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At 1:00 p.m., the session was resumed with Deputy Speaker Fredenil "Fred" H. Castro presiding.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is resumed.

The Majority Leader is recognized.

REP. ROA-PUNO. Mr. Speaker, I move that we proceed to the Additional Reference of Business, and request that the Secretary General be directed to read the same.

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

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

ADDITIONAL REFERENCE OF BUSINESS

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

BILLS ON FIRST READING

House Bill No. 8313, entitled:

"AN ACT ALLOWING FOR SINGLE PARTY CONSENSUAL RECORDING IN LAW ENFORCEMENT"

By Representatives Pineda, Romero, Belmonte (R.), Canama, Salo, Lopez (B.), Bertiz, Montoro, Belaro, Lacson, Uybarreta, Salon, Lopez (M.L.), Albano and Aumentado
TO THE COMMITTEE ON PUBLIC ORDER AND SAFETY

House Bill No. 8314, entitled:

"AN ACT AMENDING CERTAIN SECTIONS OF REPUBLIC ACT NO. 10068 OR THE ORGANIC AGRICULTURE ACT OF 2010"

By Representative Chavez
TO THE COMMITTEE ON AGRICULTURE AND FOOD

House Bill No. 8315, entitled:

"AN ACT STRENGTHENING THE BARANGAYS THROUGH SUPPORT FOR BARANGAY OFFICIALS AND VOLUNTEER WORKERS"

By Representative Calixto-Rubiano
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 8316, entitled:

"AN ACT GRANTING RETIREMENT BENEFITS TO ALL BARANGAY OFFICIALS WHO HAVE RENDERED AT LEAST 3 (THREE) TERMS OF CONTINUOUS SERVICE AND PROVIDING FUNDS THEREFOR"

By Representative Calixto-Rubiano
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 8317, entitled:

"AN ACT ESTABLISHING THE MARINDUQUE SPORTS ACADEMY AND TRAINING CENTER IN BARANGAY BALIIS, MUNICIPALITY OF STA. CRUZ IN THE PROVINCE OF MARINDUQUE"

By Representative Velasco
TO THE COMMITTEE ON YOUTH AND SPORTS DEVELOPMENT

House Bill No. 8318, entitled:

"AN ACT STRENGTHENING EARLY CHILDHOOD CARE AND DEVELOPMENT SYSTEM, REVISING FOR THE PURPOSE REPUBLIC ACT NO. 10410, OTHERWISE KNOWN AS THE 'EARLY YEARS ACT OF 2013', AND PROVIDING FUNDS THEREFOR"

By Representative Almario
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 8319, entitled:

"AN ACT PROVIDING FOR A MAGNA CARTA FOR THE STATISTICAL, CIVIL

REGISTRATION AND PHILIPPINE IDENTIFICATION SYSTEM WORKERS OF THE PHILIPPINES, AUTHORIZING THE COLLECTION AND APPROPRIATION OF FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Floirendo
TO THE COMMITTEE ON POPULATION AND FAMILY RELATIONS

RESOLUTIONS

House Resolution No. 2215, entitled:

“A RESOLUTION EXPRESSING CONDOLENCES ON THE DEMISE OF THE FILIPINO OLYMPIAN TABLE TENNIS STAR, MS. IAN NIETES LARIBA”

By Representative Olivarez
TO THE COMMITTEE ON RULES

House Resolution No. 2216, entitled:

“RESOLUTION URGING THE HOUSE OF REPRESENTATIVES COMMITTEE ON HUMAN RIGHTS TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE SUPPOSED ‘RED OCTOBER OUSTER PLOT’ WHICH MAY BE A PRELUDE TO A MASSIVE CRACKDOWN AGAINST THE OPPOSITION AND RESULT TO WIDESPREAD HUMAN RIGHTS VIOLATIONS”

By Representatives Zarate, Tinio, Castro (F.L.), Brosas and Casilao
TO THE COMMITTEE ON RULES

House Resolution No. 2217, entitled:

“A RESOLUTION DIRECTING THE COMMITTEE ON BASIC EDUCATION AND CULTURE TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, ON THE DEFICIENCIES ON DELIVERY OF THE DEPARTMENT OF EDUCATION'S COMPUTERIZATION PROGRAM (DCP) FOR 2015-2017”

By Representative Bravo (A.)
TO THE COMMITTEE ON RULES

House Resolution No. 2218, entitled:

“RESOLUTION DIRECTING THE HOUSE COMMITTEE ON NATIONAL DEFENSE AND SECURITY TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ‘RED OCTOBER’ OUSTER PLOT INITIATED BY COMMUNIST INSURGENTS AND THE ALLEGED INVOLVEMENT OF OPPOSITION MEMBERS”

By Representative Erice
TO THE COMMITTEE ON RULES

House Resolution No. 2219, entitled:

“A RESOLUTION DIRECTING THE APPROPRIATE HOUSE COMMITTEE TO CONDUCT A REVIEW OF ALL PENDING AIRPORT CONSTRUCTION PROPOSALS FOR THE NATIONAL GOVERNMENT IN ORDER FOR CONGRESS TO DETERMINE THE SOUNDNESS AND FEASIBILITY OF SUCH PROPOSALS AND PROVIDE ITS RECOMMENDATIONS, WITH THE GOAL OF FACILITATING THE EXPEDITIOUS IMPROVEMENT OF OUR CIVIL AVIATION SYSTEM”

By Representative Alejano
TO THE COMMITTEE ON RULES

House Resolution No. 2220, entitled:

“A RESOLUTION URGING THE APPROPRIATE HOUSE COMMITTEE TO LOOK INTO THE REPORTED LOW SPENDING OF OFFICIAL DEVELOPMENT ASSISTANCE (ODA) LOANS IN 2017 BY THE DUTERTE ADMINISTRATION IN ORDER TO APPRISE MEMBERS OF THIS CHAMBER THE STATUS OF THE AFFECTED PROJECT AS WELL AS TO CLARIFY THE REASON BEHIND THE DELAY OF THE UNUSED ASSISTANCE LOANS IMPEDING THE COUNTRY'S GROWTH AND NATIONAL DEVELOPMENT”

By Representative Alejano
TO THE COMMITTEE ON RULES

MESSAGES FROM THE SENATE

Message dated September 27, 2018, informing the House of Representatives that on September 26, 2018, the Senate designated Senators Win Gatchalian, Aquilino “Koko” Pimentel III, Grace Poe, Maria Lourdes Nancy S. Binay, Panfilo M. Laason, Francis “Chiz” G. Escudero, Joseph Victor G. Ejercito, Juan Miguel F. Zubiri, Paolo Benigno “Bam” Aquino IV, Antonio “Sonny” Trillanes IV and Risa Hontiveros as conferees to the Bicameral Conference Committee on the disagreeing provisions of Senate Bill No. 1636 and House Bill No. 7652, both entitled:

“AN ACT REQUIRING PUBLIC TELECOMMUNICATIONS ENTITIES TO PROVIDE NATIONWIDE MOBILE NUMBER PORTABILITY TO SUBSCRIBERS”
TO THE COMMITTEE ON RULES

Message dated October 1, 2018, informing the House of Representatives that the Senate on even date passed Senate Bill No. 1985, entitled:

“AN ACT AMENDING SECTION 11 OF REPUBLIC ACT NO. 9006, OTHERWISE KNOWN AS THE ‘FAIR ELECTION ACT’ ”

in which it requests the concurrence of the House of Representatives
TO THE COMMITTEE ON RULES

Message dated October 1, 2018, informing the House of Representatives that the Senate on even date passed Senate Bill No. 1629, entitled:

“AN ACT WAIVING GOVERNMENT FEES AND CHARGES ON THE ISSUANCE OF DOCUMENTS REQUIRED IN THE APPLICATION FOR EMPLOYMENT OF FIRST TIME JOBSEEKERS”

in which it requests the concurrence of the House of Representatives
TO THE COMMITTEE ON LABOR AND EMPLOYMENT

Message dated October 1, 2018, informing the House of Representatives that the Senate on even date passed Senate Bill No. 1597, entitled:

“AN ACT INSTITUTIONALIZING THE GRANT OF STUDENT FARE DISCOUNT PRIVILEGES ON PUBLIC TRANSPORTATION AND FOR OTHER PURPOSES”

in which it requests the concurrence of the House of Representatives
TO THE COMMITTEE ON TRANSPORTATION

Message dated October 1, 2018, informing the House of Representatives that the Senate on even date passed Senate Bill No. 2023, entitled:

“AN ACT PROVIDING SPECIAL PROTECTION OF CHILDREN IN SITUATIONS OF ARMED CONFLICT AND PROVIDING PENALTIES THEREOF”

in which it requests the concurrence of the House of Representatives
TO THE COMMITTEE ON RULES

Message dated October 1, 2018, informing the House of Representatives that the Senate on even date passed Senate Bill No. 1716, entitled:

“AN ACT CREATING AND ESTABLISHING A SPORTS COMPLEX KNOWN AS THE ‘PHILIPPINE AMATEUR SPORTS TRAINING CENTER’, AND FUNDING FOR THE ACQUISITION OF PROPERTY,

CONSTRUCTION OF FACILITIES, INCLUDING ITS ADMINISTRATION, MAINTENANCE AND MANAGEMENT, AND FOR OTHER PURPOSES”

in which it requests the concurrence of the House of Representatives
TO THE COMMITTEE ON RULES

Message dated October 1, 2018, informing the House of Representatives that the Senate on even date passed Senate Bill No. 1819, entitled:

“AN ACT ESTABLISHING THE OFFICE FOR SOCIAL WELFARE ATTACHE, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8042, OTHERWISE KNOWN AS THE ‘MIGRANT WORKERS AND OVERSEAS FILIPINOS ACT OF 1995’, AS AMENDED, AND FOR OTHER PURPOSES”

in which it requests the concurrence of the House of Representatives
TO THE COMMITTEE ON OVERSEAS WORKERS AFFAIRS

Message dated October 1, 2018, informing the House of Representatives that the Senate on even date passed Senate Bill No. 1997, entitled:

“AN ACT CREATING THE REGIONAL INVESTMENT AND INFRASTRUCTURE COORDINATING HUB OF CENTRAL LUZON, AND FOR OTHER PURPOSES”.

in which it requests the concurrence of the House of Representatives
TO THE COMMITTEE ON GOVERNMENT ENTERPRISES AND PRIVATIZATION

Message dated October 1, 2018, informing the House of Representatives that the Senate on even date passed with amendments House Bill No. 6591, entitled:

“AN ACT DECLARING NOVEMBER 8 OF EVERY YEAR A SPECIAL NONWORKING HOLIDAY IN THE EASTERN VISAYAS REGION TO BE KNOWN AS ‘TYPHOON YOLANDA RESILIENCY DAY’ ”

TO THE COMMITTEE ON REVISION OF LAWS

Message dated October 1, 2018, informing the House of Representatives that the Senate on even date passed the following House Bills without amendment:

House Bill No. 7387, entitled:
“AN ACT GRANTING PHILIPPINE CITIZENSHIP TO KWOK HING CARLOS YEUNG”;

House Bill No. 7388, entitled:
“AN ACT GRANTING PHILIPPINE CITIZENSHIP TO BRUCE DONALD MCTAVISH”;

House Bill No. 7179, entitled:
“AN ACT GRANTING PHILIPPINE CITIZENSHIP
TO MAYLEEN TING”;

House Bill No. 7180, entitled:
“AN ACT GRANTING PHILIPPINE CITIZENSHIP
TO FATHER JULIAN C. MAZANA”;

House Bill No. 5992, entitled:
“AN ACT CONVERTING THE SATELLITE
OFFICE OF THE LAND TRANSPORTATION
OFFICE (LTO) IN THE CITY OF BAYUGAN,
PROVINCE OF AGUSAN DEL SUR, INTO
A REGULAR DISTRICT OFFICE, AND
APPROPRIATING FUNDS THEREFOR”;

House Bill No. 4765, entitled:
“AN ACT ESTABLISHING AN EXTENSION
OFFICE OF THE LAND TRANSPORTATION
OFFICE (LTO) IN THE MUNICIPALITY
OF BROOKE’S POINT, PROVINCE OF
PALAWAN AND APPROPRIATING FUNDS
THEREFOR”;

House Bill No. 5627, entitled:
“AN ACT ESTABLISHING A LAND
TRANSPORTATION OFFICE (LTO)
DISTRICT OFFICE IN THE CITY OF
VALENCIA, PROVINCE OF BUKIDNON
AND APPROPRIATING FUNDS
THEREFOR”;

House Bill No. 4065, entitled:
“AN ACT ESTABLISHING A REGULAR
DISTRICT OFFICE OF THE LAND
TRANSPORTATION OFFICE (LTO) IN THE
CITY OF PANABO, PROVINCE OF DAVAO
DEL NORTE AND APPROPRIATING
FUNDS THEREFOR”;

House Bill No. 1924, entitled:
“AN ACT CONVERTING THE LAND
TRANSPORTATION OFFICE – MEDELLIN
EXTENSION OFFICE INTO A REGULAR
DISTRICT OFFICE AND APPROPRIATING
FUNDS THEREFOR”;

House Bill No. 5955, entitled:
“AN ACT ESTABLISHING AN EXTENSION
OFFICE OF THE LAND TRANSPORTATION
OFFICE (LTO) IN THE MUNICIPALITY OF
NARRA, PROVINCE OF PALAWAN AND
APPROPRIATING FUNDS THEREFOR”;

House Bill No. 5953, entitled:
“AN ACT ESTABLISHING A LAND
TRANSPORTATION OFFICE (LTO)
DISTRICT OFFICE IN THE CITY OF
SIPALAY, PROVINCE OF NEGROS
OCCIDENTAL AND APPROPRIATING
FUNDS THEREFOR”; and

House Bill No. 5568, entitled:
“AN ACT ESTABLISHING A LAND
TRANSPORTATION OFFICE (LTO)

SATELLITE OFFICE IN TICA O ISLAND,
PROVINCE OF MASBATE AND
APPROPRIATING FUNDS THEREFOR”.
TO THE COMMITTEE ON RULES

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The
Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 8169
Continuation

PERIOD OF SPONSORSHIP AND DEBATE

REP. ROA-PUNO. Mr. Speaker, I move that we
resume the consideration of House Bill No. 8169.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). 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 Bill under consideration.

THE SECRETARY GENERAL. House Bill No.
8169, 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 NINETEEN, AND FOR
OTHER PURPOSES.

PRESIDENTIAL COMMUNICATIONS
OPERATIONS OFFICE
Continuation

REP. ROA-PUNO. Mr. Speaker, may we proceed
with the consideration of the budget of the Presidential
Communications Operations Office. May we also
acknowledge the presence of the family of the
Presidential Communications Operations Office,
headed by Sec. Jose Ruperto Martin Andanar, Usec.
George Apacible, Usec. Lorraine Marie Badoy, Asec.
Michel Kristian Ablan, Asec. Ana Maria Paz Banaag,
Asec. Ramon Cualoping III and Asec. Atty. Omar
Alexander Romero.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The
presence of the family of the Presidential Communications
Operations Office is hereby acknowledged.
The Majority Leader is recognized.

REP. ROA-PUNO. Mr. Speaker, may we also
recognize the Sponsor of the said budget, the Hon. Eric
L. Olivarez from the First District of Parañaque City.

THE DEPUTY SPEAKER (Rep. Castro, F.H.).
Congressman Olivarez is hereby recognized.

REP. OLIVAREZ. Thank you, Mr. Speaker.

I am now open to answer questions from my distinguished colleagues.

REP. ROA-PUNO. Mr. Speaker, I move that we recognize the Hon. Orestes T. Salon from AGRI Party-List.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Congressman Salon is hereby recognized.

REP. SALON. G. Ispiker, wala na pong mag-i-interpellate.

On the part of the Minority, I move to close the period of interpellation and debate on the budget of the PCOO. (*Applause*)

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Considering the manifestation of Congressman Salon, what is the pleasure of the Majority Leader?

REP. ROA-PUNO. Mr. Speaker, on behalf of the Majority, I join the Minority in its motion to terminate the period of interpellation and debate on the budget of the Presidential Communications Operations Office.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the period of interpellation and debate on the budget of the Presidential Communications Operations Office is hereby terminated. (*Applause*)

SUSPENSION OF SESSION

REP. ROA-PUNO. I move that we suspend the session for a few minutes, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is suspended.

It was 1:07 p.m.

RESUMPTION OF SESSION

At 1:14 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is resumed.

The Majority Leader is recognized.

GENERAL PRINCIPLES AND PROVISIONS

REP. ROA-PUNO. Mr. Speaker, I move that we resume the consideration of House Bill No. 8169. Our parliamentary status is that we are now in the period of

interpellation and debate on the General Principles and Provisions of the said budget.

May we recognize the Sponsor, Rep. Joey Sarte Salceda from the Second District of Albay.

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

Cong. Joey Salceda, the Sponsor, is hereby recognized.

REP. ROA-PUNO. May we also welcome back the members of the Development Budget Coordination Committee or DBCC, starting off with Sec. Benjamin Diokno, NEDA Sec. Ernesto Pernia, Department of Finance Sec. Carlos Dominguez, Michael P. Ong of the Office of the President, and the undersecretaries, directors and assistant secretaries who are members likewise of the DBCC.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The officials referred to are welcome to the House of Representatives.

The Majority Leader is recognized.

REP. ROA-PUNO. Mr. Speaker, I move that we recognize the Hon. Arlene D. Brosas from GABRIELA Party-List for her interpellation.

I so move Mr. Speaker.

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

Cong. Arlene Brosas is hereby recognized for her interpellation.

REP. BROSAS. Thank you, Mr. Speaker. Maraming salamat.

Mr. Sponsor, maaari po bang magtanong ng ilan lamang ang inyong lingkod.

REP. SALCEDA. Salamat po.

REP. BROSAS. Mr. Sponsor, Mr. Speaker, mahalaga pong masiyasat iyong pambansang budget na ito sa konteksto ng implementasyon ng TRAIN Law, na isa sa mga salik na nagpalala sa walang patid na taas-presyo ng mga biling sa ngayon. Gayundin sa kakapasá pa lamang po natin na TRAIN 2 dito sa Kamara, na nagbababa ng corporate income tax at nagra-rationalize umano ng fiscal incentive.

Natanong na ito, magkano po ang nalikom ng gobyerno mula sa implementasyon ng TRAIN Law since January 2018, at saan po ito inilagay ng nakaraan, partikular po sa basic services. Halimbawa, magkano ang inilagay sa edukasyon, sa kalusugan, mayroon po bang ganoon? Saan partikular inilagay iyong kinita

natin o nalikom ng gobyerno para sa implementasyon ng TRAIN Law?

REP. SALCEDA. Sa kabuuan po ng TRAIN I, ito ay nakapaglikom ng P280 billion, subalit ang P147 billion nito o lampas sa kalahati ay mapupunta sa mas mataas na take-home pay ng mga empleyado dahil po sa pagbaba ng personal income tax. Samakatuwid, may matitira na P90 billion. Doon po sa P90 billion, P27 billion ang sa unconditional cash transfer; P1 billion sa Pantawid Pasada Program; P29 billion sa rice subsidy para po sa CCT or 4Ps; at P6.9 billion sa Universal Access to Quality Tertiary Education. Subalit, Mr. Speaker, Your Honor, money is fungible kaya talagang one-fund concept tayo. Kung ako lang, sisimplehan ko po ngayong taon. Sa P280 billion po na malilikom, P147 billion ang mapupunta sa ordinaryong empleyado through lower personal income tax. Basically, P30 billion po para sa conditional cash transfer. Ito po kumbaga ay directly linked na, and the rest of the P60 billion ang puwede nating sabihin na pang-funding sa kabuuan na pondo ng national government.

REP. BROSAS. Okay. Thank you, Mr. Speaker.

Mr. Speaker, maaari po bang makakuha ng breakdown ng TRAIN Law revenues? Magkano iyong kinita mula sa excise tax ng langis noong nakaraan at sa power transmission? Mayroon po ba kayo diyan?

REP. SALCEDA. Mayroon po. Doon po sa petroleum products, P21 billion.

Ito po ay sa January to June. Pagdating po sa excise tax sa kotse, P9.6 billion; sa sugar sweetened beverages, P18.5 billion; ito po talaga, kung ako ang tatanungin mo ang masakit—tobacco, P5.5 billion; at doon sa coal at mining, P1.3 billion; sa VAT, P0.3 billion; pero ang nabawas po ay P51.5 billion. Kaya ang sabi ko nga kanina, iyong neto po sa national government ay P33.7 billion at iyon po ang ginamit para doon sa ni-release halos lahat para sa unconditional cash transfer na P27 billion. In other words, Your Honor, sa first half, kasi iyong P27 billion para sa buong taon iyon, kaya parang nahihirapan po ako talagang—so ang neto po sa national government ay six sa first half, pero sa kabuuang taon, ang net po sa national government is actually P60 billion.

REP. BROSAS. Okay. Thank you, Mr. Sponsor.

REP. SALCEDA. Bigyan po kita ng Xerox po nito.

REP. BROSAS. Yes, thank you, Mr. Sponsor. Pabigay po ako ng breakdown ninyo noong nakuha sa power transmission, partikular iyong sinabi ninyo

kanina, sa coal mine ho ba iyon nakalagay?

REP. SALCEDA. P400 million lang po iyong coal.

REP. BROSAS. Okay. Sa P3.757 trillion proposed national budget natin, magkano naman po iyong inaasahang popondohan ng TRAIN Law para sa susunod na taon?

REP. SALCEDA. P60 billion.

REP. BROSAS. ... P60 billion—mahalaga po nating malaman ito ayon sa batas ...

REP. SALCEDA. Sorry, sorry. Hindi lang po sa—ngayong taon po iyon, P60 billion.

REP. BROSAS. Ngayon lang, kasi hindi ba three, Mr. Sponsor, Mr. Speaker, ...

REP. SALCEDA. Pero maganda iyon kung i-assume natin na itutuloy natin iyong mga phase 2 noong iba pong mga components ng TRAIN II.

