes for Marcos. Thus, the "extrapolated" results showed Marcos ahead. They did the same to the votes of Arturo Tolentino and Salvador Laurel.

The figures for the other regions were untouched. It seemed the COMELEC officials were under extreme pressure after Mrs Aquino announced her victory based on NAMFREL figures.

These conclusions were reached after figures released by COMELEC and actual figures printed by the COMELEC computer were compared by the group.

Sunday, February 9, they were relieved to see the figures in their printouts match with those in the tallyboard. The reason: foreign observers arrived. When the foreign guests left, the results were returned to the usual.

Baraoidan was also seen pacing around the hall; this was found to be unusual. Said Kapunan: "They (COMELEC and NCC top brass) were very suspicious. They looked at every move of the printer."

To compound the programmers' suspicions, Baraoidan or COMELEC Chairman Victorino Savellano began receiving telephone calls at 1 am (Sunday) from high officials of the Kilusang Bagong Lipunan.

The programemrs, agitated, met in the evening. "God! They're cheating! I won't stand for it," Kapunan recalled to have said during the meeting held at a room near the PICC dining area. She asked some of those present if they still wanted to meet with the consultants but they said no. "They were raring to scream foul. They could no longer stay a minute more at the PICC."

Kapunan talked to Sonny Pulido, the assistant director. She asked him: "Are you a witting or unwitting participant?" To which Pulido, his voice breaking, replied: "I don't like this any more than you do."

The group then decided to stage a walk-out. "We just wanted people to know we did not want to stay, that there was something wrong going on." Kapunan said most of them did not realize the gravity of the situation.

The group was frightened, shocked but was surprised at the reactions and reception they got from the crowd at the PICC. As they were leaving the hall, they were swarmed by sympathizers who formed a human chain around them. They proceeded, in three cars, to the Baclaran church where they were persuaded to give a brief press conference. Kapunan said they gave vague answers, did not want to explain, in detail, their charges because they were nervous and distraught.

Kapunan, as she related the story, stressed the non-partisan character of the group. For many of them, it was an "honor" to be part of the quick count operations because the project was national in scope. It was going to be a challenge--and promised a change of pace--so they devoted most of their time to the program.

After the press conference at the Baclaran church, a priest offered the church hostel to the group. To their surprise, food and donations poured in. By Monday, they were transferred to a Quezon City residence and were secured by friends.

They received reports that a high KBL official had fielded teams of four people each to track them down. Baraoidan also sent a message for them to call him up. Said Kapunan: "There's no point in talking with him."

Kapunan worked for the past 11 years with the NCC. She was even sent on a scholarship to New York University by the NCC.

Kapunan said they have enough basis to say Baraoidan was cheating. But she added that the rigging (on the part of Baraoidan) appeared not to be planned. Baraoidan, she pointed out, could not have done it by himself.

Reconstruction of Tampering Done at COMELEC QCO

President

Actual Computer Printout
From 4:00 pm to Walkout

<u>Region</u>	<u>Marcos</u>	<u>Aquino</u>	<u>Lead</u>
NCR	706,730	877,943	171,213
1	493,948	209,095	284,853
2	133,925	53,213	80,712
3	208,170	238,340	30,170
4	358,944	412,347	53,403
5	118,479	222,399	103,920
6	114,885	101,910	12,975
7	132,039	170,106	38,067
8	90,504	55,826	34,678
9	69,400	84,959	15,559
10	154,158	144,688	9,470
11	71,059	99,165	28,106
12	67,778	96,333	28,555
Total	2,720,019	2,766,324	46,305

Official Figures Posted
at Tallyboard at 7:00 pm

Difference

<u>Region</u>	<u>Marcos</u>	<u>Aquino</u>	<u>Lead</u>	<u>Marcos</u>	<u>Aquino</u>
NCR	706,730	877,943	171,213	0	0
1	640,494	270,978	369,516	146,546	61,883
2	323,596	128,354	195,242	189,671	75,141
3	208,170	238,340	30,170	0	0
4	358,944	412,347	53,403	0	0
5	118,479	222,399	103,920	0	0
6	114,885	101,910	13,975	0	0
7	132,039	170,106	38,067	0	0
8	90,504	55,826	34,678	0	0
9	69,400	84,959	15,559	0	0
10	154,158	144,688	9,470	0	0
11	71,059	99,165	28,106	0	0
12	67,778	96,333	28,555	0	0
Total	3,056,236	2,903,348	152,888	336,217	137,024

Vice-President

Actual Computer Printout
From 4:00 pm to Walkout

<u>Region</u>	<u>Tolentino</u>	<u>Laurel</u>	<u>Lead</u>
NCR	715,085	735,449	20,364
1	461,890	181,545	280,345
2	127,272	55,433	71,839
3	201,414	217,346	15,932
4	249,054	501,134	252,080
5	105,953	222,707	116,754
6	102,026	104,992	2,966
7	138,462	161,198	22,736
8	87,294	54,908	32,386
9	84,382	78,750	4,368
10	149,116	145,973	3,143
11	70,497	90,956	20,459
12	69,313	90,387	21,074
Total	2,551,758	2,640,778	89,020

Official Figures Posted
at Tallyboard at 7:00 pm

Difference

<u>Region</u>	<u>Tolentino</u>	<u>Laurel</u>	<u>Lead</u>	<u>Tolentino</u>	<u>Laurel</u>
NCR	715,085	735,449	20,364	0	0
1	601,261	236,307	364,954	139,371	54,762
2	313,201	136,489	176,712	185,929	81,056
3	201,414	217,346	15,932	0	0
4	249,054	501,134	252,080	0	0
5	105,953	222,707	116,754	0	0
6	102,026	104,992	2,966	0	0
7	138,462	161,198	22,736	0	0
8	87,294	54,908	32,386	0	0
9	74,382	78,750	4,368	0	0
10	149,116	145,973	3,143	0	0
11	70,497	90,956	20,459	0	0
12	69,313	90,387	21,074	0	0
Total	2,877,068	2,776,596	100,462	325,300	135,818

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CSO: 4200/700

PHILIPPINES

MINDANAO KBL LEADER CRITICIZES CATHOLIC CHURCH, NAMFREL

HK171046 Manila BULLETIN TODAY in English 15 Feb 86 p 11

[Article by correspondent Roy C. Sinfuego]

[Text] Quezon City--Gov Mohamad Ali Dimaporo of Lanao del Sur, a KBL leader of Mindanao, assailed Thursday Catholic priests and nuns and NAMFREL [National Citizens' Movement for Free Elections] volunteers for being biased in favor of the opposition during the last week's presidential election.

He warned of "bitter and bloody strifes should the combined efforts of the opposition, NAMFREL, and the church leaders succeed in dividing the Filipino people."

During an interview over MBS 4, Dimaporo said the church leaders and NAMFREL volunteers in Mindanao failed miserably in their mission to be the "watchdog" for clean, honest, and orderly elections.

"NAMFREL, the church leaders, priests, and nuns were supposed to be neutral but they were the busiest campaigners of the opposition's candidates during the election," Dimaporo said.

Dimaporo said NAMFREL volunteers have practically abused the kindness and tolerance of the KBL leaders and followers during the February 7 presidential election.

Dimaporo said that the overall margin of about 600,000 votes President Marcos over Corazon Aquino in the two autonomous regions (Regions 9 and 12) were votes cast by grateful Muslims and Christians in recognition of the many developments that the president has given to the two regions.

He denied charges of alleged terrorism and rampant poll irregularities committed by the KBL.

The charges were attributed to member of Parliament Omar Dimaporo.

Dimaporo said Marcos has attained a genuine victory in Central Mindanao even if the president suffered defeat in the cities of Iligan, Cotabato, and the province of North Cotabato.

He said there were instances in which MP Dianalan and his followers provoked KBL men during the election but they always avoided him (Dianalan) because a confrontation could trigger a bloody clash among his followers and Dianalan's armed men.

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CSO: 4200/700

PHILIPPINES

EDITORIAL URGES PROCESS OF RECONCILIATION

HK171014 Manila TIMES JOURNAL in English 15 Feb 86 p 6

[Editorial: "Reconciliation Our Only Hope"]

[Text] The president went on radio and television the other night to plead for calm and appeal for reconciliation, urging leaders of both the ruling Kilusang Bagong Lipunan and the opposition to help ease tension and allow the wounds inflicted by the recent election to heal.

This is easier said than done, however, considering that both camps suffered so much before and during the election and even now that the voting is over. The act of forgiving is a divine one and human nature being what it is, it is extremely difficult at this stage considering all that has happened, to be predisposed to such a godly act.

Charges and counter charges of fraud and terrorism during the election continue to hype followers of both camps, with no little help from so-called responsible leaders. The national mood is volatile and about to explode as a result of such charges and, if the situation is allowed to deteriorate, there is great danger that many of us will perish in that violent explosion.

Many will say that that is the price of liberty, that it is often necessary to sacrifice some lives in order to preserve more and safeguard the freedom that our fathers fought and died for in past wars that threatened it. This may be true to some extent but only when there are no more options available. Happily for us, there are still a few alternatives open and we may still be able to safeguard that freedom without shedding more blood.

Reconciliation and dialog are among such alternatives. The president is trying to show the way and it is incumbent upon all of us who value the future of this country to give it a sporting chance.

In his appeal, the president extended his hand "in conciliation and brotherhood to my opponents in the recent election" and stressed that there are more important things than vindictiveness and redemption of personal hurts and grievances.

But for reconciliation to get under way, the hand of the leader of the opposition must be equally extended to clasp the president's. Reconciliation involves the cooperation of all. It is a give-and-take process and it cannot succeed when one party does all the giving and the other the taking.

Of course, suspicions cannot be avoided. This is why the administration must show proof of its sincerity by restraining its partisans who, after all, are more in a position to inflict abuse because of the government's power. It is lamentable that minions of the law were involved in the murder of former Antique Gov. Evelio Javier and other election-related violence. One such proof of the government's sincerity would be its prompt action on those responsible for those horrible crimes.

The other camp could reciprocate by reining in on its supporters and sympathizers who are not exactly apostles of peace, either, and by declaring its adherence to the constitutional process, something which, unfortunately it has not done. This report that the leader of the opposition is bent on proclaiming herself as the winner, if true, will only serve to further polarize the citizenry.

Never in the history of our country have our people been brought closer to a full-scale fratricidal war than now. That reconciliation process must start immediately before it is too late.

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CSO: 4200/700

PHILIPPINES

FORMER ENVOY DISCUSSES U.S. VIEW OF ELECTION

HK160812 Hong Kong AFP in English 0758 GMT 16 Feb 86

[Article by Kate Webb]

[Text] Manila, Feb 16 (AFP)--A former Philippine envoy to Washington said today he feared a drift to the left if President Ferdinand Marcos stays in power, and said the United States could not remain impartial.

"Those people in the center will move farther left--the reason is simple, there is no other place to go," Salvador Lopez, Mr Marcos' ambassador to the United States in 1969, told AGENCE FRANCE-PRESSE in an interview today.

A noted historian, who is seen as close to the U.S. Embassy here and carrying weight with U.S. officials, Mr Lopez described himself as a liberal democrat with no use for extremes. "But Marcos has made the position of people like me untenable."

"The great pity," about the February 7 election, after which the National Assembly yesterday proclaimed Mr Marcos re-elected as president, "is that here was a movement that galvanized the centrists.

"Here were people in the middle, led by Cory (opposition candidate Corazon Aquino), who could be a buffer between the two tyrants, the dictatorship, and the communists."

Mr Lopez was referring to charges by the Catholic Church here, the opposition and U.S. observers that the poll was marred with massive fraud and intimidation. Mrs Aquino insists she was cheated of victory, citing a church-backed citizens' poll watchdog.

The United States should realize that it was no good saying "be good and play coalition" when the reality was "a fight to the bitter end in which the U.S. cannot remain impartial," he added.

Mr Lopez said he felt U.S. President Ronald Reagan had "no idea what was happening" here, and that the sooner this was rectified the better "because it is giving rise to very bitter anti-American sentiment."

He said that Mr Reagan's comments to date on the election, particularly his statement that the U.S. should remain "non-partisan," implied that he was siding with Mr Marcos.

"The Americans stayed here for 75 years to set up democratic institutions, and we are trying to revive them. Does Mr Reagan thinking staking the future of the bases on a dictator is the way out?"

Washington maintains two strategically-important military bases here, which Mr Lopez said he was in favour of retaining, "because we need them to maintain the global balance of power."

But he said he felt Mr Reagan "should be advised that the future of the Philippines belongs to the Philippine people and he would do better to be on good terms with the Philippine people."

Mr Lopez, also one of the Philippines' most prominent living writers, has long urged Washington to press Manila harder for reform.

Mr Lopez said he was sure that more people would gravitate towards the outlawed Communist Party if Mr Marcos stayed in power, many out of disgust and anger, not because they like communist." [quotation marks as received]

On Mr Marcos' frequent charges that Mrs Aquino is backed by communists, Mr Lopez said he was sure there were no communists in the United Nationalist Democratic [organization] Party (UNIDO), the coalition party banner under which she ran.

"Mr Marcos is so far right that politically you can be in the center and still be far to the left of him," he laughed.

Speaking of the future, Mr Lopez said he foresaw that Mrs Aquino would have problems saying "stay away" to the far left, as they had a common enemy in Mr Marcos. But he said she had made her position clear to the left--namely, talk, renounce violence or the fight will be taken to you.

The Philippines is faced by a mounting communist insurgency, estimated at about 15,000 fighters, which came down for a boycott of the election.

However, on the success of non-violent protest planned by Mrs Aquino and backed by the church, Mr Lopez said: "Only the army and the police and the communist have arms. What kind of struggle can we have? We will be shot down like dogs."

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CSO: 4200/700

1 March 1986

PHILIPPINES

METRO MANILA TIMES EDITORIAL ON NEED FOR STRONG LEADER

HK180052 Manila METRO MANILA TIMES in English 16 Feb 86 p 4

[Editorial: "Memorandum: For the President"]

[Text] We face today a bewildering array of problems that demand immediate solutions. Never has the challenge been so great, nor the stakes so large. Never have the dreams and the ideals and the dedication of free men been so essential. Never have the poor entrusted their lives and their future to one man. Never has the nation manifested desire to attain the much needed national unity among Filipinos.

Now is the time for courage and action; a time for a strong leader---a leader, not afraid of new directions; a leader who can transform the aspirations of the entire Filipino people into reality. This is what they expect from the president.

In the years ahead, the national government must place itself in the thick of the fight to defend democracy against the gravest threats it has ever known in this country, and sustain the effort to promote economic growth and development.

The president must be prepared to exercise the fullest powers of his office. He will face complex problems. He must be the vital center of action in our scheme of government. He must, in sum, be chief executive in every sense of the word.

The president must not only be the center of political leadership; he must also be the center of moral leadership. Moreover, he must endow the office with extraordinary strength and vision.

With our survival at stake, with serious national problems facing us, we have placed in the seat of leadership one with the capability to govern on the basis of conscience and reason. A strong and dynamic leadership alone can ensure the success of our continuing effort to reform Philippine society and chart a better future for the entire Filipino people.

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CSO: 4200/700

PHILIPPINES

NAMFREL CLAIMS OVER 3 MILLION VOTERS DISENFRANCHISED

HK180820 Hong Kong AFP in English 0749 GMT 18 Feb 86

[Text] Manila, Feb 18 (AFP)--About 3.3 million voters were illegally disenfranchised in the controversial February 7 presidential election, largely in pro-opposition areas, the head of a citizens' watchdog group said today.

Businessman Jose Concepcion, chairman of the National Citizens' Movement for Free Elections (NAMFREL), told a business group here that this affected the margin if not the outcome of the poll.

"Perhaps the most sinister aspect of the disenfranchisement is the emerging pattern that it seems to have taken place in largely opposition oriented areas, he said, adding that the disenfranchisement "alone puts in question and at issue the validity" of the election results.

NAMFREL, with the help of some 500,000 volunteers nationwide, was authorized by the government Commission on Elections (COMELEC) to conduct its own quick count of the election results.

Its tally consistently put opposition candidate Corazon Aquino ahead of President Ferdinand Marcos before it ceased counting with some 70 percent of returns.

Mr Marcos was proclaimed re-elected by the National Assembly late Saturday by a margin of 1.5 million votes, with a turnout of some 20.1 million of the 26.1 million registered voters.

Mr Concepcion based his estimate that there were 3.3 million disenfranchised voters on a comparison between this 77 percent turnout and the 89.46 percent turnout in a 1984 general election.

"The (February 7) turnout should have been higher" than for the National Assembly election, Mr Concepcion said, but even a similar turnout would have given 23.4 million votes.

He cited three main means of disenfranchisement:

-- "Scrambling" of voters' lists so voters would not find their names in the rosters of precincts where they had voted previously.

-- A deliberate slowdown of voting procedures, including a "sudden" requirement to sign four voting records instead of one, leading to long queues and many people not being able to vote before the polls closed.

-- Late opening or early closing of polling places, in violation of the 8-hour voting period.

"Never has a more vigilant populace witnessed a more pervasive travesty upon the sanctity of the ballot in our history," Mr Concepcion added.

