



# Congressional Record

PLENARY PROCEEDINGS OF THE 17<sup>th</sup> CONGRESS, FIRST REGULAR SESSION  
*House of Representatives*

Vol. 2

Wednesday, October 5, 2016

No. 33

## CALL TO ORDER

*At 10:00 a.m., Deputy Speaker Raneó "Ranie" E. Abu called the session to order.*

THE DEPUTY SPEAKER (Rep. Abu). The session is called to order.

## NATIONAL ANTHEM

THE DEPUTY SPEAKER (Rep. Abu). Everybody will please rise to sing the National Anthem.

*Everybody rose to sing the Philippine National Anthem.*

## PRAYER

THE DEPUTY SPEAKER (Rep. Abu). Everybody will please remain standing for a minute of silent prayer and meditation.

*Everybody remained standing for the silent prayer.*

THE DEPUTY SPEAKER (Rep. Abu). Thank you.

The Dep. Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, Your Honor, I move that we defer the calling of the roll. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). There is a motion to defer. Is there any objection? (*Silence*) The Chair hears none; motion is approved.

REP. BONDOC. Mr. Speaker, Your Honor, I move that we defer the approval of the Journal. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; motion is approved.

REP. BONDOC. Mr. Speaker, Your Honor, I move

that we defer the Reference of Business. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

## CONSIDERATION OF H.B. NO. 3408

*Continuation*

## PERIOD OF SPONSORSHIP AND DEBATE

REP. BONDOC. Mr. Speaker, I move that we resume the consideration of House Bill No. 3408. May the Secretary General be directed to read the title of said measure. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is hereby directed to read the title of House Bill No. 3408 for the resumption of its proceedings.

THE SECRETARY GENERAL. House Bill No. 3408, entitled: AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY-ONE, TWO THOUSAND AND SEVENTEEN, AND FOR OTHER PURPOSES

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, Your Honor, our parliamentary status is that we are in the period of interpellation and debate. For the defense of the budget of the Congress of the Philippines, I move that we recognize the honorable Chairman of the Committee on Appropriations, the distinguished Karlo Alexei B. Nograles. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). The Chairman is recognized to sponsor the said budget.

REP. NOGRALES (K.). Yes, Mr. Speaker. I understand that we are now in the period of interpellation and debate on the budget of the Congress of the Philippines, and we are ready to accept any questions pertaining thereto.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Floor Leader. is recognized

REP. BONDOC. Mr. Speaker, on behalf of the Minority, I move that we recognize the Honorable Michael Eugene B. De Vera. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). The Honorable De Vera from the Minority is recognized.

REP. DE VERA. Thank you, Mr. Speaker. Thank you, Deputy Speaker. There being no members of the Minority who wish to interpellate on the budget of the Congress of the Philippines, on the part of the Minority, I move to terminate the period of interpellation and debate on the budget of the Congress of the Philippines. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, Your Honor, we in the Majority join the Minority in closing the period of interpellation and debate on the budget of the Congress of the Philippines. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). There is a joint motion from the Majority and the Minority to terminate the period of interpellation and debate for the budget of the Congress of the Philippines. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Dep. Majority Floor Leader is recognized.

#### SUSPENSION OF CONSIDERATION OF H.B. NO. 3408

REP. BONDOC. Mr. Speaker, Your Honor, I move to suspend the consideration of House Bill No. 3408. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chairs hears none; the motion is approved.

The Dep. Majority Floor Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we proceed to the Reference of Business.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is directed to read the Reference of Business.

#### REFERENCE OF BUSINESS

*The Secretary General read the following House Bills and Resolutions on First Reading, and the Deputy Speaker made the corresponding references:*

#### BILLS ON FIRST READING

House Bill No. 3832, entitled:

“AN ACT GRANTING TAX AMNESTY ON ALL UNPAID INTERNAL REVENUE TAX LIABILITIES FOR TAXABLE PERIOD JANUARY 2006 TO JUNE 2016”

By Representative Suarez  
TO THE COMMITTEE ON WAYS AND MEANS

House Bill No. 3833, entitled:

“AN ACT RECOGNIZING AND GIVING LIFE TO THE CONSTITUTIONAL MANDATE FOR FREE AND READY ACCESS TO OFFICIAL RECORDS AS WELL AS DOCUMENTS AND PAPERS PERTAINING TO OFFICIAL ACTS, TRANSACTIONS, AND OTHER DEALINGS OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES”

By Representative Zubiri  
TO THE COMMITTEE ON PUBLIC INFORMATION

House Bill No. 3834, entitled:

“AN ACT CLASSIFYING THE SALE OF ELECTRICITY BY ELECTRIC COOPERATIVES AS VALUE-ADDED TAX EXEMPT TRANSACTIONS, AMENDING FOR THE PURPOSE 109 (1) OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED BY REPUBLIC ACT NO. 9337, AND FOR OTHER PURPOSES”

By Representative Zubiri  
TO THE COMMITTEE ON WAYS AND MEANS

House Bill No. 3835, entitled:

“AN ACT REDUCING THE CORPORATE INCOME TAX RATE, AMENDING SECTIONS 27 AND 28 OF THE NATIONAL INTERNAL

REVENUE CODE OF 1997, AS AMENDED,  
AND FOR OTHER PURPOSES”

By Representative Zubiri  
TO THE COMMITTEE ON WAYS AND  
MEANS

House Bill No. 3836, entitled:

“AN ACT PUNISHING DOG MEAT TRADE”  
By Representative Herrera-Dy  
TO THE COMMITTEE ON AGRICULTURE  
AND FOOD

House Bill No. 3837, entitled:

“AN ACT DEFINING AND PENALIZING  
THE UNLAWFUL USE OF FIREARMS,  
AMENDING FOR THE PURPOSE ARTICLE  
254 OF ACT NO. 3815, OTHERWISE  
KNOWN AS ‘THE REVISED PENAL CODE  
OF THE PHILIPPINES’, AND FOR OTHER  
PURPOSES”  
By Representative Herrera-Dy  
TO THE COMMITTEE ON PUBLIC ORDER  
AND SAFETY

House Bill No. 3838, entitled:

“AN ACT RIGHTSIZING THE NATIONAL  
GOVERNMENT TO IMPROVE PUBLIC  
SERVICE DELIVERY”  
By Representative Velasco  
TO THE COMMITTEE ON GOVERNMENT  
REORGANIZATION

House Bill No. 3839, entitled:

“AN ACT CREATING A BARANGAY TO BE  
KNOWN AS BARANGAY NORTH SIGNAL  
VILLAGE IN THE CITY OF TAGUIG,  
METRO MANILA”  
By Representative Cayetano  
TO THE COMMITTEE ON LOCAL  
GOVERNMENT

House Bill No. 3840, entitled:

“AN ACT CREATING A BARANGAY TO BE  
KNOWN AS BARANGAY SOUTH SIGNAL  
VILLAGE IN THE CITY OF TAGUIG,  
METRO MANILA”  
By Representative Cayetano  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3841, entitled:

“AN ACT CREATING A BARANGAY TO BE  
KNOWN AS BARANGAY CENTRAL  
SIGNAL VILLAGE IN THE CITY OF  
TAGUIG, METRO MANILA”  
By Representative Cayetano  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3842, entitled:

“AN ACT CREATING A BARANGAY TO BE  
KNOWN AS BARANGAY NORTH DAANG  
HARI IN THE CITY OF TAGUIG, METRO  
MANILA”

By Representative Cayetano  
TO THE COMMITTEE ON LOCAL  
GOVERNMENT

House Bill No. 3843, entitled:

“AN ACT CREATING A BARANGAY TO BE  
KNOWN AS BARANGAY SOUTH DAANG  
HARI IN THE CITY OF TAGUIG, METRO  
MANILA”  
By Representative Cayetano  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3844, entitled:

“AN ACT CREATING A BARANGAY TO BE  
KNOWN AS BARANGAY CENTRAL  
BICUTAN IN THE CITY OF TAGUIG,  
METRO MANILA”  
By Representative Cayetano  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3845, entitled:

“AN ACT CREATING A BARANGAY TO BE  
KNOWN AS BARANGAY NEW LOWER  
BICUTAN IN THE CITY OF TAGUIG,  
METRO MANILA”  
By Representative Cayetano  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3846, entitled:

“AN ACT CREATING A BARANGAY TO  
BE KNOWN AS BARANGAY FORT  
BONIFACIO IN THE CITY OF TAGUIG,  
METRO MANILA”  
By Representative Cayetano  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3847, entitled:

“AN ACT CREATING A BARANGAY TO BE  
KNOWN AS BARANGAY PINAGSAMA  
IN THE CITY OF TAGUIG, METRO  
MANILA”  
By Representative Cayetano  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3848, entitled:

“AN ACT CREATING A BARANGAY TO BE  
KNOWN AS BARANGAY KATUPARAN  
IN THE CITY OF TAGUIG, METRO  
MANILA”  
By Representative Cayetano  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3849, entitled:

“AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY TANYAG IN THE CITY OF TAGUIG, METRO MANILA”

By Representative Cayetano  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3850, entitled:

“AN ACT CREATING A BARANGAY TO BE KNOWN AS BARANGAY SAN MIGUEL IN THE CITY OF TAGUIG, METRO MANILA”

By Representative Cayetano  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3851, entitled:

“AN ACT AUTHORIZING CITIES AND MUNICIPALITIES TO ISSUE GOVERNMENT GRATUITOUS PERMITS FOR SAND, GRAVEL AND OTHER QUARRY RESOURCES IN THEIR TERRITORIAL JURISDICTION, AMENDING FOR THIS PURPOSE SECTION 138 OF REPUBLIC ACT 7160 OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991 AND SECTION 43 OF REPUBLIC ACT NO. 7942 OTHERWISE KNOWN AS THE PHILIPPINE MINING ACT OF 1995”

By Representative Cari  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 3852, entitled:

“AN ACT GRANTING SCHOLARSHIPS FOR CHILDREN OF SMALL FARMERS AND APPROPRIATING FUNDS THEREFOR”

By Representatives Salon and Lee  
TO THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 3853, entitled:

“AN ACT ABOLISHING THE IRRIGATION SERVICE FEES IMPOSED ON FARMERS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 3601, AS AMENDED, OTHERWISE KNOWN AS THE CHARTER OF THE NATIONAL IRRIGATION ADMINISTRATION”

By Representatives Salon and Lee  
TO THE COMMITTEE ON AGRICULTURE AND FOOD

House Bill No. 3854, entitled:

“AN ACT CREATING A SPECIAL POVERTY ALLEVIATION FUND TO BE USED TO FINANCE SCHOOL AND COMMUNITY-BASED SUPPLEMENTAL FEEDING PROGRAMS AND RELATED POVERTY ALLEVIATION EFFORTS USING THE MINIMUM BASIC NEEDS (MBN) APPROACH IN THE POOREST OF THE POOR COMMUNITIES IN THE COUNTRY AND FOR OTHER RELATED PURPOSES”

By Representative Billones  
TO THE COMMITTEE ON POVERTY ALLEVIATION

House Bill No. 3855, entitled:

“AN ACT ABOLISHING THE ROAD BOARD CREATED BY VIRTUE OF REPUBLIC ACT NO. 8794 AND TRANSFERRING ITS POWERS AND FUNCTIONS TO THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS AND TO THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8794”

By Representative Bravo (A.)  
TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 3856, entitled:

“AN ACT TO REQUIRE ALL GOVERNMENT BUILDING CONSTRUCTION TO HAVE RAIN HARVESTING FACILITY AND FOR OTHER PURPOSES”

By Representative Tambunting  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 3857, entitled:

“AN ACT PROHIBITING THE PRIVATIZATION OF GOVERNMENT HOSPITALS”

By Representative Tambunting  
TO THE COMMITTEE ON HEALTH

House Bill No. 3858, entitled:

“AN ACT REENACTING THE PROVISIONS OF REPUBLIC ACT NO. 9003 OTHERWISE KNOWN AS THE SOCIAL SECURITY CONDONATION LAW WITH A NEW PERIOD OF AVAILMENT OF THE PROGRAM”

By Representatives Geron, Bravo (A.) and Canama  
TO THE COMMITTEE ON GOVERNMENT ENTERPRISES AND PRIVATIZATION

House Bill No. 3859, entitled:

“AN ACT TO ESTABLISH SATELLITE SPECIALIZED HOSPITALS IN VISAYAS AND MINDANAO, ESTABLISHING A MECHANISM THEREFOR, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES”

By Representative Lanete  
TO THE COMMITTEE ON HEALTH

House Bill No. 3860, entitled:

“AN ACT CREATING A DEPARTMENT OF OCEAN, FISHERIES AND AQUATIC RESOURCES, PROVIDING FOR ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES”

By Representative Bag-ao  
TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON AQUACULTURE AND FISHERIES RESOURCES

House Bill No. 3861, entitled:

“AN ACT DEFINING POLITICAL DYNASTY AND PROHIBITING THE ESTABLISHMENT THEREOF”

By Representatives Bag-ao, Villarin and Catamco  
TO THE COMMITTEE ON SUFFRAGE AND ELECTORAL REFORMS

House Bill No. 3862, entitled:

“AN ACT INSTITUTIONALIZING PEOPLE’S PARTICIPATION IN THE BUDGET PROCESS, PARTICULARLY IN PLANNING AND IDENTIFICATION OF PROGRAMS AND PROJECTS, WITH THE END IN VIEW OF ACCELERATION RURAL DEVELOPMENT”

By Representatives Bag-ao, Villarin, Catamco and Abad  
TO THE COMMITTEE ON PEOPLE’S PARTICIPATION

#### RESOLUTIONS

House Resolution No. 409, entitled:

“RESOLUTION DIRECTING THE APPROPRIATE COMMITTEE IN THE HOUSE OF REPRESENTATIVES TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, ON THE HARASSMENT OF AETA INDIGENOUS PEOPLES (IP) BY MEMBERS OF THE 710TH SPOW, PHILIPPINE AIR FORCE (PAF) BY PROHIBITING THE INGRESS

OF CONSTRUCTION MATERIALS TO BE USED BY THE AETA IP FOR HOUSE REPAIRS AND THE EGRESS OF FOREST AND AGRICULTURAL PRODUCTS BOUND FOR THE MARKET, AND OTHER UNLAWFUL ACTS COMMITTED BY THE 710TH SPOW SUCH AS ERECTING PERMANENT STRUCTURES WITHIN THE AREA COVERED BY CERTIFICATE OF ANCESTRAL DOMAIN CLAIMS (CADC)”

By Representative Villanueva  
TO THE COMMITTEE ON RULES

House Resolution No. 410, entitled:

“RESOLUTION CREATING A SPECIAL COMMITTEE ON PERSONS WITH DISABILITIES IN THE HOUSE OF REPRESENTATIVES”

By Representative Sy-Alvarado  
TO THE COMMITTEE ON RULES

House Resolution No. 412, entitled:

“RESOLUTION EXPRESSING THE SENSE OF THE HOUSE OF REPRESENTATIVES CALLING FOR THE RETURN BY THE UNITED STATES GOVERNMENT OF THE THREE BELLS OF BALANGIGA AND OTHER ARTIFACTS TAKEN FROM THE PROVINCE OF SAMAR AS WAR BOOTY DURING THE PHILIPPINE-AMERICAN WAR”

By Representative Zarate  
TO THE COMMITTEE ON FOREIGN AFFAIRS

House Resolution No. 413, entitled:

“A RESOLUTION EXPRESSING PROFOUND CONDOLENCES OF THE HOUSE OF REPRESENTATIVES ON THE DEMISE OF HONORABLE SENATOR MIRIAM DEFENSOR-SANTIAGO”

By Representative Olivarez  
TO THE COMMITTEE ON RULES

House Resolution No. 414, entitled:

“A RESOLUTION OF THE HOUSE OF REPRESENTATIVES EXPRESSING PROFOUND CONDOLENCES ON THE DEMISE OF FORMER SENATOR MIRIAM PALMA DEFENSOR-SANTIAGO, THE PRIDE OF PANAY ISLAND”

By Representative Marquez  
TO THE COMMITTEE ON RULES

House Resolution No. 415, entitled:

“RESOLUTION DIRECTING THE HOUSE COMMITTEE ON ENERGY TO CONDUCT AN URGENT INQUIRY, IN AID OF LEGISLATION, ON THE ALLEGED PREDATORY PRICING OF OIL PRODUCTS IN MINDANAO”

By Representative Zarate  
TO THE COMMITTEE ON RULES

#### ADDITIONAL COAUTHORS

*The additional coauthors is reflected in Journal No. 33, dated October 5, 2016.\**

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

#### CONSIDERATION OF H.B. NO. 3408 *Continuation*

#### PERIOD OF SPONSORSHIP AND DEBATE

REP. GULLAS. Mr. Speaker, I move that we resume the consideration of House Bill No. 3408 as contained in Committee Report No. 2, and that the Secretary General be directed to read the title of the Bill.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is directed to read the title of the Bill.

THE SECRETARY GENERAL. House Bill No. 3408, entitled: AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY-ONE, TWO THOUSAND AND SEVENTEEN, AND FOR OTHER PURPOSES.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, the parliamentary status of the Bill is that it is in the period of interpellation and debate. I move that we begin the consideration of the budget of the Technical Education and Skills Development Authority.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. GULLAS. Before we proceed, may we acknowledge the presence of the guests from TESDA at the gallery: Secretary Guiling A. Mamondiong, Director General; Rosanna A. Urdaneta, Deputy Director General for Policies and Planning; Alvin S. Feliciano, Deputy Director General for TESDA Operation; and Atty. Diosdado O. Padilla, Deputy Director General for Community and Local Government Unit Service.

THE DEPUTY SPEAKER (Rep. Abu). May we request the guests to please rise. Welcome to the House of Representatives. (*Applause*)

REP. GULLAS. Mr. Speaker, I move that we recognize the Hon. Mark Aeron H. Sambar to sponsor and answer questions, if any, on the budget of TESDA.

THE DEPUTY SPEAKER (Rep. Abu). The Hon. Mark Sambar is recognized to sponsor the said agency of the government.

#### TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY

REP. SAMBAR. Thank you. Mr. Speaker, honorable Members, the esteemed guests, good morning.

This Representation is now ready to answer questions for TESDA.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we recognize Hon. Eugene De Vera.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. DE VERA. Thank you, Mr. Speaker. Thank you, Dep. Majority Leader. There being no Member of the Minority who wishes to interpellate on the budget of the Technical Education and Skills Development Authority, on the part of the Minority, I move to terminate the period of interpellation and debate on the budget of the Technical Education and Skills Development Authority. I so move, Your Honor, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader I recognized.

REP. GULLAS. Mr. Speaker, in behalf of the Majority, we join the Minority in its motion to terminate the period of interpellation and debate on the budget of TESDA. I so move.

\* See ANNEX (printed separately)

THE DEPUTY SPEAKER (Rep. Abu). There is a joint motion from the Majority and the Minority to terminate the period of interpellation and debate on the budget of Technical Education and Skills Development Authority. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we begin consideration of the budget of the National Anti-Poverty Commission.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. GULLAS. Before we proceed, we would like to acknowledge the presence of the guests in the gallery from the National Anti-Poverty Commission: Secretary Liza L. Maza; Usec. Roseller L. Barinaga; Usec. Ma. Corazon Jimenez-Tan; Director Sem H. Cordial; and Director Gerelyn J. Balneg.

THE DEPUTY SPEAKER (Rep. Abu). May we request the guests to please rise. Welcome to the House of Representatives. (*Applause*)

REP. GULLAS. Mr. Speaker, I move that we recognize the Hon. Mark Sambar to sponsor and answer questions, if any, on the budget of the National Anti-Poverty Commission.

THE DEPUTY SPEAKER (Rep. Abu). The Hon. Mark Aeron H. Sambar is recognized.

#### NATIONAL ANTI-POVERTY COMMISSION

REP. SAMBAR. Thank you, Mr. Speaker. This Representation is ready for questions on the National Anti-Poverty Commission.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move to recognize the Honorable Marcoleta for his interpellation of SAGIP Party-List.

THE DEPUTY SPEAKER (Rep. Abu). Rep. Rodante D. Marcoleta is recognized for interpellation.

REP. MARCOLETA. Thank you very much, Mr. Speaker. May I know, Mr. Speaker, if the honorable Sponsor would yield to a few questions by way of interpellation.

REP. SAMBAR. Mr. Speaker, it would be my privilege to be interpellated by the Honorable Marcoleta.

REP. MARCOLETA. Thank you very much, Mr. Speaker, Your Honor.

Mr. Speaker, Republic Act. No. 8425 is the law that created the NAPC on December 11, 1997. So, 19 years after that, Mr. Speaker, I would like to know whether or not one of the objectives set forth under the law has been justified or may I state one of the State policies that guided NAPC along the years:

To adopt an area-based sectoral and focused intervention to poverty alleviation wherein every poor Filipino family shall be empowered to meet its minimum basic needs of health, food and nutrition, water and environmental sanitation, income security, shelter and decent housing, peace and order, education and functional literacy participation in governance and family care and psycho-social integrity.

These are the noble objectives of the law. Do you agree, Mr. Speaker, Your Honor?

REP. SAMBAR. That is correct, Mr. Speaker, Your Honor.

REP. MARCOLETA. So, 19 years after the enactment of the law, may I know how many of our poor that constitute about 30 percent of our people have been liberated from poverty? A rough estimate, please.

REP. SAMBAR. Mr. Speaker, Your Honor, the NAPC has been championing anti-poverty programs for the past 19 years, as the Honorable Marcoleta has pointed out. Over that course, based on the figures of the NAPC, sa 32 percent poverty incidence, based on their figure, they have lowered it to about 16 percent, sorry, correction, 26 percent. So, there are strides with their programs, Mr. Speaker.

REP. MARCOLETA. Mr. Speaker, Your Honor, we need to revalidate the percentage given to this Representation because our country, since 1997 and after we signed the Millennium Development Goals in 2002, still revolves around 30 percent of the poverty incidence rate.

Let me rephrase the question, Mr. Speaker, Your Honor. With a budget of P3.35 trillion, how many of our poor can be liberated from poverty? This is a more simplified question, out of P3.35 trillion budget for 2017, how much is projected to be liberated from poverty?

REP. SAMBAR. Mr. Speaker, Your Honor, unfortunately, we do not have exact figures on how the P3.35 trillion can be used in the programs of the NAPC to lower poverty. However, the target of NAPC, with the convergence programs as well as integrated programs through different agencies, their target is poverty reduction of 6 to 7 percent per annum.

REP. MARCOLETA. Mr. Speaker, that is a very unfortunate answer because I believe after 19 years, the NAPC should be in a position to report to us on how much, per budget year it can liberate from the poor because this is how we can report to our nation that this agency is really doing its job. The NAPC, Mr. Speaker, Your Honor, is supposed to coordinate all the efforts of government agencies, is that correct?

REP. SAMBAR. That is correct, Mr. Speaker, Your Honor.

REP. MARCOLETA. And that is the way to begin because if you do not know how to coordinate the efforts of each and every agency of the government, that is the kind of answer that you will give to a question such as this. For example, let us take the budget of the DPWH which is about 5.4 percent of the GDP. It is in the budget; the total budget of the DPWH is 5.4 percent of the GDP. Our GDP is projected to be in the amount of something like P15.9 trillion. By rule of thumb, do you know, Mr. Speaker, Your Honor, how much the 5.4 percent share of the DPWH budget can reduce poverty?

REP. SAMBAR. Mr. Speaker, Your Honor, unfortunately, there is no rule of thumb or any empirical data with regard to how the DPWH can affect poverty incidence.

REP. SUAREZ. Mr. Speaker, point of order.

THE DEPUTY SPEAKER (Rep. Abu). The Minority Leader is recognized.

REP. SUAREZ. I understand that the head of the agency whose proposed budget we are debating on is not around.

THE DEPUTY SPEAKER (Rep. Abu). The National Anti-Poverty Commission.

REP. SUAREZ. Yes, the head is, I think, ...

THE DEPUTY SPEAKER (Rep. Abu). Ah, the head.

REP. SUAREZ. Our former colleague, Liza Maza.

#### SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Abu). The Chair declares a one-minute suspension of the session.

*It was 10:21 a.m.*

#### RESUMPTION OF SESSION

*At 10:21 a.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

The Dep. Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, Your Honor, I move that we suspend the consideration of the budget of the National Anti-Poverty Commission. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BONDOC. Mr. Speaker, Your Honor, I move that we now take up the budget of the Office of the President.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

#### SUSPENSION OF SESSION

REP. BONDOC. Mr. Speaker, I ask for a few minutes suspension of the session.

THE DEPUTY SPEAKER (Rep. Abu). The session is suspended.

*It was 10:21 a.m.*

#### RESUMPTION OF SESSION

*At 10:22 a.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

REP. BONDOC. Mr. Speaker, Your Honor, we would like to acknowledge the presence of the officials from the Office of the President. They are led by our Executive Secretary, Salvador C. Medialdea; Senior Deputy Executive Secretary Menardo I. Guevarra; Deputy Executive Secretary for Finance and Administration, Rizalina N. Justol; Deputy Executive Secretary for Internal Audit, Alberto A. Bernardo; Deputy Executive Secretary for General Administration, Michael P. Ong; Deputy Executive Secretary for Legal Affairs, Ryan Alvin R. Acosta; and Undersecretary Marah Victoria S. Querol; from the ASEAN National Organizing Council or the NOC, Ambassador Marciano Paynor Jr.; Presidential Anti-Organized Crime Task

Force, Undersecretary Jimmy Lalo Manabat; Office of the Special Envoy on Transnational Crime, Police Deputy Director General Rex Piad; Philippine Center on Transnational Crime, Undersecretary Allan Guisihan; Presidential Commission on Visiting Forces, Executive Director Pedro Cesar C. Ramboanga Jr.; and National Coast Watch Council Secretariat, Executive Director Jose Luis M. Alano, all from the Office of the President, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). May we request the guests from the Office of the President led by Executive Secretary Medialdea to please rise. Welcome to the House of Representatives. *(Applause)*

REP. BONDOC. Mr. Speaker, Your Honor, our parliamentary status is that we are in the period of interpellation and debate on the budget of the Office of the President. For that purpose, I move that we recognize our honorable Chairman of the Committee on Appropriations, the Hon. Karlo Alexei B. Nograles, for his defense of said budget.

I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). The Chairman of the Committee on Appropriations, the Hon. Karlo Alexei B. Nograles, is recognized to sponsor the budget of the Office of the President.

#### OFFICE OF THE PRESIDENT

REP. NOGRALES (K.). Thank you very much, Mr. Speaker, Dep. Majority Leader. The proposed obligation budget of the Office of the President for Fiscal Year 2017 amounts to P20.030 billion and the total new appropriations of which is P19.990 billion.

Mr. Speaker, we are ready to answer any questions to be propounded by the Members of Congress.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

#### SUSPENSION OF SESSION

REP. BONDOC. Mr. Speaker, I ask for a few minutes suspension of the session. I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The session is suspended.

*It was 10:25 a.m.*

#### RESUMPTION OF SESSION

*At 10:26 a.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

The Dep. Majority Leader is recognized.

REP. BONDOC. Mr. Speaker, Your Honor, our parliamentary status is that we are in the period of interpellation and debate on the budget of the Office of the President. The Hon. Karlo Alexei B. Nograles has been recognized to sponsor said budget.

I now move for the recognition of the Gentleman from the First District of Albay for his interpellation. I move that we recognize the Hon. Edcel C. Lagman.

I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). The Representative from the First District of Albay, the Hon. Edcel C. Lagman, is recognized.

REP. LAGMAN. Thank you, Mr. Speaker. Will the distinguished Chairman yield to a series of questions?

REP. NOGRALES (K.). It will be an honor and a privilege, Mr. Speaker.

REP. LAGMAN. The President issued EO 3, increasing the rates of combat duty pay and combat incentive pay of the armed forces of the Philippines and extending the same allowances to the uniformed personnel to the tune of P3,000 a month for combat duty pay and P300 daily but not to exceed P3,000 a month for combat incentive pay. What is the budgetary impact or magnitude of these grants?

REP. NOGRALES (K.). It will amount to P12 billion, Mr. Speaker.

REP. LAGMAN. P12 billion. Could we disaggregate the said amount? How much would go to combat duty pay and how much would go to combat incentive pay?

REP. NOGRALES (K.). We will furnish this to the good Gentleman from Albay later on.

REP. LAGMAN. Well, when the Office of the President prepared this EO, was there no prior computation on how much it would cost the government? I suppose there must be some working studies before this EO was issued. This is not an off-the-cuff issuance like the off-the-cuff utterances.

REP. NOGRALES (K.). Yes, we understand that, Mr. Speaker, that is why we are asking for time because the Department of Budget and Management is on their way to Congress and they will be bringing with them these disaggregated amounts.

REP. LAGMAN. And, also, this disaggregation between what would go to the Armed Forces of the Philippines and what would go to the Philippine National Police.

REP. NOGRALES (K.). Yes, Mr. Speaker, we will comply.

REP. LAGMAN. Then pending submission, I will go to other related questions. But I will go back to that at the proper time.

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. LAGMAN. Mr. Speaker, distinguished Chairman, is the power of the President to grant these bonuses an exercise of an original power or an exercise of a delegated legislative power?

REP. NOGRALES (K.). Well, I believe that as far as issuing the Executive Order is concerned, Mr. Speaker, then that would be well within the prerogative of the President, but as far as allocating the sums needed to effectuate the said Executive Order, then that will be with Congress exercising its power of the purse.

REP. LAGMAN. Since this is only an executive order—and in the hierarchy of issuances, a statute is higher than an executive order—is EO 3 subject to legislative review or confirmation especially with respect to the magnitude or enormity of the bonuses?

REP. NOGRALES (K.). Well, given that we are under a presidential form of government where the Executive and the Legislative are separate branches of the government, we each have our own respective domains, Mr. Speaker. As far as the Executive Order is concerned, as I mentioned, that is well within the prerogative of the President, but funding the same will be up to the House of Representatives and the Senate, comprising Congress of the Philippines.

REP. LAGMAN. Is it the position, Mr. Speaker, of the distinguished Chairman that executive orders cannot be modified, amended or repealed by a statute?

REP. NOGRALES (K.). An executive order also has the force of a law, Mr. Speaker, and I would rather that the Executive and the Legislative coordinate with each other and support each other in terms of exercising its own powers within its domain although they are separate branches of the government. We all know that even if it is under separate powers, the government can only work well if there is proper coordination between the three branches of the government.

REP. LAGMAN. Mr. Speaker, distinguished Chairman, that begs the question. The question is whether Congress, in its plenary legislative authority, can modify, amend or repeal executive orders issued by the President. I think this question needs a categorical answer.

REP. NOGRALES (K.). Theoretically, then, yes, we are the Congress of the Philippines, our job is to write laws and pass laws, and we can pass the laws that we want here in Congress, again, subject to the veto power of the President.

REP. LAGMAN. Yes, Your Honor, but not only theoretically, but legally, constitutionally and effectively this Congress can pass statutes modifying, amending or repealing executive orders issued by the President. Is that not a correct statement, Your Honor?

REP. NOGRALES (K.). That is provided for under the Constitution, Mr. Speaker.

REP. LAGMAN. The grant of this kind of bonuses or pay for the military and the police started formally under Presidential Decree No. 1527, dated 11 June 1978, wherein the personnel of the Integrated National Police performing hazardous duties were granted hazardous pay in the amount of P120 per month. This was during Martial Law. Is that correct, Mr. Speaker, Your Honor?

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. LAGMAN. Thank you, distinguished Chairman.

In EO 1017, dated 22 March 1985, the late President Marcos increased the combat pay of personnel of the Armed Forces of the Philippines and the hazard pay of officers and men of the Integrated National Police to P240 a month or an increase of 100 percent from the then existing P120. Is that correct, Mr. Speaker, distinguished Sponsor?

REP. NOGRALES (K.). Truth be told, Mr. Speaker, I do not have the executive orders that the good Gentleman from Albay is talking about. We are trying to retrieve those executive orders but I would suppose that the good Gentleman from Albay has the papers with him and if I may ask that I be given or furnished a copy as well so I can follow the papers myself ...

REP. LAGMAN. Mr. Speaker, I am willing to give the distinguished Sponsor a copy but I would surmise that before this Executive Order was issued, the Office of the President has the history of the various issuances granting allowances and bonuses to the uniformed

officers and men of the Armed Forces of the Philippines as well as the PNP.

REP. NOGRALES (K.). Yes.

REP. LAGMAN. Are they not aware of these issuances, Your Honor?

REP. NOGRALES (K.). Yes, the good Gentleman is correct in his supposition. Obviously, before the Executive Order of President Duterte was issued, they looked at the previous executive orders that were issued by previous Presidents. Just to speed up the deliberations, Mr. Speaker, I had requested that the good Gentleman also furnish this Representation, otherwise, we will have to go through the papers.

In any case, Mr. Speaker, I have with me a digital copy of Executive Order No. 1017. Is this the Executive Order that the good Gentleman is referring to?

REP. LAGMAN. Yes, Your Honor, it is Executive Order No. 1017, dated 22 March 1985.

REP. NOGRALES (K.). Yes, Mr. Speaker. Based on EO 1017, it states:

The rates of combat pay of officers, enlisted personnel, draftees and extended trainees of the Armed Forces of the Philippines and the hazardous duty pay of the officers and men of the Integrated National Police shall be TWO HUNDRED FORTY PESOS (P240.00) a month.

REP. LAGMAN. That was a 100 percent increase from the then existing P120 a month. Is that correct, Your Honor?

REP. NOGRALES (K.). Yes, mathematically speaking, Mr. Speaker.

REP. LAGMAN. Under EO 658, dated 06 September 2017, President Gloria Macapagal-Arroyo increased the combat pay of the uniformed members of the Armed Forces of the Philippines by P150 monthly in addition to the P240 existing combat pay, or a total of P390 a month which is a 62.5 percent increase.

Is that correct, Your Honor, Mr. Speaker?

REP. NOGRALES (K.). We are privileged that the former President is here and she has affirmed that, Mr. Speaker.

REP. LAGMAN. Thank you, distinguished Chairman, Mr. Speaker.

In Executive Order No. 15 dated 20 December 2010, President Benigno Aquino rounded the combat allowance to P500 per month or an increase of 28.21

percent per month. Is that correct, Your Honor, Mr. Speaker?

REP. NOGRALES (K.). For purposes of expediency, may we know the executive order, Mr. Speaker.