REP. BROSAS. Opo. Ibig sabihin, Mr. Sponsor, tataas pa ang nakapataw na excise tax sa mga produktong petrolyo ng 2019 and 2020. Tama po ba?

REP. SALCEDA. Tama po. So, next year po, P144 billion less P36 billion so halos po P100 billion po ng kabuuan P3.757 trillion po ay galing po sa TRAIN I.

REP. BROSAS. Okay. Ang punto lang po dito, Mr. Sponsor, Mr. Speaker, papalaki ang revenues na malilikom mula sa implementasyon ng TRAIN Law. Tama po, hindi ba?

REP. SALCEDA. Tama po.

REP. BROSAS. Kasi 2019 tapos 2020 iyong excise tax on fuel. Hindi naman po natin rine-renege iyon eh, pero bakit para sa susunod na taon, malaki ang tapyas sa social services at economic services? Hindi ba kontra ito sa lohika na kapag mas maraming kita ang gobyerno, mas mataas dapat ang pondo para sa mga programa nito? Nabawasan po ang alokasyon sa social services ng 5 porsyento mula P1.45 trillion ngayong 2018 tungo sa P1.37 trillion para sa 2019. Nabawasan din ang alokasyon sa economic services ng 7.37 percent mula P1.15 trillion patungong P1.068 trillion.

Sa panukalang budget, walang bagong pangmasang pabahay na itatayo. Nakita po natin iyan at sinabi mismo sa interpelasyon sa NHA. Walang bagong pangmasang pabahay na itatayo, kinaltasan nang malubha ang MOOE

ng mga ospital. Nasaan ang sinasabing pakinabang ng mamamayan maliban sa ipinipilit na kanina po sinabi ninyo ilalagay sa unconditional cash transfer?

REP. SALCEDA. Kung hindi natin isasaalang-alang iyong adjustments na ginawa ng DBM na tinatawag po na modified disbursement plan, kung saan isinaalang alang po, ikinonsider iyong pangkalahatan proyekto ng gobyerno ngayong taon, e iyon actually, ngayong taon po iyong natapyasan ng P433 billion. Samakatuwid, Your Honor, kasi sinasabi po doon na ito lang iyong proyekto na kaya ng mga ahensya para po makumpleto nila within the period given na ang assumption po ay iyong Cash-Based Budgeting. Samakatuwid, Your Honor, kung iyon ang gagamitin nating panuntunan o batayan, aangat po talaga actually iyong mga various departments at sektor na sinasabi ninyo. Halimbawa po, sa economic services, aangat po siya ng 20 percent from P891 billion subalit itong P891 billion ito, nabawasan ng P233 billion this year. Kasi nga po iyong mga proyektong puwede lang tapusin this year, ang inilagay—ang tama lang pong nai-consider ay iyong mga matatapos lang po this year ang siyang dapat gamitin na batayan para magkaroon ng magandang comparison. So, halimbawa, sa social services po, siguro diyan—sa ngayong taon po P1286.3 billion. Ito rin po ay nabawasan ng mga P100 billion pero kapag iyon ay ikinumpara next year, aangat po siya ng 7 percent o P1377 billion pero nasa atin na po iyan dito sa Kongreso. Sa tamang panahon po ng pag-amyenda kung ano po ang prayoridad natin—in the collective wisdom of Congress, I think at the appropriate time, certainly, the Sponsor will accept amendments in order to correct or to impose upon the budget that it served its purpose as the highest articulation of the priorities of this government.

In short, Your Honor, based po sa presentation, tumaas po ng 7 percent iyong social services dahil lang po binawasan iyon this year, subalit kung ikukumpara mo po doon sa inaprubahan nating 2018, masasabi natin na actually po, hindi po siya umangat kaya naririnig po natin iyong patapyas sa DepEd, pagtapyas sa DOH, pagtapyas po, halimbawa sa housing, subalit, Your Honor, nasa atin po iyan kung ano ang gusto nating lumabas na balangkas—kung ang prayoridad natin ay social equity o iyang mas patas na oportunidad para sa lahat. Puwede natin pong i-reflect sa bawat programa o departamento na siya pong magbibigay ng halaga sa mga prayoridad ng atin pong Kongreso o ng ating gobyerno.

REP. BROSAS. Yes, Mr. Speaker, Mr. Sponsor. Sinasabi po natin na ang issue ay Cash-Based at Obligation-Based budgeting ano, ...

REP. SALCEDA. Tama po.

REP. BROSAS. ... kasi parang sinasabi po ninyo nandito iyong usapin ng pagbaba at pagkaltas pero...

REP. SALCEDA. Ngayong taon.

REP. BROSAS. ... iyon po iyong tinutukoy ko na it defies logic doon sa gusto ng gobyerno na ito. Ang gusto niya ay magbigay talaga para sa social services katulad ng ospital, eskuwelahan, hindi ba?

REP. SALCEDA. Tama po.

REP. BROSAS. Iyon po iyong mga ano eh, prioritization, pero iyon iyong mga natapyasan at nakaltasan tapos parang lumalabas tama lang iyon dahil ito iyong usapin pero sa tingin po ng Kinatawan na ito hindi po usapin ng absorptive capacity ang kailangan, hindi ba? Kasi parang kulang pa nga iyong mga pangangailangan sa social services particular sa hospital. Alam po natin iyan kasi marami po tayong mga kababayan na naoospital hanggang ngayon na umaangal at nagsasabing kailangan nila ng libreng facilities, libreng gamot, libreng mga ganoon po. Kulang na kulang siya. Ganoon din po sa edukasyon, iyong kakulangan para sa mga eskuwelahan.

REP. SALCEDA. Opo.

REP. BROSAS. So, ibig sabihin po, hindi iyong absorptive capacity iyong pinag-uusapan natin, kung hindi iyong budget na kailangan talaga at swak para sa mga mamamayan natin sa mga basic social services na ito. Iyon po iyong kulang. Kaya naniniwala po ako sa sinabi kanina ni Mr. Sponsor, Mr. Speaker, na sinasabi ninyo kanina na tayo dito, dapat iyon iyong bigyan natin ng higit na suporta.

REP. SALCEDA. Opo.

REP. BROSAS. Naniniwala po ako na sa budgeting natin dapat ilagay iyon at iayos iyon, ...

REP. SALCEDA. Opo.

REP. BROSAS. ... hindi iyong nagbubuwis po tayo—ang background natin ay nagbubuwis tayo sa TRAIN at nahihirapan iyong mga mamamayan natin, tapos pagdating nila sa hospital, hindi sila maka-avail noong tamang serbisyo para sa kanila. Kaya sasabihin po ng mga tao, higit na pahirap talaga ito para sa kanila, dahil hindi naman nila iyon maramdaman, kapag pupunta sila sa eskuwelahan at magbabayad pa rin kapag mamamasaha sila nang mas mataas na pamasaha ngayon, at hindi po nila iyon mararamdaman. Iyon po iyong sinasabi natin.

REP. SALCEDA. I agree.

REP. BROSAS. And, alam ninyo naman po doon sa unconditional cash transfer, hindi naman po kumakasya iyong P200 na sinasabi na ibinibigay ngayon. Ano na po ba iyong status ng pagbibigay ng cash transfer sa ating mga kababayan?

REP. SALCEDA. Iyong SARO po ng buong cash transfer na unconditional, nai-release na po. Kung nakarating na po, iyon ay ibang bagay na po iyon.

Based po sa datos, mayroon nang 6.5 million na families ang nabigyan, pero ang kaso, for the whole year na po. Iyan iyong sinasabi mo na P200 per month times 12, so 2,400 times 6.5 million families.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, ...

REP. SALCEDA. So, ang ibig sabihin po, 3.5 million pa ang hindi nabibigyan.

REP. BROSAS. Okay, Mr. Sponsor, Mr. Speaker, mayroon na ba tayong initial evaluation or impact evaluation noong ni-release natin na conditional transfer dahil ang naririnig ko po ...

REP. SALCEDA. Aaminin ko, kulang. Kulang eh, kasi kung bilangin mo lang, ilang kilong bigas ang kinakain niya, kaya dadagdagan po natin next year para po maging sapat.

REP. BROSAS. Yes. Thank you for being honest, Mr. Sponsor, Mr. Speaker, dahil iyon po talaga iyong sinasabi sa atin ng ating mga mamamayan, lalo na sa palengke kasi sa pagbili nila kahit dagdagan mo ng P200 iyong kanilang ano para sa isang buwan, hindi talaga iyong kumakasya ngayon.

Now, for my next question, Mr. Speaker, noong pinag-uusapan ang 2018 Budget last year, matatandaan natin na nakapasok na ang kita mula sa TRAIN, na factor in na natin iyan noong nakaraan.

REP. SALCEDA. Opo.

REP. BROSAS. Noong panahong iyon, hindi pa ganap na batas iyong TRAIN 1. For the 2019 Budget, may ganito rin bang confidence ang gobyerno sa TRAIN 2 na naka-factor in na rin ito?

REP. SALCEDA. Kung ifa-factor in mo po iyong TRAIN 2, bawas po iyon dahil mauuna na po iyong incentives, mahuhuli po iyong savings. Samakatuwid, Your Honor, may two years—kasi po kapag binasa ninyo po iyong TRABAHO o iyong TRAIN 2, mauuna na po iyong mas magandang mga incentives para nga po mawala iyong agam-agam ng patungkol sa job

losses, capital flight. Samakatuwid, Your Honor, iyong magagandang package na ino-offer po ng TRAIN 2 ay mauuna na po. So, kung ako ang tatanungin mo po, ang nakalagay po ay zero. So, wala po, kaya baka ang epekto po ay negative.

REP. BROSAS. Mr. Speaker, Mr. Sponsor wala po tayong estimated revenues na malilikha mula dito.

REP. SALCEDA. Losses po yan.

REP. BROSAS. ... kundi losses.

REP. SALCEDA. Opo.

REP. BROSAS. Sa aktwal, possibleng mabawasan pa ang mga tax revenues ng gobyerno dahil pabababain ang buwis ng mga korporasyon mula 30 percent hanggang 20 percent.

REP. SALCEDA. Ah, iba naman po iyon. Magsisimula iyon sa 2021, kung dati po binibigyan natin sila ng incentive, pero panghabang buhay, ngayon po, bibigyan natin sila ng napakagandang incentive, pero five years lang. Wala nang forever. Samakatuwid po, iyong savings na pambayad po doon sa pagbawas ng corporate income tax, magsisimula po sigurong mararamdamin natin ang pagtaas ng revenue, siguro mga 2023 pa. Sa 2021, negative pa po ito. So, sa 2021, ang atin pong projection if negative 13, P1 billion po ang bawas sa revenue ng gobyerno.

So, ang ibig bang sabihin nito, actually, ang TRABAHO ay hindi po isang pasan. Ang pwede nating sabihin na kung hindi gagawin ng mga corporate sector na i-pass on through lower prices or through increase employment, iyon lang siguro masasabi nating kritisismo sa TRAIN 2 na baka mapunta lang sa mas mataas na profitability po ng malalaking kapitalista. Pero hindi po iyong magkakaroon ng bagong pasan sa mga ordinaryong mamamayan, hindi po.

REP. BROSAS. Mr. Sponsor, Mr. Speaker, mayroon po ba kayong cost-benefit analysis in terms of revenue gain or losses kapag ipinatupad itong TRAIN 2?

REP. SALCEDA. Mayroon po pero mahaba po iyon.

REP. BROSAS. Hihingi na lang po ako ng kopya. Alam kong hindi natin mata-tackle iyan ng ano ...

REP. SALCEDA. Ipapa- email ko na lang po.

REP. BROSAS. So, maganda pong makita natin lalo na ng mga kababayan natin kung ano iyong mage-gain natin at hindi natin mage-gain.

REP. SALCEDA. Opo.

REP. BROSAS. Sinasabi ninyo sa ngayon na mukhang magtitiis tayo sa susunod na mga taon dahil ang ireresulta pa nga nito ay job losses, et cetera.

REP. SALCEDA. Hindi po. Kaya nga po mawawala iyong job losses, dahil in-advance na po natin iyong magandang package ng TRAIN 2, imbes na sa 2021, ang ipinasá po nating batas dito ay nasa 2019, iyong napakaganda pong tax package or tax incentive package. Pero iyong pambayad po nito ay parating po after five years kung saan po hindi na nila magagamit iyon hindi katulad ngayon na iyong investment package ay iyong iba po, halos may 100 po diyan na halos 29 years na po hanggang ngayon may incentive pa rin. May 632 po na not less than 15 years nakikinabang pa rin po sa incentive package.

Doon sa TRABAHO 1 po, iyong TRABAHO po hindi na ho iyon pupwede dahil po binibigyan lang sila ng limang taon plus one kung sa probinsya siya, o may iba pa po na mga plus-plus, depende po sa economic priorities po ng ating gobyerno. So, iyan po ang suma total po ng tinatawag nating TRAIN 2 o TRABAHO.

REP. BROSAS. Anyway, Mr. Speaker, Mr. Sponsor, pagbigay na lang po ng cost-benefit analysis para makita po natin iyong tunay na magaganap sa atin kapagka ipinatupad natin itong TRAIN Law package na ito.

REP. SALCEDA. TRAIN 2. Opo.

REP. BROSAS. TRAIN 2 package na ito.

Magkano po ang nakalaang tax expenditures sa P3.757 trillion national budget? May breakdown po ba ang Sponsor dito? Mas malaki ba ito kumpara sa tax expenditure allocation for this year?

REP. SALCEDA. Mas mababa po. Ay, P14.5 billion po. Ngayong taon po P19.5, so mas mababa po ng P5 billion.

REP. BROSAS. Mas mababa po ng ...

REP. SALCEDA. P5 billion.

REP. BROSAS. P5 billion. Mahalaga pong makita ito ng publiko na may alokasyon tayo sa taunang budget para sa reimbursements ng mga korporasyon na bahagi ng fiscal incentives na ipinagkakaloob sa kanila. Ibig sabihin, iyong rationalization ng fiscal incentives sa ilalim ng TRAIN 2, tuloy pa rin naman iyong mga korporasyon sa pagtatamasa lalung-lalo na iyon mga special economic zones. Tootoo po ba iyon?

REP. SALCEDA. Pakiulit po.

REP. BROSAS. Iyong mga special economic zones po natin ay mayroon pa rin silang tinatamasang incentives.

REP. SALCEDA. Sa ngayon po, oo. Pero iyong karamihan po niyan, wala dito sa Tax Expenditure Fund.

REP. BROSAS. Okay.

REP. SALCEDA. Iyong pinaka-latest po, halos umaabot ng P301 billion iyong kabuuan po ng tax incentives natin.

So, kung TEF ang gagamitin, 19.5 lang po ito, so halos wala pa po sa 10 percent. Samakatuwid, diretsa po iyong pakinabang ng mga kumpanya na nasa loob po ng zone. Kapag tiningnan mo po iyong breakdown ng TEF or Tax Expenditure Fund, kalimitan po niyan: ang una po ay NFA, pag bumibili po ng bigas, kasi nagbabayad po sila ng buwis at ng import tariff, subalit para po hindi kailangang i-pass-on sa consumers ay tsina-charge nila iyong tariffs sa Tax Expenditure Fund; ang pangalawa po ay iyong mga importasyon po ng national government agency katulad po ng AFP, kasi wina-wash lang po natin iyong ibinayad nila sa Customs. Iyong pambayad, dito na lang po kinukuha para po hindi tumaas kasi para mas transparent po iyon na kung ano talaga iyong binayaran ng gobyerno sa pag-angkat ng isang produkto na ginagamit din o ginawa mismo po ng gobyerno.

REP. SALCEDA. So, it is not being used by firms inside economic zones. Okay.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, ang pangamba po natin dito ay ang mas malaking bahagi ng pambansang budget natin ay tinutustusan ng ordinaryong mamamayan natin sa porma ng taxes on goods and services habang papaliit nang papaliit iyong share sa pagbubuwis ng mga korporasyon, hindi ba? Parang ano eh, tagibang siya. Binubuwisan nang todo-todo iyong mga ordinaryong pamilya na hinahagupit na ng taas-presyo ngayon ng pagkain, pamasaha, tubig at kuryente, samantalang binabawasan pa ng buwis ang pinakamayayamang pamilya. Sa TRABAHO Bill po ganoon iyong ano...

REP. SALCEDA. Okay.

REP. BROSAS. At maaari pang mag-avail ang kanilang mga korporasyon ng zero VAT dahil inilagay iyon doon sa ano, at reimbursements simula sa gobyerno.

REP. SALCEDA. Pero unang-una po, parang

investment na rin po ang pananaw natin doon. Iyong pa—foregone, hindi ibig sabihin hindi pagsingil ng buwis dahil po kung ang gobyerno po ang mangangapital para makapag-create ng jobs, eh halos aabot po ng 300,000 jobs per year kung gusto po nating mag-create ng isang job pwera pa po iyong mismong pasweldo.

REP. BROSAS. Mr. Sponsor, Mr. Speaker, hindi po natin iyon kayang tustusan?

REP. SALCEDA. Hindi ho kaya ng gobyerno. Ang ibig sabihin, kung 1 million po, ngayon 2.3 million po ang walang trabaho, so kung every year po gusto po nating gastusan iyon, aabot po ng halos ng 300 x 2.3 halos po nasa P650 billion po upang mabigyan—makapitalan iyong trabahong iyon assuming po na may production iyon at may pakinabang iyong kanilang mga gagawin.

So, Your Honor, hindi ho kaya, kailangan ho talaga, base na rin po sa ating Konstitusyon na, the engine of growth—and that includes job’s growth—is the private sector. May mga sector na ho tayo na para ang ating ekonomiya ay mas maging competitive. May mga instrumento ang Estado na pinipili upang ma-harness o ma-mobilize natin ang private sector investments, lalung-lalo na po doon sa kung saan ay hindi ho sila public goods, na kung saan ang gobyerno po mismo ang gumawa.

REP. BROSAS. Okay. Maraming-maraming salamat po, Mr. Sponsor, Mr. Speaker. Kung kayo po ang tatanungin, paano po natin ilalarawan ang ating national economy sa kasalukuyan with the inflation na mayroon tayo, with the GDP growth na mayroon tayo, with the forex rate na mayroon tayo, at iyong remittance growth na mayroon tayo kung sa overseas mayroon, at iyong trade deficit natin at iyong balance of payment deficits natin?

REP. SALCEDA. Parang nahuli mo iyong asawa mo na may kasamang iba, papayagan ninyo ba na mag-explain na puro may dahilan? Unang-una, ...

REP. BROSAS. Kahit ano lang po ah.

REP. SALCEDA. ... pero mahal mo pa rin, hindi ba? Pero ang sinasabi ko po, halimbawa, iyong GDP na 6 percent, isa pa rin po iyan sa pinakamataas sa Asya. Iyong forex natin na P54.30 kahapon ay halos lahat naman pong bansa dahil po sa mga bagong patakaran ng Estados Unidos patungkol po sa trade protectionism na halos lahat ng kapital ay bumabalik po sa Estados Unidos at kaya po mas nagiging malakas ang currency po ng Estados Unidos. Pagdating naman po sa inflation, siguro napakahabang usapin iyan pero masasabi po nating ginagawa ang lahat ng gobyerno upang ang presyo ay hindi na umakyat at kung puwedeng ibaba.

Pangalawa, iyong kakayahan po ng mga ordinaryong consumers ay mas lalo pong masuportahan ng atin pong gobyerno sa pamamagitan po ng pag-create po ng new jobs at higher incomes para sa atin pong mga mamamayan.

Ang hirap mo namang sagutin.

REP. BROSAS. Oo nga. *(Laughter)* Pero kapag sinagot ninyo, Mr. Sponsor, Mr. Speaker, iyong tanong ay medyo mailalarawan natin kung ano ang kalagayang mayroon tayo, di ba ...

REP. SALCEDA. May dahilan.

REP. BROSAS. ...specifically doon sa ano.

REP. SALCEDA. May pag-asa. Sa tingin ko ay may pag-asa pa naman, may pag-asa po tayo. Kasi po iyong ating national goals, sa pananaw ko, iyong buong gobyerno po ay committed pa rin na ang atin pong bansa ay maging isang upper-income country at ang atin pong mga istrategiya patungo doon sa pamamagitan po ng paggugol ng pera sa mga public goods tulad ng imprastruktura na siya po ang mag-e-expand ng productive capacity para po mas dumami po ang private sector investments. Kung titingnan ninyo po iyong strategy, tama lang po na sabihin na naniniwala po ako na maganda pa rin ang hinaharap sa kabila ng lahat ng tinatawag na external headwinds o iyong—ano ba ang Tagalog ng external headwinds?

REP. BROSAS. Panlabas...

REP. SALCEDA. Iyong mga negative factors na wala po sa kontrol ng atin pong bansa.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, maaari pong tanungin natin iyong ordinaryo nating magsasaka kaugnay diyang, kapag iyan ang pinag-usapan natin, kung paano sila naapektuhan ng kasalukuyang ekonomiya ng bansa ...

REP. SALCEDA. Opo.

REP. BROSAS. ... para makita natin kung ano ang kalagayan ng ating mga mamamayan.

REP. SALCEDA. At kung ano ang gagawin natin para ma-correct natin.

REP. BROSAS. Yes.

REP. SALCEDA. Kung may mali naman po sa...

REP. BROSAS. Baka po masilip natin kung paano talaga iyong kanilang kalagayan.

REP. SALCEDA. Opo.

REP. BROSAS. But, Mr. Speaker, Mr. Sponsor, at the beginning of the year of our economic managers' statement in the June 2018 inflation that the allocation for free social and economic services should help in coping with the rising prices of goods, iyan po iyong sinabi sa atin, pero hindi natin ito nakita sa proposed 2019 NEP at kahit dito sa General Appropriations Act kasi bumaba nga iyong lahat, di ba?

REP. SALCEDA. Compared sa 2018, tumaas po ng 7 percent.

REP. BROSAS. Tumaas ng 7 percent, pero iyong mga basic services po na...

REP. SALCEDA. Iyon po. I am talking about the basic services, kasi kung economic services, umangat po siya ng 19 percent.