The lone opposition member of the nine-member COMELEC, Ramon Felipe, told the meeting that he was afraid that because of the conflicting quick counts, "The majority in the COMELEC may not agree to accredit NAMFREL again as our citizens' aim in future elections."

"This would be unfortunate, if not fatal, for the integrity and credibility of the electoral process in our country."

COMELEC has come under fire since the 1972-81 martial law years for allegedly rigging polls in favour of the administration. Some 30 computer operators walked out of its presidential election quick count, saying it was rigged in favour of Mr Marcos.

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CSO: 4200/700

PHILIPPINES

AFP REVIEWS EFFECTS OF AQUINO BOYCOTT

HK180839 Hong Kong AFP in English 0803 GMT 18 Feb 86

[Article by Joel Paredes]

[Text] Manila, Feb 18 (AFP)--Share prices of the San Miguel Brewery plunged on markets here following opposition leader Corazon Aquino's call for a boycott of firms closely linked with the Marcos government.

San Miguel officials said prices on the Manila and Makati stock exchanges fell yesterday to 11.50 pesos (58 U.S. cents) from 17 pesos (70 cents).

The independent newspaper BUSINESS DAY described the fall as "the biggest single-day drop in its trading history."

Spokesman Maris Duarte said the drop was due to a some 50 percent rise yesterday in interest rates on Central Bank bills.

"Its just natural that people withdraw their stocks whenever there is an increase in the (Central Bank) bills' interest rates," he said.

Mrs Aquino, 53, who says she was cheated out of the February 7 Presidential election, included San Miguel in a boycott announced Sunday, less than 24 hours after the National Assembly proclaimed President Ferdinand Marcos re-elected for a 6-year term.

San Miguel Corp.'s controlling stockholder is Eduardo Cojuangco, a close associate of President Ferdinand Marcos.

The list also names seven banks, four newspapers, the government television station and Rustans' shopping complex chain that allegedly supported Mr Marcos.

In a statement, Mrs Aquino's media bureau today said the Swiss multinational firm Nestle yesterday pulled its advertisements from the Maharlika Broadcasting System (MBS) Television and BULLETIN TODAY newspaper.

A BULLETIN TODAY advertising official said Nestle had not scheduled any advertising and therefore could not pull any out.

The official said the paper had not been affected by the boycott. But in an unusual front-page editorial, the daily reiterated it had "strived all the time to walk the straight and narrow path of fairness to all."

MBS official would not comment on whether any advertisements were cancelled.

Officials of the state-run Philippine National Bank also refused to comment, although Central Bank Governor Jose Fernandez said yesterday that the campaign could be a problem and might make current monetary troubles more difficult.

Eyewitnesses said business had slowed at the Rustans' Shopping Center, a suburb district of Manila.

The boycott call is part of Mrs Aquino's programme of non-violent struggle, which militant teachers today said they were supporting with civil disobedience in the school system.

"We will not stop until there is an official recognition of the people's political will obstructed by the massive cheating during the election," Alliance of Concerned Teachers (ACT) Chairman Raul Segovia told AGENCE FRANCE-PRESSE.

Mr Segovia said the 52,000-strong teachers federation was considering a nationwide teachers' mass leave in public and private schools before the end of the school year in April.

He also said they were demanding the immediate resignation of school officials "directly involved in pre-election bribery."

In Manila, the Students' Council of the University of the East with a student population of some 35,000, said it would barricade faculty buildings starting tomorrow.

Council spokesman Nestor Banlaki said the students' main gripe was a fee hike, but that "we believe it all has to do with the general political situation, so you could say it is connected with Cory (Aquino)."

At the state-owned University of the Philippines, teachers and students were meeting today to discuss suspending classes.

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CSO: 4200/700

1 March 1986

PHILIPPINES

NAMFREL ALLEGEDLY FUNDED BY CIA

BK100825 Manila PNA in English 0806 GMT 20 Feb 86

[Text] Manila, Feb 10 (PNA)--President Ferdinand Marcos' ruling party exposed Monday the pro-opposition stance of the head of NAMFREL (National Citizens' Movement for Free Elections), a private pollwatchdog agency accused of being funded by the U.S. Central Intelligence Agency (CIA) to destabilize the Philippines.

Charged with partisanship was Jose Concepcion, NAMFREL chairman, whose letter last December 31 to presidential hopeful Corazon Aquino gave away his bias for the political opposition.

In his letter to Aquino, Concepcion said he was tendering his resignation as trustee of the Benigno S. Aquino, Jr. foundation effective December 31, 1985.

The foundation was named after former Senator Benigno S. Aquino, Jr. following his assassination in 1983 at the Manila airport and whose wife, Corazon, challenged incumbent President Marcos in last Friday's snap polls here.

He said his resignation was "in the higher interest of maintaining the people's faith in NAMFREL" which was accredited last December 24 as a citizens arm of the government's Commission on Elections (COMELEC).

In his letter, Concepcion--a millionaire businessman-industrialist--said, however, that "this move does not in any way mean that I have forsaken our common objective of perpetuating the memory and ideals of Ninoy (the late senator's namesake) and hopefully, I shall be in a position to rejoin the foundation in due time."

Concepcion's letter has been widely published here to bolster the ruling party's charges that Concepcion and his NAMFREL organization had been largely biased for the opposition, considering his ties with the Aquino family.

NAMFREL, which operates on the concept of voluntarism among its citizen participants, has been the target of several petitions here asking the government to cancel its accreditation to it for alleged partisanship.

The accreditation called on the NAMFREL--an acronym for National Citizens Arm for Free Elections--to assist the COMELEC in the conduct of elections.

One of the petitions against NAMFREL was filed by Nicanor Yniguez, Parliament speaker and Mr Marcos' campaign manager in last political exercise.

But the petition was dismissed by the government poll body for lack of merits.

President Marcos himself had expressed dismay over NAMFREL, saying it had derailed the election quick count project it earlier agreed with COMELEC.

"NAMFREL is not behaving as the citizens arm of the COMELEC, but as a political front of the opposition," he said.

In NAMFREL's unofficial election returns tabulation since Friday night, it showed Aquino leading Marcos by close to one million votes.

But the figure has been disputed by the COMELEC, saying it was based on "spurious" documents.

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CSO: 4200/700

PHILIPPINES

PNA RAPS AMERICAN 'IGNORANCE' OF FILIPINO CULTURE

BK160610 Manila PNA in English 0555 GMT 16 Feb 86

[Article by Iluminado Varela, Jr.]

[Text] Manila, Feb 16 (PNA)--That ditty "The American Junk" sang by the Apo Hiking Society, tells a lot why the foreign "meddlers" in the just-concluded presidential election got the Filipino hackles up.

"Leave me alone to my Third World devices...Third World blues is what I got...troubles, yes, I've got a lot...ah, da, da, da..." (ad lib between American Joe and Pedro): Okay, Pedro, listen to me. Repeat after me say--apple (apol). Apple. (No, apol) no, no, Pedro, it's apple...(apol).

Joe thinks Pedro a loony, who pronounces "hamburger" with the final syllable in "Roger." And "prince price" for french fries.

That's the trouble.

Most American observers of the February 7 Philippine presidential elections and American mediamen covering the event insisted that everyone else do things the American way.

Not because they were arrogant boorish or brusque. Their behavior--even when they addressed the president of the republic during press conferences--did not spring from malice but from ignorance.

It was ignorance of a people's culture--which is a grievous sin in international relations.

Both the foreigners and the people knew little about, or ignored, cross-cultural communications.

For example, the American mediamen who transmitted their stories instantaneously and were even receiving via satellite the day's facsimile of the pages of NEW YORK TIMES in their own suite at the Manila Hotel, had to be told repeatedly why it would take days--even weeks--to get all those election returns.

To the American journalists and other Western press representatives, the official canvassing at the Batasang Pambansa (National Assembly) was exceedingly slow.

While in the United States the citizens get the results of the election in a jiffy, the Batasan canvassing proceeding takes time.

What the foreigners didn't understand was that the Filipinos---especially the politics--love grandstanding.

The board of teller, a gentlemen member of parliament, would give a long introduction and harangue on: they way the election returns were stamped; whether the returns were folded inside out or outside in; whether the color of the envelope was white or brown; whether the erasures were made with a liquid erasure or a gum, or whether the seal is on the right or wrong side of the envelope.

When the last copy of returns is read, the emptied ballot box is opened wide, turned bottom up, and raised overhead for all and sundry to see.

Another stunner to the foreign observers and media was the capacity of the Filipino assemblymen to ease a tense situation with a comic relief, like when an assemblyman-teller asked: "Is it asterisk or hysterics." (Asterisks were used to mark questioned election returns.)

Conceding defeat in an election contest is expected to American politicians. A good loser is admired. When Richard Nixon lost the election to John F. Kennedy in 1960 by the narrowest margin of the century, Nixon conceded right away even if vote-tampering had occurred.

But Filipinos are loathe to accept defeat.

To save face, a Filipino loser gives excuses. And that's true even in sports. A basketball team loses because "there was a sellout," the boxer lost because "the referee was biased," an aspiring law student failed in a government bar examination because he "got nervous," and so on.

You seldom hear a Filipino say, "I lost. I will do better next time."

These are some of the hidden cultures which foreigners had to learn about Filipinos.

The American anthropologist, Edward I. Hall, called these hidden cultures the "silent language."

The term, as applied by the anthropologist, refers to a group's pattern of behavior, it is the tradition, taboo, customs, and attitudes toward work, play, and learning of a group of people.

Hall, who had studied the communications problem of Americans who go abroad as diplomats, advisers, and consultants had observed that in most countries, Americans are neither liked nor respected.

He said:

"Though the United States has spent billions of dollars on foreign aid programs, it has captured neither the affection nor esteem of the rest of the world...It is time that Americans learn how to communicate effectively with foreign nationals. It is time we stop alienating people with whom we are trying to work."

The problem is misunderstanding in intercultural communication or the non-verbal language.

Says Hall: "When it becomes apparent to people of different countries that they are not understanding one another, each tends to blame it on 'those foreigners,' on their stupidity, deceit, or craziness."

Here are some examples of cultural misunderstandings cited by Hall:

-- An American scholar who was sent to Japan to teach American history to Japanese students asked for a Japanese interpreter in the middle of his lecture in English, believing that the students didn't understand English. The next day he was distressed to find out that the students felt insulted because in Japan a sign of an educated man is his ability to speak English.

-- Americans find cultural-cross miscommunications in the Middle East more disturbing. For example, an American agriculturist assigned in Egypt insulted the Egyptian farmers when he asked them how much they expected to yield from their farms that year. Later he learned that the Arabs regard anyone who tries to look into the future slightly insane.

Even among Filipinos, the silent language of cultural behavior can cause misunderstanding.

For example, during the last political campaign, an advertisement featuring an Ilocano family (the dialogue was in Ilocano) was plugged on the radio by the opposition party.

The Ilocano child was crying because he was hungry and the helpless Ilocano parents were blaming the administration for their "empty table."

The Ilocanos reacted angrily to that political ad, saying that "no Ilocano family--even the poorest--ever go hungry." If you know the Ilocano traits of hard work, you can understand their resentment.

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CSO: 4200/700

PHILIPPINES

'ECONOMIC INDICATOR' COLUMNS ASSESS ECONOMY

Employment Index

HK130709 Manila BUSINESS DAY in English 10 Feb 86 p 2

["Economic Indicator" column: "Employment Index Declines 10 Percent"]

[Text] The employment index of key manufacturing enterprises continued to decline from its year ago level in November last year.

According to the latest data from the National Economic and Development Authority (NEDA), the job index for November, using 1981 as base year, went down 10.26 percent or 8.7 index points from 84.8 index points in the same month in 1984 to 76.1 index points.

The index of employment is the ratio between the employment in a particular month and the employment in the same month during the base year.

All of the manufacturing subsectors showed declines in their indices ranging from a low of 0.80 percent posted by the beverage group to a high of 43.85 percent recorded by the wood and wood products group.

The miscellaneous group notched the highest index of 115.4 index points. This however marked a 34.32 percent drop from 175.7 index points registered in 1984.

The petroleum products group likewise exceeded the 100 point level to reach 105.0 index points, the second highest among the subsectors. This was likewise 2.33 percent lower than the previous year's level of 107.5 index points.

Index of Employment of Key Manufacturing Enterprises, By Industry
November 1984 - November 1985
(1981=100)

	<u>1984</u>		<u>1985</u>			
	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>
Manufacturing	84.8	83.2	84.2	82.9	82.2	77.8
A. Food	94.5	95.0	96.9	94.2	95.2	90.9
B. Beverage	87.6	88.0	91.8	89.7	91.1	88.4
C. Tobacco	74.7	74.6	74.5	73.4	73.3	72.6
D. Textile	85.1	82.5	85.7	85.4	83.0	70.5
E. Wearing apparel	107.7	111.0	107.6	103.5	101.2	95.1
F. Wood and wood products	93.5	92.2	92.7	92.5	91.2	88.5
G. Paper and paper products	98.1	97.9	94.6	95.6	93.6	92.7
H. Chemicals and chemical products	82.3	71.6	73.2	72.7	70.5	69.8
I. Rubber products	101.6	101.2	103.9	102.3	101.5	94.7
J. Petroleum products	107.5	107.5	107.8	107.8	107.1	108.0
K. Non-metallic mineral products	72.4	69.8	68.6	66.5	65.5	64.3
L. Basic metals	72.4	64.5	62.7	63.9	65.0	63.5
M. Transport equipments	30.7	30.4	33.7	30.2	30.0	29.4
N. Electrical machinery	60.9	62.1	59.7	62.2	62.1	58.7
O. Miscellaneous	175.7	176.7	177.3	176.6	175.2	147.3
	<u>1985</u>					
	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>
Manufacturing	79.0	78.0	78.6	78.0	77.2	76.5
A. Food	88.6	86.9	90.2	91.3	90.4	91.1
B. Beverage	88.2	87.9	87.4	87.9	86.9	86.8
C. Tobacco	72.2	72.0	75.5	71.8	71.6	71.4
D. Textile	80.7	79.8	82.9	85.8	86.1	83.8
E. Wearing apparel	96.2	96.6	96.7	96.1	96.0	96.1
F. Wood and wood products	87.1	84.4	76.4	70.2	58.1	51.9
G. Paper and paper products	92.4	90.0	90.2	88.9	89.6	87.8

[Table continued on following page]

1 March 1986

	<u>1985</u>						
	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>
H. Chemicals and chemical products	69.0	69.4	68.7	68.9	77.0	77.2	76.7
I. Rubber products	101.4	93.5	93.3	94.0	95.3	96.8	96.4
J. Petroleum products	107.6	106.7	105.1	105.3	105.2	105.9	105.0
K. Non-metallic mineral products	65.1	63.8	64.4	63.7	63.9	63.6	62.7
L. Basic metals	65.1	67.0	69.8	70.0	71.0	71.0	71.0
M. Transport equipments	28.1	27.6	27.8	22.4	18.8	29.4	17.6
N. Electrical machinery	62.1	59.8	60.2	54.9	52.3	50.9	51.0
O. Miscellaneous	147.6	148.3	146.2	118.6	115.8	115.4	115.4

Source of basic data: Monthly survey of key manufacturing enterprises
Statistical Coordination Office, NEDA

Gross Value Added

HK130207 Manila BUSINESS DAY in English 11 Feb 86 p 2

["Economic Indicator" column: "Gross Value Added Falls 7.97 Percent"]

[Text] Gross value added in the manufacturing sector in real terms (or at constant 1972 prices) last year amounted to P21,461 million down 7.97 percent from P23,319 million in 1984, according to advance estimates of the National Economic and Development Authority (NEDA).

Based on the NEDA reports, the decline in the manufacturing sector's gross value added may be attributed to the depressed demand in both the domestic and foreign markets. The labor disputes that plagued a number of establishments also contributed to production cutbacks.

The gross value added in the 15 major industry groups fell an average of 11.80 percent. The biggest percentage decline was recorded by the furniture and fixtures industry group whose gross value added fell 23.24 percent from P142 million in 1984 to P109 million last year.

Textile manufactures came in second with a gross value added of P740 million, down 22.02 percent from 1984's P949 million.

Third was the non-metal mineral products group with a gross value added of P380 million, 21 percent lower than P481 million in 1984. This decline as well as the 3.84 percent drop posted by the basic metal products group and the 4.86 percent fall reported by metal industries were caused largely by the slowdown in construction activities.

Gross value added is the difference between the gross output of the sector and its production inputs. Manufacturing covers the production of durable, semi-durable and non-durable goods. Ancillary activities such as those of power plants, laboratories, garages, and warehouses operated by manufacturing establishments are also included.

