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Voluntary Land Transfer and a Cooperative of Sugarcane Workers in Negros Occidental, the Philippines: The Experience of Hacienda Sta. Catalina-Tuburan

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1. Introduction

Negros Island, more particularly the province of Negros Occidental, has been widely known as sugarlandia, and also the mecca of *haciendas* (large landholdings) of the Philippines, an area in which there exists a wide discrepancy between the social status of the *hacenderos* (landowners) and the sugarcane workers. Since the severe sugar crisis of the mid-1980s, the hacienda system in Negros has experienced a variety of transformations. While some sugarcane workers occupy abandoned haciendas in the mountainous areas, some landowners voluntarily offer a parcel of land within their haciendas to the workers, and assist them in organizing communities.¹ In some haciendas covered by the Comprehensive Agrarian Reform Program (CARP), sugarcane workers organize cooperatives and cultivate the land collectively and individually.²

Since the 1970s, the social structure of Philippine villages has changed drastically. In the

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rice villages of Central Luzon, where the agrarian reform of the Marcos regime was implemented, large parcels of land were taken from landowners, while share tenants were changed into amortizing owners. This process caused the socio-political power of landowners to decline in rural areas, while the gap between the peasants (owner-cultivators, leasehold tenants, and amortizing owners) and landless rural workers widened. In the late 1980s, progressive peasants' organizations took the initiative to occupy some areas in Northern Luzon and Mindanao. As the political base of the Aquino government weakened, non-governmental organizations (NGOs) and people's organizations (POs) actively organized peasants and landless rural workers, playing an important role in the building of communities to protect the rights of the people in a number of rural areas. Negros was no exception.

In 1992, the Ramos government took over CARP from the Aquino government, and the Department of Agrarian Reform (DAR) launched the Agrarian Reform Community (ARC) program, in which the governmental organizations (GOs) were to promote community development in cooperation with NGOs and POs. We cannot underestimate the role of NGOs and POs in promoting community programs for peasants and landless rural workers at this time. With this as a background, this paper presents a case study of voluntary land transfer and the management of the cooperatives in Negros Occidental, with the goal of sustainability and the development of cooperatives for sugarcane workers.

The first section consists of an overview of the changing rural scene and the significance of agricultural cooperatives in the Philippines. In the second section, the process of community formation and that of the "land-use scheme" and "land-transfer scheme" of 1976-1990 will be studied briefly. This will be followed by a study of the organizational structure of the cooperative, and the characteristics of its management for the period from October 1990 to the middle of 1993. And finally, a survey of the income of resident households in the hacienda and their attitudes toward the cooperative will be taken, reflecting the past achievements and future prospects of the cooperative.

2. The Decline of Patron-Client Relations and the Possibility of Cooperatives in Rural Areas of the Philippines

The Philippine government promoted the organization of farmers' cooperatives from the 1950s to the 1970s. President Marcos declared the implementation of agrarian reform in areas growing rice and corn in 1972, and encouraged farmers to organize cooperatives. The cooperatives, later known as Samahan Nayan, were organized around the *barrios* or *barangays* (villages), their roles being to guarantee the amortization payment of agrarian reform to beneficiaries and to promote support services. Contrary to the government's intentions,

however, the attempts of Samahan Nayon ended in total failure, because of a lack of positive commitment by the farmers [9, pp.7-9] [18, pp.125-126, 141-142].

Under the Aquino administration, the 1987 Constitution proclaimed that cooperatives were instruments for social justice and development, while the Medium-Term Development Plan 1987-92 emphasized the strengthening of cooperatives as farmers' organizations [2, pp.43-44] [15, p.94][19, Article XIII, Section 15]. In March 1990, an Act to Ordain a Cooperative Code of the Philippines (R.A. 6938) and an Act Creating the Cooperative Development Authority (R.A. 6939) were enacted simultaneously to promote the organization of farmers' cooperatives in CARP areas and establish the Cooperative Development authority (CDA) in place of the Bureau of Agricultural Cooperative Development (BACOD) [5]. This cooperative project encouraged participation by the people and assistance by NGOs [2, pp. 53-54].

A number of cooperatives have been newly formed in different regions of the Philippines, and cooperatives in both Central Luzon and Negros have been the subject of research projects. According to the results of published reports and papers, however, we can assume that only a few of the cooperatives have been successful in organization and management, even with the generous assistance of NGOs. Some reasons for the negative results include: (1) poor management of cooperatives; (2) passive attitude of peasants; (3) lack of leadership; (4) scarcity of funds [9, pp.21-30]. There appears to be little change in these reasons for failure when compared with those of the failure of Samahan Nayon in the 1970s, except that "the corruption of local officials" was also a reason in this earlier case [9, p.8]. We must conclude then that both the government and NGOs are currently promoting cooperatives without attempting to overcome the weaknesses and failures of the past.

Why have these failures been repeated in the Philippines? To discover clues, we must take into consideration the fact that past and present difficulties in sustaining cooperatives come not only from the policy-making level, but are also consequences of structural problems that have long existed in Philippine rural society, namely the landlordism which has impeded the development of collectivism among peasants and villagers.

William Wolters, a Dutch anthropologist, discussed the long history of landlordism which resulted in a lack of "corporate character" in most of the rice villages in Central Luzon. In his village study of Tabon, Nueva Ecija in the early 1970s, Wolters found that the inhabitants were *kasamas* (tenants) of various landowners, who as patrons exerted political influence over their tenants in many villages of Central Luzon. As their clients, the tenants became involved in political rivalries and conflicts among landowners at the village level, and villages only became communities for tenants to a small extent [21, pp.196-197].

Wolters derived his thesis of the lack of a “corporate character” in rice villages in Central Luzon from his study of a village whose lands were owned by several landowners. A Japanese geographer, Hiromitsu Umehara, conducted a survey of one hacienda barrio in Nueva Ecija whose land was entirely owned by one landowner. The barrio of San Andres, which Umehara studied in 1970, was one of fourteen barrios of Hda. Sta. Lucia (approximately 4,000 hectares), all of which were under a unified farm administration. Tenants of that barrio were engaged in irrigation and threshing under the direction of the *encargado* (farm administrator) and the *katiwala* (overseer) of the hacienda, and it became difficult for them to conduct farm operations on their own or by consensus [20, pp.18-21, 45-46]. From this, we see that the patron-client relationship between landowner and tenant discouraged cooperation among rice tenants.

Benedict J. Tria Kerkvliet, an American political scientist, recently presented a new perspective on rural change in the Philippines, in the case study of one village in the province of Nueva Ecija in 1978-79 and the middle of the 1980s. According to his analysis, the intensification of capitalism dissolved the rural structure composed of large landowners and peasants (mostly tenants), and the patron-client relations between landowners and tenants disappeared. A new social structure emerged consisting of four classes: peasants, landless rural workers, enterprising landowners (or capitalists) and petty traders. The resulting society was mixed, with the poor peasants and landless rural workers having a different class interest than the rich landowners (or capitalists) and petty traders. The poor developed a growing consciousness of their “basic rights” and demanded these from the rich [12, pp.242-273]. Kerkvliet’s findings illustrate the possibility of peasants and landless rural workers developing horizontal relations to acquire their basic rights through collective action.

It is important to note that the transformation of rural society and changes in the consciousness of peasants and landless rural workers are also observed in Negros Occidental. In Negros, the wage labor system has been observed almost universally in sugarcane haciendas for more than half a century. In the hacienda system, the *encargado* (overseer) and *cabos* (foremen), as administrative staff under the landowner, supervise *dumaans* (resident workers), while the *contratista* (recruiter of migrant workers) controls *sacadas* (migrant workers). This unique hacienda system is a historical product of the Philippine sugar industry which was protected under preferential relations with the United States.

In 1974, the Laurel-Langley Agreement, which regulated the US-Philippine preferential trade relations expired, and the export quota of Philippine sugar to the United States was abolished. It was after this drastic change in US-Philippine relations that the sugar industry in Negros Occidental was restructured, and patron-client relations between the landowner and sugarcane workers broke down. To begin with, soon after the decline of sugar prices in

1977-79, the Hodge system of mechanized farming was introduced in many haciendas, something that drastically reduced the number of working days for sugarcane workers.³ Then, during the severe world sugar crisis in 1984-87, sugar production in Negros Occidental was down to only half of that of the early 1980's, and tens of thousands of sugarcane workers were laid off. When this happened, the National Federation of Sugar Workers (NFSW), a progressive labor union, gained the massive support of sugarcane workers, and took the initiative in promoting collective farming among displaced workers. The provincial government of Negros Occidental devised land transfer projects for sugarcane workers to cope with the deterioration of peace and order in this province.

At the height of the severe sugar crisis, the Chito Foundation, an NGO organized in 1973 by a few concerned local landowners and a Catholic sister to promote community development programs for sugarcane workers, initiated the "land-transfer scheme." This was entitled the "Partners in Land Ownership with Workers" program, "Plow" for short. In this program, landowners distributed a portion of their lands to their workers at a nominal price, and the workers planted a variety of crops to increase their income [4]. This was a small, but noteworthy project initiated by a few landowners eager to reform the obsolete hacienda system, as they faced the erosion of patron-client relations between landowners and sugarcane workers.

It is, however, extremely difficult for sugarcane workers to organize and manage the cooperatives by themselves, whether the initiative comes from labor unions or landowners in Negros Occidental. This is particularly so when compared with the peasants in rice villages in Central Luzon. The basic social system of haciendas in Negros is characterized by vertical relationships between the landowner, the administrative staff, and the sugarcane workers. In hacienda barrios in Nueva Ecija, tenants were somehow able to maintain horizontal economic relationships through collective work in rice harvesting, etc. It was necessary, however, for sugarcane workers in Negros to create a horizontal relationship among themselves. As a result, sugarcane workers in Negros lack an attitude of mutual-aid, when compared with rice tenants in Central Luzon.

Here, though, is an example of the more than ten year joint efforts of a landowner, administrative staff, and farm workers to succeed at sustaining a cooperative in a hacienda. The case described is at Hda. Sta. Catalina-Tuburan, affiliated with the Chito Foundation. Only a few examples of landowner-led cooperatives in sugarcane haciendas can be observed in Negros Occidental, but it seems important to show why the landowner-led cooperative came into being, and how it has been sustained, as one remedy against socio-economic change that followed the sugar crisis of the mid-1980's.