REP. LAGMAN. It is Executive Order ...

REP. NOGRALES (K.). No. 15.

REP. LAGMAN. ... No. 15 dated 20 December 2010.

REP. NOGRALES (K.). Yes, Mr. Speaker, P260 per month in addition to the P240 per month for a total of ...

REP. LAGMAN. For a total of P500 per month.

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. LAGMAN. Okay. An increase of 28.21 percent, is that correct, Your Honor, Mr. Speaker?

REP. NOGRALES (K.). Yes, Mr. Speaker, mathematically.

REP. LAGMAN. Under EO 38 dated 28 April 2011, President Aquino maintained the P500 per month combat duty pay and the combat incentive pay of P150 per day but not to exceed P1,500.

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. LAGMAN. Correct.

REP. NOGRALES (K.). That is correct.

REP. LAGMAN. Now, we go to Executive Order No 3. Under President Duterte's EO, the combat duty pay is increased from P500 a month to P3,000 a month or a whopping increase of 500 percent. Is that correct?

REP. NOGRALES (K.). Mathematically speaking, yes, Mr. Speaker.

REP. LAGMAN. While the combat pay of the uniformed personnel of the PNP was increased from P340 per month to P3,000 per month or an increase of 782.35 percent. Is that correct, Your Honor, Mr. Speaker?

REP. NOGRALES (K.). Yes, I would suppose the mathematical computation of the good Gentleman is correct.

REP. LAGMAN. While the combat incentive pay was increased from P150 a day but not exceeding P1,500 per month to P300 a day but not exceeding P3,000 per month, or an increase of 100 percent. Are these figures correct?

REP. NOGRALES (K.). Yes, mathematically speaking, again, the Gentleman is correct, Mr. Speaker.

REP. LAGMAN. Mr. Speaker, distinguished Chairman, I am not against giving increases in the combat duty pay and combat incentive pay to the uniformed officers and men of the Armed Forces of the Philippines and the Philippine National Police. However, an inordinately enormous percentage increase may be hyperbolic in the language of the President, and not justified, considering that other government officials and personnel are likewise entitled to an increase in bonuses and incentives. What is the take of the distinguished Chairman on this observation?

REP. NOGRALES (K.). I think, Mr. Speaker, what we have to remember first is the incident in Mamasapano where many of us here held marathon hearings about the incident in Mamasapano. We all heard the tales of the widows whose husbands had perished. The good Gentleman of Albay was not here but his son was here, and I believe that he participated also during the hearings when we investigated the Mamasapano incident. I believe the stories that were told, particularly from the widows, which really had a significant blow into the hearts of many of our colleagues here at the House of Representatives, and I believe that this House will support the President in his executive order. Before the President issued the executive order, he asked the opinion of our Budget Secretary if we can afford to provide for all of our uniformed personnel, and the Budget Secretary said that we can. Therefore, as the President issued this executive order to show his full support to our men in uniform, especially as he wages this war against drugs, criminality, and terrorism, I believe it is but just that this House supports the President in his decision, Mr. Speaker.

REP. LAGMAN. Mr. Speaker, distinguished Sponsor, it is true, I was not a Member of this House when this unfortunate incident happened in Mindanao, but I was fully cognizant of what happened. As a matter of fact, I wrote a commentary in the *Philippine Daily Inquirer* on this particular incident. But is the distinguished Chairman telling us that this unfortunate incident justifies this inordinately huge percentage increase in the bonuses of men in uniform?

REP. NOGRALES (K.). During the hearings investigating the Mamasapano clash, Mr. Speaker, one of the issues that was particularly brought to fore and to shed light on, was the low hazard pay and combat pay that we were giving to our men in uniform, considering that they risk life and limb in doing their duty for the country. So, during those hearings, a lot of us here in the House felt and were shocked, in fact, that we were giving our soldiers a very low amount for combat pay. If you consider the amount that we were giving, Mr. Speaker, and the risks that these soldiers take everyday and when they go into battle, I believe that amount is, to me, justified.

In fact, some would even say, “mababa pa nga iyan,” Mr. Speaker, kung tutuusin na ang buhay ng sundalo ang nakasalalay dito, ang kanyang kalagayan, at ang kalagayan ng kanyang pamilya ay nakasalalay dito. Kung tutuusin, Mr. Speaker, itong pera na ito, itong halaga na ito ay napakababa po kung titingnan natin na ang katumbas naman nito ay maaaring kamatayan ng isang sundalo.

REP. LAGMAN. Mr. Speaker, as I have premised my interpellation, I am not against granting increases in the bonuses of men in uniform, but what I am saying is that we should not grant an inordinately huge increase to the tune of 500 percent, to the detriment of other personnel of government, who also would need a modicum of increase in their bonuses and incentives.

The distinguished Chairman referred to hearings conducted in the aftermath of this unfortunate incident in Mindanao. May we know whether in those hearings, there was a recommendation that the combat pay should be increased by 500 percent.

REP. NOGRALES (K.). It was discussed during the hearings but there was no mathematical computation as to how much we would be increasing the combat pay of our soldiers, Mr. Speaker. So, I suppose that it was open-ended, the result was just an open-ended figure, and at the end of the day, we leave it to the prerogative of the President in terms of how much he believes is just and proper, which is subject, of course, to Congress exercising its power of the purse to grant the appropriation and allotment of the funds.

Again, as mentioned, Mr. Speaker, I know for a fact that the President consulted the Secretary of Budget and Management in terms of whether or not we can grant this, whether or not the government can afford this and indeed, the Secretary of Budget and Management affirmed that this is a sum that the government can afford to spend, Mr. Speaker.

REP. LAGMAN. Mr. Speaker, distinguished Sponsor, if the increases in bonuses and incentives are

adequately reasonable and moderate, then we could say that this is an apt remuneration and recognition of the combat duties of men in uniform. However, if the increases are inordinately huge or almost hyperbolic, then there is this sneaking suspicion that the government is buying the loyalty of men in uniform for some ulterior motives. What is the take of the distinguished Chairman on this observation?

REP. NOGRALES (K.) I think the suspicion of the good Gentleman is misplaced, Mr. Speaker. I believe that the President has been very candid, forthright, and transparent in his intention to really increase the pay of our men in uniform. In fact, he has been stating this even before the campaign period when he ran for President. He stated it during the campaign period when ran for President and he is doing it now, now that he is sitting as President.

I believe that the reasons that the President has provided in granting this increase in pay are: number one, as mentioned, these men in uniform risk life and limb everyday particularly when they are sent to battle and therefore, it is incumbent upon us in Congress to pay them properly. Number two, the President has mentioned that we need to do this in order for our men in uniform not to be tempted to do corrupt practices or be corrupted by other people in the performance of their duty. We have to make our men in uniform feel that government is there to support them all the way and therefore, there is no need for them to engage in corrupt practices. Number three, the President has always said that by granting all of these additional benefits to the men in uniform, he will make it his personal mission that if any man or woman in uniform, whether police or military, engages in any corrupt activities, it will be the President himself whom they should answer to.

So, with the increase that the President is asking for to give our men in uniform comes the guarantee that the President will be on top of this; and the guarantee that if any of our men in uniform is corrupt, the President will take it personally and he will impose justice and mete out justice severely, Mr. Speaker.

REP. LAGMAN. Of course, Mr. Speaker, distinguished Chairman, in his campaign sorties, the President did not say how much he was going to increase the bonuses. In his various visits to military camps, the President did not articulate how much he was going to give. Is that, not correct?

REP. NOGRALES (K.). I cannot say for certain, Mr. Speaker, whether or not he gave a figure. I think he gave...

REP. LAGMAN. Okay.

REP. NOGRALES (K.) I am not certain if he gave a figure but he promised increased pay. He justified the increased pay and perhaps, in his wisdom, he left out stating the exact value because, perhaps, he wants Congress to be the bearer of good news. I could only surmise, Mr. Speaker.

REP. LAGMAN. Okay. Well, Mr. Speaker, Your Honor, I would strongly urge Congress in its plenary power over the purse to review EO 3, and find out whether these inordinately huge increases would be reasonable and would not prejudice other personnel in the bureaucracy. We always submit to the wisdom of Congress and to the collective action of the super majority in the House.

Now, Mr. Speaker, distinguished Chairman, are the uniformed officers and personnel of the Philippine National Police covered by the Civil Service?

REP. NOGRALES (K.). They are, Mr. Speaker.

REP. LAGMAN. Yes, because the Constitution says civilian in character. Now, are the uniformed officers and personnel of the Armed Forces of the Philippines covered by the Civil Service?

REP. NOGRALES (K.). The AFP is covered by the AFP manuals and regulations, Mr. Speaker.

REP. LAGMAN. Is there any provision of law or in the Constitution which exempts uniformed officers and men of the Armed Forces of the Philippines from the coverage of the Civil Service?

REP. NOGRALES (K.). The AFP is covered by AFP regulations, which are even stricter than the Civil Service regulations, Mr. Speaker.

REP. LAGMAN. Yes. My question really is, is there a provision of law or a provision in the Constitution which exempts the uniformed officers and men of the Armed Forces of the Philippines from the coverage of the Civil Service?

REP. NOGRALES (K.). Well, Mr. Speaker, the AFP has a civilian component and that civilian component is regulated by the Civil Service Commission, but as far as AFP is concerned, when they come into the service then, they are under AFP regulations and manuals. I am trying to read through the Constitution, particularly the section on Civil Service Commission. So, I would suppose that it is just by practice, Mr. Speaker, that the AFP falls directly under AFP regulations and manuals, their guidelines, and being stricter than the Civil Service Commission, then the AFP has, by practice, always been under AFP guidelines and regulations, Mr. Speaker.

REP. LAGMAN. Okay. Under Article 9(B), Section 2, paragraph one of the Constitution, it provides, and I quote: “The civil service embraces all branches, subdivisions, instrumentalities, and agencies of the Government, x x x.” Is the Armed Forces of the Philippines an instrumentality of the government?

REP. NOGRALES (K.). Yes, Mr. Speaker, I am reading the same provision.

REP. LAGMAN. Yes. Now, the Civil Service Commission under our Constitution is a central personnel agency of the government. Does the Civil Service Commission have jurisdiction to review the frequency and amount of bonuses issued by government agencies and instrumentalities?

REP. NOGRALES (K.). Mr. Speaker, in the Administrative Code of 1987, Chapter 2, Coverage of the Civil Service, Section 7, Career Service, if I may read into the records: “That career service shall include” paragraph 5, “commissioned officers and enlisted men of the Armed Forces xxx,” but provides further, Mr. Speaker, “that it shall, however, maintain a separate merit system,” Mr. Speaker.

REP. LAGMAN. So, that answers my previous question with respect to the coverage of the Civil Service over uniformed officers and men of the Armed Forces of the Philippines.

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. LAGMAN. Now, Section 4 of Article IX provides, and I quote:

The Congress shall provide for the standardization of compensation of government officials and employees including those in government-owned-or-controlled corporations with original charter taking into account the nature of the responsibilities pertaining to and the qualifications required for their positions.

Under this provision, Congress has the jurisdiction to include the uniformed officers and men of the Armed Forces of the Philippines, as well as the PNP, in the standardization of compensation, is that correct?

REP. NOGRALES (K.). That is correct.

REP. LAGMAN. That is correct.

REP. NOGRALES (K.). We have plenary powers of lawmaking, Mr. Speaker.

REP. LAGMAN. Yes. Now, I am just curious, Mr.

Speaker, distinguished Sponsor, what is the difference between combat duty pay and combat incentive pay, because from the EO, that is a blurred distinction.

REP. NOGRALES (K.). For combat duty pay, according to the budget circular of DBM, dated October 3, 2016, this is Budget Circular No. 2016-6, for combat duty pay, this is for officers and enlisted personnel of the AFP performing combat duties or activities and uniformed personnel of the PNP engaged in actual police operations. That is number one.

Number two, this should be defined in regulations to be issued by the Secretary of National Defense and the Director General of the PNP.

As regards combat incentive pay, Mr. Speaker, this is given for members of the AFP and uniformed personnel of the PNP who, number one, figure directly in actual combat against members of various insurgent terrorists and lawless elements, subject to the following conditions:

- a. the operation must be for a specific combat mission duly covered by an operations order or OPORD or a fragmentary operation order or FRAG-O for the AFP, and/or mission order for PNP;
- b. the personnel involved in combat must be in the published task organization of the OPORD or FRAG-O or mission order as the case may be; and
- c. the total additional combat incentive pay shall not exceed P3,000 per month.

So, those are the respective definitions, Mr. Speaker.

REP. LAGMAN. In other words, Mr. Speaker, distinguished Chairman, with respect to combat duty pay, the uniformed personnel involved is in the periphery of combat but not in the actual combat. With respect to combat incentive pay, the personnel involved is in actual combat. Is that correct, Your Honor?

REP. NOGRALES (K.). No, Mr. Speaker. My understanding is, for combat incentive pay to operate: number one, they—the uniformed personnel, if AFP, must be part of an OPORD or a FRAG-O; and for PNP personnel, they must be part of the mission order. Number two, there must be an operation. Number three, the operation is in direct actual combat against insurgent terrorists or lawless elements. That is for combat incentive pay to operate.

For combat duty pay to operate, they must be performing, still, actual combat duties or activities for the AFP; and for the PNP, engaged in actual police operations. So, they are not in the periphery, Mr. Speaker, but in actual combat or police operations.

REP. LAGMAN. Okay. Well, as a layman, I cannot decipher very well the differences in military parlance. I think there is a need for Congress to have the initiative to really distinguish between the two so that there will be no misimpression that this will be double bonus, and I think that legislation can be in order.

REP. NOGRALES (K.). Yes, Mr. Speaker, I agree, we can exercise oversight function but I would like to assure the good Gentleman from Albay that there are specific regulations that must be issued by the Secretary of National Defense for the AFP, and the Director General of the PNP for this combat duty pay and combat incentive pay to operate. I agree with the good Gentleman from Albay that Congress can come in, exercise our oversight and craft legislation that will put more body or put more details into the operation of these different pay incentives, Mr. Speaker.

REP. LAGMAN. Your Honor, I would like to reiterate my appeal that Congress must exercise its plenary power in the appropriation of funds, so much so that it must review the enormity of the grants, bonuses, and incentives provided for under Executive Order No. 3.

Let me go to another point and I will just abbreviate my questions or statements because I understand that there are no other Members of the House who would like to propound questions with respect to the Office of the President.

Now, the President also issued Memorandum Circular No. 4 or by authority of the President, such Circular was issued.

REP. NOGRALES (K.). That is with regard to courtesy resignations.

REP. LAGMAN. Yes, correct, Your Honor.

REP. NOGRALES (K.). Mr. Speaker.

REP. LAGMAN. Well, I have this statement before and I would just like to reiterate it—to me, it appears that Memorandum Circular No. 4 violates the equal protection clause because, while it demands the resignation of covered appointees by previous administrations or previous Presidents, it does not require such resignation from appointees of the incumbent President. So, it appears that this Circular is a sword of a Damocles hanging over the covered officers personnel of the bureaucracy.

Now, let me go to some other points. The proposed budget of the Office of the President has ballooned to an increase of 600.3 percent, the biggest among the departments and agencies of the

government. Well, there may be some justifications for this, but with respect to the intelligence and confidential funds also, there was an inordinate increase. Even with respect to the President's contingent fund, it has escalated from P2.5 billion to P5.5 billion or an increase of 120 percent or P3 billion.

Well, of course, the distinguished Chairman would always say, "This is subject to the collective action of the super majority." I would just like to bring to the information of, possibly, the public that these are enormous increases.

Let me know—of course, Mr. Chairman, Mr. Speaker, contingencies cannot be predetermined or are not subject, at the moment, to empirical forecast, but considering the huge increase in the President's contingent fund, may we know what contingencies are expected in 2017?

REP. NOGRALES (K.). Is the good Gentleman talking about the contingent fund?

REP. LAGMAN. Yes, because that has increased by P3 billion or 120 percent.

REP. NOGRALES (K.). Yes, Mr. Speaker, as the good Gentleman knows—the contingent fund is used to cover the funding requirements of new or urgent projects and activities of national government agencies and GOCCs, such as the legal obligation of the government arising from final and executory decisions by competent authority, including arbitration awards, mediation settlements, compromise agreements, as well as requirements of newly created offices or deficiencies in the appropriations for, let us say, local or external travels of the President.

I believe that, given all of these uses and purposes of the contingent fund and granting that the President has just recently assumed his office and that there are new policy directives and specific strategies that the President is engaging and looking into and in fact, acting upon; then the contingent fund is supposed to provide for all of these exigencies and events and eventualities that we cannot predict will happen in 2017.

So, given the many changes that the President is, in fact, effectuating in this new administration, we feel that the contingent fund should be given this amount. We feel that we are comfortable with the amount, again, knowing that this is a new administration and we do not know what occurrences and eventualities will happen during the course of the year 2017, Mr. Speaker.

REP. LAGMAN. Mr. Speaker, distinguished Sponsor, what the distinguished Sponsor has read are the traditional uses of a contingent fund. Considering the huge increase of P3 billion for 2017, that is why I

was asking what contingencies are being expected to happen in 2017 to justify an increase of 120 percent from P2.5 billion to P5.5 billion, or again, is this the off-the-cuff estimation?

REP. NOGRALES (K.). Well, Mr. Speaker, we all know that next year we have three big events that are happening in the country. First, the Philippines is hosting the 30th ASEAN Summit on April of 2017; the second is the 50th Founding Anniversary of the ASEAN, the golden celebration which we in the Philippines have been privileged to host; and, of course, there is the 31st ASEAN Summit related meetings.

I would like to put on the record that the biggest increase in the budget of the Office of the President has to do with our hosting of these three major events wherein the Philippines will be the showcase of the world, and all eyes will be on our country as gracious host. Now, I admit that we have allocated an amount for the hosting of these events. But, again, in a perfect world, Mr. Speaker, the amount that we in Congress are allocating for the Office of the President so that we can play as gracious host to the leaders of the nation—and mind you, we are talking here about 22 nations. We are playing host to 22 nations, Mr. Speaker—admittedly, although we have given an amount lodged in the budget of the Office of the President for us to play host to these 22 countries, we do not know if in 2017 a contingency might come up during the course of our hosting of these events.

I would like also to mention that even if you say that we have allocated a big amount of P15 billion to play host to this, Mr. Speaker, that P15 billion is in fact a decrease from the initial proposal of P29 billion. In other words, the budget that we have allocated to the Office of the President so that we can play to host these 22 countries has been trimmed of its fat, has been trimmed to the smallest possible amount na hindi naman tayo mapapahiya. But, again, we cannot predict what will happen in 2017 over the course of our hosting the 22 nation delegates, Mr. Speaker. So that is the reason the contingent fund has increased to P5.5 billion, Mr. Speaker.

REP. LAGMAN. Mr. Speaker, distinguished Chairman, it is for purposes of transparency that we make specific allocations with respect to the hosting of the Golden Anniversary of ASEAN, we are proposing or the government is proposing P15 billion. With respect to the other two hostings, I think the budget would also have the necessary budget for these two other events. Why do we not place the appropriation in the specific or particular event to be funded rather than have a lump sum appropriation in the contingent fund which is not transparent?

REP. NOGRALES (K.). Well, Mr. Speaker, the

P15 billion that was allocated for our hosting has actually been broken down as follows: for transport and communication expenses, the proposal was P593 million but what was approved was only P58 million; for tourism, hospitality, social events, and site enhancement, the proposal was P903 million, what was approved was only P670 million, Mr. Speaker; for media affairs and strategic communications, the proposal was P1.5 billion, what was approved was only P1.4 billion; for business and investment, the proposal was P178 million, the approved was P177 million; for security peace and order, emergency preparedness and response, the proposal was P4.2 billion, what was approved was only P2 billion; for finance management budget and procurement, the proposal was P264 million, what was approved was only P171 million; and for the National Organizing Council, what was proposed was P13.9 billion, what was approved was only P10.9 billion.

So, this is what I was talking about, Mr. Speaker, that we had actually trimmed it down to the barest necessities. May I point out, Mr. Speaker, that that budget is supposed to cover the three hostings already—the 30th ASEAN Summit, the 31st ASEAN Summit and the 50th Founding Anniversary of the ASEAN. So, those three hostings will actually be broken down to several events. The events are as follows: working group meetings, 79 events; senior officials meetings, 30 events; ministerial meetings, 14 events; and the leaders' summits, 2 events; and 3 commemorative events; so for a total of 128 events, Mr. Speaker.

So given the cut in the budget, given the amount that is being proposed, and given the number of events that we will be hosting, I believe that the budget should be enough. Again, barring any unforeseen circumstances, any unforeseen eventualities, it should be enough. But, of course, we do not live in a perfect world, Mr. Speaker, and we have to prepare for any contingencies. That is why we are putting it in the contingent fund, and the Gentleman from Albay who used to be a chairman, being the Chairman of the Committee on Appropriations, he understands very well, Mr. Speaker, that the contingency fund is there specifically because we cannot predict what contingencies will happen in 2017, particularly with the hosting of the ASEAN summits, Mr. Speaker.

REP. LAGMAN. Mr. Speaker, distinguished Sponsor, when I was the Chairman of the Committee on Appropriations, the contingent fund was barely a billion pesos. Anyway, I am not interested in those details because they are specific and transparent. What I am saying is that, why do we not put these expenditures in the preparation for these various events rather than

lump them together as contingent fund which is not transparent at the time the budget is approved by this Congress? That is all I was asking, Your Honor.

Now, last November 2015, the Aquino administration hosted the APEC and spent P10 billion, or P476 million per member-country given that APEC has 21 member-countries. In the proposed budget of the Office of the President, the amount of P15 billion is appropriated for the country's hosting of the golden anniversary of the ASEAN in 2017. This would translate to P1.5 billion per member-country, including the Philippines.

I think we should be able to exercise the congressional power of oversight so that we will find out how exactly, how particularly this huge allocation is spent by the government.

REP. NOGRALES (K.). Yes, Mr. Speaker, let me...

REP. LAGMAN. Look at this, then—P476 million per member-country of the APEC and it has 21 members. But with respect to the ASEAN golden anniversary, it is P1.5 billion per member-country, including the Philippines, because there are 10 member-countries.

With that statement, Mr. Speaker, Mr. Chairman, thank you for accommodating these interpellations, and thank you to the leadership of the House for allowing me to interpellate with respect to the Office of the President (proper) budget.

REP. NOGRALES (K.). Thank you, Mr. Speaker. May I just point out that the APEC 2015 hosted 36 events in total, while in the 2017 ASEAN, we will be hosting 125 events. Even if we compare APEC 2015 with the P10 billion budget for 36 events to the ASEAN 2017 hosting wherein we allocated P15 billion for 125 events, if we do the math, then on a per event basis, the 2017 hosting is much lower than the 2015 hosting, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). Thank you, honorable Gentleman.

The Floor Leader is recognized.

REP. ORTEGA (V.). Mr. Speaker, I move that we recognize the Gentleman from the Third District of Quezon, Danilo E. Suarez, Minority Leader, for his interpellation.

THE DEPUTY SPEAKER (Rep. Abu). The honorable Minority Leader Danilo E. Suarez is hereby recognized.

REP. SUAREZ. Thank you, Mr. Speaker. Will the distinguished Chairman of the Committee on Appropriations yield to some clarificatory questions?

REP. NOGRALES (K.). It will be an honor, Mr. Speaker.

REP. SUAREZ. Thank you, Mr. Speaker. The Office of the President, on two issues, I will just be delving on two issues, Mr. Speaker. On the proposed budget, a total of, if am I correct, P19.990 billion will be requested.

REP. NOGRALES (K.). Yes, Mr. Speaker, in new appropriation.

REP. SUAREZ. But the bulk of this will be spent on the proposed ASEAN event.

REP. NOGRALES (K.). The amount for the ASEAN event is P15.459 billion.

REP. SUAREZ. Correct. But this will be a very dramatic event, considering that this will put us in the limelight. I am just curious—those guests who were invited to Laos, will they be coming here as well?

REP. NOGRALES (K.). Yes, Mr. Speaker. Yes, of course.

REP. SUAREZ. I am talking about the US President, the heads of Russia, China, though they are not members of the ASEAN but they were there. So, these heads of state will be attending the ASEAN event next year?

REP. NOGRALES (K.). Yes, Mr. Speaker, allow me to read for the record the various states that will be visiting our country: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Singapore, Thailand, Vietnam, Australia, India, Japan, New Zealand, People's Republic of China, Republic of Korea, Russia, United States, Canada; and from the European Union, of course, Timor-Leste as guest; and the UN Secretary General.

REP. SUAREZ. The UN?

REP. NOGRALES (K.). Yes, Mr. Speaker, he is also invited.

REP. SUAREZ. It will be a very interesting meeting—it will be the UN President Ban Ki-moon...

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. SUAREZ. ... will be finally meeting our President personally.

REP. NOGRALES (K.). And the new President of the United States, Mr. Speaker.

REP. SUAREZ. You are talking about Hillary Clinton, of course.

REP. NOGRALES (K.). I am not a voter in the United States elections, Mr. Speaker.

REP. SUAREZ. (*Laughter*) Does that sound like I am a democrat? I am just kidding.

Distinguished Chairman, amidst this beautiful hall, air conditioned room, klieg lights, then afterwards we will have a very sumptuous lunch, is the fact that half a kilometer away from this institution are our citizens that need help. No less than a good number of media have come up with a, let us say a wake-up call saying, “Mr. President, you are doing your job well in eradicating drugs and putting attention on what we call criminal activities.” The Office of the President as well as other Executive offices—what he is saying is, do your job and I will do mine. The President will never be successful if he will do it by himself, and there is a particular area in the Office of the President that can handle employment in millions.

So this Representation took the chance of talking to the Executive Secretary and the assurance from the satellite office of the Office of the President was that, indeed, they will constitute and institute this program that will entail employment nationwide. Though I just have to—may I just ask a clarificatory question that, indeed, the Office of the President and its satellite office will be instituting this very noble program.

REP. NOGRALES (K.). Yes, he has affirmed. No less than the Executive Secretary has affirmed, Mr. Speaker.

REP. SUAREZ. Thank you very much, distinguished Sponsor, Mr. Speaker. Inasmuch as there will be no more member of the Minority who would like to raise questions on the proposed budget of the Office of the President, I move that we terminate the period of interpellation and debate. I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. MERCADO. Mr. Speaker, on behalf of the Majority, we join the Minority in terminating the period of interpellation and debate on the budget of Office of the President. I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). There is a joint motion from the Majority and the Minority

to terminate the period of interpellation and debate on the budget of Office of the President. Is there any objection? (*Silence*) The Chair hears none; the period of interpellation and debate on the budget of the Office of the President is hereby terminated. (*Applause*)

The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we begin the consideration on the budget of the Presidential Legislative Liaison Office.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. GULLAS. Before we continue, Mr. Speaker, we would like to acknowledge the presence of the guests from the Presidential Legislative Liaison Office in the gallery today. Here is the Secretary, a fellow Cebuano, Secretary Adelino B. Sitoy; Usec. Bernardino E. Sayo; Usec. Antonio A. Gallardo; and Asec. Victorio N. Casauay.

THE DEPUTY SPEAKER (Rep. Abu). Guests from the Presidential Legislative Liaison Office, please rise. Welcome to the House of Representatives.

REP. GULLAS. Mr. Speaker, I move that we recognize the Chairman of the Committee on Appropriations, the Hon. Karlo Alexei B. Nograles, to sponsor and answer questions, if any, on the budget of the PLLO.

THE DEPUTY SPEAKER (Rep. Abu). The Hon. Karlo Nograles, the Chairman of the Committee on Appropriations, is recognized.

#### PRESIDENTIAL LEGISLATIVE LIAISON OFFICE

REP. NOGRALES (K.). Thank you, Mr. Speaker. For the Presidential Legislative Liaison Office or PLLO, our total obligations proposed is P52.629 million, wherein P50.111 million is the new appropriations. We are ready to answer any questions from any Member of Congress, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we recognize the Hon. Orestes T. Salon of AGRI Party-List.

THE DEPUTY SPEAKER (Rep. Abu). The honorable Gentleman is recognized.

REP. SALON. Mr. Speaker, on the part of the Minority, there being no interpellators, we move to close the interpellation.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, in behalf of the Majority, we join the Minority in its motion to terminate the period of interpellation and debate on the budget of the Presidential Legislative Liaison Office.

THE DEPUTY SPEAKER (Rep. Abu). There is a joint motion from the Majority and the Minority to terminate the period of sponsorship and debate on the budget of Presidential Legislative Liaison Office. Is there any objection? (*Silence*) The Chair hears none; the period of sponsorship and debate on the budget of the Presidential Legislative Liaison Office is hereby terminated.

The Dep. Majority Leader is recognized.

#### SUSPENSION OF CONSIDERATION OF H.B. NO. 3408

REP. GULLAS. Mr. Speaker, I move that we suspend the consideration of House Bill No. 3408.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

#### SUSPENSION OF SESSION

REP. GULLAS. Mr. Speaker, I move that we suspend session until one o'clock this afternoon.

THE DEPUTY SPEAKER (Rep. Abu). The session is suspended until one o'clock this afternoon.

*It was 11:44 a.m.*

#### RESUMPTION OF SESSION

*At 1:12 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

The Dep. Majority Leader is recognized.

#### CONSIDERATION OF H.B. NO. 3408 *Continuation*

#### PERIOD OF SPONSORSHIP AND DEBATE

REP. GULLAS. Mr. Speaker, I move that we

resume the consideration of House Bill No. 3408, and that the Secretary General be directed to read only the title of the measure.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is hereby directed to read only the title of the measure.

THE SECRETARY GENERAL. House Bill No. 3408, entitled: AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY-ONE, TWO THOUSAND AND SEVENTEEN, AND FOR OTHER PURPOSES.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, the parliamentary status of the Bill is that it is in the period of sponsorship and debate. Therefore, I move that we resume the consideration of the budget of the National Anti-Poverty Commission.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. GULLAS. Mr. Speaker, I move that we recognize the Gentleman, the Hon. Mark Aeron H. Sambar, of PBA Party-List.

THE DEPUTY SPEAKER (Rep. Abu). The Hon. Mark Aeron H. Sambar, Vice Chair of the Committee on Appropriations, is hereby recognized.

#### NATIONAL ANTI-POVERTY COMMISSION

REP. SAMBAR. Thank you, Mr. Speaker.

This Representation is once again ready to answer questions on the National Anti-Poverty Commission.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we recognize the Hon. Abdullah D. Dimaporo of the Second District of Lanao del Norte for his interpellation.

THE DEPUTY SPEAKER (Rep. Abu). The

Representative from Lanao del Norte, Hon. Abdullah D. Dimaporo, is hereby recognized.

REP. DIMAPORO (A.). Thank you, Mr. Speaker. Mr. Speaker, from the name of the Commission, National Anti-Poverty Commission, it must be mandated to help us reduce poverty. May I know from the time that the Commission has been organized until now, how much has poverty incidence in the country been reduced?

REP. SAMBAR. Mr. Speaker, Your Honor, from a poverty incidence rate of 32 percent, the NAPC was able to decrease it to 26 percent presently.

REP. DIMAPORO (A.). 30 percent and now presently...

REP. SAMBAR. 26 percent po, Your Honor, Mr. Speaker.

REP. DIMAPORO (A.). 46 percent.

REP. SAMBAR. 26, 2-6.

REP. DIMAPORO (A.). 2-6.

REP. SAMBAR. Yes.

REP. DIMAPORO (A.). 26 percent.

REP. SAMBAR. Yes, Your Honor, Mr. Speaker.

REP. DIMAPORO (A.). So, about 4 percent.

REP. SAMBAR. Ang starting po was 32 percent, Mr. Speaker. So, they were able to ...

REP. DIMAPORO (A.). 6 percent.

REP. SAMBAR. ... roughly 6 to 7 percent po ang decrease.

REP. DIMAPORO (A.). Over a period of how many years, Mr. Speaker?

REP. SAMBAR. Mr. Speaker, over a period of 18 years.

REP. DIMAPORO (A.). How many years?

REP. SAMBAR. 18, 1-8.

REP. DIMAPORO (A.). 18 years.

REP. SAMBAR. Yes.

REP. DIMAPORO (A.). That is too long, Mr. Speaker. I think we need the Commission to be more effective. I understand that their budget is very low, only P200 million. Is it correct, Mr. Speaker?

REP. SAMBAR. Mr. Speaker, Your Honor, it is P195.437 million to be exact.

REP. DIMAPORO (A.). May we know, Mr. Speaker, if they can be more effective in, for example, integrating the different livelihood projects that the different departments are doing. I understand that they seem not to be talking to each other in undertaking livelihood projects. For example, the Department of Agriculture, may be doing training, but they are only up to training. They do not know if those trainees that they have taught have done the livelihood that the government spent for training them. I think another example, Mr. Speaker, in my province, the Department of Science and Technology gave equipment to a cooperative for bangus processing but the cooperative did not have enough supply of bangus. Meaning, the Department of Agriculture could have helped them have more supply of bangus. They also failed to sell their products to far places, from Tubod, for example, to Iligan City or to Cagayan de Oro City, nearby places, much nearer than Cebu City and this is because the Department of Trade and Industry did not help them market their products. An agency in our government must integrate the different efforts of our departments in reducing poverty, and I think the proper agency for it is the National Anti-Poverty Commission.

May we know, Mr. Speaker, from the Commission, if their budget is increased, can they be more effective in integrating the different livelihood projects, employment projects, that the departments are doing? Can they be more effective if we increase their budget?

REP. SAMBAR. Mr. Speaker, Your Honor, absolutely, if we can increase their budget, I am sure the National Anti-Poverty Commission under the leadership of Secretary Liza Maza will be able to have more integration of the programs in our different departments to help alleviate poverty, Mr. Speaker.

REP. DIMAPORO (A.). Mr. Speaker, I would like to propose, not move, to give the decision to the leadership of the House that we increase the budget of the Commission to make it more effective. We likewise increased the budget of the DICT, Department of Information and Communications Technology, especially in their countryside development of internet employment.

We should also be increasing the budget of the Department of Trade and Industry mentoring program, so that we can have more effect in alleviating poverty in the country, Mr. Speaker.

REP. SAMBAR. Mr. Speaker, the point of Honorable Dimaporo (A.) is very well-taken. I think the NAPC will support such a move, or such a proposal by this august Body, Mr. Speaker, Your Honor.