Gross Value Added in Manufacturing by Industry Group
1983-1985
(in million pesos)

Industry/ Industry Group	At Current Prices			At Constant Prices		
	1983	1984	1985	1983	1984	1985
Food manufacturing	31,388	49,745	56,303	9,246	9,344	8,610
Beverage industries	3,471	4,544	5,222	763	805	791
Tobacco manufactures	3,277	4,394	5,900	1,117	890	944
Textile manufactures	5,794	7,586	7,590	1,050	949	740
Footwear, wearing apparel	5,852	8,672	10,147	1,247	1,299	1,241
Wood and cork products	3,431	3,923	4,192	716	588	545
Furniture and fixtures	435	599	620	142	142	109
Paper and paper products	1,115	1,865	1,713	196	182	145
Publishing and printing	936	1,505	1,928	368	370	395
Leather products	208	336	344	66	63	67
Rubber products	1,125	1,766	1,707	316	334	275
Chemical products	7,227	10,334	10,438	2,315	1,797	1,697
Production of petroleum and coal	13,000	19,184	18,302	1,351	1,259	1,118
Non-metal mineral products	2,506	2,956	2,674	587	481	380
Basic metal products	3,126	5,068	6,459	947	1,121	1,078
Metal industries	2,639	2,768	3,462	1,091	740	704
Non-electrical machinery	2,043	1,916	2,225	797	442	398
Electrical machinery	4,471	6,405	6,146	1,717	1,964	1,649
Transport equipment	1,667	462	601	742	124	134
Miscellaneous manufactures	1,461	3,223	4,518	334	425	441
Gross value added in manufacturing	95,172	137,251	150,491	25,108	23,319	21,461

Source: National Economic and Development Authority.

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CSO: 4200/700

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PHILIPPINES

'ECONOMIC INDICATOR' VIEWS GOLD PRODUCTION

HK131657 Manila BUSINESS DAY in English 13 Feb 86 p 2

["Economic Indicator" column: "Gold Production Rises 3.71 Percent"]

[Text] The total output of the gold-producing members of the Chamber of Mines of the Philippines from January to November last year rose 3.71 percent from the year ago level, data gathered from the chamber showed. For the 11-month period last year, aggregate gold output reached 23,078.910 kilograms, 825.498 kilograms more than the 22,253.412 kilograms produced in the same period in 1984.

The higher production was largely attributed to the improved levels of operation among a number of gold producers which reported better recovery rates.

During the period, primary gold producers mined a total of 8,730.379 kilograms, up 2.45 percent or 209.005 kilograms from 8,521.374 kilograms. This accounted for 37.83 percent of the combined output of both primary and secondary producers.

The increase in the total production of primary producers came mainly from Surigao Consolidated Mining Co., Inc. which recorded the biggest improvement both in percentage increase and volume. With the renovation of Suricon's mill plant, the improved mill recovery and higher ore grade, the company's gold production reached 1,008.505 kilograms last year, more than double its 1984 production of 500.687 kilograms.

Meanwhile, the production of secondary producers, whose main product is copper and which produce gold only as a by-product, outpaced that of the primary producers. During the 11-month period, production of secondary producers totaled 14,348.531 kilograms, representing 62.17 percent of the total production. This marked a 4.49 percent increase from the 13,732.038 kilograms produced in 1984.

Gold Production
January to November 1984 & 1985
(in kilograms)

	1985	1984	Percent Increase (Decrease)
Primary Producers			
Benguet Corp.	3,200.207	3,269.516	(2.12)
Atlas Consolidated Mining and Development Corp. (Masbate)	2,393.060	2,310.896	3.56
Surigao Consolidated Mining Co., Inc.	1,008.505	500.687	101.42
Apex Mining Co., Inc.	975.859	1,089.291	(10.41)
Itogon-Suyoc Mines, Inc.	378.618	365.854	3.49
Benguet Exploration, Inc.	343.467	371.779	(7.62)
Manila Mining, Inc.	286.621	161.708	77.25
North Davao Mining Corp. (Hijo)	144.042	306.309	(52.97)
Vulcan Industrial and Mining Corp.	#	145.334	-
Sub-total	8,730.379	8,521.374	2.45
Secondary Producers			
Philex Mining Corp.	5,313.433	4,073.221	30.45
Benguet Corp. (Dizon)	3,735.439	3,875.697	(3.62)
Atlas Consolidated Mining and Development Corp. (Cebu)	2,190.840	3,025.997	(27.60)
Lepanto Consolidated Mining Co.	1,602.544	1,146.723	39.75
Marcopper Mining Corp.	731.340	740.960	(1.30)
North Davao Mining Corp. (Amacan)	479.179	586.173	(18.25)
Batong Buhay Gold Mines, Inc.	195.184	283.267	(31.10)
Maricalum Mining	75.226	#	-
Benguet Exploration, Inc.	25.346	#	-
Sub-total	14,348.531	13,732.038	4.49
Total	23,078.910	22,253.412	3.71

No production

Sources: Chamber of Mines of the Philippines

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CSO: 4200/700

PHILIPPINES

PNA REVIEWS MAJOR BUSINESS STORIES FOR JANUARY

BK120741 Manila PNA in English 0648 GMT 12 Feb 86

[Text] Manila, Feb 12 (PNA)--President Marcos' announcement of "no new taxes" this year, the continuing decline of inflation rate and the re-structuring of 97 percent of the country's 2.9 billion U.S. dollars in public debt topped last month's business stories. Other major stories for January were the price rollback of petroleum products, the scrapping of 1 percent tax on foreign exchange earnings.

Prime Minister Cesar Virata said the national government was almost through with the restructuring of official loans with foreign countries. The only two countries with which the Philippines have yet to enter into a restructuring agreement are Austria and the Netherlands. Virata predicted a 1.5 percent positive gross national product growth this year.

The agricultural sector was the only sector in the economy which posted a positive growth. It posted a 1.3 percent or a 0.5 percent increase over its 1984 growth rate of 0.8 percent. The growth rate was achieved despite a general economic decline of 3.25 percent. The coconut industry is expected to shake out of lethargy this year, despite its record low export earnings in 1985 of only 555.79 million U.S. dollars. Encouraging signs of improvement in world prices of coconut oil are expected to improve local buying prices of copra, which in 1985 similarly dropped to record lows.

Aquaculture is expected to overtake the marine fisheries sector in terms of contribution to national output. In 1985, both sectors also closed ranks with contributions of 23.9 and 24.35 percent for aquaculture and marine fisheries, respectively.

After about a year of study, the Securities and Exchange Commission [SEC] approved last month the petition for the establishment of a commodity futures exchange in the country. The proponent is the Manila International Futures Exchange, Inc., (MIFE). Initially, the MIFE has been allowed to trade in sugar and soybeans but may add other commodities as the need arises. Start-up period is set for the last week of July or the first week of August. The SEC last month obtained approval of its proposal from Virata for the revision of the rules governing the operations of financing companies. The new rules provide for, among other things a higher capital base for financing companies. The levels vary according to the location of the company.

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CSO: 4200/700

PHILIPPINES

ANALYSTS PREDICT FURTHER DECLINE FOR ECONOMY

HK141633 Manila BUSINESS DAY in English 14 Feb 86 pp 3, 8

[Article by Abrino Aydinan]

[Text] The Philippines remains the most risky to do business in among the non-communist countries in the region. In the wake of "the most savage assault in the country's history on the right of suffrage and on democracy," a deeper economic slide, more civil unrest, and expansion of the insurgents' ranks are foreseen. This is the judgment of Political and Economic Risk Consultancy Ltd (P and E), a Hong Kong-based analysts group.

Out of a maximum possible score of 1.0, the Philippines was given a 0.6583 overall risk index in the analysis of P and E. The overall risk rating which denotes the outlook for the next 6 months was pushed up by the high indices for the domestic economic (0.7661) and external economic--foreign trade, exchange rate, foreign investment, etc.--(0.7448) risks. A relatively lower rating (0.4663) was given to the risk in the socio-political department. All three major areas were given equal weights in the rating.

On a scale of 1 to 10, the analysts forecast high risks in the country for foreign investment, export credit and the prospect of foreign debt repayment. All three were given ratings of 10. The Hong Kong firm also foresees fairly high risks of political change and social instability (both 7) and of devaluation (6.5).

The analysts are projecting for 1986 a real growth of 0 percent to 1 percent in the gross national product (GNP); an inflation rate of 12 percent, on the average, or of 15 percent at year end; unemployment and underemployment rates of 15 percent to 42 percent; and a foreign exchange rate at the end of December of P21.45:\$1. Exports are seen to amount to \$4.9 billion-\$5.2 billion while imports would be at \$5.2 billion-\$5.4 billion. The current accounts deficit is projected to reach \$200 million-\$310 million by year end. (At end-1985, the current accounts deficit was \$26 million.)

P and E thinks the country's foreign exchange reserve this year would stand at \$1 billion to \$1.3 billion. (It was at \$1.2 billion at the end of December.) Other economic indicators projected are a 1 percent-1.2 percent ratio of the budget deficit to GNP and 15 percent-18 percent borrowing and lending rates.

The analysts believe the country will continue to have extreme debt repayment problems and they see a series of debt restructurings and reschedulings. But they also expect the building up of public opinion in favor of a partial or substantial cancellation of debt obligations or "innovative payment schemes" pegged on the country's ability to pay.

The peso-dollar exchange rate after the elections will be subject to speculative pressures and the gap between the official and black market rates is expected to widen in the wake of a negative judgment on the credibility of the polls by the public.

P and F sees massive flight of capital "as the only defense to an irrational political situation" that the drawdowns from the third and fourth tranches of the International Monetary Fund (IMF) standby credit line will not be able to match. The release of the IMF third tranche and other new money facilities are expected to be delayed further by between 3 to 6 months as a result of the snap elections' outcome not being credible and acceptable to the Filipino people.

"The imminent plunge of the exchange rate could push the faltering economy close to the brink of total collapse," the analysts say.

The Hong Kong analysts believe the inflationary pressures will be strongest around the middle of the year as the money supply is bloated by the election spending which they estimate at P1.5 billion to P3 billion. While this is the primary effect, they see "the real danger is in the direction of the secondary and tertiary impact because monetary velocity is bound to create friction in the economy unless neutralized effectively through open market operations." Consequently, they foresee some "momentary adjustments" in both borrowing and lending rates.

The analysts see agricultural performance faltering because the much needed funding will not reach end-users. The coconut industry is seen "headed in the direction of the collapsed sugar industry." The replanting scheme will be profitable only for the "Mawa hybrid" promoter but will mean a loss for the coconut farmer, concluded the analysts.

They predict the \$3-billion trade facility that has been made available to Philippine importers will be scaled down because of the lack of end-users as "pessimistic business conditions will bear down heavily upon the availability of the facility."

The analysts also see teacher unrest due to unfulfilled government promises of benefits and roughshod treatment as well as the intensification of insurgency, characterized by frequent armory raids, ambushes and field combat engagements.

Economic dislocation will accelerate as a result of the increased insurgency and "the underground economy will deteriorate" even as the growing number of unemployed increase the ranks of the insurgents, according to the analysts.

P and E's view of the future for the Philippines has grown even dimmer after the February 7 elections where they noted widespread and systematic fraudulent electoral malpractices designed to favor the incumbent," "demonetized monies re-circulated in a brazen attempt to influence the conduct of votation and electoral results," "voters' list of entire precincts either disappeared or were padded with spurious names," "votes for the opposition allegedly either discarded or reversed to favor Mr Marcos," and " a general pattern of counting delay confirmed by common observation."

The analysts see among several scenarios that the Marcos regime is facing one where "he may attempt a slim win which may or may not include an (opposition vice-presidential candidate Salvador) Laurel sneak-through to pacify the restless body politic." However, they do not think Laurel is "likely to accept the mandate as this would tag him a Marcos collaborator, a virtual kiss of death for his political future."

An alternative scenario projected is that Marcos will "bait the opposition into bloody skirmishes with the military and justify the re-imposition of a de jure martial law."

With respect to this scenario, the analysts judged: "Unless (Marcos) concedes defeat, any option he takes is bound to deteriorate his grip on the republic. A further radicalization of broad segments of society could bring the Philippines ever closer to incalculable political and economic consequences."

Moreover, they believe that "if (Marcos) survives the electoral contest," his regime "is likely to be toppled by either...the military in the short term or by the insurgency in the long term."

Concluded P and E: "Deeper economic slide is foreseen which could fuel more civil unrest and enlarge the ranks of the insurgency movement. This situation could speed up the struggle for power by two natural antagonists. The reform-oriented military might have to resolve the source of political instability spawned by Marcos' failure to revert to normal democratic processes. On the other hand, the insurgency movement combined with the nationalist movement might topple Marcos first."

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CSO: 4200/700

PHILIPPINES

CENTRAL BANK APPROVES IMPORT OF SOYBEANS

HK140253 Manila BUSINESS DAY in English 13 Feb 86 p 2

[Text] The Central Bank [CB] has given the National Food Authority (NFA) permission to open letters of credit (L/C's) for the importation of 25,000 metric tons of soybeans.

NFA administrator Jesus Tanchanco yesterday said the shipment will arrive by the middle of March aboard MV Aretus. The importation, he said, will help stabilize prices and supply of the feedgrain.

The NFA has projected that prices of poultry and livestock products will go down due to the decline in fuel prices and the stabilization of prices and supply of animal feeds.

The food agency imported 25,000 metric tons of soybean which arrived early this month while the private sector was allowed to import another 27,000 metric tons.

With the arrival of the new shipments, NFA said soybean meal end-users are now getting their normal requirements of soybean meal.

Before the arrival of the NFA's first shipment and that of the private sector, the end-users' allocations were drastically reduced to only 25 percent. Before these shipments, the supply of soybean meal, the bulk of which is imported, dropped to its lowest level last month, pushing prices up.

The NFA said the imported soybeans are now being made available to end-users at a price of P5.30 per kilo. The users are allowed to withdraw the stocks directly from the terminals to facilitate the distribution of the feedgrain.

The NFA shipments were requested by the private sector as early as October last year to avert a possible shortage by December. The importation however was delayed due to difficulties in obtaining CB approval.

The additional importation of 25,000 metric tons is intended to ensure a long-term stable supply of the protein feed source for the livestock industry which is currently facing an acute shortage of low-cost feeds.

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CSO: 4200/700

PHILIPPINES

CENTRAL BANK FAILS TO REDUCE EXCESS LIQUIDITY

BK141607 Manila BUSINESS DAY in English 14 Feb 86 p 2

[Article by Conrado R. Banal III]

[Text] Political uncertainties are blocking the Central Bank's [CB] attempts to take back part of the money it released prior to the snap presidential election.

Latest CB figures made available to BUSINESS DAY showed that the banking system is hardly taking up the CB's offering of government IOU's--its favorite tools for mopping up "excess" funds in the system--despite the sharp rise in interest rates on these IOU's.

The CB therefore may have to maintain the high interest rates on government IOU's, if not increase them further, to start attracting buyers among the commercial banks.

Bankers believe that the higher government IOU rates would be in effect long enough to force a similar rise in bank interest payments on deposits and, subsequently, on bank lending charges.

Estimates in banking are that the recent increase in CB interest payments on government IOU's would push up bank lending rates by between 1 percentage point and 3 percentage points.

With the result of the presidential election still hanging and with fears of civil disorder growing, bankers point to the political situation as the main cause of the virtual standstill in banking activities. "No bank wants to transact business while disorder rules the political arena," a banker commented.

Banks prefer to hold on to cash, instead of buying government IOU's, in anticipation of trouble, bankers said. In the past, banks witnessed heavy withdrawals of deposits during restless times, they said.

But amid all of these, the CB has to take money out of circulation.

A sudden, huge outflow of money from the CB theoretically would weaken the peso versus the dollar and exert an upward pressure on prices of goods--the inflation rate.

Three days before the snap presidential election, for instance, outstanding CB and Treasury bills--the best selling government IOU's--dropped by more than P4 billion. This represented the amount of these IOU's which the CB repaid. In effect, it released that much money into the system.

Such a release can endanger the government's economic program with the International Monetary Fund (IMF). Among the conditions the IMF set for extending further loans to the Philippines is that reserve money--the cash issued by the CB which indicates overall funding available in the system--should not exceed P37 billion by end-March this year. With reserve money at slightly below P37 billion as of last January, the P4-billion CB repayment of government IOU's means that the IMF ceiling has been exceeded.

Last Tuesday, the CB nevertheless effected an across-the-board increase in its interest payments on CB and T-bills. Thirty-day T-bills now pay 19 percent a year from the previous 16 percent a year, while 180-day to 1-year T-bills pay 21.5 percent a year from 17 percent a year.

But the CB last Tuesday and Wednesday sold only P2 billion worth of these bills, while it repaid some P1.8 billion worth of these IOU's that matured during those days. Outstanding CB and T-bills therefore rose by only P200 million, against the P4 billion worth the CB redeemed last week.

Some bankers believe that expectations of a peso depreciation are giving banks a more profitable, albeit riskier, investment channel than government IOU's. Banks are trying to hold on to their dollars which would be equivalent to more pesos after a devaluation.

Losing P0.70 per dollar the other day, the peso yesterday continued to show signs of weakness against the dollar. Bankers said the going rate in the dollar market among banks which are not associated with the government was P21 per dollar yesterday.

But a much lower rate was applied in yesterday's \$8.5-million deal between Union Bank of the Philippines and International Corporate Bank--both owned by government firms--resulting in an official guiding rate of P20 per dollar.

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CSO: 4200/700

PHILIPPINES

CENTRAL BANK TAKES MEASURES TO REDUCE MONEY SUPPLY

HK171030 Manila TIMES JOURNAL in English 15 Feb 86 p 8

[Article by Juanito Vicencio, Jr.]