3. Starting the Voluntary Land Transfer and the Emergence of a Community in Hda. Sta. Catalina-Tuburan

Hda. Sta. Catalina-Tuburan is located in Barangay Dos Hermanas, in the municipality of Talisay, 7.3 kilometers from Bacolod, the provincial capital of Negros Occidental. It is only nine kilometers from the *poblacion* (town proper) to the hacienda, and both jeepnies and tricycles (three-wheelers), are available as means of transportation between the two. Needless to say, tricycles are more convenient than jeepnies for direct transportation. Fields of sugarcane are widely seen along both sides of the provincial road which passes along the east side of the *poblacion*, illustrating the fact that this is the prime sugarcane area in this province. After about a fifteen minute ride on a tricycle, we notice the “Welcome: Sta. Catalina-Tuburan” sign on the wall of the jeepney waiting shed on the left side of the road. Passing along the inner road at the right side of the waiting shed, we see sugarcane fields, acacia trees and rice fields one after the other for 900 meters. We have entered the land of Hda. Sta. Catalina-Tuburan. We now turn right at the crossroads, go 300 meters farther, and reach the hacienda compound, where a cooperative office, an assembly hall, and a guest house are neatly located.

Hda. Sta. Catalina-Tuburan is one half of the former Hda. Sta. Catalina of 230 hectares, which was originally owned by Manuel A. Javellana. Following his death in 1974, it was inherited by his two sons, Jose L. Javellana and Ignacio L. Javellana, who divided it into two parts. Jose’s part retained the name Hda. Sta. Catalina from the original land, while Ignacio’s land was named Hda. Sta. Catalina-Tuburan, symbolizing a spring (*tuburan* in Hiligaynon) in the hacienda where people believed a saint lived. And thus, Hda. Sta. Catalina-Tuburan, 115.47 hectares, was born.⁴

In this section, we trace the process of introducing a community development program in Hda. Catalina-Tuburan beginning in the late 1970s, and the implementation of the “land-transfer scheme” beginning in the mid-1980s, against the background of socio-economic change in Negros Occidental.⁵

3-1. The Program of Community Development, 1976-1985

In 1974, Ignacio Javellana, nicknamed “Nacing” by his farm workers, initiated the farm management system that followed the traditional hacienda system, placing one *encargado*, two *cabos*, and two *rondas* (watchmen) as an administrative staff. At the same time, however, he sought ways to enhance the quality of life of sugarcane workers in his hacienda. In 1976, he and his wife, Silvia, attended a seminar sponsored by the Chito Foundation. After attending

the seminar, Ignacio, impressed by the aim of the Chito Foundation to emphasize the total human development of farm workers as well as landowners, decided to introduce the community development program in his hacienda.

Thus, beginning with youth programs, a series of "self-awareness seminars" were conducted in Hda. Sta. Catalina-Tuburan, from late 1976 to 1977, with the help of the staff of the Chito Foundation. The aim of the seminars was to help workers recognize the importance of breaking away from traditional dependence on the landowner as *amo* (boss), nurturing an independent spirit. In 1977-79, the sugar industry in Negros Occidental suffered from a decline in sugar prices, and it seems likely that the new situation in the sugar industry convinced Ignacio that the traditional hacienda system should not be sustained, but rather a new system should be created that did not have the patron playing the role of *amo* for his farm workers.

In 1978, the "land-use scheme" was introduced in the hacienda, and 37 out of a total of 42 residing households (including *cabos* and *rondas*) participated in the program.⁶ These 37 households were divided into three groups called *katilingban* (community) and each group was offered one hectare of land for free use. Each group consisted of twelve or thirteen households, electing a leader and a secretary, with one treasurer being chosen for the three groups. *Cabos* and *rondas* also participated in the program, but farm workers were chosen for such positions as leaders. Each group planted mongo beans, camotes, or peanuts for self-reliance, obtaining crop loans from the landowner without interest. The importance of the "self-awareness seminar" and "land-use scheme" was not automatically understood by farm workers, however. Mistakes and failures were repeated in this eight-year-experience of the "land-use scheme," until it was followed by the "land-transfer scheme" in 1985.

3-2. The "Land-Transfer Scheme," 1985-1990

The "land-transfer scheme" was introduced in this hacienda in 1985, at the height of the severe sugar crisis in Negros Occidental. At the time of the sugar crisis, the Chito Foundation initiated the "land-transfer scheme" for sugarcane workers, something different from already existing community development programs.

In the Chito Foundation, the "land-transfer scheme" was called the "Plow" program, as already mentioned in section II. When the Chito Foundation began this program, there were 34 landowners affiliated with the foundation, and eleven of them participated in the program. A total of 109 hectares of land in 15 haciendas was distributed to 23 communities (groups) of sugarcane workers. The Chito Foundation provided crop loans to workers, while

landowners lent them farm implements [4]. Ignacio Javellana was one of the landowners who participated in the program.

In Hda. Sta. Catalina-Tuburan, at the start of the "land-transfer scheme," three groups of 37 households were integrated into one *katilingban*, and the land for free use that had been scattered in three areas was combined into a communal parcel of 3.4 hectares. Taking the crop loan from the Chito Foundation, the workers first planted mongo beans or corn on the communal land, and beginning in 1986, they grew sugarcane. At the same time, organic farming was introduced as a project of the landowner's enterprise where farm workers (mostly women) engaged in the production of organic fertilizer (vermi-culture).⁷

In 1987, individual lots were distributed to the households. The sizes of individual lots varied, based on the number of years they had worked in the hacienda. One-quarter hectare was given to households where members had worked more than ten years, while one-eighth hectare was given to households where members had worked less than ten years. After the locations of individual lots were allocated by lottery, workers planted rice on their land, obtaining crop loans of 5,000 pesos/ha. from the Chito Foundation. The price of land was set at one peso per square meter for either communal or individual lots, whose amortization would be paid in twenty years without interest. At this point, resident households received a total of more than ten hectares of communal and individual land, and in September 1987, they registered their association as the Katilingban Sta. Catalina-Tuburan (hereafter referred to as Katilingban) with the Securities and Exchange Commission (SEC).

In sugarcane haciendas in Negros, employment patterns changed with the seasons: while many workers were employed during the milling season from September-October to March-April, most of them were underemployed during the non-milling season between May and August. To deal with this situation, Ignacio Javellana provided *consumo* (rice rations) to the workers during the non-milling season, and gave them free medicine from time to time. Feeling that the *consumo* or free medicine service might strengthen the dependent attitudes of workers on the landowner, Ignacio initiated a community development program in the hacienda. He started the "land-use scheme" in 1978 to increase workers' income, so that he would be able to abolish *consumo* during the non-milling season. The *consumo* continued even after the start of the "land-use scheme", however, and finally in 1987, workers planted rice in individual lots, and the Katilingban started rice trading; it bought rice from the workers, milled it at the rice mill owned by Ignacio in Bacolod⁸, and sold it to them.

After 1987, residents of the hacienda engaged in both communal and individual farms as members of the Katilingban, while they also worked in the sugarcane hacienda under the landowner (a part of his land was converted into rice land during the sugar crisis of the mid-

1980s). In 1985, the *encargado* was discharged,⁹ and the administrative staff of the hacienda was made up of only *cabos* and *rondas*. The staff of the Katilingban was composed of seven members, including chairperson, vice-chairperson, secretary, and treasurer. It was decided that *cabos* or *rondas* would not be chosen for the staff of the Katilingban, so that farm workers might take the initiative for its management.¹⁰

In the course of the community development program, not only the resident staff and farm workers in the hacienda, but also the office staff, rice mill workers and drivers in Bacolod participated in seminars and cultural activities a number of times.¹¹ As a result of these activities, the vertical relations between the administrative staff and the farm workers were gradually horizontalized, and the necessity to change the social system in the hacienda into a community was strongly recognized by both the resident households and the administrative staff. By 1990, the process of creating a community in Hda. Sta. Catalina-Tuburan had progressed to the level that all members of the hacienda community got together to organize a cooperative, with the assistance of the landowner.

Said in a different way, rather than being forced by the landowner to move, sugarcane workers in Hda. Sta. Catalina-Tuburan recognized the importance of self-reliance in breaking out of the pervasive patron-client relationship. This experience in Hda. Sta. Catalina-Tuburan could be understood as one remedy the landowners instituted to meet the crises and contradictions of the traditional hacienda system and change the structure of the sugar industry since the 1970s.

4. The Birth of the Katilingban Sta. Catalina Multi-Purpose Cooperative

In June 1988, the Congress passed the Comprehensive Agrarian Reform Law (CARL), in which the regulations of the "Voluntary Offer to Sell" (VOS) encouraged landowners to sell their lands to the government voluntarily. In March 1990, an Act to Ordain a Cooperative Code of the Philippines and an Act Creating the Cooperative Development Authority were enacted, enabling the agrarian reform beneficiaries to obtain crop loans from the Land Bank of the Philippines (LBP) through their cooperatives.¹² A cooperative was organized in October 1990 in Hda. Sta. Catalina Tuburan, under the formal name Katilingban Sta. Catalina Multi-Purpose Cooperative, Inc., under the new environment of agrarian reform.

This section will analyze the characteristics of the cooperative in Hda. Sta. Catalina-Tuburan related to membership, distribution of stocks, land distribution, farm management, organizational structure, and financial conditions, tracing its development up to mid-1993.

4-1. Membership and Stock Distribution

With its incorporation, the articles of the cooperative were drafted and submitted to the CDA in October 1990. The submitted papers were once returned from the CDA, however, due to the fact that some documents were missing. The newly-written papers were submitted again in November 1991, and finally approved in March 1992.

There are nine items in the Articles of the Cooperative. The name of the cooperative, its objectives and purposes, the area of operation, and a provision for the term of its existence to be fifty years are indicated in Articles I-IV. Articles V-VII indicate the names of the incorporation, the qualifications of membership, and the names of the board of directors. Article VIII sets the amount of authorized capital at 2.06 million pesos, divided into 2,600 shares with the par value of 100 pesos. Article IX shows the members of the cooperative, and the distribution of their paid-up capital.¹³

As of November 1991, incorporators of the cooperative included: (1) Ignacio Javellana and his two sons; (2) three office staff members, three drivers, and one rice retailer in Bacolod; (3) three office staff members, three administrative staff members, and thirteen sugarcane workers in the hacienda. The board of directors had eleven members: (1) a son of Ignacio Javellana; (2) one office staff member and two drivers in Bacolod; (3) two office staff members, two administrative staff members, and seven farm workers in the hacienda. Ignacio Javellana was not included on the board of directors, because the CDA instructed the cooperative not to include the landowner on this board. The above mentioned members of incorporators and board of directors were drawn up for the purpose of registration with the CDA, and as shown later, the actual board of directors at the time of incorporation was composed of seven members.

According to Article IX, the subscribed capital as of November 1991, amounted to 515,000 pesos (5,150 shares), while the paid-up capital reached 129,700 pesos (1,297 shares), which were divided up among sixty-five members. The number of shares distributed per member was set at either 100 shares or 50 shares of the subscribed capital, and either 25 shares or 13 shares of the paid-up capital, based on the length of time they had worked. In some households, the 25 shares were divided between the husband and wife, e.g. 13 shares for husband and 12 shares for wife, both becoming members of the cooperative. The sixty-five members consisted of the following: (1) Ignacio Javellana and his two sons; (2) four office staff members, four drivers, four rice mill workers, and one rice retailer in Bacolod; (3) three office staff members, four administrative staff members, and forty-two farm workers in the hacienda.