REP. BROSAS. Pero sa isang banda po, kabi-kabila iyong taas-presyo at alam po natin na matindi iyong kagutuman at kahirapan ng mga mamamayan natin ngayon. Kaya po ang tanong natin, nasaan iyong ipinangako na kaunlaran ng TRAIN Law? Tila ipinilit ng mga economic managers ng administration na ito na ipasá itong batas na ito kahit pa sinasabi nila na ginagarantiya iyong kaunlaran sa dagdag buwis, pero bakit hindi maramdaman ngayon?

REP. SALCEDA. Unang-una, mayroon pong mga bagay na masasabi nating puwedeng isisi natin sa sarili natin, pero may mga bagay din naman po na hindi natin kontrolado, pero kung ano ang gagawin mo doon, iyon ang mas mahalaga, kung ano ang ginagawa ng gobyerno. Halimbawa po, ang nagpapataas po ng presyo ay ang pag-angat ng langis sa pandaigdigang kalakalan, simula po \$47 patungo po ngayon nasa \$83 na.

REP. BROSAS. Yes, totoo po iyan.

REP. SALCEDA. Iyong paglakas po ng dolyar dahil po sa mga patakaran ng bagong presidente ng Amerika, kung saan po lahat halos ng mga kapital ay bumabalik at doon na nga po nangangapital dahil nga po sa protectionism ng America. Hindi rin natin—pero iyong masisisi natin kung bakit hindi tayo nag-angat kaagad ng bigas kasi alam naman po natin na ang Pilipinas ay hindi na ho talaga natin kakayanan magkaroon po ng rice self-sufficiency. Kailangan po nating taun-taon mabigyan ng budget at ma-project na dumating ang bigas bago po ang

harvest season, at pagdating ng harvest season, saka naman namimili ang NFA, eh hindi po natin nagawa ngayong taon.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, iyong sa kaugnay po sa bigas, itinanong ko po iyan sa Department of Agriculture, iyong over the years, hindi naman talaga natin nabigyan ng suporta o subsidyo nang todo-todo iyong mga magsasaka.

REP. SALCEDA. Tama po.

REP. BROSAS. So ang ibig sabihin, 40 percent po sa kanila ay umaasa, actually, handled by the cartel, at mga ano, iyong sa production. Sa pagbili at distribution, 80 percent ang cartel so ano ang aasahan mo sa ekonomiya o sa agrikultura na ganoon, hindi ba? Ang hirap po noong sitwasyon na hindi maunlad iyong agrikultura mo at mag-i-import talaga tayo nang mag-i-import ng bigas noon at aasa tayo. Paano kapag nagkaroon din ng mga problema ang mga bansang ito, na pinag-i-import-an natin dahil sila ay mag-aano din, maaapektuhan naman tayo kapagka umasa tayo na ganoon lang iyong ating ano. Ang pinaka-point po, kahit doon sa pag-uusap natin sa interpellation ko po doon, sinasabi natin na iyong full support talaga, over the years, ay pinabayaan ng gobyerno eh. Hanggang ngayon, iyon iyong indicator niya na pinabayaan ng gobyerno.

REP. SALCEDA. Opo.

REP. BROSAS. Ang pinakaproblema ng mga magsasaka, wala silang lupa na masasaka ngayon. Bakit? Mga agro-industries, mga ganito iyong mga ano, nakikisaka sila at nababaon sila sa utang, ganoon po iyong hitsura. Kaya parang iyong mahusay at magandang agrikultura na idudulot sana ng magandang kick ng ating ekonomiya, hindi po iyon mangyayari. Parang ganoon iyong sa ngayon. Iyon po iyong sinasabi natin. Ang gusto ko lang pong i-point out, overall, dahil General Principles naman po, iyong ginagarantiya na kaunlaran sa dagdag-buwis, ano po, iyong, halimbawa, nagdagdag tayo ng buwis pero hindi po ito maramdaman sa larangan ng edukasyon; nagdagdag tayo ng buwis, hindi po ito naramdaman sa larangan ng job generation; nagdagdag tayo ng buwis, hindi po ito maramdaman sa larangan ng kalusugan. Hahanapan at hahanapan po tayo ng taumbayan. Kung kaya po, iyon po iyong sinasabi ko na dapat mag-reflect iyong general appropriations natin. Kaya po tayo nandito, sa ngalan po ng bayan natin, na mag-reflect siya na napupunta siya sa priority talaga ng mga Pilipino. Iyon po iyong ano ...

REP. SALCEDA. Una, pagdating po, halimbawa,

sa universal access to quality tertiary education, dati po ay wala iyan, ngayon nilagyan natin this year, 2018, ng P40 billion; next year ay P51 billion. So hindi naman masasabi nating sine-zero natin. Pangalawa po, iyong conditional cash transfer na kung saan ibinibigay natin sa mga ordinaryong mamamayan nang diretso. Hindi natin pinapakialaman kung saan nila ginagamit iyong perang iyon para po mas magamit nila ang power nila to choose, the power of choice. Pangatlo, kapag tiningnan mo naman, at sigurado naman ako na may tiwala ka sa ating PSA, iyong atin pong Labor Force Survey noong January at April, nagpapakita po na noong April ay nakapag-produce po tayo ng napakalaking job generation na umabot po ng 2.3 million. Debatable iyan, pero at the same time po, noong Abril ay mas resonable, 630,000. Ang paniniwala ko po ay iyong ginagawa ng gobyerno ay nakakapag-create po ng 1.4 million jobs, on the average, sa first half, subalit iyong sustainability po nito ay siyempre makikita na lang po natin sa mga susunod pong report ng Labor Force Survey.

There is enough evidence also on the contrary, Your Honor, that the strategy is working. Kung ako po ang tatanungin ninyo po, Your Honor, I always consider myself as a fiscalist, masusi naman pong ginawa iyong TRAIN 1 at TRAIN 2 upang ang magbabayad ng buwis ay hindi po iyong mga mahihirap. Kapag susuriin mo po iyong tax incidence po, iyong lowest 99 percent po ay net beneficiary po ng TRAIN 1. Only the top 2 percent, actually, pays for much of TRAIN 1. Pangalawa po, Your Honor, nabanggit ko na nga dati, na base po sa argumento ni Dr. Rosario Chat Manasan sa kaniyang papel:

For as long as the government spends on roads, education, health, the net fiscal incidence, wherever you got the money from, for as long as they are not egregiously obnoxious, they are net positive to the poor.

It does not really matter where you get the money, because the net fiscal incidence will be progressive. Siyempre, mas gugustuhin natin na manggaling sa mayayaman ang buwis para po iyong net fiscal incidence ay super positive, pero sinasabi ko lang ito bilang isang argumento na—una, may mga patunay din po on the contrary na iyong ating economic strategy o iyong ating pong fiscal reforms ay talagang nagdudulot ng maganda sa ating ekonomiya, nagkataon lang po nasabayan ng mga krisis sa ating bansa; pangalawa po, basta ang gobyerno at diyan na naman papasok po iyong argumento tungkol sa pagtapyas sa mga school buildings ng DepEd, at iyong pagtapyas po sa HFEP ng DOH, subalit nasa atin po iyan dito sa Kongreso na ibalik, dahil kung iyan po talaga ang atin pong pagpapahalaga, iyon po ang ating values, kung ano po ang nararapat o ano ang dapat gawin ng isang gobyerno para mas lalong

mapabuti ang ating mga mamamayan ay nasa atin po iyan. Sa tamang panahon po, Your Honor, tatanggapin po ng Sponsor kung ano man po ang mga panukala sa loob po ng balangkas ng atin pong Budget ng 2019.

REP. BROSAS. Yes, thank you, Mr. Sponsor. Thank you, Mr. Speaker, doon.

As a last manifestation po, sa tingin po ng Kinatawan na ito, iyong mga ipinasá nating batas mula TRAIN 1 hanggang TRAIN 2 ay hindi po talaga nakadulot ng maganda para sa mga ordinaryong mamamayan natin. Kahit pa sabihin ninyo na sinabayan ito ng krisis at kung anu-ano pa, at iyong reflection nga ng 2019 budgeting ng economic managers ng administration ay hindi talaga nagre-reflect noong pangangailangan. Nag-agree po ako sa sinasabi ninyo na dapat tayo dito, tingnan natin kung saan at paano ang allocation ng mga following basic services.

Anyway, ang gusto ko pong sabihin ay parang itong dalawang batas na ito na ipinasá ng Kongreso ay napaka-insensitive para sa mga maliliit at mga mahihirap na tao, dahil iyong mga malalaki, nagbibigay nga tayo ng incentives para sa mga big corporations, ngunit insensitive naman tayo sa economic crisis na inaabot ng ating mga kababayan ngayon—nag-aggravate ng condition para sa kanila.

Iyong mga matataas katulad ng pagbigay ng—pagtaas pa ng personal income tax ng mga mayayaman na at malalaking korporasyon, ano na iyon, personal income tax ng mga mayayaman, tapos sa TRAIN 1 at sa TRAIN 2 ay malalaking korporasyon na ang kanilang income tax naman ang...

REP. SALCEDA. Ibababa.

REP. BROSAS. ...babawasan, so ang ibig sabihin po, ang tumatamasa ng higit dito ay iyong mga mayayaman at malalaking korporasyon. Kaya po habang iyong consumption ng taxes—the government's imposition of consumption of taxes including excise taxes on oil, sweetened beverages greatly aggravated the current inflation at iyon ang tinatamasa naman or pinahihirapan iyong ating mga maliliit or mahihirap nating mamamayan sa kasalukuyan.

Kaya po iyong tax reform package o TRAIN Law 1 and TRAIN 2 na sinasabi natin, sa tingin po ng Kinatawan na ito ay hindi talaga nakinabang iyong kalakhan ng mamamayan na mahihirap, dahil nagbigay lang siya ng luwag para doon sa mga malalaking korporasyon at mayayaman na, pero nahihirapan po sa kasalukuyan iyong ating mga mahihirap. Iyon po ang tingin ng Kinatawan na ito, at doon ko po tatapusin iyong interpelasyon ko.

Maraming salamat, Mr. Speaker. Maraming salamat, Mr. Sponsor.

REP. SALCEDA. Salamat.

THE DEPUTY SPEAKER (Rep. Castro, F. H.).
The Majority Leader is recognized.

REP. ROA-PUNO. Mr. Speaker, for his interpellation, I move that we recognize the Hon. Salvador B. Belaro, Jr. of 1-ANG EDUKASYON Party-List.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F. H.).
Congressman Salvador Belaro is hereby recognized.

REP. BELARO. Good afternoon, Mr. Speaker, distinguished Sponsor.

Just a manifestation, distinguished Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). You may proceed with your manifestation.

REP. BELARO. Mr. Speaker, this relates to the observation of this Representation on the, hopefully, to be concluded budget deliberations. One singular observation that this Representation made is that, almost if not all of the agencies are quite not—I do not know if adept is the word, but perhaps, the truth is somewhere struggling between not so transparent, not so adept, and I would not like to say unaware of the concept of savings in their proposed appropriations.

Let me cite for instance three examples. When we made deliberations on DepEd, the good Secretary, when asked, was non-committal about the presence of savings in their budget. She said, to paraphrase her, it is just electronic, the savings made by the Department. The other example was made by the Department of Agriculture yesterday in which they categorized as savings the Unreleased Appropriations. And this is the more exciting because I have here a document which shows that the DPWH made P3.7 billion of savings in the first two months of 2017 alone—imagine, P3.7 billion for January and February of 2017 alone. I believe, Mr. Speaker, that this concerns a matter which transcends generations because P3.7 billion is P3.7 billion. And by way of proposal, Mr. Speaker, may I move that the good Committee look into the following recommendations: first, noong una po kasi, in 2015, in the previous years, mayroon po tayong one whole page on savings in the NEP; wala na po ito ngayon. Baka po puwede nating ibalik ito. The second recommendation that I would like to make of record for the consideration of the House of Representatives is that, iyon po kasi dati, mayroong reportorial requirement to the Senate Committee on Finance and the House of Representatives Appropriations Committee. Wala po ito ngayon sa 2019. Ang nakalagay lang po, reportorial requirement to the Senate President and the Speaker of the House. Baka po

puwede rin natin tingnan na ibalik din ito. At pangatlo po, tingnan po rin natin iyong savings ng mga agency para mas maging transparent ito.

Mr. Speaker, with that, I would just like to make further manifestation that if we are not going to look into these matters, for the next budget hearings, we will be continuously looking at the concept of savings as something that we should be looking into in the Hogwarts School of Wizardry where only a limited certain number of people could inquire or could fathom the unfathomable abyss of this mumbo jumbo on the budget. So, with those, Mr. Speaker, distinguished Sponsor, I would humbly make these recommendations for the consideration of the entire House.

Thank you, Mr. Speaker.

REP. SALCEDA. Thank you.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Majority Leader is recognized.

REP. ROA-PUNO. Mr. Speaker, for his interpellation, I move to recognize the Hon. Antonio L. Tinio of ACT TEACHERS Party-List.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.).
Cong. Antonio Tinio is here recognized.

REP. TINIO. Maraming salamat, Mr. Speaker.

Ilang punto lang, dahil marami sa mga issues na balak kong i-raise sa bahaging ito ng ilang araw na debate natin kaugnay sa budget, na nai-raise ko na sa ibang mga ahensya. For example, iyong mga issues pertaining to sources of financing ng budget ay, I think, ni-raise ko iyan noong time noong ...

REP. SALCEDA. DOF.

REP. TINIO. ... budget ng DOF. So, well, over the course of deliberations on the budgets of a number of agencies, particularly iyong mga nagkaroon ng malaking bawas dahil umano sa shift or transition to Cash-Based Budgeting, namely: DepEd, for one; ...

REP. SALCEDA. DOH.

REP. TINIO. ... iyong, DOH, nandiyan din; iyong NHA; iyong mga—well, these are, obviously, mga agencies delivering basic social services, tapos sila iyong mga nabawasan nang malaki ng Capital Outlay, in particular. So, for example, iyong DepEd, current year, around 47,000 iyong new classrooms na may pondo o pinondohan, pero para sa susunod na taon, under this proposed budget, as low as something like 7,000 new classrooms ang popondohan.

Ganoon din sa National Housing Authority. In fact, the budget of the National Housing Authority is something like P360 million. They have proposed P30 billion.

REP. SALCEDA. Yes.

REP. TINIO. Over P30 billion, pero, P360 million lang ang pinondohan, at iyong pondo na iyon ay hindi pa nga para sa pagpapatayo ng mga pabahay, kung hindi, preparasyon para sa pagpapatayo ng pabahay. So, malinaw din sa mga discussions natin na ang batayan daw na palagi nilang itinuturo ang DBM, kapag itinatanong natin bakit ang liit na ng Capital Outlay ninyo, bakit nabawasan ng ganito, sasabihin nila ang DBM Cash-Based Budgeting. Tapos, ang paliwanag naman sa atin, well, that is based on the disbursement, the actual disbursement of funds, parang iyong historic performance noong agency; however, ito iyong concern ko. During the interpellation on the DepEd budget, I asked kung ilan ba iyong, just talking about classrooms, ilan ba iyong classrooms na kailangan taun-taon? Mga bagong classrooms na kailangang maipatayo para lang makaagapay doon sa taun-taong dagdag sa enrollment, the yearly increment due to enrollment growth which is, of course, related to population growth. Ang sabi ng DepEd, annually, kailangan nila ng 10,000 new classrooms para lang makaagapay sa yearly increase ng enrollment. Obviously, kung hindi matugunan iyan, you get backlogs. Alam naman natin, lalo na in the previous decade, iyong 2000 to 2010, talagang because of various reasons, including iyong pagkabaon sa utang, so-called fiscal crisis ng Pilipinas, talagang hindi natugunan ng budget iyong yearly increment na ito kaya nagkaroon tayo ng massive backlogs in classroom under the Department of Education na hanggang ngayon hindi pa natutugunan.

Ganoon din sa National Housing Authority. Sabi ng National Housing Authority, by 2022, aabot sa 6.1 million iyong total backlog in housing units. Tapos, sinabi ng NHA, sa ilalim ng Duterte administration, ang target daw nila is to build 50,000 classrooms annually, up to 2022, bilang kontribusyon ng NHA doon sa paghabol sa 6.1 million projected shortage in ...

REP. SALCEDA. Housing backlog.

REP. TINIO. ... housing backlog.

So, ang punto ko, Mr. Speaker, G. Isponsor, ay tila may problema tayo kung Cash-Based Budgeting ang approach na ibinabatay ang inilalaang budget sa, you know, actual performance, ibig sabihin, iyong sinasabing absorptive capacity, iyong aktuwal na kayang ipatayo ng ahensiya sa isang taon. Lumalabas, iyong DepEd ang kayang bilang ng classroom na ipatayo sa isang taon is around 7,000 classrooms in one year.

Iyong NHA, sinasabi nila, well, three years daw iyong gestation period ng mga housing projects nila, so that is why they are having difficulty at this point delivering on the 50,000 housing units per year.

So, iyon po ang tanong ko sa Sponsor, given a Cash-Based approach to budgeting, how will this Duterte administration be able to address the infrastructure needs of the agency's basic social services given wherein a situation where there are huge backlogs that need to be addressed.

REP. SALCEDA. Okay. Your Honor, isa-isahin po natin.

Simulan po natin sa HFEP. Noong simula po ng taon na ito noong March 31, iyong disbursement po para sa HFEP ng DOH ay 13.5 or less than 10 percent ng P138 billion appropriations na ibinigay po sa DOH. Mayroon pa ho silang pagkakataon dahil kung iisipin, magsisimula pa lang naman tayo ng Cash-Based Budgeting. Samakatuwid, puwede ring ihabol ng absorptive capacity ng DOH. So, kapag, hopefully, na ang 2019 ay isang transition year kasi that is the first year na kung ano lang ang magastos mo, iyon lang ang iba-budget sa iyo o iyong kung anong—in other words, Your Honor, magiging isang transition period para sa atin on the first year of talagang in-approve ay isang Cash-Based Budget na ii-implement next year, makikita po natin na kung ano talaga ang kakayahan na magsakatuparan.

Doon naman po sa DepEd, from 2015 to 2017, iyong disbursement tray po out of the P255 billion allocation for Basic Education Facilities, only P26.5 billion. It means that P228.5 billion was not disbursed from 2015, 2016 and 2017 kung saan iyong nga po ang gusto natin, maipatapos muna nila kasi napakalaki pong balanse itong P228.5 billion. So, iyong dalawang departamentong nasasaad, ako, bilang isang—from a management audit perspective, Your Honor, there is logic, Your Honor, na let these two departments first absorb. Pero iyong pagdating po doon sa housing ay hindi ko alam kung papaano patatawarin ang sarili ko kung bakit wala hong budget iyon. Samakatuwid, Your Honor, magiging open tayo kung papaano po natin mabibigyan po ng mas malaking pagpapahalaga ang housing bilang isang basic right. Ang namumuno o the reigning philosophy is that it is a private good, and therefore, it should be done by the private sector. Therefore, the role of the government is really to provide doon po sa mga informal settlers at iyong mga pamilya po na walang kakayahan na magtayo kanilang sariling bahay, and from a DRR perspective, iyong mga houses made of light materials, para po mas secure sila sa peligro po ng mga bagyo.

In that sense, Your Honor, I think—at least there is honor and intellectual space to say that pagdating po sa

housing, mukhang kailangan ho natin na pagkaisahan kung papaano natin maa-address itong pangangailangan po kasi hindi naman po iyong buong 6.1 million. Ang tinutukoy lang po ay number one, informal settlers; two, people living in houses made of light materials, and from a DRR perspective, they should be made safer from the strong winds of typhoon, Your Honor. So, I guess, Your Honor, at least mga 1.4 million should be targeted by any administration in order to resolve what I can call really as the social aspects of housing in this country.

REP. TINIO. Okay. Thank you.

So, on the issue of backlogs and whether or not the Cash-Based Budgeting approach will be ...

REP. SALCEDA. Kulang talaga.

REP. TINIO. ... adequate to address backlogs, ang sinasabi ninyo, kaya iyan.

REP. SALCEDA. Hindi. Ang sinasabi ko na iyong 6.1 kasi ina-address iyan to a grand policy...

REP. TINIO. Hindi.

REP. SALCEDA. ... that includes the private sector.

REP. TINIO. Yes.

REP. SALCEDA. Like the banks.

REP. TINIO. Let us set aside the housing issue.

REP. SALCEDA. Informal settlers.

REP. TINIO. Yes. Let us set aside the housing issue. Iyong usapin po ng, halimbawa, iyong mga backlogs ng classroom. Sabi ninyo nga 255 million ...

REP. SALCEDA. Hindi pa.

REP. TINIO. ... iyong appropriated over the past few years from 2015 sa DepEd for their classroom construction. Tapos something like 10 percent pa lamang iyong actual na na nadi-disburse.

REP. SALCEDA. Nagagawa. Opo.

REP. TINIO. Ibig sabihin, iyong napatayo.

REP. SALCEDA. Opo.

REP. TINIO. So, my concern there is, okay, so in other words, may existing backlog pa.

REP. SALCEDA. Opo.

REP. TINIO. Tapos, every year, nadadagdagan pa iyan kasi nga mayroong kailangang habulin na increment.

REP. SALCEDA. Well, they have to face the music now because any new allocations will only have a one year plus six effectivity, Your Honor. So, ...

REP. TINIO. Yes, iyon nga ang concern natin. Una, is it realistic to expect that the 90 percent unutilized budget for the past three years, mapapatayo iyan lahat in the transition period, that is, in 2019?

SUSPENSION OF SESSION

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

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is suspended.

It was 2:16 p.m.

RESUMPTION OF SESSION

At 2:17 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is resumed.

REP. SALCEDA. In answer to your question, I got it from the technical experts of DBM. Nasa kanila na iyon, na-obligate na nila. So, kailangan na lang talaga ng pagbabantay kung papano nila mapapabilis iyong pag-implement po ng mga proyekto. Pero hindi po magtatagal iyong authorization na iyon sa DepEd at saka sa DOH.

REP. TINIO. Okay. Ibig sabihin, iyong around P220 billion na hindi pa nagagamit ...

