Vol. I No. 11

A publication of the Committee Affairs Department

September 7, 2016

VOI. 1 NO. 11	A publication of the co	Jeptember 7, 2010				
DUDGET DDIFFINGS						
BUDGET BRIEFINGS						
COMMITTEE	SUBJECT MATTER	DISCUSSIONS				
Appropriations	Briefing on the proposed FY 2017 budget, and plans and programs of the followiing agencies:	The Committee, chaired by Rep. Karlo Alexei Nograles (1st District, Davao City), listened to the briefing on the proposed FY 2017 budget and plans and programs of the Department of Labor and Employment (DOLE) and the Department of Information and Communications Technology (DICT).				
	Department of Labor and Employment (DOLE) and its attached agencies	Committee Vice Chair Rep. Ana Cristina Siquian Go (2 nd District, Isabela) sat as the presiding officer during the DOLE's budget briefing.				
		Labor Secretary Silvestre Bello III said that under the FY National Expenditure Program (NEP), the DOLE and its attached agencies will get a total budget of P13.29 billion, which is 13% higher than their 2016 budget of P11.74 billion.				
		 The DOLE budget for 2017 is distributed as follows: Office of the Secretary (OSEC) - P10.39 billion; National Labor Relations Commission (NLRC) - P978.04 million; Professional Regulation Commission (PRC) - P799.52 million; Philippine Overseas Employment Administration (POEA) - P579.46 million; Institute for Labor Studies (ILS) - P31.33 million; National Conciliation and Mediation Board (NCMB) - P204.65 million; National Wages and Productivity Commission (NWPC) - P196.32 million; and National Maritime Polytechnic (NMP) - P105.56 million; By expense class, DOLE's budget is distributed as follows: maintenance and other operating expenses (MOOE), P9.05 billion; personnel services (PS), P3.70 billion; capital outlay (CO), P544.26 million; and financial expense 				
		(FINEX), P3 million. To achieve its vision of providing every Filipino worker a full, decent and productive employment, Bello said DOLE will undertake the following activities: Link people to employment opportunities through various employment facilitation services; Invest in human capital development to enhance workers employability and make them job-ready; Promote and protect the rights of workers by providing just and humane working conditions and better terms of employment; and Maintain industrial peace among the workers and employers.				
		Rep. Nograles commended Bello for visiting the victims of the bombing in Davao that happened on September 2. He requested the Department to make a profile of the victims' capabilities to identify what kind of jobs they could still do taking into consideration the injuries they suffered from the blast.				
		Rep. Alfredo Garbin Jr. (Party-List, AKO BICOL) inquired on the reason why there was no budget allocation for DOLE's Government Internship Program (GIP). Undersecretary Danilo Cruz said the GIP was replaced with a more effective program called "JobStart," which is a holistic approach in assisting the youth during the transition period from school to work.				
		Cruz added that apart from JobStart, DOLE also implements the "Tulong Hanapbuhay para sa ating Disadvantaged Workers" (TUPAD) which aims to				

provide vulnerable workers in the country better access to emergency

employment and livelihood programs in times of calamities.

Continuation
Appropriations

 Department of Information and Communications Technology (DICT) Sought to comment on DOLE's policy direction to address problems associated with contractualization and the practice of "end of contract" or commonly known as "endo," Bello said the DOLE is focused on eliminating "endo" in the business sector. He informed the Committee that his office will revise Department Order 18-A, which governs labor contracting and subcontracting arrangements. He claimed that this Order encouraged illegal contractual and "endo" practices instead of regulating them.

DOLE was requested to submit the pertinent documents on the various concerns raised by the House Members during the meeting before the plenary deliberations on DOLE's budget.

Rep. Erlpe John "Ping" Amante (2nd District, Agusan Del Norte) sat as the presiding officer during the DICT's budget briefing.

The DICT is a newly created department by virtue of Republic Act 10844, approved by former President Aquino on May 23, 2016.

Presenting the DICT's 2017 proposed budget, Undersecretary Jorge Sarmiento said that the DICT and its attached agencies are set to receive P3.5 billion, distributed as follows:

- DICT Proper P2.98 billion;
- National Telecommunications Commission P370.03 million;
- National Privacy Commission P150.74 million; and
- Cybercrime Investigation and Coordination Center P6.22 million.

