

110

HEADQUARTERS

PHILIPPINES RYUKYUS COMMAND

CLAIMS SERVICE

DECLASSIFIED
Authority NND 88 3078

DID

Amfeld's - Poray

6th M.O.

PANAY LABOR CLAIMS 17

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Authority NND883078



CLAIMS SERVICE, AFWESPAC
OFFICE OF THE CHIEF OF CLAIMS
ROUTING SLIP

DECLASSIFIED
Authority NND883078

21 Mar 1946

FROM: *e/c*

TO:

Chief of Claims	_____	FCC No.	_____
Executive Officer	<u>✓</u>	PC No.	_____
Dr of Cl Comm	_____	CC No.	_____
Asst Dr of Cl Comm	_____	ECC No.	_____
② ① Dr of Inv Ser	<u>←</u>	Dpty Comm USECC	_____
Asst Dr of Inv Ser	_____	_____	_____
Adjutant	_____	_____	_____
Personnel Officer	_____	_____	_____
Cl Serv APO 707	_____	_____	_____
Cl Serv APO 923	_____	_____	_____
Cl Serv APO 70	_____	_____	_____
Cl Serv APO 72	_____	_____	_____
Cl Serv APO 73	_____	_____	_____
Cl Serv APO 718	_____	_____	_____

FOR :

Approval _____	Remark & Recommendation <u>✓</u>
Information _____	Necessary Action <u>✗</u>
Note & Return _____	Signature _____
Transmit _____	File _____

① For investigation as
separate payrolls. The legality of
paying Commonwealth payrolls is the subject
of present study and instructions will
be issued. *RCW*

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thus one doesn't make
sense to me - so so for
information only? - or
have we been working
on it

D

One set of this file given to
Capt Phelps on his visit to Manila

*One set of this file given to Labor Claims
Capt Phelps on his visit to Manila file*

HEADQUARTERS AFWESPAC
Check Sheet

DECLASSIFIED
Authority NND 883078

Do not remove from attached sheets

File No.

Subject:

(1) FROM: OIC, Civilian Section
Rec Pers Div

TO: Chief of Claims
Claims Service,
AFWESPAC

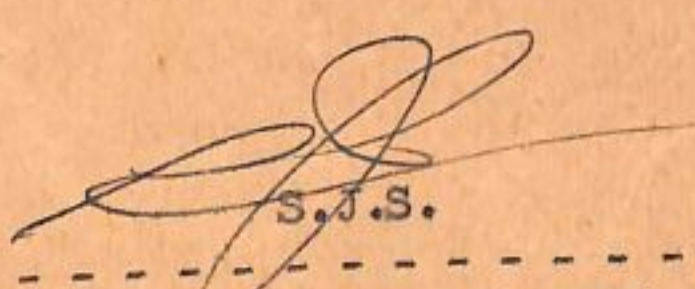
DATE: 7 March 1946

1. Inclosed are approximately 12,000 claims filed by personnel on the island of Panay who claimed to have been employees of the War Department working on various construction of airfields, etc., during 1941 and 1942.

2. The claims of personnel referred to above have been determined as negative and payment cannot be made under the Missing Persons Act, Public Law 490 as amended. These claims are forwarded to your office for appropriate action.

3. Inclosed are also all available records which were compiled results of investigation made on the Island of Panay. Request that the following archive records be returned to this office when they have served your purpose.

2097-1	2105-1
2098-1	2101-1
2098-1	2099-1
2108-1	2096-1
2096-1	2100-1
2102-1	2103-1
2107-1	2104-1
2099-1	2095-1
2097-1	2101-1
2106-1	2105-1
2095-1	2104-1


S.J.S.

*One set of this file given to Capt. Phelps on his
visit to Manila, 24 April 1946.*

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Authority NND883078

FROM: OIC, Civilian Section
Rec Pers Div

TO: Chief of Claims
Claims Service,
AFWESPAC

DATE: 7 March 1946


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2107-1	2104-1
2099-1	2095-1
2097-1	2101-1
2106-1	2105-1
2095-1	2104-1

S.J.S.



DATE: 7 March 1946

TO: Chief of Claims
Claims Service,
ALBANY

FROM: SAC, Civilian Section
New York Div

1. Inclosed are approximately 12,000 claims filed by personnel on the island of Jersey who claimed to have been employees of the War Department working on various construction of airfields, etc., during 1941 and 1942.

2. The claims of personnel referred to above have been determined as negative and payment cannot be made under the Missing Persons Act. These claims are forwarded to your office for appropriate action.

3. Inclosed are also all available records which were compiled results of investigation made on the island of Jersey. Request that the following negative records be returned to this office when they have served your purpose.