[Text] The Central Bank [CB] has mounted an attack on the rampaging money supply when this week it jacked up the rates on short-term treasury and CD bills. The yield on both bills is now in the range of 21 percent, a 4-percent increase from the previous rate of around 17 percent.

The CB move was aimed at reducing money supply whose level could hit critical proportions following huge spending during the last elections.

The CB could probably be alarmed over the huge increase in money supply, which could in turn fuel runaway prices and frustrate monetary official's effort in bringing down the inflation rate.

It was widely believed that the last snap presidential election could raise the money supply by at least P10 billion, negating the CB's effort at keeping inflation rate down.

To siphon excess money in circulation, the CB is gradually raising the yield on the two major government instruments and make them attractive to institutional investors.

Meanwhile, the CB reported the other day that commercial banks have a combined reserve deficiency of only P1.28 billion in the week ending January 31.

The total reflects a declining trend in the commercial banking system's overall reserve deficiency whose level a month ago stood at over P2 billion.

A week ago, the banks' combined reserve deficiency stood at P1.5 billion.

Bankers traced such improvement to rising liquidity of banks, enabling them to erase a large portion of their total deficiency with the CB.

According to the latest statistical indicators released by the CB this week, the CB has begun raising gradually the rates it imposes on overnight lending to banks needing extra funds.

The CB's overnight repurchase rates has been raised to 21 percent from 14 percent last month. Last week, it pegged such rate at 18 percent.

This indicates that the CB is putting a lot of pressures on money supply so that it could bring down its level as fast as possible.

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CSO: 4200/700

PHILIPPINES

DROP IN PESO VALUE MAY SPARK PRICE HIKES

HK141641 Manila PHILIPPINES DAILY EXPRESS in English 14 Feb 86 p 18

[Article by George T. Nervez and Arleen C. Chipongian]

[Text] The business community yesterday projected a further 3 to 4 percent increase in prices of goods and services, and about 5 centavos per kilowatt hour hike in electricity rates because of the 73-centavo fall in the value of the peso against the dollar the other day.

The official peso-dollar exchange rate closed Wednesday at P20-\$1 from Tuesday's P19.273.

Business leaders Aurelio Periquet, Jr. and Felix Maramba of the Philippine Chamber of Commerce and Industry (PCCI) said businessmen expected the devaluation of the peso because of the surge in imports, the elections, and the uncertainty among businessmen.

They expect the peso to fall further, although they cannot forecast how much it would fall by the end of the year.

According to businessmen, the average hike in prices this year would go up to 18-29 percent instead of 15-25 percent based on the higher sales and turnover taxes imposed recently.

They said further increases in prices would likely dampen further demand and result in lower capacity utilization of local industries.

Immediate reaction to the peso fall came yesterday from the airline industry which increased the cost of airline tickets and cargo rates by adopting a higher guiding rate of P21.10 to \$1 from P20.60 to \$1 last Wednesday.

Airline industry officials said the guiding rate would be raised today to P21.50 to \$1, further increasing the cost of international tickets and cargoes.

The cost of electricity, water, and telephone services are likewise expected to increase automatically because of the built-in "currency adjustment factors" in billing systems of utility companies.

The Board of Energy said the Manila Electric Co. (Meralco) would increase its electricity rates automatically because of the currency exchange rate adjustment clause approved by the board last November.

On top of Meralco's rate increase which would be reflected in its distribution charge, the National Power Corp. (Napocor) would also increase its own generation charge.

Also adversely affected by the sharp peso fall are import-dependent industries which will have to shell out more pesos to every \$1 worth of imports.

The businessmen said exporters are not expected to get a windfall from the peso devaluation because most of the local exporters are also heavily-dependent on imported raw materials.

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CSO: 4200/700

PHILIPPINES

MILLIONS OF PESOS WITHDRAWN FROM 'BLACKLISTED' BANKS

HK180503 Hong Kong HONG KONG STANDARD (Business Standard Supplement) in English 18 Feb 86 p 1

[Text] Millions of pesos were withdrawn from a number of Philippine banks yesterday--and a sizable chunk of it may be headed for Hong Kong.

The "run" on the banks--all controlled by President Marcos' cronies--came as hundreds of depositors and investors responded to calls by defeated presidential candidate, Mrs Corazon Aquino, for a nationwide boycott of certain financial establishments.

One blacklisted bank reported a withdrawal of 17 million pesos (\$6.8 million) from one branch alone. The withdrawal was made by six people from separate accounts.

Another company on the blacklist, San Miguel, suffered from a bout of hiccups on the two exchanges. The giant conglomerate is controlled by Mr Eduardo Cojuangco, a close crony of Marcos.

San Miguel "a" shares plunged from 14 pesos (\$5.60) to 11.50 pesos (\$4.60) at the Manila stock exchange, and from 14 pesos to 11.25 pesos (\$4.50) at the Makati stock exchange.

San Miguel "b" shares also dipped from 23.50 pesos (\$9.40) to 20.50 pesos (\$8.20) in Manila, but there were no transactions in Makati.

As the country's biggest food and beverage conglomerate, San Miguel is a household name in the Philippines.

Its shares are believed to be the most widely held of the publicly-listed concerns in the country and command top-rating from both bankers and the business community there.

San Mig's managing director in Hong Kong, Ralph Kerr, said the Hong Kong operations are separate from those in the Philippines, although control is exercised from the Manila headquarters.

The flight of the "scared money" from the Philippines gained momentum last week with most of it going into the vaults of Hong Kong banks and some of it spilling into the stock market.

Part of the current bank withdrawals in the Philippines is likely to be smuggled out of the country but much of it will remain in the country with the "white list" banks or with foreign-owned banks there.

However, it is a safe bet that the flight of capital from the Philippines will continue until the situation stabilises.

Among the banks on the boycott list is United Coconut Planters Bank, which is also controlled by Mr Cojuangco.

Cocobank, as it is popularly called, is the sixth largest commercial bank in the Philippines in terms of assets as of end-1984, with 12,435 million pesos (\$4,974 million).

Others included the government-run Philippine National Bank, the country's largest, Security Bank and Trust Co., Commercial Bank of Manila, Republic Planters Bank, Traders Royal Bank, and Union Bank of the Philippines.

Best-selling San Mig's current loss of friends in the share market world can be traced to Mr Cojuangco, chairman and chief executive officer of San Miguel, a post he claimed upon the death of the company's patriarch, Don Andres Soriano, in March 1984.

A controversial businessman and a key figure in Mr Marcos' party, he is a cousin of Mrs Aquino.

"I can only guess this is the result of Mrs Aquino's call for a boycott of San Miguel's products," REUTER news agency quoted a Manila exchange source as saying.

San Miguel also boasts a large and profitable operation in Hong Kong. Last year, it posted unaudited profits of \$65.9 million, 7 percent from the previous year.

/9599

CSO: 4200/700

PHILIPPINES

EDITORIAL ON HEALING ECONOMIC, POLITICAL PROBLEMS

HK171020 Manila BULLETIN TODAY in English 15 Feb 86 p 6

[Editorial: "Wounds of Conflict"]

[Text] In the late 70's and early 80's, when demonstrations against the government peaked, it was not too uncommon for father and son to be caught on opposite sides of the raging controversies. Most parents desired peace at all cost, but their children wanted change and did not bother much with the cost, to the extent that many youths found their way to the hills to fight the government.

If the political tension in the large cities is not eased, the danger is that there might be a replication of past experience.

But we do not think there will be major disorders beyond the usual demonstrations. The bulk of the opposition is not made up of revolutionaries. That fact should be stressed to the administration.

Properly, it should be the administration that should extend its hand as a gesture of reconciliation, and never mind the angry rhetoric coming from the opposition side.

The opposition is not just the candidates and their advisers. The opposition is made up of all those Filipinos who voted for Cory Aquino and Doy Laurel and there are millions of them.

When a nation is divided into two more or less even political forces, the wounds of the conflict should not be allowed to fester.

There is, first of all, the matter of how to give employment to thousands displaced by the continuing economic crisis.

Where will they get their food?

And even as the population grapples with its economic problems, people are being born every day. These thoughts cannot be driven away from the mind.

/9599

CSO: 4200/700

1 March 1986

PHILIPPINES

SUPREME COURT STOPS NUCLEAR PLANT LICENSING

HK121552 Hong Kong AFP in English 1524 GMT 12 Feb 86

[Text] Manila, Feb 12 (AFP)--The Supreme Court today temporarily stopped the Philippine Atomic Energy Commission from issuing an operating license to the country's first nuclear power plant, the Philippine News Agency (PNA) said.

The high court ordered the commission to reopen a public hearing on the plant's operation to give anti-nuclear advocates time to present more evidence against the 2.1-billion dollar plant, the state-run agency said.

Court officials could not be reached for comment on the report.

The controversial state-owned plant in Bataan Province west of Manila was supposed to have opened in January last year, but environmentalists won a high court ruling ordering the commission to open public hearings on its safety.

The hearings ended late last year with a recommendation that the plant should open, but the objectors filed another petition to the high court.

Communist New People's Army (NPA) guerrillas sabotaged power pylons connected to the plant shortly afterward and vowed never to let the reactor operate.

The government has said it was losing over 300,000 dollars a day in interest payments on loans to finance the plant's construction, which began in 1976, while its opponents contend that it is unsafe and too expensive.

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CSO: 4200/700

PHILIPPINES

WORLD BANK APPROVES SUPPORT FOR SUGAR CORPORATION

HK171022 Manila BULLETIN TODAY in English 15 Feb 86 p 17

[Text] The World Bank [WB] has endorsed a government decision to provide financial support to the private Philippine Sugar Marketing Corp. (Philsuma), industry sources said.

Sources said the support was justified on the ground that the situation prevailing in the sugar industry was "exceptional."

The World Bank, which is a major creditor of the Philippines, was among institutions responsible for the dismantling of the government-owned National Sugar Trading Corp. (Nasutra) at the end of last year.

Nasutra's phase-out was demanded by the WB and the International Monetary Fund in line with structural reforms sought to be implemented in the agriculture sector.

Hence, with the establishment of Philsuma, the government was supposed to have already dissociated itself from sugar marketing operations.

But Philsuma officials had noted that the financing needed to keep sugar inventory and prices stable was just too much for the new company to shoulder.

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CSO: 4200/700

PHILIPPINES

BRIEFS

SUIT AGAINST OPPOSITION MP---The Commission on Elections [COMELEC] on Camarines Sur will file a case against opposition MP Edmundo Cea for gross violation of the omnibus election code. A PNA [Philippine News Agency] report quoting Colonel Alberto (Kiawit), Camarines Sur constabulary provincial commander, had eight witnesses giving sworn statements that Cea violated the election code last February 7. The witnesses said that Cea, with five armed companions, disrupted the balloting at precinct No 1 at Barangay (Abo), Tigaon, Camarines Sur, at about 11:30 last Friday. The sworn statement said MP Cea, without any apparent reason, slapped and twisted the arm of one Florencio (Eballe) while scanning the list of voters. According to the report, the balloting in the voting center continued only when the assemblyman's group left. [Text] [Quezon City Maharlika Broadcasting System in English 0300 GMT 11 Feb 86] /9599

CLASSES REMAIN SUSPENDED--Classes in the elementary level resume today [12 February], according to a late afternoon announcement by Education Minister Jaime Laya. Laya however said that classes in the secondary and collegiate levels will remain suspended pending recommendations from school administrators. He said that the Education Ministry will entertain requests on a case-to-case basis. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 11 Feb 86] /9599

TRIAL SUSPENDED---The military court trying murder cases against two former members of the Army's 7th Infantry Battalion has asked the commanding general of the Army's 3d Division to discontinue the trial due to the absence of witnesses. The trial is being held at the headquarters of Task Force Sugarland in San Roque, Hinigaran, Negros Occidental. Colonel George Moleta, commanding officer of the 7th Infantry Battalion and presiding officer of the military court, said the proceedings have been reset several times because of the failure of the witnesses to appear and the lack of interest on the part of the aggrieved party. Sergeant Freedy (Quidato) and Corporal Fortunato Vargas are the respondents in the separate murder and double murder with frustrated murder cases. [Text] [Quezon City Maharlika Broadcasting System in English 0700 GMT 13 Feb 86] /9599

NUCLEAR PLANT DECISION APPEALED---The solicitor general's office is filing an appeal either Tuesday or Wednesday to a recent Supreme Court decision. The high tribunal stopped the Philippine Energy Commission from further hearing

the application for a license to operate the Bataan nuclear plant. The Supreme Court said the commission has shown its bias and pressured the judgment in favor of the atomic energy plant even as it held public hearings on the issue. The government appeal will be filed tomorrow and will clarify these issues of bias and pressures. [Excerpt] [Quezon City Maharlika Broadcasting System in English 0400 GMT 15 Feb 86] /9599

PMA'S FOUNDATION DAY--Armed Forces Chief Fabian Ver is the main guest at today's observance in Baguio of the 81st foundation of the Philippine Military Academy. Ver will present medals to outstanding personnel at the school. The academy's 205 freshmen cadets will also be formally incorporated today into the force. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 15 Feb 86] /9599

ELECTION LEGITIMACY--Justice Minister Estelito Mendoza today asserted that the legitimacy of the election of President Marcos must be judged on the basis of the Constitution and the law. This, he said, rather than an individual judgment on how he was elected. [as heard] That report from Mars Encarnacion: [Begin recording] In an interview with the Justice and Court Reporters Association, Minister Mendoza said that it is the right of every individual to form his own conclusion on the conduct of the just-concluded elections. No one has the authority to pose his own judgment except through the procedures established by law. [end recording] [Text] [Quezon City Maharlika Broadcasting System in English 1100 GMT 17 Feb 86] /9599

CB TO CURB INFLATION--Lending rates soared from 29 to 36 percent as the Central Bank increased by 9 percentage points the interest yield offered on government securities in a bid to contain inflation and dampen the demand for dollars. The rates on Central Bank bills and treasury bills went up from 19-21.5 percent last Friday to between 28-30.5 percent yesterday. Time deposit rates also rose to 18-19 percent yesterday, which were previously quotes as 13-14 percent. Money market placements were increased by banks to match the rate offered by the government securities. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 17 Feb 86] /9599

NAMFREL, COMELEC FORM PANEL--The Commission on Elections [COMELEC] and the National Citizens' Movement for Free Elections [NAMFREL] yesterday [17 February] agreed to formulate guidelines on how to reconcile their separate tabulations of the results of the February 7th elections. For this purpose a four-man panel made up of two COMELEC and two NAMFREL representatives was created to determine how the two tabulations may be audited. The agreement was reached during a meeting at the COMELEC between officials of the two bodies headed by Chairman Victorino Savellano and NAMFREL chief Jose Concepcion, Jr. Both agencies came up with different figures in their tabulations and the reconciliation of these figures is expected to clear all doubt on the true results of the special polls. Named to join the panel were commissioners Chino Marquez and Ruben Agpalo for the COMELEC, and former Public Highways Minister Vicente Paterno and Christian Monsod for NAMFREL. The panel meets tomorrow for the initial dialogue. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 17 Feb 86] /9599

LARGER AGRICULTURAL SECTOR GROWTH--The agricultural sector needs to post a growth of at least 6 to 10 percent to realize its role as leader in the economic recovery. Deputy Agriculture and Food Minister Orlando Sacay said the agricultural sector is the only segment in the economy which grew positively in 1985 by 1.3 percent. He explained that a bigger growth rate should be possible. Sacay said that this would enable the agricultural sector to pull the country out of economic difficulty. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 18 Feb 86] /9599

AGRICULTURAL PROJECTS WITH TAIWAN--The Philippines and Taiwan will undertake joint agricultural projects this year. This, according to Agriculture and Food Minister Salvador Escudero. Among the projects to be started is the setting up of demonstration farms of vegetables, fruit, and other crops in selected cities in Metro Manila and Tuguegarao, Cagayan. Escudero said an agricultural technical mission from Taiwan will arrive soon to begin the project. [Text] [Quezon City Maharlika Broadcasting System in English 0700 GMT 18 Feb 86] /9599

CSO: 4200/700

PEOPLE'S REPUBLIC OF KAMPUCHEA

HENG SAMRIN, HUN SEN THANKS TO MPR COUNTERPARTS

BK060658 Phnom Penh Domestic Service in Cambodian 0430 GMT 6 Feb 86

[Text] Comrade Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State; and Comrade Hun Sen, chairman of the Council of Ministers of the PRK, have sent a message of thanks to Comrade Jambyn Batmonh, general secretary of the MPRP and chairman of the presidium of the People's Great Hural; and Comrade Dumaagiyn Sodnom, chairman of the Council of Ministers of the MPR, for their greetings on the occasion of the 7th National Day of the PRK. The message noted:

On behalf of the KPRP, the Councils of State and Ministers of the PRK, and the Cambodian people, we are very happy to receive your greetings on the occasion of the 7th PRK 7 January National Day.

We would like to extend profound and most sincere thanks to you and, through you, to the MPRP Central Committee, the presidium of the People's Great Hural, the Council of Ministers of the MPR, and the fraternal Mongolian people.

We would also like to express our most profound gratitude to the Mongolian party, government, and people for their material and mental support for our Cambodian people in their just struggle against the subversive schemes of the Chinese hegemonists-expansionists in collusion with the U.S. imperialist and other international reactionary forces to defend peace, independence, and revolutionary gains in the PRK and in contributing to safeguarding and strengthening peace and stability in Southeast Asia and the world.