To illustrate the nature of the cooperative, the membership is composed of a mixture of office and administrative staff members, and rice mill and farm workers, though its central aim is to enhance the quality of life among the farm workers. How is this aim fulfilled?

Here it is important to examine the process of land distribution to the cooperative.

4-2. Land Distribution to the Cooperative

At the time of the incorporation of the cooperative, Ignacio Javellana took steps to distribute a part of the hacienda's land to the cooperative, under the Comprehensive Agrarian Reform Program (CARP). He applied to the Department of Agrarian Reform (DAR) for the Voluntary Offer to Sell (VOS), to distribute 43.22 hectares to the cooperative, including both individual and communal lands. The Land Bank of the Philippines (LBP) assessed the price of the land at 47,000-48,000 pesos/ha.¹⁴ The LBP, however, told him that due to the scarcity of financial resources, the bank would not be able to pay him the total compensation for 43.22 hectares, so that only 20.76 hectares would be covered by VOS, and the remaining 22.46 hectares should be made through a direct transaction between the landowner and the cooperative.

For the 22.46 hectares, the landowner and cooperative agreed to set the price of land at 70,000 pesos/ha., payable in thirty years without interest. In November 1991, as compensation for land, the LBP paid 1,062,229 pesos (51,167 pesos/ha.) to the landowner, forty percent in cash and the remaining sixty percent in government bonds. In February and September 1992, the DAR distributed four Certificates of Land ownership Award (CLOAs)¹⁵ to the cooperative as land titles for 20.76 hectares. The amortization period was set at thirty years, with an annual interest of twelve percent. Individual lands were mainly covered by two of the CLOAs, and the cooperative submitted a detailed map of the locations of the thirty-nine parcels of individual lands, indicating the names of the thirty-eight owners,¹⁶ of small parcels of communal lands and for irrigation,¹⁷ and three parcels of housing lots for the members,¹⁸ to the DAR in August 1993, to determine the amortization for each household.

As shown in Chart 1, most of the communal lands are located in the northern and western areas, while individual lands are concentrated in the southeastern area (3.4 hectares of communal sugar land in this area was transferred to the Katilingban in 1985). Except for one of the forty-six households in this hacienda,¹⁹ all of the households are clustered in four areas surrounding the main compound. At the time of the field survey, forty-three households owned forty-four parcels of individual lands. This number has been increased by five households that newly acquired their parcels in 1993. Ignacio provided milling workers in the western area (about six men) with 2.53 hectares of land, under the condition that they work in the milling season for the first ten consecutive years of the cooperative.²⁰

The method of land distribution illustrates the interdependent coexistence between the landowner and the cooperative in this hacienda. Eighteen hectares of the cooperative's communal lands are in sugar, and sixteen hectares are in rice, while approximately nine

hectares of the individual lands are exclusively in rice.²¹ Ignacio Javellana still owns sixty hectares of sugar land, but the cooperative has taken over its production management since October 1992. In addition, at the time of the organization of the cooperative, *rondas* were abolished, and *cabos* and *sacadas* were renamed supervisors and milling workers respectively, to eliminate the remnants of the former hacienda system.

4-3. Tripartite Relations between the Landowner, the Cooperative, and the Resident Households

After the incorporation of the cooperative, the relationships between the landowner, the cooperative, and its members concerning ownership and management of assets in the hacienda, the administrative office, and the rice mill have become extremely complicated.

On the one hand, with respect to the ownership of assets: Ignacio Javellana owns: (1) approximately seventy-two hectares of lands, including sixty hectares of sugar land, one hectare planted in trees, and the hacienda compound, including housing lots and hacienda roads; (2) the hacienda's organic fertilizer plant; and (3) the administrative office and rice mill²² in Bacolod. He also has three tractors, three trucks, one mechanical planting machine, one thresher, and one dryer, together with three *carabaos* (water buffaloes), two horses, and one lamb. On the other hand, the cooperative's assets consist of: (1) forty-three hectares of land, including communal and individual lands, the site of the irrigation canal, and some housing lots; (2) two hand-tractors, one thresher, one *bodega* (storage shed), the concrete drying area for *palay* (unhusked rice), and one carabao.

With respect to farm management, the landowner and the cooperative rely on different financial resources and keep separate accounting systems for the management of the farms and the rice mill. (The cooperative gets a crop loan from the LBP, amounting to 18,000 pesos per hectare for sugar land and 8,000 pesos per hectare for rice land. The interest rate was twelve percent per annum until 1993, when a two percent service charge was added.) Although the cooperative has charge of managing the sugarcane field owned by Ignacio Javellana, Ignacio himself provides the financial resources.²³ The cooperative pays rent to Ignacio for the use of his tractors, trucks, and thresher, as well as a milling fee for *palay* at his rice mill. As for the farming of individual lands, the cost of plowing by hand-tractor is shouldered by members of the cooperative, and they also pay the cooperative a rental fee for the hand-tractors and the wages of its operator.

With the exception of sugarcane harvesting, all of the work in the hacienda, the office, and the rice mill is done by members of the cooperative and their families. Within the hacienda, however, there are three independent management bodies, the landowner, the

cooperative, and individual households, that interlock with each other in land ownership, management, and production activities.

An examination of the complexity of the hacienda structure from the level of the resident staff and workers shows that the cooperative maintains four different sources of income: (1) rice farming on the individual farms, (2) employment on the communal farms of the cooperative (both sugar and rice lands), (3) employment on the sugarcane farm owned by the landowner, and (4) dividends from stocks of the cooperative. In addition to wages from the farms of the cooperative and the landowner, resident households receive the proceeds from their individual farms and their stock dividends, which add greatly to their living standard.

4-4. The Organizational Structure of the Cooperative

Chart 2 shows the organizational structure of the cooperative for the two years from October 1990 to December 1992. The general assembly at the center of the structure is the voting organ of the cooperative, and is composed of all of the members. The general assembly has two types of meetings: regular meetings and special meetings. Board members are elected at regular meetings held in January, while special meetings are convened almost every month to discuss the management of the cooperative. The board of directors assumes responsibility for managing the cooperative, while Ignacio Javellana acts as a consultant, offering appropriate advice.

When the cooperative was organized in October 1990, the board consisted of seven members, including the chairperson, vice-chairperson, secretary, and treasurer. They were nominated and approved in a general assembly meeting, rather than being elected. The first year, three were members from the office staff at Bacolod and four were hacienda residents. Board meetings were held monthly, with special meetings being convened in cases of emergency.

In January 1992, the first board member election was held at the general assembly, and the number of members was increased to nine, with the chairperson, vice-chairperson, secretary, and treasurer being elected from these members at a board meeting. Board members' terms varied relative to the number of votes they got. The term for the top five vote getters was set at two years, and that for the lower four vote getters was set at one year. There were three office staff and one driver from the Bacolod office and five hacienda residents (including two office staff and one supervisor). The chairperson was selected from the resident workers, while the other three officers were chosen from office staff both in Bacolod and the hacienda. The chairperson had sole responsibility for the financial matters of the cooperative, something that kept him or her extremely busy coping with problems related to

medical housing loans for individual members. Therefore, something needed to be done to de-centralize the responsibilities of the chairperson.

As a result of repeated discussions in the general assembly, the cooperative reorganized after the January 1993 election. At this election, nine directors were chosen under the same system as before, and the chairperson, vice-chairperson, and treasurer were also selected. The treasurer was then excluded from the board, with the remaining eight directors going together to become the board. The treasurer became management staff along with the chairperson, vice-chairperson, and farm supervisors who were nominated by the board from non-board members. In this way, the board members and the management staff were separated from each other. They met together as the general assembly for regular meetings twice a year, and in this way increased the opportunities for providing financial information to the members.²⁴

In addition, five committees were created: the executive committee, the credit committee, the livelihood committee, the education committee, and the audit committee. The executive committee, composed of five board members, deals with matters of management (formerly shouldered entirely by the chairperson). For the inspection of financial matters, two office staff and two farm workers were chosen from the board members as signatories, and they sign all documents involving transactions of more than 100,000 pesos. The credit committee provides housing loans and medicine to the members; the livelihood committee sponsors income-generating projects; the education committee provides loans for children's educational expenses; and the audit committee takes charge of the audit of financial statements.

Chart 3 shows the structure of the cooperative after the January 1993 reorganization. This chart was composed by this author based on the above description, as the cooperative had not yet made a chart of its new structure. The chart shows the following: Responsibility for management, formerly the sole responsibility of the chairperson, was transferred to the executive committee, with the signatories and chairperson acting as coordinators on the board and among the members. By including two farm workers in the signatories, this opens the possibility for them to participate directly in the decision-making process related to financial matters of the cooperative, something that was formerly managed by the office staff in Bacolod and/or the hacienda.²⁵

In spite of the reorganization, however, many problems still remain. For example, though a division has been made between the board members and the management staff, which does allow management and administrative business to be carried out properly, no board members coming from the group of farm workers are included on the management staff, and it seems to be difficult to administer farms based on the opinions of the farm workers. As the

management staff is composed of the chairperson, vice-chairperson, secretary, treasurer, and farm supervisors, it would be advisable to alter the election system of the board to enable either the chairperson or the vice-chairperson to come from among the farm workers. It is important to note here that this could well be possible, as the younger generation of farm workers who have relatively higher educational achievements (high school graduates) gradually gain prominence, and persons achieve a deeper understanding of cooperative management.

4-5. Financial Conditions of the Cooperative

Table 1 shows the profit and loss statements of the cooperative by sector, for the years 1991 and 1992. The cooperative has four business sections - the sugarcane field, the rice field, rice trading, and a consumer store. The accounts for the sugarcane field are settled in March of each year when the milling season is completed,²⁶ while accounts for the remaining sectors are settled in December. Needless to say, the profit and loss statement in Table 1 covers only communal lands which the cooperative manages directly. It does not include any individual lands or the sugarcane farm of the landowner. The communal lands were divided by crop as follows: in 1991, 15.87 hectares for sugarcane and 17.24 hectares for rice; and in 1992, 18.20 hectares for sugarcane and 13.47 hectares for rice (rice is harvested three times a year).²⁷

As shown in Table 1, the gross income of the cooperative amounted to 2.88 million pesos in 1991, and 2.72 million pesos in 1992, with a net profit of fourteen percent and ten percent respectively. According to the regulations of the cooperative, forty-percent of the profit is to be kept in reserve funds and the remaining sixty-percent is distributed to the stockholders (members of the cooperative). For these two years, the dividends distributed amounted to approximately 5,000 pesos in 1991 and 2,700 pesos in 1992, for each of the members who held twenty-five shares of the stock.