By expense class, the DICT's proposed budget goes to personnel services (PS), P741.73 million; maintenance and other operating expenses (MOOE), P2.33 billion; and capital outlay (CO), P426.77 million.

DICT Secretary Rodolfo Salalima apprised the Committee of the Department's mandate, functions and powers, and programs and projects for 2017. He said the DICT's mandate under RA 10844 is to serve as the primary policy, planning, coordinating, implementing, and administrative entity of the Executive Branch of the government that will plan, develop and promote the national ICT development agenda.

Among the DICT's functions and powers are to:

- Formulate, recommend and implement national policies, plans and programs, and guidelines that will promote the development and use of ICT:
- Improve public access to internet service;
- Harmonize and coordinate all national ICT plans and initiatives among government agencies;
- Protect the rights and welfare of consumers and business users to privacy, security and confidentiality in matters relating to ICT; and
- Formulate a national cybersecurity plan and extend immediate assistance to suppress real-time commission of cybercrime offenses through a computer emergency response team (CERT).

Rep. Harry Roque Jr. (Party-List, KABAYAN) inquired on what the DICT is doing so far to compel telecommunications companies (telcos) to improve the quality of service being provided to their subscribers.

Sarmiento said the DICT has already warned these telcos to improve their services or their franchises will be revoked. He mentioned though that the inability of telcos to improve their service is partly blamed on the refusal of some LGUs to issue permits for the installation of transmission lines and other facilities meant to improve frequency signals in their areas of jurisdiction.

The DICT was requested to submit to the Committee the status of its "Free Juan Konek! Wi-Fi for Public Places" project.

ORGANIZATIONAL MEETINGS				
COMMITTEE	SUBJECT MATTER		DISCUSSIONS	
Aquaculture and Fisheries Resources	Approval of the Committee's Procedure	Rules of	The Committee, chaired by Rep. Luis "Jon-Jon" Ferrer IV (6th District, Cavite), adopted its Rules of Procedure for the 17th Congress.	
resources			Rep. Ferrer underscored the importance of sustaining the country's efforts towards preserving and developing its aquaculture and fisheries resources for the benefit of the people.	
			He discussed the features of Republic Act 10654 which was passed by the 16th Congress. This law prevents, deters and eliminates illegal, unreported and unregulated fishing, amending RA 8550, otherwise known as the Philippine Fisheries Code of 1998.	
			Committee Secretary Celia Milagros Miciano presented the other accomplishments of the Committee for the 16th Congress, among which are: • Enactment into law of nine bills establishing multi-species marine hatcheries in certain parts of the country; • Conduct of a <i>motu proprio</i> inquiry on the comprehensive agreement on the Bangsamoro, specifically the addendum on the Bangsamoro waters in relation to fisheries management; • Approval on Third Reading of a bill establishing marine protected areas in all coastal municipalities and cities in the country; and • Approval on third reading of 32 local bills.	
			Miciano also reported that the Committee went on a study tour in Thailand to study its policies and programs on aquaculture and fisheries and visited several fishery hatcheries and research facilities in the area.	
			Miciano mentioned that there are 50 House Bills and two House Resolutions so far referred to the Committee for consideration.	
			Batanes Rep. Henedina Abad proposed that a briefing by the Bureau of Fisheries and Aquatic Resources (BFAR) and the Department of Environment and Natural Resources (DENR) be conducted to apprise the Committee of the current state of the country's fisheries and aquaculture sectors.	
			Rep. Ferrer said that these agencies were invited to this meeting but begged off to be able to attend an urgent meeting called by the Secretary of Agriculture.	
			Rep. Wilter "Sharky" Wee Palma II (1st District, Zamboanga Sibugay) requested that the Members of the Committee be given copies of House measures referred to it.	
Government Enterprises and Privatization	Approval of the Committee's Procedure	Rules of	The Committee, chaired by Rep. Jesus Nonato Sacdalan (1st District, North Cotabato), adopted its Rules of Procedure for the 17th Congress.	
Tivalization			The Committee, which is composed of 35 Members, has general jurisdiction over all matters directly and principally relating to the creation, organization, operation, reorganization and amendments of charters of government-owned or controlled corporations including the Government Service Insurance System (GSIS), the Social Security System (SSS) and similar institutions, but excluding government-owned or controlled banks and financial institutions.	
			GSIS and SSS officials were then requested to present their financial and operating performance for the current year and previous years.	
			GSIS Senior Vice President Nora Saludares reported that from 2010 to 2015, GSIS has significantly reduced its volume of clarificatory claims, unposted payments and unreconciled accounts which she attributed to the efficient implementation of the following programs: • Sustained database cleansing; • Closer coordination with agency authorized officers (AAOs);	