On this occasion, we would like to extend best wishes to you, to the MPRP Central Committee, the Mongolian Government, and the fraternal Mongolian people. May you enjoy good health and greater successes in fulfilling your noble mission.

/12858
CSO: 4212/57

PEOPLE'S REPUBLIC OF KAMPUCHEA

HENG SAMRIN ATTENDS LITERACY MEETING IN PHNOM PENH

BK100616 Phnom Penh Domestic Service in Cambodian 0430 GMT 10 Feb 86

[Text] The National Committee for Literacy and Supplementary Education held its fifth session at the national assembly cabinet on 8 February to sum up and assess the implementation of efforts to fight illiteracy and supplement education at all levels throughout the country in 1985 and also to set targets for these undertakings in 1986.

Attending in the presidium on this occasion were, among others, Comrade Heng Samrin, general secretary of the KPRP Central Committee, chairman of the Council of State, and chairman of the National Committee for Literacy and Supplementary Education; Comrade Chea Soth, Political Bureau member of the party Central Committee, vice chairman of the Council of Ministers, and minister of planning; Comrade Mat Ly, Political Bureau member, vice chairman of the National Assembly, chairman of the Kampuchean Federation of Trade Unions, and member of the National Committee for Literacy and Supplementary Education. Also present were other party and state leaders and chairmen of the Literacy and Supplementary Education Committees of various central ministries and offices, provinces, and cities all over the country.

For 1 full day, the meeting participants heard, discussed, and exchanged experiences on assessment reports and targets for tasks to be carried out in 1986 presented by Comrade Pen Navut, alternate member of the party Central Committee, education minister, and secretary general of the National Committee for Literacy and Supplementary Education. They unanimously supported the reports and the targets to accelerate the fight against illiteracy and completely eliminate it in 1986. They also noted that, thanks to the efforts of the committees at all levels throughout the country in the Second 3-Year Plan of the movement to eradicate illiteracy and supplement education, by the end of 1985, among the more than 480,000 newly registered illiterates, nearly 260,000 had been emancipated. Of these, 41 districts and 330 communes had their illiteracy rates completely nullified. Since the First 3-Year Plan, nearly 827,000 illiterates, or 80.61 percent, have been freed from illiteracy. This included 53 districts and 762 communes. During this 1985-86 school year, nearly 278,000 students have undergone or are undergoing supplementary education at all three levels of education. As a result of examination in 1985, nearly 6,000 supplementary education students either graduated from

the first level of education or received secondary and tertiary education certificates.

In response to the tireless efforts of Literacy and Supplementary Education Committees at all levels to educate adults, the national committee decided to compliment 11 provincial localities and 6 ministerial units for success in eradicating illiteracy and supplementing education.

Making recommendations during the closing session, Comrade General Secretary Heng Samrin recalled the tasks that the Literacy and Supplementary Education Committees at all levels throughout the country must continue to fulfill in 1986. He said it is not permissible to prolong the plan of the literacy and supplementary education movement. He stressed that in 1986, all provinces, cities, ministries, and offices must hold major meetings to set targets and vigorously and constantly accelerate this movement in order to emancipate all illiterates, especially in the remote provinces and regions where illiterates must be systematically encouraged to fight and rid themselves of illiteracy.

/12858

CSO: 4212/57

1 March 1986

PEOPLE'S REPUBLIC OF KAMPUCHEA

LEADERS THANK GDR COUNTERPARTS FOR GREETINGS

BK110657 Phnom Penh Domestic Service in Cambodian 0430 GMT 11 Feb 86

[Text] Recently, Comrade Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State; Comrade Chea Sim, chairman of the National Assembly; and Comrade Hun Sen, chairman of the Council of Ministers, sent a message of thanks to Comrade Erich Honecker, general secretary of the SED Central Committee and chairman of the Council of State; Comrade Willi Stoph, chairman of the Council of Ministers; and Comrade Horst Sindermann, president of the People's Chamber of the GDR, for their congratulations on the PRK National Day. The message stresses that:

On behalf of the KPRP Central Committee, the Council of State, the Council of Ministers, the National Assembly, and the Cambodian people, we would like to express profound gratitude for the warm congratulations that were sent to us on the PRK National Day from the SED Central Committee, the Council of State, the Council of Ministers, the People's Chamber, the people of the GDR, and yourselves. We highly appreciate the great achievements scored by the German workers, particularly the implementation of resolutions of the 10th SED Congress and the peace policy of the GDR. We agree that the relations of fraternal friendship and multiform cooperation between our two parties and states are steadily developing and deepening in accordance with Marxist-Leninist principles and proletarian internationalism for the benefits of our two countries, socialism, and world peace.

We wish the people of the GDR great successes in carrying out tasks for the party and state, in particular success in organizing the 11th SED Congress.

/12858

CSO: 4212/57

PEOPLE'S REPUBLIC OF KAMPUCHEA

REPORT ON AGRICULTURAL DEVELOPMENTS 3-9 FEBRUARY

BK100807 [Editorial Report] Cambodian media monitored by Bangkok Bureau carried the following reports on agricultural developments during the reporting period 3-9 February:

Prey Veng Province: Phnom Penh Domestic Service in Cambodian at 0430 GMT on 3 February reports that by the end of January, peasants in Prey Veng District had sown more than 170 hectares of rice and broadcast 879 hectares of dry season rice. According to Phnom Penh SPK in French at 0428 GMT on 6 February, during the first 2 months of this fishing season, fishermen in the province caught 1,200 metric tons of fish or 60 percent of their plan; last year, 2,080 metric tons were caught. In another report in French transmitted at 0434 GMT on 7 February, SPK says that by the end of January peasants in Sithor Kandal District had harvested almost 16,200 hectares of various types of rice planted last rainy season with an average yield of 1.5 metric tons per hectare. Along with this harvest, more than 2,400 hectares of land, out of the 2,670 hectares planned for this dry season, had been tilled. The reports adds that more than 80 hectares of peanut, 34 hectares of beans, and 40 hectares of tobacco had also been planted. The same report also says that during the same period, peasants in Kanhchriech District have harvested more than 70 percent of the 18,500 hectares of various types of rice planted last rainy season with an average yield of 1.5 metric tons per hectare.

Kandal Province: At 1300 GMT on 3 February the radio reports that by mid-January, peasants in Dangkao District had harvested almost 4,000 hectares of rice with an average yield of more than 1.5 metric tons per hectare and that 160 hectares of land for dry season rice had been tilled, another 46 hectares sown, and more than 100 hectares transplanted.

Kompong Chhnang Province: On 4 February at 1300 GMT, the radio reports that by 19 January peasants in Kompong Leng District had harvested almost 2,000 hectares of rainy season rice and sowed more than 220 hectares of various types of rice.

Kompong Thom Province: In a report broadcast on 5 February at 1300 GMT the radio says that by 5 January peasants in the province had completed the harvest of their rainy season rice and sold more than 261 metric tons of paddy to the state. At 0440 GMT on 8 February, SPK in French reports that along with the harvest of their rainy season rice, so far, peasants in the province have transplanted more than 570 hectares of rice of the 4,000 hectares planned for this dry season, and have planted more than 2,600 hectares of corn, beans, potato, and vegetables.

Kompong Speu Province: At 0430 GMT on 6 February the radio reports that by mid-January, peasants in Udong District had harvested more than 9,000 hectares of rainy season rice, retilled 56 hectares of land, sown 13 hectares of dry season rice, and transplanted another 41 hectares. In another report broadcast at 1300 GMT on 6 February, the radio says that by mid-January peasants in Thpong District had harvested more than 2,700 hectares of the more than 4,000 hectares of monsoon rice. According to the radio at 0430 GMT on 8 February, by mid-January peasants in Samraong Tong District had harvested more than 12,000 hectares of monsoon rice. The report also says that this dry season, they plan to grow 350 hectares of rice; so far 83 hectares have been sowed and another 240 hectares transplanted; 150 hectares of other crops have also been planted. According to SPK in French at 0428 GMT on 6 February, by mid-January, peasants in Bar Set District had harvested 16,850 hectares of rainy season rice with an average yield of more than 1 metric ton per hectare.

Kompong Cham Province: At 0430 GMT on 6 February, the radio reports that during a period of 9 days beginning 1 January, the veterinary service in Kroch Chhma District vaccinated 825 cattle against various diseases. According to the deputy chief of the Memot District trade service, during an interview broadcast by the radio at 0430 GMT on 8 February, this year the service plans to buy 6,000 metric tons of rice from local peasants; so far, more than 2,069 metric tons have been bought.

Takeo Province: In a report broadcast at 0430 GMT on 7 February, the radio says that by the end of January peasants in Kirivong District had harvested more than 5,700 hectares of rainy season rice and that so far almost 2,880 hectares of early rice have been transplanted. In another report broadcast at 1300 GMT on 8 February the radio says that by mid-January peasants in Angkor Borei District had harvested almost 2,000 hectares of rainy season rice, tilled more than 5,000 hectares of land, sowed more than 640 hectares, and transplanted more than 900 hectares of dry season rice. According to the radio at 0430 GMT on 8 February, during a period of 4 days in mid-January, peasants in Prey Kabbas District sold more than 380 metric tons of rice to the state.

Kratie Province: In a report broadcast on 9 February at 0430 GMT the radio says that by early January, peasants in Kratie District had harvested more than 5,440 hectares of rainy season rice and have been striving to

grow dry season rice and flood receding rice on 1,500 hectares of land. The report also says that by 5 February, almost 1,300 hectares of rice had been transplanted and more than 210 hectares of mung bean, 40 hectares of tobacco, 60 hectares of cotton, 10 hectares of sugarcane, and several hectares of vegetables planted. According to a report in French carried by SPK at 0434 GMT on 7 February, peasants in the province had, by the end of December, harvested more than 17,500 hectares of rainy season rice with an average yield of more than a metric ton per hectare. Toward the end of January, the report continues, a total of 5,450 hectares of rice, or 90 percent of this dry season's plan, had been transplanted and almost 2,000 hectares of subsidiary and industrial crops planted including more than 1,000 hectares of tobacco. The report adds that the provincial agricultural service had put at the peasants' disposal 54 metric tons of rice seeds, 183 metric tons of chemical fertilizers, 2,200 liters of insecticides, a metric ton of rat poison, 62 motor pumps, and 13,000 liters of fuel.

Kampot Province: According to SPK in French at 0428 GMT on 6 February, by early January peasants in the province had harvested 70,000 hectares of various types of rice, or 73 percent of the area planted last rainy season, with an average yield of 1.5 metric tons per hectare. In another report in French transmitted at 0440 GMT on 8 February SPK says that by the end of January, peasants in Kampot District had sold more than 200 metric tons of paddy to the state.

Koh Kong Province: SPK in English at 1103 GMT on 9 February reports that last year fishermen in the province caught more than 2,800 metric tons of fish and sea products; while 17,700 cubic meters of timber, 1,270 cubic meters of sawn wood, 870 metric tons of charcoal, 19,000 cubic meters of firewood, and 7 metric tons of pine resin and other secondary products were produced by the forestry service.

Siem Reap-Oddar Meanchey Province: At 1125 GMT on 9 February SPK in French reports that having harvested their 33,000 hectares of rainy season rice, peasants in Puok District are striving to fulfill their plan of selling to the state 9,500 metric tons of paddy.

/12858

CSO: 4212/57

PEOPLE'S REPUBLIC OF KAMPUCHEA

BRIEFS

HENG SAMRIN, HUN SEN THANK ALBANIANS--Comrade Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State, and Comrade Hun Sen, chairman of the Council of Ministers of the PRK, sent a message of thanks recently to Comrade Ramiz Alia, first secretary of the Albanian Workers Party Central Committee and chairman of the People's Assembly Presidium of the People's Socialist Republic of Albania, and Comrade Adil Carcani, chairman of the Council of Ministers of the People's Socialist Republic of Albania, for their greetings on the National Day of the PRK. The message stresses: On behalf of the KPRP Central Committee, the Council of State, the Council of Ministers, and the Cambodian people and in our own names, we would like to thank you sincerely for the warm greetings you sent us on the National Day of the PRK. We highly appreciate the achievements made by the Albanian people in implementing the Seventh 5-Year Economic Plan and the current Eighth 5-Year Plan under the leadership of the Albanian Workers Party in order to build socialism in Albania. We wish the bonds of friendship and cooperation between our two peoples will further strengthen. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 7 Feb 86 BK] /12858

KOMPONG SPEU SUMS UP 1985 ACTIONS--On 30 and 31 January the military command of Kompong Speu Province held a meeting to sum up emulative work in 1985 and to discuss targets for 1986 to be fulfilled by the armed forces of Kompong Speu Province. The meeting was a success. In his report summing up achievements by the local revolutionary armed forces in 1985, Comrade Khim Sang, chief of the political department of the Kompong Speu provincial military command, stressed that in 1985 the local armed forces overcame all difficulties to carry out many difficult tasks entrusted by the higher authorities. In particular, they made outstanding achievements in the efforts to heighten the quality of construction and battle activities. In 1985, the military and militia units throughout the province, in close cooperation with the Vietnamese Army volunteers, put out of action nearly 350 bandits of all sorts and persuaded 175 misled persons to return to the fold. The meeting participants closely followed and drew many good lessons from outstanding units and individuals, such as the 2d Battalion of Bar Set district and Krang Chek commune which are exemplary units setting model in accelerating the triple revolutionary movement in the locality and in building strong units. The meeting participants pledged to fulfill with success all tasks set for 1986. [Text] [Phnom Penh Domestic Service in Cambodian 1200 GMT 7 Feb 86 BK] /12858

POLITICAL SCHOOL OPENS--The political school at the Kompong Rou District garrison was recently inaugurated after its construction was completed by the local cadres and combatants. On this occasion, Comrade Prak Phoeun, member of the Svay Rieng provincial people's revolutionary committee and of the provincial military command stressed the significance of the Cambodian's revolution's all-around successes in the past 7 years, particularly the successes in the military field. In order to deserve the successes already won and those to be won, he urged each cadre and combatant to heighten their sense of vigilance and combat readiness and to fight constantly to fulfill all tasks by closely upholding cooperation between the army and the people and between the army and the local power, especially the solidarity with the Vietnamese Army volunteers so as to carry out all revolutionary movements with a great success. The ceremony concluded after Comrade Prak Phoeun cut the ribbon and officially declared the school open for use in a joyous and warm atmosphere. [Text] [Phnom Penh Domestic Service in Cambodian 1200 GMT 7 Feb 86 BK] /12858

KAMPOT ARMED FORCES RESULTS--In 1985 the armed forces of Kampot Province went all out to fulfill the tasks of fighting, sweeping, and proselytizing the enemy in the jungle and carrying out national defense labor duty. In fact, cooperating with the Vietnamese Army volunteers, the provincial armed forces swept and put out of action 341 enemy soldiers, including 185 killed, 62 wounded, 7 captured, and 152 surrendered [figures as heard], and seized 79 assorted weapons and a large quantity of ammunition. These results have rendered the masses even more confident in the revolution and more happy to increase assistance and support for the armed forces, enabling the forces of Kampot Province to be constantly alert and capable of sweeping the enemy in order to ensure security and stability for the people, particularly during this harvest. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 10 Feb 86 BK] /12858

HENG SAMRIN, HUN SEN THANK CSSR LEADERS--Comrade Heng Samrin, general secretary of the KPRP Central Committee and chairman of the PRK Council of State; and Comrade Hun Sen, chairman of the PRK Council of Ministers, recently sent a message of thanks to Comrade Gustav Husak, general secretary of the Central Committee of the Communist Party of Czechoslovakia and president of the Czechoslovak Socialist Republic [CSSR]; and Comrade Lubomir Strougal, premier of the Czechoslovak Socialist Republic. The message said, among other things: Please allow us to express our most sincere thanks to you for your warm and cordial greetings on the occasion of the 7th anniversary of our 7 January National Day. We would like to affirm that the victories won by the Cambodian people during the past 7 years cannot be separated from the CSSR's support and assistance. We are firmly convinced that under your leadership, the fraternal friendship and all-around cooperation between our two parties and peoples will further strengthen and develop. [Text] [Phnom Penh Domestic Service in Cambodian 1300 GMT 12 Feb 86 BK] /12858

KOH KONG MILITARY SUCCESS--In 1985, our provincial armed forces killed 339 enemy soldiers on the spot; put 250 others out of action; wounded 256 others; burned down 35 enemy camps; destroyed 16 hectares of rice planted by the enemy, 1 mortar, 1 C-25 field radio, and 1 truck; captured 7 enemies; and seized 120 assorted weapons, 1 car engine, 248 mines, 2 M-71 walkie-talkies, 43 kg of [words indistinct], 35 sets of clothes, 300 hammocks, 4 wristwatches, 2 syringes, 2 radio sets, 2 hand grenades, 28 AK magazines, 403 rounds of AK ammunition, and 503 kg of rice. They also captured 84 Thai trawlers which had illegally entered our territorial waters; released 31 Thai trawlers; and arrested 76 persons who had illegally entered our territory. Moreover, 18 enemies surrendered. We also seized 500 Thai baht, 1,100 Cambodian riel, and 300 Vietnamese dong. As a result of operations launched in cooperation with the Vietnamese army volunteers, our armed forces killed 270 enemy soldiers and wounded 196 others; seized 600 metric tons of assorted ammunition, 100 weapons, and some war materiel; and destroyed 23 enemy barracks. [Statement to Station Correspondent by (Sorani), Koh Kong Provincial Forces' deputy chief in charge of provincial policies, on Development of Provincial Forces During the Past 7 Years--recorded] [Excerpt] [Phnom Penh Domestic Service in Cambodian 1300 GMT 12 Feb 86 BK] /12858