REP. DIMAPORO (A.). Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we recognize the Hon. Neil Abayon.

THE DEPUTY SPEAKER (Rep. Abu). The Hon. Harlin Neil J. Abayon III is recognized.

REP. ABAYON. Thank you, Mr. Speaker. Mr. Speaker, Mr. Sponsor, I am simply here to close. There being no more Member from the Minority who wishes to interpellate on the budget of the National Anti-Poverty Commission, I therefore move to close the period of interpellation and debate. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, on behalf of the Majority, we join the Minority in its motion to terminate the period of interpellation and debate on the budget of the National Anti-Poverty Commission. I so move.

THE DEPUTY SPEAKER (Rep. Abu). There is a joint motion from the Majority and the Minority to terminate the period of interpellation and debate on the budget of National Anti-Poverty Commission. Is there any objection? (*Silence*) The Chair hears none; the period of interpellation and debate on the budget of the National Anti-Poverty Commission is hereby terminated.

The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we begin the consideration of the budget of the National Intelligence Coordinating Agency.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

## SUSPENSION OF SESSION

REP. GULLAS. Mr. Speaker, I move that we suspend session for a few minutes to allow the technical staff and resource persons of the Committee access to the floor.

THE DEPUTY SPEAKER (Rep. Abu). The session is suspended.

*It was 1:21 p.m.*

## RESUMPTION OF SESSION

*At 1:27 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

REP. GARIN (R.). Mr. Speaker, I move that we resume the consideration of the budget of the National Intelligence Coordinating Agency.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. GARIN (R.). Mr. Speaker, let us acknowledge the presence of the following guests; Director General Alex Paul I. Monteagudo, Assistant Director General Ruth L. Galila, Assistant Director General Carol Luz T. Guerrero, Assistant Director General Melinda Agustin, Assistant Director General Robertson Lopus, Assistant Director General Jeffrey Sodusta, all from the National Intelligence Coordinating Agency, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). Guests from the National Intelligence Coordinating Agency, may you please rise. Welcome to the House of Representatives. (*Applause*)

The Floor Leader is recognized.

REP. GARIN (R.). Mr. Speaker, I move that we recognize the Chairman of the Committee on Appropriations, Rep. Karlo Alexei B. Nograles, to sponsor and answer questions, if any, on the budget of the National Intelligence Coordinating Agency.

THE DEPUTY SPEAKER (Rep. Abu). The honorable Chairman of the Committee on Appropriations, Rep. Karlo Nograles, is recognized.

## NATIONAL INTELLIGENCE COORDINATING AGENCY

REP. NOGRALES (K.). Thank you, Mr. Speaker, the Floor Leader.

The total proposed obligation budget of NICA or the National Intelligence Coordinating Agency is P723 million, of which P693 million is new appropriations.

We are ready to answer any questions from the Members of the House.

THE DEPUTY SPEAKER (Rep. Abu). The Floor Leader is recognized.

REP. GARIN (R.). Mr. Speaker, I move that we recognize our Minority Leader, the Congressman of the Third District of Quezon, Hon. Danilo E. Suarez, for his interpellation.

THE DEPUTY SPEAKER (Rep. Abu). The honorable Minority Floor Leader from the Third District of Quezon, Rep. Danny Suarez, is recognized.

REP. SUAREZ. Thank you, Mr. Speaker, distinguished Sponsor. I have to admit, distinguished Sponsor, I am totally alien to the activities of the NICA and I will just pick up some points of interest. The only thing I know about it, from what I have read, is the security plate. Sila po ba ang nagbibigay ng security plate, iyong sinasabing kapag may sasakyan ay security plate iyan.

REP. NOGRALES (K.). They recommend and give clearance for the issuance of security plates, Mr. Speaker. More than that, they are the ones who coordinate, gather the information and intelligence from all intelligence agencies or agencies that are in charge of intel. They are the ones that gather it, collate it, and they provide it to the President, Mr. Speaker.

REP. SUAREZ. Security plate, that means iyong mga back-up, iyong mga ginagamit ng civilian na back-up niya; iyong mga plaka noon are security plates.

REP. NOGRALES (K.). Yes. Mr. Speaker, it is still the LTO that issues the security plates, but it is the NICA that recommends and processes the requests for security plates. But, ultimately, it is LTO that issues the security plates.

REP. SUAREZ. Do they pay the LTO for those plates, distinguished Sponsor?

REP. NOGRALES (K.). No, Mr. Speaker.

REP. SUAREZ. It is free.

REP. NOGRALES (K.). I think the LTO is paid.

REP. SUAREZ. So, may I know the ...

REP. NOGRALES (K.). Ah, no, no. Libre, libre. Sorry, Mr. Speaker. Yes, kasi government. Kasi government siya.

REP. SUAREZ. Yes, but their plate number is not red. It is civilian.

REP. NOGRALES (K.). Yes, it is, Mr. Speaker.

REP. SUAREZ. So, hindi po ba, distinguished Sponsor ...

REP. NOGRALES (K.). Iyong proseso, Mr. Speaker, is that it is still the LTO that issues the plates. Ang National Security, ang NICA, sila lang po iyong nagre-recommend at walang bayad sa NICA iyan.

REP. SUAREZ. In an unforeseen incident, heaven forbid, an accident that involves a vehicle with security plate, kapag ho sinabi na, dito ho sa nakasagasa, ito po ang plaka ng sasakyan. Normally, you just find out from the LTO kung saan nakarehistro iyong plakang iyon at malalaman natin kung sinong may-ari, hindi po ba, distinguished Sponsor?

REP. NOGRALES (K.). Yes.

REP. SUAREZ. Ngayon, kung ito po ay security plate, sino ho ang makakaalam noon?

REP. NOGRALES (K.). LTO pa rin, Mr. Speaker.

REP. SUAREZ. Sasabihin ng LTO, security plate ito, ganoon po ba?

REP. NOGRALES (K.). Yes, Mr. Speaker, but ultimately, alam ng LTO kung kanino nakarehistro iyon.

REP. SUAREZ. And they will be, just like any ordinary citizen, subject to the law kung mayroon ho silang nagawang traffic violation? Hindi ho exempted iyong security plate.

REP. NOGRALES (K.). That is correct, Mr. Speaker.

REP. SUAREZ. May we know the output of this office, distinguished Sponsor, Mr. Speaker? What do they do? We are requesting almost P700 million budget here and as I have said, I will repeat, I am totally alien to the activity, although I have heard of this word "NICA." Ano po iyong kanilang function at ano po iyong output nila?

REP. NOGRALES (K.). Kasama po sa major final output ng NICA, Mr. Speaker, are the intelligence reports generated, the inputs on policy and decision making, intelligence reports disseminated to the concerned government entities. Anything that has to do with national security issues and concerns, sila po iyong nag-ga-gather. They also provide the President and the National Security Council with these intelligence reports; they formulate plans and policies for intelligence and counterintelligence efforts; they collect, process and disseminate intelligence reports as needed concerning national security; they provide services for the security of personnel, documents and installations of agencies and other relevant security services; they ensure the proper implementation of the national security clearance system in government; they work as secretariat to the National Anti-Terrorism Council; and other functions that may be delegated to them by the President, Mr. Speaker.

REP. SUAREZ. What you just mentioned, Mr. Speaker, distinguished Sponsor, is what the intelligence operatives of the Armed Forces is doing, the same thing with the Philippine National Police, and maybe with the National Bureau of Investigation.

REP. NOGRALES (K.). That is correct, Mr. Speaker.

REP. SUAREZ. So, hindi ho ba redundant ito.

REP. NOGRALES (K.). They are the ones that collate all of the intel reports; they collect all the intel reports from the different intel agencies ...

REP. SUAREZ. These agencies mandatorily have to report to NICA all their findings?

REP. NOGRALES (K.). Yes, because the NICA is the one that summarizes, collates and submits the reports to the President and the National Security Council. So, that is why iyong pangalan po ay National Intelligence Coordinating Agency. So they coordinate with the different intel ...

REP. SUAREZ. I would like to assume, distinguished Sponsor, that what they gather and report to the President is classified. Am I correct there?

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. SUAREZ. And very few people can see it. For the eyes of the President only, parang ganoon?

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. SUAREZ. So, if I will ask a question like—how many armed operatives of the New People's Army are there in my province, will they know the answer?

REP. NOGRALES (K.). Right now, they are free to say that the general number is in the vicinity of 5,000 nationwide, but for your specific district or province, they will have to crunch the numbers first.

REP. SUAREZ. 5,000 in the province of Quezon.

REP. NOGRALES (K.). No, 5,000 nationwide, Mr. Speaker.

REP. SUAREZ. Nationwide.

REP. NOGRALES (K.). For your specific province, Mr. Speaker, we will have to ...

REP. SUAREZ. Then that is not classified, distinguished Sponsor.

REP. NOGRALES (K.). That is why they gave a rough estimate, Mr. Speaker.

REP. SUAREZ. So, is this 5,000 armed, fully armed?

REP. NOGRALES (K.). I have the document here, Mr. Speaker, but the first word on top of the document says "SECRET, CLASSIFIED."

REP. SUAREZ. Secret.

REP. NOGRALES (K.). So, I do not think I am allowed to mention it here.

REP. SUAREZ. You have seen it, Your Honor, so...

REP. NOGRALES (K.). Well, I am defending their budget, Mr. Speaker.

REP. SUAREZ. Distinguished Sponsor, I just would like to set a hypothetical example. Na-gather ng army na mayroong movement sa isang area na ito ng mga terrorists and they are going to take action on it. In an event of an hour, maybe wala na po iyong mga armed elements, can they make their own move on that even without consulting the NICA?

REP. NOGRALES (K.). Yes, it is within their mandate, Mr. Speaker.

REP. SUAREZ. So, you are saying, distinguished

Sponsor, that we are appropriating P700 million of taxpayers money to an agency that just collates information data of other intelligence operatives?

REP. NOGRALES (K.). They also conduct counter-intelligence.

REP. SUAREZ. Counterintelligence.

REP. NOGRALES (K.). So, meaning to say, they have to verify the veracity and truthfulness of the intel report before they feed it to the President. So, hindi puwedeng basta subo lang tayo nang subo ng intel report sa ating mahal na Pangulo. Mayroon din po iyong NICA ng access to intelligence reports from other intel-agencies.

REP. SUAREZ. Ano ho ang equivalent nito sa Amerika, distinguished Sponsor?

REP. NOGRALES (K.). Siguro ang pinaka-equivalent niya sa United States would be in terms of intel gathering, CIA po.

REP. SUAREZ. CIA. Pero wala silang agent na CIA, ganoon.

REP. NOGRALES (K.). Wala po.

REP. SUAREZ. Distinguished Sponsor, we are both aliens here. Kayo ho ay Chairman ng Appropriations, ngayon lang ninyo ito nakita. Minority ako, ngayon ko lang din ito nakita. So, at the end of the day, we say, "I move to terminate the interpellation on the NICA," a certain office that we are appropriating P700,000 that I totally cannot, apprehensively and comprehensively say, that I cannot understand their existence.

So, in the meantime, distinguished Sponsor, I will have to ask another agency, which is the National Security Council, that might enlighten me on my query—on what is the relationship between the National Security Council and the National Intelligence Coordinating Agency.

With that, distinguished Sponsor, can we temporarily defer the proposed measure for this until we hear and interpellate on the Office of the National Security Council.

I move that we defer the—puwede kong tanungin si General Esperon?

THE DEPUTY SPEAKER (Rep. Abu). The Majority Leader is recognized.

REP. FARIÑAS. Mr. Speaker, there was an earlier motion that we consider the budget of the NICA, but since the interpellations of the Gentleman would result into two agencies being asked, may I amend the

earlier motion to include that of the National Security Council.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. SUAREZ. Mr. Speaker, distinguished Sponsor, the head of the National Security Council is someone whom I respect and know very well. In a very brief question, does the National Intelligence Coordinating Agency coordinate its activities with the National Security Council?

THE DEPUTY SPEAKER (Rep. Abu). Before the Chairman answers the question, the Chair recognizes again the Chairman of the Committee on Appropriations to also sponsor the budget of the National Security Council.

#### NATIONAL SECURITY COUNCIL

NOGRALES (K.). Yes, Mr. Speaker, the proposed obligation budget of the National Security Council is P147.19 million, of which P142.231 million is the new appropriations.

We are ready to answer the questions of any Member of Congress who wishes to interpellate us on this matter.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we recognize the Hon. Gary C. Alejano of MAGDALO Party-List for his interpellation on the budgets of the National Security Council and the National Intelligence Coordinating Agency. I so move.

THE DEPUTY SPEAKER (Rep. Abu). The Representative of MAGDALO Party-List, the Hon. Gary C. Alejano, is recognized to interpellate the Sponsor of the budgets of the National Security Council and the National Intelligence Coordinating Council.

REP. ALEJANO. Thank you, Mr. Speaker. Thank you, Dep. Majority Leader.

Magandang hapon po sa inyong lahat. May I just ask the distinguished Sponsor if he is willing to take some questions from this Representation?

REP. NOGRALES (K.). Yes, Mr. Speaker, it would be an honor.

REP. ALEJANO. Thank you, Mr. Sponsor. I just would like to ask the Sponsor, what is the mandate of

the National Security Council, including that of the National Security Adviser?

REP. NOGRALES (K.). The mandate of the National Security Council is that it is the principal advisory body on the proper coordination and integration of plans and policies affecting national security. It consists of two distinct offices, the Council Proper, and the Office of the National Security Adviser, Mr. Speaker.

REP. ALEJANO. Thank you, Mr. Sponsor. I just would like to reiterate that the National Security Council provides technical support to the national security proper. It also provides policy advice to the President on national security. It also provides guidance and direction to the operation of the National Intelligence Coordinating Agency and the Philippine Center on Transnational Crimes. And, of course, lastly, it coordinates at the policy level, the fight against terrorism through the anti-terrorism task force.

Are these correct, Mr. Sponsor, Mr. Speaker?

REP. NOGRALES (K.). Yes, that is correct, Mr. Speaker. What was read into the records by the Gentleman from MAGDALO Party-List is correct. Of course, there is a wider enumeration, but the statements—the points made by the good Gentleman from MAGDALO Party-List are correct. It is part of the mandate of the National Security Council.

REP. ALEJANO. Thank you, Mr. Sponsor. I just would like to ask my next question: Is the crafting of the National Security Policy and national security strategy part of the mandate of the NSC?

REP. NOGRALES (K.). Yes, it is. In fact, Mr. Speaker, what we have at present, and I am sure the good Gentleman from MAGDALO Party-List knows about this, is the National Security Policy for 2011 to 2016. Currently, the National Security Council, it being under a new administration, has been given direct orders by the President for them to craft the new National Security Policy for 2016 to 2022.

REP. ALEJANO. Thank you, Mr. Sponsor. That is good to hear. May I request such authority or directive from the President to the National Security Council to draft the new National Security Policy and national security strategy.

REP. NOGRALES (K.). Yes, both the National Security Policy and the national security strategy are now being formulated in tandem with the national development strategy of the Philippines.

REP. ALEJANO. What I was asking, Mr. Sponsor,

is if we can provide the authority or directive coming from the President, the official document so that we would be able to know the contents of such directive.

REP. NOGRALES (K.). So far, it was a verbal order by the President as discussed during their Cabinet meeting last Monday, but we will be happy to provide the good Gentleman from MAGDALO Party-List with the Executive Order directing the formulation of the National Security Policy for 2017 to 2022. I have with me, Mr. Speaker, a draft of the executive order that has not yet been signed by the President because, as I have said, it was a verbal order issued by the President during the Cabinet meeting held last Monday, so the written executive order will be issued within a few days from now.

REP. ALEJANO. In that document, Mr. Sponsor, Mr. Speaker, would you know the timeline within which these national security documents would be finished or complied with, Mr. Sponsor?

REP. NOGRALES (K.). In the draft, Mr. Speaker, it says “on or before November 30, 2016.”

REP. ALEJANO. Thank you, Mr. Sponsor, Mr. Speaker. My next question is: Would you give us the meaning and purpose of the national security policy and strategy?

REP. NOGRALES (K.). The national security policy is a statement of principles that should guide national decision-making and determine courses of action to be taken in order to attain the state or condition wherein the national interests, the well-being of our people and institutions, and our sovereignty and territorial integrity are protected and enhanced. The purpose of the national security policy is to identify the strategic priorities; to establish the correct balance in the “guns or butter” debate for the allocation of scarce resources; and to establish the prioritization, among others, between external and internal defense. The national security policy lays down the fundamental and comprehensive framework on interrelated issues and concerns that may impinge on national security.

REP. ALEJANO. Thank you for that answer, Mr. Sponsor. Would you agree that the definition of “national security strategy” is how specifically the national security policy would be undertaken?

REP. NOGRALES (K.). Yes, that is correct. Mr. Speaker, the policy is a policy but the strategy is the action plan, to put into action what is enshrined in our national security policy.

REP. ALEJANO. Thank you, Mr. Sponsor. We are talking about national security policy. This is a policy and in relation to that, do you agree that any policy including the national security policy should be aligned with or responsive to what we value as Filipinos, what we call Filipino national values?

REP. NOGRALES (K.). Yes, it must be, and that is the reason when we formulate the national security policy and national security strategy, it must be in tandem with our national development efforts and our strategies and, of course, with the interest, of the Filipino people.

REP. ALEJANO. I mentioned that Mr. Speaker, Mr. Sponsor, because our Filipino values, national Filipino values, refer to the set of values that majority of us Filipinos have historically held important in our lives. Ito iyong mga bagay na bina-value natin, importante po sa atin bilang Filipino. Now, would the Sponsor educate us or inform us, of course, as basis of the NSC crafting of the national policy, the present Filipino national values? What are our national values?

REP. NOGRALES (K.). Well, as far as national values in tandem with the national interest are concerned, this would be socio-political stability, territorial integrity, economic solidarity, ecological balance, cultural cohesiveness, moral and spiritual consensus, external peace and harmony.

REP. ALEJANO. I understand, Mr. Speaker, that that is part of the national interest. I will go to that later but in the meantime, I was asking about our national values as a people and in connection with this, would you agree that the following are our values as Filipinos: unang-una, hiya or sense of shame, *amor propio* or self-esteem, harmony, pakikisama, utang na loob? Would you agree with this, Mr. Sponsor?

REP. NOGRALES (K.). Yes, I agree, Mr. Speaker.

REP. ALEJANO. Thank you, Mr. Sponsor. How about being hospitable? We are known for that. Filipinos are known to be hospitable. Pakikipag-kapwa, respectfulness, respect for female members of society—are these values of Filipinos?

REP. NOGRALES (K.). They are, Mr. Speaker.

REP. ALEJANO. Thank you, Mr. Speaker. How about fear of God or being religious, abhorrence of acts of cheating and thievery, value of family or solidarity of family, security of our economy, joy and humor, are these part of Filipino values?

REP. NOGRALES (K.). Yes, they are, Mr. Speaker.

REP. ALEJANO. Thank you, Mr. Sponsor. Then, therefore, Mr. Sponsor, do you think we need to revisit our values as a people considering that we, especially here in Congress, have become more tolerant and silent on the utterances and action of the President?

REP. NOGRALES (K.). I think regardless of who the President is, whose administration it is, I think revisiting, reflecting on our values is something that every Filipino must practice regularly. Regardless of the administration, regardless of who the President is, regardless of national and economic situation, I think it is inherent in every person to constantly review and reflect on his values, Mr. Speaker.

REP. ALEJANO. Yes, Mr. Sponsor. I raised this because we heard the pronouncements of the President like, you know, we read in the news, we heard about the cursing of the President, and all of us including our children heard about this and that. I, myself, am confused whether we are now shifting to a different set of Filipino values and maybe, because of our silence and toleration on our part, maybe we have to review our values because hindi naman ho tayo nagre-react, na kahit mayroon nang nagmumura, especially ang ating Presidente e hindi ho tayo magbigay ng kaukulang aksiyon especially here in Congress.

As I have said, all policies of our country, of our government, should be based on our values. Kasi, otherwise, kung hindi ito aligned sa values natin, then it will not serve the purpose. It will not serve the interest of the Filipino people kung hindi naayon sa bina-value natin. Kaya nga po nagkaroon ng disconnect, if we hear something—hindi ho ba dito sa atin sa plenaryo, sine-censor ho natin kapagka may mga words na medyo hindi akma doon sa nakasanayan o iyong values natin.

That is why I raised that point, Mr. Speaker, Mr. Sponsor, because if we continue to be silent, and if we continue to tolerate such kinds of pronouncements, and especially from the number one person in the country, then I think we do not have that kind of values anymore, and I think we should revisit our values.

REP. NOGRALES (K.). Well, Mr. Speaker, I think the President gives a lot of importance and respect to the people who still show that they have their Filipino values intact. The President is not making any attacks against people with values. Hindi po ang mga tao na may ganyang mga Filipino values, mga katangian

na magaganda, ang kinakalaban ng ating mahal na Pangulo. Ang kinakalaban ng ating mahal na Pangulo ay ang mga tao na walang values, ang mga tao who have vices.

So, we must be able to distinguish between who the President is attacking and who the President is aligned with. The President is aligned with or is friends with—kakampi po ng Presidente ang mga Pilipino na mayroong magagandang katangian. Ang kalaban ng ating mahal na Pangulo ay iyon pong mga walang magandang katangian kung hindi puro mga bisyo lamang.

REP. ALEJANO. Thank you, Mr. Sponsor. Ang ibig ko pong sabihin, kahit sino pa po ang pinapatungkulan ng salita ng ating Presidente, ito po ay naririnig ng lahat, kasama na po ang kababaihan at kabataan. Kung ina-allow po natin, tatanungin ho tayo ng ating mga kabataan, iyan bang pagmumura, maraming anyo po iyan, paano natin maipapaliwanag, tama po ba iyan? Sa mga teachers na nagtuturo sa ating mga kabataan, hindi po nila maiintindihan kung ano ang sinasabi niya, kung kanino naka-direct iyong mga salita na iyan. Kaya nga, hindi ho ba dapat maging maingat ang ating Pangulo sa pagsabi ng ganito dahil iyong nakasanayan, sa bahay bawal ang magmura, mayroong disconnection sa Filipino values. Kaya nga po hindi sometimes maintindihan ng iilan o ng karamihan dahil hindi po ito konektado.

Just the same, Mr. Sponsor, I raised that issue because that is part of crafting national policies, especially national security policy.

I will proceed to the next question, Mr. Speaker. Would you agree, Mr. Sponsor, Mr. Speaker, that policies must serve our national interest?

REP. NOGRALES (K.). Yes, of course, Mr. Speaker.

REP. ALEJANO. I would like to mention, according to Hans Morgenthau, who was one of the major 20th century figures in the study of international politics, “The meaning of national interest is survival—the protection of physical, political and cultural identity against encroachments by other nation-states.” It has two general classifications: the first one, this is necessary or vital components of national interest; at ang pangalawa po, variable or non-vital components of national interest. Necessary or vital components ng ating national interest, again, according to Morgenthau, the vital or primary components of the national interest that a foreign policy seeks to secure are survival or identity. He subdivides identity into three parts: physical identity, political identity, and cultural identity.

I raised this question, Mr. Speaker, Mr. Sponsor,

because we have issues relating to the very identity of the country, to the very political identity of our country. In the physical identity, this includes territorial identity. The political identity—ito po iyong democratic way of life, ito iyong pinapahalagahan natin na may kalayaan, may demokrasya—means the politico-economic system and a cultural identity stands for historical values that are upheld by the nation as part of its cultural heritage. Would you agree, Mr. Sponsor, Mr. Speaker, na kapag itong vital interest ang nalagay sa balag ng alanganin, a nation can even go to war if this vital interests is compromised?

REP. NOGRALES (K.). That would be the last resort, Mr. Speaker. I do not think any nation would want to go to war, but it is not our priority, not our intention to go to war. It is not an instrument of national policy, according to the Constitution, to go to war, Mr. Speaker.

REP. ALEJANO. I understand, Mr. Sponsor, Mr. Speaker, that war is not a policy of our country, but I mentioned that we have national interests to protect and one of the classification is the vital national interest na ang ibig sabihin po nito, na kapag itong vital national interest ang malalabag ng ibang bansa, kaya po ng Pilipinas na makipag-giyera lamang upang madepensahan ang ating bansa, kahit na mayroon po tayong polisiya against war.

Ano pong example po nito? Physical identity. Kung talagang hahawakan natin, that we will not go to war with any nation, kapag na-violate iyong physical identity—that is territorial integrity, hahayaan ba natin ang ibang bansa na apakan tayo dahil ayaw nating makipag-giyera bilang polisiya?

REP. NOGRALES (K.). Again, as I mentioned, Mr. Speaker, war will be an option of last resort. The elements of our national security include sociopolitical stability, territorial integrity, economic solidarity, ecological balance, cultural cohesiveness, moral-spiritual consensus, and peace and harmony. Peace and harmony include peace and harmony among nations. If there is a threat to the territorial physical integrity of our nation, there are other ways of resolving differences with other nations besides war.

In fact, as a matter of policy, we have taken it that the state, our state shall undertake the necessary steps to ensure that the Filipino national community’s welfare, well-being, way of life, institution, territorial integrity and sovereignty are enhanced and protected. So, in other words, Mr. Speaker, as I said, in the community of nations, I believe war is an option of last resort. I think that there are other ways, more diplomatic ways of resolving conflicts, Mr. Speaker.

REP. ALEJANO. Thank you, Mr. Sponsor, Mr. Speaker. I am not saying that we will go to war and I am not saying that there are no other ways on how to resolve conflicts. I am just saying and confirming on your end, Mr. Sponsor, Mr. Speaker, that there is such a thing as vital national interest na puwede pong labagin ng ibang bansa.

Puwede nating harangan, puwedeng magkaroon ng ibang kaparaanan upang hindi malabag ito. Pero ang sinasabi ko ho na ang bansa ay kayang makipag-giyera kung ito ay nilabag na. Because in spite of our efforts—example, our issues on the West Philippine Sea—in spite of all our efforts using peaceful means ay hindi pa rin nare-resolve and on the contrary, patuloy pa ring kinakain ang ating teritoryo, ito iyong sinasabi kong ang vital interest ay dapat hindi malabag because a country can go to war in case your identity, physical identity through territorial integrity is violated.

REP. NOGRALES (K.). I think our policy is consistent with the Constitution and I state Article II, Section 2: “The Philippines renounces war as an instrument of national policy, x x x.” So, I think, Mr. Speaker, that the President is correct in continuing the diplomatic approach, and I believe that is the reason the President is going to China on the 20th and 21st of this month. We pursue peace by dealing with all nations and all, particularly the neighboring states. The military instrument is just one of the instruments but diplomacy, information, economic, legal, intelligence, fiscal, geographic, population—all of these have to be taken in context, into consideration.

REP. ALEJANO. I understand, Mr. Sponsor, Mr. Speaker. I fully agree with you and the provisions you have read are based on the Constitution. It just so happens that, you know, I am saying one thing and you are saying one thing. Ang sinasabi ko lang po, na mayroon tayong vital interest na puwedeng tayo bilang bansa—let us put it this way. In spite of all our efforts, hypothetical question, gumawa pa rin ng airstrip o ni-reclaim ang Scarborough Shoal, in spite of all our efforts, nag-encroach sila sa ating mga isla, and since we denounce war as a policy, hayaan na lang natin sila kasi, tayong mga Pilipino ay hindi talaga tayo makikipag-giyera. Kaya nga huwag na lang natin patibayin ang ating armed forces kasi, anyway, hindi naman talaga tayo makikipag-giyera.

Ang ibig ko pong sabihin na at the end of the day, I just would like to emphasize that all nations of the world have their vital national interests to protect. That is why when the interests of other country are in conflict with the interests of other country, doon po natin nakikita iyong friction and usually the friction is military. Now, if we have the mindset of saying we

do not adopt war as a policy, then iyon ang titingnan ng ibang bansa. Itong mga Pilipino hindi talaga ito pipiyok, hindi talaga ito magrereklamo, apak-apakan na lang natin ito. Iyon po iyong point ko. Even if we try all the means, peaceful means in order to avoid conflict.

REP. NOGRALES (K.). Well, let me just clarify, Mr. Speaker, that our country, our government has not abandoned any claim on the Scarborough Shoal or in any territory where we have historical and legal rights over. We are just stating for the record that according to our Constitution, our country adheres to the policy of peace, equality, justice, freedom, cooperation, and amity with all nations. Of course, obviously, Mr. Speaker, we are not an island by ourselves. We have to have good working relations with other nations, particularly our neighboring countries, and we will always adhere and we will always follow the diplomatic track in dealing with other countries and other nations. But I do agree with the Gentleman from MAGDALO Party-List that we must obviously protect our national interest, our sovereignty, our national integrity, and our national territory but as a matter of policy, the President is still following the letter and intent of the Constitution as part of the Declaration of Principles and State Policies. Perhaps when we go into the phase wherein Congress will be constituted into a constituent assembly, and we start discussing changes or amendments to the Constitution, then the Gentleman from MAGDALO Party-List would be most welcome to, of course, give his recommendations in terms of changing, amending or crafting a new set of Declaration of Principles and State Policies.

The mandate of the AFP has always been to defend. I am sure the good Gentleman from MAGDALO Party-List knows this. We will not declare war, but the AFP when called upon, will fight to defend the country.

REP. ALEJANO. Thank you, Mr. Speaker. I think hindi naman ho tayo nagkakaiba. Kanina pa ho ...

REP. NOGRALES (K.). Yes.

REP. ALEJANO. I agree, even I do not recommend going to war just because we are pissed off by another country. I agree that that should be the last resort, but again, that is still part of our option, the last resort. The moment we go to the last resort, then as a country, we should be ready the moment that that, issue will come up; our armed forces should be ready, the Filipino people should be ready because the defense of this country is the responsibility of every Filipino.

Now, I will go to my next question, Mr. Speaker, Mr. Sponsor. You have mentioned a while ago, and actually enumerated the national interests of our country. You mentioned sociopolitical stability, matibay na sociopolitical, at nasa ilalim po nito, harmony among Filipinos, nation-building under the rule of law, constitutional democracy, full respect of human rights and good governance. Would you agree with these, Mr. Speaker?

REP. NOGRALES (K.). Yes. I agree that it is part of the National Security Policy for 2011 to 2016 under sociopolitical stability.

REP. ALEJANO. Istabilidad dahil dapat mayroong rule of law, may hustisya po ang mga Pilipino at iginagalang ang karapatang pantao. Will you agree, Mr. Speaker, Mr. Sponsor, that the Philippines is signatory to the International Declaration of Human Rights?

REP. NOGRALES (K.). Yes, we are. In fact, we have gone the extra mile, Mr. Speaker. If you read our Constitution, we have, in fact, created a Commission on Human Rights to act as guard—as watchdogs in guarding the protection of human rights in our country.

REP. ALEJANO. Sa atin pong pinirmahang International Declaration of Human Rights, mayroon po ba tayong mga obligasyon na kailangang sundin, Mr. Speaker, Mr. Sponsor?

REP. NOGRALES (K.). Yes, in general terms, as signatory, then we are in full cooperation with other signatories and with other nations to that—to our obligation to safeguard the human rights of every Filipino and to respect human rights all over the world, Mr. Speaker.

REP. ALEJANO. In relation to that, hindi po ba tama lamang na makinig ang ating gobyerno sa mga hinaing na mayroong mga alleged violations of human rights sa kasalukuyang war on drugs.

REP. NOGRALES (K.). Nakikinig naman po ang ating gobyerno. In fact, whenever there are incidents of attacks against human rights, not only is the Commission on Human Rights there to investigate and even prosecute but even our investigating and prosecutorial arms of government are ready to lend a hand in the protection of human rights, Mr. Speaker.

REP. ALEJANO. It is good to hear that Mr. Speaker, Mr. Sponsor. However, I remember that Representative Baguilat has filed a resolution in the

House of Representatives to conduct investigations on the alleged violations of human rights in the conduct of war on drugs. However, up to now hindi pa rin ho nagbibigyan ng action. Maganda sana po ay matingnan ho natin kung mayroon nga ba talagang paglabag sa karapatang pantao.

REP. NOGRALES (K.). I think the proper committee will be acting forthwith. It is just that we know, Mr. Speaker, that when the budget is on the floor, no other business can be conducted by Congress but if we end today, then in the next few days, the proper committee will act on the resolution, I would surmise, Mr. Speaker.

REP. ALEJANO. Thank you for that information and encouragement, Mr. Speaker, Mr. Sponsor. I hope we would be able to have such kind of investigations here in the House of Representatives to, once and for all, dispel the notion that human rights are violated in the country.

I will go to the next one. As part of our national interest - integridad ng ating teritoryo. Tama po ba ito Mr. Speaker, Mr. Sponsor?

REP. NOGRALES (K.). Yes. Territorial integrity is one of the elements of national security.

REP. ALEJANO. Thank you, Mr. Speaker, Mr. Sponsor. Kasama po dito ay ang preservation of our exclusive economic zone and its protection from illegal incursions and resource exploitation.

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. ALEJANO. Ang ating exclusive economic zone ay 200 miles from our shore towards the sea. So mayroon po tayong napakalawak na exclusive economic zone na mayroon po tayong karapatan na magamit para sa ating mga kababayan. Lahat ng resources that could be found within the EEZ will be able to help the country and our people. Ngayon po, mayroon po tayong issue diyan, again, sa West Philippine Sea. Maitanong ko lang po. Nakapangingisda na ba ang ating mga mangingisda sa Scarborough?

REP. NOGRALES (K.). Yes, partly, Mr. Speaker. I think, I would suppose that is also one of the sensitive topics to be discussed by the President in his forthcoming visit to China.

REP. ALEJANO. Thank you, Mr. Speaker, Mr. Sponsor. The next one is economic solidarity. Ito iyong pagbubuklod para sa matibay na ekonomiya; and then ecological balance o balanseng pangangalaga ng

ating kalikasan. The cultural cohesiveness, mayroon po tayong collective sense of value to the principles of freedom and human dignity of a person. Would you agree with these, Mr. Speaker, Mr. Sponsor?

REP. NOGRALES (K.). Yes, Mr. Speaker, again, they are part and they are included in the elements of national security.

REP. ALEJANO. Iyong pagbibigay ng value sa human dignity and human life, kasama po ba iyan sa ating national security?

REP. NOGRALES (K.). Yes. Giving value to human dignity is part of cultural cohesiveness.

