

[EXECUTIVE ORDER NO. 157 [1], August 17, 1938]

CREATING THE NATIONAL SUGAR BOARD

Whereas, with the incidence of the export tax upon sugar shipped to the United States as provided in the Tydings-McDuffie Law so imminent, and the eventual loss of the preferential position of the Philippine sugar in the United States market unavoidable, it has become necessary to find means whereby the sugar industry as a whole would be able to stand the gradual loss of its preferential position in the United States market and in time place it upon a competitive position in relation with the other sugar producing countries of the world;

Whereas, it has been found that some of the component elements of the industry are unfairly situated under the present relationship obtaining between the mill, landowners, planters of sugar cane and the laborers, thus making it necessary to study and adopt ways and means whereby all of said elements may derive their fair proportion of the benefits arising out of the preferred position of said industry in our national economy;

Whereas, the stability of Government revenues and the welfare of whole communities in the sugar producing regions depend in no small measure upon the continued existence of the sugar industry upon a basis profitable for all elements contributing to the production of sugar;

Now, therefore, I, Manuel L. Quezon, President of the Philippines, by virtue of the power vested in me by the Constitution and the existing laws, do hereby create and constitute a Board, to be known as the "National Sugar Board" to be composed of eleven members who shall be appointed by the President from time to time.

1. It shall be the duty of the National Sugar Board to make a complete survey of the sugar industry and conduct an investigation into the financial condition of each sugar producing mill and the sugar cane planters adhered thereto; the financial and social condition of labor both in the mill and in the field; the possibilities of every mill district with special reference to present and probable future cost of production, methods and equipment for sugar cane culture and manufacture of sugar, and the adaptability of the sugar cane plantations or portions thereof for the production of other crops; the possibility of the industrialization of the byproducts of sugar cane; and other facts related to the industry as a whole and to its component units; and to determine the fair and proper distribution of benefits derived from the industry by those units which contribute to its development.

2. The Board shall, after the completion of the survey and investigation provided in paragraph one hereof, classify the different sugar producing units into three classes, to wit: (a) the economic units or those which may bear the imposition of a burden equivalent to the maximum export tax provided in the Tydings-McDuffie Act under present allotments and conditions; (b) the marginal units or those which, under