MEN SAM-AN RECEIVES GDR ENVOY--Comrade Mrs Men Sam-an, member of the KPRP Central Committee Political Bureau and chairman of the Central Committee's Organization Commission, granted Comrade Gunter Horn, ambassador extraordinary and plenipotentiary of the GDR to Cambodia, a courtesy call at the end of his diplomatic mission to the PRK on the afternoon of 10 February. Speaking on this occasion, Comrade Mrs Men Sam-an expressed high appreciation of the efforts made by Comrade Gunter Horn in his diplomatic mission to Cambodia and praised him for making great contributions to strengthening and developing the bonds of solidarity between the two countries. She stressed that all the successes recorded by the PRK in the past 7 years cannot be separated from the effective and timely assistance of the parties, governments, and peoples of Vietnam, Laos, the Soviet Union, and other friendly socialist countries in the world, including the GDR. For his part, Comrade Gunter Horn deeply thanked the Cambodian party, government, and people for giving him all the facilities to make his diplomatic mission a success. He also affirmed that the German party, government, and people will continue support and assistance to the just struggle of the Cambodian people for national liberation and socialism. [Text] [Phnom Penh Domestic Service in Cambodian 0430 GMT 12 Feb 86 BK] /12858

CSO: 4212/57

MILITARY AFFAIRS AND PUBLIC SECURITY

BRIEFS

40 SRV SOLDIERS DEFECTED--About 40 Vietnamese soldiers defected to Thailand during the past 4 months, Colonel Amon Phromyothi, deputy chief of staff of the Burapha task force said yesterday. The Vietnamese were dispatched to oversee the trenching and erection of barbed wire by Kampuchean people in a Kampuchean border area opposite Thailand's Ban Nong Ian in Prachin Buri Province. The Vietnamese defectors told Thai authorities that they defected the Vietnamese army because they were tired of fighting in Kampuchea. [Text]
[Bangkok Voice of Free Asia in English 1500 GMT 24 Jan 86 BK]

/12929
CS0: 4200/697

INTERNATIONAL RELATIONS, TRADE AND AID

BRIEFS

INTERNATIONAL BANKERS RECEIVED--Hanoi VNA 14 Feb--Vice Premier Tran Quynh, received here yesterday a delegation of the International Bank for Economic Cooperation (MBES) under the council for Mutual Economic Assistance (CEMA) led by Zin Zikhadze, president of the executive committee of the banks, on an official visit to Vietnam. During the reception, Tran Quynh, also member of the Communist Party of Vietnam Central Committee, sincerely thanked the MBES for its assistance to Vietnam over the past years in payments and credits, and wished for further cooperation between the MBES and the Vietnam State Bank. General Director of the VSB Nguyen Duy Gia was present on the occasion. [Text] [Hanoi VNA in English 0716 GMT 14 Feb 86 OW]

HUSAK MEETS SRV AMBASSADOR--Hanoi VNA 15 February--Gustav Husak, general secretary of the Communist Party of Czechoslovakia, has reaffirmed Czechoslovakia's continued support for the Vietnamese People's Socialist Construction. The Czechoslovak party leader was speaking in Prague on Friday during his reception of the outgoing Vietnamese Ambassador Vu Song. On this occasion, Gustav Husak presented Vu Song with the "White Lion" order, 2nd class, for his contributions to the development of the fraternal friendship and cooperation between Vietnam and Czechoslovakia. [Text] [Hanoi VNA in English 1453 GMT 15 Feb 86 OW]

PDRY PRESIDENT SPEAKS--Hanoi VNA 15 Feb--The Yemeni people fully support the Indochinese people's efforts to make Southeast Asia a region of peace and stability. This was said by Haydar Abu Bakr al-'Attas, political bureau member of the Yemen Socialist Party Central Committee and president of the Presidium of the Supreme People's Council of the Yemen People's Democratic Republic, while receiving Vietnamese Ambassador Le Mai in Aden on Feb 12. The Yemeni president warmly praised the achievements recorded by the Vietnamese people over the past years and strongly condemned the hostile policy of the imperialists and other reactionary forces towards the Vietnamese and the two other nations in Indochina. He expressed the wish for stronger cooperation between the two parties and peoples of Yemen and Vietnam. [Text] [Hanoi VNA in English 1505 GMT 15 Feb 86 OW]

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CS0: 4200/697

PARTY ACTIVITIES AND GOVERNMENT

BRIEFS

VO NGUYEN GIAP RECEIVES SCIENTISTS--Hanoi VNA 16 Feb--Vice Chairman of the Council of Ministers Vo Nguyen Giap received here, on separate occasions on Feb 14, Prof Z. Kaczmarek and Istvan Lang, general secretaries of the Polish Academy of Sciences and the Hungarian Academy of Sciences, respectively, who were on visit to Vietnam as guests of the Vietnam Institute of Sciences. While here, the Polish and Hungarian scientists had working sessions with the host institute to strengthen the bilateral scientific cooperation for the 1986-90 period. They also compared notes with Vietnamese scientists on scientific research. [Text] [Hanoi VNA in English 1523 GMT 16 Feb 86 OW]

COMMUNIST LABOR DAY--Hanoi VAN 16 Feb--A Communist Labour Day was held at the Ho Chi Minh museum project here today by the Hanoi Party Organization and the People's Committee and the Soviet Embassy to welcome the coming 27th Congress of the Communist Party of the Soviet Union. Among those participating in the day of voluntary labour were Tran Vy, member of the Communist Party of Vietnam Central Committee and chairman of the Municipal People's Committee; N. Miakotnykh, Soviet charge d'affaires A.I.; ambassadors and charges d'affaires of other fraternal countries, and Soviet experts working in Vietnam. Speaking on the occasion, Tran Vy and N. Miakotnykh highly praised the Vietnam-USSR friendship and stressed that such a day would strongly encourage Soviet experts and Vietnamese cadres and workers to do their best to complete the project. Also today, another labour day for the same purpose was held at the Soviet-built Hoa Binh hydro-electric power station with the participation of nearly 30,000 Vietnamese workers and Soviet experts. Pham the Duyet, alternate member of the CPV Central Committee and secretary general of the Vietnam Federation of Trade Unions, and representatives of the Soviet Embassy here were also present. In Haiphong Port City, communist labour days were held on Feb 15 and 16. They were attended by 5,500 cadres and workers. With them were V. Vokov, Soviet consul-general, and Soviet experts and workers in the city. [Text] [Hanoi VNA in English 1528 GMT 16 Feb 86 OW]

/12929

CSO: 4200/697

AGRICULTURE

BRIEFS

WINTER-SPRING RICE PLANTED--After the traditional Tet festival, collective peasants throughout Vietnam resumed their work to boost agricultural production, a question of primary concern in Vietnam. By now, at least 1 million hectares of winter-spring have been transplanted, earlier than in last year. The provinces in North Vietnam are striving to complete all winter-spring rice acreage in February. Meanwhile, those in southern Vietnam have finished rice transplanting in the main and are concentrating on tending rice and fighting pests. [Text] [Hanoi International Service in English 1000 GMT 15 Feb 86 BK]

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CSO: 4200/697

LABOR

ALLOWANCES IN NEW SALARY SYSTEM DISCUSSED

Hanoi LAO DONG in Vietnamese 3 Oct 85 p 7

[Article: "What Must You Know About Allowances in the New Salary System?"]

[Text] Question: What types of alliances are there in the new salary system?

Answer: In the new salary system there are the following kinds of allowances:

1. Regional allowances, based on the following two factors:

Bad climate: characterized by the degree of severity of humidity, temperature, wind velocity.

Distance and remoteness, places where there are many difficulties with regard to material and cultural lives.

In the new system, the factor of living conditions is separated from regional allowances. Therefore, there are no regional allowances for municipalities, cities, or lowland areas. There are five levels of regional allowances: 5, 10, 15, 20, and 25 percent. The highest level is applied to high-altitude and border areas and to islands most distant from the mainland.

The correct application of regional allowances, combined with incentive allowances, will serve to encourage the sending of labor forces to the new economic zones and the strategic areas of the nation.

2. Allowances for disparities in the cost of living among the various areas are applied to areas with living costs higher than the prices based on minimum wages (the area with lowest prices). The ratio of those allowances essentially reflects the price disparities of six principal food products (rice, meat, fish, fish sauce, salt, and sugar), and illumination expenses. The allowances for municipalities and cities are higher than those in rural areas because the cost of living in municipalities and cities is in some ways higher, and illumination expenses are greater. The cost of living disparities among the areas is not fixed but depend on the situation of price changes and are recalculated every 3 months to ensure the real wages workers and civil servants.

3. Seniority allowances are paid to workers and civil servants in a number of sectors and trades in which living conditions are difficult, such as forestry workers, workers and civil servants with geology, groups, divers, workers who clean out sluices and street sewers, morgue and cemetery workers, maritime shipping workers and civil servants, etc. (to a maximum of 20 percent). For underground coal miners the maximum is 25 percent).

4. Allowances beyond the guidelines: with regard to all sectors and trades, in the case of positions not in the category eligible for seniority allowances, if workers or civil servants who have attained the highest step of the salary schedule and are continuing to work and make contributions, after 5 year of receiving an allowance beyond the schedule of 5 percent of the highest salary step, beginning with the sixth year they will receive an additional 1 percent a year. Those allowances serve to stabilize the corps of cadres, workers, and civil servants so that they can be content in their work and accumulate experience so that they can do better job.

5. Combat allowances: cadres, workers, and civil servants who work in distant places or in the Vietnam-China border districts and must always simultaneously work and maintain combat readiness, receive allowances of a combat nature. Specifically, cadres, workers, and civil servants working in Vietnam-China border districts receive allowances of 10 percent, receive allowances of 15 percent if they work in border villages, and receive allowances of 20 percent if they live in villages which are continually involved in combat.

6. Allowances for insalubrious, difficult, and dangerous jobs vary from 5 to 15 percent and are applied to workers and civil servants who work under unhealthful conditions which are not reflected in their salary steps or titles, and to workers and civil servants who directly work in environments and under working conditions with many dangerous elements or which may cause labor accidents or occupational diseases. For example, high-level allowances are given to workers who work in places where they come into contact with radiation or high-voltage electricity, or who work at high elevations or deep underground.

7. Per diem allowances of 5, 10, 15, 20, or 25 percent, depending on the degree of circulation by the sectors and trades and the specific conditions of the area of movement. People who continually move about far from home in areas with difficult labor and transportation conditions receive higher allowances. For example, exploration workers in the geology sector, forestry wardens, and workers building high-voltage electrical transmission lines and roads who must continually change their places of work, live in camps, have no conditions for organizing collective welfare, etc., receive high per diem allowances.

8. Responsibility allowances of 5 to 10 percent are applied to workers and civil servants whose work requires greater responsibility than is required of other workers doing the same work, and the work of whom is always urgent and must be completed on time, or workers and civil servants who must not only fulfill their work missions like everyone else but at the same time are responsible for management work.

9. Incentive allowances of 5 to 15 percent are applied for a certain period of time for workers and civil servants who go to production or construction sites in rural, mountainous, or distant, remote places. That allowance is intended to help workers and civil servants overcome difficulties regarding living conditions in the initial period after arriving at the site. Economic-technical cadres who go to production sites in rural and mountainous areas also receive incentive allowances to encourage them to go to the sites and directly serve the requirements of production and commerce at the basic level.

Question: What is the incentive ratio for people receiving in-kind salaries?

Answer: The incentive ratio is fixed at 5 to 7 percent of the salary step, depending on the quality of the labor norm that is applied, in order to encourage workers and civil servants to accept salaries based on output, piecework salaries, or time-based salaries with norms, to enable them to have higher salaries than people who work without norms, encourage the improvement of the quality of labor norms, and create conditions for the enterprise directors to make effective use of the forms of paying salaries according to output, piecework salaries, and time salaries with norms. As regards workers who directly receive salaries based on output or piecework salaries, and who are subject to unified norms determined by the state (state norms or inter-sector norms), they will have 7 percent added to their salary unit price to encourage in-kind salaries. In the case of workers who receive salaries based on output and piecework salaries, and are subject to the norms of sectors or bases, 5 percent will be added to their salary unit price to encourage salaries based on output.

5616

CSO: 4209/242

1 March 1986

LABOR

WORKER, CIVIL SERVANT SALARY CLASSIFICATIONS DETAILED

Hanoi LAO DONG in Vietnamese 10, 17, 24 Oct 85

[Article: "What Are the Salary Steps for State Workers and Civil Servants?"]

[10 Oct 85 p 7]

[Text] Editor's Note: To answer the questions of many readers about the above-mentioned topic, LAO DONG would like to introduce the method of salary classifications for workers and civil servants in accordance with guidance provided by the Ministry of Labor in Circular No 11-LD/TT, dated 18 September 1985.

I. With Regard to Workers and Civil Servants Engaged Directly in Production and Commerce

1. Sectors and trades, which apply the new salary steps and schedules, some salary steps are identical to the old salary steps and schedules, must, on the basis of everyone's present salary step temporarily change them over to the equivalent level, without adjusting for irrationalities or professional progress. The adjustment of irrationalities will be resolved in the course of reviews and reauditing, according to the supplemental technical salary step standards. For example, underground coal miners who at present are classified as Step 5, according to the old six-step coal mining salary schedule, are now transferred to the new six-step coal mining schedule.

People who are now classified at the highest step of the old salary schedule and the receiving bonuses for outstanding skill, or are classified higher than the highest step of the old salary schedule are classified at the highest step of the new salary schedule, and receive allowances above the commonly stipulated framework.

2. The sectors and trades which apply the new salary steps or schedule, the steps of which are greater in number or lesser in number than the old salary steps and schedule, salaries should be classified on the basis of the current technical salary step standards, and also in accordance with the principle of changing over to the step at the corresponding level. Classification must not be at a higher level than the old step. For example, animal husbandry workers in the agricultural sector to whom the new six-step salary schedule is applied

and the old salary schedule of whom had five steps can only be transferred up to level five when transferred to the same level.

As regards who have been classified as Step 5, the highest step of the old salary schedule, if the person has been at that level for 5 years or more, or is receiving an allowance for special skill, he is categorized as Step 6 in the new schedule, and if fully qualified are allowed to receive allowances beyond the commonly stipulated framework. For example, an animal husbandry worker who has been classified as Step 5 and is receiving an allowance for being an especially skilled worker is classified as Step 6 in the new salary schedule.

In the case of cooks who are classified as Step 8 in the old salary schedule, while the new schedule has only seven steps, they must also be changed over to the equivalent step. People who are classified at Step 8 under the old schedule, are classified above the Step 8 level or receive an allowance for being an especially skilled student, is also classified at Step 7 in the new schedule and allowed to receive an allowance that surpasses the commonly stipulated framework.

3. Workers in sectors which are now applying salary schedules and are shifting over to salary steps, such as the posts and telecommunications, commercial, and service sectors, or workers in sectors which are now applying salary steps and are changing over to salary schedules, such as those in the electricity production sector, electric trolley drivers, etc., must urgently be classified into groups with professional titles. Technical step standards and professional standards must be redefined so that there can be a basis for classifying the workers. Before there are new standards vis-a-vis technical steps, the present standards for technical steps must be used, combined with consideration of each person's level and actual ability, in order to assign salary steps according to the principle of changing the old salary levels over to corresponding new salary levels, and cannot, because of the change over from salary steps to salary schedules or vice versa, push salary levels up and create future difficulties for assigning salary steps and deploying and using labor.

To change the old salary levels over to the new corresponding salary levels is to compare the present salary level (based on the 1960 salary steps and schedules) with the corresponding salary level groups of specialized civil servants in the administrative-professional sector when changing over from the old salary levels to the corresponding new salary levels. For example, the present salary level of a state retail clerk is 58 dong, which approximately corresponds to the 56-dong salary level of specialized-administrative civil servants. The 56-dong salary level is changed over to the new salary level, 272 dong per month. To correspond to the 272-dong, the state retail clerk is temporarily assigned to Step 4 (273 dong per month) according to the new six-step salary scale.

4. In some cases in the past, for many different reasons workers were assigned salary steps which exceed the salary structure for that trade, or other salary levels were used to assign salaries which were not based on the professional level and the requirements of production and the stipulated

salary scale or schedule, which created an excessive disparity. The salaries of such workers must be reassigned so that they can be in accordance with the salary step frameworks of the new salary scale or salary schedule, according to their profession. On the basis of the new salary levels assigned them, if there are conditions for doing so they will receive allowances which surpass the commonly stipulated framework.