REP. ALEJANO. Iyong mga suspect ng illegal drugs, kasama po ba sila—ang kanilang karapatan at kanilang dignidad ay ating dapat mapangalagaan?

REP. NOGRALES (K.) Yes, Mr. Speaker. We have laws and rules and in fact, the Constitution provides that any one is presumed innocent until proven otherwise. They have rights under our Constitution and the government is there to protect the rights of any Filipino, even those suspected of committing crimes.

REP. ALEJANO. Thank you, Mr. Speaker, Mr. Sponsor. I think right now I would not agree that due process and the rule of law are being observed especially in this war against drugs. Nonetheless, Mr. Speaker, you have stated your answers earlier. So I will just ...

REP. NOGRALES (K.) May I just point out, Mr. Speaker that as far as there are, there have been—if there is a question about whether the rights of suspected criminals have been violated or there was sudden abuse of their rights, we have the Internal Affairs Service of the PNP which is there to investigate the police. The CIDG is there to investigate killings of unidentified suspects. The NAPOLCOM is there also to investigate the police. The Ombudsman is also there to investigate government officials. So, we have these institutions in place to curb any abuses by any government official or government agency in this war against drugs, crime, and terrorism.

REP. ALEJANO. I am afraid, Mr. Sponsor, Mr. Speaker, that these institutions somehow are limited in this process of implementing the war on drugs. Instead of strengthening these institutions, they have become, I believe, weaker as we cut short the process of finding justice in this country and I stated that because that is part of the national interest and has an implication on

national security. If people do not see that the rule of law and due process are observed, then we will have internal instability but again, I respect your opinion, Mr. Sponsor, Mr. Speaker.

I will go to my next question. Mr. Sponsor, Mr. Speaker, would you please tell us how we can secure this national interest?

REP. NOGRALES (K.). To secure the national interest, we have the government as our ally and the instrumentalities of government to put into effect our national security policy.

REP. ALEJANO. Thank you, Mr. Sponsor, Mr. Speaker.

Mayroon pong limang kaparaanan kung paano ma-achieve natin iyang ating national interest. However, I will discuss just two of these methods.

First, diplomacy is a means of national interest. Diplomacy is a universally accepted means of securing national interest. It is through diplomacy that a foreign policy of the nation travels to other nations. It seeks to secure the goals of national interest. Diplomats establish contacts with the decisions makers and diplomats of other nations and conduct negotiations for achieving the desired goals and objectives of national interest of their nation.

Ang pangalawa po ay alliances and treaties. Alliances and treaties are concluded by two or more states for securing their common interests. This device is mostly used for securing identical and complementary interests. However, even conflictual interests may lead to alliances and treaties with like-minded states against the common rivals or opponents. In line with this, Mr. Sponsor, Mr. Speaker, are the adversarial pronouncements of the President against the United Nations, European Union, and the United States who are our traditional allies and even treaty allies, degrade our relationships with them and thus put our national interest at stake?

REP. NOGRALES (K.). Well, our country's foreign policy, Mr. Speaker, consists of self-interest strategies chosen by the state to safeguard its national interest and to achieve goals within its international relations milieu. Part of our State Policies, as enshrined in the 1987 Constitution, Article II, Section 7 states that we should pursue an independent foreign policy. So, in relations with other states, our paramount consideration should always be national sovereignty, territorial integrity, national interest, and our right to self-determination. In other words, Mr. Speaker, it is not for any state or any country to dictate to us what foreign policies we must pursue. As a sovereign and independent state, we are free to pursue our own foreign policies, Mr. Speaker.

REP. ALEJANO. Thank you, Mr. Speaker, Mr. Sponsor. You have mentioned independent foreign policy. Can you please tell us, Members of this House, what is independent foreign policy?

REP. NOGRALES (K.). Again, reading from the Constitution, basically, it means that in our relations with other states, we must always put as our paramount consideration our national sovereignty, territorial integrity, our national interest, and the right to self-determination. So, independent foreign policy simply means, Mr. Speaker, that we must pursue a policy free from any influence of any other country.

REP. ALEJANO. Thank you, Mr. Sponsor, Mr. Speaker. I believe that our foreign policy or independent foreign policy should serve the national interest. That is the primordial objective of our policy, to serve our own national interest. The moment you are forced to do something to the detriment of your national interest, then that is dependence and subservience. Will you agree, Mr. Speaker?

REP. NOGRALES (K.). Yes, Mr. Speaker, especially if you are doing it under the dictates of other nations, under the dictates or the influence of other governments other than your own. Again, your primordial consideration must be the welfare of the Filipino people and not any other people in the world or any other nationality in the world.

REP. ALEJANO. I understand, Mr. Speaker that independent foreign policy is not about isolation. I have said that there are ways on how to achieve our national interest and part of these are diplomacy, alliances and treaties. Now, Mr. Speaker, for me, independent foreign policy is about serving our national interest. Even if I align myself with the interests of other countries, as long as my national interest is served, it does not matter if I align myself with other countries because kasama po iyan na nakikipag-alyansa po tayo, nakikipag-diplomasya para lamang ma-serve ang national interest.

Ngayon po, take for example, Israel. Puwede ba nating masabi ang Israel ay talagang walang kalayaan sa kanilang foreign policy dahil almost 90 percent ay nakabase o nakadepende sa United States? I do not think so because Israel is surrounded by Arab states at karamihan po dito ay kalaban ng Israel; and because ang national interest niya ay ang kanyang identity, ang kanyang teritoryo, he has to align with other countries that would be able to protect his country and survive. Kaya nga po, hindi ibig sabihin ng independent foreign policy ay i-isolate natin ang ating sarili at hindi na po natin kailangan ang ibang bansa.

In relation to that, Mr. Speaker, Mr. Sponsor, on almost every occasion, the President, well, does not

fail to hurl invectives and insults to these nations I mentioned and international organizations. The President even said that he is about to cross the Rubicon when it comes to our relationship with the United States. Should we sever our ties with the United States and even the EU? Would the National Security Adviser know its implication to our economy, to our defense and our security, Mr. Speaker?

REP. NOGRALES (K.). I think, Mr. Speaker, we must reconcile the two sections in the Constitution—Section 2 of Article II which states that we adhere to a policy of cooperation and amity with all nations; and Section 7 wherein we must pursue an independent foreign policy and of primordial consideration is our right to self-determination.

So, it is a sensitive balance in harmonizing Section 2 and Section 7 of Article II of our Constitution and in balancing and harmonizing those two sections, the President is saying that we will cooperate, we will be friendly with all nations regardless of whatever nation that is whether it is a super power, whether it is a major power, or whether it is a small nation, we will adhere to cooperation and amity with all nations; but when it comes to executing our laws in our country, other nations must also respect the independence and self-determination of this country and our government.

Iyon lang po ang sinasabi ng ating mahal na Pangulo.

REP. ALEJANO. So, ang ibig pong sabihin na iyong lahat na ginagawa ng ating Presidente sa pagka—well, iyong mga pronouncements against the United States, UN and EU are parts of that provision, Mr. Speaker, na ang ibig sabihin noon dahil kailangan ho natin ng independence o independent foreign policy, kailangan nating murahin sila, Mr. Speaker.

REP. NOGRALES (K.). Well, as the President of the United States said, he has accepted that our President has a very colorful language, so, kasama na po iyan sa amity and cooperation. Dapat intindihin natin, intindihin nila ang ating Pangulo tulad ng ating pag-intindi ng mga pangulo ng iba't ibang bansa.

REP. ALEJANO. Thank you, Mr. Speaker. Nabanggit ko lang ho iyon dahil, natural, lahat ho tayo ay nako-confuse at nababahala sa mga pronouncements because any word that comes out from the mouth of our President is a policy. Hindi po iyan joke lang na puwedeng bawiin at i-interpret ng mga Secretaries. Anything that the President says becomes part of the policy of our country, at hindi lang po local audience ang nandiyan kung hindi international communities.

Now, I will go to my next question, Mr. Speaker. I will not anymore belabor that issue, but I would like to emphasize that these pronouncements have implications on our country. Hindi po ito biro lamang.

I will just mention, briefly. Sa ating OFW, mayroon po tayong around 25 billion last year and around 40 percent ng remittances ng ating OFW ay nanggagaling sa United States. Puwede pong maapektuhan iyan, just in case. Ang trade po natin sa EU ay around \$14.5 billion. Sa United States, mayroon po tayong around 20 billion total trade last year. Pagdating po naman sa BPO industry, na kung saan ang West ang ating kliyente, ay umaabot ng 25 billion, aabot ng 25 billion sa ngayong taon 2016. Ito rin ay posibleng magiging collateral damage at ang BPO industry po natin ay mayroong 1.2 million jobs.

Kaya nga ho importante sa National Security Council, National Security Adviser na titingnan iyong mga implication ng sinasabi ng ating Pangulo dahil mayroong implications sa seguridad. Kapag nawalan po ng investment, nawala iyong mga negosyo, nawalan po ng trabaho, tayo pong lahat ang apektado.

Nonetheless, Mr. Speaker, I will proceed to my next question. I understand that you have limited time, that is why I opted to interpellate in the plenary because in the Committee, you only have three to five minutes, and these are very important issues in the country.

I will go now to my next question. Can the Sponsor, Mr. Speaker, brief on of the current threats to national security? Ano pa po iyong mga threats to national security natin? Dalawa po iyan, external threats at saka internal threats. Mayroon po ba tayong update diyan para malaman ng taong-bayan, ano po bang mga threats sa atin?

REP. NOGRALES (K.). In general terms, terrorism, illegal drugs, criminality, and territorial dispute, Mr. Speaker.

So, in the internal environment, we have internal armed conflicts like the communist insurgency, secessionist movement, terrorism, criminality, graft and corruption, partisan armed groups, poverty. Then, in the external, we have international terrorism, transnational crimes, illegal drugs, piracy at sea trafficking of small arms, cybercrimes, climate change and global warming, environmental degradation, disasters and crisis, health concerns; of course on resource issues—food security, human resources and energy resources, Mr. Speaker.

REP. ALEJANO. Thank you, Mr. Sponsor, are those the internal security threats; do they include the external threats?

REP. NOGRALES (K.). I already enumerated both internal and external threats, Mr. Speaker.

REP. ALEJANO. I just would like to clarify if China is still part of our external national security threats?

REP. NOGRALES (K.). Well, again, I go back to Section 2, Article II of our Constitution that we must cooperate and be friendly with all nations. We have to agree that China is rising as the world's second largest in economy; it surpassed Japan. They have a huge population. They are going rapidly in terms of industrial and technological breakthroughs. We include China whenever we talk about our foreign policy, Mr. Speaker.

REP. ALEJANO. I just would like to get a direct answer from the Sponsor: threat po ba sila sa ating bansa? Iyon lang naman po ang aking tanong—if they are part of the external national security threats to our country.

THE DEPUTY SPEAKER (Rep. Abu). May I remind the distinguished Gentleman from MAGDALO Party-List about our provision and our internal rules in Section 91 that we are only allowed not more than one hour in a debate or questioning.

REP. ALEJANO. Thank you, Mr. Speaker. I am going to the last part of my interpellation, Mr. Speaker. Thank you for the indulgence.

REP. NOGRALES (K.). I am not prepared to make that categorical statement. I would rather that we continue to engage China in diplomatic talks. We have engaged China in trade relations. We have engaged China in diplomatic relations and I will not make any statement that will be to the detriment of our national interest, Mr. Speaker.

REP. ALEJANO. I agree that we should continue to open up diplomatic avenues to China. Nakakagulat lang po na hindi masagot ng National Security Council o National Security Adviser na iyong China ay threat sa ating bansa. If that is the answer of our Sponsor, then magkakaroon po tayo ng problema when it comes to dealing with other countries dahil hindi po natin alam kung kalaban ba o hindi. But again, gusto ko lang i-emphasize that we have standing claims in Panatag Shoal and in Spratly Islands, at ang China po ang nag-reclaim niyan. Kung hindi natin tinitingnan na aggressive at threat sa atin iyan, then kawawang bansa naman ang Pilipinas.

Secondly, ...

THE DEPUTY SPEAKER (Rep. Abu). With due respect to the interpellator, unless there will be a motion to extend his time limit to question the Sponsor, I will allow him to question or debate with the Sponsor. In

the meantime, there is no motion for the extension of his time, so may I appeal to the Gentleman to please wind up his interpellation.

REP. ALEJANO. Thank you, Mr. Speaker. As I have mentioned awhile ago, I am now on the last part of my interpellation. Since this is very important issue in our country, affecting our country, I hope that the Chair would allow this Representation to finish my interpellation, considering the fact that I have not conducted any interpellation on other agencies of government. I know your timeline, but I hope that you would give me some leeway in this interpellation, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). Okay, I will give you only two minutes.

REP. ALEJANO. Well, iyon nga po ang nakakalungkot na pati dito sa plenaryo ay may limit na rin po ang pag-i-interpellate. Nonetheless, I am a good soldier and I will abide by the rules.

Again, tanong ko lang po, Mr. Sponsor: ang Communist Party of the Philippines, New People's Army and NDF, threat ba ho sila sa national security?

REP. NOGRALES (K.). I think we have to be a little sensitive in our pronouncements here in Congress, Mr. Speaker. As the good Gentleman knows, there are ongoing peace talks and negotiations with the CPP-NPA-NDF, and I am not ready to make a categorical answer to his question, Mr. Speaker

REP. ALEJANO. Thank you, Mr. Sponsor. I understand and I appreciate that we have an ongoing talks with the CPP-NPA-NDF and I support that actually. I just would like to clarify whether they are still threats because all the funds of our government will be utilized and allocated to the specific security threats, Mr. Sponsor.

Pang-huli na lang po, Mr. Speaker, thank you for this opportunity. Gusto ko lang i-emphasize po that right now, I am saddened by the fact that we are not willing to state what are the threats to national security. Kasama po tayong lahat na mayroong concern sa ating bansa and we have given too much leeway on the part of the CPP-NPA-NDF, considering the fact they are now part of the government. Actually they are holding sensitive positions in the government and considering the fact that there is no agreement as to the leniency of their power, then it is just logical that they are going to use their power, their resources in order to pursue their common objective and their ultimate objective. Wala pa pong peace agreement with the CPP-NPA-NDF. Wala pa pong conclusion. Dalawa

pa po ang puwedeng mangyari diyan—puwedeng mag-fail o puwedeng mag-succeed. However, we should be careful because in the past, nag-fail po ang ating peace talks, that is why we should learn from the lessons of the past. Now, they are part of the government and it is very dangerous on the part of the government to allow members of the CPP-NPA-NDF to get hold of the billions of pesos in their disposal. I would like to remind this august Chamber that the CPP-NPA-NDF are one in that they are working for a common objective, that is, to topple the government and replace the present system with their own system which is communism. This is just a warning, Mr. Speaker, Mr. Sponsor, even if I fully support our peace talks and I hope that it will be consummated. So, thank you, Mr. Sponsor, for the opportunity,

Mr. Speaker, thank you. Good afternoon.

THE DEPUTY SPEAKER (Rep. Abu). Thank you, honorable Gentleman.

The Floor Leader is recognized.

REP. NOGRALES (K.). Thank you, Mr. Speaker.

REP. GARIN (R.). Mr. Speaker, before we recognize the next interpellator, let us also acknowledge the presence of our guests from the National Security Council, Director General Hermogenes C. Esperon Jr., National Security Adviser; Deputy Director General Rufino S. Lopez, Jr.; Deputy Director General Vicente M. Agdamag; Assistant Director General Filonila D. Balitaan; Assistant Director General Ray Roderos; Assistant Director General Ma. Carmina B. Acuña and Assistant Director General Lorenzo A. Clavejo.

THE DEPUTY SPEAKER (Rep. Abu). Guests from the National Security Council, please rise. Welcome to the House of Representatives. *(Applause)*

The Floor Leader is recognized.

REP. GARIN (R.). Mr. Speaker, I move that we recognize again the Congressman of the Third District of Quezon, our Minority Leader, Hon. Danilo E. Suarez, for his interpellation.

THE DEPUTY SPEAKER (Rep. Abu). We recognize for his continuation of interpellation, the Representative from the Third District of Quezon, Minority Leader Danilo E. Suarez, to interpellate the distinguished Sponsor on the budget for the National Security Council and National Intelligence Coordinating Agency.

REP. SUAREZ. Thank you, Mr. Speaker. Distinguished Sponsor, the last question that I

raised on the working coordination of NICA as they said that they, all of the intelligence reports gathered and submitted to the NICA so the question is, do they just read it? Do they react? Do they give comments? Then after doing those procedures, to whom do they submit that paper?

REP. NOGRALES (K.). There is what you call an “intelligence cycle” and part of the intelligence cycle is that they verify these intel reports. Among those that they submit to, the intel reports that have been verified, are the President and the National Security Council.

REP. SUAREZ. So, in a nutshell, distinguished Sponsor, the National Security Council, in the event that there is necessity, will be the one to present the issue to the President. Am I correct there?

REP. NOGRALES (K.). Yes, Mr. Speaker. Actually, the National Security Council exercises oversight functions over the NICA or the National Intelligence Coordinating Agency.

REP. SUAREZ. Just for comfort level, Mr. Speaker, distinguished Sponsor, does the NICA have in their memory bank character records of sensitive personalities in the country?

REP. NOGRALES (K.). It is classified as “Confidential,” Mr. Speaker.

REP. SUAREZ. So I just would like to find out if my name is there.

REP. NOGRALES (K.). Yes, they do. They do have in their record bank.

REP. SUAREZ. I hope they are with meaning and (*Laughter*)—Nevertheless, Mr. Speaker, distinguished Sponsor, the budget being asked for such a very important agency is not really big. I am just surprised at how they can perform well, considering the proposed budget for 2017 for such a task, the National Intelligence Coordinating Agency and National Security Council, of reporting to the President on the status of our country’s standing.

Nevertheless, Mr. Speaker, on behalf of the Minority, we do not have any more question to raise on the proposed budgets of the National Intelligence Coordinating Agency and the National Security Council. I so move.

THE DEPUTY SPEAKER (Rep. Abu). The Floor Leader is recognized.

REP. GARIN (R.). Mr. Speaker, on behalf of the Majority, we join the Minority in terminating the period of interpellation and debate on the budget of the NICA, N-I-C-A and the NSC, National Security Council.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the period of interpellation and debate, upon the joint motion of the Minority and Majority, on the budget of the National Security Council and the National Intelligence Coordinating Agency is hereby terminated.

The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we begin the consideration of the budget of the Presidential Management Staff.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. GULLAS. Before we continue, we would like to acknowledge the presence of the acting head of the Presidential Management Staff, Ferdinand B. Cui Jr.

THE DEPUTY SPEAKER (Rep. Abu). May I request the guest from the Presidential Management Staff to please rise, and welcome to the House of Representatives. (*Applause*)

#### PRESIDENTIAL MANAGEMENT STAFF

REP. GULLAS. Mr. Speaker, I move that we recognize the honorable Chairman of the Committee on Appropriations, the Hon. Karlo Alexei B. Nograles, to sponsor and answer questions, if any, on the budget of the Presidential Management Staff.

THE DEPUTY SPEAKER (Rep. Abu). The honorable Chairman of the Committee on Appropriations, Rep. Karlo Alexei B. Nograles, is hereby recognized.

REP. NOGRALES (K.). Thank you, Mr. Speaker. For the Presidential Management Staff or PMS, total obligations proposed is P412.5 million, of which, P393.8 million is the new appropriations.

We are ready to answer any questions from any Member of the House of Representatives, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we recognize the Hon. Antonio L. Tinio of ACT Teachers Party-List for his interpellation.

THE DEPUTY SPEAKER (Rep. Abu). The honorable Cong. Antonio L. Tinio is recognized.

REP. TINIO. Thank you, Mr. Speaker.

Magandang hapon sa kagalang-galang na Chairperson ng Committee on Appropriations.

Isang tanong lang po. Well, una, noong nakaraang administrasyon po matapos ang bagyong Yolanda at bilang tugon ng Aquino administration sa kalagayan ng daan-daan libong, in fact, milyong mga kababayan natin na naging biktima ng Yolanda, nangako po ang Aquino administration, particularly ang Office of the President, na magbibigay ng partikular na tulong sa mga government employees, mga empleyado ng national government na nasalanta ng bagyong Yolanda.

Ang kongkreto, ang naging commitment ay magbibigay ng P100,000 financial assistance para sa mga government employees na totally damaged ang kanilang tirahan dahil sa bagyong Yolanda. At P30,000 para sa mga government employees na may partial damage sa kanilang mga tirahan. So, dahil dito ay nag-execute o pumirma na ng mga Deed of Donation sa pagitan ng Office of the President at ng iba't ibang ahensiya ng gobyerno para sa mga empleyado nila.

Sa kaso halimbawa ng Department of Education, ang mga empleyado ng Department of Education, ibig sabihin mga public school teachers at non-teaching personnel ng Department of Education, nakakadalawang batches na po ang na-identify na mga empleyado nila na biktima ng Yolanda mula sa Tacloban, mula sa Leyte o Eastern Visayas province, mula sa Northern Iloilo, sa probinsiya ng Capiz at sa iba pang mga bahagi ng Visayas hanggang MIMAROPA na direktang tinamaan ng Yolanda. At mula 2013 ay nagkaroon na po ng, sabi ko nga, may two batches na na-identify tapos may release na first tranche. So, kalahati ng pinangakong amount ang nabayaran. Sa bahagi ng mga empleyado, pinag-submit na po sila ng liquidation, ibig sabihin mga resibo para patunay na mayroon nga silang naging damage na nagkakahalaga ng P100,000 for totally damaged at P30,000 for partially damaged.

Ang problema po, Mr. Speaker at kagalang-galang na Sponsor, hanggang ngayon po, magtatatlong taon na mula nang nasalanta sila ng Yolanda, first tranche pa lamang po ang kanilang natatanggap kaya halos araw-araw po ay may natatanggap po tayong texts, mga email, mga communication, especially from these teachers and other government employees in the Yolanda-stricken areas, nagtatanong po kung ano na ang nangyari sa ipinangako ng Office of the President at nangangamba na dahil bago na ang administrasyon, baka nakalimutan na po ito.

So, maaari po bang maitanong, Mr. Speaker, kung ano na po ba ang status ng financial assistance na ito at makakaasa pa po ba ang mga government

employees na biktima ng Yolanda na maibibigay iyong buong amount na na-commit sa kanila ng nakaraang administrasyon?

REP. NOGRALES (K.). Mr. Speaker, I would like to assure the good Gentleman from ACT Teachers Party-List na hinding-hindi po nakalimutan ni Pangulong Duterte ang kalagayan ng ating mga empleyado.

It is unfortunate, Mr. Speaker, that I have to report that under the previous administration about 71,233 employees of the national government who were affected by typhoons Sendong, Pablo and Yolanda, and the 7.2 magnitude earthquake in 2013 were provided calamity assistance from the President's Social Fund.

Totoo po ang sinabi ng kagalang-galang na Representante ng ACT Teachers na ito po ay consisting of two tranches. Subalit ikinalulungkot ko pong sabihin na ang tanging na-release lamang ay iyong first tranche. Only the first tranche of the financial assistance was released, at ang second tranche ay nakatengga pa, hindi pa po naka-release and the reason for that, Mr. Speaker, unfortunately, the first tranche of the financial assistance has not yet been fully liquidated by partner agencies. In our practice of disbursing funds, unless you have liquidated the first tranche, then you cannot liquidate the second and the other tranches, so on and so forth.

So, ikinalulungkot ko pong sabihin, Mr. Speaker, that the first tranche has not yet been liquidated by the partner agencies, and that is the reason the second tranche has not yet been released. Let me just state for the record that the Office of the President under this new administration is currently reviewing the processing of the financial assistance including the liquidation of the first tranche of the financial assistance. So, hindi po nakakalimutan ni Pangulong Duterte ito pong dapat nating ibigay na tulong sa mga national government employees natin, at ito po ay tinututukan po talaga ng ating bagong administration at tinututukan talaga ng ating mahal na Pangulo.

REP. TINIO. Maraming salamat, Mr. Speaker, G. Sponsor, sa paglilinaw na iyan.

Una po, napakahalaga po ng assurance na ibinigay ninyo na hindi nakakalimutan ng administrasyong ito at ni Pangulong Duterte ang commitment sa mga biktima ng Yolanda at iba pang kalamidad, at makatitiyak sila na mababayaran ng buo ang financial assistance na ito, partikular iyong second tranche.

Gayunpaman, Mr. Speaker, nababahala rin tayo na on record, ang dahilan kung bakit hindi pa nare-release ang second tranche ay iyong non-liquidation ng ilang mga ahensiya. So, kung sa kaso noong mga teacher na umuugnay sa atin, di mukhang ang responsibilidad ay nasa Department of Education.

Nababahala tayo partikular dito dahil nga ang ulat sa atin from the field ay on the individual level, nagbigay na po sila noong mga kinauukulang documentation at resibo para sa liquidation. So, obviously, ang bara ay nasa administrasyon na po, nasa ahensiya na, sa level na ng ahensiya at hindi na sa level ng indibidwal.

Mr. Speaker, sana po ay makakuha po tayo ng commitment sa—well, whether sa PMS, sa Office of the President, at kahit sa Kapulungang ito na kumilos po tayo, kalampagin na po natin ang mga kinauukulang ahensiya ng gobyerno dahil magtatatlong taon na po ay hindi pa nakukompleto ng gobyerno ang commitment nilang tutulungan ang mga nasalanta ng Yolanda at iba pang kalamidad.

Alam ko po na sa ibang mga pagkakataon ay isa sa mga ipinangako ito ni Pangulong Duterte na iwawasto niya ang naging mabagal na tulong ng nakaraang administrasyon sa mga biktima ng Yolanda.

So, hopefully, Mr. Speaker, Congress and the Executive can work together to finally give what is due the victims of Yolanda, Mr. Speaker.

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. TINIO. Maraming salamat po. Iyon lamang.

REP. NOGRALES (K.). Thank you sa kagalang-galang na Representante ng ACT Teachers Party-List. Makakaasa po kayo, katunggali ninyo po ako, kasama ninyo po dito na tutukan natin ito.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we recognize the Hon. John Bertiz.

THE DEPUTY SPEAKER (Rep. Abu). Rep. Aniceto “John” D. Bertiz III is recognized.

REP. BERTIZ. Thank you, Mr. Speaker. Thank you, Deputy Speaker.

There being no other member of the Minority who wishes to ask questions on the budget of the PMS, on the part of the Minority, Mr. Speaker, I move to terminate the period of interpellation and debate on the budget of the PMS. I so move, Your Honor, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, on behalf of the

Majority, we join the Minority in its motion terminating the period of sponsorship and debate on the budget of the Presidential Management Staff.

THE DEPUTY SPEAKER (Rep. Abu). There is a joint motion from the Majority and the Minority to terminate the period of interpellation and debate on the budget of the Presidential Management Staff. Is there any objection? (*Silence*) The Chair hears none; the period of interpellation and debate on the budget of the Presidential Management Staff is hereby terminated.

The Floor Leader is recognized.

REP. ORTEGA (V.). Mr. Speaker, I move that we begin the consideration of the budget of LEDAC or the Legislative-Executive Development Advisory Council.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. ORTEGA (V.). Before that, Mr. Speaker, I would like to acknowledge the presence of the supervising officer, Director Roweena M. Dalusong.

THE DEPUTY SPEAKER (Rep. Abu). May we acknowledge the presence of the officials from the Legislative-Executive Development Advisory Council. Please rise. Welcome to the House of Representatives. (*Applause*)

#### SUSPENSION OF SESSION

REP. ORTEGA (V.). Mr. Speaker, I move that we suspend the session for a few minutes.

THE DEPUTY SPEAKER (Rep. Abu). The session is suspended.

*It was 3:12 p.m.*

#### RESUMPTION OF SESSION

*At 3:12 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

REP. ORTEGA (V.). Mr. Speaker, I move that we recognize the Gentleman from the First District of Davao City, Karlo Alexei B. Nograles, to sponsor and answer questions, if any, on the budget of LEDAC.

THE DEPUTY SPEAKER (Rep. Abu). The

Chairman of the Committee on Appropriations, the Hon. Karlo B. Nograles, is hereby recognized.

LEGISLATIVE-EXECUTIVE DEVELOPMENT  
ADVISORY COUNCIL

REP. NOGRALES (K.). Thank you, Mr. Speaker. We are ready to answer any questions with regard to the budget of the Legislative-Executive Development Advisory Council.

THE DEPUTY SPEAKER (Rep. Abu). The Floor Leader is recognized.

REP. ORTEGA (V.). Mr. Speaker, I move to recognize the Gentleman from AGRI Party-List, Cong. Orestes T. Salon, for his interpellation.

THE DEPUTY SPEAKER (Rep. Abu). The Hon. Orestes Salon from the AGRI Party-List is recognized.

REP. SALON. Thank you, Deputy Speaker.

Mr. Speaker, on the part of the Minority, there would be no more interpellators, so I move to close the period of interpellation and debate on the Legislative-Executive Development Advisory Council. I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Floor Leader is recognized.

REP. ORTEGA (V.). Mr. Speaker, on behalf of the Majority, we join the Minority in terminating the period of interpellation and debate on the budget of the Legislative-Executive Development Advisory Council.

THE DEPUTY SPEAKER (Rep. Abu). There is a joint motion from the Majority and the Minority to terminate the period of interpellation and debate on the budget of the Legislative-Executive Development Advisory Council. Is there any objection? *(Silence)* The Chair hears none; the period of interpellation and debate on the budget of the Legislative-Executive Development Advisory Council is hereby terminated.

The Floor Leader is recognized.

REP. ORTEGA (V.). Mr. Speaker, I move that we begin the consideration of the budget of the Anti-Money Laundering Council.

THE DEPUTY SPEAKER (Rep. Abu). Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

REP. ORTEGA (V.). Before we begin, Mr. Speaker, I would like to acknowledge the presence of the Executive Director of the Anti-Money Laundering Council, Atty. Julia Bacay-Abad.

THE DEPUTY SPEAKER (Rep. Abu). Atty. Julia Bacay-Abad of the Anti-Money Laundering Council, please rise. Welcome to the House of Representatives. *(Applause)*

The Floor Leader is recognized.

REP. ORTEGA (V.). Mr. Speaker, I move that we recognize the Gentleman from the Second District of Albay, Cong. Joey Sarte Salceda to sponsor and answer questions, if any, on the budget of the Anti-Money Laundering Council.

THE DEPUTY SPEAKER (Rep. Abu). The honorable Gentleman from Albay, Cong. Joey Salceda is recognized to sponsor the Anti-Money Laundering Council budget.

ANTI-MONEY LAUNDERING COUNCIL

REP. SALCEDA. I am ready to answer questions, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Floor Leader is recognized.

REP. ORTEGA (V.). Mr. Speaker, I would like to recognize the Hon. H. Harry L. Roque Jr. of KABAYAN Party-List for his interpellation.

THE DEPUTY SPEAKER (Rep. Abu). The Gentleman from KABAYAN Party-List, the Hon. H. Harry Roque is recognized.

REP. ROQUE (H.). Thank you, Mr. Speaker. Thank you, Deputy Speaker.

Would the good Sponsor yield to a few points of interpellation on the budget of the Anti-Money Laundering Council.

REP. SALCEDA. Yes, Mr. Speaker.

REP. ROQUE (H.). Well, Mr. Speaker, I am fully cognizant of the law that not only created the Anti-Money Laundering Council but also provides for the functioning of the Anti-Money Laundering Council. I am fully cognizant of the fact that the workings of the AMLC, because it is an exemption to the general rule that there is secrecy in bank transactions, should also be conducted with utmost—in a confidential basis.

My first question though, Mr. Speaker, is, I recall that in the instance of then Vice President Jejomar “Jojo” C.

Binay, for some reason the media got hold of a copy of alleged bank accounts of then Vice President which were said to have been frozen by the AMLC, and this is despite the provision in our law enacted by this Congress that these transactions shall be absolutely confidential.

May I know, Mr. Speaker, from the Sponsor, how this confidential piece of information was obtained by the media knowing fully well the policy of absolute confidentiality in the functioning of the AMLC?

REP. SALCEDA. Well, as you already said, Mr. Speaker, they have the authority and duty to freeze accounts that are subject to suspicion or investigation, so they have to file with the court. So, apparently, Mr. Speaker, the only potential source of that leakage by the media are court records, and no other, Mr. Speaker.

REP. ROQUE (H.). Court records. So, Mr. Speaker, the good Sponsor is not considering the possibility that this information was, in fact, leaked by the AMLC itself. I understand that at the time of the leakage of this information, the case still had to be filed with the Court of Appeals. Meaning, it is only AMLC, as the petitioner, that had the information on what alleged bank accounts were to be frozen.

REP. SALCEDA. The Chief of AMLC says definitely they did not leak it to the media, that the only potential source of release is really through their filings with the court, Mr. Speaker.

REP. ROQUE (H.). Well, I am very, very intrigued, Mr. Speaker, by this answer because a couple of years ago, I was compelling the same office, AMLC, to freeze the property of the Ampatuan clan on the basis of COA reports issued, attesting to the malversation of billions and billions of taxpayers' money in the ARMM region. After three long years of having sued initially the AMLC just to freeze the assets of the Ampatuans, a case was finally initiated in court and, Mr. Speaker, guess what? We were not even provided access to the court records in the Regional Trial Court. I say this, Mr. Speaker, to highlight the fact that it is highly unlikely that any leakage on any AMLC matter will originate from the courts.

Nonetheless, Mr. Speaker, I am sure that the Supreme Court and the Court Administrator will not appreciate the answer of the Executive Director of the AMLC attributing leakage to our courts.

REP. SALCEDA. With due respect, Mr. Speaker, Your Honor, to somebody I fully respect, having been the author of the three laws which eventually fell into my authorship, your point number two proves the answer to number one. The mere fact that the AMLC did not give you the records proves that they are so strict and the only potential leak would be the court records, Mr. Speaker, Your Honor.

REP. ROQUE (H.). Mr. Speaker, let me clarify my statement. It was the court that insisted on confidentiality and not the AMLC. It was the court that denied us access to even court records that were filed upon our prompting, having sued the AMLC for dereliction of duty for failure to freeze these assets. So, it is the court that ensured confidentiality and not the AMLC. That is why I find it difficult to accept the answer of the good Sponsor that the leakage could have been from our courts.