So far, the cooperative has continued to be in fairly good financial condition, with a surplus in all sections except the rice field in 1991, which showed a deficit due to a high administrative cost. It showed a gain again in 1992. The sugarcane field sector produced more than half of the total net profit both years, locating it at the center of the cooperative business. Sugar prices have declined in recent years, however, under the liberalization policy of the Ramos administration,²⁸ and whether or not the cooperative will be able to maintain its relatively high net income in the future depends on its efforts to increase productivity and reduce production costs. It thus seems imperative for the cooperative to enhance its management and administrative skills in order to maintain a high rate of profit in the future.

Table 2 shows the cooperative's balance sheet as of June 30, 1993. Total assets amount to 3.58 million pesos, seventy-seven percent of which is comprised of property and equipment. The land value, in particular, amounts to 2.66 million pesos, seventy-four percent of the total. Land covered by VOS and also that directly transacted between the landowner and the cooperative are both included in this amount. With respect to liabilities, the long term debt amounts to 2.49 million pesos, an indication of the fact that for over two years, the cooperative has been paying the amortization for the land it acquired in 1990.²⁹ The value of buildings and other structures, and farm machinery and equipment amounts to less than 80,000 pesos; this table does not, however, include newly-acquired buildings and equipment, such as a hand-tractor, a thresher, and the storage and concrete drying area for palay. The cooperative acquired these in August 1993, with a package loan of 180,000 pesos from the Department of Agriculture (DA).³⁰ If the value of the new buildings and equipment are included, the current value of buildings and farm machinery increases to three times that shown in Table 2, illustrating the cooperative's constant efforts to quantitatively increase its fixed assets.

The amount of paid-up capital also increased from its original amount of 129,000 pesos to 170,640 pesos, because of the members' saving of a part of the dividends offered to them. In addition to the paid-up capital, donated capital (Sikap Award)³¹ amounting to 250,000 pesos, reserves of 212,300 pesos, and a net income for the period of 31,900 pesos also are a part of the total capital amount of 664,900 pesos, showing the relatively healthy financial state of the cooperative in its initial stage.

So far in this section, I have discussed the characteristics of the structure and management of the cooperative, dealing specifically with the membership and distribution of stocks, land distribution, the tripartite relations between the cooperative, the landowner, and the hacienda workers, and the organizational structure and its financial conditions. Through this discussion, I hope it is clear that the organizational structure of the cooperative has been in transition for over two years. In its beginnings, it was vertically structured and managed by a board of directors in which the chairperson alone carried the heavy responsibility for all communal and individual matters in the cooperative. The structure then began to level out, especially after the reorganization in early 1993, which enabled the direct participation of farm workers in the management. Thus we see the continuing process of transforming the cooperative into a community within the hacienda. I expect to see the cooperative continue to grow in this direction as the younger generation of farm workers increase their commitment.

5. Resident Household Economy and the Attitude of Farm Residents toward the Cooperative

In this section, in an attempt to grasp the accomplishments and problems of the cooperative, and based on a house-to-house survey of forty-six resident households in the hacienda, we will examine: (1) the composition of households, their occupations and school attendance; (2) estimated household income; (3) resident household members' attitudes toward the cooperative.

5-1. Population of Resident Households

According to the survey, Hda. Sta. Catalina-Tuburan has forty-six households, all of which are cooperative members, engaging in hacienda work as farm workers or administrative and office staff. Classifying the forty-six households by the age of the head of household, six are in the range of 20-29 years of age, ten are 30-39, seven are 40-49, thirteen are 50-59, seven are 60-69, and three are 70-79. The total population of the forty-six households is 212 (112 males and 100 females), that is an average of 4.6 members per household. This number does not include twenty-four males and forty-six females who have already left the hacienda to work outside or get married. It does include, however, eight children (five boys and three girls) who live with their grandmothers while their parents live and work outside the hacienda.

Chart 4 shows the population pyramid of 212 household members by sex and age, including seventy males and females who have moved in from the outside. From this chart, two main characteristics of the hacienda population can be observed: First, there are very few males in the 45-49 year age bracket and females in the 40-54 year age bracket. As this generation was born during the period of the Japanese occupation, this phenomenon might be a reflection of disturbances during the war.

Second, many of the males and females in the 20-39 year age group have already left the hacienda. Of the sixty-one males and eighty females in this age group, twenty-one of the males and forty-three of the females have left the hacienda. Of the twenty-four males and forty-six females who have left the hacienda from the forty-six households, sixteen males and twenty-one females have left Negros and now live in Manila or some other area (three males are engaged in seafaring occupations), one male and nine females got married and reside in the adjoining Hda. Sta. Catalina, and seven males and sixteen females live in Bacolod or other nearby places. It has been reported that this hacienda has produced approximately fifteen college graduates and thirty high school graduates, with almost all of the college graduates and twenty of the high school graduates leaving the hacienda to get jobs outside. One reason for this large scale draining of the population from the hacienda might be the achievement of higher educational levels and higher living standards as compared with other hacienda in Negros Occidental. Table 3 shows the occupation and school attendance of the

212 household members by sex and age. With regard to school attendance, seven boys and eight girls are now in kindergarten, twelve boys and ten girls are in elementary school, ten boys and nine girls are in high school, and three boys and four girls are in college. The attendance rate for kindergarten is low, but there is only one boy who does not attend school in the 5-9 year old range, indicating remarkably high educational standards.

Looking at the occupations of males, we see a total of fifty-three men holding jobs in the hacienda (including one working high school student). There is one office staff person (general clerical work and time keeper), four supervisors, forty-five farm workers (including one working student),³² two janitors working in the hacienda house and one man who takes care of horses for the landowner, one watchman at the cooperative's rice storage area who receives a pension. The four supervisors work in these areas: (1) sugarcane field of the cooperative, (2) rice field of the cooperative, (3) the landowner's sugarcane field, and (4) the milling workers (formerly called *sacadas*) during the harvesting season.³³ The forty-four farm workers include skilled and semi-skilled workers, such as a supervisor of organic fertilizer production (vermi-culture), four truck drivers (one of them also supervises the machine shop), two hand-tractor operators, and three threshers. Two softball players on the Philippine National Team and one driver of a tricycle, who work outside the hacienda, are also counted as household members.

Considering the occupation of the females, thirty-six women work in the hacienda, and one has a job outside. Of the thirty-seven working women, two are office staff (one bookkeeper and one timekeeper), twenty-nine are farm workers, two are pensioners who also work on the farm, one is a housewife who works on the farm occasionally, one is the housekeeper of the guest house who also works in the fields, one is a kindergarten teacher, and one watches a storage area in the adjoining Hda. Sta. Catalina. Of the thirty-one farm workers, ten work in organic fertilizer production (in total, twelve men and women work in fertilizer production, including the supervisor and one male worker), and one woman has charge of the mechanical planting machine. In the hacienda, in addition to the work in sugarcane and rice fields, there are a variety of jobs to be done, such as repairing irrigation canals and buildings, these being alternatively handled by the household members.

5-2. Estimated Household Income

As stated above, the resident households have four sources of income from the cooperative and the lands owned by Ignacio Javellana, including stock dividends, individual farming, employment on communal lands, and employment on Ignacio Javellana's lands. In addition to these sources, some households have other income, such as pension and a *sarisari* store

(small grocery store, *tianggi* in Hiligaynon). Following is a brief survey of the estimated annual income of the households by income source.

(1) Stock dividends: Of the forty-six households, thirty-one have twenty-five shares each, fourteen have thirteen shares each, and one has thirty-eight shares, twenty-five of which are held by the head of household and the remaining thirteen by his sister-in-law. Table 4 shows the number of shares by head of household age groups. As with the individual lands, shares of stock are distributed according to the number of years persons have worked in the hacienda, with twenty-five shares being given to those who have worked more than ten years, and thirteen shares for those who have worked less than ten years. This is the reason only one household in the age range of 20-29 years has twenty-five shares, while the remaining five households have thirteen shares each. In 1992, dividends of approximately 2,700 pesos and 1,400 pesos were distributed to each household having twenty-five and thirteen shares respectively.

(2) Individual farming: As shown in Table 5, forty-three households hold individual lands. Based on the land distribution standards set in 1987 (discussed in Section III.2.), ten households have 0.12-0.125 hectares of land, while twenty-eight households have 0.25-0.28 hectares of land (the slight difference in land sizes is due to the margin of error in land distribution in the hacienda). Among the remaining five households, four of them have different sizes of land from the standard (0.15, 0.17, 0.12 hectares) for various reasons, and the other household includes both a head of household and his sister-in-law who each hold a parcel of land, 0.28 hectare and 0.15 hectare³⁴ respectively. Upon examination of the distribution of individual lands by age group of the heads of household, we see that the households with 0.25 hectare are concentrated in the age groups of 30-39, 40-49, 50-59, and 60-79 years of age. Among the six households in the 20-29 year age group, only one household has 0.25 hectare (inherited from his father), three households each have 0.125 hectare (two received their lands in 1993 and have no harvest experience), and the other two households have no land.³⁵ In the 70-79 year age group, only one household has 0.26 hectare, and each of the remaining two households have 0.125 hectare respectively.

Most of the households receive crop loans from the LBP for rice farming on their individual lands, amounting to 1,700-1,750 pesos for 0.25 hectare, and 800-850 pesos for 0.125 hectare per crop.³⁶ Husbands, wives, and sons are usually engaged in farming on the individual lands,³⁷ with labor hired from the hacienda for plowing, planting, and harvesting. On the average, about 1,200 kilograms of palay is produced per 0.25 hectare per crop, with an average cost for production as follows: plowing and harrowing (250 pesos for labor and rental of hand-tractor from the cooperative, or 100 pesos for labor and rental of carabao),

planting (250 pesos), harvesting (ten percent of the palay as the harvesters' share), threshing (ten percent of the palay as the rental fee for landowner's or cooperative's threshers), fertilizer (250 kg, 250 pesos), seeds (25 kg, 97.5 pesos),³⁸ pesticide (50 pesos), and land amortization paid to the LBP (250-300 pesos).³⁹ The individual households then sell the palay to the cooperative for 5.0-5.5 pesos per kilogram and receive rice from it for 11.0 pesos per kilogram.⁴⁰

(3) (4) Employment on the communal lands and lands owned by Ignacio Javellana: Most resident households are employed on both the communal lands of the cooperative and Ignacio's lands. As already mentioned, though the ownership of lands in the hacienda is divided between the cooperative and the landowner, the cooperative also has charge of production management of Ignacio's lands and in the hacienda, as the farming activities on the communal lands and Ignacio's lands are linked closely together. The cooperative and the landowner, however, rely on different financial resources for farm management, and keep separate payrolls. In this system, resident staff and workers obtain wages or salaries from both the cooperative and the landowner for their work with each entity, although they receive this pay as a combined amount from these two sources on a twice a month payday.