Continuation... Signing of memorandum of agreement (MOA) and undertaking Government (MOU) with suspended agencies; and Enterprises and Distribution of statements of loan account (SOLAs) to its members. Privatization She added the GSIS not only improved its collection efficiency but also its processing efficiency, such that it has already paid its members P44.9 billion in claims and benefits during the first half of 2016 alone; and has shortened the period of releasing checks to within 90 days after submission of complete requirements. Saludares also reported that GSIS members can now access their records anytime using internet connectivity through the eGSISMO, which was launched on May 31. The GSIS now grants the following additional benefits to its members: Increased funeral benefit from P20,000 to P30,000; Milestone benefit for pensioners aged 90-100 years and above; Option to change retirement date, mode, and benefit option; Enhanced emergency loan terms: Improved ConsoLoan programs; and Enhanced GSIS Scholarship Program. From January to July 2016, Saludares said the GSIS has already posted a net income of P101.51 billion. He also mentioned that GSIS' fund life extends up to 35 years or until 2049. SSS Vice President Eleonora Cinco reported that SSS has generated P20.15 billion net revenues from January to July 2016. SSS Senior Vice President and Chief Actuary George Ongkeko Jr. said the SSS reserve fund is estimated to last until year 2042. However, Ongkeko claimed that should the P2,000 across-the-board increase for SSS memberpensioners be granted by the government, the reserve fund life of SSS will only be up to year 2025. He further said that SSS can only accommodate a P500.00 pension increase without affecting its reserve fund life. The Committee, chaired by Rep. Reynaldo Umali (2nd District, Oriental Justice Approval of Committee's Rules of Procedure Mindoro), adopted its Rules of Procedure for the 17th Congress, with amendment. The Committee, presently composed of 32 members, created six subcommittees, which are as follows: Judicial Reforms: Prosecutorial Reforms: Investigation and Enforcement Reforms; Correctional Reforms; Immigration, Deportation and Naturalization; and Other Matters Relating to the Practice of Law and Integration of the Bar, Legal Aid, and Registration of Land Titles. The Members of the Committee agreed that under Rule III Section 5.1 (Subcommittees), the Subcommittee on Judicial Reforms shall also have jurisdiction over quasi-judicial bodies. Members of two congressional oversight committees were also named. For the Congressional Oversight Committee on the Anti-Torture Act of 2009, the members are Reps. Umali, Vicente "Ching" Veloso (3rd District, Leyte), and Eugene Michael de Vera (Party-List, ABS). For the Congressional Oversight Committee on the Anti-Child Pornography Act of 2009, the members are Reps. Umali, Veloso, Jose Christopher Belmonte (6th District, Quezon City), Anthony Bravo (Party-List, COOP-NATCCO), Alfredo Garbin Jr. (Party-List, AKO BICOL), and Strike Revilla (3rd District, Cavite) as alternate of Rep. Umali. Rep. Umali said the Committee will give priority to the enactment of laws in support of the priority programs of the present administration, particularly on fighting criminality and corruption. He also underscored the need to reinstate

the death penalty and lower the minimum age of criminal responsibility.

Continuation Justice				It was also announced during the meeting that all refiled House Bills which were approved by the House on third reading during the 16 th Congress are considered approved by the Committee. Rep. Belmonte manifested that the members present during the meeting be made co-authors of these bills.
Legislative Franchises	Approval of the Procedure	Committee's	Rules of	The Committee, chaired by Rep. Franz "Chicoy" Alvarez (1st District, Palawan), adopted its Rules of Procedure for the 17th Congress.
				The Committee, which is presently composed of 36 members, has general jurisdiction over all matters relating to the grant, amendment, extension or revocation of legislative franchise for the operation of public utilities, such as radio and television broadcasting, telecommunication services, air transportation services, electric, water, and other power utilities, and gaming operations, among others.
				Rep. Alvarez emphasized that the Committee plays an important role in the promotion of business in the country. Its oversight function is very relevant in safeguarding public interest, ensuring that the franchise granted to applicants is actually used in the stipulated business, and the franchisee renders quality public service. He also disclosed that one of the legislative priorities of Speaker Pantaleon Alvarez is requiring mining companies to secure a legislative franchise.
				Rep. Alfredo Vargas III (4th District, Quezon City) requested that the Committee members be furnished an initial list of franchise applicants.

