

[REPUBLIC ACT NO. 3452, June 14, 1962]

**AN ACT TO ADOPT A PROGRAM TO STABILIZE THE PRICE OF
PALAY, RICE AND CORN, TO PROVIDE INCENTIVES FOR
PRODUCTION, AND TO CREATE A RICE AND CORN
ADMINISTRATION TO IMPLEMENT THE SAME, AND TO PROVIDE
FUNDS THEREFOR.**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. It is hereby declared to be the policy of the Government that in order to stabilize the price of palay, rice and corn, it shall engage in the purchase of these basic foods directly from those tenants, farmers, growers, producers and landowners in the Philippines who wish to dispose of their produce at a price that will afford them a fair and just return for their labor and capital investment, and whenever circumstances brought about by any cause, natural or artificial, should so require, shall sell and dispose of these commodities to the consumers at areas of consumption at a price that is within their reach.

SEC. 2. To carry out the foregoing policy, there is hereby created the Rice and Corn Administration under the Office of the President of the Philippines. The Administration shall maintain regional offices in Luzon, Visayas, and Mindanao.

SEC. 3. With a view to regulating the level of supply of rice and corn throughout the country, the Administration is authorized to accumulate stocks as a national reserve in such quantities as it may deem proper and necessary to meet any contingencies. The buffer stocks held as a national reserve shall be deposited by the Administration throughout the country under appropriate dispersal plans in bonded warehouses, either government-owned or privately-owned, and may be released only upon the occurrence of calamities or emergencies, or when there is spiralling of local prices or if a declared surplus is announced by the government agencies concerned the same may be exported.

SEC. 4. The powers of the Administration shall be vested in, and exercised by, a Board of Administrators to be composed of a chairman and four members, two of whom shall be representatives, respectively, of the rice and corn consumers, and the other two, respectively, of the rice and corn producers, one of whom shall at the same time be a miller, to be appointed by the President of the Philippines with the consent of the Commission on Appointments. The chairman and the four members of the Board shall be natural-born citizens of the Philippines and shall possess unquestioned probity and wide experience in the rice and corn industry and shall hold office for four years unless sooner removed for cause. The chairman and each member of the Board shall receive a per diem of twenty-five pesos for each meeting actually attended by them: *Provided, however,* That in no case shall they receive more than four hundred pesos a month including privileges, allowances and

expenses.

SEC. 5. The management of the Administration shall be vested in a General Manager who shall be appointed by the Board and shall receive compensation at the rate of eighteen thousand pesos *per annum*. The General Manager shall direct and manage the affairs of the Administration in behalf of the Board of Administrators and subject to its control and supervision. He shall fix the number and, subject to WAPCO salary plan allowed by the Civil Service, salaries of, and appoint, subject to the

Civil Service Law and with the consent of the Board of Administrators, such subordinate employees as may be necessary for the proper discharge of the duties of the Administration. He shall suspend on otherwise discipline, for cause and subject to Civil Service Law, any subordinate employee of the Administration with the consent of the Board of Administrators and perform such other duties as may be assigned by the Board.

SEC. 6. There shall be an Assistant General Manager, who shall receive compensation at the rate of eight thousand pesos *per annum*. The Assistant General Manager shall assist the General Manager and perform such other functions as may be assigned to him by the Board and/or General Manager.

SEC. 7. The General Manager and the Assistant General Manager shall be natural-born citizens of the Philippines, not less than forty years of age, of proven honesty and integrity and with experience in the rice and corn business for not less than five years.

SEC. 8. To enable the rice and/corn growers, producers and landowners, including the small farmers and tenants to avail of the benefits of this Act, the Administration or any of its agencies must buy at the price that will afford producers a fair and just return for their labor and capital investment as hereunder provided.

1. For each cavan of clean and dry palay of ordinary variety as classified by the Administration weighing forty-five kilos, F.O.B. nearest Rice and Corn Administration center, not less than P11.50 nor more than P12.50.
2. For each cavan of corn of fifty-six kilos, F.O.B. nearest Rice and Corn Administration center, not less than P9.00: *Provided, however,* That a farmer or tenant to be entitled to sell to the Administration must first certify his total production for the year. Farmers and tenants with production of not more than one hundred cavan are entitled to priorities and those whose total production exceeds one hundred cavan shall be entitled to sell not more than twenty-five per cent of the excess of the one hundred cavan.

The Administration shall announce any changes in the floor price for palay and the ceiling price for rice and corn at least two months before the regular rice or corn planting season, which announcement shall be given as wide a publicity as possible.

SEC. 9. In order to afford the consumers adequate supply of rice and corn at minimum prices, the Administration is directed to sell the rice recovered from the palay purchased by it at not less than eighty centavos nor more than one peso per ganta of the ordinary variety, and the corn grits at not less than forty centavos nor more than forty-five centavos per ganta.