In this hacienda, both the cooperative and the landowner have the same wage scale. There are three types of wages or salaries: monthly, daily, or by the piece (*pakiao*). Office staff and supervisors receive an average monthly salary of 1,600-2,000 pesos. Daily wages of 66 pesos⁴¹ are paid for organic fertilizer production, carpentry, and housekeeping. Most farm work, however, is paid by the piece. Wage scales are set as follows for sugarcane farming: (the number of workers and hectareage covered per day are indicated in parentheses) plowing 1,200 pesos (includes rental fee for tractor paid to the landowner, one man, one ha.), harrowing 600 pesos (one man, three ha.), mechanical planting of cane point 400 pesos (six women, one ha.), fertilizing 200 pesos (fifteen women and younger people, five ha.), weeding 450 pesos (eight men, one ha.).⁴² Wages for rice farming are the same as those mentioned above for individual lands. For rice farming, the plowing and harrowing of one hectare, either by hand-tractor or carabao, is completed in one day, and the planting of one hectare is finished in one day by seven women, while it takes forty harvesters to harvest one hectare in a day. No matter what wage scale a person is paid on, each staff member and worker is paid a thirteenth month salary at Christmas time.

Table 6 indicates the total amount of income from estimated annual household income. This estimate is based on the monthly wages paid by the cooperative and the landowner during the milling and non-milling seasons, plus the thirteenth month's pay. Wages and salaries for housekeeping, watching storage areas, taking care of horses, and kindergarten

teaching are also included in the wages on this table.

This table shows that the total annual income for most households ranges from 10,000 to 29,999 pesos. Five households in the 50-59 and 60-69 year age groups receive less than 10,000 pesos per year. Four of them do not need any higher wages because their children are already grown, and in the remaining household, the husband gets lower wages, but his wife works in the adjoining Hda. Sta. Catalina, and they have no children.

Seven households in the 30-39, 40-49, and 50-59 year age groups are in a higher wage bracket of 30,000-59,999 pesos, and are classified into the following four groups: (1) two households in which four members work both in the cooperative and on Ignacio's farm; (2) two households in which husbands work on the farms while wives work as office staff; (3) two households that have husbands working as skilled workers and wives also working on the farms; (4) one household where the head of household works as a supervisor while his sister-in-law serves as housekeeper of the guest house. Generally speaking, households in the 30-39 and 40-49 year age groups spend more money on the education of their children and receive higher wages, though the annual household income differs according to the number of workers and the kind of work they do.

(5) Other sources of income: According to the field survey, ten households receive pensions averaging 900-1,300 pesos per month. There are five *sarisari* stores in the hacienda, but two of them are open only during the milling season. The average monthly profit might be estimated at around 1,000-1,200 pesos per store. As far as the income received outside the hacienda is concerned, the wife in one household has a monthly income from watching the storage area in the adjoining Hda. Sta. Catalina, as earlier mentioned.

Table 7 pulls the above data together, indicating the estimated average annual income per household by its source and by the age group of the heads of household. The income household members receive for help on individual lands owned by other households, that from their share of palay for harvesting work on the communal lands, and the patronage refund from the cooperative⁴³ are not included. Money received by some households from their children for work performed outside the hacienda is also not shown here. For these reasons, the data in Table 7 does not show the total amount of average annual household income in the hacienda, but it does provide general indicators of the economic level of the forty-six households, classified by source of income and age group of heads of household.

First, as to the composition of household income, it should be pointed out that the average annual household income reaches almost 35,000 pesos, sixty-one percent of which is made up of wages or salaries from the cooperative or the landowner, twenty-one percent of which is profit from individual lands, and the remaining nineteen percent of which comes from

pensions or *sarisari* stores. In other words, the income from individual lands is equivalent to one-third of that of wages or salaries in the average household, an indication of the fact that the farming of individual lands has been instrumental in augmenting the household income and improving the living standard in the hacienda.⁴⁴

Second, with relation to the characteristics of the annual income by age group of heads of households, it is important to note that between the 20-29 year age group and the 40-49 year age group, the annual income is doubled, from 23,274 pesos to 46,544 pesos. In the 20-29 year age group, the wage income reaches approximately 20,000 pesos or eighty-six percent of the total, with the smaller amount coming from individual lands and stock dividends. Wage income in the 30-39 and 40-49 year age groups is 23,953 pesos and 29,023 pesos respectively, with an increase in the income coming from individual lands and stock dividends, the percentage of wage income declining to seventy-two percent and sixty-two percent respectively. In the 50-59 year age group, the average household income decreases along with a decline in wage income. In the 60-69 year age group, however, the wage income decreases even further, but the total annual household income increases to 38,938 pesos, as a large number of households receive pensions. Except in the 20-29 year age group, the income from individual lands and stock dividends makes up more than twenty percent of the total annual income, and thus is a very important source of income for resident staff and workers in the hacienda.

5-3. Attitude of Farm Residents toward the Cooperative

How do the forty-six resident households evaluate the cooperative in this hacienda? Three questions were asked of each to ascertain their attitudes: (1) "Is the cooperative going well?" (2) "Is the help of the landowner indispensable for the management of the cooperative?" (3) "What are the problems in the cooperative?"

Question 1: "Is the cooperative going well?" Forty households answer this question in the affirmative. Thirteen of these households point to the increase of income as the main reason, and because of this increase, they send their children to school, repair their houses, and buy electric appliances. On the other hand, three households, while admitting the accomplishments of the cooperative, express nostalgia for the previous hacienda system in which the landowner took care of the farm workers as their *amo*. The remaining six households did not answer this question, but three households gave comments comparing the cooperative to the previous hacienda system. One of them mentioned that the living standard went up in the cooperative, but life under the hacienda system was easier because workers did not need to solve their problems by themselves. The other two expressed the feeling that there was

little difference between the two systems. In summary, most of the resident households admit that the cooperative is instrumental in increasing their income, but they do not yet seem confident to run the cooperative by themselves, without the help of the landowner, due to lack of experience.

Question 2: "Is the help of the landowner indispensable for the management of the cooperative?" Twenty-nine households answered that the landowner's help is indispensable; seven households responded that his help is not indispensable, but with his help, the management of the cooperative is going well; nine households responded that the help of the landowner is not needed, and one household did not answer. This data reveals that thirty-six of the forty-six households (seventy-eight percent of the total) admit the importance of the landowner's help in the cooperative management, especially his advice in management of finances. In fact, when the board of directors is not capable of solving certain problems or issues, they often appeal to the landowner for his advice. Ignacio Javellana regularly visits the hacienda twice a week, except when he is out of town, talking with the members of the cooperative and giving advice when needed. For most of the cooperative members, Ignacio is no longer the *amo*, but rather the key consultant for sustaining the cooperative. Incidentally, three households pointed out that the cooperative might have great difficulties if the help of the landowner were not available.

Question 3: "What are the problems in the cooperative?" The problems chosen by the forty-six households can be grouped into two categories: (1) the problems related to the system of management in the cooperative, and (2) relationships between members of the cooperative.

First, problems relating to the system of management: six households pointed out that there were general financial and management problems, eleven households specifically point to the inequality in the division of work among the cooperative members, five households mention the inequality in the housing and medical loan systems, and three households point out the existence of the *palakasan* system, that is the favoritism of some cooperative staff or supervisors toward particular members.

As to general financial and management problems, it was strongly pointed out that many members have difficulty understanding the financial statements of the cooperative. Inequalities in the housing and medical loan systems and the *palakasan* system, however, are problems between the cooperative staff and supervisors, and the farm workers, concerning the cooperative management. In sugarcane fields, the number of days farm workers work drastically decreases during the non-milling season, and a scrambling for work among the farm workers can easily occur.

Concerning the problems in relationships between members of the cooperative, the following were noted: backbiting (*kochokocho* in Hiligaynon) or misunderstandings (eleven households), grouping of cooperative members (two households), inefficiency of some officers or members (two households), quarrels (one household). More than twenty percent of the forty-six households point out problems of backbiting or misunderstandings, an indication of the fact that it is not always possible for the current board of directors to absorb the complaints of the individual members. As has been discussed earlier, in the January 1993 reform of the cooperative's organization, five new committees were created, and it became easier for the board of directors to manage the cooperative, based on the opinions of the farm workers. Even in the new structure, however, the cooperative does not have a committee to be in charge of the division of work, currently shouldered mainly by supervisors and administrative staff. When the farm workers complain of inequality in the division of work, the cooperative sometimes convenes the general assembly to solve the problem. To overcome these problems, however, more effort should be given to organizational reform.

6. Summary and Prospects

This paper attempts to examine the voluntary land distribution of the landowner and the management of the cooperative in a sugarcane hacienda in Negros Occidental, seeking the sustainability and development of the sugarcane workers' cooperative. First, the changing rural scene and the significance of agricultural cooperatives in the Philippines is reviewed. Second, as a case study of Hda. Sta. Catalina-Tuburan, the community organization process is traced. Third, the characteristics of land distribution under the CARP and the structure and management of the cooperative are discussed. Fourth, the resident household economy and the nature of the attitude of resident households toward the cooperative is presented. Through these discussions, the process of transforming the vertical structure of the hacienda system into the horizontal structure of the cooperative system is illustrated.

In Hda. Sta. Catalina-Tuburan, the community program was introduced in 1976 under the sponsorship of the Chito Foundation, and in 1978, the "land-use scheme" in which three hectares of land was provided to hacienda residents for the free use of three communities (*katilingban*) was introduced. Next, in 1985, the "land-transfer scheme" was begun. Three communities were united into one body to which three hectares of land was transferred at the price of one peso per square meter. In 1987, individual lands, each with a size ranging from 0.125 to 0.25 hectare, were distributed to the resident households for rice production, and the Katilingban Sta. Catalina-Tuburan was formally registered at the SEC as an association. As a result of this process, a community characterized by mutual-aid and self-reliance was

formed in the hacienda, something instrumental in the incorporating of the cooperative in 1990.

The cooperative in Hda. Sta. Catalina-Tuburan was managed by a joining together of resident staff and farm workers in the hacienda, administrative staff and workers in the office and rice mill in Bacolod, and Ignacio Javellana, the landowner himself. Ignacio first voluntarily offered forty-three hectares of land to the cooperative, twenty-three hectares of which was for communal lands and the remaining nine hectares of which was for individual lands. At the present time, the cooperative directly manages the communal lands, while it is also in charge of managing the sugarcane farm owned by Ignacio. With the incorporation of the cooperative, the resident households keep four sources of income in the hacienda: (1) rice farming on individual lands; (2) employment on communal lands in the cooperative; (3) employment on sugarcane farms owned by the landowner; and (4) stock dividends from the cooperative. An examination of the average annual household income shows that wages or salaries from the cooperative as well as those from the landowner make up sixty percent of the total, while the profit from individual lands comprises about twenty percent. In other words, the profit from individual lands is equivalent to one-third of that of wages or salaries, a clear evidence that individual farming is instrumental in augmenting the income of resident households.