- | | |
|--------|--------|
| 2107-1 | 2097-1 |
| 2101-1 | 2098-1 |
| 2099-1 | 2100-1 |
| 2098-1 | 2101-1 |
| 2100-1 | 2102-1 |
| 2103-1 | 2103-1 |
| 2104-1 | 2104-1 |
| 2097-1 | 2099-1 |
| 2101-1 | 2097-1 |
| 2102-1 | 2100-1 |
| 2104-1 | 2095-1 |

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File No.

Subject:

(1) FROM: OIC, Civilian Section
Rec Pers Div
TO: Chief of Claims
Claims Service,
AFWESPAC
DATE: 7 March 1946

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- | | |
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| 2096-1 | 2100-1 |
| 2102-1 | 2103-1 |
| 2107-1 | 2104-1 |
| 2099-1 | 2095-1 |
| 2097-1 | 2101-1 |
| 2106-1 | 2105-1 |
| 2095-1 | 2104-1 |

(signed)
S.J.S.

(COPY)

Check Sheet
HEADQUARTERS AFWESPAC
A-G Recovered Personnel Division

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Authority NND883078

Do not remove from attached sheets

File No. GSXRP,

Subject: Transmittal of C/N

FR: Dir, Rec Pers Div

TO: Adju Br
Civ Sec

DATE: 15 Dec 45 *ml*

1. Paragraphs 1 and 3, recommendation are approved.
2. Paragraph 2, recommendation is dissaproved.
3. It is determined that for the purpose of the administration of the Missing Persons Act, employees of the Bureau of Public Works were, in fact, employees of the Commonwealth Government and never were employees of the War Department insofar as the administration of the act is concerned.

(signed)
M. H. M.

(C O P Y)

Check Sheet
HEADQUARTERS AFWESPAC
AG-Recovered Personnel Division

DECLASSIFIED
Authority NND883078

Do Not Remove from attached sheets

File No. _____ Subject: Transmittal of C/N _____

FR: Civilian Section TO: Adjudication Branch DATE: 7 Dec 45

Recommend approval of attached Check Sheet.

(signed)
A. D. G.

FROM: Chief, Adj Branch TO: Dir, Adm Sub-Div DATE: 10 Dec 45
THRU: Legal Section

Concur in recommendation contained in covering of C/N 1.

(signed)
S. H. W.

FROM: Director, Adm Sub-Div TO: Director, RPD DATE: 14 Dec 45

1. Concur in conclusions 1 and 3 and recommendations 1
and 3, C/N 1.

2. Concur in par 2, C/N 2.

(signed)
N. R. W.

(C O P Y)

Check Sheet
HEADQUARTERS AFWESPAC
AG-Recovered Personnel Division

DECLASSIFIED
Authority NND883078

Do not remove from attached sheets

File No.

Subject: Transmittal of C/N

FR: Legal Officer

TO: Dir Adm Sub-Div

D ATE: 12 Dec 45 *ind*

1. Concur in conclusions 1 and 3 and recommendations 1 and 3.

2. I do not concur in conclusion 2 and recommendation 2. After study of compiled evidence in this file it is my opinion that determination should be made that the employees of the Bureau of Public Works remained employees of the Commonwealth Government on loan to the military forces. Borrowing of services is not without precedent and seems consonant with the actual situation in these cases. The army's arrangements for services of these men were made through the Bureau itself with their ratings retained. The military situation considerably broadened the function of the Bureau but it nevertheless continued to function. The method of payment of these men through the local government officials remained the same. Discussion with Lt Col Hamer leads me to believe that this method of payment is not of great significance since the army appears to have availed itself of the use of these facilities in handling of other fiscal matters in that area. However it is reasonable to presume that the bureau employees continued to function as such and did not become WD employees.

(signed)
D. L. G.

(COPY)

Check Sheet
HEADQUARTERS AFWESPAC
AG-Recovered Personnel Division

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Authority NND883078

Do not remove from attached sheets

File No. GSXRP

Subject: Policy

FR: Civilian Section

TO: Director, Rec Pers
Div

DATE: 7 Dec 45 *mf*

THRU: Adjudication Branch

THRU: Legal Section

THRU: Administrative Sub Div

PROBLEM: Adjudication of cases involving workers on Panay Airfields

DISCUSSION:

1. Information in the form of records, affidavits, statements, timebooks, etc. has been furnished this office regarding a great number of people, the actual figure is not certain but is estimated at approximately 20 to 25 thousand, who are claiming War Department employee status by reason of their having worked on the construction of airfields on the island of Panay during 1941 and 1942.