REP. SALCEDA. 228 po para sa DepEd at doon po sa DOH ay 138.

REP. TINIO. So, you are saying hindi ito magla-lapse?

REP. SALCEDA. Hindi mag-e-expire.

REP. TINIO. Hindi mag-e-expire?

REP. SALCEDA. Kasi, in-obligate nila.

REP. TINIO. Na-obligate na?

REP. SALCEDA. Tapos ang pera nasa kanila.

REP. TINIO. Okay. Understood, okay. So, klaro iyon, but moving forward, Cash-Based, ganoon

REP. SALCEDA. Opo.

REP. TINIO. Okay. Pero iyon po, nevertheless, we register that concern that ...

REP. SALCEDA. Yes. I think that is a legitimate concern.

REP. TINIO. ... actual needs may be greater than the...

REP. SALCEDA. Supply.

REP. TINIO. ...demonstrated capacity of agencies to actually utilize their funds or to construct classrooms, to be concrete. So, magkakaprotekta pa rin tayo sa—moving forward, okay, iyong sa housing, well, siguro, you know, you mentioned something about a housing being a private goods; therefore, hindi pangunahing responsibilidad ng gobyerno.

REP. SALCEDA. No, no, no. Pero what I am saying, Your Honor, is that it is a basic right especially doon sa informal settlers.

REP. TINIO. Yes.

REP. SALCEDA. At doon po sa mga people who live in houses made of light materials in the context of the disaster risk.

REP. TINIO. Well, I am familiar with that line of argument and that, basically, that let me call it a philosophy, okay—public good versus private good. In fact, that used to be the prevailing argument for higher education for funding in education.

REP. SALCEDA. But, we won that argument together.

REP. TINIO. Well, iyon nga, that is what I wanted to point out. For a long time, you know, the ADB, the World Bank, ganoon ang linya nila—basic education is a public good; higher education is a private good. Kasi iyong private education, the benefits mainly accrue to the individual.

REP. SALCEDA. Correct.

REP. TINIO. So, therefore, in terms of prioritization of funding, government resources should be allocated more to basic education. Therefore, the government should take away funds from higher education and push cost recovery. Iyong mga ganoon. Ito iyong teyorya o pilosopiya nga behind decades of commercialization in higher education. But, as you rightly pointed out, we won that argument. Of course, you are referring to the passage of Republic Act No. 10931, the Free Tertiary Education Act.

REP. SALCEDA. Universal college, yes.

REP. TINIO. Okay. So, that is the significance of that law. It, basically, reversed the prevailing dogma, and, I believe, economic managers up to now still find hard to accept it.

REP. SALCEDA. Yes.

REP. TINIO. But, nevertheless, it is the law of the land. Kaya nga ngayon, dahil sa pagkakapasa naong batas ay kinikilala na bilang public good—in effect, if we were to use that—iyong higher education, kailangan na itong pondohan. I would not say “public good,” I say right, so basic right na obligasyon din ng gobyerno na pondohan.

Okay. So, ...

REP. SALCEDA. I think, there is ...

REP. TINIO. Now, what I was going to say is, so iyong approach sa housing ...

REP. SALCEDA. Puwede natin pong i-improve sa pamamagitan po ng isang legislative framework ...

REP. TINIO. Yes.

REP. SALCEDA. ... na ika-clarify talaga natin kung anong role ng Estado ...

REP. TINIO. Yes.

REP. SALCEDA. ... pagdating po sa housing. Sa ngayon, halimbawa, magkakaisa tayo dahil kung anuman ang natitirang pera—dahil kung iisipin mo, the NHA is sitting on a lot of unappraised assets. They have a lot of money, actually. They are sitting on tons of assets which are not being liquified. So, they only earn about P3.6 billion a year of it. But, Mr. Speaker, if we can go back to the original mandate of the NHA, Mr. Speaker, you will find enough financing to start quite meaningfully addressing what—my own estimate is about 1.8 million housing should be public goods or should be considered as part of the right of the poor to shelter.

REP. TINIO. Right. Okay. So, well, hindi ko nais magpalawig sa discussion on housing. Siguro ang gusto ko lang sabihin dito iyong, I will call it the “neoliberal framework” that you articulated of public good versus private good. Therefore, in terms of housing, that means that the government role will be mainly towards providing shelter for the poorest ...

REP. SALCEDA. Informal settlers and the vulnerable.

REP. TINIO. ... and the informal settlers giving the rest to the private sector. That is one approach, pero may mga ibang modelo. For example, if you are coming from a more rights-based model,...

REP. SALCEDA. Yes.

REP. TINIO. ... as some other countries, they have such thing as public housing.

REP. SALCEDA. Yes.

REP. TINIO. So, you know, the State provides housing and then citizens are able to access it at affordable rates. Ganoon, walang ganiyan sa atin, generally. Sa atin ang model is basically towards—even if the government builds it, eventually it will become the private property of the individual. So, ang point ko lang may mga iba-ibang modelo po dito.

REP. SALCEDA. Opo.

REP. TINIO. Now, let me move to my second concern, okay, since this is a discussion on General Principles, iyong usapin ng suweldo, public sector salaries.

The Duterte administration, of course—last year, Congress passed a law upon the urging of the President to essentially double the salaries of uniformed personnel. So, para sa akin, this represents a break from the longstanding policy of the government, which is iyong salary standardization.

REP. SALCEDA. Mr. Speaker, just to anticipate, iyong GCG po is spending this year P63 million, P63.3 million for a salary review.

REP. TINIO. For?

REP. SALCEDA. Basically po, to guide them with respect to the GOCC, pero I think, Mr. Speaker, since much of the GOCCs have migrated to the SSL framework, this can be a takeoff point for the rest of the public sector employees, Mr. Speaker. So, nabigyan ng budget na po nila, nagpapa-procure na po sila with,

I think, big, foreign groups like Wyatt Burch group. They were engaged in order for them to study the salary and classification and compensation level. So, I think, Your Honor, we can use that kasi for next year na po iyon eh. So, iyon ang magiging guide nila and I think we can also take that as a guide, Mr. Speaker, for the rest of the public sector.

REP. TINIO. Okay. Well, ang gusto ko lang pong i-point out dito, na noong itinaas ang suweldo, dinoble ang suweldo ng pulis at militar, lumikha na ng disbalanse sa pagsusuweldo sa sibilyan at saka sa unipormado, whereas previously, more or less, ipinapantay ang suweldo ng pulis, militar, sundalo, teacher, nurse. Ganoon iyon eh. Tapos ang pinakabatayan noon, qualifications. Ngayon iba na po ang nangyari; dinoble na ito, and that is only in terms of salaries, iba pa sa kaso ng additional benefits and so on. We should also bring in here the matter of pensions, retirement benefits and pensions. In that case ibang iba rin iyong sitwasyon. As we know, the civilian bureaucracy has a pension fund, may nagko-contribute, may government share, may private share. The pensions are taken care of by a government corporation, iyong GSIS.

REP. SALCEDA. Opo.

REP. TINIO. Apart from the government share, that does not require additional funding from the General Appropriations Act samantalang iyong uniformed personnel fully funded ...

REP. SALCEDA. Opo.

REP. TINIO. ... by taxpayers ang kanilang pension tapos malaki pa nga ang mga pension nila considerably. So, gusto ko lang pong itanong sa Sponsor, ano ba ang rationale, ano iyong thinking behind this, to me, radical break in the salary, in the way government pays its personnel? Bakit ngayon, talagang mayroon nang one-salary scale for uniformed personnel and another very different one for the civilian bureaucracy? So, iyon po.

REP. SALCEDA. Mr. Speaker, I think siguro dapat ng pagkaisahin na iyong kung anumang differentiation o standardization mayroon. Dapat iisang framework na lang po for uniformed personnel as well as for civil servants. Therefore, of course, ang magiging basehan po—kaya ang importante po para sa akin, Mr. Speaker, is, moving forward, ano po ba talaga ang basehan para po maging ng tama, sapat, at commensurate po sa dignidad ng atin pong government workers ang atin pong pasuweldo? Kaya babalik at babalik po ako na kailangan natin ng isang malaking pag-aaral kung saan isasama na rin na po natin iyong sinasabi mong

differentiation or needed na standardization between military personnel and uniformed personnel, as well as our civil servants, Mr. Speaker. We cannot do it na—pag-upo kasi noon ni Presidente Cory, nagbigay kaagad ng SSL para lang sa civil servants. So, parang nagkaroon po tayo ng parang hiwalay po iyong track pero both of them are pataas. Sometimes, the civil servants' increases were faster, like from SSL 1 to SSL 4. Then right now, humahabol po iyong sa uniformed personnel. I think we should have the same railways but there will still be two tracks. I can say na it should be based, Mr. Speaker, on an empirical study so that we can come up with a reasonable framework for addressing these compensation issues.

REP. TINIO. Well, siguro as a last point—obligasyon ko pong i-articulate na sa pagtingin ng mga government employees, including public school teachers, kailangan na pong gawin iyan, kailangan na pong harapin ng Kongreso iyan ngayon lalo pa at tumataas nang tumataas ang inflation. Mas mahirap ang buhay at hindi nakasapat iyong SSL 4 na kanilang tinatanggap ngayon. Ang sinasabi ng DBM sa kanila, para sa civilian bureaucracy, hintayin ninyo iyong fourth tranche tapos pagkatapos noon, maghintay tayo ng isang pag-aaral katulad ng sinasabi ninyo.

REP. SALCEDA. Pero naipa-bid na po iyong pag-aaral.

REP. TINIO. Well, yes. Unfortunately, in the past iyan din ang sinabi ng DBM tapos ang lumalabas naman sa pag-aaral, basically, bine-bench mark ang sweldo ng mga government employees sa private sector. Something which, of course, for various reasons was not or has not been done in the case of the uniformed personnel.

Anyway, iyon lang po. Siguro, hanggang doon na lang, Mr. Speaker, Mr. Sponsor.

REP. SALCEDA. Salamat po.

REP. TINIO. Muli, iginigiit ko iyong pangangailangan na harapin sa lalong madaling panahon ng Kongresong ito ang panawagan ng mga kawani ng gobyerno para sa disentang sweldo. From Salary Grade 1, which remains at P10,000 a month—napakababa po niyan—hanggang sa mga sweldo ng guro na nasa P20,000 a month, kapos pa rin iyan given iyong hirap ng buhay ngayon. Napag-iwanan na sila ng sweldo ng pulis at sundalo na nasa P30,000 a month. So, kailangang harapin po ng Kongresong ito iyan at hindi iyan ginagawa ng kasalukuyang budget.

REP. SALCEDA. Salamat.

REP. TINIO. Maraming Salamat, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Majority Leader is recognized.

REP. ORTEGA (V). Mr. Speaker, before we call the next interpellator, we would like to acknowledge the presence of our guests from the Integrated Provincial Health Office of Tawi-Tawi, namely: Provincial Health Officer of Taw-Tawi, Dr. Sangkula Laja; Dr. Marilou Sta. Cruz; Dr. Mohammad Ali Burahim; Dr. Falmi Usman; and Dr. Omar Sharif Usman. They are the guests of Hon. Ruby M. Sahali of the Lone District of Tawi-Tawi.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The guests of Cong. Ruby Sahali, please rise. *(Applause)*
Welcome to the House of Representatives.

REP. ORTEGA (V). Mr. Speaker, we recognize the Hon. Tomasito “Tom” S. Villarin of AKBAYAN for his interpellation.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Cong. Tom Villarin is hereby recognized.

REP. VILLARIN. Thank you, Mr. Speaker. Thank you, Majority Leader.

Would the good Sponsor be open to some questions?

REP. SALCEDA. Yes, to some.

REP. VILLARIN. Well, I would just like my interpellation to take off from or be based on the submitted documents of our economic managers—*Philippine Economy: Building on Continued Reforms*, and of course, *The Economy is On Course*.

Now, I would like to start with the issue of reforms, purposeful reforms that was mentioned here. One of the reforms, while it was done by the past administration, is the Philippine Competition Commission, establishing the PCC, which I think is a very important policy reform in the context of regulating businesses. To my knowledge, right now, the PCC, it seems, is parang, kumbaga, nakausling pako siya dito sa kasalukuyang administration mainly because, first, iyong budget na hiningi ng PCC ay hindi ibinigay, iyong supposedly proposed na P120 million. Secondly, alam naman natin na malakas ang resistensiya ng oligopolists, monopolists sa negosyo. Unang-una na dito iyong ating telecommunications industry, at ang ating mga industriya na kung saan nandiyan iyong mga natural monopolies, say, for example, in utilities.

Now, sa tingin ninyo po ba na mahalaga ba talaga ang trabaho ng Philippine Competition Commission at ano pa iyong mga kailangan sa pag-strengthen nitong ahensiyang ito? Ultimately, as a major regulatory body

na sana ay tumitingin sa mga monopolyo o sumasagka sa mga monopoly, kung hindi siya bibigyan ng sapat ng attention at kahalagaan ng kasalukuyang gobyerno ay mawawala din iyong kanyang silbi.

REP. SALCEDA. Unang-una po iyong tunay na budget po ng PCC ay P446 million, hindi po P100 plus million. Pangalawa po, napakahalaga po nito dahil kahit itong ating crisis, halimbawa na crisis iyong atin pong inflationary environment, Mr. Speaker, *motu proprio*—hindi *motu proprio* kung hindi through interaction with some members in the PCC, I asked kung kaya nilang i-identify kung may mga oligopolistic or monopolistic areas na nagpapatindi po ng inflationary trends dito sa Pilipinas. So, napakahalaga po siyang institusyon ng ating pong bansa. Pangalawa po, may dalawa pong nakikita ang PSA, ang Philippine Statistics Authority na, of course, minana rin natin sa dating administrasyon, kung saan sinasabi po ni Grace Bersales na may dalawa pong lumalabas na inflationary trends. Dito po sa Metro Manila, ang tawag po niya ay transportation services, essentially po, iyan iyong Grab at Uber. Kaya doon sa Bicol o sa regions, eh, iyong pag-angat po na mas mabilis po na inflationary trend po ay sa medical services. Ang sabi ko sa kanya, sabi ko po doon sa mga miyembro ng PCC, kung puwedeng pag-aralan at balikan iyong merger po ng Uber at saka Grab kung ito po ay—kasi sila lang po ang may kakayahan, sila po ang may mandato upang magsabi kung talagang nakakabuti sa consumer welfare po iyong merger po noong Grabe at saka Uber. So, mukhang sa kanila po ako dumudulog sa marami pong problema. Halimbawa naman po, iyong pagtaas po ng medical services sa regions, sa mga probinsya outside of Metro Manila. Sabi ko, baka po iyong concentration in a few owners, iyong corporate entry po sa independent non-provincial hospitals po ng big corporations ay siya po ang nagiging dahilan ng pagkakaroon po ng pricing power over consumers. And the long and short of it, Your Honor, in my own personal capacity as a Congressman, I have always looked up to the PCC as a source of intellectual inputs for policymaking.

REP. VILLARIN. Well, thank you for that input also, good Sponsor, because I think it is important that the PCC be given all the width with regard to the exercise of its power. And precisely, I am raising this policy issue because, well, our courts are also considered one problem with regard to its exercise. Just like last year, one of the big telcos invoked the power of the courts so that a TRO would be issued with regard to some decisions of the PCC, but I think, in general, this reform ...

REP. SALCEDA. It is working well, Your Honor.

REP. VILLARIN. ... should also be pursued. Yes.

Now, on specific issues related to competition, because one area, a common source of concern in every change of administration would be what we term as “chronic capitalist.” Now, there seems to be some new players, new kids on the block, as they say, like this company from Davao which has now engaged in a buying spree of a registered corporation. Do you think that the PCC should look into this matter with regard to this company that has engaged in a buying spree—not just one, two or three companies but he has engaged in buying a lot of registered, PSI-registered companies?

REP. SALCEDA. Hindi ho.

REP. VILLARIN. So, do you think that this should also be looked into by the PCC?

REP. SALCEDA. Hindi siguro saklaw po ng PCC dahil wala pong abuse of market power, Your Honor. Kung hindi ko ho—base po sa mga nababasa ko patungkol po dito sa kumpanyang ito or group of companies na ito ay wala naman pong ginamit na regulatory capture o isa pong paggamit, pag-abuso ng kanya pong dominance sa isang merkado, Your Honor. So, in other words, there is no product market wherein abuse of market power resulted in higher than usual profitability which led to the amassing of capital and which led, of course, to that buying spree, Your Honor. So, at this point, Your Honor, if you take, for example, the last time I look at it, it does not—wala pa ho sa one percent of total market capitalization po ng buong Pilipinas iyong kanyang nakokontrol na market cap po pagdating po sa, halimbawa, listed assets ng kanyang mga kumpanya.

REP. VILLARIN. Well, if that is the case, I leave it at that.

REP. SALCEDA. Thank you very much, Your Honor.

REP. VILLARIN. Now, going to the issue of, of course, again, parts of—to prevent regulatory capture, there is also a trend with regard to port operations.

In Mindanao, particularly Davao Region, we have a situation wherein five private ports which are adjacent to one another have been operating to the detriment of taking on revenues, precisely, because the main port of Davao City has not been rehabilitated which until now has not—well, the program of rehabilitation has not started. So, again, as I have said, there is also a need for an exercise of the government to look into this possible capture by private interest groups of major utilities of the government. So, I am just flagging that, Your Honor, Mme. Speaker, so that again, this potential source of

uncompetitive behaviors and the use of power should be avoided.

At this juncture, Deputy Speaker Castro (F.H.) relinquished the Chair to Deputy Speaker Sharon S. Garin.

SUSPENSION OF SESSION

REP. SALCEDA. Mme. Speaker, may I ask for a one-minute suspension of the session, so I can get it straight from the—one-minute suspension, Mme. Speaker.

THE DEPUTY SPEAKER (Garin, S.). The session is suspended.

REP. SALCEDA. Thank you po.

It was 2:45 p.m.

RESUMPTION OF SESSION

At 2:47 p.m., the session was resumed.

THE DEPUTY SPEAKER (Garin, S.). The session is resumed.

Please proceed, Honorable Salceda.

REP. SALCEDA. Your Honor, I conferred. Number one, all the DBCC—NEDA, DOF and DBM—have all agreed that the modernization of the Port of Davao should continue. With respect to the operations of the five or six private operators, I have asked the BOC, since the PPA is not here for fact-finding, whether there are contrabands or highly dysfunctional activities and, therefore, they will come back to us, Your Honor, so that—but in general, as a matter of principle, the modernization of the port of Davao is a policy of the national government. Second, with respect to suspicions of possible dysfunctional activities in the five other ports, I have personally asked the BOC Commissioner to look into it because I could not see other things that could probably happen since we have five ports and, therefore, it should be competitive. And so, Your Honor, the main contention there is whether there are contrabands that are, of course, being coursed through those five private operators. So, I guess, Your Honor, that should suffice as an answer.

REP. VILLARIN. Well, thank you for that, good Sponsor. I was not saying that there were contrabands. I am just saying that with five private ports taking on all the revenues, ...

REP. SALCEDA. Should I cancel my request?

REP. VILLARIN. No. It is good that you also raised

that concern. Again, as I have said, it is also part of possible regulatory...

REP. SALCEDA. Capture.

REP. VILLARIN. Capture...

REP. SALCEDA. That is right.

REP. VILLARIN. ...by some vested interest, that is why the modernization has not proceeded as—it has been in the pipeline for so many years now and though the President comes from Davao City, really addressing that major concern is of paramount importance. I agree with your action, good Sponsor, and I thank you for that.

Now, on my third issue on structural reforms, it says here that rice tariffication would be a major reform. But, again, because of what you say, the external headwinds, the external factors that affect the supply equation with regard to rice, it may or may not address the issue of having available supply, and plus the fact that if we only do rice tariffication alone without the passage of a National Land Use Act, then I think this tariffication would fall on its feet so to speak because kung wala na ho tayong...

REP. SALCEDA. Lupa.

REP. VILLARIN. ...lupa na sasakahan eh wala hong—I mean we just have importation as a policy, but if we cannot buy from abroad, wala din ho tayong makakain.

REP. SALCEDA. Opo.

REP. VILLARIN. So, again it should be stated here that this purpose of structural reform should include this National Land Use Act. It has passed the Seventeenth Congress here in the House of Representatives but the Bill is still pending in the Senate. I do not know why it is pending in the Senate, what prevents its passage, but I am sure the good Sponsor knows the reasons.

REP. SALCEDA. I am not a very suspicious person, Your Honor, but certainly one, and just to pursue constructively and to move the agenda forward, I think the RCEP, the potential revenues, Your Honor, from the rice tariffication could be advanced in this budget, Your Honor, because that is not identified as one of the potential sources of revenues for the 2019 Budget. That is not within the budgetary framework. So, at the appropriate time, Your Honor, I think the potential expenditure, because based doon po sa ipinasá natin, the RCEP would be automatically appropriated and, therefore, Your Honor, I think it is reasonable that, you know, you can just use the same name that the RCEP—in other words, Your Honor, we do not have to wait for those rice imports and tariffs thereon to finance modernization for the rice farmers, Your Honor.

REP. VILLARIN. Yes.

REP. SALCEDA. It is my understanding and probably it will be my advocacy, Your Honor, in the final shift of this budget that we can frontload the RCEP so that we can at least make a positive step towards avoiding our rice crisis in the next year. Pero with respect to NLUP, Your Honor, I think all of us should do our part in lobbying with the Senate if they could expedite that.

REP. VILLARIN. Yes, and I hope Malacañan will certify as urgent the passage of the National Land Use Act.

REP. SALCEDA. Yes, it is identified, Your Honor, as the common legislative agenda. Unfortunately, the certification comes only after there is already a Committee draft. So, once there is a Senate Committee draft, that is the only time you can secure a certification of urgency from the Palace, Your Honor.

REP. VILLARIN. Okay, thank you for that, Your Honor.

REP. SALCEDA. Thank you.