COMMITTEE MEETINGS				
	MEASURES			
COMMITTEE	NO.	PRINCIPAL AUTHOR	SUBJECT MATTER	ACTION TAKEN/DISCUSSION
Aquaculture and Fisheries Resources	HBs 672, 1734, 1735, 1736, 1737, 1738,1747, 1748,1749, 1750,1994, 1897, 1898, 1899 & 1900	Reps. Gonzalez, Tan (A.) & Pimentel	Establishing multi-purpose fishery breeding farms and hatcheries in certain municipalities in Albay, Quezon and Surigao del Sur	The Committee, chaired by Rep. Luis "Jon-Jon" Ferrer IV (6th District, Cavite), approved the 14 bills (except HB 1900), subject to style and amendments. The Secretariat was directed to prepare the corresponding Committee Reports and to refer the same to the Committee on Appropriations for consideration of the bills' funding provision. Rep. Ferrer informed the Committee that a bill similar to HB 1900, authored by Rep. Johnny Ty Pimentel (2nd District, Surigao del Sur), was already enacted into law (RA 10787) during the 16th Congress. Thus, the Committee agreed to archive HB 1900.
Government Enterprises and Privatization	HBs 18, 71, 208, 405, 414, 475, 481, 1036, 1323, 1552, 1836, 1853, 1856, 1947 & 2277	Reps. Biazon, Vargas, Violago, Abellanosa, Tiangco, Zarate, Villar, Tan (A.), Pimentel, Abayon, Herrera-Dy, Go (M.), Aragones, Santos-Recto, and Tambunting	Increasing the monthly pension under the Social Security System (SSS), amending for the purpose Sec. 12 of RA 1161, as amended, otherwise known as the Social Security Act of 1997	The Committee, chaired by Rep. Jesus Nonato Sacdalan (1st District, North Cotabato), agreed to adopt the bill, proposing a P2,000.00 across-the-board increase in the monthly pension of SSS retirees, which was recommended during the 16th Congress under Committee Report No. 763.
	HB 2158	Rep. Pineda	Rationalizing and expanding the powers and duties of the Social Security Commission and the SSS	The Committee agreed to adopt the bill, rationalizing and expanding the powers and duties of the Social Security Commission, which was recommended during the 16 th Congress under Committee Report No. 868.

Continuation Government Enterprises and Privatization	HB 2776	Rep. Escudero	Authorizing the Social Security Commission to condone penalties on delinquent contributions and to determine the monthly salary credits, the schedule and rate of contributions, and the rate of penalty on delinquent contributions and unpaid loan amortizations	
	HBs 59, 136, 361, 471, 734, 871, 1017, 1087, 1466, 1592, 1608, 1671, 1780, 1864, 1880, 1989, 2449, 2569, 2865 & 3127	Reps. Tinio, Batocabe, Zamora (M.), Escudero, Espina , Bataoil, Lanete, Castelo, Abayon, Cagas, Revilla, Catamco, De Venecia, Treñas, Ting, Yap (A.), Rodriguez (M.), Primicias- Agabas	Proposing amendments to RA 8192 or the Government Service Insurance System (GSIS)	The Committee decided to create a technical working committee (TWC) to consolidate the bills, and also to identify and recommend the bills that may already be reported out independent of the consolidated version.
	HB 2208	Deputy Speaker Macapagal- Arroyo	Providing for unemployment benefits to be provided by the SSS, amending for the purpose RA 8282	The Committee agreed to create a TWC, to be headed by Rep. Mario Vittorio "Marvey" Mariño (5 th District, Batangas), to finalize the two measures and other bills proposing
	HB 2505	Rep. Ortega	Establishing mandatory coverage in the SSS of small farmers and farmworkers, amending for the purpose RA 8282	amendments to the SSS charter.