2. An analysis of available information reveals the following pertinent points:

- a. Construction ordered by CG, USAFFE.
- b. Supervision of work by U.S. Army officers.
- c. Payment of employees effected by Municipal Treasurers, through Provincial Treasurer.
- d. Money obtained from Phil. National Bank.
- e. Three categories of civilian personnel:
 - (1) Technical specialists (mostly American Engineers)
 - (2) Regular employees of the Bureau of Public Works.
 - (3) Daily laborers, including gang foremen.
- f. Laborers were hired on "Cabo" system.

3. A brief history consolidated from the attached file regarding the situation is as follows:

"Construction on six airfields and one "dummy" field was begun in the early part of January under the supervision of Major Thomas Powell. The locations of the projects were:

Pilar	near Pilar Sugar Central, Capiz Province.
Saralijuy	near Sara, Iloilo.
Dumarao	Dumarao, Capiz.
Santa Barbara	Cabatuan, Iloilo
Mandurriao	Jaro, Iloilo
San Jose	San Jose, Antique.
Dingle	near Potolan, Iloilo (dummy field)

Lt Col Macaranes, a Phil Army engineer officer, was the

project engineer in charge of the construction of Phil Army barracks prior to the outbreak of war. About the middle of December 1941 he was assigned as assistant to Maj. Powell on the airfield construction. Maj. Powell was relieved by Maj. C.E. Fertig in March 1942.

Maj. Powell conferred with Mr. Gil Mallare, the District Engineer for the Bureau of Public Works, and through him arranged for the necessary personnel to accomplish the required work.

A number of technical men, surveyors, demolition experts, draftsmen, mechanics, etc. and other regular employees of the Bureau of Public Works were employed on the Projects.

Laborers, the number of which fluctuated greatly, were recruited by the "Cabo" system from the local native population. The "Cabo" system (i.e. the cabo foreman (capataz) took the responsibility of having his "gang" up to full strength as required for the day's work) operated satisfactorily; however, it is pointed out by all the people in the higher supervisory capacities, this being the case, the engineer or general foreman in charge did not know from day to day the identity of the individual laborers. This knowledge was not deemed necessary as the system was utilized for convenience in operation. Employees working under the "Cabo" system may be considered native labor intermittently or casually hired.

Through the Commanding General of the 61st Division, Brg. Gen. Chenoweth, a number of Engineers were hired to supervise the construction and perform other tasks.

The moneys to cover the construction work were obtained from the Iloilo Branch of the Phil National Bank through the operation of an "overdraft account" set up by General Chenoweth and Mr. Cervantes, Manager of the bank. The system was approved by General MacArthur and President Quezon, and operated in substance as follows: The "overdraft line" was set by the CG 61st Division and drawn against by the Finance Officer of the Division. Dealing through the Provincial Treasurer, Mr. Ortiz, the money was turned over to the paymasters of the airfields, who were Municipal Treasurers. They in turn paid the "cabo" foremen the entire amount for his "gang".

The regular men of the Bureau of Public Works office and those whose jobs were such that required them moving from one project to another were paid by the Provincial Treasurer, directly. The Bureau employees, technical assistants, instrument men, chainmen, etc. working steadily on one field were paid by the Municipal paymaster.

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The engineers were paid directly by the Finance Officer of
the 61st Division.

CONCLUSIONS:

1. The civilian engineers hired to supervise the construction
have War Department employee status within the meaning of the
Missing Persons Act.

2. The employees of the Bureau of Public Works who were
engaged in the airfield construction have War Department employee
status within the meaning of the Missing Persons Act.

3. The "Cabo" leaders and their "gangs" do not have War
Department employee status as coming within the purview of the
Missing Persons Act. Their status was either as independent con-
tractors or as local labor casually hired.

RECOMMENDATIONS:

1. That the civilian engineers hired for the supervision of
the airfield construction on the island of Panay be considered War
Department civilian employees and be entitled to the benefits of
the Missing Persons Act, provided their individual claims prove
they meet all the requirements of the Act.

2. That the employees of the Panay Bureau of Public Works
who were employed on the USAFFE airfield be considered War
Department civilian employees and be entitled to the benefits of
the Missing Persons Act, provided their individual claims prove
they meet all the requirements of the Act.

3. That the "Cabo" leaders and their "gangs" be considered
either as independent contracting groups or local labor casually
hired and not entitled to the benefits of the Missing Persons Act.

COORDINATION:

The above has been coordinated with Lt. Col. Gaines of the
Legal Section.

(signed)
D. J. R.