REP. VILLARIN. Now, going to some macroeconomic fundamentals, as what is stated here in the paper, most of the causes of inflation are our so-called supply side factors. Here, the 6.4 percent inflation, 50 percent is on food, 20 percent on education, perhaps housing, water, gas and other fuels comprise another 15 and the rest 5 percent, 5 percent, 5 percent including health. Now, addressing these supply side factors, of course, demand that the BSP has been raising interest rates. I think it is the fourth time that they raised interest rates for this year.

REP. SALCEDA. Yes.

REP. VILLARIN. So, would this policy continue of raising interest rates just to mop up liquidity and to address this—well to address inflation not just for the short term? My question aside from that if it is a continuing policy is, of course, again the externalities of inflation.

REP. SALCEDA. Yes.

REP. VILLARIN. In the beginning of the budget briefing, it was stated that inflation, the 6.4 percent would level off. But given that a Brent crude oil has risen to P83 to a barrel and the external headwinds, as you said, the trams continuing, the trade war between China and ...

REP. SALCEDA. Iran.

REP. VILLARIN. ... Iran with no solution in sight, if that can be addressed, so the so-called “external headwinds” has this benefactor in looking into inflation because monetary policies by the BSP are constant. But how do we address the so-called “external headwinds”?

REP. SALCEDA. Noong 2008, Your Honor, bago pa po noong bumagsak po—iyong global financial crisis po, Your Honor, noong panahon po ni Presidente Gloria Macapagal-Arroyo, nag-create po kami ng economic stimulus package. Bilang pag-address po, inangat po natin iyong minimum insurance ng atin pong mga depositor sa PDIC from P250 to P500. So, may mga magagawa ho tayo para hindi po, we can offset or at least avoid any worst-case scenario, Your Honor. So, halimbawa po, Your Honor, iyong rice tariffication, isa na po iyan. Pangalawa po, Your Honor, hindi ho natin puwedeng alisin iyong posibilidad ng policy action ng BSP pero kung pag-aaralan mo nang mabuti po, ang BSP napaka data-driven naman po nila, ang bawat aksiyon po nila ay nakabase sa kung may kailangan pa po na mga excess ang inflationary expectation na kailangan pong tanggalin o kung may gagawin pa ulit. For me, it is safe to expect, Your Honor, that there will still be policy rate action by the BSP simply because sa US po, from near zero or sub-zero interest rates, they are still continuing to raise the rates to, I think they are saying about another three 25-basis points for the US federate, Your Honor. So, iyong NEP ang mas importante para sa akin, kung ano iyong magnitude niya ngayon, nasa 3.5 po siya pero iyong epekto sa lending rate na 1.5, umangat lang po ng 0.83 sa commercial banking lending rate. So far, Your Honor, ina-absorb ng mga bangko iyong kung ano man po iyong gastos dahil po mas mataas na po ang kanilang borrowing expenses.

Pagdating sa monetary action, Your Honor, mukhang it is, eh wala pa tayo sa level, Your Honor, na masasabi ko na it will choke growth. In fact, it can only add to the macroeconomic stability that will allow future growth na we can, after the external headwinds have passed, especially after the congressional elections in the US where, hopefully, it will trigger new certain policy actions that are more favorable to the global economy, Your Honor. So iyong isa po, iyong RCEP, iyong rice tariffication, we can have a front-loading of the RCEP, we can expect a vigilant BSP.

Number four, Your Honor, at iyon ang hindi siguro masyadong napag-uusapan, eh puwede mo naman ho tulungan agad iyong mga vulnerable, lalung-lalo na po iyong mga bata na nag-aaral, kailangan po, ma-intensify po ang feeding program ng DSWD para sa early childcare at para sa mga day care; ang DepEd po—kasi iyon ang kailangan hong saklolohan agad kasi sila ang

unang biktima ng rising food prices o ng inflation, o ng isang adverse economic—halimbawa, ang pagbagsak ng ekonomiya o ang pagtaas po ng presyo, ang lagi hong nasasaktan unang-una ay iyong mga walang kalaban-laban. So, siguro po iyong mga komunidad na napaka-food deficit po, Your Honor, eh kailangang mabigyan kaagad po ng kaakibat po ng mga—ma-target po na mga NG agency lalung-lalo na iyong mga nasa social sectors para po huwag na po magdagdag sila sa hunger statistics ng atin pong bansa.

REP. VILLARIN. Iyon po. Ang subsidies na iyan kinakailangan targeted pero ang sinasabi natin dito, of course, these should be temporary measures dahil nga ang sabi ninyo kanina, that we are a growing economy and if ever puro subsidies ang ating policy, in a way, it could also hinder that growth.

On the other side, iyong sinasabi mong external headwinds at mayroong possibility na baka mawala pero like now, given that the world prices of oil—a few days ago, it was at \$81 to a barrel and it is now rising to \$83, under the TRAIN Law, sinasabi na dapat may automatic freeze ang implementation per three months, hindi po ba?

REP. SALCEDA. Ay opo.

REP. VILLARIN. So October to December?

REP. SALCEDA. Opo.

REP. VILLARIN. October to December. Ang tanong ko, hihintayin pa ba natin ang December kung saan baka umabot sa \$100 per barrel ang crude oil bago tayo magsabi na ihinto muna iyong implementasyon ng excise tax for fuel?

REP. SALCEDA. Hindi. Sa tingin ko, Your Honor, we should allow the law to take its course kaya po masusi naman po iyong pag-aaral. Bibihira po sa isang batas ang mayroon ganoon na trigger, kung saan po mayroon po tayong circuit breaker—kung biglang masyadong mabilis ay pinapabagal natin para maproteksiyunan po iyong mismong mga tao. Sila ang dahilan kung bakit natin ginagawa ito, sila iyong mga ipinaglalaban natin. Hindi naman siguro sa pagiging sadista, Mr. Speaker, Your Honor, pero noong panahon po ni Presidente Gloria, noong na-impose iyong 12 percent VAT, ang presyo noon sa pandaigdigang pangkalakalan ay \$147 per barrel. Ang Pilipinas po ay resilient at ginawa natin iyong tama na mga response strategies noong 2005, 2006, 2007 and 2008, Mr. Speaker, Your Honor.

Kaya sa pananaw ko, hindi naman sa sinasabi kong mas maraming tao ngayon, at siguro mataas ang expectation na mas aangat ang buhay nila kaya magiging mas mahirap siguro ngayon kaysa noon.

Although noong mga panahong iyon, \$147 po ang North Sea Brent crude oil, pero ngayon nasa \$83 lang. Mr. Speaker, Your Honor, sa aking pag-pulso sa social media, sa mga komunidad kung nasaan ako, dahil po sa napakataas ng expectation nila na may mga pagbabagong mangyayari dahil kay Presidente Duterte, mukhang may kailangang gawin para po tayo para ma-sustain po natin iyong optimismo o iyong entusiyasmo ng tao para sa ating bansa.

REP. VILLARIN. I am also banking on hope pero hindi lahat ay puro pag-asa.

REP. SALCEDA. Wala pong interes iyon.

REP. VILLARIN. Ang sinasabi ko lang, nagsimula iyong ating diskusyon sa excise tax for fuel in the TRAIN Law. At that time, magkano ang presyo ng langis?

REP. SALCEDA. Nasa \$47 po.

REP. VILLARIN. That was \$47.

REP. SALCEDA. Ngayon, \$83 na po.

REP. VILLARIN. Now, it is \$83, and based on projections, kasi nag-cut iyong Iran ng supply kaya dagdag problema pa ito.

REP. SALCEDA. Ayaw magdagdag ng Saudi.

REP. VILLARIN. Of course, the demand for fuel, especially during winter, tataas iyan lalung-lalo na sa developed countries.

REP. SALCEDA. Sana huwag na po.

REP. VILLARIN. Tataas iyan dahil sa lamig. Ang sinasabi lang natin, kasi sabi ninyo dapat base sa mga data o evidence based, and the evidence points to that—there will be increasing oil prices, and we are very pretty sure that will continue and will not taper off. Kumbaga, hindi po ito kakayanan ng dasal kung saan sasabihin natin na huwag na tumaas ang presyo ng langis but definitely, it will rise.

Iyan po ang tanong natin sa ating economic managers. We cannot just say that, of course, magtiis muna ang ating bayan dahil nga hindi naman natin kasalanan ito pero kasalanan ng external headwinds.

REP. SALCEDA. Pero kung anong gagawin mo po dito, kasalanan mo.

REP. VILLARIN. Sabi nga ni Presidente, kasalanan ni Trump pero, again, hindi rin dapat natin isisi lahat sa kasalanan ng iba.

REP. SALCEDA. Hindi po dahil may magagawa tayo.

REP. VILLARIN. May magagawa? I hope our economic managers should be responsive, kumbaga, iyong different agencies and the economic team should be in sync, kasi noong nagsimula itong problema sa inflation, iba-iba iyong kanta nila kaya pino-point out ko nga na sa simula pa lang, ang tanong—are you in sync with each other? Are you on the same page?

REP. SALCEDA. Opo.

REP. VILLARIN. Now, these are the major issues na sinasabi nating kinakaharap na problema. The policy framework of the Duterte administration is, of course, Build, Build, Build, it is pump-priming the economy. You want to spend 5 percent to 7 percent of our GDP for infra, but it is not happening. If it is happening, of course, the question is, the gains from this pump-priming, umikot rin ba locally, domestically?

To sustain that, the government plans for more borrowings. Just recently, our debt hit the P7.1 trillion mark and of course, next year, we also plan to borrow another P1 trillion.

REP. SALCEDA. Yes po, P1 trillion.

REP. VILLARIN. We are underspending to the tune of P200 billion based on our Cash-Based Budget.

REP. SALCEDA. Opo.

REP. VILLARIN. We are raising revenues from TRAIN na umabot lang ng P33 billion or to an extent na baka umabot ng P80 billion.

REP. SALCEDA. About P90 billion—90 po.

REP. VILLARIN. But ang underspending mo ay P200 billion. So, the issue of the economic sense, why are you still pushing for added revenues targeting 12 to 15 percent increase per year because of these fiscal policies natin which, in effect, has also caused this inflationary spike? Whether they will deny or accept it, but the best way for them to do it is really to deny—it is their call. I mean, it is their conscience. Ang ating economic managers, kung sasabihin nila na bahala na ang sambayanan maghirap, then it is their conscience call.

Ang point ko lang, going back to this policy framework of Build, Build, Build—if in this program, which is government-driven, the spending will not generate the effects, of course, ang fallback really is to raise revenues or resort to more borrowings. While we are saying that the GDP ratio to borrowings is still

small, definitely, it will continue to rise because again, this is a government-driven pump-priming activity wherein the private sector, if ever, ay nale-left out. Well, in the private sector, in terms of their response, they are really hoping na itong government spending will continue. But again, we are looking at the external headwinds na tatama pa rin sa ating economy.

My last point is, good Sponsor, Mr. Speaker, of course, critical to our economy would be the health of our President. Do you think that given the concerns or issues on the health of the President, will it have a dampening effect on investments? What you will say would be the factors? You are not a doctor, I know, and there are no doctors in the DBCC or in the economic team, but theoretically speaking, if we would just venture to a theoretical course, do you think that this would matter when we talk about the economy? Would that issue be a major factor?

REP. SALCEDA. Simula po na naging analyst ako, Mr. Speaker, Your Honor, wala pa akong nakitang Presidenteng namatay. So, wala akong basis doon sa paggalaw po ng tatlong klase ng presyo: presyo ng piso, presyo ng stock market at ng interest rate, pero risonableng sabihin na mayroon po iyang epekto at malaki po.

REP. VILLARIN. Malaki ang epekto?

REP. SALCEDA. Opo.

REP. VILLARIN. Again, let us just pray na ang kalusugan ni Presidente ay maayos because we are now buffeted by external headwinds, we are also being buffeted by domestic issues and concerns. There are talks of destabilization and whatever motives or causes or reasons these talks are being fueled, we do not know. As I had said, both economy and the politics of a nation go hand in hand.

REP. SALCEDA. Yes.

REP. VILLARIN. Para sa akin, these are the concerns, major and macro concerns that should be looked into and be factored in our projections.

REP. SALCEDA. Opo.

REP. VILLARIN. As I have said, again, I am not pretty confident, I am not pretty sure that the economy is on course or the economy can stand up from what had been described as a very trying year for the Philippines, because there are factors beyond our control, and factors within our control but self-inflicted, as what you have mentioned, good Sponsor, and hopefully, these self-inflicted measures should be cured in the soonest time.

REP. SALCEDA. Yes.

REP. VILLARIN. With that, I end my questions.

REP. SALCEDA. Thank you very much.

THE DEPUTY SPEAKER (Rep. Garin, S.). Thank you, the Honorable Villarín.

The Majority Leader is recognized.

REP. ORTEGA (V.). Mme. Speaker, may we recognize the Hon. Vicente “Ching” S.E. Veloso from the Third District of Leyte.

THE DEPUTY SPEAKER (Rep. Garin, S.). The Honorable Veloso from the Third District of Leyte is recognized. Please proceed.

REP. VELOSO. Will the distinguished Sponsor, Mme. Speaker, yield to few questions?

REP. SALCEDA. Certainly, Mme. Speaker.

REP. VELOSO. Mme. Speaker, I was not supposed to ask this question kaya lang baka awayin ako ng mga kababayan namin. The Leyte Normal University has ongoing projects, like P10 million for new dormitories, P68 million for others, et cetera. There are five other projects totaling to P33 million. The problem is—and this I think is material to the General Principles—the Department of Budget and Management is working on a Cash-Based basis. Question: what really is the legal basis for this Cash-Based Budgeting?

SUSPENSION OF SESSION

REP. SALCEDA. May I ask for a suspension of the session, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is suspended.

It was 3:14 p.m.

RESUMPTION OF SESSION

At 3:15 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is resumed.

Please proceed, the Honorable Salceda.

REP. SALCEDA. It is the view, Mr. Speaker, Your Honor, that the shift from the so-called Obligation-Based to a Cash-Based system is an object of executive

discretion and therefore, it does not need any law except by way of clarification with respect to certain Special Provisions in the General Appropriations Act, Mme. Speaker. In short, with the 75 modern countries that are implementing the Cash-Based Budgeting instead of the Obligation-Based, Mme. Speaker, Your Honor, it is in the doctrine of executive discretion on the choice to shift from Obligation-Based to Cash-Based Budgeting and to be blunt about it, it does not need a law.

REP. VELOSO. As a predicate, Mme. Speaker, in our caucus, the honorable Majority Leader Andaya explained to us the Cash-Based versus Obligation-Based. Sinabi niya, kung bibili ka ng manok, ibibigay sa iyo ang manok dahil mayroon kang pambayad. On the other hand, puwede kang kumuha ng manok, babayaran mo in the following week or two weeks after kung mayroon ka nang pera. Iyan ang Cash-Based when compared to Obligation-Based, meaning credit versus cash. Iyan ba ang pagkakaintindi din ng honorable Sponsor, Mme. Speaker? Ganoon po ba?

REP. SALCEDA. Based po sa practice, Mme. Speaker, Your Honor, para mas malinaw, iyong Obligation-Based gives you one year to implement the project, plus another year essentially to complete it. So, halos ang Obligation-Based has a two-year shelf life.

REP. VELOSO. Let me read, Mme. Speaker, Section 22, Article VII of the Constitution, and it says:

The President shall submit to the Congress within thirty days from the opening of every regular session, as the basis of the general appropriations bill, a budget of expenditures and sources of financing, including receipts from existing and proposed revenue measures.

Ibig sabihin, credit po ito. Three important requisites ang kailangang laman ng proposed expenditure: one, there should be financing sources; two, these are existing; and three, the proposed revenue measures. Ito po ang isinasaad ng batas. Hindi sinasabi dito na ang Presidente o ang Executive Department ay mayroong discretion to shift from Obligation-Based to Cash-Based. In short, kawawa naman tayo, especially kung may mga nadidisgrasya na dito, iyong facing criminal liabilities. Gagawin pa tayong Members of Congress as principals by indispensable cooperation in coming up with an unconstitutional General Appropriations Act.

Ano po ang masasabi ng distinguished Sponsor, Mme. Speaker?

REP. SALCEDA. Hindi po pine-prescribe doon po sa binasa ninyo kung anong klaseng budget, at ang pine-prescribe lang po ay kung ano dapat ang laman noong budget. So, may dalawang klaseng budget po ang sinasabi sa buong mundo na sinusunod, at base po iyan sa executive discretion. Malamang na malamang po, sa mga desisyon ng halos karamihan sa buong mundo po, kung ano po ang kakayahan ng pagpili nito ng isang Presidente—ay wala naman hong nakalagay na klaro, whether in the Constitution or in the laws, on the type of budget, whether Cash-Based Or Obligations-Based. Hindi ko po nabasa sa provision na it should be Obligation-Based, Mme. Speaker, Your Honor, and therefore, ang niri-require lang po ng Konstitusyon ay iyong porma, content at manner po ng preparation po ng General Appropriations Bill, Your Honor.

REP. VELOSO. With due respect to the honorable Sponsor, hindi po ito porma, substance po ito. This is already a matter of substance, this is not a matter of form, at walang sinasabi dito na ang Executive Department has that discretion to come up with a Cash-Based proposed budget.

Pangalawang tanong po, Mme. Speaker, ang 2017 at 2018 budgets, hindi naman Cash-Based, hindi ba?

REP. SALCEDA. Ang alam ko ay iyong na-approve natin obligations pero iyong presentation nila ay modified disbursement plan. Tiningnan ho nila iyong budget na ibinigay natin sa kanila at inisa-isa nila kung ano ang matatapos. Therefore, iyon po ang ginagamit nating comparison ng tinatawag nating MDP or Cash-Based form, iyong Cash-Based equivalent ng current budget as basis for comparison to the 2019 proposed Cash-Based budget, Your Honor. So, Obligation-Based po iyong na-approve natin pero iyong presentation ngayon na pinaguusapan, para po mas maliwanag at mas risonable ang usapin patungkol po sa kung umakyat o bumaba o kung may mga pagbabagong prayoridad, ay minabuti po na ilagay po sa Cash-Based format o terms iyong budget po ngayong 2018, Your Honor.

REP. VELOSO. Mme. Speaker, uulitin ko po—ang pagkakaintindi ko, at bagito po akong Congressman dito, pero hindi tayo nag-Cash-Based sa 2017 GAA.

REP. SALCEDA. Hindi po.

REP. VELOSO. Hindi tayo nag-Cash-Based sa 2018 GAA.

REP. SALCEDA. Hindi po.

REP. VELOSO. Ngayon lang po tayo mag-Cash-Based because of the explanation of the economic

managers, particularly the honorable Secretary Diokno, na ang hirap daw kasi sa Obligation-Based, ang daming pera ng gobyerno ang natetengga dahil hindi matapos-tapos ang trabaho na pinondohan sa General Appropriations Act. Iyon po ba, honorable Sponsor?

REP. SALCEDA. Opo, base po sa empirical evidence, Your Honor. Halimbawa, iyong DepEd ay nakapag-accumulate nang halos P3 billion po ng basic education facilities noong 2015, 2016 at 2017, pero wala pa po sa 10 percent iyong kanilang natatapos, subalit na-obligate na nila kasi, base po sa Obligation-Based budget, kapag ina-obligate na nila, halos nasa kanila na po. Unless sabihin nila na hindi na nila matatapos o i-a-abandon nila iyong proyekto, saka lang po nila isasauli iyong authorization by Congress.

So, Your Honor, kapag tiningnan mo naman po iyong DOH, halos P138 billion po or less than 10 percent lang po ang natapos ng DOH pagdating po sa HFEP. Samakatuwid, Your Honor, may pruweba na masasabi na ang Obligation-Based ay naging lisensiya to certain national government agencies na mawalan po ng sense of expediency, especially in public service or in terms of the urgency in providing those basic facilities to serve the people.

So, to what will you attribute—for example, Your Honor, why do you accumulate three years of almost P300 billion worth of school buildings when, in fact, these are most needed tomorrow, not in the future? So, how could you explain, Your Honor, why the DOH has accumulated P138 billion in obligated but not implemented or to be exact, not completed? They obligated it by just throwing the money at the LGUs. In other words, that is a form of obligation but, Your Honor, you do not see the facilities that are supposed to serve sick patients or maternal patients. So, I guess, Your Honor, there is empirical evidence that justifies the shift from Obligation-Based to Cash-Based Budgeting, Your Honor.

REP. VELOSO. It is good, Mme. Speaker, that the honorable Sponsor mentioned the Department of Education as an example because I strictly recall, Mme. Speaker, that during the budget briefing, I asked Secretary Briones on this. I have 12 schools, tumulong pa nga ako bumili ng school sites, at sa isa pa nga doon ay nag-donate na lang tayo because of the policy of the Department of Education that, while they have a budget for school buildings, wala pa silang budget sa mga lote.

REP. SALCEDA. Sa right-of-way.

REP. VELOSO. Their policy is to knock on the doors of those who can help them mag-solicit ng lupa. And I asked, “Bakit ang 12 schools na ito, mayroon nang

lupa, na-award na ang construction pero hindi magawa-gawa iyong school buildings?” at ang sagot ni Secretary Briones is, “Kasi wala pang SARO from the DBM”—wala pang SARO. In this particular case, Mme. Speaker, sa Obligation-Based, it has not been the sole monopoly of the various departments in government and in a lot of them, ang naging problema ay ang DBM. In a situation like this na ang DBM na mismo at tinanong ko, “Kailan po ba darating ang SARO?” Nagtawagan sila and after about 15 minutes, they said “Last week pa daw of October.” Anong klaseng Cash-Based ito na naging kasalanan mismo ng DBM?

REP. SALCEDA. Ang alam ko ...

REP. VELOSO. Sasabihin mo, “hindi pala kaya”—hindi daw kaya ng department heads in various departments, like the Department of Education, na trabahuhin iyong napondohan ng proyekto, only to find out that in 12 schools I mentioned, Mme. Speaker, ang DBM mismo ang naging balakid dahil walang SARO. Nasa Third District of Leyte po ang mga ito.

At this juncture, Deputy Speaker Garin (S.) relinquished the Chair to Deputy Speaker Mercedes K. Alvarez.