The cooperative in Hda. Sta. Catalina-Tuburan has many problems yet to be solved, however. Approximately eighty percent of the resident households admit that without the help of the landowner, it might be difficult to sustain the cooperative. One of the main reasons for this is the lack of knowledge in financial and administrative matters among the cooperative members (particularly the farm workers), and the other reason is the inability to deal with the complaints of farm workers due to an inadequate organizational structure. The relationship between the landowner and the farm workers is transforming into a relationship between a consultant and the members in the organizational structure of the cooperative. It cannot yet break away from the traditional patron-client relationship, however. In this context, we are able to see that the horizontalizing process of the social structure in the cooperative is still in progress, and it seems important to continue to observe the progression of this process in the near future. To observe this process, we must follow the way in which the present structure of the division of labor in the cooperative or the hacienda is changed, together with the horizontalizing process of the organizational structure in the cooperative.

In conclusion, the way in which the experience of Hda. Sta. Catalina-Tuburan can be understood in the larger context of social change in Philippine rural areas should be mentioned briefly. The documentation of agrarian reform and rural development under the initiative of

NGOs in the province of Antique by Filipino sociologists Romana P. de los Reyes and Sylvia Ma. G. Jopillo illustrates various experiences of agrarian reform and rural development.⁴⁵

In their report, de los Reyes and Jopillo state that though CARP has not achieved entirely satisfactory results, in the areas where NGOs have taken the initiative, efforts have been made to bring about positive attitudes from the peasants and farm workers in the organizing of associations or cooperatives. Unfortunately, these experiments have not always been successful. In eight haciendas or barangays which became pilot areas for rural development under the initiative of NGOs, cooperatives are facing problems of declining membership, due to the premature organization of the cooperatives only two or three years after the birth of associations among the peasants or farm workers [8, pp.60-63].

Comparing the case of Hda. Sta. Catalina-Tuburan in Negros with the above mentioned pilot areas in the province of Antique, we might conclude that chances for success in the cooperative are very slim without prior efforts to create a sense of collectivism among the members of the cooperative. As discussed earlier, village inhabitants have experienced a long history of landlordism in the Philippines, and have not developed a mutual-aid consciousness. What is most needed here for success in rural development is a long-range community development program.

To sustain and develop the cooperative in the villages and haciendas covered in the agrarian reform program, it seems imperative that the following three conditions be satisfied. First, NGOs and POs, in cooperation with government agencies, should play an important role in providing assistance to the peasants or landless rural workers who cannot rely on a landowner as their patron, to strengthen their consciousness of mutual-aid and self-reliance. Second, a variety of models of the cooperative should be created which might be applicable in different socio-economic environments with varying members, instead of simply applying one stereotypical model. Third, the cooperative should be managed rationally to increase the income of resident households. If the above three conditions are satisfied when organizing a cooperative, it will embody the characteristics of "a cooperative as community," that is, a cooperative which is managed by the collective efforts of its members, who will in turn consider it as an indispensable unit for their livelihood. In this context, the experience of Hda. Sta. Catalina-Tuburan might be assessed not only as one case study of a cooperative in Negros Occidental, but also as one of a number of models for "participatory development" in Philippine rural areas.

Note

- ¹ In this paper, the term “community” is used to refer to a local group organized by the inhabitants around the disciplines of mutual-aid and self-reliance.
- ² For a recent study on haciendas in Negros, see [6] [7] [14] 17].
- ³ For an explanation of the Hodge system, see [13, pp.175-193].
- ⁴ In the Javellana family, it was decided in 1972 that Jose and Ignacio would inherit the hacienda after the death of Manual, and from 1972 to 1974, Jose managed the farm.
- ⁵ The following description is based on interviews with Ignacio L. Javellana and the administrative staff on September 11, 1992, as well as information gathered in a field study in August-September 1993. [3] [10] [11] were also used as supplemental resources.
- ⁶ At this stage, *sacadas* were not included as beneficiaries in the program.
- ⁷ Organic fertilizer was produced not as a project of the workers’ community (*katilingban*) , but as Ignacio’s own enterprise.
- ⁸ This rice mill had been set up by the Javellanas for their own consumption, being transferred from the hacienda after World War II.
- ⁹ In this hacienda, a new *encargado* was employed in 1983 to introduce the Hodge system, an Australian method of increasing production. But the trial ended in failure, and the workers disliked the new *encargado* who was later discharged by the landowner.
- ¹⁰ The reason the Katilingban staff consisted of seven members was that three leaders, three secretaries and one treasurer from former communities (*katilingban*) were brought together to form the management staff of the Katilingban in 1987.
- ¹¹ The cultural activities of the Katilingban were highly regarded, and it won 250,000 pesos for the Sikap Award, from the Rizal Commercial Banking Corporation (RCBC) in 1990, which provided the initial capital for the cooperative.
- ¹² For example, the LBP Bacolod office which covers fifteen cities and municipalities in the central part of Negros Occidental, has extended crop loans to the cooperatives at CARP areas since 1988. This office offered crop loans to only twelve cooperatives in 1988. The number of cooperatives offered loans by this office then increased, as did the total amount of loans offered; in August 1991, ninety-four cooperatives received 87 million pesos, while in August 1992, 130 cooperatives received 89 million pesos. The collection rate on these loans was more than ninety percent, showing the satisfactory condition of most of the cooperatives. However, this author obtained information from the Bacolod office in August 1993 that approximately seventy percent of the 140 cooperatives had difficulties with loan repayment, and the office gave out only a total of 40 million pesos of crop loans to sixty-six cooperatives as of August 1993. Interviews at LBP Bacolod office, Sept. 10, 1991, Sept. 2, 1992, and Aug. 24, 1993.
- ¹³ The particle “sang” in Hiligaynon is included in the formal name of the cooperative in [1], while “sang” is totally omitted in most of the other papers and documents of the cooperative, and the members regard this omission as correct. Therefore, the name of the cooperative in this paper does

not use the word "sang" as it follows the usage by the members.

- ¹⁴ With the irrigation facilities, rice is harvested two or three times each year in this hacienda, and the price of both rice and sugar land is assessed at almost the same level. It is said that a hectare of land in this hacienda would be worth 250,000-300,000 pesos on the market.
- ¹⁵ The hectareage and date of issue of the four CLOAs are as follows: (1) 2.8560 hectares and (2) 4.6461 hectares (mainly for communal lands, both issued on Sept. 28, 1992); (3) 7.9083 hectares (mainly for individual lands, issued on Feb. 25, 1992); (4) 5.3497 hectares (mainly for individual lands, issued on Sept. 30, 1992).
- ¹⁶ Among the thirty-eight households, one household has two parcels of land under the name of the head of household and that of his sister-in-law.
- ¹⁷ The cooperative repaired the irrigation system (concrete canal) in June 1993. It had first been installed before 1950.
- ¹⁸ Most of the housing lots of the hacienda residents are located in areas owned by Ignacio Javellana. The size of housing lots ranges on an average from 300 to 600 square meters per household.
- ¹⁹ With the housing loan of the cooperative this household is scheduled to be moved to an area near the compound.
- ²⁰ Milling workers are receiving a crop loan from the Chito Foundation, and planting sugarcane on this land.
- ²¹ When individual farming was started, the resident households reached a consensus that they should plant rice on individual lands. In the general assembly in 1990, the cooperative further decided that the individual lands should be owned by individual households, and the household members who work in the hacienda could succeed in ownership. Members of the cooperative could not, however, sell the right of land ownership individually, and they should return it to the cooperative, if they leave the hacienda for certain reasons.
- ²² The cooperative has a plan to transfer the rice mill to the hacienda, so it can economize on transportation costs of palay and rice between Bacolod and the hacienda.
- ²³ Between Ignacio and the cooperative, it was agreed that Ignacio should pay a management fee (equivalent to three percent of total wages) to the cooperative, though this has not yet been implemented.
- ²⁴ During the general assembly, the financial statement has been shown to the members, by the use of a large sheet of paper on the blackboard. In order to facilitate the members' understanding, however, the cooperative plans to mimeograph this financial statement and distribute it to all members.
- ²⁵ During the field survey, a general assembly was held on Sept. 7, 1993 as a "community meeting," where a LBP staff member explained its crop loan system to the members of the cooperative. This meeting was attended by forty or fifty members, and many questions and responses were actively given to the LBP staff by the members.
- ²⁶ The cooperative mills sugarcane at the Hawaiian-Philippine Co. The milling period for the crop year 1992-93 was Oct. 1, 1992 to March 15, 1993.

- ²⁷ In the cooperative, palay production is about four tons per hectare. Sugar production was 130 piculs (1 picul = 63.25 kg) per hectare in 1991-92 and 123 piculs in 1992-93. The national average of palay production per hectare was 2.8 tons in 1991, and sugar production per hectare was 85.8 piculs and 91.8 piculs for the national average and the average in Negros respectively in the crop year 1991-92. See [16, Table 5-6]; Data from the Sugar Regulatory Administration, Bacolod.
- ²⁸ In the Philippines, the sharing system is widely accepted. In the Hawaiian-Philippine Co., the sharing rate of sugar between the mill and the planter is set at thirty-seven percent for the former and sixty-three percent for the latter. Based on this sharing rate, the average sales price of sugar in the cooperative is calculated by the following equation: $[\text{the gross income of sugar sales}] \div \{ [\text{area cropped}] \times [\text{sugar production per hectare}] \times 0.63 \}$. The average sales price of sugar in the cooperative per picul was estimated at 590 pesos in the crop year 1991-92 and 394 pesos in the crop year 1992-93.
- ²⁹ The cash flow statement as of June 30, 1993 states that the amortization paid to the LBP and that to the landowner amount to 74,596 pesos and 78,376 pesos respectively.
- ³⁰ Wages of 44,000 pesos are included in the loan of 180,000 pesos, which are to be paid to the cooperative members who worked at building the storage and concrete drying areas for palay. Some members complained to this author that the wages had not been paid as of August 1993.
- ³¹ For the Sikap Award, see note (11).
- ³² In this paper, not only unskilled agricultural workers, but also tractor drivers and a supervisor of organic fertilizer production are included in the group of farm workers, because their wages are paid on a daily basis or by the piece. Salaries for supervisors in rice and sugarcane fields and milling workers are paid at a monthly rate.
- ³³ Neither the supervisor of the landowner's sugarcane field nor that of the milling workers are hired by the landowner, and therefore they are not included in Chart 2 or 3.
- ³⁴ The sister-in-law in this household received the 0.15 hectare parcel of individual land in 1988, because she was very active in community organization and highly esteemed by Ignacio's wife.
- ³⁵ One of these households answers that it keeps its individual land with parents, but based on owners' names on the register, it has been determined that the ownership of the individual land belongs to the parents.
- ³⁶ To obtain crop loans, members of the cooperative paid twelve percent interest to the LBP, and a six percent service fee to the cooperative in 1990-92. In 1993, a two percent service fee payable to the LBP was added to the above interest and service fee. Among the forty-six households, two households save their own capital for individual farming and do not rely on a crop loan from the LBP.
- ³⁷ Two households consign farm management to an uncle or nephew and give one cavan of rice (about fifty kg) for their service.
- ³⁸ The *dapog* system was introduced as a transplanting method to shorten the growing period of seedlings on both individual lands and communal lands. This method, however, takes almost twice

as many seeds as the traditional *punla* system.