REP. SALCEDA. I guess we are in the realm of possibilities, Mr. Speaker, Your Honor. The AMLC Executive Director is right here beside me and she definitely denies releasing any records on the Binay case filed in court. So, there is only one and I guess, Mr. Speaker, Your Honor, I do not know what recourse there is, to find out whether it is really the court that released the records of the Binays to the media, Mr. Speaker, Your Honor.

REP. ROQUE (H.). May we know from the good Sponsor if there was any investigation conducted by the AMLC on this leakage? This was not an ordinary leakage, Mr. Speaker, it was the banner story of the country's biggest newspaper.

#### SUSPENSION OF SESSION

REP. SALCEDA. May I ask for a one-minute suspension, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). The session is suspended.

*It was 3:23 p.m.*

#### RESUMPTION OF SESSION

*At 3:24, the session was resumed.*

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

REP. SALCEDA. In one simple language, Mr. Speaker, Your Honor, yes, they did an internal investigation.

REP. ROQUE (H.). What action, if any, Mr. Speaker, did the AMLC do it as a result of its investigation?

REP. SALCEDA. The result of the investigation is that it could not come from them or from any of their personnel, Mr. Speaker, Your Honor.

## SUSPENSION OF SESSION

REP. SALCEDA. May I ask for a one-minute suspension of the session, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). The session is suspended.

*It was 3:24 p.m.*

## RESUMPTION OF SESSION

*At 3:25 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

REP. SALCEDA. Mr. Speaker, Your Honor, this is what you might call a legal vacuum in the sense that what would a petitioner do if it is his suspicion that it is the court that is releasing the records? So, Your Honor, Mr. Speaker, I do not know what recourse under our entire universe of law, whether local or universal laws, would allow the AMLC to essentially, as an institution, seek clarification from the court on how those records were able to find their way into the biggest broadsheet in our country, Your Honor, Speaker. So, the long and the short of it, Your Honor, Mr. Speaker, they are convinced themselves that it could not come from them but they could not do—there is no recourse for them with respect to action that may be taken against the court, Your Honor, Mr. Speaker.

REP. ROQUE (H.). Mr. Speaker, may I know from the good Sponsor if they initiated a complaint in the court where they suspected the leak to have come from in order for the court to conduct its own investigation?

REP. SALCEDA. No, Your Honor, Mr. Speaker.

REP. ROQUE (H.). May I know, Mr. Speaker, why they did not take any such step knowing that the entire integrity of the AML was compromised when the basic principle of confidentiality was breached in the manner that it was in that instance?

REP. SALCEDA. Because we cannot impugn, Your Honor, anyone in the court. In short, who would you implead—the whole court where it was filed, the justice, the clerk of court? In short, Your Honor, Mr. Speaker, it is in a sense a vacuum in our entire legal system—how to deal with this and I think at the appropriate time, Mr. Speaker, Your Honor, perhaps we could cover the gaps in our law which will essentially either penalize any breach of confidentiality or perhaps set the standards

and protocols by which the courts can handle cases that emanate especially with respect to the petition to freeze by the AMLC as a very special body within our anti-corruption system, Your Honor, Mr. Speaker.

REP. ROQUE (H.). So, Mr. Speaker, it seems to me that it is clear that the AMLC itself apparently is powerless in ensuring confidentiality in its transactions. My question then, Mr. Speaker, is perhaps we should consider giving this office P1 budget until such time that it can ensure confidentiality in its transactions as provided by law.

REP. SALCEDA. At the appropriate time, Your Honor, Mr. Speaker, I would be willing to consider that motion and perhaps offer a substitute wherein we can put a special provision with respect to how AMLC behaves, with respect to the implementation of the law, the four laws that guide the AMLC which were the creation of this Congress, Your Honor, Mr. Speaker. So, I will not have difficulty, Your Honor, Mr. Speaker, in acceding because apparently, this is one big hole that needs to be filled. Therefore, if that is the way to pressure ourselves and the entire body politic in addressing this issue, Your Honor, Mr. Speaker, yes, I will gladly consider at the appropriate time the suggestion of the honorable Gentleman.

REP. ROQUE (H.). I appreciate the candid response of the Sponsor, Mr. Speaker, but let me now go on to my next point.

The Committee on Justice of this august Chamber has been conducting an investigation in aid of legislation on the drug trade in the National Bilibid Prison.

I am sure, Mr. Speaker, that the good Sponsor like this Representation read the remark of the Secretary of Justice complaining that the AMLC has not been cooperating with the Department of Justice insofar as accounts identified by the Department of Justice and accounts mentioned in the investigation conducted by the Committee on Justice are concerned. May I know from the good Sponsor why according to the Secretary of Justice, in this instance where apparently a sitting Senator appears to be involved in the drug trade, the AMLC, this time, refuses to cooperate and yet in the instance of Vice President Jejomar Binay, its findings somehow became the banner story in a newspaper?

REP. SALCEDA. Mr. Speaker, looking at their rendition of the chronology of the investigation pertaining to the drug trade in Bilibid which is being linked, rightly or wrongly, to Senator De Lima, I have here, Mr. Speaker, the full report starting with August 7 when the President announced the list of government officials allegedly involved in the illegal drug trade. All throughout, Mr. Speaker, you can see and read in

this full page, Your Honor—and I can gladly share this with you wherein you can always say that the AMLC and the DOJ coordinated on the procedure of sharing information on individuals involved in the matrix—the AMLC received the letter request of the NBI for financial intelligence involving individuals mentioned in the matrix, and the NBI is properly within their realm and domain of action, Mr. Speaker. In other words, Your Honor, they have the power to take action on the information that was shared. The AMLC shared with the DOJ Secretary through the NBI the requested financial information. In short, Mr. Speaker, the whole report of the AMLC from August 7 until September 22, Mr. Speaker, is filled with events that essentially show that all the information that can be originated by the AMLC is being actively and dynamically shared with the DOJ, as well as with the NBI, Mr. Speaker.

REP. ROQUE (H.). If that is the case, Mr. Speaker, may I know from the good Sponsor why the Secretary of Justice complained that the AMLC was not being cooperative in this investigation? That was the statement made by Secretary Aguirre.

REP. SALCEDA. Mr. Speaker, I think it is only because the AMLC has to follow certain procedures so that it will not undermine the integrity of the information that is being shared because if it is the fruit of a poisoned tree then, it is also a poison. So, in other words, Your Honor, we do not wish to undermine the integrity of the information simply because we did not follow the procedures that are set by law on how the AMLC handles the information it is able to derive or that naturally passes through its entire operation, Mr. Speaker. In short, Mr. Speaker, it is a little unfortunate that the DOJ expressed such frustration when, in fact, at a certain point, Mr. Speaker, Your Honor, after the procedures were complied with, the AMLC was actually very cooperative and, in fact, collaborative with the DOJ in terms of deriving the information necessary in order to arrive at a truthful resolution of the issues that are facing the nation right now, Mr. Speaker.

REP. ROQUE (H.). Mr. Speaker, while I appreciate the answer of the good Sponsor, it bolsters my personal observation that the AMLC appears to be very political in deciding whether or not to follow the rule on confidentiality. When it was a member of the opposition, the confidential transactions became banner stories in newspapers. When it is an investigation against a particular individual, now, they honor confidentiality to a tee. That is my question now, Mr. Speaker. What should be done to ensure that the AMLC, given its very sensitive functions, will not be used for political ends because the two instances that I just mentioned in today's afternoon deliberations indicate that the AMLC

makes political decisions depending on the personality involved in its investigation.

REP. SALCEDA. As I said, Your Honor, I have already accepted willingly your suggestion on the need for reforms within the AMLC in order to preempt selective justice that is essentially being alleged right now in the line of questioning, Your Honor; that we can put a very specific special provision under the P96 million budget of the AMLC so that they shall be so guided with respect on how they cooperate with other agencies regardless of personalities. Therefore, Your Honor, it is a learning experience for the AMLC, and starting from a lot of other high-profile cases where such selectivity of justice was, at times, not alleged, and times like now, where it is being alleged, Your Honor.

REP. ROQUE (H.). Going back to our ongoing investigation in the Committee on Justice, witnesses testified that they have deposited hundreds and millions of pesos in two specific accounts equivalent, according to one witness, to 200 kilos worth of shabu. Yet, Mr. Speaker, contrary to the provision of the relevant law, this amount should have been red-flagged by the AMLC automatically and should have been investigated by the AMLC.

My question is: Why was it even necessary for this Chamber to conduct an investigation when the reality is, had the AMLC only done its job of verifying these red-flagged amounts, it would have come to the conclusion that these amounts were being used for illegal purposes?

REP. SALCEDA. Well, Mr. Speaker, Your Honor, the AMLC provides the tool, the weapon, and sometimes as you alleged, the toy. Nonetheless, the principal arm of the government in prosecuting drug lords are the other agencies. In short, they can red-flag this information, that out of 45 million covered transactions per year, there are 90,000 suspicious transactions per year and therefore, it is only—usually, they would red-flag these 90,000 suspicious transactions. But, Your Honor, it is only when, for example, when the Ombudsman refers a certain problem, or when the NBI and the DOJ refer a certain problem that they dive more deeply into a particular set of transactions in aid of the requirements of our law enforcement agency. In other words, Mr. Speaker, Your Honor, the AMLC is not a law enforcement agency, but what is essentially done is to allow a law enforcement agency to capture the traces or the tracks of people especially those that are suspected of predicate crimes that go into the financial system, Mr. Speaker, Your Honor.

REP. ROQUE (H.). So, Mr. Speaker, I take it

that the good Sponsor concedes that the red-flagging required by law which should prompt investigations in suspicious transactions does not actually result in investigations as far as the AMLC is concerned.

REP. SALCEDA. It does, Mr. Speaker, Your Honor. But there are 90,000 suspicious transactions every year and that is almost P1,000 per transaction based on the current budget, and you are talking about transactions that proceed over time, Mr. Speaker, Your Honor. As I have said, we are talking about 45 million covered transactions and 90,000 suspicious transactions per year.

Therefore, Your Honor, if there is an exogenous trigger like a request from the Ombudsman, the NBI or the DOJ, they immediately provide or share the necessary information, including the analytics, so that the law enforcement will be strengthened and reinforced essentially, Mr. Speaker, Your Honor.

I think their role is not enforcement, but case build-up, Your Honor.

REP. ROQUE (H.). Mr. Speaker, my next question, therefore, is given that there are 90,000 transactions red-flagged by AMLC, what criteria do they have, if any, that would prompt them to investigate from among the 90,000 suspicious transactions? I ask this question, not only in relation to our ongoing investigation, but also in relation to other instances of money laundering involving huge sums of money which went uninvestigated by the AMLC and that is the money heist from the Bangladesh Central Bank. There must be some sort of criteria on which transactions to investigate given, precisely, that there are 90,000 suspicious transactions.

REP. SALCEDA. Actually, Your Honor, huling-huli iyong lahat po, Your Honor, ng AMLC doon. Nakapagbigay po sila ng early warning kaya nga lang po, nilabag noong remittance at saka po noong bank branch system ng RCBC; pero dahil sa AMLC, sa efforts nito ay na-fine po ang RCBC ng P1 billion ng Central Bank. Iyong total transaction was \$81 million or almost P33.2 billion pero po iyong fine po ng BSP sa RCBC by P1 billion.

Tinatanong ko nga siya kanina bakit walang criminal case pero, at least, Your Honor, iyong P31 million po ay—iyong buong P81 po, ay accounted for po. Iyong P31 million po napunta po sa Solaire; iyong P29 million po, na-disburse to individuals by PhilRem; at iyong balanse po na halos P21 million po, ganoon din po. Iyong isa po, kay Kim Wong iyong P29 million, so iyong P21 million po, iyan po iyong na-disburse. In short, Your Honor, they are doing their job but sometimes because of the 90,000 suspicious transactions, then there is a system of prioritization,

Your Honor, by AMLC, and usually, Your Honor, on top of the list, of course, is a request by Congress or the NBI and the DOJ or the Ombudsman, Your Honor.

REP. ROQUE (H.). My question on the Bangladesh Central Bank heist is, why did AMLC not freeze the account? Yes, it is true that fines were imposed on the bank but only after a full-blown Senate investigation. The AMLC could have frozen those accounts because it knew that they were suspicious, but it did not. Why, Mr. Speaker?

REP. SALCEDA. Na-freeze po nila kaso ni-release pa rin po ng bank branch manager ng RCBC. Kaya nga po iyong buong bangko, penalized po ng BSP kasi nga mayroon po silang command responsibility doon sa behavior po dahil sila po ang nag-hire ng bank branch manager na iyon. So, samakatuwid, Your Honor, hindi po totoo, contrary to our perception, as if, you know, the money was recovered without the action of AMLC. In fact, pagkapasok na pagkapasok po nito, na red-flag, nilagyan ng freeze, kaso itinuloy pa rin po noong bank branch manager with, of course, some—doon po sa pagpapalit ng pera from dollars to pesos, doon po iyong nahuli iyong pagsabwat ng masasabi nating treasury department ng RCBC. Kaya po na-fine sila nang todo-todo, halos po doon sa na-recover, halos iyon po ang penalty ng BSP doon po sa RCBC. I would not take, Your Honor, your understanding that the media accounts vis-a-vis what the AMLC has done is a little bit, Your Honor, and that AMLC, by its nature and by the full laws that govern it, has to be very cautious and careful in the way they relate with respect to the other stakeholders in our economy, Your Honor.

REP. ROQUE (H.). Let me be more specific, Mr. Speaker. My question is, why did they not go to the Court of Appeals to freeze these accounts?

REP. SALCEDA. Nakalabas na po, na-freeze nila pero nilabas pa rin, Your Honor. So, kaya nga po inano iyong RCBC, napakalaking fine po, halos one-third po noong buong transacted amount, naging fine. So, kasi po na-violate noong branch manager, kasi po pagpasok dito, may four suspicious, fictitious accounts that were created in the bank branch at doon po kaagad ipinasok po ng treasury from the correspondent bank in New York or Swift; through manipulation, naipasok po ng RCBC, diretso po iyan doon sa four fictitious accounts. So, na-red-flag po ng Central Bank ng Bangladesh, na-freeze po ng AMLC, kaso iyon nga po, ni-release agad noong bank branch manager at ni-release din kaagad ng PhilRem, Your Honor.

So, it is what you might call a legislative freeze, so it is really up to the other players in the economy to behave. So, kung minsan po, we create laws, kaso the

implementation is really sometimes constrained by the fact not just by timing, but also by the lack of technical resources on the ground, Your Honor.

REP. ROQUE (H.). Now, my final question, Mr. Speaker, is that it has been a while since we enacted the Anti-Money Laundering Law. My final question is, how has the international community evaluated the manner by which we have implemented this law, noting that the passage of the law was also in response to demands made by the international community?

REP. SALCEDA. Your Honor, iyong state of play, with respect to the Philippines, with the FATF, the task force, Your Honor, we are still in danger, Your Honor. In fact, the FATF will send a delegation to the House to lobby na maisama po ang casinos kasi po sa buong mundo, iilan na lang po tayo na hindi isinasama ang mga casinos under the coverage po ng transaction monitoring or under the ambit or the domain of the AMLC with respect to the full powers of the AMLC in terms of reporting as well as, of course, in terms of suspicious transactions and all the other powers that AMLC has, Your Honor.

So, mukhang nakukulangan pa nga po iyong AMLC. Kaya in that sense, Your Honor, tama po kayo, pero hindi po nagiging issue iyong selective justice pero I understand, Your Honor, because when I watch TV, sometimes I feel the same way. Lalong-lalo na iyong kay Corona, bigla naman nakabulatlat, iyong kay Binay, dahil kalaban nga po noong nakaraang administrasyon. Ngayon naman, sinasabi mo nga na iyong ano na ay mukhang pinapahirapan pero hindi naman po, Your Honor, kasi binasa ko po isa-isa at bago ko po dinipensahan ito ay tiningnan at pinag-aralan ko po at ginagawa naman po nila ang kanilang trabaho.

So, kung anuman po ang ating suspetsa, sa pananaw ko, Your Honor, ang AMLC po ay ginagawa po nila ang kanilang trabaho naaayon po sa apat na batas. At, kung dadagdagan, mamarapatin natin na dagdagan pa lalo para maging mas malakas at maiwasan kung anuman po ang masasabi nating pagkiling sa mga puwersang pulitikal. Siguro, Your Honor, ay kailangan pong maging mas klaro sa AMLC na iyon po ay may parusa kung saka-sakali po na mapatunayan na may pagkiling po ang AMLC sa kanyang pagbibigay ng impormasyon o sa kanila pong paghahabol ng mga kaso laban po sa mga indibidwal, lalong-lalo na ang mga personalities exposed to politics or PEPs, Your Honor.

REP. ROQUE (H.). Well, again, thank you for that very candid answer, Mr. Speaker. That is precisely my personal observation as well, given the fact that AMLC thrives under conditions of

confidentiality; unfortunately, my personal observation is this confidentiality has enabled the AMLC to be used also as a political tool. I have no further questions, Mr. Speaker, thank you. Thank you to the good Sponsor as well. Good afternoon.

THE DEPUTY SPEAKER (Rep. Abu). Thank you, honorable Gentleman.

The Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we recognize the distinguished Minority Leader, the Hon. Danilo E. Suarez of the Third District of Quezon for his interpellation.

THE DEPUTY SPEAKER (Rep. Abu). The distinguished Minority Floor Leader, Danny Suarez is hereby recognized.

REP. SUAREZ. Thank you, Mr. Speaker. Distinguished Sponsor, some minor interpellations. May I know the key officers of this particular office, who are the top officials or executives of the AMLC?

REP. SALCEDA. The Central Bank Governor, Your Honor, is the Chairman. The members are the SEC Commissioner and the Insurance Commissioner, Your Honor, they are the members of the AMLC Commission. The officers, Your Honor: the Chairman of AMLC is Atty. Amando M. Tentanco Jr.; contact number 708-7212; Atty. Teresita J. Herbosa, AMLC, Chairperson, Security and Exchange Commission, contact number 727-4543; Atty. Emmanuel F. Dooc, Commissioner of the Insurance Commission, 525-2115; Atty. Julia Bacay-Abad, Assistant Governor and Executive Director of the AMLC Secretariat; Atty. Vencent L. Salido, head of the Compliance and Investigation Group—Nandito ba siya? Wala siya rito.—Atty. Arnold G. Frane, head, Legal Services Group; George C. Tan, head of the Information Management and Analytics Group; Rowena C. Destura, Administrative Financial Services Division; and Atty. Ma. Rhea M. Santos-Mendoza, Council Secretary of the AMLC Secretariat, Your Honor. So, iyon po ang mga responsible officials ng AMLC, Your Honor.

#### SUSPENSION OF SESSION

REP. SUAREZ. Can I request for a one-minute suspension of the session?

REP. SALCEDA. Thank you, Your Honor.

THE DEPUTY SPEAKER (Rep. Abu). The session is suspended.

*It was 3:52 p.m.*

## RESUMPTION OF SESSION

*At 3:53 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

REP. SUAREZ. Thank you, Mr. Speaker. These key officers, minus the Bangko Sentral, are they career officers, distinguished Sponsor?

REP. SALCEDA. They are all career officials, Your Honor, those that are in that list.

REP. SUAREZ. They are all...

REP. SALCEDA. Yes, Your Honor.

REP. SUAREZ. So, may I ask Mr. Dooc, how long have you been with the...I know him, he was with the Commissioner first. Ms. Julia Bacay-Abad, Assistant Governor, how long have you been with AMLC?

REP. SALCEDA. She has been with the AMLC po since 2006, Office of the Solicitor General before that, Your Honor.

REP. SUAREZ. Ilang taon na po siya sa AMLC, distinguished Sponsor?

REP. SALCEDA. Since 2006, 10 years.

REP. SUAREZ. 2006

REP. SALCEDA. Opo, Your Honor.

REP. SUAREZ. Ito pong si Mr. Salido?

REP. SALCEDA. More than three years, Your Honor.

REP. SUAREZ. Three years.

REP. SALCEDA. Opo, more than three years.

REP. SUAREZ. Mr. Arnold Frane?

REP. SALCEDA. Since 2003, Your Honor.

REP. SUAREZ. Mr. George Tan?

REP. SALCEDA. Since 2004.

REP. SUAREZ. 2004.

REP. SALCEDA. Yes, Your Honor.

REP. SUAREZ. And Rowena Destura?

REP. SALCEDA. Since 2000 po, original po, under Boy Aquino.

REP. SUAREZ. And the last one who is Ma. Rhea Santos Mendoza?

REP. SALCEDA. More than three years, Your Honor.

REP. SUAREZ. Distinguished Sponsor, I will have to collaborate with the sentiment of the previous interpellator when it was all over the broadsheet, radio and television, the opening or freezing of several accounts of the persons allegedly involved with the Vice President during the previous—several months ago, which is rather very fresh.

So, can we have the chronological events, what transpired to this decision of opening those accounts.

REP. SALCEDA. Thank you, Your Honor. On November 18, 2014, Your Honor, the Office of the Ombudsman requested the AMLC Secretariat to conduct an investigation into the financial transactions of then Vice President Jejomar C. Binay, certain members of his immediate family, and close associates for possible violation of AMLA, as amended; and these referrals stemmed from the complaints/affidavits filed by Nicolas “Ching” Enciso VI and Renato L. Bondal with the Office of the Ombudsman. Enciso and Bondal charged blah, blah, blah, blah.

In another complaint, Bondal also claimed—again, Your Honor, I can provide you a copy of this.

So what did AMLA do with the request of the Ombudsman? Acting on the Ombudsman’s referral, the SALNs of Binay, his wife, former Vice Mayor Ernesto S. Mercado, and Irwin, and all the Binays were looked into; the transcripts of the testimony of Mercado before the Senate Blue Ribbon Subcommittee—over so many days; and Records of the companies on file with the SEC suspected to be linked to His Excellency, our Vice President, then Vice President Binay, his associates Limlingan, Baloloy, Lee Tiu, and others.

The AMLC Secretariat also looked into the financial transactions and bank records of the above persons to trace the flow of funds among themselves and other persons with personal, political, professional, and business links to them.

So the initial investigation findings were then submitted to the Senate and the Senate gave the office

of, no—the AMLC Secretariat gave the Office of the Ombudsman a copy of its investigative findings as requested in its letter-referral. On May 7, that was April ...

REP. SUAREZ. What year, distinguished Sponsor?

REP. SALCEDA. 2015, Your Honor. So, the submission is April 8, 2015 where the AMLC, through the Office of the Solicitor General, filed the petition for freeze on May 7, 2015, or three weeks thereafter, Your Honor. Agreeing with the findings of the AMLC, the Court of Appeals issued a freeze order on May 11, 2015.

I guess, Your Honor, that is almost what—but I can have this, Your Honor ...

REP. SUAREZ. So, distinguished Sponsor, in a nutshell, who triggered this investigation?

REP. SALCEDA. Ombudsman, Your Honor.

REP. SUAREZ. The Ombudsman.

REP. SALCEDA. There was a case filed in the Ombudsman, Your Honor.

REP. SUAREZ. Who did the filing, distinguished Sponsor?

REP. SALCEDA. The filing, Your Honor, was done by Nicolas “Ching” Enciso VI and Renato L. Bondal, Your Honor. There were two cases filed with the Ombudsman, Your Honor.

REP. SUAREZ. And this filing triggered the closure of more than 200 bank accounts. Is that correct?

REP. SALCEDA. Can I check, Your Honor, for statistical accuracy. Acting on the said recommendation, Your Honor, on October 30, 2015, the AMLC issued Resolution No. 65 to file, through the OSG, a petition for civil forfeiture with the RTC against 159 accounts and 19 real properties in the names of Binay, Limlingan, Baloloy, Tiu and other persons and entities, Your Honor.

REP. SUAREZ. Are they still—what is the status of this? This has been lifted or still frozen.

REP. SALCEDA. Several respondents, Your Honor, Binay Junjun, Limlingan and Tiu filed on various dates their respective comments and oppositions to the petition, including motions to dismiss. Others, however,

did not file their comments despite the notice of the PAPO and the APO.

Ano iyon? The case is scheduled for pre-trial, your Honor.

REP. SUAREZ. Pre-trial?

REP. SALCEDA. That is right, Your Honor.

REP. SUAREZ. Mr. Speaker, distinguished Sponsor, we—you and me—and maybe the Members of this plenary understand that this is political prosecution. Iyon pong involved na kandidato, na 200 accounts frozen on allegation of money laundering, it was trimmed down to 150 something. Tapos na po iyong eleksyon, natalo na iyong kandidato.

So, my question is, bakit frozen pa din po iyong account noong mga taong ito? Ano ho iyong kinalalaman nila dito sa political exercise noong nakaraang Mayo?

REP. SALCEDA. Well, at least, Your Honor, I can say na frozen pa po and nasa pre-trial po. Iyon lang po ang maisasagot ko.

REP. SUAREZ. But this is the rationale, distinguished Sponsor, ang bilis mong mag-freeze ng account pero napakatagal naman ninyong alisin iyong freeze order. In the meantime, iyong mga taong nagnenegosyo, ginagamit iyong pera kung saan-saan, panggastos sa pamilya, natutulog po o frozen sa bangko just because they were suspected of being part and parcel of a political machinery.

REP. SALCEDA. Hindi naman ganoon kabilis, Your Honor. Siguro ...

REP. SUAREZ. Ano pong ...

REP. SALCEDA. ... isang taon.

REP. SUAREZ. How do you dissect the meaning of all these actions? Bear in mind, Mr. Sponsor, ito lang po ang kandidato na binuksan ang mga accounts. Iyong natitirang kandidato, wala naman e. You do not call that political prosecution?

REP. SALCEDA. Your Honor, halos lahat po na napasok po sa PDAF scam ay iniimbestigahan din. Nagkataon lang po na si ...

REP. SUAREZ. Let us not go to the PDAF scam...

REP. SALCEDA. Yes, Your Honor. Ang sinasabi ko lang po...

REP. SUAREZ. ... because that is a very sensitive subject.

What we are saying here is, tatlo po nating kasama sa Mataas na Kapulungan ay nakakulong pero iyon po namang kasamahan nila na involved sa PDAF o DAP ay wala ho namang kaso.

REP. SALCEDA. Kaya nga po ini-introduce ko po na wala pong pinipili ang AMLC. Kung mayroon po ...

REP. SUAREZ. I beg to disagree, distinguished Sponsor. Namimili po ang AMLC kung sino ang kanilang gustong buksan at isara.

This is a glaring example—imagine, among those 200 plus accounts, there is only one Binay. So, ano ho iyong lateral o collateral damage noong ibang isinara ninyong account on the mere suspicion na ito ay kasama doon sa tao? Plus the fact that, distinguished Sponsor, iyon pong nag-trigger diyan ay iyon pong hearing sa Senado na sinasabi natin na overpriced na mga allegation ng mga building structures sa Makati, which is, wala naman pong nangyari sa lahat ng imbestigasyon.

So, ang relevant issue dito kagaya po ng sinabi ng aking kasamahan na Deputy Minority Leader is this, “Let us put henceforth an end to this issue.”

Kung nagamit na ho itong opisang ito at umabuso dito sa kanilang panunungkulan, e dapat ho naman i-rectify nila iyong kanilang kamalian. Kawawa iyong ibang account na hanggang ngayon ay frozen.

REP. SALCEDA. Kaya nga po hindi po iyong 200 plus na lang ang natitira kasi iyong iba po walang probable cause, at lahat naman po ng kanilang aksyon ay idinadaan po sa isang proseso. Iyong natitira pong 159, iyon po ay—the motion was granted by the Court of Appeals, Your Honor, Mr. Speaker. So, dumaan po siya sa proseso. Ang importante, ...

REP. SUAREZ. You are saying, distinguished Sponsor, Mr. Speaker, na nasa Court of Appeals na ang kasong ito.

REP. SALCEDA. Iyong freeze order po ng Court of Appeals, six months po iyong effectivity. Hindi na ho frozen. Nasa lower courts na rin po for civil forfeiture na lang po.

REP. SUAREZ. Better seek another answer from your principal, distinguished Sponsor, Mr. Speaker.

REP. SALCEDA. Iyon po.

## SUSPENSION OF SESSION

REP. SUAREZ. I move for a one-minute suspension of the session, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The session is suspended.

*It was 4:06 p.m.*

## RESUMPTION OF SESSION

*At 4:11 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Abu). The session is resumed.

REP. SUAREZ. Mr. Speaker, I move to defer the proposed budget of the AMLC until such time that there is a confidence provision, wherein this office can never be used again for political purposes. I so move, Mr. Speaker.

REP. BONDOC. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Abu). The Dep. Majority Leader is recognized.

## SUSPENSION OF SESSION

REP. BONDOC. I move for a few minutes suspension of the session.

THE DEPUTY SPEAKER (Rep. Abu). The session is suspended.

*It was 4:11 p.m.*

## RESUMPTION OF SESSION

*At 4:16 p.m., the session was resumed with Deputy Speaker Eric D. Singson presiding.*

THE DEPUTY SPEAKER (Rep. Singson). The session is resumed.

The Floor Leader is recognized..

REP. ROA-PUNO. Mr. Speaker, I move to suspend the consideration of the budget of the AMLC or the Anti-Money Laundering Council. I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). There is a motion to suspend the consideration of the budget of the AMLC. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. ROA-PUNO. Mr. Speaker, I move that we begin the consideration of the budget of the Department of Transportation. I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. ROA-PUNO. Before we go on, Mr. Speaker, we would like to acknowledge the presence and welcome to the House of Representatives, the members of the Department of Transportation family: Secretary Arthur P. Tugade, Undersecretary Garry V. de Guzman, Undersecretary Anneli R. Lontoc, Undersecretary Roberto C.O. Lim, Undersecretary Noel Eli B. Kintanar, Undersecretary Raoul C. Creencia, Undersecretary Rommel C. Gavieta, Undersecretary Felipe A. Judan, and all the heads of the attached agencies and corporations that are here with us today.

THE DEPUTY SPEAKER (Rep. Singson). Welcome to the House of Representatives, the officials of the Department of Transportation. (*Applause*)

REP. ROA-PUNO. Mr. Speaker, we are in consideration of the budget of the Department of Transportation, inclusive of all attached agencies and corporations. We move that we recognize the Gentleman from the Lone District of Malabon City, Cong. Federico “Ricky” S. Sandoval, to sponsor and answer questions, if any, on the budget of the Department of Transportation and its attached agencies and corporations. I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The Honorable Sandoval is recognized to sponsor the budget of the Department of Transportation.

#### DEPARTMENT OF TRANSPORTATION

REP. SANDOVAL. Thank you, Mr. Speaker. Good afternoon to honorable colleagues.

I would like to give the highlights of the budget of the Department of Transportation, and I am ready to accept questions.

Thank you very much, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The Floor Leader is recognized..

REP. ROA-PUNO. Mr. Speaker, I move that we recognize the Hon. Aniceto “John” D. Bertiz III of ACTS-OFW Party-List for his interpellation.

THE DEPUTY SPEAKER (Rep. Singson). The

Honorable Bertiz of the Party-List ACTS-OFW is recognized to interpellate the Sponsor.

REP. BERTIZ. Thank you, Mr. Speaker. Thank you, Floor Leader.

Is the honorable Sponsor willing to yield to some questions.

REP. SANDOVAL. Gladly, Mr. Speaker.

REP. BERTIZ. Thank you, Mr. Speaker. Mr. Speaker, this Representation has, time and again, raised the issue of the illegal collections of airport terminal fees from overseas Filipino workers. That was the MC-08 issued by former General Manager Honrado of the MIAA. We fought long and hard for the exemption of OFWs from terminal fees and travel taxes. Kaya po sukdulang ang galit ng aming sektor nang ang exemption namin ay inagaw ng nakaraang administrasyon noong na-integrate ang collection ng mga terminal fee sa mga ticket. At natatandaan ko rin po na nang naupo ang ating mahal na Secretary ng Department of Transportation, ipinangako niya na ipapatigil niya ang paniningil ng terminal fee sa aming mga OFWs.

We want to know, Mr. Speaker, Mr. Sponsor, if the current MIAA and DOT leadership will still deny OFWs of their exemption by continuing the integration of fees in tickets. Remember, this is not just an economic issue for us, this is also emotional because this exemption is for a simple recognition of our contributions and sacrifices to our country.

REP. SANDOVAL. Mr. Speaker, I understand that there is an ongoing case and that the airport authorities have won this case. However, notwithstanding this, the sector of air under Secretary Tugade is reviewing that, on how we can help our OFWs.

REP. BERTIZ. Thank you, Mr. Speaker. Alam po natin na maraming OFWs na exempted sa terminal fee ang hindi nag-refund dahil sa haba ng pila at kakulangan ng mga refund facilities sa ating mga airport, especially in a provincial airport. Magkano na po ba ang refunded terminal fee collection na naipon? Saan po nakalagak ang pondo na ito at ano ang plano ng paggamit nito? May we request a report on this, Mr. Speaker.

REP. SANDOVAL. So far po, ang total collection is about a P100 million pero 70 percent po nito ay naisoli na. Ito po ang mga refunds.

REP. BERTIZ. Just for clarification, Mr. Speaker, honorable Sponsor, you said P100 million po?

REP. SANDOVAL. Yes, Mr. Speaker, Your Honor, because this is a computed number of OFWs.

REP. BERTIZ. There are 50,000 OFWs leaving the country every month and only less than 12 percent are refunded. So, at P550 multiplied by the rest of that number is, I doubt it that for the past two years e P100 million lang po ang perang hawak ninyo na unrefunded. More or less, from our computation, it is around P1.6 billion ang hawak po ng MIAA.

REP. SANDOVAL. Iyan po ang number na ibinigay as of now. Ire-review po natin iyan at sisiguruhin po natin na ang tamang bilang ay ibibigay sa ating Representante ng ACTS-OFW, at sisiguruhin po natin na ito ay ire-refund 100 percent.

REP. BERTIZ. Thank you, Mr. Speaker, Mr. Sponsor. Alam naman po natin na labag sa Republic Act No. 10022 ang paniningil at kaming mga OFWs ay exempted sa pagbabayad ng terminal fee. Ito ay na-supersede lamang ng isang MC-08, which is kaya rin ng ating bagong pamunuan na ipatigil ang paniningil na ito.

Natatandaan ko rin po noon nakaraang hearing sa Senado na bakit ninyo ini-implement ang paniningil ng terminal fee na alam ninyong wala pa sa sistema ninyo o hindi ninyo na-provide ang computer system on how you can be able to exempt our OFW.