REP. SALCEDA. Isa sa mga minana nating magandang patakaran, Your Honor, mula sa nakalipas na administrasyon ay iyong buong budget po, siya po mismo ang SARO. So, Your Honor, iyong masasabi natin kung ano iyong technical hitch, kung bakit nagkaganoon kasi siguro po, Your Honor, immediately, iyong lahat po dito ay isang authorization to the department to spend it. In other words, for a particular region, Your Honor, ang sagot po sa akin ni Secretary Diokno ay nailipat na sana natin sa kanila, at hindi na nailipat ng national sa kanila pong region. Iyon lang po ang legal interpretation po noong problema kung bakit nagkaroon po ng ganoong klaseng technical hitch. In general, Your Honor, we have been following the dictum that the General Appropriations Act is also its own SARO, so, wala na halos pong mga SARO except for the very specific where the special provisions specifically require certain conditions for its release, Your Honor.

REP. VELOSO. Mme. Speaker, either ang nagsisinungaling ay si Secretary Briones o si Secretary Diokno. Anyway, let me move to another point.

Mme. Speaker, uulitin ko po na sinabi ni Secretary Diokno sa briefing on the budget na gayahin natin pero iba po ang tingin ko diyan. Ang problema dito is this: we have three branches of government—okay—the executive, the legislative and the judiciary. Section 29, Article VI of the Constitution says, “No money

shall be paid out of the Treasury except in pursuance of an appropriation made by law.” In that regard, Section 24 says, “All appropriation, revenue or tariff bills xxx shall originate exclusively in the House of Representatives.”

Nagbigay tayo, I recall, as early as February, ng mga proposed expenditures in line with what is written in Section 24, Article VI. Ang nangyari, noong nakita natin iyong National Expenditure Program, ang daming nagkawalaan. In short, the DBM or the Executive Department has ignored the explicit provision of Section 24, Article VI that all bills on appropriation shall originate from the House of Representatives, and just like any other bill for that matter, ang factual basis ay tayo po ang nagsu-supply. Nag-supply tayo ng factual basis for the General Appropriations Act for 2019, pero na-disregard po iyan ng DBM. Is that not unconstitutional, Mme. Speaker?

REP. SALCEDA. Well, Your Honor, because it is an act of Congress and so, we eventually approve this. In short, Your Honor, we essentially made our own regular proposals, like when the NEP was given to us, Your Honor, and we did not find what we requested during what we refer to as the budget call last February where we presented those proposals. Their absence from the NEP—and that is what the Constitution requires—that the President shall submit a NEP which shall be the basis of appropriations—so, in short, sinabmit nila iyong NEP and therefore, the absence of our proposals submitted in February for inclusion in the NEP of the following year, can be corrected by the House through its own processes during the period of amendments, Your Honor. Before the NEP becomes a GAB, and before the Committee on Appropriations submits to this Plenary its committee report, Your Honor, there are already two processes wherein those so-called absences could be corrected by the House and therefore, it retains its original proponent status that we initiated that particular appropriation or item of appropriation, Your Honor.

So, iyong pag-submit ng DBM ng NEP to the House leadership, Your Honor, I do not see that to be seriously violative of that very specific provision na it should emanate because, after all, we have our own rules, we form our own committees and those committees proceed with their own processes and procedures. Therefore, Your Honor, ultimately, the absence of a particular item from the NEP is not as serious as the absence if, after an amendment here, it does not appear in the ultimate GAB or the one that we will send to the Senate, Your Honor. So, I guess that missing proposal, Your Honor, is something that can be corrected by this House.

REP. VELOSO. To complete the picture, Mme. Speaker, in that budget hearing—in fact, this also was repeated in the case of the budget briefing on the DPWH

where, as Representative of the Third District of Leyte, I pointed out that doon sa Third District of Leyte ay hindi lang po nilindol noong 2017 pero na-Urduja pa po kami to the point na ang mga kalsada, ang daming nasira, at kalahati ng highway namin ay may lupa. Sa ilalim ng highway, ang kalahati ay wala na. Isinama po ito namin, at validated po ito ng Regional Director ng DPWH, validated ito ng Central Office ng DPWH but because of the slash, slash, slash, hindi na po ito naisali.

To put it on record, Mme. Speaker, sumulat po ako kay Presidente Duterte, sumulat ako kay Executive Secretary Medialdea, sumulat ako kay Secretary Diokno, but it seems na nakakaligtan itong responsibilidad ng gobyerno despite the expressed mandate. It is just an expressed mandate, Mme. Speaker, of Section 22, Article VII, stating that: "The President shall submit to the Congress, within 30 days from the opening of every regular session as the basis of the General Appropriations Bill, a budget of expenditures and sources of financing, including receipts from existing and proposed revenue measures."

Tanong ko po, Mme. Speaker—ano ba ang legal basis ng DBM kung bakit hindi nila isasama sa proposed budget natin ang solusyon on funding dito sa Third District of Leyte, kasama itong Leyte Normal University na nangangailangan po ng P233 million. Ongoing projects po ang mga ito. Kawawa naman po ang taumbayan at sila ay isasakripisyo dahil sa polisiya on the Cash-Based program ng DBM—polisiya na kasalanan din pala ng DBM, as I had pointed out.

SUSPENSION OF SESSION

REP. SALCEDA. Mme. Speaker, I move for a one-minute suspension of the session, Your Honor.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is suspended.

It was 3:37 p.m.

RESUMPTION OF SESSION

At 3:40 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is resumed.

The Honorable Veloso is recognized.

REP. VELOSO. Mme. Speaker, when I approached the group of Secretary Diokno, I was assured that they will find a solution to the problems of the Leyte Normal University.

That marks the end of my interpellation. Thank you, Mme. Speaker.

REP. SALCEDA. Thank you very much.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Majority Leader is recognized.

REP. ORTEGA (V.). Mme. Speaker, I move that we recognize the Minority Leader, the Hon. Danilo E. Suarez of the Third District of Quezon.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Honorable Suarez is now recognized for his interpellation.

REP. SUAREZ. Mme. Speaker, distinguished Sponsor.

REP. SALCEDA. Yes, Your Honor.

REP. SUAREZ. Halos lahat ng gusto kong itanong ay naitanong na. Distinguished Sponsor, now that the inflation rate is not only at its highest in 9 years, but also exceeded the government's higher forecast of 6.2 percent and is way above the government's 4 percent higher target for 2018, ano ang policy na maaaring i-introduce so that we can come up with an immediate response to this?

REP. SALCEDA. Ang pinaka-cause po, Your Honor, na puwede nating aksiyonan, definitely, Your Honor, ay iyong food crisis. Kulang po ang itinanim natin.

Your Honor, ang proposal ko nga po—and it will be the third, probably—na if we can front-load the RCEF or the Rice Enhancement Competitiveness Fund even before the rice tariffication so that we can increase the budget of the Department of Agriculture. Second, to invest in food production so that we can pull down the prices through the higher supply of vegetables, fish and all the other commodities that actually accounted for 50 percent of the total increase. Kung iyong 6.4 percent po natin na baka umakyat po ng 6.7 percent, kung wala po iyong food prices, Your Honor, siguro, nasa loob pa rin po tayo noong na-set na range ng atin pong Bangko Sentral. Subalit po, Your Honor, dahil po sa biglang pagsipa ng presyo ng bigas at ng halos lahat ng basic commodities, samakatuwid, Your Honor, the best thing that Congress can do is really to increase supply and to increase supply means investing in agriculture, Your Honor.

REP. SUAREZ. Thank you, Mme. Speaker. Most of these questions will be raised, anyway, by this Representation during the proposed budget of DBM.

REP. SALCEDA. Thank you rin.

REP. SUAREZ. So, on behalf of the Minority, we do not have any more questions on the General Principles and Provisions for the proposed budget of 2019. Therefore, I move to terminate the period of interpellation and debate on the same.

I so move, Mme. Speaker.

REP. SALCEDA. Thank you very much.

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

The Majority Leader is recognized.

REP. ORTEGA (V.). Mme. Speaker, on behalf of the Majority, we join the Minority in terminating the period of interpellation and debate on the General Principles and Provisions.

I so move, Mme. Speaker.

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

The Majority Leader is recognized.

SUSPENSION OF CONSIDERATION OF H.B. NO. 8169

REP. ORTEGA (V.). Mme. Speaker, I move that we suspend the consideration of House Bill No. 8169.

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

ROLL CALL

REP. ORTEGA (V.). Mme. Speaker, I move to call the roll of Members.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). 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 reflected in Journal No. 23, dated October 3, 2018.**

THE SECRETARY GENERAL. Mme. Speaker, the roll call shows that 219 Members responded to the call.

At this juncture, Deputy Speaker Alvarez (M.) relinquished the Chair to Deputy Speaker Sharon S. Garin.

THE DEPUTY SPEAKER (Rep. Garin, S.). With 219 Members responding to the call, the Chair declares the presence of a quorum.

The Majority Leader is recognized.

SUSPENSION OF SESSION

REP. DEFENSOR. Mme. Speaker, I move for a suspension of the session.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is suspended.

It was 3:57 p.m.

RESUMPTION OF SESSION

At 3:58 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is resumed.

The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 3297 ON SECOND READING

REP. DEFENSOR. Mme. Speaker, I move that we consider House Bill No. 3297, contained in Committee Report No. 778, as reported out by the Committee on Ways and Means,

May I ask that the Secretary General be directed to read only the title of the measure.

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

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

With the permission of the Body, and since copies of the measure have been previously distributed, the Secretary General read only the title thereof without prejudice to inserting its text in the Congressional Record.

THE SECRETARY GENERAL. House Bill No. 3297, entitled: AN ACT PROMOTING SMALL SCALE MINING BY EXEMPTING FROM THE PAYMENT OF INCOME AND EXCISE TAXES THE SALE OF GOLD PURSUANT TO REPUBLIC ACT NO. 7076, OTHERWISE KNOWN AS THE PEOPLE'S SMALL-SCALE MINING ACT, AMENDING FOR

* See ANNEX (printed separately)

THE PURPOSE SECTIONS 32 AND 151 OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED, AND FOR OTHER PURPOSES.

THE DEPUTY SPEAKER (Rep. Garin, S.). The Majority Leader is recognized.

PERIOD OF SPONSORSHIP AND DEBATE

REP. DEFENSOR. Mme. Speaker, I move that we open the period of sponsorship and debate.

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

The Majority Leader is recognized.

REP. DEFENSOR. To sponsor the measure, Mme. Speaker, I move that we recognize the distinguished Chairperson of the Committee on Ways and Means, the Hon. Estrellita B. Suansing.

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

The Hon. Estrellita Suansing is recognized to sponsor the Bill.

REP. SUANSING (E.). Mme. Speaker, I would like to adopt the Explanatory Note of the Bill as the sponsorship speech on the measure.

REP. DEFENSOR. With that, Mme. Speaker, I move that we consider the Explanatory Note of this measure as the sponsorship speech thereon.

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

The Majority Leader is recognized.

REP. DEFENSOR. Mme. Speaker, there being no interpellations, and no Member registered to speak against the measure, I move that we close the period of sponsorship and debate.

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

REP. DEFENSOR. Mme. Speaker, I move that we open the period of amendments.

REP. ATIENZA. I object to the motion to close the interpellation.

THE DEPUTY SPEAKER (Rep. Garin, S.). The Majority Leader is recognized.

SUSPENSION OF SESSION

REP. DEFENSOR. I move for a suspension of the session, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is suspended.

It was 3:59 p.m.

RESUMPTION OF SESSION

At 4:01 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is resumed.

The Majority Leader is recognized.

SUSPENSION OF CONSIDERATION OF H.B. NO. 3297

REP. DEFENSOR. Mme. Speaker, I move that we suspend the consideration of House Bill No. 3297.

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

The consideration of House Bill No. 3297 is hereby suspended.

The Majority Leader is recognized.

REP. ANDAYA. Yes, Mme. Speaker, the House of Representatives is in receipt of a communication from the Chairman of KABAYAN Party-List, Rep. Ron P. Salo, requesting that Mr. Paul P. Hernandez be sworn in as KABAYAN Party-List Representative in view of the demise of KABAYAN Party-List Rep. Ciriaco S. Calalang.

Attached to his request is the letter of the COMELEC Law Department dated January 10, 2018, transmitted to the House of Representatives, pursuant to COMELEC Minute Resolutions No. 17-0737 and 17-0767, submitting certified machine copies of the original on file of the Certificates of Nomination and Acceptance of Nomination of the List of Nominees of KABAYAN Party-List in relation to the May 9, 2016 national and local elections. The Certificate of Nomination indicated that Mr. Paul P. Hernandez is the fourth nominee of the KABAYAN Party-List, following Rep. Ciriaco S. Calalang. Representative Salo, in his letter, affirmed that KABAYAN Party-List did not submit any new list to the COMELEC since the late Ciriaco S. Calalang's assumption as KABAYAN Party-List Representative.

In view of the foregoing, may I request that the nominee next-in-line of the KABAYAN Party-List, the Hon. Paul P. Hernandez, be allowed to take his oath as Member of the House of Representatives from the KABAYAN Party-List, pursuant to the certified List of Nominees and the Certificates of Nomination and Acceptance of the KABAYAN Party-List.

THE DEPUTY SPEAKER (Rep. Garin, S.). We call on the Hon. Paul P. Hernandez to take his oath as Member of the House of Representatives from the KABAYAN Party-List.

The Secretary General is directed to call the Representative of KABAYAN Party-List, the Hon. Paul P. Hernandez, to take his oath of office before this Body.

We would like to invite the members of the immediate family of our colleague from KABAYAN Party-List to accompany him to the rostrum for his oath-taking.

May I request all the Members of the House of Representatives and all our guests in the galleries to please rise to witness the oath-taking of our new Member.

At this juncture, Representative Hernandez (P.), accompanied by the members of his family, ascended the rostrum and took his Oath of Office as Party-List KABAYAN Representative in the House of Representatives before the Speaker.

OATH-TAKING OF REP. PAUL P. HERNANDEZ

THE SPEAKER. Please raise your right hand and repeat after me.

I, PAUL P. HERNANDEZ, of Block 1 Lot 6 Barangay Nicolasa, Virata, GMA, Cavite, having been elected as Representative of Kabalikat ng Mamamayan (KABAYAN) Party-List, hereby solemnly swear that I will well and faithfully discharge to the best of my ability the duties of my present position and of all others I may hereafter hold under the Republic of the Philippines; that I will support and defend the Constitution of the Philippines; that I will bear true faith and allegiance to the same; and that I will obey the laws, legal orders, and decrees promulgated by the duly constituted authorities of the Republic of the Philippines; and that I impose this obligation upon myself voluntarily, without mental reservation or purpose of evasion.

So help me God.

THE SPEAKER. Congratulations! (*Applause*)

SUSPENSION OF SESSION

REP. ANDAYA. Mme. Speaker, in order to allow our Members to meet and extend their greetings to

the Hon. Paul P. Hernandez of KABAYAN Party-List, I move that we suspend the session for a few minutes.

THE SPEAKER. The session is suspended.

It was 4:06 p.m.

RESUMPTION OF SESSION

At 4:11 p.m., the session was resumed with Deputy Speaker Sharon S. Garin presiding.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is resumed.

The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 8169

Continuation

PERIOD OF SPONSORSHIP AND DEBATE

REP. ANDAYA. Mme. Speaker, I move to resume the consideration of House Bill No. 8169.

I so move, Mme. Speaker.

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

The Majority Leader is recognized.

NATIONAL INTELLIGENCE COORDINATING AGENCY

REP. ANDAYA. Yes, Mme. Speaker, at this point in time, we would like to move that we take up the budget of the National Intelligence Coordinating Agency, and to recognize the Sponsor, Cong. Rozzano Rufino "Ruffy" B. Biazon.

I so move, Mme. Speaker.

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

The Honorable Biazon is recognized.

REP. ANDAYA. Mme. Speaker, there being no other interpellator, we move to terminate the period of interpellation and debate on the National Intelligence Coordinating Agency.

I so move, Mme. Speaker.

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

Congratulations! (*Applause*)

NATIONAL SECURITY COUNCIL

REP. ANDAYA. Next, Mme. Speaker, to be sponsored again by the Hon. Ruffy Biazon, is the budget of the National Security Council. I move that we consider the same.

I so move, Mme. Speaker.

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

REP. ANDAYA. There being no interpellator, Mme. Speaker, I move that we terminate the period of interpellation and debate on the National Security Council.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). Is there any objection? (*Silence*) The Chair hear none; the motion is approved.

Congratulations!

The Majority Leader is recognized.

SUSPENSION OF SESSION

REP. ANDAYA. I move for a one-minute suspension of the session, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is suspended.

It was 4:12 p.m.

RESUMPTION OF SESSION

At 4:15 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is resumed.

The Majority Leader is recognized.

SUSPENSION OF CONSIDERATION
OF H.B. NO. 8169

REP. DEFENSOR. Mme. Speaker, I move that we suspend the consideration of House Bill No. 8169.

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

The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 3297
Continuation

REP. DEFENSOR. Mme. Speaker, I move that we

resume the consideration of House Bill No. 3297, and that the Secretary General be directed to read only the title of the measure.

THE DEPUTY SPEAKER (Rep. Garin, S.). 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. 3297, entitled: AN ACT PROMOTING SMALL SCALE MINING BY EXEMPTING FROM THE PAYMENT OF INCOME AND EXCISE TAXES THE SALE OF GOLD PURSUANT TO REPUBLIC ACT NO. 7076, OTHERWISE KNOWN AS THE PEOPLE'S SMALL-SCALE MINING ACT, AMENDING FOR THE PURPOSE SECTIONS 32 AND 151 OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED, AND FOR OTHER PURPOSES.

REP. DEFENSOR. Mme. Speaker, to sponsor the measure, again, I move that we recognize the distinguished Chairperson of the Committee on Ways and Means, the Hon. Estrellita "Ging" B. Suansing.

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

The Hon. Estrellita Suansing is recognized to sponsor the Bill.

REP. DEFENSOR. Mme. Speaker, I move for the reconsideration of the termination of the period of sponsorship and debate.

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

REP. DEFENSOR. To interpellate, Mme. Speaker, I move that we recognize the Hon. Jose "Lito" L. Atienza Jr. from BUHAY Party-List.

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

The Honorable Atienza is recognized to interpellate.

REP. ATIENZA. Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). Please proceed.

REP. ATIENZA. Thank you, Mr. Majority Leader. We thank the Lady for allowing us to ask her some more

clarificatory questions on this, I am sure, well-intended measure. Dito po sa inyong panukala ay bibigyan ng total tax exemption on gross income and excise taxes ang lahat ng small-mining activities. Ganoon po ba ang layunin nitong inyong panukala?

REP. SUANSING (E.). Gusto ko pong dugtungan ang inyong sinasabi na sila ay exempted, ito po iyong small-scale miners, kapag sila po ay nagbenta ng kanilang gold sa BSP or sa Bangko Sentral ng Pilipinas.

REP. ATIENZA. Ano po ba ang layunin, Mme. Speaker, ng panukalang ito? Why should they be given tax exemption when gold prices have gone up tremendously and we can presume that those engaged in gold mining are making good money today? Ano po ba ang inyong intensiyon na magiging epekto nito?

REP. SUANSING (E.). Dati po, noong hindi po tayo nagpataw ng 5 percent tax o creditable withholding tax sa mga small-scale miners sa pagbenta ng kanilang gold sa Bangko Sentral ng Pilipinas, ang atin pong volume ay umaabot po noong 2007, ang volume po ay, in billion pesos po, it was P32.62 billion; in 2008, P34.81 billion; in 2009, P40.83 billion; and in 2010, P49.54 billion. Ngunit, noong tayo po ay nagpataw ng 5 percent sa CWT, ito po ay bumaba: noong 2011, naging P34.96 billion; noong 2012, bumagsak po sa P2.27 billion; noong 2013 ay P1 billion na lamang; at noong 2017, ito ay P790 million na lamang.

REP. ATIENZA. Sa madaling salita, Mme. Speaker, nakikita ng ating kagalang-galang na Sponsor na bumaba ang nagbabayad ng buwis noong sila ay pinatawan nito at dahil dito, aalisin na natin ang lahat ng buwis. Iyon po ba ang aking pagkakaintindi?

REP. SUANSING (E.). Tama po iyon, Mme. Speaker.

REP. ATIENZA. So, therefore, you are giving up whatever share the government should have in the sale of gold. When they sell it to the government, they do not pay anything anymore.

REP. SUANSING (E.). We are encouraging our small-scale miners to sell their gold to the Bangko Sentral ng Pilipinas.

REP. ATIENZA. And that is to encourage them to sell their gold to Bangko Sentral?

REP. SUANSING (E.). Tama po iyon.

REP. ATIENZA. Ano po ang impact nito at kabawasan sa kikitain ng gobyerno kapag inalis natin

iyong gross weight tax at excise tax? Ano pa ba ang babayaran nilang tax?

REP. SUANSING (E.). Sa ngayon po, wala po akong computation sa excise tax, pero doon po sa 5 percent na creditable withholding tax, mayroon po ako. Noong 2011 po, ang collection po natin sa taxes ay P205.4 million. Ngayon pong 2017 ay bumaba ng P22.9 million dahil po bumaba ang volume ng gold na ibinebenta ng small-scale miners sa BSP. Kung tatanggalin po natin itong 5 percent CWT ay mawawala po iyong sinasabi kong 2017 na figure na P22.9 million lamang.

REP. ATIENZA. At magiging zero na po, iyon po ba ang epekto? Wala nang babayaran kaya wala na pong buwis na makukuha sa kanila?

REP. SUANSING (E.). Tama po iyon.

REP. ATIENZA. And you think that is more advantageous than being more efficient in the collection of taxes due? Bakit po natin natunton agad na kaya bumababa ang koleksiyon ay dahil sa nahahirapan iyong small-scale gold miners? Remember, we are talking about gold; we are not talking about nickel or any other mineral, but we are talking about gold. We know very well that the prices of gold have gone up tremendously and therefore, malaki nang tulong iyan sa mga small mining families or individuals engaged in gold mining. So, you feel that exempting them totally will be beneficial to the nation? Iyon po ba ang inyong sinunod na logic? And this is a solution to a declining payment of taxes—to remove the taxes?