- ³⁹ The cooperative urged each household twice to pay land amortization to the LBP after harvesting, but it later instructed them to temporarily stop paying amortization, since an accurate hectarage of individual lands had not yet been determined. At the time of this field survey, amortization payments for individual lands have not been resumed.
- ⁴⁰ Until recently, many of the cooperative members sold their palay to both the cooperative and also an outside rice trader in the poblacion of Talisay. At the general meeting in May 1993, however, it was agreed that selling palay to outside traders was not favorable for the cooperative. At the general meeting in July 1993, it was further decided that the following new system would be introduced to induce members to sell their palay to the cooperative: educational loans of 500 pesos and loans for basic needs of 1,000 pesos will be offered to members who sell palay to only the cooperative, at an interest rate of thirty pesos for three months.
- ⁴¹ This is slightly lower than the current minimum wage of 68.50 pesos for sugarcane workers on a plantation with annual gross sales of less than 5 million pesos. To obtain the minimum wage level, 6.85 pesos should be added as the Cost-of-Living-Allowance (COLA). Data obtained from the Department of Labor and Employment, Bacolod Office.
- ⁴² The wage scale for milling workers who harvest sugarcane is as follows (the number of men in each group and the tonnage of sugarcane per day are indicated in parentheses): cutting 250 pesos (7 men, 20 tons), loading 18 pesos (4 men, 20 tons), and hauling 18 pesos (2 men, 20 tons).
- ⁴³ Since its incorporation, the cooperative has kept the system of patronage refunds, in which six percent of the amount members spent at the consumer store is refunded at the end of the fiscal year.
- ⁴⁴ The following table shows the average monthly household expenditures of the forty-six households, on the items of food, clothing, education, medicine, transportation, electricity, gas, and other daily necessities. The payment of loans for housing and electric appliances are not included in calculations. As shown in this table, the average monthly household expenditures amount to 2,680 pesos. The percentages of expenses for food, medicine, education, and transportation are fifty-nine percent, thirteen percent, and fourteen percent respectively, indicating a relatively lower percentage for food expenses. Standard meals in the forty-six households include enough rice for three meals a day, fish once a day, and meat once a month. The number of electric appliances and other equipment in the forty-six households total as follows: thirty TVs, twenty-nine radios, fourteen electric fans, seven cassette radios, four karaoke sets, five refrigerators, three stereos, five sewing machines and seventeen bicycles. Needless to say, this is a remarkably high standard of living for resident staff and farm workers in haciendas of Negros today.

Expenses	(pesos)	(%)	Expenses	(pesos)	(%)
Food ¹			Clothing	109.9	4.1
rice	687.6	25.7	Medicine	348.3	13.0
fish ²	438.6	16.4	Education	92.4	3.4
meat	94.5	3.5	Transportation ⁴	279.8	10.4
egg	25.8	1.0	Electricity ⁵	76.2	2.8
oil	22.6	0.8	Liquefied gas	12.3	0.5
sugar	57.8	2.2	Soap	54.0	2.0
salt	12.4	0.5	Toothpaste	9.2	0.3
milk	66.7	2.5	Other daily		
others ³	170.8	6.4	necessities	121.2	4.5
Sub-total	1,576.8	58.8	Sub-total	1,103.3	41.2
			Total	2,680.1	100.0

¹ The expenses are averaged among the forty-six households, including one household that did not provide food expenses, because it owns a *sarisari* store, and consumes commodities from the store, except for rice and fish.

² A small amount of vegetables is included. Of the total of forty-six households, twenty-one households responded that expenses for fish included vegetables. Also one household adds the expenses of meat, eggs, salt, vegetables, and oil in the expenses for fish.

³ Bread, coffee, snacks, soft drinks, etc.

⁴ Mostly for children's expenses to go to school.

⁵ This hacienda was electrified in January 1992. Fourteen households, however, do not have electricity and most of them use liquified gas for lighting.

⁴⁵ For overall assessment of the program, see [8, Chap. 5].

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Chart 1
Map of Hda. Sta. Caralina-Tuburan