So, puwede po ba natin malaman, Mr. Speaker, Mr. Sponsor, na ang timeline kung kailan ninyo kami bibigyan ng report at ipapahinto ang paniningil ng terminal fee sa aming mga OFWs?

REP. SANDOVAL. Please rest assured that with our new Secretary we are reviewing this very well and we hope to give the honorable Congressman a solution before December.

REP. BERTIZ. Thank you, Mr. Speaker, Mr. Sponsor and to end, I would like to thank the General Manager of the MIAA for opening up the lounge for our OFWs.

Maraming-maraming salamat po galing sa aming sektor ho. Thank you so much, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The Floor Leader is recognized.

REP. ROMERO. Mr. Speaker, I move that we recognize the Hon. Emmi A. De Jesus of GABRIELA Party-List for her interpellation.

I so move, Your Honor, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The Hon. Emmi A. De Jesus is recognized to interpellate the Sponsor.

REP. DE JESUS. Maraming salamat, Mr. Speaker, at magandang hapon po, G. Sponsor.

REP. SANDOVAL. Magandang hapon po, Mr. Speaker.

REP. DE JESUS. Ang Representasyong ito po ay kumikilala sa malaking ambag ng isa sa pinakasikat nating public transpo o isang yutilidad na naglilingkod sa mas marami, ang LRT. Kailan po ba iyong LRT 1 ay ibinigay sa pribado?

REP. SANDOVAL. Ito po ay nai-bid ng 2013 at in-award po nang 2014, so mga dalawang taon na po, Mr. Speaker.

REP. DE JESUS. Sa kasalukuyan po, ano po ang matitingkad na problemang kinakaharap nito mula po noong maisapribado ang LRT? Mula sa kamay ng pamahalaan, ibinigay po sa isang pribado. Ano po ang assessment ninyo o evaluation na ninyo doon sa mga hinaharap o naharap nitong problema?

REP. SANDOVAL. Sa ngayon po ay dati rin pong problema ang maintenance natin at mga problema sa bagon dahil ito po ay mga luma na. Ngunit under this privatization o pag-transfer po natin sa isang pribadong kumpanya, sa tingin po natin ay mas natutugunan nila ang ganitong problema dahil wala silang mga problema katulad ng gobyerno na, lalo na po doon sa pag-procure ng mga spare parts.

REP. DE JESUS. Mr. Speaker, siguro naman po, araw-araw nating napapakinggan ang mga pahayag sa iba't ibang programa kaugnay ng patuloy na hinaharap na problema ng mananakay.

Ngayon po, Mr. Speaker, Mr. Sponsor, ang nais ko pong irehistro dito, iyon namang problema ng mga empleyado. Umabot po sa aming kaalaman na ang mga empleyado na mula doon sa LRTA na nasa ilalim pa ng pangangasiwa ng pamahalaan at pumasok na sa mga pribado, pumasok na sa negosyante na ang kahulugan sa kanila, pumasok sila doon, siyempre ayaw nilang mawalan ng trabaho. At noon pong sila ay pumasok doon sa pribado, inaasahan nila na makakakuha sila ng separation pay mula sa gobyerno dahil ang mga nagpursigi po na makapasok uli doon sa pribado ay mula sa three to 15 years na mga naglingkod na.

Mr. Speaker, Mr. Sponsor, puwede po bang malaman kung ang separation pay po ng mga empleyadong ito ay naibigay na?

REP. SANDOVAL. Ako po ay nagpapasalamat sa tanong ng ating Kinatawan ng Party-List dahil ito rin po ay isa sa mga bagay na aking tinanong at aking inalam. Pagkatapos po na ito ay ma-privatize, ang atin pong mga empleyado doon ay inimbata para sumama po muna sa

private sector at iyong iba po ay natanggap at iyong iba naman po na ayaw sumama ay nabigyan ng kanilang mga separation pay. Nubenta singko porsyento po ang binigyan ng separation pay. Iyong five percent po na natitira ay mga documentary requirements na lang po ang hinihintay.

REP. DE JESUS. Ang ibig sabihin po, dito sa papasok na badyet sa 2017, tinitiyak po, Mr. Speaker, G. Sponsor, na may makukuhang separation pay itong hindi pa nabibigyan. Mr. Speaker, Mr. Sponsor, may we know your commitment on this?

REP. SANDOVAL. Sinisiguro ko po sa ating Kinatawan ng GABRIELA na mayroon pong matatanggap dito sa badyet na ito ang mga naiwang mga empleyadong ito. Documentary requirements na lang po ang natitira.

REP. DE JESUS. Salamat po sa sagot pero ang isa pa po na inihain na problema ng mga empleyado and in fact, sa katunayan po, ngayong umaga, nagkaroon ng pagkilos at kinikilala po namin ang inisyatiba ng mga empleyadong ito na hingin ang karapat-dapat sa kanila. Dahil ang isa pa po na idinadaing nila, iyong kaugnay naman doon sa isang memorandum na ang pagkahulugan—mula pa noon pong April 27 may first batch na naka-receive ng 44 na memorandum, sa second batch may 22 pong empleyado ang naka-receive, na ang sinasabi, hindi nagta-tally, unconfirmed count and amounts—at ito po iyong naging dahilan bakit sila ay tinanggal sa trabaho.

Ano po ang take dito, Mr. Speaker, G. Sponsor? Dahil, sabi ko nga, noong tinanong ko sila, nasa regression stage pa po ang pagkakaalam nila at magiging natural, natural na regression stage, ibig sabihin, dahil may turnover, maaari nga. Katulad ng nabanggit ni Mr. Sponsor, inaayos pa iyong sistema. Ang masaklap po nito, doon sa nabigyan ng show-cause memorandum, sinasabi nila, dumadaing sila na imposible na ang malalaking halaga ay hindi nagta-tally doon sa kanilang iniintrega. Ano po ang update dito, Mr. Speaker, G. Sponsor?

REP. SANDOVAL. Ang tungkulin ng pamahalaan ay para maibigay iyong mga kakulangan sa mga suweldo lalo na iyong separation pay ng atin pong mga employees ng LRTA. Pagkatapos po noon ay nalipat na sila sa private sector, ito po ay strictly employer-employee relationship na po, at nagtatapos po ang pananagutan ng ating pamahalaan pagkatapos po silang bayaran ng separation pay. Kaya kung ito pong mga sinasabi nila na mga hindi pagtutugma ng malalaking halaga ay galing po sa ating gobyerno, ito po ay puwede po nating talakayin at idudulog natin sa pamunuan ng LRTA.

REP. DE JESUS. Mr. Speaker, Mr. Sponsor, ito po ay isang napakalinaw na pagpapakita na noong ibinigay sa pribado at nagkaroon ng problema, ang kahulugan po ba nito, wala na talagang concern, walang accountability ang ating ahensiya dito sa isang public utility na libo-libo ang sineserbisyuhan at ang mga empleyado ay patuloy na naghahangad na maging bahagi ng pagbibigay ng serbisyo? Kayo po ba, Mr. Speaker, G. Sponsor, wala na talaga kayong hand, wala kayong puwedeng gawin kaugnay ng pagtataguyod ng interes ng mga empleyadong ito?

REP. SANDOVAL. Mr. Speaker, ako po ay nakikiisa sa ating Kinatawan sa pagtataguyod ngunit mayroon pong hangganan siguro ang ating responsibilidad sa kanila. Sila po ay binigyan natin ng separation pay, sila po ay tinulungan nating mailipat sa pribadong sektor dito sa bagong management ng LRTA, at hanggang ngayon po ay isinisiguro po natin iyan. Ngunit kung sakali man dito sa kanilang paglipat ay magkaroon sila ng problema, ito po ay hindi na sakop ng pamunuan ng LRTA at ito po ay sakop ng employer-employee relationship ng bagong namumuno. In fact, Mr. Speaker, sa ating pagsasalita ngayon, magmula noong hindi pa ito nasasapribado, 77 bagon na ang tumatakbo. Ngayon pong nasa private na, 90 po. So, nag-increase po ang number at efficiency ng ating mga bagon dito po sa paglipat nito.

REP. DE JESUS. Mr. Speaker, G. Sponsor, pagdating po talaga sa usapin ng efficiency, napakadali pong tunggaliin iyan dahil araw-araw talaga pong may naririnig tayo pero I will not delve on this. Ang gusto ko po talagang irehistro, maliban po dito sa binabanggit ninyo na wala nang pananagutan ang ahensiya dito sa isyu na gumagampan ng isang public utility—hindi po ba, Mr. Speaker, patunay ito na kapag pumasok ang negosyante, talagang ang hangad nila ay higit na profit. Do you agree, Mr. Speaker? Do you agree, G. Sponsor?

REP. SANDOVAL. I agree pero po, siyempre, hindi natin isasakripisyo ang pagpapatakbo nito.

REP. DE JESUS. I said that and I mentioned that, Mr. Speaker, Mr. Sponsor, because the other scheme that has been going on dito po sa ipinasa nating LRMC na ngayon ay pag-aari na ng pribado, ang malungkot po dito, iyong pong mga tinanggal nila, iyon pong mga sinuspinde nila, agad-agad na kumuha ng panibagong employees. Ito po ang malungkot, iyon pong mga kinuha nila sa kalakhan ay through agency, at iyon pong sahod ng mga kinuha nila ay higit na mababa noong ang mga empleyado ay direktang hired ng ating LRTA.

Ito po ay isang isyu na napakagandang ipakita sa mamamayan na hindi garantiya and in fact, ipinapakita

pa nga na noong ibinigay sa pribado ang pamamahala ng isang public utility, na ang pinakamaraming nag-aavail ay mga estudyanteng mahihirap, empleyadong mahihirap, at mga pangkaraniwang manggagawa; ito po ang apektado, at directly affecting the employees who are now under the private partnership.

I just would like to reiterate and manifest that this Representation believes that the letter dated August 25 which I saw, was sent to honorable Secretary Arturo Tugade and again, another follow-up with regard to this issue which you mentioned is an employee-employer relationship between the private owner and the employees, I reiterate, Mr. Speaker, Mr. Sponsor, ano ba ang pananagutan, at hindi ba dapat bilang ahensiya, bilang departamento ng isang public utility, hindi ba nararapat lamang na hindi natin bibitawan ang ating tungkulin sa pagtitiyak at pangangalaga ng mga empleyado at manggagawa ng kasalukuyang LRT?

Mr. Speaker, Mr. Sponsor, can I have your comment on this.

REP. SANDOVAL. Mr. Speaker, ang LRTA po ay mayroong oversight function, kaya kung ano man ang nakikita nating pagkakamali ng private sector natin ay puwede pong sitahin ng ating LRTA. Ngunit doon po sa sinasabi ng ating Representative from GABRIELA na nawawalan na ng pananagutan ang ating pamahalaan o LRTA dahil sila ay nagkaroon na ng employer-employee relationship dito po sa bagong namamahala ng LRTA, hindi po nangangahulugan na kung sakaling ito po ay nasa labas na ng LRTA, nasa labas na ng pangangalaga ng ating pamahalaan ang mga taong ito dahil mayroon naman po tayong DOLE kung saan puwede nilang dalhin ang kanilang mga hinaing dito po sa bagong kumpanyang ito.

REP. DE JESUS. Mr. Speaker, G. Sponsor, kinikilala ko ang iba't ibang ahensiya at ang mga convergence na ito ng ating pamahalaan.

Nevertheless, again, hearing the pleas, alam ninyo po, pakiusap na talaga ang naririnig namin dito sa mga manggagawa.

This Representation really hopes that you can contribute to push, i-push po natin dahil ito po ay private. Bahala ang negosyante diyan, bahala ang DOLE diyan pero sana po, inaasahan po ng Representasyong ito na hindi natin bibitawan ang pagpapahalaga sa public utilities, ang pagpapahalaga sa mga manggagawa nito at ang pagpapahalaga sa patuloy na pagbibigay ng serbisyo sa higit na marami nating mananakay.

So, Mr. Speaker, Mr. Sponsor, with that, I would like to end my interpellation and since I already had some consultations with the two undersecretaries on this matter, again, I will pursue my request that some of

the workers and employees of the LRT affected by the said issues be given enough time for them to personally ventilate their issues to our secretaries. Iyon lamang po, G. Speaker, Mr. Sponsor.

REP. SANDOVAL. Thank you, Mr. Speaker. I will assure the honorable Representative of GABRIELA that we will make sure that in the exercise of their oversight function over the LRTA, your concern be given priority.

Maraming salamat po, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The Floor Leader is recognized.

REP. ROMERO. Mr. Speaker, I move that we recognize the Hon. Edcel C. Lagman of the First District of Albay for his interpellation. I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The Hon. Edcel C. Lagman is recognized to interpellate the Sponsor.

REP. LAGMAN. Thank you, Mr. Speaker. Distinguished Sponsor, I have no objections to the budgetary allocations for the Department of Transportation. I have only some policy concerns.

Mr. Speaker, distinguished Sponsor, did the President ask Congress for emergency powers to address the traffic crisis or was it Congress which volunteered to grant emergency powers to the President to solve the traffic mess?

REP. SANDOVAL. Mr. Speaker, the President asked Congress for emergency powers to solve the traffic problem.

REP. LAGMAN. In answer to the request of the President, Mr. Speaker, distinguished Sponsor, the distinguished Sponsor is aware that there are pending bills in the House as well as in the Senate granting the President emergency powers to address the traffic problem.

REP. SANDOVAL. Yes, Mr. Speaker.

REP. LAGMAN. More particularly, House Bill No. 3 and Senate Bill No. 11, among others, is that correct?

REP. SANDOVAL. Yes, Mr. Speaker.

REP. LAGMAN. The thrust of these Bills is to exempt the infrastructure, commodities, and services procurement by the President or his alter ego or delegate

to address the crisis, from the Government Procurement Reform Act, Republic Act No. 9184, to expedite the process of procuring and implementing the project, is that correct, Your Honor?

REP. SANDOVAL. That is correct. That is one of the wishes of the Transportation Department, Your Honor.

REP. LAGMAN. Another wish of the Transportation Department is to exempt the infrastructure development and right-of-way projects and allied projects addressing the crisis from the issuance of TROs or what we call temporary restraining orders or the injunctive processes of courts lower than the Supreme Court, is that correct?

REP. SANDOVAL. That is correct, Mr. Speaker.

REP. LAGMAN. In other words, with respect to the exemption from the Government Procurement Reform Act, it is the proposal that the President or his alter ego or delegate can enter into negotiated contracts and other alternative methods of procurement without being hampered by the Government Procurement Reform Act, is that correct?

REP. SANDOVAL. That is correct, Mr. Speaker.

REP. LAGMAN. But, Mr. Speaker, distinguished Sponsor, this may not be necessary because under the Government Procurement Reform Act, there are already exempted transactions which would include negotiated contracts, shopping, among others. Is that correct?

REP. SANDOVAL. That is correct although, Mr. Speaker, this only applies to limited situations, not all situations.

REP. LAGMAN. But if we read these exemptions, they would cover the acts sought to be exempted from the Procurement Act. This grant of emergency powers to the President to address the traffic crisis may be just an exercise in futility because under existing law, the President can do it. He can have negotiated contracts and other methods of alternative procurement. In fact, in the Senate Bill, the language of the law was just copied.

REP. SANDOVAL. Mr. Speaker, partly, what the honorable Gentleman from Albay is saying is true. However, this is only with limited cover. Without the special powers, procurement in transportation projects will have to undergo a rigid and lengthy process of competitive bidding under Republic Act No. 9184 and Republic Act No. 7718, the BOT Law. This hampers

the urgent need to procure quality goods and services related to major transportation projects.

Although, Mr. Speaker, Annex C of the revised IRR of Republic Act No. 9184 provides for a period of 244 calendar days for infrastructure projects, 124 calendar days for goods and 170 days for consulting, the Department's experience in various projects proves that the procurement process takes more than this. We have seen this already, Mr. Speaker, in the procurement of radar systems, in the procurement of X-ray, in the procurement of other goods in the Department of Transportation. In fact, a lot of the CapEx of the Department of Transportation, maybe at least P10 billion of last year's projects were not even implemented by the previous administration. This is the reason—siguro po ay medyo takot na rin iyong ibang mga namamahala dito na madamanda dahil lahat na lang po ng bidding sa Department of Transportation ay mayroong nati-TRO, mayroong nadedamanda. It is high time po na ibigay natin sa kanila ito.

REP. LAGMAN. Well, the failure to implement is a lack of political will, because the law is there and the exemptions are provided. I think the Department, the President, should be able to fully take advantage of these exemptions rather than be lukewarm in its implementation for fear of being sued.

REP. SANDOVAL. Well, Mr. Speaker, I will assure you that, under President Duterte and under Secretary Tugade, they have the political will to change. Let us give them our full support and let us trust them. Give them the special powers that they need in order for them to solve, not only the traffic problems of Metro Manila, but also the different sectors like rail, air and sea.

REP. LAGMAN. Well, it is not a question of lack of trust in the present administration. It is a question of not implementing what the law already provides. What I am saying here, Mr. Speaker, distinguished Sponsor, is that this grant of emergency powers would not be necessary because these powers sought to be granted are already addressed by existing laws. Now, let me go to the concern of having these infrastructure projects, road rights-of-way, and other programs relative to resolving the traffic problem be exempted from what is known as temporary restraining orders or injunction processes of courts lower than the Supreme Court. Is the Gentleman, distinguished Sponsor, Mr. Speaker, aware of the existence of Republic Act No. 8975?

REP. SANDOVAL. Yes, Your Honor.

REP. LAGMAN. That is all encompassing, Mr. Speaker, distinguished Sponsor—that it would cover the

acts sought to be exempted from TROs and injunctive reliefs. Let me quote the particular provisions. First, with respect to definition of terms, what is a national government project? The law under Section II defines, “national government projects” as those referring to:

all current and future national government infrastructure, engineering works and service contracts, including projects undertaken by government-owned and controlled corporations, all projects covered by Republic Act No. 6957, as amended by Republic Act No. 7718, otherwise known as the Build-Operate-and-Transfer Law, and other related and necessary activities, such as site acquisition, supply or installation of equipment and materials, implementation, construction, completion, operation, maintenance, improvement, repair and rehabilitation, regardless of the source of funding.

Under this all-embracing definition, what other projects of the Department of Transportation would be needing exemption from TROs and injunctive relief, to address the problem and necessitate the grant of emergency powers to the President?

REP. SANDOVAL. Mr. Speaker, case in point is the TRO on driver’s license. If that is the case, then maybe we should not have any problem with our driver’s license right now. But see, Mr. Speaker, what we want to do is go beyond that, not only in the TRO, in the right-of-way acquisition where we have a lot of problems that we clear a right-of-way and because it is taking a long time to implement that the urban poor goes back to where they came from. What we want to do is go beyond that to cover not only the right-of-way, we also want to cover the goods, we want to cover driver’s license, we want to cover consultants, the whole lot so that the problems of the transportation of our country can be solved.

REP. LAGMAN. Well, the concerns of the distinguished Sponsor is covered by Section III of Republic Act No. 8975, which I quote:

*Prohibition on the Issuance of Temporary Restraining Orders, Preliminary Mandatory Injunctions.*—No court, except the Supreme Court shall, issue any Temporary Restraining Order, Preliminary Injunction or Preliminary Mandatory Injunction against the government, or any of which subdivisions, officials or any person or entity, whether public or private acting under the government direction, to restrain, prohibit or compel the following acts:

(a) Acquisition, clearance and development of the right-of-way and/or site or location of any national government project;

(b) Bidding or awarding of contract/project of the national government as defined under Section 2 hereof—[these are the national government projects];

(c) Commencement prosecution, execution, implementation, operation of any such contract or project;

(d) Termination or rescission of any such contract/project; and

(e) The undertaking or authorization of any other lawful activity necessary for such contract/ project.

This would cover precisely all of those other projects like, what you say, the driver’s license, etc. So, I think it is an exercise in futility for this Congress to enact the Emergency Powers Act because there are existing laws already covering the acts, programs, projects, services, consultants which are sought to be exempted from the Procurement Act and from the injunction processes of courts lower than the Supreme Court. So, I think we should save time, and at the same time, save the public from alarm. Because each time we say emergency powers, the public is alarmed reasonably because of past experiences.

Now, I am appealing to this Congress not to proceed with a bill or measure which is already covered by an existing law. To my last point, Mr. Speaker, distinguished Chairman, was there any other country where the Executive asked for emergency powers to solve a nasty, messy traffic situation?

REP. SANDOVAL. Mr. Speaker, this Representation is not personally aware of any country, but I am sure that there a lot of countries that have traffic problems in Asia.

REP. LAGMAN. Yes, that is correct, there are many countries having traffic problems but their chief Executive does not ask for emergency powers to address a traffic situation.

Mr. Speaker, distinguished Sponsor, thank you for the opportunity to ventilate these policy questions.

REP. SANDOVAL. Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The Floor Leader is recognized.

REP. DE VENECIA. Mr. Speaker, I move that we recognize the Hon. Lito Atienza from BUHAY Party-List for his interpellation.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Hon. Jose “Lito” L. Atienza Jr. from BUHAY Party-List is recognized to interpellate the Sponsor.

REP. ATIENZA. Thank you, Mr. Speaker, Mr. Floor Leader.

With the kind indulgence of the honorable Sponsor, we would like to express today, in this Chamber, some of the frustrations of our public. Some of them are already calling the Department of Transportation as the “Department of Exasperation” because people get exasperated with the nagging problem of traffic.

Before I even start with my line of questioning, we would like to congratulate the leadership of the Department now because of the successful removal of the “tanim-bala” racket at our airports where we saw that decisive action by the government produces beneficial results immediately. Inakasyunan at natapos ang tanim-bala.

Itong problema po natin ng traffic na paulit-ulit, araw-araw, umaga, tanghali, gabi ay hindi po natin maapuhap. Para bagang ang solusyon ay hindi alam ng mga namamahala. You hear the airwaves full of suggestions. You go to any fora, they are discussing—the same ideas are being given. Mr. Speaker, does the Department of Transportation today even listen to the—or see the problem and listen to the suggestions of the people, well-meaning people, like this Representation? We already stated our well-meaning suggestions in our budget hearings but we did not see immediate action as a reaction to our well-meant suggestions. Nakikinig po ba sila?

REP. SANDOVAL. Nakikinig po, Mr. Speaker, at sa katunayan po, dito po sa first 100 days ng ating Secretary Art Tugade, ay kulang-kulang 30,000 ang nahuli nila sa mga traffic violation po nila at dapat pong intindihin natin na hindi lang siyempre ngayon itong problemang ito. Three years ago, five years ago, ganito na rin po ang problema natin.

Ngayon po, mayroon na tayong bagong Secretary ng Transportation, ako po ay umaasa at siguro po tayong lahat ay umaasa na sa pamamagitan niya ay mabibigyan tayo ng bagong pag-asa dito sa traffic at iyan rin po ang ating inaasahan na dito po sa kaniyang hinihing emergency powers ay makakatulong po ito at mabibigyan po tayo ng solusyon.

REP. ATIENZA. Maganda po iyong talumpati ninyo. Pero ako po ay hindi nagugulat ng mga statistics e. Mayroon pong kasabihan akong talagang aking kinakapitan, “the proof of the pudding is in the eating.” Maraming nagawa, e di dapat maramdaman natin. Pero hindi natin nararamdaman ito e.

Iyong aming sinabi noon, hanggang ngayon nandiyan pa ho ang mga bus sa Buendia, naghambalang. Wala pong pumupuna. Are we talking to sensitive officials or are we talking to bureaucrats who have already been mummified in their positions? Dahil alam ninyo, kapag inalis po ninyo iyong mga bus na nakaparada sa main avenues, malaking bagay na po iyan, it will improve further the flow of traffic. If you address the defined choke points in the metropolis, immediately we will have an improvement. If you clean up all the side streets of Metro Manila, we are talking about the city streets, they are called, kapag nilinis po iyang lahat ng illegality, I would say we will improve the traffic conditions by 30 percent. Baka hindi na po tayo mag-uusap ng emergency powers kapag nakita po nating nagtatrabaho na ang lahat.

Personally, Mr. Speaker, I use side streets coming to the Batasan and going home to my house because I find them faster routes and more convenient, and I reach home by probably two-thirds of the time rather than passing by EDSA.

Hindi pa ba natin tinatanggap na kapag nilinis natin lahat ng kalye sa Maynila, lahat ng kalye sa Mandaluyong, sa San Juan, sa Pasay, palagay ko ay mabilis po tayong makakarating sa ating paroroonan. But if we are all concentrated at EDSA, then we are automatically creating a problem. Mind you, Mr. Speaker, this problem has caused road rage violence in the streets of Metro Manila, killing a passenger, a driver, a motorist, a law enforcer, a traffic enforcer, aba’y hindi po tayo dapat magdalawang-isip umakasyon, sapagkat kung hindi po, umiinit na ulo ng mga tao.

Doon sa nakaraang Department of Transportation ay talagang nagalit ang mga tao. Ngayon, galit na galit na po sila dahil wala pong pagbabagong gaano. The MRT breaks down every other day. Akala ko po ay thing of the past pero hindi po, obviously, the same people are running the MRT except for the top man, maybe, and no serious change therefore has been felt by our commuters.

I would not indulge in pesos and centavos at this point because the money is not the material thing but rather the commitment to improve the service of the Department. Nakikita ko po ang kaibigan kong masipag na Secretary at alam ko namang he means well. But the point is, if he is dependent on the same people who ruined the past administration’s performance, he will suffer the same, and I do not want that to happen.

REP. SANDOVAL. Mr. Speaker, I can make sure—I can assure the honorable Gentleman from BUHAY Party-List that the Secretary is doing everything in order to put in a solution.

In fact, there is now a phasing-out—hindi naman po tayo puwedeng basta magtanggap po ng mga tao, tapos wala tayong ipapalit. So, given enough time,

mapapalitan na po itong mga taong ito para ma-improve iyong ating mga MRT, LRT, at kung ano pa. At the same time, dito po sa ating mga traffic problems, iyong mga binabanggit kanina ng ating Kinatawan ng BUHAY Party-List, lalo na iyong mga illegal parking ay mahigit 5,000 na po ang tinatangal po natin dito. At sa mga traffic-rules violators apprehended, 171,000 sa obstruction, loading/unloading at prohibited zones, 165,000; mga colorum, pinapag-aralan po.

Lahat ng bagay po ay binibigyan ng halaga dahil lahat naman po ng gagawin ng ating mga Secretary at ating mga ahensiya ay palaging—kung mayroon tayong aksiyon ay mayroon po palaging reaksiyon, kaya ito ay inuuna natin bago po natin isapubliko.

I assure you, Mr. Speaker, that the Department is doing everything to solve not only the traffic problem in EDSA, but also the railway problem, the air problem, and the sea problem.

REP. ATIENZA. Maraming salamat po sa inyong makukulay na paraan upang mailagay natin sa tamang pananaw ang ginagawa ng Department.

Ang tanong ko po ay simple, naalis na po ba iyong terminal ng bus sa Buendia and Taft Avenue? I am talking about the BBL and LLI, na niluwagan ang Buendia, ginawa nilang almost six lanes, hinati sa gitna, at ginawang terminal ng bus iyong kalahati. Is that the right way of managing our limited road space?

REP. SANDOVAL. Pinapag-aralanpoiyan. Iyandinpo ang isang concern ng ating Department of Transportation...

REP. ATIENZA. Ano po?

REP. SANDOVAL. ...na tanggalin po siguro. Ngayon po ay pinapag-aralan po nila kung ano po ang gagawin.

REP. ATIENZA. Hindi po, ngayong hapon puwede pong puntahan, alisin iyong mga barrier doon, at alisin iyong mga bus doon, hilahin nila. Hindi na po paparada iyong mga bus doon bukas. Pero kung hindi po magbubunga itong ating palitang ito ay para tayong nagbobolahan. Huwag nating bolahin ang taumbayan sapagkat nararamdaman nila ang hapdi ng hindi pagtugon sa nakikita nilang pagkukulang ng gobyerno.

REP. SANDOVAL. Mr. Speaker, unfortunately, ito po ay under the Pasay LGU, hindi po ang Department of Transportation.

REP. ATIENZA. Mr. Speaker, this is where we cannot agree. The Department gives up and raises its hands on basic requirements of making vehicles run in our narrow streets. The LGUs will not dare stand up to the authority of the national government. We have the Department of Transportation, we have the DILG,

we have the PNP, now the highway patrol is even in command, and I do not see any mayor in Metro Manila saying “no” to the simple direction of removing illegally parked buses in the highways. I cannot see that and I cannot accept that.

I was Mayor for nine years. And I am proud to say no department even had to say anything. I did my job.

I believe that the mayors in Metro Manila would want to do their jobs. But unless the Department Secretary and his people could remind them about it, nag them about it, and file charges against them, if they do not react, administrative charges can be filed against them, and they can even be removed from office. That is the law. So, what are we talking about, helplessness?

I do not believe that the Department of Transportation is helpless. It has all the authority and the backing of a powerful President, President Duterte, no less.

I do not see President Duterte as a lame duck, he is just starting. And if he calls up these mayors, I am sure they will move. And President Duterte should be briefed properly by the Secretary of Transportation. I do not think he has time to even know about illegally situated terminals, illegally parked vehicles, illegal use of narrow roads and streets. Kailangan po sinasabi iyan. I am sure they have Cabinet meetings and these items could be taken up and actions can be taken.

Please do not feed us with helplessness. If a Department is helpless in the face of serious challenges, then we are admitting that they are failing, and I do not think they should fail at this point. They are just at the point of takeoff and they should succeed, they must succeed; otherwise, all of us will suffer.

REP. SANDOVAL. Mr. Speaker, from this far, I see the fire in the eyes of Representative Atienza, and I see his rage and his anger regarding this matter, and this is exactly why we need the emergency powers. Right now, there is not a singular authority that manages traffic. Lahat po ng puntahan nating lungsod, may kanya-kanyang patakaran, may odd-even, mayroong plus-minus, at kung anu-ano pa. Kapag binigyan po natin ng emergency powers ang ating Department of Transportation, diyan natin makikita na puwedeng mag-override ito pong mga itinatayong mga bus terminal ng ating mga local government, iyong atin pong mga problema sa traffic na sa palagay ng ating Kinatawan galing sa BUHAY Party-List ay wala nang solusyon. Kaya po hinihingi ko ang suporta natin dito sa emergency powers.

REP. ATIENZA. Kagalang-galang na Sponsor, I am sorry to say, the issue is not the grant of emergency power. The solution is a dedicated effort at enforcing the law. The political will should be there. The laws are already in place. You do not need emergency power to clear streets of illegally situated cars, many

of them are dilapidated, lying on top of rubber tires and wooden blocks. Hindi po emergency power ang kailangan diyan. As I said, I did all of these already so I do not think and I will not buy the idea that one needs emergency powers to enforce the law. Lahat po noong mga nakabaladrang kotse, sasakyan, jeep, tricycle, lahat po iyan ay itinapon ko sa Smokey Mountain. Wala pong nakapagdmanda ni isa sapagkat alam nilang mali sila. We warned them, we gave them three days to clear all of these illegally situated barnacles of the streets of the city of Manila, and those who removed them were not affected by our directive. But those who were hardheaded had to be content that their garbage which I considered their derelicts, which I considered as garbage, they had to pick them up at the Smokey Mountain pile of garbage.

Ganoon po dapat ang makita natin; otherwise, we are all grappling with the problem of EDSA. EDSA is not Metro Manila. EDSA is just a highway that traverses through Metro Manila. Metro Manila is composed of thousands of streets which can be utilized. Pag-aaral ang kailangan. Certain times of the day, two ways ang gamit ng kalye. Certain times of the day, one way, going home or going to work. Lahat ng traffic lights, dapat synchronized. Iyong busy streets, matagal; iyong hindi naman masyadong busy, cross section, maikli lang ang kanilang timing. Pero wala pong nag-aaral niyan because we experience this. I am sure my colleagues experience them. Sometimes you are waiting for your green light, wala namang dumadaan doon sa kabila, o kaya naman, mayroong traffic enforcer, binibigyan niya ng benepisyo iyong mga jeepneys and buses using the other lane or the other road. So, lahat ito contribute to the growing situation of a traffic crisis in Metro Manila. It should not be, it does not have to be.

I will give you another example. If you pass by one of the newest avenues in Metro Manila called Zobel-Roxas Avenue, ito po ay bago sapagkat kami ang gumawa niyan. Ang ganda-ganda pong kalye niyan. Papunta po ng Makati iyan from the boundary of Manila. Tingnan ninyo, dumaan kayo ngayon doon. Hindi na kayo dadaan uli sapagkat may squatter na po sa gitna e. Kailangan po ba ng emergency power iyon? Hindi po. Tatawagan lang po ninyo si Mayor Erap. “Erap, i-clear mo iyang Zobel-Roxas, kung hindi, ikaw ang ikli-clear ko sa City Hall.” Susunod po iyon. But we need somebody to wield the baton, to wield and exercise his authority; otherwise, we are all helpless. And let me remind the Gentleman, in Metro Manila now, there is anarchy, in fact. In spite of the pronouncements of the Secretary of Transportation, anarchy is the rule of the day. Check the side streets of Metro Manila, many of them now are even gated. Naglagay ng gate ang mga barangay chairmen. At certain times of the day, they close it, sinasarahan at their discretion. Pinapayagan po ba ng Department of Transportation iyan?

REP. SANDOVAL. Mr. Speaker, kinikilala ko po ang kakayahan ng ating dating Mayor Atienza. At alam ninyo, matagal ko pong naging boss itong si Mayor. At talagang napakagaling, napakaganda ng kanyang mga sinasabi. Siguro po dapat umpisahan natin sa pagbibigay ni Mayor Atienza ng seminar kung paano po ginagawa ito. Ngunit sa—bago po natin gawin iyan, I would like to assure the good Representative of BUHAY Party-List that even without the Mayor saying it or the Representative saying it, that they are already in coordination with the local government units. They are saying that mayors are going to cooperate with the Department of Transportation. And the Department of Transportation also is in coordination with MMDA. In fact, the good Secretary has called upon Chairman Orbos so that they can have coordination. He is also talking to the local government units. Kaya, it is a big task but we are starting off on the right foot, Mr. Speaker.