REP. SUANSING (E.). Ang tanging objective po ng pagbili ng Bangko Sentral ng Pilipinas ng gold mula sa small-scale miners ay para po tumaas ang ating international reserve. So, doon naman po tayo babawi. Sa ngayon po kasi, dahil bumagsak iyong volume, then iyong ating international reserve ay bumaba din. Ang masasakripisyo po ay iyong taxes pero ngayon po ay mababawi naman po natin sa pamamagitan ng pagtaas naman po ng international reserve.

REP. ATIENZA. Mme. Speaker, I just would like to stress that the payment of taxes by gold miners is a provision of law, and this particular amendment will now remove that particular provision on the payment of taxes. If we keep on doing such strategy on tax problems, aba ay hiningi rin po ng tax exemption ang lahat ng mga nagbabayad ng excise tax.

Bakit po iyong gasolina ay pilit nating binubuwisan samantalang ang laking pahirap sa bayan ang epekto ng buwis sa gasoline, sa krudo, sa lahat ng mga kailangan ng ating mga nagnenegosyo? So, if the solution is to remove the tax burden so that we will have a better

picture of our economy, this Representation finds it difficult to understand the logic. May batas, kailangang magbayad, bumababa ang koleksiyon—mayroon po ba silang pag-aaral na ginawa para patunayan na tama iyong solusyon, na ang problema ay ibinebenta iyong ginto sa labas at hindi sa BSP dahil sa buwis na sinisingil? Kung sa labas nila ibebenta, sa black market, dahil iligal po iyon, ay wala silang babayaran. Mayroon po ba kayong maipapakita sa amin na pagsusuri na iyon ang solusyon, ang huwag nang buwisan para huwag ibenta sa labas ng BSP?

REP. SUANSING (E.). Mme. Speaker, ang ating rason ay dahil po gusto nating tanggalin o i-exempt ang mga small-scale miners—ito lang pong mga small-scale miners na nagbebenta ng kanilang gold sa Bangko Sentral ng Pilipinas. Hindi po natin tinatangal o ini-exempt sa taxes iyong mga small-scale miners na hindi po nagbebenta ng kanilang gold sa Bangko Sentral ng Pilipinas.

REP. ATIENZA. Mahirap hong intindihin iyong inyong logic subalit nakita ko ang Sponsor nito ay ang ating dating Pangulo. Tama po ba iyon, si Pangulong Gloria Macapagal-Arroyo?

REP. SUANSING (E.). Marami po sila at isa po ang ating Speaker sa principal authors po nitong panukala.

REP. ATIENZA. Bagamat hindi ako makumbinsi sa logic ng ating kagalang-galang na Sponsor, ay iuurong ko na ang aking objection in deference to the wisdom of the former President as I believe she knows best. Tayong lahat ay mag-aral sa kanya at malamang mas maganda ang magiging bunga ng ating Kongreso.

Thank you for clarifying that. As I register my disagreement with your logic, I will defer to the wisdom of the former President and our Speaker today. Thank you.

THE DEPUTY SPEAKER (Rep. Garin, S.). Thank you, the Honorable Atienza.

The Majority Leader is recognized.

REP. DEFENSOR. Mme. Speaker, next to interpellate, I move that we recognize the Gentleman from Caloocan City, the Hon. Edgar R. Erice.

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

The Honorable Erice is recognized. Please proceed.

REP. ERICE. Thank you, Mme. Speaker. Thank you, Majority Leader. Will the distinguished Representative from Nueva Ecija yield to a few questions?

REP. SUANSING (E.). Gladly, Mme. Speaker.

REP. ERICE. Naantig po iyong aking damdamin doon sa ilang mga kasagutan ninyo tungkol sa katanungan ng kasama natin sa BUHAY Party-List. Unang-una po, iyong pagbili ng ginto ay natatangi po dapat sa Bangko Sentral ng Pilipinas lang. Sino mang bibili o magbebenta ng ginto, kung tawagin sila sa black market, sila po ay lumalabag sa batas. Tama po ba iyon, Mme. Speaker, distinguished Sponsor?

REP. SUANSING (E.). Kung hindi po ibebenta, Mme. Speaker, ng trader o iyong tinatawag po ninyong black market, imbes sa Bangko Sentral ng Pilipinas, iyan po ay labag.

REP. ERICE. Wala pong dapat ibang mapuntahan ang mga gintong iyan kung hindi sa Bangko Sentral. Tama po ba?

REP. SUANSING (E.). Tama po.

REP. ERICE. Siguro po, ang unang hakbang na dapat gawin ng ating pamahalaan ay siguruhin na hindi lalabag sa batas iyong mga traders at iyong nagbebenta ng ginto, sa halip na i-exempt po sila sa taxes.

REP. SUANSING (E.). Naniniwala po kami, Mme. Speaker, na para ma-encourage sila na ibenta sa Bangko Sentral ng Pilipinas, dapat po ay i-exempt natin sila. Noong mga panahon na hindi sila pinatawan ng 5 percent creditable withholding tax ay malaki po ang volume na ibinebenta nila sa Bangko Sentral ng Pilipinas.

REP. ERICE. Subalit, Mme. Speaker, sa palagay ko po, mas dapat nating unahin na hulihin o higpitan iyong law enforcement pagdating sa mga bumibili at naglalabas ng ating ginto sa bansa at ito po ay madali namang gawin kung ito po ay gagawin ng ating pamahalaan.

REP. SUANSING (E.). Mme. Speaker, napakaganda po ng suggestion ni Congressman Erice at iyan po ay iko-consider po natin doon sa non-tax measure.

REP. ERICE. Opo. Papaano po kaya, kung halimbawa ay i-exempt natin sila mula sa 5 percent tax at enterprising iyong mga namimili? Kung taasan po kaya nila iyong pagbili ng ginto, palagay ninyo sa Central Bank pa rin sila magbebenta ng ginto?

REP. SUANSING (E.). Iyon naman pong presyo, Mme. Speaker, iyan po ay according to market value. So, para po pantay-pantay, ang presyo naman po ng Bangko Sentral ng Pilipinas ay according to market value.

REP. ERICE. Pangalawa po, ang mga namimili ng ginto ay nasa area po mismo noong mga small-scale miners kaya sila po ay ika nga ay may advantage sa pagbili ng ginto. Ano po kaya ang gagawin naman ng Bangko Sentral para labanan ang mga traders na ito kung sila mismo ay nasa lugar noong mga small-scale miners at mas madaling magbenta dito sa mga traders na ito.

REP. SUANSING (E.). Napakaganda po ng inyong suggestion at iyan po ay iko-consider ng Bangko Sentral ng Pilipinas dahil po sa ngayon, tama po kayo, ang buying station po ng Bangko Sentral ng Pilipinas ay doon lamang po sa malalaking lugar katulad po ng Baguio, Davao, Naga, Zamboanga at Quezon City.

REP. ERICE. Ang ibig pong sabihin, mayroon naman po palang paraan na iba para masiguro na mas dadami ang ginto na ibebenta sa ating Bangko Sentral. Bakit hindi po muna nila ginawa ito sa halip na tanggalin na kaagad iyong buwis na binabayaran noong ating mga small-scale miners?

REP. SUANSING (E.). Mme. Speaker, katulad po ng sinabi ko kanina, noon pong nagpataw tayo ng 5 percent as CWT, ay bumagsak po iyong volume kaya nga po ito ang ginagawa natin na i-exempt natin at ibalik doon sa dati na wala pong CWT.

REP. ERICE. Naiintindihan ko po iyon, Mme. Speaker. Ang sinasabi ko po, bago dapat tayo nagpanukala na i-exempt sila, gumawa muna po tayo ng ibang mga kaparaanan para masiguro na mas marami ang magbebenta sa atin, tulad ng paglapit ng mga buying stations ng Central Bank doon sa ating mga small-scale miners. Pangalawa, paghihigpit sa paghuli noong mga iligal na naglalabas ng ginto sa ating bansa. Ito po ay hindi ginawa.

REP. SUANSING (E.). Mme. Speaker, ...

REP. ERICE. Iyon pong hindi ginawa noong pamahalaan ang gagawin natin. Wika nga, iyong sa tingin namin, mas madaling paraan ay i-exempt na lang sila sa buwis para sa ganoon ay makapag-compete ang gobyerno doon sa mga iligal na namimili ng ginto. Palagay po ba ninyo ay ito ang tamang paraan kaysa doon sa higpitan muna at ilapit muna iyong mga buying stations ng Central Bank kaysa makipag-compete doon sa mga iligal na traders o buyers ng ginto sa ating mga lugar ng pagmimina?

REP. SUANSING (E.). Mme. Speaker, kung puwede naman nating sabay-sabay ito gawin, mas maganda po. Sa ngayon po, nagdagdag na ng buying stations ang BSP. Iyon pong sinasabi ninyo na manghuli

ay that is another issue po at hindi naman po siguro iyan sa BSP. Binabaan po natin iyong mga fees. Kaya puwede pong sabay-sabay nating gawin ito, kasama po ang pag-exempt ng excise tax at saka iyong creditable withholding tax.

REP. ERICE. Sana po mangyari iyan pero isa pa pong tanong: Papaano po iyong mga illegal small-scale mining ng ginto? Ito po ba ay mai-exempt din at bibilhin din ng Bangko Sentral iyong ginto?

REP. SUANSING (E.). Ang nakalagay po dito sa ating batas sa Section 1 po, ang nakalagay lang po dito ay registered small-scale miners.

REP. ERICE. Ang ibig pong sabihin, iyon pong mga ginto na nanggagaling sa iligal na pagmimina ng ginto ay hindi po bibilhin ng Bangko Sentral. Tama po ba iyan?

REP. SUANSING (E.). Tama po iyan, Mme. Speaker.

REP. ERICE. At ito po ay patuloy na ibebenta sa mga iligal traders na naglalabas ng ginto sa ating bansa. Tama po ba iyan?

REP. SUANSING (E.). Hindi ko po, Mme. Speaker, masasabi na iyong mga iligal na small-scale miners ay nagbebenta ng kanilang gold doon sa traders or sa black market dahil wala po tayong figures or proof on that.

REP. ERICE. Subalit ire-require ng Bangko Sentral na ang bibilhin lamang nilang ginto ay manggagaling sa mga rehistradong kumpanya ng small-scale mining. Tama po ba iyan?

REP. SUANSING (E.). Tama po, Mme. Speaker.

REP. ERICE. Papaano naman po iyong mga large-scale mining companies ng ginto na nagbebenta sa ibang bansa?

REP. SUANSING (E.). Mme. Speaker, ano po ang tanong doon?

REP. ERICE. Paano po ang aksiyon dito ng Central Bank? Ang isa sa mga kadahilanan ng inyong panukala ay upang iangat ang gold reserve natin, subalit kung hindi naman natin titingnan iyong mga malalaking kumpanya na nagmimina ng ginto at pagkatapos ibinebenta nila ito sa labas ng bansa, mas malaki iyong nawawala sa ating bansa.

REP. SUANSING (E.). Mme. Speaker, ito pong panukala natin ay patungkol lang po sa small-scale

miners. Sa ngayon po, hindi ko po masasagot iyong tungkol po sa large scale mining.

REP. ERICE. Kaya nga po, ang ibig kong sabihin ay mayroon tayong panukalang batas na, ultimately, ang dahilan ay upang iangat iyong ating gold reserve, hindi po ba?

REP. SUANSING (E.). Mme. Speaker.

REP. ERICE. Subalit tila ba nakakaligtaan natin iyong mga maraming bagay para iangat ito tulad noong paghuli noong mga traders na naglalabas ng ginto sa ating bansa; pangalawa, sa pagpaparami ng mga buying stations ng Central Bank doon sa mga lugar na nagmimina in a small scale; at pangatlo, ang pinakamahalaga, masiguro na iyong mga large-scale mining companies na nagpo-produce ng mas maraming volume ng ginto ay hindi nila maibebenta ito sa ibang bansa. Subalit sa aking pagkakaalam, hanggang sa ngayon, maraming mga large-scale mining companies ang nagbebenta ng kanilang production sa ibang bansa. Kaya po sa tingin ko, iyong mga pinakamahalagang bagay para iangat ang ating gold reserve ay hindi ginagawa ng ating pamahalaan, at sa halip ay binibigyan natin ng exemption iyong ating mga small-scale mining companies. Iyon po sa tingin ko, mas pinapaboran natin iyong mga small-scale mining companies kaysa doon sa ibang mga dapat nating gawin para maiangat ang antas ng ating gold reserve.

Mme. Speaker, sa aking palagay, narito na po ang mga panukalang batas na iyan, puwede nating aprubahan subalit it will be a great disservice to this country if we will not be able to check large-scale mining companies that are selling their gold production to other countries and also, if we will not be able to apprehend traders who are buying our gold and smuggling it out of our country. So, Mme. Speaker, I hope that the Committee on Ways and Means would look also into these matters.

Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). Thank you, the Honorable Erice.

The Majority Leader is recognized.

REP. DEFENSOR. There being no other interpellations, and no Member registered to speak against the measure, Mme. Speaker, I move that we close the period of sponsorship and debate.

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

The Majority Leader is recognized.

REP. DEFENSOR. Mme. Speaker, I move that we open the period of amendments.

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

The Majority Leader is recognized.

REP. DEFENSOR. Mme. Speaker, there being no Committee or individual amendments, I move that we close the period of amendments.

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

The Majority Leader is recognized.

REP. DEFENSOR. Mme. Speaker, I move that we approve House Bill No. 3297 on Second Reading.

VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Garin, S.). As many as are in favor of the approval of House Bill No. 3297 on Second Reading, please say *aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Garin, S.). As many as are against, please say *nay*. (*Silence*)

APPROVAL OF H.B. NO. 3297 ON SECOND READING

THE DEPUTY SPEAKER (Rep. Garin, S.). The *ayes* have it; the motion is approved.

House Bill No. 3297 is hereby approved on Second Reading. Congratulations. (*Applause*)

The Majority Leader is recognized.

RECONSIDERATION OF APPROVAL OF H.B. NO. 3297 ON SECOND READING

REP. DEFENSOR. Mme. Speaker, due to amendments from the Committee, I move that we reconsider the approval of House Bill No. 3297 on Second Reading.

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

The Majority Leader is recognized.

REP. DEFENSOR. Mme. Speaker, with that, I move that we open the period of amendments.

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

COMMITTEE AMENDMENT

REP. DEFENSOR. Mme. Speaker, I move that we amend the title of the measure to read as follows: AN ACT TO STRENGTHEN THE COUNTRY'S GROSS INTERNATIONAL RESERVES (GIR), AMENDING FOR THE PURPOSE SECTIONS 32 AND 151 OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED, AND FOR OTHER PURPOSES.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). What does the Sponsor say?

REP. SUANSING (E). We accept, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). Is there any objection? (*Silence*) The Chair hears none; the amendment is approved.

THE DEPUTY SPEAKER (Rep. Garin, S.). The Majority Leader is recognized.

REP. DEFENSOR. Mme. Speaker, there being no more Committee amendments and no individual amendments, I move that we close the period of amendments.

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

REP. DEFENSOR. Again, Mme. Speaker, we are not done yet.

THE DEPUTY SPEAKER (Rep. Garin, S.). Do not celebrate yet.

REP. DEFENSOR. Again, I move that we approve House Bill No. 3297, as amended, on Second Reading

VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Garin, S.). As many as are in favor of House Bill No. 3297, as amended, please say *aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Garin, S.). As many as are against, please say *nay*. (*Silence*)

APPROVAL OF H.B. NO. 3297, AS AMENDED,
ON SECOND READING

THE DEPUTY SPEAKER (Rep. Garin, S.). The *ayes* have it; the motion is approved.

House Bill No. 3297, as amended, is hereby approved on Second Reading. (*Applause*)

Now you can celebrate.

The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 8169
Continuation

PERIOD OF SPONSORSHIP AND DEBATE

REP. HOFER. Mme. Speaker, I move that we resume the consideration of House Bill No. 8169 and direct the Secretary General to read only the title of the measure.

THE DEPUTY SPEAKER (Rep. Garin, S.). 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. 8169, 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 NINETEEN, AND FOR OTHER PURPOSES.

THE DEPUTY SPEAKER (Rep. Garin, S.). The Majority Leader is recognized.

DEPARTMENT OF BUDGET AND MANAGEMENT

REP. HOFER. Mme. Speaker, the parliamentary status of the Bill is that it is in the period of sponsorship and debate. I move that we begin the consideration of the budget of the Department of Budget and Management.

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

REP. HOFER. Mme. Speaker, I move that we recognize the Sponsor, Cong. Joey Sarte Salceda from the Second District of Albay.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). Is

there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Honorable Salceda is recognized to sponsor the budget.

REP. HOFER. To interpellate the Sponsor, I move that we recognize the Lady from ACT TEACHERS Party-List, Rep. France L. Castro.

I so move.

REP. SALCEDA. Wala si France.

THE DEPUTY SPEAKER (Rep. Garin, S.). Can we move on to the next interpellator?

The Majority Leader is recognized.

REP. HOFER. Let us move on to the next interpellator. I move that we recognize Rep. Antonio L. Tinio from the ACT TEACHERS Party-List.

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

The Honorable Tinio is recognized for his interpellation.

REP. TINIO. Mme. Speaker, one minute please.

SUSPENSION OF SESSION

REP. HOFER. Can we suspend the session for a few minutes, Mme. Speaker?

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is suspended.

It was 4:45 p.m.

RESUMPTION OF SESSION

At 4:46 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is resumed.

The Majority Leader is recognized.

REP. HOFER. Mme. Speaker, the first to interpellate is the Gentleman from the BUHAY Party-List, the Hon. Jose "Lito" L. Atienza Jr.

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

The Sponsor is back. The Honorable Atienza is recognized to interpellate him.

REP. ATIENZA. Salamat po, Mme. Speaker. Thank you, Mme. Majority Leader.

THE DEPUTY SPEAKER (Rep. Garin, S.). The Honorable Atienza will please proceed.

SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is suspended.

It was 4:46 p.m.

RESUMPTION OF SESSION

At 4:47 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is resumed.

The Honorable Atienza is now recognized for his interpellation.

REP. ATIENZA. Thank you, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). Please proceed.

REP. ATIENZA. With the kind indulgence of the Gentleman Sponsor, we would like to ask him just some clarificatory questions.

REP. SALCEDA. Yes, Sir.

REP. ATIENZA. Magkano po ba ang total budget na hinihingi ngayon?

REP. SALCEDA. Three-seven-five-seven.

REP. ATIENZA. Three-seven trillion?

REP. SALCEDA. It is P3.757 trillion.

REP. ATIENZA. Is this for the DBM alone?

REP. SALCEDA. For the entire budget, it is P3.6 billion.

REP. ATIENZA. So, it is P3.6 billion.

REP. SALCEDA. That is right.

REP. ATIENZA. Iyon po ba ay para sa operation ng DBM alone?

REP. SALCEDA. Kasama po diyan ang maliit na budget para sa GPPB, P46 million.

REP. ATIENZA. At this point, Mme. Speaker, we would like to take the opportunity of asking the DBM on their proposed budget for 2019. As we know, it emanated from them?

REP. SALCEDA. Yes.

REP. ATIENZA. They were the ones who framed this and, I am sure, put in the details of whatever budget we will pass today. Ang total po noong ating budget ay ...

REP. SALCEDA. Three point seven-five-seven.

REP. ATIENZA. Three point five seven ...

REP. SALCEDA. It is P3.757 trillion.

REP. ATIENZA. Trillion?

REP. SALCEDA. Opo.

REP. ATIENZA. Malaki po ano?

REP. SALCEDA. Opo.

REP. ATIENZA. Tatanungin ko lang po iyong budget ng National Housing. Noong ating tinalakay ito dito, ang sabi nila ay humingi sila ng mas malaking budget.

REP. SALCEDA. Opo.

REP. ATIENZA. Subalit binigyan sila ng 1 percent of what they asked for.

REP. SALCEDA. Opo.

REP. ATIENZA. Now, can we ask the Department of Budget and Management for their answer to this issue—Is housing a priority of this administration or not?

REP. SALCEDA. Base po sa binigay niyang pera ay mukhang hindi pero base po sa pangkalahatang estratehiya upang matugunan natin iyong sinasabing 6.1 million housing backlog, Your Honor, ang pinakabuod po noon, ito ay private sector-led po, kasi ang pinaka-estratehiya ng ating bansa, the Philippines, as a nation state, essentially looks at housing in general as a private good. In other words, Your Honor, sa kalimitan po, mas nakabubuti na iyong pera ay mailagay po sa public good tulad ng edukasyon. Subalit, Your Honor, kanina na-differentiate na po natin na ang pananaw din—kaakibat po doon na kung sa pangkalahatan iyong 6.1 million housing ay private good pero may public

good component po doon, ito ay iyong para po, number one, sa informal setter; pangalawa, sa mga mahihirap na pamilya na nakatira po sa mga bahay na nasa peligro po, halimbawa, kung tamaan ng malakas na hangin ng bagyo. Samakatuwid, Your Honor, siguro, doon sa 6.1 million—dapat mga 1.8 million po ang mabigyan ng atensiyon ng pamahalaan.

REP. ATIENZA. Opo, Mme. Speaker. We see the picture of the housing need of our people today. So, is the Gentleman saying that they would rather leave it to the private sector to provide the opportunity of producing housing for those who are homeless up to this point in time? Ibigay na natin sa pribado iyan at baka mas mabilis ang paggawa at mas maganda pa ang gagawin nila—iyon po ba ang ating sinusunod na direksiyon dito sa budget na ating pinag-uusapan?

REP. SALCEDA. Your Honor, ito ang sinasabi po natin na 6.1 million iyong housing needs, pero sinasabi ko rin po na 1.8 million po dito ay nagiging basic right to survival to human dignity, lalung-lalo na po ng mga informal settler at ng mga tao na nakatira po sa houses made of light materials na dinadaan po ng peligro o ng disaster po. Samakatuwid, Your Honor, hindi ko sa bina-bifurcate o hinihiwalay pero sa pangkalahatan po, may right to shelter po ang mahihirap. Iyon po ang sa buod, sa pananaw ko, at ang NHA po ang siyang inatasan ng ating gobyerno po na mangasiwa sa pagbibigay po ng murang pagbahay sa mga mahihirap.