5. Instances in which the worker's salary level is higher than the salary level of his job or, on the contrary, is lower than the salary level of his job, the management organization is responsible for dealing with such cases by adjusting the technical worker forces or training, supplementing, and raising the levels of the workers to be in accord with the technical-production requirements of each unit, which are not within the scope of the present salary steps.

[17 Oct 85 p 7]

[Text] II. Assigning Salary Steps to Enterprise Management Cadres

According to the improved system, the salaries of enterprise management cadres are arranged according to six salary steps, and for each position in the same category there are two salary steps (there were previously three salary steps). Furthermore, because of the present situation of the assignment of salary steps in the sectors, in the units there are many instances in which the salary step steps are not in accord with positions and do not correspond to the type of enterprise, or even exceed the guidelines by 100 or 200 percent. Therefore, it is first of all necessary to classify enterprises incorrect accordance with the position of the production or commerce. On that basis, the assignment of salaries must be handled in accordance with the following cases:

1. If the new category of the enterprise is equal to or higher than its old category, the positions are assigned salary steps in the new salary schedule as follows:

a. A person with salary level 1 or 2 under the old enterprise classification is assigned Step 1 under the new enterprise classification. If the person has been at Step 2 for 8 years or more, and during that time has always fulfilled his work missions, he is assigned Step 2 under the new system.

b. A person receiving a Step 3 salary according to the enterprise's old classification is assigned to Step 2 under the new system. If a person has been at the old Step 3 for more than 5 years, or as been assigned a step beyond the framework, he will receive an allowance beyond the commonly stipulated framework.

2. In the event that the new category of the enterprise is lower than the enterprise's old category, the positions are assigned to the Step 1 and Step 2 salary levels according to the enterprise's new category, also according to the method of assigning steps in the instances in Point I, Part II. Furthermore, if there are sufficient conditions the person receives an allowance beyond the commonly stipulated framework.

3. In the event that the enterprise management cadres are not classified according to the enterprise management cadre salary schedule, but according to the specialized, technical, professional, or other salary schedules, or if the enterprise has not yet been categorized, they must be assigned to enterprise management cadre salary levels according to the new category assigned the enterprise. Furthermore, if there are sufficient conditions they are to receive allowances which surpassed the commonly stipulated framework.

4. In the even that in the past, for many different reasons the salary levels of enterprise management cadres are much higher than the positions of the enterprise organization and their present sphere of responsibility, they must now be reassigned in accordance with the new category of the enterprise. For example, the enterprise director's old salary was 150 dong, 160 dong (new salary 550 to 590 dong), or even 170 dong (new salary 644 dong), but the enterprise's new category is only equal to a Class 3 machinery enterprise (436-474 dong), so it is assigned to Class 3. That is a complicated matter which, in general, cannot be resolved by rearranging the salary steps but with regard to organization and personnel, in order to rationally use the capabilities and skills of the cadres. Cadres sent by the upper echelon to strengthen the lower echelon may retain their original salaries.

III. Assigning Salary Steps to Cadres and Civil Servants of the Professional Organs and the State Management Organs

1. With regard to management cadres of the professional organizations of the scientific research, education, public health, cultural, artistic, broadcasting, television, meteorological, hydrological, and other sectors, after categorization standards have been approved by the Ministry of Labor, the managing ministry and the people's committees of municipalities, provinces, and special zones directly under the central categorize the units directly under their authority. On the basis of the new classification to which the organization is assigned, the old salary steps are transferred to the new, corresponding salary steps of the new salary framework according to the D salary schedules.

2. With regard to cadres and civil servants working in the scientific-technical, political, economic, public health, education, cultural, artistic, legal, and international relations sectors, and civil servants who are doing technical and professional work in state management organs, professional organizations, and production and commercial units which apply the D schedule, salary steps are assigned according to the following specific cases:

a. Units which have drafted and implemented professional standards, in accordance with the positions of the new salary schedule, assign salary steps on the basis of professional standards. In general, salary steps are transferred from the old levels to corresponding new levels, if the level and ability the cadre meets the professional standards of the position he is now holding. If he does not meet the professional standards of the position he is now holding, he is classified in a position at a lower level. In such a case he is assigned to the highest step of the lower level, and if fully qualified will receive an allowance beyond the commonly stipulated framework.

For example, a reporter is receiving to 119 dong. If he meets the professional standards of a Class 2 reporter he is assigned to the new Step 3 425 dong). If he does not meet the professional standards of a Class 2 reporter he is assigned to Step 6 of the Class 1 reporter schedule (359 dong), and if he meets all conditions he will receive an allowance beyond the commonly stipulated framework.

b. With regard to units which have not yet drafted or implemented professional standards in accordance with the positions of the new salary schedule, on the basis of the level and actual ability of each cadre, they must temporarily transfer them from their old salary steps to corresponding new salary steps, or may make adjustments that are appropriate to the general correlation regarding the levels and ability of cadres in the unit. However, they cannot, because there are as yet no professional standards assign new salary steps which are higher and are inappropriate to the abilities and levels of the cadres, which will create difficulties for assigning salary steps to cadres in the future. Then the ministries and localities must urgently draft professional standards for the positions in order to correctly assign salary steps.

[24 Oct 85 p 7]

[Text] 3. With regard to cadres who hold leadership positions in state management organs, from the central level down to the district level, which use salary schedule D.

a. In the case of positions which have the same number of steps in the new salary schedule as in the old salary framework, everyone's present salary levels are the bases of which to transfer them to corresponding salary levels.

b. In the case of a position for which the new salary framework has more steps than the old salary framework (such as Vice Chairman of people's committees of municipalities directly under the central level, provinces, etc.), the assignment of salary steps is also based on the principle of changing over to corresponding salary levels. The old Step 1 and Step 2 are classified as the new Step 1. If a person has been at Step 2 or for 3 or more years, and during that time has always fulfilled his missions, he is assigned to the new Step 2. Cadres who have a greater responsibility, such as vice chairman of a standing committee, is assigned to the new Step 3 (the highest step) of the professional salary framework. For example, the vice secretary of the standing committee of the Hanoi or Ho Chi Minh City Municipal People's Committee receives a salary of 718 dong, while the vice secretary of the standing committee of the Hai Phong Municipal People's Committee receives a salary of 644 dong.

c. In the case of positions for which the new salary framework has fewer salary steps than the old salary framework but for which the new production framework are adjusted so that they are higher than the general correlation so that they can be appropriate to the new positions of the organization, the salary steps are assigned as follows:

--The salary steps of the old salary are assigned to Step 1 of the new salary framework, but a person who has been at the highest step of the old salary framework for more than 3 years and during that time has always fulfilled his missions are only assigned to the new Step 2.

--People who surpassed the first step of the old framework are assigned to Step 3, and if they are fully qualified they will receive allowances beyond the commonly stipulated stipulations.

For example, if the directors of municipal services of Hanoi or Ho Chi Minh City are receiving salaries of 140 dong or less are assigned to Step 1 of the new salary framework. Anyone who has been at the 140-dong salary level for more than 3 years and during that time has always fulfilled his missions will be assigned to the new Step 2. A person receiving a salary that surpasses the first framework (150 dong) is assigned to the new Step 2. A person surpassing the second framework (160 dong) is assigned to the new Step 3, and if fully qualified receives an allowance beyond the commonly stipulated framework.

d. In the case of positions which in the new salary framework has fewer salary steps than the old salary salary framework (such as department heads and deputy department heads, bureau heads, etc.), salary steps are assigned as follows:

--People receiving the old Step 1 or Step 2 salaries are assigned to the new Step 1. If they have been at the old Step 2 for more than 3 years and during that time have always fulfilled their work missions are assigned to the new Step 2.

--People receiving the old Step 3 salary are assigned to the new Step 2. If they have been at the old Step 3 for 3 years or more and during that time have always fulfilled their work missions they are assigned to the new Step 3.

--People who receive Step 4 salaries or are receiving salaries that exceed the framework are assigned to the new Step 3, and if they are fully qualified they will receive allowances beyond the commonly stipulated framework.

4. In the even that in the past, for many different reasons, some leadership cadres of the state management organs and the professional organizations were not assigned the salary steps of leadership cadres or were assigned salary steps according to the specialized technical-professional salary schedule, or if salary steps of higher echelon leadership positions have been assigned to lower echelon leadership cadres, must now be assigned to the leadership salary levels in correct accordance with their positions and sphere of responsibility, as in the instances mentioned above. Furthermore, it is necessary to make rational personnel adjustments in order to correctly utilize the capabilities and experience of the cadres. Cadres who have been sent by the upper echelon to strengthen the lower echelon may retain their original salaries.

5. After 1 September 1985 workers and civil servants who have just been officially employed by state organs and enterprises will be assigned salaries according to their position and profession in accordance with the following stipulations:

a. After their training period, students who have graduated from regular training schools will be assigned to the beginning salary level of the trade for which they have been trained.

b. Personnel who do simple work that requires no training, or who are trained for a short period of time, are assigned to the 220-dong or 230-dong salary steps, depending on the nature of their work.

5616

CSO: 4209/242

LABOR

QUESTIONS ON DISMISSAL OF WORKERS DISCUSSED

Hanoi LAO DONG in Vietnamese 7 Nov 85 p 7

["LAO DONG Replies" column: "What Workers and Civil Servants Must Know If They Are Disciplined and Dismissed"]

[Text] Does the People's Court consider complaints regarding workers and civil servants being disciplined and dismissed?

While waiting for the Ministry of Labor to fully stipulate the competence of the People's Court and the procedure for adjudicating labor disputes, the Council of Ministers has issued Decision No 10-HDBT, dated 14 January 1985, which authorizes the People's Court to try the following cases, which have been adjudicated by competent organs but the plaintiffs still complain or are unwilling to make restitutions.

- a. State workers and civil servants who have been dismissed.
- b. Students studying vocations in Vietnam, or vocational students, vocational instructors, or trainees producing abroad who have been forced to reimburse the state for training expenses and have been disciplined.
- c. People participating in cooperative labor in foreign countries who are forced to reimburse the state for expenses because they have violated contracts, been disciplined, and had to return to Vietnam early.
- d. Disputes between workers and private employers.

Which specific matters come under the judicial competence of the Court?

- a. The people's court only tries complaints by state workers and civil servants who have been dismissed.
- b. With regards to vocational students or vocational instructors abroad, trainees producing abroad, or people participating in cooperative labor abroad, if they abandon their studies on their own accord, commit serious discipline violations, make false declarations about personal histories, or violate laws and are forced to interrupt their studies and return to Vietnam early and to reimburse the state for training expenses, the People's Court

only considers such aspects of the reimbursement issue as responsibility for reimbursement, the degree of reimbursement, etc.

What is included in the procedure for instituting a labor dispute trial?

a. In the case of workers and civil servants who are dismissed from employment, the person who has been dismissed must submit a complaint within a month after they have received notice of termination. Complaints that are submitted after the deadline for no legitimate reason will not be considered.

Complaints may be sent to the organ which made the termination decision, to the People's Court, or to the People's Organ of Control.

b. With regard to vocational students, vocational instructors, or trainees producing abroad, or people participating in cooperative labor abroad, who are forced to reimburse the state for expenses, the person who must make the reimbursement may complain to the People's Court. The organ which issued the reimbursement order has the right to request the People's Court to consider the case if the a party refuses to make the reimbursement.

c. The People's Organ of Control is competent to institute procedures in all the above cases and request the People's Court to try them.

d. An organ that is the subject of a complaint must turn over its files to the People's Court within 7 days after it receives the plaintiff's complaint, after the People's Organ of Control decides to hear the case, or after it receives a Official Letter from the People's Court requesting it to turn over its files (in the event that the party in question submits a complaint directly to the People's Court).

The people's courts at which levels are competent to try labor disputes?

a. With regard to complaints from workers and civil servants who have been dismissed from employment, the competent people's courts are those at the level of provinces, municipalities, or special zones directly under the central echelon.

b. With regard to vocational students, vocational instructors, or trainees producing abroad, or people participating in cooperative labor in foreign countries, who must reimburse the state for expenses, the people's courts with trial competence are those at the levels of districts, precincts, cities, or municipalities under the authority of provinces. However, people's courts at the provincial level can demand that files be sent to them for their disposition if the case is complicated.

c. According to the law suit principle, the competent court is that at the place of residence of the defendant. For example, if the plaintiff complains about being dismissed from employment by organ A, the court competent to try the case is that in the area in which organ A is located.

What is the deadline for consideration by the court, and how is the people's court judgment carried out?

a. The court must try the case within a period of 3 months from the date it agreed to accept the case. However, a legally effective judgment may be reviewed if there are discovered new facts that are relevant to the case and were previously not known.

b. According to Article 137 of the Constitution and Article 13 of the People's Courts Organization Law, once a people's court judgment is legally effective, organs, enterprises, workers, civil servants, people participating in cooperative labor abroad, etc., who are litigants in a case must strictly obey it. For example, in a complaint regarding compulsory termination of employment, order the judgment is legally effective and the person who has been compulsorily terminated must be allowed to return to work at the unit and his legitimate rights must be restored.

Note: Comrade Ngo Cuong of the People's Supreme Court assisted the Editorial Board in this "LAO DONG Replies."

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CSO: 4209/242

LABOR

QUESTIONS ON DISMISSAL OF WORKERS ANSWERED

Hanoi LAO DONG in Vietnamese 21 Nov 85 p 7

["LAO DONG Replies" column: "Suspension from Work of State Cadres, Workers, and Civil Servants Who Commit Mistakes and Deficiencies"]

[Text] Phan Thi Ly (of the Vinh Phu broadcasting station), Phong Van Hue (of the Van Nam cooperative, Phu Tho District, Hanoi), and a number of other readers, have asked, "In what cases must workers and civil servants be suspended from employment?"

Answer: In Circular No 13-LD-TT, dated 4 December 1979, the Ministry of Labor provided the following guidance: "Termination of employment is not a form of discipline but is only a temporary measure that is applied in a number of truly necessary cases to facilitate investigations and the determination of facts.

1. What Cases Determine Suspension From Work?

a. With regard to cadres (cadres who occupying leadership positions) and personnel who commit especially serious violations, if the party in question refuses to acknowledge the mistake and the organ or enterprise does not yet have sufficient documentation and proof to properly deal with the incident, which will create difficulties and obstacles for investigating determining the facts, and there is danger that the party in question will seek ways to cover up for the error or amend or destroy the evidence, and will limit the witnesses in uncovering mistakes, the first step taken by the organ or enterprise is to temporarily transfer the person to other work. Only if the organ or enterprise has tried all ways but cannot resolve the matter can it suspend the person.

b. Cadres, workers, or civil servants who have been indicted by a court but have not yet been incarcerated may continue to work or may be transferred to other work and retain their original salaries until the court issues a verdict. That stipulation replaces the stipulation on suspension from work in Article 2, Chapter III in Joint Circular No 13-LD-TT, dated 30 August 1966, of the Ministry of Labor and the Ministry of Interior.

2. In the Following Cases a Person May Not Be Suspended From Work:

a. Cadres, workers, and civil servants who commit violations and there is sufficient documentary evidence to deal with the matter immediately.

b. In the case of production workers and other manual workers who commit serious errors or act in a way that threatens the safety and lives of others, and the organ or enterprise believes that allowing them to continue to do their old jobs will impede the present work and investigations to determine the facts, the person in question may temporarily be changed over to doing other work.

Nguyen Xuan Lai (of the collective housing area of the Coc 6 mine in Cam Pha, Quang Ninh Province) and Vu Dinh Binh (of the Phong Phu Textile Mill in Ho Chi Minh City) ask, "What is the time of suspension?"

Answer: Implementing articles 60 and 61 of Decree No 76-SL, dated 20 May 1950, of the Ministry of Labor, provided the following guidance: "The period of suspension from work cannot exceed 3 months. During that time the organ or enterprise must assign cadres with responsibility for investigating and determining the facts in order to reach accurate conclusions."

Tran Thi Lien (of the Ministry of Food) asks, "After the period of suspension is over can the party in question return to his former job?"

Answer: After being suspended from work for 3 months the party in question the party in question has the right to return to his old job, if no conclusion has been reached. The heads of organs and enterprises must allow the person in question to return to his former position.

Hoang Van Quat (of the Technical General Department) asks, "After being suspended from work, how are workers and civil servants dealt with?"

Answer: After a person has completed a period of suspension and the organ or enterprise has investigated and determined the facts:

a. If the party in question did not commit a violation or did not commit a violation serious enough to warrant disciplining, or if the person is subjected to labor discipline in the form of censure or warning, the accused receives 100 percent of his back pay and may resume his former work.

b. If the party in question has been demoted, assigned to a lower technical level, or has been transferred to other work, the person receives 100 percent of his back pay, based on the salary step of his new job.

c. If the person in question is forced to resign he is not reimbursed for the time he was suspended from work.

Vu Thi Cam (of the Muong Man railroad yard) asks, "For how many months may be temporarily transferred to other work? During the time a person does other work, what salary is received?"

Answer: The maximum period of time a person may temporarily assigned to other work also cannot exceed 3 months. After 3 months the party in question have the right to return to his former job, if no conclusion has been reached.

The heads of organs and enterprises must allow the person in question to return to his old job.

During the time in which a person does other work, if the salary of the new job is lower the person may retain his old salary. If the person in question does not agree with the decision to transfer him to other work he does not receive a salary.