REP. ATIENZA. We have been saying that, honorable Sponsor. Namamaos na po kami na i-suggest, kausapin ninyo po ang mga mayor, utusan ninyo ang mga mayor. Isama ninyo sa trabaho ang mga mayor, isama ninyo lahat ang mga barangay. There are 17 mayors, there are 2,000 barangay chairmen, there are about 20,000 tanod all over Metro Manila. Hingian ninyo ng tulong ang mga iyan. Hindi naman puwedeng tumanggi, kapag tumanggi, kasuhan ninyo. Right there, the Secretary of Transportation can work with the institutions, work with the present setup. Do not ask for an emergency power without us getting convinced that you are already doing your job and you still lack the necessary effects requiring emergency powers. Otherwise, we will have a very, very serious doubt as to how these emergency powers will be used eventually. If you cannot exercise your ordinary powers under ordinary times, we feel emergency powers may only be abused by people who did not even do the basics and now require us to grant their special powers. Kaya nga po iyon pong aming hinihingi ay gawin po naman nila lahat ng magagawa under existing laws. Hindi kailangan ang special law to open up all of these illegally, arrogated streets in certain portions of Metro Manila, na kapag dumaan kayo, maski na kayo ay sumusunod sa Waze, alam po ng ating honorable Sponsor iyong app ngayon na nakakatulong ng malaki. Tanungin natin saan magaan ang daan. Waze, sumunod ka, turn left, go straight, 200 meters turn right, go left, make a U-turn, then you face a blank wall dahil tinayuan na ng barangay ng wall iyong kalye. So, even Waze, an internationally accepted way of following practical routes, cannot work because there is anarchy. I am saying with firm conviction, one of the main reasons we have exacerbated the situation is the anarchy that has been allowed, allowed by the past administration, six years of anarchy, allowed by the present administration, very sad to admit because

we thought and we would like to think Presidente Duterte is not like President Noynoy Aquino. They are poles apart in character and determination. We know President Duterte can really develop more impact and effects in his program. Sa nakaraan po, talagang hindi pinansin iyan. Kaya't inumpisahan ko po iyong tanimbala. Isipin ninyo, hindi ma-correct-correct iyan ng nakaraang administration, sandaling panahon, nawala po iyang raket na iyan sa airport.

So, itong mga nangyayaring anarchy and improper, ineffective use of limited road spaces in Metro Manila can be improved. The technical men of the Secretary can sit down, study every street and see which time of the day maraming dumadaan dito. Gawin ninyong two-way o one-way headed towards Makati, towards Manila certain times of the day; one-way headed for Novaliches, Quezon City, going home. Kapag hindi po pinag-aralan, simple study eh wala po tayo talagang makukuhang resulta. Hindi po kailangan ang emergency power, iyon po ay emergency action siguro and a lot of common sense, dahil malaking improvement ang maidudulot ng perfectly timed traffic lights and properly studied use of limited space. Lahat po iyan ay magagawa ng mga tauhan ng ating Department.

Now, shifting to another topic, Mr. Speaker. The LRT line-Dasmariñas line was promised by the former President to be finished last December 2015. Sabi niya “kapag hindi natapos iyan, papasagasa ako sa tren.” Naalala po ba ninyo iyon? “Kapag hindi natapos iyang linyang iyan, magpapasagasa ako sa tren.” Sinabi po ng dating Pangulo. Tatanungin ko, tapos na po ba iyong LRT-Dasmariñas line, o ano nang stage ngayon iyon?

REP. SANDOVAL. Ngayon po ay nasa right of way acquisition at sa ngayon ay isa na lang po ang problema. May mga nakatira pang urban poor, at kapag iyon ay naayos ay magtutuluy-tuloy na po ito.

REP. ATIENZA. Nagpasagasa po ba iyong dating Pangulo na nangako? Hindi po natin nakikita, baka nagpasagasa na nga. Anyway, ...

REP. SANDOVAL. Wala po akong balita, Mr. Speaker.

REP. ATIENZA. That is very, very, very exasperating again. See, that particular line should be servicing already our commuters headed for Laguna, Cavite and Batangas. But now, they are still in the negotiations for the purchase of certain parcels of land. That is about three, four years from completion, maybe five. Maybe at the end of the Duterte administration ay hindi pa rin tumatakbo iyan kung ganyan ang ating paggawa ng ating pangangailangan. That is a major line that should have been given, that you should now be giving special attention to.

REP. SANDOVAL. Mayroon na po.

REP. ATIENZA. Mayroon na pong kontratista iyan, hindi po ba?

REP. SANDOVAL. Siguro po, Mr. Speaker, kung talagang nahihirapan sa pagtatanggal noong mga right-of-way, problema natin ito sa mga squatter doon, eh siguro tawagan natin si General Bato, matokhang at mabigyan tayo ng solusyon dito. But, ito po ay inaasikaso na ng ating Department.

REP. ATIENZA. Sino pong tatawagan ninyo, si Matobato?

REP. SANDOVAL. General Bato.

REP. ATIENZA. Honorable Sponsor, that line, we hope, gets done immediately because we know that the winning bidder for that line has already been collecting the income from the main money-making line, which is the original LRT. Are we correct in our knowledge and information?

REP. SANDOVAL. That is correct, Mr. Speaker, Your Honor.

REP. ATIENZA. Kumokolekta na po ng almost two years. Lahat ng kinikita po ng money-making line, the original LRT, the only money-making line, kanila ang kita. Diyan lang ako nakakita ng kontratang talagang iyan ang tinatawag na tubong lugaw. Ginigisa hindi lang sa sariling mantika, kundi, umani na, hindi pa nagtatanim. Dahil iyong kinikita ng money-making line ay kinukuha na nila. So it is to their advantage that the contract is not completed because they will collect and they keep on collecting while the assignment under that concession agreement is not delivered. Then who suffers? Tayo pong lahat ang nagdurusa. We hope the Secretary of Transportation would knock on that with dispatch.

REP. SANDOVAL. Certainly, Mr. Speaker.

REP. ATIENZA. People are already exasperated over that particular promised service.

Now, on the common station, honorable Sponsor, Mr. Speaker, na ganon din po ang istorya, horror story po ito on how administrations abuse their authority, again, to the detriment of the suffering commuter people, iyon po dapat ay natapos na under the Arroyo administration, nabitin, hindi naasikaso, anim na taon.

Noong isang araw, nagpirmahan po sila. Nakita po namin sa pahayagan iyon. Iyon po bang problema roon, iyong Line 7 will meet up with MRT 3 in a convenient

manner so that the commuters will not walk the 700 meters that they would have suffered through, including the senior citizens who would have to go down, go upstairs, and walk about 700 meters? Iyon po bang kanilang agreement na pinirmahan ay hindi po ganoon ang inilalagay dahil hindi po namin nakikita pa iyong provision. Again, iyong agreement, wala po tayong kopya noon.

REP. SANDOVAL. Mr. Speaker, maganda po ang binanggit ni Congressman Atienza tungkol dito dahil napakatagal na problema na po ito. Hindi magkasundo sa common station. Ngunit dito po sa nangyari po ngayon, kailan lamang po ay nagpirmahan na magkaroon ng single station kung saan kumbinyenteng makatatawid ang mga pasahero magmula sa LRT, MRT, at MRT Line 7. Hindi na po kapares ng dati na mayroong isang istasyon sa may SM at isang istasyon sa may Trinoma. Iisa na lang ang terminal ngayon at malapit lang ang lalakaran para makalipat ang ating mga pasahero from one terminal to the other.

REP. ATIENZA. Iyon pong malapit na lalakaran, G. Sponsor, gaano kalayo po iyon? Iyong malapit ay maaaring malapit sa isang bata pero sa isang nakatatanda ay malayo. Kaya, gaano ho ba kalapit iyong malapit?

REP. SANDOVAL. Sixty meters po, Mr. Speaker.

REP. ATIENZA. Sixty meters.

REP. SANDOVAL. Sixty meters.

REP. ATIENZA. Puwede na po sigurong papurihan sila diyan kung naputol iyong 700 to 60 meters.

REP. SANDOVAL. Opo.

REP. ATIENZA. See, what happens when there is an action taken? Iyan ang sinasabi po natin kanina. Basta asikasuhin, magbubunga. Huwag na nating hintayin iyong emergency power dahil hindi iyon ang solusyon. Makita muna natin ang Department of Transportation na ginagawa lahat ng mga basic requirements so that the narrow streets and limited streets that we have are utilized to the fullest.

Talk about LGUs, we would like to mention. Mandaluyong is very efficient in their local traffic management. San Juan is very efficient because we pass through all of the side streets. Makati is very efficient because in every corner, you know, there is a traffic enforcer who will allow you to pass and help you get to your destination. So, if the local government units will all work and be inspired by our very industrious Secretary, I am sure we will have a big, big improvement in the traffic flow in Metro Manila.

Could we get a commitment on that? At tinitiyak ko naman sa inyo, dahil nga dito tayo nagpupunta araw-araw at umuuwi ako sa Maynila ay alam ko po ang katotohanan. Kaya maski matapos natin itong badyet na ito, we will continue nagging on these issues if we do not see any action being taken.

REP. SANDOVAL. Mr. Speaker, nakita ninyo naman, three months pa lang, nabigyan na ng solusyon ang common station natin na kung anim na taon na, diyan natin nakikita na if you are really sincere in your efforts to help the government, something will happen. Kaya iyan pong sinabi ninyo, nagpapasalamat po kami diyan at you can have the assurance of the Department of Transportation that they will continue to dedicate their time and effort towards the solution to our problems.

REP. ATIENZA. Iyon pong Dasmariñas line, ano po ba ang bagong timeline ng bagong Department of Transportation Secretary? When do we get the Dasmariñas line going considering what you have just said that they are still negotiating on the right of way and the purchasing of land?

REP. SANDOVAL. Construction will start next year, Mr. Speaker.

REP. ATIENZA. Alam po ninyo, just to remind everyone, you do not need emergency powers when the government is decided to go through with a certain area, for a playground, for a public market, for a railway. Iyan po ay hindi nangangailangan ng emergency power. Babayaran lang po iyan under our powers of the State, giving the owners who are refusing, that they can always expropriate. Eminent domain principle, as a principle, can give the government access and control over whatever areas that are needed to fulfill the basic requirement of a new railway for Dasmariñas and Cavite. Kaya hindi po kailangan ang emergency powers diyan. Kailangan lang talaga ang masisipag na mga abogado ng Department of Transportation to buckle down to work and get all of these requirements done.

REP. SANDOVAL. I agree, Mr. Speaker.

REP. ATIENZA. So, kailan po natin dapat maasahan para po naman ipamalita namin sa Maynila na mayroon nang pag-asa?

REP. SANDOVAL. Next year po, mag-uumpisa na.

REP. ATIENZA. Hindi naman po magpapasagasa ang Sekretaryo kung hindi ...

REP. SANDOVAL. Hindi naman ho.

REP. ATIENZA. Hindi po.

REP. SANDOVAL. Pero, kung sakaling iyon ang intensyon niya, at least, mayroon nang sasagasa dahil gagawin na.

REP. ATIENZA. Aawatin ko, aawatin ko po siya sapagkat hindi dapat nangangako nang ganoon. Kapagka hindi naganap ay dapat tinutupad, hindi po ba?

REP. SANDOVAL. Opo, Mr. Speaker.

REP. ATIENZA. At saka iyong emergency powers, gaya po ng aking nasabi na rito, paulit-ulit naman nating tinatalakay—kanina ay si Congressman Edcel ay nagbigay ng kanyang pananaw. Ang aking pananaw po sa emergency powers, double-edged sword. It can really work for the worse and to the disadvantage of the people and the country or it could work. But so far, our experiences on emergency powers are the following:

The emergency powers demanded for and grabbed by former President Marcos—ano po ang ibinunga noon? Alam na natin. Hanggang ngayon, pasan-pasan natin iyon.

Emergency powers demanded for and given by Congress to then President Ramos when we had a problem, a crisis on electricity—ano po ang bunga noon? Hanggang ngayon, pasan-pasan natin. Napakamahal na kuryente, pinakamahal sa Asia, isa sa pinakamahal sa buong mundo, dito po sa ating bansa. Emergency powers po ang nagdulot niyan.

Humingi ng emergency powers si Pangulong Aquino. Ibinigay po sa kanya, under the Freedom Constitution, marami po siyang desisyong ginawa under her emergency powers. Nabago po ang ating Saligang Batas. Nabago ang sistema. We already had an effective parliamentary system, bigla tayong bumalik dito sa bicameral system. Iyon po ba ay nakabuti? Palagay ko ay hindi sapagkat ano ang naririnig natin ngayon? Bumalik tayo sa parliamentary. Ay nandoon na tayo eh. Kung wala po noong emergency powers, hindi po namadali ang pagbabagong iyon. Natalakay, nagkatulungan ang lahat ng isipan, malamang, hindi na po binago ang sistema. But Congress was abolished and a new system was installed. Why? Emergency powers.

Isa lang po ang emergency power na nagamit nang tama sa aking kaalaman. And correct me, if I am wrong, President Arroyo declared an emergency situation and gave herself emergency powers. That was when the government was threatened with a power grab coming from certain misguided elements of the military. In a week's time, she was able to neutralize all the plotters, and normalcy was restored. To me, that was the only

time emergency powers benefited the country as a whole, and all of us, in general. Otherwise, emergency powers on a ratio of 3:1 did not work for the benefit of the Filipino people and it could again work against the interest of everyone.

Kaya palagay ko dahan-dahan tayo diyan. Bilisan natin ang reaksyong hinihingi ng mamamayan sa traffic conditions. Alisin natin lahat ng mga ilegalidad. Parusahan natin ang ayaw magtrabaho. Marami pong magagawa ang ating masipag na Sekretaryo pero dapat ay patuloy nating paaalalahanan at umasa siyang ang inyong lingkod ay patuloy na magpapaalala sa kanya kapag nakikita naming hindi siya sinusunod ng kanyang mga tauhan. Dahil sa ngayon, iyong mga vehicular panels na pinuna natin, nabigyan ng bahagyang ilaw. Ang hindi ko po maintindihan, bakit hindi pa po bigyan ng maraming ilaw. Bakit ilang ilaw lang ang inilalagay. Lumiwanag nang bahagya. Nagtitipid nang wala sa lugar. Iyong mga halaman, inaalagaan. Iyong ilaw, hindi inilalagay. Eh hindi po natin masasakyan iyong ganoong klaseng hindi pagsunod sa kautusan ng tamang pamamahala.

So we wish him well. We wish the Department all the best. We want them to succeed, because we want us to succeed in removing one of the main anchors of our national economy, and that is the traffic condition in Metro Manila, in particular, Cebu and other urban areas. And please, attend to the problem and growing problem of the habal-habal in the provinces and now being introduced in the city of Manila. Ito po iyong mga motorsiklo na ginagamit na ngayon as a means of transportation. Umaangkas na lamang po iyong pasahero at ginagamit nila bilang kanilang paraan dahil sila ay nabibitin sa MRT, natatagalan sa bus, kaya nagmomotorsiklo na lang.

Iyon po ba ay dumadaan sa kamay ng LTRFB, LTO, all the regulatory offices of the Department?

REP. SANDOVAL. Wala pong mga—hindi po nagdadaan sa national government, ito po ay sa LGU kumukuha ng permit.

REP. ATIENZA. Sa LGU, pero, siguro puwedeng bigyan ng guidance ng national office na itong mode of transportation na ito ay, although practical, but if not properly regulated, could be dangerous to one's life and the commuters' desire may be overtaken by accidents that should not happen at all if they were given the proper direction and control by the Department concerned.

Kaya, puwede po bang hilingin naming bigyan ng pansin iyong mode of transportation na ngayon ay kinakapitan na ng marami sa kakulangan ng mas modernong paraan?

REP. SANDOVAL. Makakaasa po kayo, Mr. Speaker.

REP. ATIENZA. Noong isang araw po ay nasa probinsiya ako, nasa Kabisayaan ako, may nakita po ako doong isang traysikel sa highway. Naku, akala ko ay isang kulumpol iyong tao, pero tumatakbo, iyon pala ay may motorsiklo sa loob at mayroon mga kahoy lang na inuupuan, tinatayuan ng mga pasahero. It was a tricycle, but it was able to load about 14 passengers. Can you imagine a tricycle with 14 passengers?

REP. SANDOVAL. Nagpapakita lang po ng creativity ang ating mga—tayong mga Pilipino.

REP. ATIENZA. Opo, pero ang napipintasan diyan siyempre, ang ating pamahalaan, at kapag nagkaroon ng malaking sakuna ay masisisi na naman ang ating gobyerno. So we need to take note of all of these.

Through our ingenuity, we were looking for solutions. But the solutions lie on the shoulders and the hands of the Department of Transportation. Inihiwalay na natin po iyan sa Communication dahil gusto nating mag-concentrate sila sa transportation. Inaasahan po nating tutupad sa tungkulin niya ang bagong Sekretaryo.

Maraming salamat po, Mr. Speaker. Thank you, honorable Representative, ...

REP. SANDOVAL. Thank you, Mr. Speaker.

REP. ATIENZA. ... my good friend who is very eloquent in defense of the truth, his side of the truth, but in spite of his eloquence, this Representation remains expecting results from this dialogue.

Thank you.

THE DEPUTY SPEAKER (Rep. Singson). The Dep. Majority Leader is recognized.

REP. TY. Mr. Speaker, we move that we recognize the Hon. Ariel “Ka Ayik” B. Casilao of the Party-List ANAKPAWIS for his interpellation.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Hon. Ariel Casilao is recognized to interpellate the Sponsor.

REP. CASILAO. Thank you, Mr. Speaker. Magandang hapon po sa ating kagalang-galang na Sponsor.

Una sa lahat po, nais ko pong i-manifest, bagama’t iyong ibang mga katanungan ay naitanong na ng aking kasamahan sa Makabayan bloc, si Kagalang-galang Emmi A. De Jesus, dahil ako po ay Kinatawan ng ANAKPAWIS Party-List po, at mga manggagawa, magsasaka at manggagawang-bukid at urban poor

ang kinakatawan nito. Nais ko lang pong ulitin at nais ko pong marinig iyong eksaktong commitment dahil hindi po malinaw ang sagot kanina hinggil doon po sa dapat bayaran na may Supreme Court decision na, non-execution of the Supreme Court decision on the illegally dismissed workers ng MRTA. Hindi ko lang po malinaw na napakinggan kung may na-allot na po na pera na nagkakahalagang P221 million para doon sa mga pamilya dahil, para po sa kabatiran ng ating G. Sponsor, mayroon na pong mga manggagawang sinabi na ng Supreme Court na illegally dismissed and the LRTA is solidarily liable in paying their back wages, separation pay, and all other benefits.

Mayroon na pong mga manggagawa na beneficiary na dapat noon ay patay na. Ngayon po, mayroon na rin pong mga malubha ang karamdaman o may mga sakit. Kaya po ipinapatanong nila kung sa kasalukuyang pormulasyon po ng budget ay may naitalaga na po ang Department of Transportation. Alam ko po na sa pamumuno ni Kalihim Art Tugade ay hindi niya papayagan na mapasawalang-bahala ang kahilingang ito ng ating mga manggagawa.

REP. SANDOVAL. Mr. Speaker, kung ito po ay may desisyon na ang ating Supreme Court ay makaasa po ang ating mga manggagawa na talagang bibigyan po sila ng just compensation.

REP. CASILAO. Nais ko pong makuha ang categorical commitment whether it is reflected in the 2017 Budget. Because sa nagdaan pong mga administrasyon ng DOTC, hindi po pinansin ng dating Kalihim ng DOTC na si Secretary Abaya na maglagay ng karampatang pondo para doon sa payment as instructed by the Supreme Court.

REP. SANDOVAL. Ito pong, kung saka-sakali pong wala sa budget, ito po ay puwede po nating i-request sa DBM, lalung-lalo na kung may utos ang ating Korte Suprema, kaya huwag pong mag-alala ang ating Representante na galing po sa ANAKPAWIS dahil ito po ay kayang gawan ng paraan. At hindi lamang po dito, karamihan po ng mga government agencies na mayroong ganitong problema ay talagang napapakiusapan po natin ang DBM, because this is a commitment of the government to the people who serve them.

REP. CASILAO. Thank you for that very reassuring words, Mr. Sponsor, and in fact, one of the survivors and the beneficiaries is in the hall right now and wants to listen to the categorical commitment of the Department with regard to achieving social justice. It is justice for them, Mr. Speaker, if the Department is giving us full guarantee that the funds will be allocated and will be released and the Department will help in ensuring, in convincing the DBM to allocate such fund.

Now, my second point, Mr. Speaker, G. Sponsor, nabanggit na rin po ni kasamang Emmi kanina na dahil nga po—nakalulungkot, dahil ang serbisyong transportasyon ay isang batayang serbisyo na dapat ay pangunahing nasa kamay at kontrol ng ating gobyerno. Kaya lang po dahil naipasok ito sa mga PPP, mga Private Public Partnership, at noong naipasok na po, iyong mga manggagawa nga natin ng LRTA ay naging empleyado na ng LRMC, at nakalulungkot dahil regular sila, supposedly, sa gobyerno dahil nga pribado ito at may separate na batas na ipinapasok natin sa employer-employee relationship, kaya ngayon, sapilitang pinirmahan nila, pinapapirmahan sa kanila iyong six-month tenureship nila at makatapos ang six months ay talagang nanganganib na ang kanilang kasiguruhan sa pagtatrabaho. Kaya po that resulted in 44 illegal dismissals which—nag-umpisa po sa mga kuro-kuro at gawa-gawa lamang na reklamo at complains.

Kaya po, this manifestation of this Representation would like, really, to be strict on the oversight function of the DOTr, especially the LRTA, with regard to ensuring the protection of our workers. Dahil, ang ating Pangulo po, si President Rodrigo Roa Duterte, ay nangangako na tanggalin na, babasagin na ang iskemang kontraktwalisasyon. However, in the Department, it seems that the private partners that the DOTr is being engaged to are really hell-bent in pursuing contractualization, especially in the collection service and even in other lines of work at the LRT and MRT.

Ngayon po—ang dalawang huling katanungan ko po ay itong signaling system ng MRT. Hindi ko po nakuha sa mga dating budget briefing ng DOTr kung ano na po ang status nitong kontrata para dito sa upgrade ng ating signaling system, dahil alam ko pong bilyun-bilyon po ang ipinondo dito sa nagdaang dalawang taon, ngunit alam naman natin ngayon na ang Kinatawang ito bago pa man hinalal bilang Kinatawan ng ANAKPAWIS, bawat punta ko po dito sa Maynila, dahil ako ay taga-Davao, wala po akong ibang inaasahang moda ng transportasyon mula sa Pasay papunta dito sa Quezon City kundi ang MRT. Mula sa airport, sasakay ako ng bus papunta ng MRT-EDSA sa Taft. At ilang beses ko na rin pong na-encounter itong mga incidental na mga pagtigil ng tren. At alam ko, mahalaga ang papel ng signaling system dito na napondohan na sana nang magkaroon ng upgrade. Ngunit sa tingin ko po at hindi po ako sigurado kung nagkaroon na ba ng katuparan ang upgrade na ito.

REP. SANDOVAL. Maganda ho ang katanungan ng Gentleman from ANAKPAWIS. Actually, dati po, ang problema po natin ay kung ia-upgrade po natin, papalitan natin itong signaling system, dahil lang may mga bagong dumating na tren. Ngunit ngayon po, I am happy to tell the honorable Gentleman that this is now in the process of upgrading, ngayong taon po ina-upgrade na.

REP. CASILAO. Magkano po ang budget na—hindi ko po kasi makumpirma sa allocation ng 2017 NEP ng DOTr, specific po, nais ko lang malaman, ng Kinatawang ito, ang specific na budget para maikumpara natin sa mga nagdaang alokasyon kung ito pa rin ba ay ipapaloob sa isang private partnership contract.

REP. SANDOVAL. Nasa P87 million po ang budget nito.

REP. CASILAO. PPP or administration?

REP. SANDOVAL. Government procurement.

REP. CASILAO. Government procurement?

REP. SANDOVAL. Government procurement.

REP. CASILAO. Again, these are reassuring words because if we shell out from our own pockets, the government will not be forced to make it into a loan or scheme that will—magkakaroon ng papel ang pribado at lalo pang magiging kawawa na naman niyan dahil ang sisingilin ay ang ating mga mananakay.

For the last point, Mr. Speaker, Mr. Sponsor, ito pong phaseout, I have manifested this in the pre-plenary that, hopefully, the DOTr will take a serious study on the implementation of the jeepney phaseout. Alam natin na sa usapin ng road worthiness, sa usapin ng air pollution, ang MVUC na pondo po ay dapat naglalaan iyong Department of Transportation diyan para doon sa mitigation. Unfortunately, in 2015, 2014 and 2015 COA reports, there has been a problem in the utilization of certain percentage, the 30 percent allocated for the MVUC. Ngayon, ang ginagawang may kasalanan ay ang ating mga kawawang operator, mga small-scale operators and jeepney drivers.

This Representation would like to manifest that for the government, it is our obligation to help them, rehabilitate their units. If we consider new, brand new units, minibus or whatever mode of public transportation, it is now the obligation of the government to assist the association of drivers and operators to provide the most credible and accessible ways or means for them to continue with their source of livelihood and income. That would be all, Mr. Speaker, at maraming salamat sa ating Kagalang-galang na Sponsor.

REP. SANDOVAL. Maraming salamat po, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). Dep. Majority Leader is recognized.

REP. GULLAS. Mr. Speaker, I move that we recognize the honorable Dep. Minority Leader from

the Party-List COOP-NATCCO, Rep. Anthony M. Bravo, Ph.D.

THE DEPUTY SPEAKER (Rep. Singson). The Honorable Bravo of COOP-NATCCO is hereby recognized to interpellate the Sponsor.

REP. BRAVO (A.). Thank you, Mr. Speaker. Thank you, Dep. Majority Leader.

Will the distinguished Sponsor yield to some questions from this Representation?

REP. SANDOVAL. Certainly, Mr. Speaker.

REP. BRAVO (A.). Thank you, Mr. Speaker, distinguished Sponsor. First, I would like to acknowledge receipt of the report requested by this Representation through the Committee on Appropriations and the distinguished Sponsor from the Department of Transportation relative to tax and non-tax revenues, earmarked revenues from budget accounts and obligated allotment and utilization of the continuing appropriations for 2015 and 2016 of the Department. This will surely shorten my time of interpellation since the report, as I have gone through, is already comprehensive and self-explanatory.

REP. SANDOVAL. Thank you, Mr. Speaker.

REP. BRAVO (A.). May I then proceed to my next concern, Mr. Speaker, distinguished Sponsor. This concern in fact had been raised in the Committee on Transportation during the deliberations on emergency powers and the Committee kept on reminding the concerned agency or attached agency of the Department relative to this issue. The concern that I want to raise, Mr. Speaker, distinguished colleague, is about the issuance of a driver's license and the car plates which, I think, there is a problem on this. What is now the status, Mr. Speaker, distinguished Sponsor?

REP. SANDOVAL. Mr. Speaker, alam ninyo marami talagang nagreklamo dito sa mga issuance ng car plates at saka iyong mga lisensiya na hanggang ngayon, wala pa. Pero kailan lamang ay mayroon akong narinig na balita na mayroon naman pong natutuwa dahil mayroon siyang isang driver na mayroong traffic violation. Tatanggalin na sana ang plaka, walang plaka, pagkatapos huhulihin, kukunin ang lisensiya, pero walang lisensiya kaya hindi nahuli iyong tao. Pero ganoon pa man, Mr. Speaker, ang Departamento ay gumagawa ng paraan para mabigyan natin ng solusyon ito. Alam nating mayroon tayong TRO, alam nating malaki ang problema natin. Ang LTO ngayon ay naglaan ng P400 million para sa pag-

print ng ating lisensiya at pagkuha ng ating plaka. In fact, dahil sa mga problema natin, ang kinakausap na ng ating Sekretaryo Tugade ay ang APO, iyong APO po na under kay Secretary Andanar para mag-print ng ating lisensiya at kumausap na rin sila ng ibang kumpanya para mabigyan ng solusyon iyong ating plaka. Kung atin pong iisipin iyong nangyari ay ilang taon na po ito. Pero dito po sa bagong administrasyon natin, ang iniisip nila, pabayaang na muna natin ang problemang iyan, bigyan natin ng solusyon at ngayon po ay mukhang malapit na, na magkakaroon tayo ng plaka at mga lisensiya.

REP. BRAVO (A.). Thank you very much for that candid answer, Mr. Speaker, distinguished Sponsor. I am asking this, Mr. Speaker, distinguished Sponsor, because I am very much concerned with the safety of our riding public. We have already problems on colorums, fake driver's license, how much more, with just a piece of paper for driver's license and temporary car plates, which can easily be tampered? So that is why I am very much concerned, Mr. Speaker, distinguished colleague. Another concern, Mr. Speaker, distinguished colleague, what is now the status of the computerization system of the LTO?

May I proceed further, when we secure a driver's license, we are paying P67.63 for computer fee, is it worth paying this amount, Mr. Speaker, distinguished Sponsor? Where does this money go, distinguished Sponsor?

REP. SANDOVAL. Mr. Speaker, this computer fee of P67.00 is supposed to go to Stradcom because of services rendered. However, in the last few years, Stradcom has not been paid. In fact, the funds or the share of Stradcom, this is supposed to be remitted to Stradcom, is now going to the National Treasury before it was on escrow. They had a problem with ownership, the LTO has stopped paying them, but now instead of putting it on escrow, it is going back to the National Treasury. So, it is again part of the problem of the Transportation Department and the LTO, how to source this fund. I think I can say that we are still lucky that Stradcom did not stop their services; otherwise, there will totally be no driver's license or even paper driver's license, there will not be any new registrations, and we will not have any record of whatever happened in the past as far as the records of cars and driver's licenses are concerned. Malaki po ang utang ng ating pamahalaan sa Stradcom.

REP. BRAVO (A.). So, Mr. Speaker, distinguished Sponsor, paying this amount of P67.63 means it is still worth paying it.

REP. SANDOVAL. I would think so, Mr. Speaker.

REP. BRAVO (A.). So, what is now the relationship between the Stradcom and the LTO if the contract between these two entities has already expired?

REP. SANDOVAL. Yes, while the Stradcom is still the software manager and data provider for the LTO, you are correct, Mr. Speaker, that the contract has expired already and they have an agreement that it will be renewed on a month-to-month basis. But the Secretary is now looking for another provider so that in the next three years, we can phase out the Stradcom and we can phase in this new service provider. I think the direction of the Secretary is such that we will have a new provider in the next two to three years.

REP. BRAVO (A.). So the timeline is within three years, Mr. Speaker, distinguished Sponsor.

REP. SANDOVAL. Yes, Mr. Speaker.

REP. BRAVO (A.). So, what will be the scheme of the arrangement? Will it just be the same as the previous arrangement with the Stradcom or will it be leading to the system which will be owned by the LTO in the future?

REP. SANDOVAL. Mr. Speaker, the system will no longer be BOO at the very least, that we will own the data that is in it, you know, and the source code. The problem now with the Stradcom is that, while we have already an agreement with them, we do not own the source code. And the Secretary, I think, has finally convinced them to give us the source code for this. Rest assured, Mr. Speaker, that whatever arrangement we will have with this new service provider, if not the government, will be a better solution for the Filipino people.

REP. BRAVO (A.). So the source code that you are telling us will be given already to the Department of Transportation or the LTO for that matter by the Stradcom.

REP. SANDOVAL. Yes, Mr. Speaker.

REP. BRAVO (A.). When is the timeline of the turnover of the source code?

REP. SANDOVAL. The timeline, I believe, is before they will be paid in full, we will have the source code, Mr. Speaker.

REP. BRAVO (A.). Thank you very much and the good Sponsor is assuring our public that such timeline will be met by the LTO, Mr. Speaker, distinguished Sponsor.

Last concern, this is about the traffic situation along Commonwealth. We are aware of the construction of the MRT 7, Mr. Speaker, distinguished Sponsor. Early in the morning, the problem is, we lack personnel and the traffic enforcers. I would like to call the attention of the good Secretary, Mr. Speaker, distinguished colleague, to address this because early in the morning, if you travel along Commonwealth, the buses are already picking up their passengers in the middle of the highway. There should be more traffic enforcers in the area even as early as four o'clock in the morning.

REP. SANDOVAL. We will take that into consideration, Mr. Speaker. Even if the LTO, the Department of Transportation is lacking personnel, they should be doing everything to make sure that the number of traffic enforcers is augmented, not only by the local but also by the MMDA and other government agencies.

REP. BRAVO (A.). We are assuring our riding public who are taking the route along this area that from now on, if not from tomorrow, there will be immediate action by the department, Mr. Speaker, distinguished Sponsor.

REP. SANDOVAL. Yes, Mr. Speaker.

REP. BRAVO (A.). With that assurance, thank you very much, Mr. Speaker, distinguished Sponsor. I am cleared and I will be expecting much from the commitment. That ends my interpellation.

Thank you, Mr. Speaker.

REP. SANDOVAL. Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The Dep. Majority Leader is recognized.

REP. GONZALES (A.D.). Mr. Speaker, I move that we recognize the Hon. Danilo E. Suarez of the Third District of Quezon for his interpellation.

THE DEPUTY SPEAKER (Rep. Singson). The Minority Leader Danilo E. Suarez is recognized to interpellate the Sponsor.

REP. SUAREZ. Thank you, Mr. Speaker, distinguished Sponsor.

I had the privilege of having coffee with the good Secretary early this morning. We had a conversation that lasted for about one hour and a half, and most of those discussions I will take up in this plenary, distinguished Sponsor. Number one, we have an agreement with the good Secretary that color coding will be implemented to remove at least 20 percent of vehicles in major

thoroughfares of Metro Manila. The color coding will be implemented and will be removing what we call—we are going to remove the windows of exemption kasi dati po pagdating ng certain hours, ibinabalik ulit natin.

REP. SANDOVAL. Opo.

REP. SUAREZ. Ang classic example is today, today is Wednesday, 5-6, hindi po dapat pwedeng tumakbo sa lansangan ang nag-e-ending ng 5 and 6. But we have windows, pagdating po ng ten o'clock hanggang, I think, certain time in the afternoon...

REP. SANDOVAL. Three o'clock.

REP. SUAREZ. ...ay inili-lift natin, pwede ho sila ulit tumakbo. Ang amin pong napag-usapan ni Secretary, there will be a lifting of windows, meaning, 24 hours po ang prohibition ng ating ending number. Am I correct there, distinguished Sponsor?