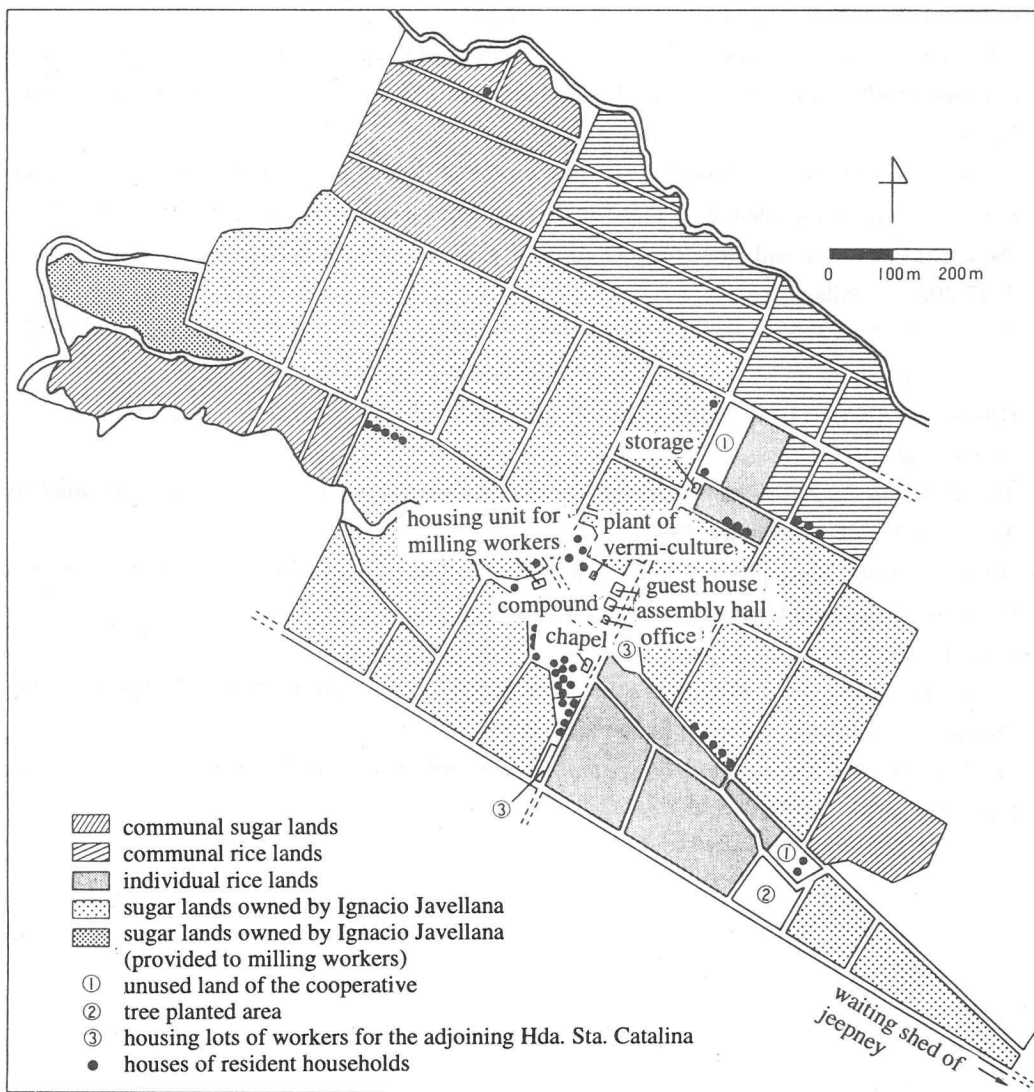


Chart 2
The Reformed Organizational Structure of the Cooperative

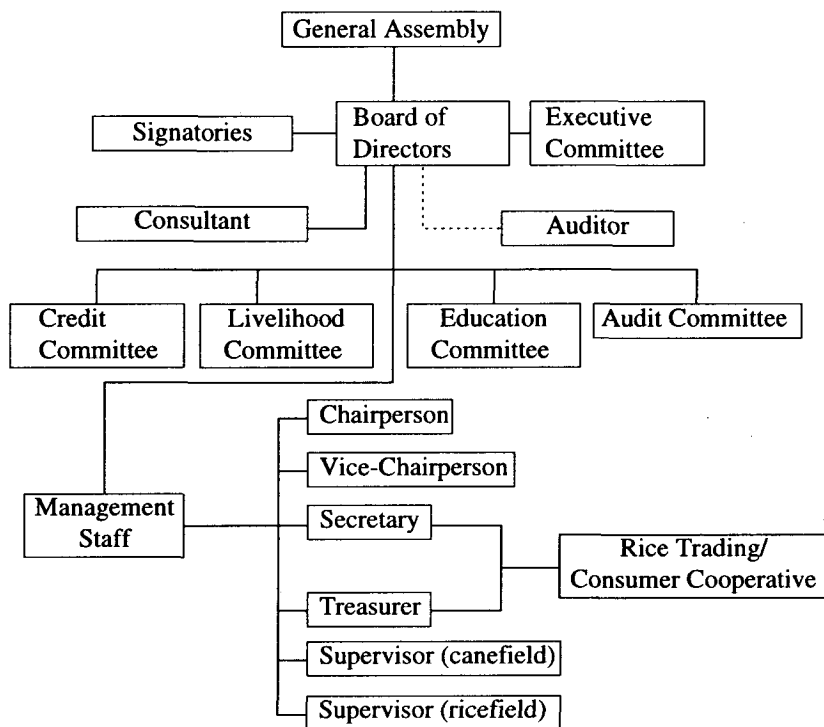


Chart 3
Population Distribution by Age and Sex

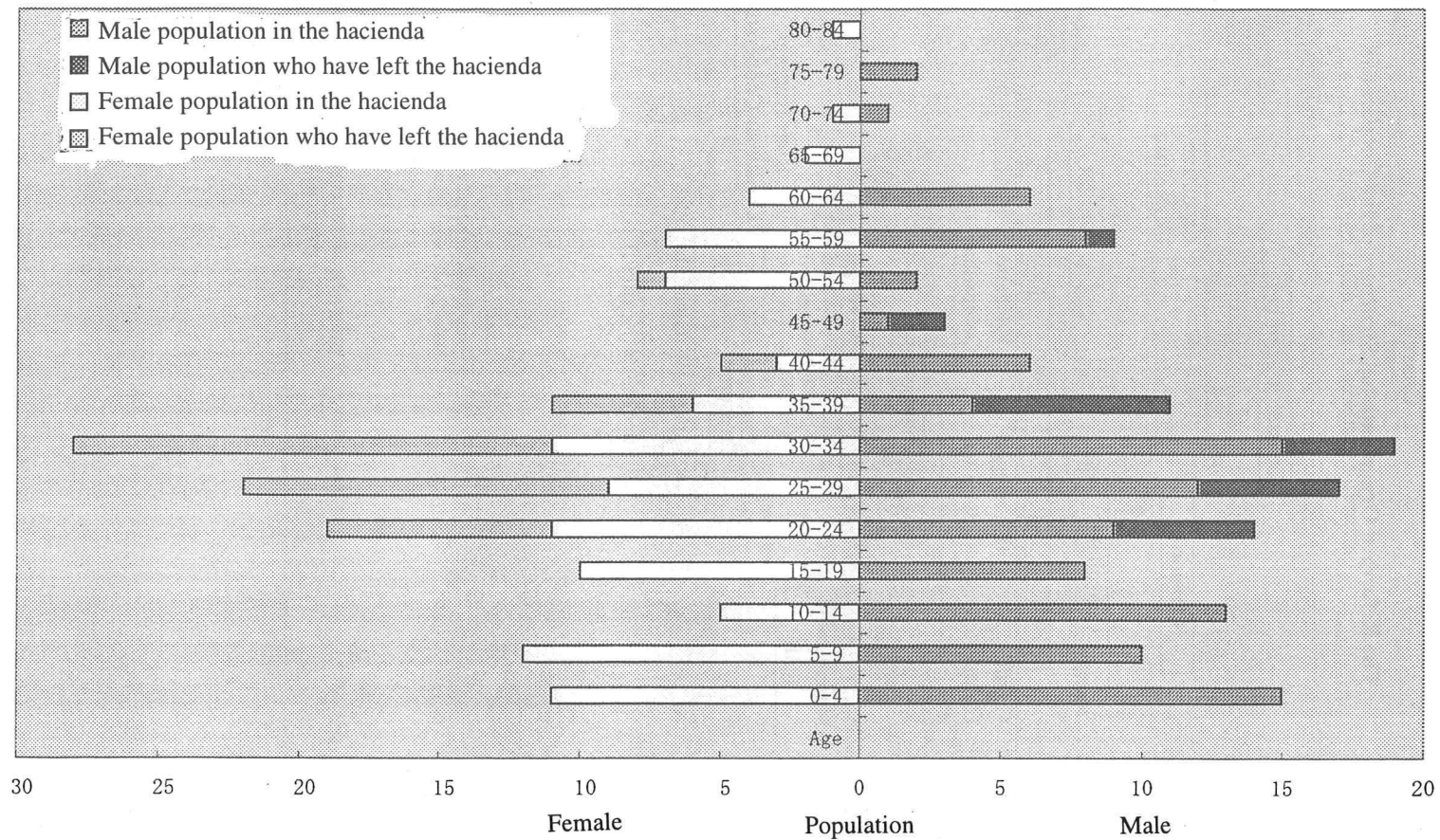


Table 1
Income of the Cooperative by Sector, 1991-1992

(in 1,000 pesos)		
Year ¹	1991	1992
① Sugarcane field		
Income: Sugar sales	752.0	555.2
Molasses sales	57.2	29.7
Hauling & fertilizer allowance	202.9	154.5
Sub-total	<u>1,012.1</u>	<u>739.4</u>
Expenses: Production	396.7	409.4
General & administration	260.5	155.4
Other income ²	37.2	-1.4
Net income	<u>392.1</u>	<u>173.2</u>
② Rice field		
Income: Palay sales	<u>689.7</u>	<u>583.5</u>
Expenses: Production	474.5	402.0
General & administration	239.2	155.4
Net income	<u>- 24.0</u>	<u>26.1</u>
③ Rice trading		
Income: Rice sales	623.6	868.5
Husks sales	19.0	29.4
Sub-total	<u>642.6</u>	<u>897.8</u> ⁴
Cost of Sales	539.9	751.8
Operating Expenses	75.3	115.9
Interest income	0.2	0.0
Net income	<u>27.6</u>	<u>30.1</u>
④ Consumer store		
Income: Sales (rice, groceries & fertilizer)	<u>539.6</u>	<u>495.2</u>
Cost of sales	515.4	447.8
Operating expenses	7.7	6.8
Other income ³	1.6	0.0
Net income	<u>18.1</u>	<u>40.6</u>
⑤ Total income	<u>2,884.0</u>	<u>2,715.9</u>
⑥ Total net income	<u>413.8</u>	<u>270.0</u>
⑥ ÷ ⑤ × 100	<u>14.3</u>	<u>9.9</u>

Note: ¹ Indicating crop year for sugarcane field (starting April to March of next year) and calendar year for other sections.

² Miscellaneous income, interest, and tractor rental.

³ Miscellaneous income and interest.

⁴ This differs from the total of the above two items, due to rounding off.

Table 2
Balance Sheet of Cooperative, June 30, 1993

(in 1,000 pesos, % in parentheses)

<Assets>		
<u>Current assets</u>	<u>815.3</u> ¹	<u>(22.8)</u>
Cash	83.7	(2.3)
Advances to members	38.8	(1.1)
Accounts receivable	277.2	(7.7)
Inventories	100.7	(2.8)
Unharvested crops	314.8	(8.8)
<u>Property & equipment</u>	<u>2,763.7</u>	<u>(77.2)</u>
Land	2,663.0	(74.4)
Building & structure	47.9	(1.3)
Farm machinery & equipment	31.3	(0.9)
Working animals ²	21.5	(0.6)
<u>Total</u>	<u>3,579.0</u>	<u>(100.0)</u>
<Liabilities>		
<u>Current liabilities</u>	<u>423.8</u>	<u>(11.8)</u>
Long term debts	<u>2,490.3</u>	<u>(69.6)</u>
Capital	<u>664.9</u> ¹	<u>(18.6)</u>
Paid-up capital	170.6	(4.8)
Donated capital	250.0	(7.0)
Reserves	212.3	(5.9)
Net income for the period	31.9	(0.9)
<u>Total</u>	<u>3,579.0</u>	<u>(100.0)</u>

Note: ¹ This differs from the total of items below due to rounding off.

² One carabao and 200 ducks. Ducks were all sold to the members of the cooperative for the livelihood project, payable within one year with the annual interest rate of 20%. However, the cooperative has not received any payment from them.

Table 3

Occupation & School Attendance by Age & Sex

Male

Age	None	Kinder- garten	Elemen- tary school	High school	College	Office staff	Super- visor	Farm worker	Caretaker of house ¹	Pen- sioner	Softball player	Tricycle driver	Total
75~79										2 ³			2
70~74	1												1
65~69													0
60~64	1							1	1	3 ⁴			6
55~59	2						2	4					8
50~54							1	1					2
45~49								1					1
40~44								6					6
35~39							1	3					4
30~34						1		13				1	15
25~29								9	1		2		12
20~24	2			1 ²	1			5					9
15~19	1			5	2								8
10~14			9	4									13
5~9	1	5	4										10
0~4	13	2											15
Total	21	7	13	10	3	1	4	43	2	5	2	1	112

Female

Age	None	Kinder- garten	Elemen- tary school	High school	Techn- ical school	Techn- ical school gradu- ate	College gradu- ate	Office staff	Farm worker	Caretak- er of guest house	Kinder- garten teacher	House- wife	Pen- sioner	Person who watches storage	Total
80~84													1		1
75~79															0
70~74											1				1
65~69													2		2
60~64	1								2			1			4
55~59									4			1	2 ⁵		7
50~54									6	1 ⁵					7
45~49															0
40~44									2					1	3
35~39								1	2			3			6
30~34	1							1	8			1			11
25~29								1	3		1	4 ²			9
20~24						1	2	2	2			4			11
15~19				6	2		2								10
10~14			2	3											5
5~9		4	8												12
0~4	7	4													11
Total	9	8	10	9	2	1	4	3	29	1	1	15	5	1	100

Note: ¹ Owned by the landowner.² Including one student who works in the field.³ Including one pensioner who watches the cooperative's storage.⁴ Including one pensioner who takes care of the landowner's horses.⁵ Also working in the field.

Table 4
Distribution of Households by the Shares of Stocks &
by Age Group of Heads of Household

Age range of household heads	Shares of stocks (no.)			Total
	13	25	38	
70-79	0	3	0	3
60-69	2	5	0	7
50-59	2	10	1	13
40-49	1	6	0	7
30-39	4	6	0	10
20-29	5	1	0	6
Total	14	31	1	46

Table 5
Distribution of Households by Size of Individual Land &
by Age Group of Heads of Household

Age range of household heads	20-29	30-39	40-49	50-59	60-69	70-79	Total
Farm size (ha.)							
0.43				1			1
0.25~0.28	1	5	6	9	6	1	28
0.20				1			1
0.17				1			1
0.15			1	1			2
0.12~0.125	3	5				2	10
0.00	2				1		3
Total	6	10	7	13	7	3	46

Table 6
Distribution of Households by the Estimated Annual Wages &
by Age Group of Heads of Household

Age range of household heads	20-29	30-39	40-49	50-59	60-69	70-79	Total
Wages (pesos)							
50,000~		1					1
40,000~49,999			2	1			3
30,000~39,999		1	1	1			3
20,000~29,999	2	4	2	3	2	1	14
10,000~19,999	4	4	2	4	4	2	20
0~9,999				4	1		5
Total	6	10	7	13	7	3	46

Table 7
Average Annual Income per Household by Age Group of Heads of Household

Age range of household heads	(in pesos, % in parentheses)				
	Wages ¹	Individual land	Dividend	Others ²	Total
70-79	17,333 (60.5)	3,833 (13.4)	2,700 (9.4)	4,800 (16.7)	28,666 (100.0)
60-69	17,895 (46.0)	7,571 (19.4)	2,329 (6.0)	11,143 (28.6)	38,938 (100.0)
50-59	18,414 (52.9)	9,065 (26.0)	2,608 (7.5)	4,727 (13.6)	34,814 (100.0)
40-49	29,023 (62.4)	10,893 (23.4)	2,514 (5.4)	4,114 (8.8)	46,544 (100.0)
30-39	23,953 (71.6)	6,138 (18.3)	2,180 (6.5)	1,200 (3.6)	33,471 (100.0)
20-29	19,933 (85.6)	1,958 (8.4)	1,383 (5.9)	0 (0.0)	23,274 (100.0)
Average	21,225 (60.7)	7,211 (20.6)	2,304 (6.6)	4,232 (12.1)	34,972 (100.0)

Note: ¹ Only the wages earned in this hacienda.

² Pension, income from *sarisari* stores, and wages from the adjoining Hda. Sta. Catalina as a storage watcher.