1 Incl - File

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Authority NND 883078

Check Sheet
HEADQUARTERS AF ESPAC
AG-Recovered Personnel Division

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Authority NND883078

Do not remove from attached sheets

File No. GSXRP

Subject: Transmittal of C/N

FR: Dir, Rec Pers Div

TO: Adju Br
Civ Sec

DATE: 15 Dec 45

1. Paragraphs 1 and 3, recommendation are approved.
2. Paragraph 2, recommendation is disapproved.
3. It is determined that for the purpose of the administration of the Missing Persons Act, employees of the Bureau of Public Works were, in fact, employees of the Commonwealth Government and never were employees of the War Department insofar as the administration of the Act is concerned.

(signed)
M. H. M.

(COPY)

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File No.

Subject: Transmittal of C/N

FR: Civilian Section

TO: Adjudication Branch DATE: 7 Dec 45

Recommend approval of attached Check Sheet.

(signed)
A. D. G.

FROM: Chief, Adj Branch TO: Dir, Adm Sub-Div DATE: 10 Dec 45
THRU: Legal Section

Concur in recommendation contained in covering of C/N 1.

(signed)
S. H. W.

FROM: Director, Adm Sub-Div TO: Director, RPD DATE: 14 Dec 45

1. Concur in conclusions 1 and 3 and recommendations 1
and 3, C/N 1.

2. Concur in par 2, C/N 2.

(signed)
N. R. W.

(C O P Y)

Check Sheet
HEADQUARTERS AF ESPAC
AG-Recovered Personnel Division

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Authority NND883078

Do not remove from attached sheets

File No. Subject: Transmittal of C/N

FR: Legal Officer TO: Dir Adm Sub-Div DATE: 12 Dec 45

1. Concur in conclusions 1 and 3 and recommendations 1 and 3.

2. I do not concur in conclusion 2 and recommendation 2. After study of compiled evidence in this file it is my opinion that determination should be made that the employees of the Bureau of Public Works remained employees of the Commonwealth Government on loan to the military forces. Borrowing of services of employees and compensating the employer for their services is not without precedent and seems consonant with the actual situation in these cases. The army's arrangements for services of these men were made through the Bureau itself with their ratings retained. The military situation considerably broadened the function of the Bureau but it nevertheless continued to function. The method of payment of these men through the local government officials remained the same. Discussion with Lt Col Hamer leads me to believe that this method of payment is not of great significance since the army appears to have availed itself of the use of these facilities in handling of other fiscal matters in that area. However it is reasonable to presume that the bureau employees continued to function as such and did not become WD Employees.

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(C O P Y)

Check Sheet
HEADQUARTERS AF ESPAC
AG-Recovered Personnel Division

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Authority NND 883078

File No. GSXRP

Subject: Policy

FR: Civilian Section TO: Director, Rec Pers DATE: 7 Dec 45
Div
THRU: Adjudication Branch
THRU: Legal Section
THRU: Administrative Sub Div

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DISCUSSION:

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Laborers, the number of which fluctuated greatly, were recruited by the "Cabo" system from the local native population. The "Cabo" system (i.e. the cabo foreman (capataz) took the responsibility of having his "gang" up to full strength as required for the day's work) operated satisfactorily; however, it is pointed out by all the people in the higher supervisory capacities, this being the case, the engineer or general foreman in charge did not know from day to day the identity of the individual laborers. This knowledge was not deemed necessary as the system was utilized for convenience in operation. Employees working under the "Cabo" system may be considered native labor intermittently or casually hired.

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BASIC: C/N to Director, Rec Pers Div, subject: "Policy",
dated 7 December 1945.

The engineers were paid directly by the Finance Officers of
the 61st Division.

CONCLUSIONS:

1. The civilian engineers hired to supervise the construction have War Department employee status within the meaning of the Missing Persons Act.
2. The employees of the Bureau of Public Works who were engaged in the airfield construction have War Department employee status within the meaning of the Missing Persons Act.
3. The "Cabo" leaders and their "gangs" do not have War Department employee status as coming within the purview of the Missing Persons Act. Their status was either as independent contractors or as local labor casually hired.

RECOMMENDATIONS:

1. That the civilian engineers hired for the supervision of the airfield construction on the island of Panay be considered War Department civilian employees and be entitled to the benefits of the Missing Persons Act, provided their individual claims prove they meet all the requirements of the Act.
2. That the employees of the Panay Bureau of Public Works who were employed on the USAFFE airfield be considered War Department civilian employees and be entitled to the benefits of the Missing Persons Act, provided their individual claims prove they meet all the requirements of the Act.
3. That the "Cabo" leaders and their "gangs" be considered either as independent contracting groups or local labor casually hired and not entitled to the benefits of the Missing Persons Act.

COORDINATION:

The above has been coordinated with Lt. Col. Gaines of the
Legal Section.

(signed)
D. J. R.

1 Incl - File

(C O P Y)

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Authority NND 883078

AWAY LABOR CLAIMS

17

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Authority NND 88 3078