REP. SANDOVAL. That is correct, Mr. Speaker.

REP. SUAREZ. So, pwede ho nating sabihin that with that measure, 20 percent, again, and I will repeat, considering 1,2,3,4 represent five days, so 20 percent ng vehicles ang mawawala. We will leave to the wisdom of the good Secretary as to what he will do on Saturdays and Sundays.

Mr. Speaker, distinguished Sponsor, I would like to ask the—this is the proposed common station. I think most of us here will be affected by this. In the Fifteenth Congress, we came up with a Congressional resolution that there will be one station that will be used to service commuters using Line 1, Line 3 and the proposed Line 7.

During the previous administration, it even went to the Supreme Court, an adjustment was made in the Congressional resolution and in that particular proposal, a commuter coming from Commonwealth, coming from San Jose Del Monte, coming from Fairview, coming from Quirino Avenue, before they can take a connection to Line 1 and Line 3, they will have to walk 700 meters. Am I correct in that statement, Mr. Speaker, distinguished Sponsor?

REP. SANDOVAL. Mr. Speaker, I am not privy to that resolution passed in the last Congress. However, under the new scheme, it will no longer be a 700-meter walk. The Department of Transportation has now reduced this with the new common station to 60 meters.

REP. SUAREZ. Sixty meters na lang? Wala na po iyong 700 meters?

REP. SANDOVAL. Wala na po iyon, Mr. Speaker.

REP. SUAREZ. And, will that yellow lane, yellow circle represents the train that will be coming from Line 1?

REP. SANDOVAL. Mr. Speaker, kung makikita po natin iyong green po, iyan po ang ating LRT Line 1, ang yellow po ay ang MRT 3, at iyong pula po ay ang bagong Line 7. Ito po ay kokonekta na sa dalawang ito. At doon po lahat magkikita-kita sa ating common terminal na kulay blue.

REP. SUAREZ. So, there will be an assurance, distinguished Sponsor, Mr. Speaker, that ina-assure po ng bagong Kalihim ng Transportation na mawawala po iyong inconvenience ng mga commuters na maglalakad nang malayo dahil sa ang atin pong allegation, binago po ang alignment para mapaboran ang isang business sector. Iyon po ay nawala dito sa bagong istasyon na pino-propose ng bagong Kalihim. Tama po ba ako roon?

REP. SANDOVAL. Tama po iyon, Mr. Speaker, at ito pong concern ng ating Minority Leader ay talagang isinasapuso po ng ahensiya dahil sa dami-dami at milyun-milyong mga pasahero, lalo na iyong ating mga matatanda na maaaring maapektuhan sa paglalakad ng 600 or 700 meters. Kaya we assure, Mr. Speaker, that there will no longer be a long walk. This will be reduced to 60 meters, Mr. Speaker.

REP. SUAREZ. I just would like you to emphasize to the Members, distinguished Sponsor, Mr. Speaker, the number of passengers of Line 1 is maybe about 400,000 to 500,000. Am I correct?

Line 3 is almost the same, ...

REP. SANDOVAL. Yes.

REP. SUAREZ. ... 450,000. And the proposed Line 7 will have more numbers. I think it is about—maybe about 500,000 to start off with. So, we are talking here of a scheme—and we will be proud to say that Congress plays a major role in the solution to this problem—that we will be helping, at least, on an increasing number and counting, 1,500,000 commuters a day.

REP. SANDOVAL. That is correct.

REP. SUAREZ. Mr. Speaker, distinguished Sponsor, I am somewhat worried about this column that I read last—this was last Monday. It says here:

In Jan. 2015, after wangling billion-peso subsidies from Congress,—[as you are aware, all of these major rails are subsidized by the government]—Abaya and MRT-3 general

manager Roman Buenafe doubled the fares. Still the rail line declined. In July-Dec. 2015 they broke up the maintenance into seven subcontractors, including a cousin and top election campaign contributor of Sen. Antonio Trillanes IV. Dela Cruz's Global Epcom retained upkeep of only the stations. President Duterte denounced those anomalies in his campaign speeches last May.

In Aug. 2015 Abaya and Buenafe began closed-door talks for Busan to take on a three-year maintenance for P4.25 billion, to start in Jan. 2016. Behind Busan was Eugene Rapanut, LP-Ilocos Sur who allegedly had brokered a P3.8-billion purchase of new coaches from China with a five-percent kickback. Busan is to maintain the trains, tracks, power supply, and stations; overhaul 54 of the 73 Czech coaches; and replace the signaling system.

This is very alarming. We do not know the veracity, whether this is true or correct. But according to the good Secretary, he has accepted the resignation of Mr. Buenafe. Am I correct there?

REP. SANDOVAL. Yes, that is correct, Mr. Speaker.

REP. SUAREZ. Well, that will be very comforting that these allegations will be over.

On the issue of the coast guard, distinguished Sponsor, Mr. Speaker, you yourself are very much aware of maritime and navigation. During the Fifteenth Congress, we had a very sad maritime disaster wherein a certain vessel sailed even with an indicator of a typhoon signal, thus, caused its sinking somewhere in the sea off Mindoro and caused human lives.

May I know whether the coast guard now—do they maintain a relationship with PAGASA in coming up with reports especially when there are projected LPAs?

REP. SANDOVAL. Mr. Speaker, yes, the coast guard does have a relationship with PAGASA. They are very much aware of the weather because of their mandate of safety of life at sea. And, in fact, under Signal No. 1, no ships are allowed to sail in the area.

REP. SUAREZ. Well, in that particular instance, it was Signal No. 2, Your Honor, Mr. Speaker, and that caused, I think, about a thousand lost their lives in that particular disaster.

REP. SANDOVAL. Yes.

REP. SUAREZ. Sino po ngayon ang puwedeng magsabi na no boats will be allowed to sail? Is it PAGASA?

Is it the PAGASA, is it coast guard? What authority will it be emanating from?

REP. SANDOVAL. Mr. Speaker, going back to the question of the honorable Minority Leader, dahil po doon sa Signal No. 2 noon, doon po nagkaroon ng policy change ang Philippine Coast Guard. Sa Signal No. 1 pa lang po ngayon ay hindi na puwedeng lumabas, at ang Philippine Coast Guard po ang nagbabawal na maglayag ang mga barko.

REP. SUAREZ. In close coordination with the PAGASA.

REP. SANDOVAL. Yes. They ask for the signal in PAGASA and the Philippine Coast Guard decides whether or not to let the ships sail.

REP. SUAREZ. Mr. Speaker, I just would like to recall my younger days. Noong araw po, kakaunti pa ang may relo sapagkat mahal po ang relo. Sa amin po sa lalawigan ng Quezon, ang relo po namin ay ang train. Kapag ho dumaan ang train, alam namin iyong unang daan, alas nuwebe iyan ng umaga, at kapag iyan ho ay bumalik galing Bicol, alas kuwatro na ng hapon. Iyan po ang aming oras. Ang train ho ay hindi na umaandar, hanggang Calamba na lang. Gusto ko lang hong malaman, may pag-asa pa ba tayo na buksan ulit ang train papuntang Bicol?

REP. SANDOVAL. Mr. Speaker, sa ngayon po ay mayroon po tayong badyet na inilaan diyan. Unfortunately, ito po ay hanggang Calamba lamang dahil napakarami nang aayusin natin. Magwa-widen tayo ng track, we will improve it; ang dami nating mga tulay na inaayos. Pero iyan po ang direksyon natin, na ito pong mga tren na ito ay makabiyaheng pong muli hanggang sa Bicol.

REP. SUAREZ. So, wala pa pong programa ang Tanggapan na buksan muli ang biyahe ng train?

REP. SANDOVAL. Ito po ay bukas at ang naka-program po sa atin ngayon ay improvements hanggang Calamba po.

REP. SUAREZ. If I may suggest, distinguished Sponsor, Mr. Speaker, tayo na lang po ang gumagamit ng narrow track. Baka po naman kung tayo ay mag-a-upgrade ng ating train, siguro ho, puwede nating pag-usapan na humingi tayo ng isang kumpanya na papayag ng PPP. Isa-subsidize po natin, but we will be using a wider track and it will be more comfortable to travel. Iyon po naman ay suggestion lamang.

REP. SANDOVAL. Tayo po ngayon, Mr. Speaker,

ay naka-standard track na dahil po sa improvements na ginawa sa ating railway.

REP. SUAREZ. Thank you, distinguished Sponsor, Mr. Speaker.

Mr. Speaker, on behalf of the Minority, as there are no more members who would like to interpellate on the proposed budget of the Department of Transportation, I move that we terminate the period of interpellation and debate on the budget of the Department of Transportation, including attached agencies and corporations.

I so move, Mr. Speaker.

REP. ROMERO. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The Floor Leader is recognized.

REP. ROMERO. On behalf of the Majority, we join the Minority in terminating the period of interpellation and debate on the budget of the Department of Transportation, including all its attached agencies and corporations. (*Applause*) I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the period of interpellation and debate on the budget of the Department of Transportation including its attached agencies and corporations is hereby terminated.

The Floor Leader is recognized.

REP. DE VENECIA. Mr. Speaker, I move that we resume the consideration of the budget of the Anti-Money Laundering Council.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

#### SUSPENSION OF SESSION

REP. DE VENECIA. Mr. Speaker, I move that we recognize the Gentleman from the Second District of Albay, Cong. Joey Sarte Salceda, to sponsor and answer questions, if any, on the budget of the Anti-Money Laundering Council. I so move, Mr. Speaker.

Mr. Speaker, we move to suspend.

THE DEPUTY SPEAKER (Rep. Singson). The session is suspended.

*It was 6:14 p.m.*

#### RESUMPTION OF SESSION

*At 6:21 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Singson). The session is resumed.

The Floor Leader is recognized.

REP. DE VENECIA. Mr. Speaker, I move that we recognize the honorable Minority Floor Leader from the Third District of Quezon for the resumption of his interpellation.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Hon. Danilo E. Suarez is hereby recognized to resume his interpellation.

#### ANTI-MONEY LAUNDERING COUNCIL

REP. SUAREZ. Thank you, Mr. Speaker. This Representation moved to defer the consideration of the proposed budget for the AMLC. I am withdrawing my earlier motion with some questions to be answered.

REP. SALCEDA. Thank you, Mr. Speaker, Your Honor.

REP. SUAREZ. Will the distinguished Sponsor agree together with their principal that there will be a meeting with the leadership of the AMLC and its mother agency and with the leadership of the House in making sure that, henceforth the AMLC will never be used again for political purposes?

REP. SALCEDA. I think, Mr. Speaker, Your Honor, there is. Yes, Mr. Speaker, Your Honor.

REP. SUAREZ. With that, Mr. Speaker, on behalf of the Minority, there being no more member who wish to interpellate or raise questions on the proposed budget of the AMLC, I move that we terminate the period of interpellation and debate. I so move, Mr. Speaker.

THE DEPUTY SPEAKER. (Rep. Singson). The Floor Leader is recognized.

REP. DE VENECIA. On behalf of the Majority, we join the Minority in terminating the period of interpellation and debate on the budget of the Anti-Money Laundering Council.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER. (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved? (*Silence*). The period of interpellation and debate on the budget of the AMLC is hereby terminated.

The Floor Leader is recognized.

SUSPENSION OF CONSIDERATION  
OF HOUSE BILL NO. 3408

REP. DE VENECIA. Mr. Speaker, I move that we suspend the consideration of House Bill No. 3408.

THE DEPUTY SPEAKER. (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved

ROLL CALL

REP. DE VENECIA. Mr. Speaker, I move that we call the roll of Members.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General will please call the roll of Members.

*The Secretary General called the roll, and the result is relected in Journal No. 33, dated October 5, 2016. \**

THE SECRETARY GENERAL. The Speaker is present.

Mr. Speaker, the roll call shows that 268 Members responded to the call.

THE DEPUTY SPEAKER (Rep. Singson). With 268 Members present, the Chair declares the presence of a quorum.

The Floor Leader is recognized.

APPROVAL OF THE JOURNAL

REP. DE VENECIA. Mr. Speaker, I move for the approval of the Journal of the previous session, Journal No. 32, dated October 4, 2016.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Floor Leader is recognized.

CONSIDERATION OF H.B. NO. 3408

*Continuation*

PERIOD OF SPONSORSHIP AND DEBATE

REP. ROA-PUNO. Mr. Speaker, I move that we resume the consideration of House Bill No. 3408 and

that the Secretary General be directed to read only the title of the said Bill.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the Secretary General is directed to read only the title of the Bill.

THE SECRETARY GENERAL. House Bill No. 3408, entitled: AN ACT APPROPRIATING FUNDS FOR THE OPERATION OF THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES FROM JANUARY ONE TO DECEMBER THIRTY-ONE, TWO THOUSAND AND SEVENTEEN, AND FOR OTHER PURPOSES.

REP. ROA-PUNO. Mr. Speaker, I move that we begin the consideration of the budget of the Special Purpose Funds.

I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. ROA-PUNO. Mr. Speaker, I move that we recognize the distinguished Chairman of the Committee on Appropriations, Congressman Karlo Alexei B. Nograles of the First District of Davao City to sponsor and answer questions, if any, on the Special Purpose Funds.

I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Singson). The honorable Chairman of the Committee on Appropriations is recognized to continue the sponsorship.

SPECIAL PURPOSE FUNDS

REP. NOGRALES (K.). Thank you, Mr. Speaker. Thank you, Floor Leader. We are ready to answer any questions from any Member of Congress with regard to the Special Purpose Funds, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The Floor Leader is recognized.

REP. ROA-PUNO. Mr. Speaker, I move that we recognize the Congresswoman from the KABATAAN Party-List, Sarah Jane I. Elago, for her interpellation.

THE DEPUTY SPEAKER (Rep. Singson). The honorable Member from the Party-List KABATAAN is hereby recognized.

\* See ANNEX (printed separately)

REP. ELAGO. Thank you, Mr. Speaker, distinguished Sponsor. The lump sums and the SPFs or the Special Purpose Funds have been the subject of much scrutiny in the past years because of its lump sum and discretionary nature given that, as the recipient department or the other agencies have not yet been identified, the specific projects, the programs and activities for which these are allocated are not yet identified during the budget preparation and legislation.

Now, for my first question, there is a P16.5 billion increase in the budget of the BSGC or the Budgetary Support to Government Corporations from P131.8 billion in 2016 to the proposed P148.2 billion. Can the distinguished Sponsor detail to us, Mr. Speaker, one by one, the reasons behind this increase?

REP. NOGRALES (K.). Okay, we will go through it one by one, Mr. Speaker. National Dairy Authority, P189 million; National Tobacco Administration, P386 million; Philippine Crop Insurance Corporation, P2.5 billion; Philippine Fisheries Development Authority, P224 million; Philippine Rice Research Institute, P561 million; Sugar Regulatory Administration, P1.4 billion; and I can go on and on, Mr. Speaker, but if the distinguished Lady from KABATAAN Party-List would just refer to the BESF, it is there, Mr. Speaker, accounted for and itemized per government corporation.

REP. ELAGO. Thank you, distinguished Sponsor, Mr. Speaker. Kung sa BSGC, mayroon tayong P16.5 billion increase, mas malaki naman iyan sa allocation sa LGUs na nasa P69 billion increase mula sa P485 billion, noong 2016 hanggang sa P554 billion nang 2017.

Ano po ang rason sa napakalaking increase na ito at saka hindi ba ito tila naipalit lamang natin sa tinanggal na bottom-up budgeting o sa BUB? O, kung hindi naman, ano ang pagkakaiba nitong ating allocation to LGUs at ng ating bottom-up budgeting? Can the good Sponsor give us the breakdown of items under this allocation to LGUs?

REP. NOGRALES (K.). Sa ALGU, for Assistance to LGUs, we have: Metro Manila Development Authority – P2.1 billion; Share in Tobacco Excise Tax Pursuant to R.A. No. 7171 – P14 billion; Share in Tobacco Excise Tax Pursuant to R.A. No. 10351 – P2.460 billion; Share in the Utilization and Development of National Wealth under R.A. No. 7160 – P4.054 billion; Share in the Gross Income Taxes paid by all Businesses and Enterprises – P56 million; Share in Value Added Tax Pursuant to R.A. No. 7643 – P9.3 billion; Share in Value Added Tax in lieu of Franchise Tax Pursuant to R.A. No. 7953 and R.A. No. 8507 – P3.950 million; Prior Years' Obligation – P422 million; Share in the 2 percent Special Privilege Tax Pursuant to R.A. No. 7156 – P41 million; Barangay Officials' Death Benefits

– P50 million; Local Government Support Fund – P34 billion; Special Share of the LGUs – P200 million, Mr. Speaker.

REP. ELAGO. Ang increase, Mr. Speaker, distinguished Sponsor, dito sa ating allocation to LGUs ay hinggil o bilang suporta doon sa mga binanggit ng ating distinguished Sponsor na mga batas. Tama po ba?

REP. NOGRALES (K.). Yes. All of these have legal basis, there are Republic Acts as stated and as cited by this Representation, Mr. Speaker. So, makikita po natin kahit ito po ay tinatawag na Special Purpose Funds, lahat naman ito ay may basis sa mga batas po natin, at ina-allocate po natin ito dahil po ito ay nakalagay po sa ating mga batas.

REP. ELAGO. Iyan po ba ay mga bagong batas na ngayon natin ipinapatupad simula sa taon na ito o simula sa fiscal year na ito para mag-merito o para magkaroon tayo ng P69 billion na pagtataas, partikular sa budget ng ating allocation to LGUs, Mr. Speaker, distinguished Sponsor?

REP. NOGRALES (K.). Well, the budget for allocation to LGUs in 2016 was P57 billion, Mr. Speaker. And next year, 2017, we have allocated P67 billion. But, this is basically—the increase—the P69 billion increase being alluded to by the distinguished Lady is directly attributable to the Internal Revenue Allotment, Mr. Speaker, which is automatically appropriated under the law.

REP. ELAGO. Now, let me go to my next question, distinguished Sponsor, Mr. Speaker.

We also note that there is a considerable deduction in the debt interest payments of around P57.9 billion, from the current P392.79 billion to P334.87 billion. However, given the weakening peso, hindi po ba makakaapekto ito sa lebel ng ating debt interest payments? How sensitive is our debt interest payment fluctuations or certain fluctuations in the foreign exchange, Mr. Speaker, distinguished Sponsor? Ang debt interest payments po ba—ito bilang isang automatic appropriation, saan po manggagaling ang ating ipangpupuno sakaling kulang ang budget na nakalaan, again, given the weakening value of the peso, Mr. Speaker, distinguished Sponsor?

REP. NOGRALES (K.). Based on our Budget Sensitivity to Macroeconomic Parameters, Mr. Speaker, for every one-peso depreciation, our revenues increased by P9.2 billion, but the disbursements increased also by P2 billion for a NEP budget balance effect of P7.2 billion, Mr. Speaker, positive for every one-peso depreciation.

REP. ELAGO. Mr. Speaker, distinguished Sponsor, so sinasabi ninyo na hindi naman sensitibo ang ating debt interest payments o hindi gaanong maaapektuhan ito ng kasalukuyang estado.

REP. NOGRALES (K). In fact, Mr. Speaker, strictly speaking, every depreciation of the peso would be good for the budget kasi iyong magiging epekto nito sa revenues, ay mas malaki po ang effect kaysa sa effect sa ating disbursement. So, ang net effect natin for every one-peso depreciation is nagkakaroon pa nga tayo ng P7.2 billion positive effect sa ating budget.

REP. ELAGO. Now, let me proceed to some questions regarding the Unprogrammed Special Purpose Funds. Ito iyong ating mga stand-by appropriations. It can be noted that there is another P3.5 billion proposed under the Unprogrammed Funds for the BSGC or the Budgetary Support to GOCCs. Saan po balak gamitin ito sakaling magkaroon tayo ng pagkukunan ng pondo para sa mga Unprogrammed Funds na ito at bakit may bahagi pa sa Unprogrammed Funds na mapupunta sa BSGC gayong mayroon nang malaking increase sa ilalim ng Programmed Funds ng SPF itong Budgetary Support natin sa GOCCs?

Noong 2016 GAA, zero ang nakalagay dito sa ilalim ng Unprogrammed Funds, pero ngayong taon, tayo ay maglalaan ng P3.5 billion kung sakaling tayo ay may makuha—may mapagkunan na pondo para dito.

Again, Mr. Speaker, distinguished Sponsor, bakit may bahagi pa sa Unprogrammed Funds itong BSGC samantalang may lampas nang pagtataas na P16 billion ito sa regular appropriations?

REP. NOGRALES (K). For Unprogrammed Funds, Mr. Speaker, the Budgetary Support to GOCCs in the amount of 3.5 billion is specifically allotted for the Philippine Export-Import Credit Agency. So, isa lang po ang GOCC na paglalagyan po nito in case the Unprogrammed Funds will be used under the condition for the usage of Unprogrammed Funds. Isa lang po ang GOCC na magiging beneficiary, the Philippine Export-Import Credit Agency.

REP. ELAGO. Mr. Speaker, distinguished Sponsor, ang GOCC ba na ito ay mayroon ding appropriation na kabahagi doon sa ating Unprogrammed Funds?

REP. NOGRALES (K). It is Unprogrammed Funds, Mr. Speaker, so the Lady knows that Unprogrammed Funds will only be used if we have excess revenues. But, yes, kung sakali mang gagamitin natin, then, it is specifically for the Philippine Export-Import Credit Agency.

REP. ELAGO. Mr. Speaker, similarly, in the Unprogrammed Funds, there is an item for Support to

Foreign-Assisted Projects in the amount of P7.9 billion or a P6.4-billion increase from the current P1.5 billion Unprogrammed Appropriations for the same item. Can the distinguished Sponsor give us the breakdown of this P7.9-billion proposal for Support to Foreign-Assisted Projects under the Unprogrammed Funds?

REP. NOGRALES (K.). Yes, Mr. Speaker, it will be for the Philippine Rural Development Program as additional funding in the amount of P1.020 billion for MOOE, and Capital Outlays of P6.427 billion for a total amount of P7.448 billion for the Philippine Rural Development Program, and the Cordillera Highland Agricultural Resource Management Project, Phase 2, in the amount of P125 million for MOOE, and P340 million for Capital Outlays or a total of P466 million, Mr. Speaker.

REP. ELAGO. Mr. Speaker, distinguished Sponsor, maaari ba kayong magbahagi tungkol dito sa ating Philippine Rural Development Program? Magkano ulit ang ilalaan natin diyan na halaga sa ilalim ng Unprogrammed Funds?

REP. NOGRALES (K.). For MOOE, it is P1.020 billion and for Capital Outlays, it is P6.427 billion, Mr. Speaker, or a total of P7.448 billion, Mr. Speaker.

REP. ELAGO. Mr. Speaker, distinguished Sponsor, saan natin ito ipapatupad at anong tipo o saan tayo kukuha sa partikular ng pondo, saan natin planong kunin ang pondo para diyan sa Foreign-Assisted Projects na iyan? Ito po ba ay maipapatupad sa lahat ng rehiyon, sa mga probinsiya o sa mga pili lamang nating mga lugar sa ating bansa?

REP. NOGRALES (K.). By the name of the item, it is “Support to Foreign-Assisted Projects”. Therefore, it will be sourced from loan proceeds, Mr. Speaker.

REP. ELAGO. Mr. Speaker, distinguished Sponsor, saan natin muli ito planong maipapatupad kung sakaling ang ating mga loan proceeds ay magkasya or magkaroon ng signipikanteng halaga para masuportahan itong Philippine Rural Development Program?

Tatanungin ko na rin ang ating iginagalang na Sponsor kung saan natin balak utangin, kung sakali, itong ating Philippine Rural Development Program fund.

REP. NOGRALES (K.). This is a loan from the World Bank, Mr. Speaker.

REP. ELAGO. So, this will be a loan from the World Bank.

REP. NOGRALES (K.). Yes, Mr. Speaker.

REP. ELAGO. Thank you for your response, distinguished Sponsor. Now, I am asking these questions, iyong mga detalye po na iyan ay iyong mga hindi natin makikita nang agaran sa ating mga budget books at ang panawagan natin, Mr. Speaker, distinguished Sponsor, ilang porsiyento po ba ng ating pangbansang budget ngayon ang lump sum?

Ang Kinatawan po na ito ay nakatanggap ng mga sulat, ng mga panawagan hinggil sa pag-e-exercise, pagtatanggal ng ating mga lump-sum funds puwera iyong ating mga contingency funds, mga calamity funds na ginagamit para doon sa purpose na hindi talaga natin masasabi kung kailan natin gagamitin, ngunit tayo ay naninindigan na ang mga pondo, lalunglalo na mga lump sums na very vulnerable, talagang vulnerable sa korapsiyon at sa political maneuvering ay mapaliit natin at talagang ma-abolish na para talagang masigurado natin na ang kaban ng bayan, ang halaga na ibinabayad ng ating mga mamamayan, ang pondo ng bayan ay nagagamit sa mga serbisyo at sa interes ng ating bansa.

REP. NOGRALES (K.). Yes, for total new appropriations, the Special Purpose Funds accounts for 21.91 percent of the total new appropriations, Mr. Speaker.

REP. ELAGO. Mr. Speaker, distinguished Sponsor, iyan ay iyong Special Purpose Funds lang natin pero hindi pa kasama iyong particular na lump sums natin sa iba't ibang ahensiya.

REP. NOGRALES (K.). Yes, only the Special Purpose Funds are categorized as lump sums, Mr. Speaker.

REP. ELAGO. Thank you for your response, distinguished Sponsor. Mr. Speaker. Before I yield the floor, let me again express or reiterate the Youth Party-List's belief that Congress should exorcise items in the budget that are lump sum and discretionary in nature as these funds are vulnerable to corruption and political maneuvering. With that, I end my interpellation. Thank you, Mr. Speaker. Thank you, distinguished Sponsor.

REP. NOGRALES (K.). Thank you, Mr. Speaker. Thank you to the Representative from KABATAAN.

THE DEPUTY SPEAKER (Rep. Singson). Thank you, Hon. Sarah Jane I. Elago of KABATAAN Party-List.

The Floor Leader is recognized.

REP. ROA-PUNO. Mr. Speaker, we move to recognize the distinguished Minority Leader, Cong. Danilo E. Suarez, of the Third District of Quezon.

THE DEPUTY SPEAKER (Rep. Singson). The Hon. Danilo E. Suarez is recognized.

REP. SUAREZ. Mr. Speaker, distinguished Sponsor, I listened carefully to the question raised by the distinguished Lady from the Makabayan bloc. Those questions were my questions and were briefly correctly answered by the Sponsor. So, with that, the Minority will raise no more questions on the proposed budget of the Special Purpose Funds. I move to terminate the period of interpellation and debate on this budget.

I so move, Mr. Speaker.

REP. ROA-PUNO. On behalf of the Majority, we join the Minority in terminating the period of interpellation and debate on the Special Purpose Funds. I so move, Mr. Speaker, Your Honor.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the period of interpellation and debate on the Special Purpose Funds is hereby terminated.

The Dep. Majority Leader is recognized.

REP. DEFENSOR. Mr. Speaker, I move that we close the period of interpellation and debate on House Bill No. 3408.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

#### SUSPENSION OF SESSION

REP. DEFENSOR. I move for a brief suspension of the session, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Singson). The session is suspended.

*It was 6:53 p.m.*

#### RESUMPTION OF SESSION

*At 6:54 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Singson). The session is resumed.

#### SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Singson). The session is suspended.

*It was 6:54 p.m.*

## RESUMPTION OF SESSION

*At 6:55 p.m., the session was resumed with Speaker Pantaleon D. Alvarez presiding.*

THE SPEAKER. The session is resumed.

REP. FARIÑAS. Mr. Speaker.

THE SPEAKER. The Majority Leader is recognized.

REP. FARIÑAS. Mr. Speaker, I reiterate the motion. There being no other Member who wishes to interpellate the Sponsor, I move that we now close the period of interpellation and debate on House Bill No. 3408.

THE SPEAKER. Is there any objection? (*Silence*) The Chair hears none; the period of sponsorship and debate on House Bill No. 3408 is hereby terminated.

REP. FARIÑAS. Mr. Speaker, I ask that the Gentleman from the Third District of Quezon, the Minority Leader Danilo E. Suarez, be recognized to take his turn to speak against the House Bill.

THE SPEAKER. The Minority Leader, Rep. Danilo E. Suarez, is recognized to deliver his speech *en contra*.

SPEECH *EN CONTRA* OF REP. SUAREZ

REP. SUAREZ. Mr. Speaker, dear colleagues:

For approval before us is the 2017 National Budget amounting to P3.35 trillion. This amount is 11.6 percent higher than the previous year. Scrutinizing the budget, the Department of the Interior and Local Government, the Department of National Defense, and the Philippine National Police have increased their budgets pursuant to the President's comprehensive campaign against illegal drugs and criminality. The budget for public infrastructure is around P900 billion, commencing the golden age of infrastructure, as claimed by DBM Secretary Benjamin Diokno. Forty percent of the national budget or P1.345 trillion is for social services, which includes the constitutionally mandated agency to be given the highest budget, education, the Department of Education. Almost 30 percent is dedicated to economic services which include the Department of Agriculture. The rest of the pie goes to the general public services, 20 percent, and debt service and interest payment at 10 percent.

While the budget allocations reflect the current administration's priorities, we are concerned with how the money will be spent and how the government will implement specific programs in line with national development. The first 100 days of the current

administration focused on the war against drugs. This campaign garnered our President's high-trust rating. It is clear that the drug problem is a priority concern. However, running the government involves other priorities.

While there is no reason to question the competence of the Cabinet secretaries, we emphasize that the President is the Chief Executive. However, we wonder when we will see the President's transition from a crime fighter into a general manager of the country, fulfilling the development and the execution of every Department's long- and short-term plans and embracing the role of a balanced Chief Executive.

One of the major problems is the traffic situation in Metro Manila which is felt by the public every day. A study from Japan International Cooperation Agency or JICA stated that we are losing P2.4 billion a day due to the traffic congestion, almost equivalent to 0.8 percent of the GDP. If not immediately solved, the same agency predicted, traffic could result in a loss of P6 billion a day in 2030. The productivity of businesses and industries is affected by the traffic congestion because traffic now is more stressful than work itself. More importantly, it affects our social basic unit which is the family by reducing bonding time with loved ones.

The JICA prepared a transport infrastructure roadmap for Metro Manila which was subsequently approved by the National Economic Development Authority and acknowledged by the MMDA. However, there was no specific and concrete plan identified to resolve the overwhelming and worsening traffic. Vague answers were given during the plenary interpellations. We do not know whether the acknowledgment of the JICA strategy equates to its adoption. This traffic problem begs for an immediate solution.

Just this morning, the Minority, speaking with Transport Secretary Tugade, made a significant headway in coming up with an initial solution in reducing the volume of vehicles in the streets. Secretary Tugade agreed to lift the window period of the number-coding scheme. While this may impose a level of inconvenience to vehicle owners, the benefits of decongesting roads to 20 percent mandate our cooperation.

For the current administration to achieve its long-term goals in six years, its programs should be geared towards its progressive realization. The approach should not be focused solely on illegal drugs but should encompass other national issues such as the very apparent Metro Manila transportation problem, unending poverty and hunger, inadequate disaster preparedness and ineffective flood control, the most sought-after tax reform, criminality, widespread corruption, and substandard and inadequate military supplies and government facilities. Hence, the Executive Department

should keep in mind that the budget that will be decided should cater to all issues and all sectors.

With the leeway given to the President, government agencies should remain transparent in their implementation. Similarly, we should be vigilant and prudent as their plans unfold and come into realization. We, the legislative branch of the State, have oversight functions, and I urge everyone to fully exercise this power. The Minority is willing to exercise this oversight function during the session break and we welcome the cooperation of the members of the Majority for us to evaluate the performance of this administration's Cabinet Secretaries.

Thank you very much. *(Applause)*

REP. FARIÑAS. Mr. Speaker, I now move that we open the period of amendments and consider the Committee amendments, if any.

THE SPEAKER. Is there any objection? *(Silence)* The Chair hears none; the motion is approved. The period of amendments is now opened.

REP. FARIÑAS. Mr. Speaker, there being no Committee amendments, I now move that we proceed to consider individual amendments, if any.

THE SPEAKER. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

REP. FARIÑAS. Mr. Speaker, for purposes of orderly proceedings and pursuant to parliamentary precedence, I move that a small committee on individual amendments relative to House Bill No. 3408 be created to receive and resolve all proposed individual amendments, if any, of the House Members.

THE SPEAKER. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

A small committee on individual amendments to House Bill No. 3408 is hereby created.

REP. FARIÑAS. Mr. Speaker, I move that the following be elected as members of the small committee on individual amendments on House Bill No. 3408; namely: Reps. Karlo Alexei B. Nograles, Rodolfo C. Fariñas, Maria Carmen S. Zamora, Dakila Carlo E. Cua, and Danilo E. Suarez.

THE SPEAKER. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

The Members so named are hereby elected to the

small committee on individual amendments on House Bill No. 3408.

REP. FARIÑAS. Mr. Speaker, I move that the Members be directed to submit their individual amendments, if any, to the Committee on Appropriations on or before Monday, October 10, 2016.

THE SPEAKER. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

All Members are directed to submit their individual amendments, if any, to the Committee on Appropriations on or before Monday, October 10, 2016.

REP. FARIÑAS. Mr. Speaker, I move that we now approve House Bill No. 3408 on Second Reading, subject to the amendments approved by the small committee, if any.

#### VIVA VOCE VOTING

THE SPEAKER. There is a motion for the approval of House Bill No. 3408 on Second Reading.

As many are in favor please say *aye*.

SEVERAL MEMBERS. *Aye*.

THE SPEAKER. As many as are against, please say *nay*.

FEW MEMBERS. *Nay*.

#### APPROVAL OF H.B. NO. 3408, ON SECOND READING

THE SPEAKER. The *ayes* have it; the motion is approved.

House Bill No. 3408 is approved on Second Reading, subject to the amendments to be approved by the small committee, if any. *(Applause)*

#### ADJOURNMENT OF SESSION

REP. FARIÑAS. Mr. Speaker, I move that we adjourn the session until four o'clock, Monday, October 10, 2016.

THE SPEAKER. Is there any objection? *(Silence)* The Chair hears none; the session is adjourned until four o'clock, Monday, October 10, 2016.

*It was 7:05 p.m.*