Huynh Van Tiep (Binh Thanh District, Ho Chi Minh city) asks, "Which echelon determines suspension from work? Does the person who is suspended have the right to complain to the upper echelon?"

Answer: The heads of organs and enterprises have the right to suspend cadres and civil servants from work and to temporarily reassign cadres, workers, and civil servants under their authority, or recommend that the upper echelon review and pass judgment on cases that fall within the competence of the upper echelon. Before judgment is passed there must be discussions with the trade union at the same level. The case must be carefully weighed, but the right to make decisions and responsibility still belongs to the unit head.

The party in question has the right to complain when suspended from work. Then they receive complaints the labor services or competent organs must rapidly verify the facts and reach correct conclusions in order to answer the party in question and make recommendations to the unit head so that a decision can make a decision.

Nguyen Van Cac (Long An, Kien Giang) and a number of other readers ask, "If an organ or enterprise makes an incorrect decision, is it amended?"

Answer: In the event that the head of an organ or enterprise makes an incorrect decision it must be corrected. If a correction is not made the head will be dealt with in accordance with the various forms of labor discipline.

In the event that the individual signing the decision does not act in correct accordance with the above stipulation, and arbitrarily suspends someone, he must make a public apology to that person, inform the cadres, workers, and civil servants in the organ or enterprise, and be dealt with by the upper echelon in accordance with the labor discipline forms. He must reimburse the organ or enterprise for the money reimbursed the party in question, in accordance with the material responsibility promulgated along with Decree No 49-CP, dated 10 April 1968, of the Council of Ministers.

In the event that that person seeks revenge against or deliberately harms the person who has been suspended from work, he must pay restitution equal to the total amount of money paid in back-pay to the person in question. In addition, depending on whether the mistake was serious or not, he may be disciplined or may bear criminal responsibility.

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CSO: 4209/242

LABOR

PER DIEM ALLOWANCE SYSTEM EXPLAINED

Hanoi LAO DONG in Vietnamese 28 Nov 85 p 7

["LAO DONG Replies" column: "The Per Diem Allowance System"]

[Text] Nguyen Van Tam (of the Survey and Design Group of the Ministry of Forestry and a number of other readers (from Huu Long in Lang Son) ask, "Which categories will receive per diem allowances and what are the present rates of that allowance?"

Answer: On 7 November 1985 the Ministry of Labor promulgated Circular 15-LD/TT, which provided guidance for the implementation of the per diem allowance for a number of sectors and trades. The following are the categories which receive the allowance and the specific allowance rates:

A. The basic exploratory, surveying, and test drilling sectors and the specialized surveying sector.

The categories receiving the per diem allowance include the workers and civil servants in the surveying, minerals exploration, exploratory drilling, basic geological and topographical surveying, and terrain, geology, meteorological and hydrological, soil, administrative, and economic mapping units and teams.

1. The 25 percent rate is applied to workers and civil servants of the surveying and exploratory units and teams of the specialized joint groups of the Geology General Department, and workers and civil servants of the surveying units and teams (geological and terrain) of the State Surveying and Mapping Department.

2. The 20 percent rate is applied to workers and civil servants of the exploratory drilling units and teams of the specialized joint groups or the specialized construction surveying enterprises, the surveying and exploratory units and teams of the joint groups and regional groups, the specialized surveying (map drafting) units and teams, and the forestry surveying and study units and teams.

3. The 15 percent rate applies to workers and civil servants of the surveying and exploratory drilling units and teams of the joint groups and regional groups, or of the regional construction surveying enterprises.

B. The Capital Construction Sector

The categories receiving the per diem allowance include workers and civil servants of the enterprises, units, and teams constructing industrial, civilian, water conservancy, railroad, road, water transportation, electrical transmission, and communications lines projects.

1. The 20 percent rate is applied to workers and civil servants in the units and teams which construct and carry out major repairs on high-voltage electrical transmission lines and interprovincial communication lines, who must continually change their place of work and whose working conditions are not stable.

2. The 10 percent rate is applied to workers and civil servants of enterprises, units, and teams building projects the construction time of which is relatively short (under 2 years from the time construction began), who must continually change their place of work and residence whose living conditions are not stable.

3. The 5 percent rate is applied to workers and civil servants in enterprises, units, and teams which build projects the construction time of which is relatively long (2 years or more), or projects which have a relatively short construction time but the workers do not have to change their place of residence and do not have unstable living conditions.

C. The Transportation Sector

The categories receiving per diem allowances include workers and civil servants who work on land, railroad, and river transportation facilities.

1. The 20 percent rate is applied to truck drivers and assistant of the transportation groups specializing in transporting trans-frontier cargo to Laos and Cambodia.

2. The 15 percent rate is applied to:

--Drivers and assistant drivers of trucks transporting cargo and passengers on routes longer than 300 kilometers, workers and civil servants who work on trains (Thong Nhat passenger trains running all the way between Hanoi and Ho Chi Minh City, raft transportation work, workers who continually have to operate lights on islands, and workers and civil servants who work on river-ocean ferries.

3. The 10 percent rate is applied to drivers and assistant drivers of motor vehicles transporting cargo and passengers on interprovincial routes of 300 kilometers or less, workers and civil servants working on trains, and workers and civil servants working on construction ships or river boats.

4. The 5 percent rate is applied to drivers and assistant drivers of buses and taxis, and drivers of cargo trucks operating in the spheres of municipalities, cities, and towns (not including trucks which operate within enterprises and construction sites).

D. The other sectors:

1. The 20 percent rate is applied to workers and civil servants who continually go to purchase water buffaloes and cattle in the mountain region, and workers and civil servants who travel on foot to bring in, herd, and transfer water buffaloes and cattle in the midlands and lowlands.

2. The 10 percent rate is applied to workers and civil servants who transport water buffaloes and cattle by trucks, trains, ships, and boats; workers and civil servants who purchase grain, food products, and forestry products, and collect waste materials in the mountain region; workers and civil servants who move about excavating archeological sites and doing museum conservation work in the mountain region; mobile disease prevention and fighting units in the jungles-and-mountains region; and workers and civil servants of mobile movie projection units in the mountain region.

3. The 5 percent rate is applied to workers and civil servants who purchase grain and food products, and collect waste materials, in the midlands and lowlands; workers and civil servants move about excavating archeological sites and doing museum conservation work in the midlands and lowlands; workers and civil servants with mobile movie projection teams in the midlands and lowlands; workers and civil servants with disease prevention and fighting units in the midlands and lowlands; workers and civil servants who are bee keepers and must continually transplant colonies of bees from one place to another; workers and civil servants who continually deliver mail, newspapers, and telegrams; workers and civil servants who read meters and collect money for electricity, water, and rent in municipalities and industrial zones, and workers who continually inspect, remove, and install electric meters.

Vu Thi Van of the Nam Dinh river port and a number of other readers ask, "How is the per diem allowance calculated and what is the starting point for its calculation?"

Answer: The per diem allowance is based on the actual number of work days in the month.

The categories receiving per diem allowances do not receive expense allowances. Per diem allowances are accounted for as part of the salary fund and are calculated as a percentage of the salary step or professional salary. The allowance rates stipulated in this circular will take effect on 1 September 1985 and will replace the previous documents making stipulations about the per diem allowance.

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CSO: 4209/242

LABOR

SENIORITY ALLOWANCE SYSTEM DISCUSSED

Hanoi LAO DONG in Vietnamese 5 Dec 85 p 7

["LAO DONG Replies" Column: "Special Seniority Allowance System"]

[Text] Hoang The Nghenh (of the Coc 6 Coal Mine in Cam Pha-Quang Ninh) and a number of other readers have asked, "Which categories receive seniority allowances in the sectors and trades?"

Answer: On the basis of Circular No 19-LD/TT, dated 14 November 1985, of the Ministry of Labor, the following categories receive special seniority allowance:

1. Coal mining sector:

Workers who mine in or construct mine shafts.

Supervisors and managers of departments which mine or construct underground mine shafts. Workers who work in carbonization, blending, baking, conveying, pile forming, and machinery repair departments in the coking coal production industry.

2. The geology and basic surveying sector:

Management, technical, and professional cadres, and workers who are engaged directly in production in the exploration and surveying units and teams of the Geology General Department.

--Natural gas deep-drilling workers.

--Management, technical, and professional cadres, and workers of the basic surveying (geology and terrain) and specialized (mapping) units and teams.

--Workers and civil servants at meteorological and hydrological stations in the mountain region and on islands.

3. The forestry-agriculture sector:

--Workers who produce directly in the exploitation, log removal, and transportation, afforestation, and forest improvement elements of state forests.

--Management, technical, professional, and specialized cadres of the state farms.

--Workers who plant rubber trees, tap latex, and preliminarily process rubber at the state rubber farms.

--Workers who operate land-clearing equipment in the jungles-and-mountains region.

4. The capital construction, communications-transportation, and maritime products sectors:

--Workers who pour concrete, dig pole footings, emplace poles, and lay transmission lines in units and teams constructing high-voltage power lines.

--Workers who maintain roads in the mountain region.

--Workers who are continually on the move blasting rock at rapids to improve the river routes of the waterborne transportation sector.

--Workers and civil servants who work aboard maritime transportation vessels.

--Workers working aboard ocean-going fishing boats and ships and transporting fresh fish.

--Workers and civil servants who work aboard oceanography ships, maritime products research ships, and geophysical research ships.

--Lighthouse attendants.

--Divers.

Workers and civil servants working abroad digging and dredging ships.

5. The other sectors:

--Metallurgy workers (iron and steel smelting, steel rolling), coking coal production, and nonferrous metals smelting workers.

--Workers directly working with garbage and cleaning out sewers of a city public works management service (not applied to workers doing sanitation work in organs and enterprises and workers working with manure at state farms and state forests.

--Workers who prepare bodies for burial, place bodies in coffins, wash and refrigerate bodies, or clean and take care of morgues at hospitals, surgery clinics, and cemeteries.

--Workers who salt down and cure leather at leather tanneries.

--Workers and civil servants in the cryptographic sector.

Tran Van Quang (of the Tuyen Binh-Ha Tuyen state forest) asks, "What special seniority rates have been stipulated?"

Answer: The categories stipulated above receive special seniority allowances in accordance with the two following schedules:

1. Workers and civil servants who continually work in shafts of the coal mining and geological sectors:

Time in Service	Allowance Ratio
--Between 3 and 6 years	5 percent
--Between 6 and 9 years	8 percent
--Between 9 and 12 years	11 percent
--Between 12 and 15 years	15 percent
--More than 15 years, every year in additional	2 percent to a maximum of 25 percent.

2. Workers and civil servants in the sectors:

Time in Service	Allowance Ratio
--From 3 to fewer than 6 years	5 percent
--From 6 to fewer than 9 years	8 percent
--From 9 to fewer than 12 years	11 percent
--Twelve years or more, an additional	1 percent a year, to a maximum of 20 percent.

Nguyen Van Canh (of Geology Group 25 in Bac Thai) asks, "On what principles is the calculation of allowances based?"

Answer: Special seniority allowance are based on the salary step or monthly professional salary, and are paid once a month at the end of the month.

--If workers who mine in or construct mine shafts have worked in the mines 20 years or more, when transferred to other work because of a labor accident or occupational disease may retain a special seniority allowance that corresponds to their time in service, calculated on the basis of the salary step or monthly professional salary of the job to which they have been transferred.

--With regard to the other sectors and trades for which special seniority allowances are received, when transferred to other work for any reason the worker no longer receiving a seniority allowance that surpasses the commonly stipulated framework.

Bui The Thang of the Ministry of Mines and Coal and a number of other readers ask, "How is seniority time calculated?"

Answer: Seniority time in a trade is calculated from the day a worker officially begins work in a sector or trade in which allowances are received, including time spent in training or on work on a trial basis (time spent in vocational study is not included).

Interrupted time (time in which one is transferred to another trade which is not eligible for the allowance) is generally not included in calculating seniority time in a trade. However, in the following cases the interrupted time is still regarded as work time in calculating seniority time in a trade:

In the event of illness one must undergo treatment and convalescence, or is temporarily assigned to another job for less than 1 year.

People who are sent to undertake supplementary study or to be graduate students or trainees in Vietnam or abroad, then return to continue to work in their old profession.

People who go to fulfill their military obligation or are mobilized into the armed forces and later return to their old trades.

Time spent working on a contract basis before being officially employed.

With regard to people who worked in enterprises and organizations under the old regime and are now still working there, the time counted is the time in trade eligible for the allowance.

However, it is necessary to consider each individual case. Time spent opposing the revolution, serving as a lackey for the enemy, etc., is not counted in determining eligibility for the allowance.

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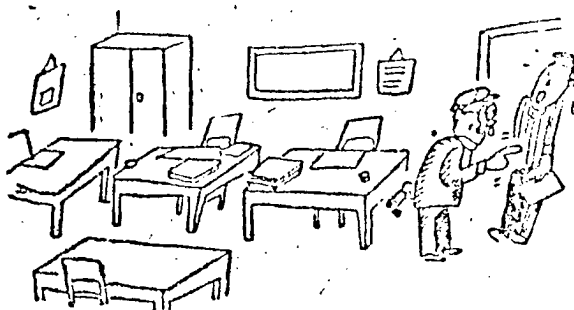
CSO: 4209/242

LABOR

CARTOON COMMENT ON WORK HABITS

Hanoi DAI DOAN KET in Vietnamese 18 Dec 85 p 15

[Cartoon]



— Đồng chí thông cảm, hôm nay sinh nhật cậu út,
con bà chị vợ thủ trưởng chúng tôi...!

Tranh: VĂN THANH

--I hope you understand. Everyone is off
because today is the birthday of the boss'
sister-in-law's youngest son.

/6091

CSO: 4209/294

LABOR

CARTOON CRITICIZES OVERBLOWN ADMINISTRATIVE STAFFS

Hanoi NHAN DAN in Vietnamese 26 Jan 86 p 1

[Cartoon]



Key:

1. Conference on reduction of administrative and professional staffs
2. Hey, what department is that? How come I haven't run into you before?
3. Department

/6091

CSO: 4209/305

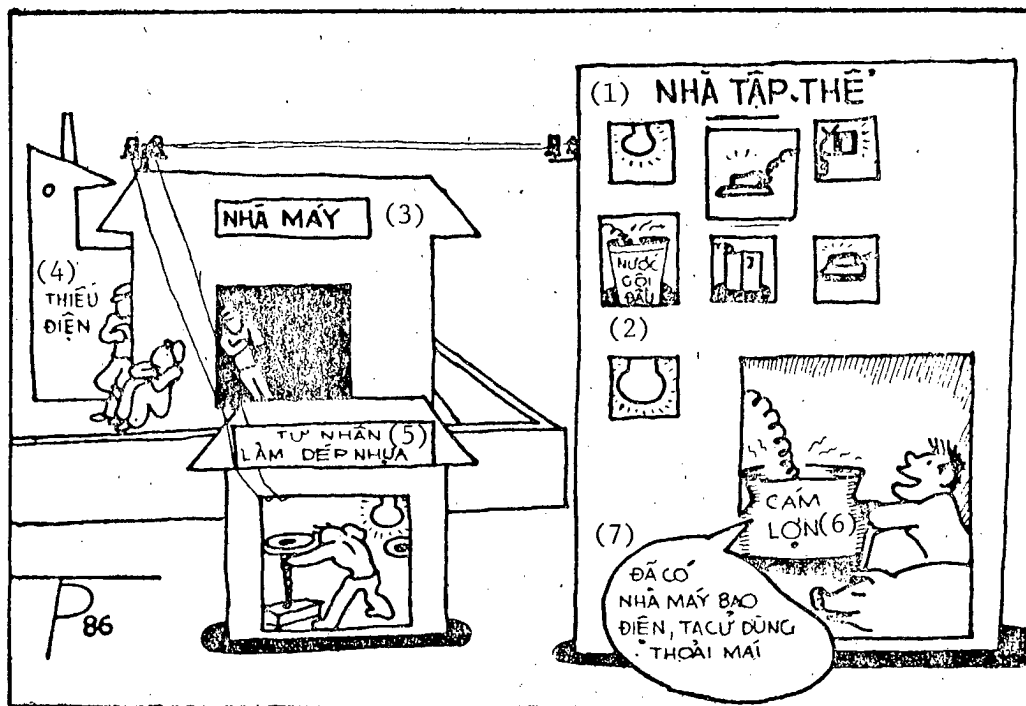
1 March 1986

POPULATION, CUSTOMS, AND CULTURE

ILLEGAL TAPPING OF POWERLINES WIDESPREAD, DAMAGES ECONOMY

Hanoi NHAN DAN in Vietnamese 26 Jan 86 p 1

[Cartoon]



(8) Máy nấm, thợ nghỉ buồn xo
Đề cho nguồn điện chảy rò về đâu!

Tranh: PHẠM VĂN TÚ

Key:

1. Collective housing
2. Water for washing hair
3. Factory
4. Power shortage
5. Private shoe manufacturer
6. Mash for pigs [Note: raising hogs in urban housing is illegal]
7. With all the power that the factory has I feel free to use some
8. The factory and the workers are idled by power shortages due to illegal diversion of power

/6091

CSO: 4209/305

END