REP. ATIENZA. Tama rin po iyon subalit ang katotohanan, mayroong sektor na walang bahay na talagang umaasa sa gobyerno.

REP. SALCEDA. Opo.

REP. ATIENZA. Wala silang makukuhang pondo sa labas sapagkat talagang homeless sila. They belong to that figure cited by the Gentleman and who are just dependent on the government. Ito po iyong mga nakatira talaga sa tabi ng ilog, ng estero...

REP. SALCEDA. Tama po.

REP. ATIENZA. ... and they are even taking the risk on their lives in living in danger areas, danger zones. Ito po iyong mga natutulog sa Luneta, sa Roxas Boulevard, sa lahat ng parke ng Metro Manila—marami po tayong nakikitang natutulog na pamilya.

REP. SALCEDA. Opo.

REP. ATIENZA. Hindi lang po isa, dalawa pero marami po iyan, at kasama pati mga anak nila. Marami po ang natutulog sa mga sidewalk ng kamaynilaan na

ganoon din po, pami-pamilyang walang tahanan. Ang mga iyan po ay hindi makakakuha ng loan sa bangko dahil talagang genuinely sila ay poorest of the poor and so, they are dependent on what the government can provide for them, and the government is mandated by the Constitution to provide housing opportunities for our people—working, non-working, especially the poorest of the poor. Magkano po ang inilalaan ng Department of Budget para dito sa sektor na ito? Ayon po sa National Housing Authority, they were requesting for P36 billion to be able to provide housing for the poorest of the poor. Gaya po ng sinabi ng ating kagalang-galang na Sponsor ng ating budget ngayon, ang National Housing Authority lang ang kanilang inaasahan sapagkat ang National Housing Authority naman ang may kautusan ng batas. Binuo po ang National Housing Authority para po doon sa sektor na iyon na hindi makakautang sa bangko, hindi makakautang sa pribado, at umaasa lang sa gobyerno.

With this budget given by the DBM to the National Housing of P360 million only, nandoon na po iyong operations nila, nandoon na po ang mga suweldo ng mga kawani, kaya naniniwala ba ang ating DBM na makakabuo ng mga housing project ang pondong iyan?

REP. SALCEDA. Hindi.

REP. ATIENZA. Sa susunod na taon?

REP. SALCEDA. Hindi po.

REP. ATIENZA. Sa madaling salita, ibabalita na natin sa labas, “matulog na kayo sa sidewalk.”

REP. SALCEDA. Hindi rin po.

REP. ATIENZA. Wala pong maibibigay ang gobyerno sa inyo next year. Ganoon po ba ang isasagot natin?

REP. SALCEDA. Hindi po. Ang mensahe po, Your Honor, kasi nagkaroon na po tayo ng P50 billion program para po sa informal settlers dito po sa Metro Manila at ang balanse po ng P50 billion na iyon ay nasa P7.6 billion. Kapag tiningnan mo po iyong pinansiyal na mga asset po ng NHA, mayroon po silang—may inuupuan po sila na halos P15 billion in financial assets pero kung i-convert mo iyong kanilang mga property assets, Your Honor, they are actually a very rich GOCC kasi marami po silang pag-aari na maaaring i-convert natin. So, ang kailangan lang po siguro dito ay ang isang magandang programa para po ma-liquify po natin iyong mga asset po ng NHA and at the same time po masabayan po.

Inaamin ko po, on behalf of the DBM, wala pong

programa na nai-propose sa DBM for their consideration para po malagyan ng pondo katulad po noong dati na nabigyan po ng P50 billion buong-buo para po sa informal settlers po dito sa Metro Manila. Ngayon po, so far po, wala pong naipapanukala po sa kanila o naisa-submit ang NHA. Pero iyong P36 billion, baka iyon po iyong hinihingi po nila. Kaya titingnan ko po ulit kung kaya po, at sa tingin ko naman, dahil may balanse pa na P7.6 billion, mayroon silang financial assets na P14 billion—marami po silang property assets kaya hindi ho mahirap gumawa ng isang financial program, Your Honor, para maibsan natin iyong napakalawak pa hong kakulangan ng housing, lalung-lalo na sa mga informal settler at sa mga household living in vulnerable sectors, Your Honor. Hindi sa nirarason ko po ang P360 million, definitely kulang po iyon. Subalit kakayanin po natin bilang Kongreso na gawan ng programa at paraan para po mabigyan ng sapat na tugon ang karapatan sa shelter ng informal settlers at ng mga people living in vulnerable areas, Your Honor.

REP. ATIENZA. Mme. Speaker, dalawa po ang narinig ko sa kanila, at sa ating kagalang-galang na Sponsor: una, kayo na ang bahalang mag-dispose sa mga asset ninyo, mag-release kayo ng pondo kung mayroon talaga kayong programa. Tama po ba iyon?

REP. SALCEDA. Hindi po.

REP. ATIENZA. Hindi? Ano po ang inyong pinatutungkol na assets?

REP. SALCEDA. Ang sinasabi ko lang po, Your Honor, kailangan po ng guidance ng Kongreso dahil ang bottom line po, ang NHA is a GOCC at bilang GOCC po, iyong kanilang corporate operating body, kung iisipin, ay actually dumadaan po sa atin at inaaprubahan natin by implied approval.

So, Your Honor, sa susunod pong budget cycle, kapag dumaan sa atin ang budget po ng GOCCs tulad ng NHA, sa ating pong mga komite, sa mga pre-plenary po natin, siguro, oras na po na tingnan natin ang kabuuan ng corporate operating budget mismo ng NHA para makita po natin kung ano talaga ang real score—kung ano ang kakayanan nila, kung ano ang kulang para po ma-achieve natin ang goals po ng ating gobyerno.

Iyan po ang aking sinasabi, Your Honor.

REP. ATIENZA. Ang pangalawang naintindihan ko po—mali pala iyong pagkakaintindi ko sa dulo.

REP. SALCEDA. Hindi naman.

REP. ATIENZA. Ang sabi po ng ating kagalang-galang na Sponsor ay may ibinigay sa kanilang pondo na P50 billion.

- REP. SALCEDA. Opo.
- REP. ATIENZA. Hindi pa nila nauubos iyon.
- REP. SALCEDA. Hindi pa po.
- REP. ATIENZA. Kasama po ba iyong Yolanda fund dito?
- REP. SALCEDA. Hindi po.
- REP. ATIENZA. Kasama po ba iyang sa police housing?
- REP. SALCEDA. Hindi po.
- REP. ATIENZA. Ang military housing?
- REP. SALCEDA. Hindi po.
- REP. ATIENZA. Hindi po.
- REP. SALCEDA. Hindi po.
- REP. ATIENZA. Iyan po ba ay para sa informal settlers?
- REP. SALCEDA. Tama po.
- REP. ATIENZA. Ang sinasabi ninyo ay hindi ginamit iyan.
- REP. SALCEDA. Hindi pa po ubos.
- REP. ATIENZA. Magkano pa ho ba ang naiiwan?
- REP. SALCEDA. May P7.6 billion pa po.
- REP. ATIENZA. Ngayon, ito ay maaaring gamitin?
- REP. SALCEDA. Opo.
- REP. ATIENZA. Nakalagay po ba iyan sa batas, sa kanilang budget?
- REP. SALCEDA. Sa tingin ko, kung hindi po siya obligated.
- REP. ATIENZA. Nakatala po ba iyan na puwede nilang gamitin?
- REP. SALCEDA. Para po sa inyong information, Mme. Speaker, Your Honor, may P16.953 billion na hindi pa na-obligate. Lahat na ito kasama na ang mga nabanggit ninyo sa AFP, sa Yolanda, plus the informal settlers, may P17 billion. May P14 billion pa po in financial assets.
- REP. ATIENZA. Ang dami pong pera noon.
- REP. SALCEDA. Plus the property assets dahil ang NHA noon ang may transactions sa mga kumpanya na listed sa stock market. Napakamamahal na properties dito sa Metro Manila kaya madaling gawaan ng programa para ma-liquify at magamit po ang pera para sa mas malakihang pagtugon sa pangangailangan ng informal settlers, Mme. Speaker, Your Honor.
- REP. ATIENZA. And dami po palang pera para sa ating mga poorest of the poor. Bakit hindi po mabigyan ng bahay iyong mga natutulog sa sidewalk? Bakit wala rin pong bahay iyong mga natutulog sa parke? Pumunta po tayo sa Luneta mamayang gabi at makikita ninyo siguro mga 1,000 tao natutulog doon.
- REP. SALCEDA. Opo.
- REP. ATIENZA. Bakit hindi natin puntahan sila at sabihing, “Pumunta kayo sa National Housing Authority, mayroong pera noon.”
- REP. SALCEDA. Hindi po puwede. (Laughter)
- REP. ATIENZA. Hindi rin puwede iyon?
- REP. SALCEDA. Hindi rin po puwede iyon. Unang-una, may primacy rin kasi iyong local government units, Mme. Speaker, Your Honor, pagdating po sa pagbigay ng articulation sa right to shelter ng kanilang mga vulnerable and informal settlers. Hindi natin tatanggalin sa kanila ang karapatan nilang mamahala o mag-initiate ng kanilang local initiatives to provide an articulation to the right to shelter of informal settlers, as well as of vulnerable families, Mme. Speaker, Your Honor.
- REP. ATIENZA. Are you talking about the Housing and Urban Development Law...
- REP. SALCEDA. Yes, Mme. Speaker.
- REP. ATIENZA. ...which grants the local government units that particular duty?
- REP. SALCEDA. Correct po.
- REP. ATIENZA. Are you talking about the intention of the Constitution that the LGUs should be given local autonomy?
- REP. SALCEDA. Tama po.

REP. ATIENZA. But you are not talking about LGUs being given money by the DBM. Ibinigay ninyo iyong trabaho, bahala na kayo sa pera.

REP. SALCEDA. Actually, Mme. Speaker, Your Honor, napakaganda po ng ating usapan, dahil sa ngayon, mabubuksan ang isang window of opportunity para mabigyan talaga ng isang constructive action, a way forward, para po talagang mabigyan kahit paano ng isang substantial and critical intervention. Sa ganitong panahon na after two years, this is the third budget of the President, Mme. Speaker, Your Honor, as I have said, the Corporate Operating Budget of the NHA, combined with the equity from the national government plus their own asset-base, they are probably sitting on one of the richest net asset value among the entire GOCCs outside of Clark City, Mme. Speaker, the Clark BCDA Your Honor.

My suggestion is really to move forward in the appropriate congressional committee and we could lead, Mme. Speaker, Your Honor, in the formulation of the appropriate plan of action, together with the funding instruments, Mme. Speaker, Your Honor.

REP. ATIENZA. Mme. Speaker, this discussion/interpellation is understood by all of us here.

REP. SALCEDA. Yes.

REP. ATIENZA. But outside, they do not understand what we are talking about. We are talking about assets; we are talking about funds; yesterday, we were talking about the future or possible changes in legislation. But right now, ang NHA ay hindi makakapag-produce ng housing sapagkat walang salapi. Sabi ninyo, puwede silang mag-raise, sila po naman ay GOCC, mayroon silang corporate...

REP. SALCEDA. They even have the corporate...

REP. ATIENZA. Could you explain that kind of thinking or thought to those sleeping on the sidewalks? Ang bottom line po nito, wala kayong bahay na makukuha sa amin.

REP. SALCEDA. Saka lang po ako pupunta doon kapag ira-affle ko na iyong right to shelter. Tulad ng ginagawa ko sa Albay, Mme. Speaker, Your Honor, kapag nagawa na namin iyong 10,056 houses, hinaharap ko talaga sila para lahat mabigyan ng chance kung saan dapat sila ilulugar. Sa pananaw ko, Mme. Speaker, Your Honor, may gaps po in the implementation. May mga balangkas na dahil sa laki ng ating gobyerno, ito po sa tingin ko ang Kongreso ang nagbibigay linaw. Ito ay isang bagay na masasabi kong ang kakayahan ng NHA. Halimbawa, kaya nito mangutang. They can go to global markets, Mme. Speaker, Your Honor, and be

given the sovereign guarantees, or being a GOCCs, with all the assets that they are sitting on, they certainly can do a lot of things for the informal settlers, as well as for households that are vulnerable to climate change and geological risks, Mme. Speaker, Your Honor. Hindi sa nirarason ko po ang P360 million, sinasabi ko lang, Mme. Speaker, Your Honor, there is a way forward.

REP. ATIENZA. Again, we will have to stress and insist on our point. Mahirap po ang trabaho ng DBM. Naiintindihan ko iyan sapagkat sa dami ng problema ay kailangan nilang i-distribute ang pondo equitably or in an equitable manner. Ang sinasabi ko lang, lahat ng naintindihan ng ating distinguished Sponsor ay hindi maintindihan ng pangkaraniwang tao.

REP. SALCEDA. Opo.

REP. ATIENZA. Scholarly and academically, you may be correct, but in practical terms, kung walang pondo, walang bahay; kapag walang bahay, the problem will have to wait for attention.

REP. SALCEDA. Opo.

REP. ATIENZA. Sa ngayon, sabi ninyo mayroong P50 billion na inilaan pero hindi nagawa nang tama. Mayroon po bang nakargohan diyan sa mga kalokohang nagaganap sa housing sector? Mayroon po bang hiningi ang DBM for non-performance of the NHA? Gumawa kayo ng programa sa Yolanda pero hanggang ngayon, wala pang kumpleto roon, hindi pa po kumpleto ang pabahay doon. Gumawa kayo ng housing for the policemen and the military people, gumawa kayo ng bahay-kalapati na hindi titirhan ng sino man. Kaya we are neither here nor there. What you are saying are actually begging for answers from the questions I have been posing. Mayroon po bang nademanda na sa Yolanda housing o doon sa police housing na pinasok na lamang ng mga mahihirap sapagkat nakatiwangwang ang units na inayawan ng pulis at ng militar?

REP. SALCEDA. I am not defending their budget, Mme. Speaker, Your Honor. Kung hindi natin binantayan, I think inefficiency is congenital in the government and government corporations. I think that is the best I can say.

REP. ATIENZA. But the Secretary, I can see him here, we can ask him. Since the keeper of the financial gates is actually here, we can ask him. Mayroon po bang nakasuhan doon sa Yolanda fiasco? Mayroon po bang nakasuhan sa police housing, sa military housing o tuloy po ang ligaya at kaya kapag binigyan natin ng pondo ay sa ganoon din po mapupunta iyan?

REP. SALCEDA. Hindi po tayo papayag niyan. Kasi sa ngayon, Mme. Speaker, Your Honor, iyong mga datos, mga resource person, iyong mga mayroong expert analytics na puwede kong isagot sa inyo, wala pa dito. Mme. Speaker, Your Honor. Ang masasabi ko, hindi tayo papayag na magkaganoon.

REP. ATIENZA. May we ask for a copy of whatever legal action the DBM has taken.

REP. SALCEDA. Yes, Mme. Speaker, Your Honor.

REP. SALCEDA. I will just focus on three: one, the AFP; two, Yolanda; and three, the Metro Manila informal settlers, Mme. Speaker, Your Honor.

REP. ATIENZA. Kung nandiyan na po tayo sa usapin ng maling paggamit ng salaping gobyerno, salaping bayan, gusto na rin naming tanungin sa DBM, ano po ba ang aksiyon nila kapagka iyong isang ahensya ay nabigyan ng malaking pondo at hindi naman ginagamit o hindi nagagamit? Natatapos ang taon na nakatiwangwang iyong pondo. Mayroon po ba silang aksiyon on that particular recurring and repetitive shortcoming and non-performance of the public officers entrusted with money coming from the National Treasury?

REP. SALCEDA. I think, Mme. Speaker, Your Honor, it may be dysfunctional, pero kapag alam nila na hindi po maganda ang paggamit, ginugutom nila. Kaya katulad nito, binigyan lang ng P369 million.

REP. ATIENZA. Ang sinasabi po ng ating kagalang-galang na Sponsor, ang National Housing Authority ngayon ay binibigyan ng aral. Hindi ninyo inubos iyong pera, kaya magtiis muna kayong walang pondo.

REP. SALCEDA. Although mali po iyon.

REP. ATIENZA. Ganoon po iyon.

REP. SALCEDA. Kasi kailangan po ng publiko ng bagong bahay.

REP. ATIENZA. Gusto ko po malaman ang sagot sapagkat iyon ang isasagot ko sa tao. Hindi binigyan ng pondo dahil hindi ginastos nang tama ang nakaraang pondo. Tama po ba?

REP. SALCEDA. Tingin ko, Mme. Speaker, Your Honor, that is a very...

REP. ATIENZA. Tama. Again, hihingi po tayo ng listahan sa Department of Budget...

REP. SALCEDA. Opo, kung ano po ang...

REP. ATIENZA. ...ng mga ahensya na binigyan ng sobra-sobrang pondo noong nakaraan na hanggang ngayon, hindi nila ginagamit.

REP. SALCEDA. Opo.

REP. ATIENZA. We have a national slogan, “Build, Build, Build,” but nothing for the urban poor. Ano iyong itatayo natin, Tulay? Alam ninyo ang biro po sa labas? “Tulay, binigyan ng pondo maski walang ilog.” Ang sagot daw, “E di magtatayo rin tayo ng ilog.”

I would like to bring these matters to the attention of the sponsoring Gentleman. And to those involved with the DBM, money is the problem. That is precisely your task, how to provide funds for the needs of our people, especially today.

REP. SALCEDA. Opo.

REP. ATIENZA. Let me shift to another question, Mme. Speaker. Iyon po bang Department of Agriculture ay binigyan ng sufficient funds or are they also lacking in funds? In yesterday’s interpellation here, all I heard was already an alibi for non-delivery of our expectations. Kailangan natin ng bigas na mabibili, kailangan natin ng pagkain, gulay, isda. Ang sagot po ng Department of Agriculture—siguro nandito kayo—it was being defended by Congressman Arthur Yap and the Secretary was here, their common answer that still rings in my ears, “wala kaming pera eh, so we cannot guarantee.”

When I was asking them, give us a date where we will be producing more rice, give us a date where fish will not have to be imported from China just to eat galunggong—na galing din po naman sa ating katubigan, galing din sa ating karagatan, at galing marahil sa ating mga fish pen, in-export ng negosyante, binili ng Philippine government. Iyong tanong po ba kahapon at sinagot ng walang pera, pangangatawanan ba ng DBM ngayon? Walang pera kaya wala tayong maaasahan o hindi sapat ang pera.

Mme. Speaker, for the record, magkano po ba ang hiningi ng Department of Agriculture according to their own plans and programs to solve the food problem of our beloved country?

REP. SALCEDA. Ang hiningi po ay 67, tapos ang problema talaga ay mababa rin ang kanilang disbursement rate noong nakaraang taon at 66 percent. As of March 2018 it is at 29.28 percent, Mme. Speaker, Your Honor. Apparently, as a general strategy and philosophy of the DBM, if you do not use it, you lose it. But of course, Mme. Speaker, Your Honor, this is not in consonance with the role of the government

to essentially provide for the means, so that people can achieve their dreams or meet even their most minimum requirements for survival, Mme. Speaker, Your Honor.

I do not know, but if that is the way, Mme. Speaker, Your Honor, of forcing government agencies to essentially be efficient and effective in their utilization of funds, then I think these are two basic examples of the temporary world view of the DBM. I know Secretary Diokno, from way back, and with his sincerity, just wants this government agency to behave and use its funds properly and promptly, Mme. Speaker, Your Honor.

REP. ATIENZA. Mme. Speaker, basically, we are hearing the same explanation for the claim that the Department of Agriculture is not given what it was asking for ...

REP. SALCEDA. Yes.

REP. ATIENZA. ... because they have not used properly what was given them in the previous years. That is also true with the other agencies which have not spent their budgets according to their plans as appreciated by the DBM then, and gave them enough funds but they did not deliver.

REP. SALCEDA. Opo.

REP. ATIENZA. Ito po ba ay alam ng ating Pangulo ngayon?

REP. SALCEDA. Iyong budget framework po, Mme. Speaker, Your Honor, dumadaan muna sa Gabinete.

REP. ATIENZA. Palagay ko tungkulin ng DBM Secretary na i-brief ang ating Pangulo na ang pangako niya ay mukhang hindi natutupad sapagkat hindi marunong gumastos ang mga pinagkakatiwalaan niya. Kaya sabi nila, we will have to keep on importing fish, and we will not be able to do anything while the price of rice is going up, unaffordable now to many people.

REP. SALCEDA. It was reported, Mme. Speaker, Your Honor, in the Cabinet last April, based on the first quarter performance and every quarter thereafter that they report on the utilization rate of all the departments. Unfortunately, Mme. Speaker, Your Honor, because the budget call is in February, and usually the final budget framework is completed before the SONA, those who do not perform, obviously, will not see their wish list essentially given.

REP. ATIENZA. We would consider that, Mme. Speaker. One of the primary responsibilities of the

Department of Budget and Management is to report to the President the general picture of the economy, the funding situation, the performance and the non-performance of the different departments and secretaries.

REP. SALCEDA. Opo.

REP. ATIENZA. Dahil ang laki ng pondo na inilalaan na hindi nagagamit, tapos may problema tayo sa pagkain, tapos may problema tayo sa kabahayan. These are two basic needs of the Filipinos guaranteed by the Constitution and we will explain by saying, wala silang pondo ngayon dahil hindi nila ginamit iyong nakaraang pondo. Alam ninyo, Mme. Speaker, baka hindi maintindihan ng ating mga kababayan iyan. Kapag kumakalam na ang sikhura, mahirap intindihin iyon. Dapat malaman ng ating Pangulo ang interpellation na ito, mabasa niya para maaksiyunan ang aking sinasabi tungkol sa mga non-performing assets ng gobyerno, kasama na po iyong mga namumuno sa iba't ibang kagawaran na hindi tumutupad sa kanilang tungkulin.

REP. SALCEDA. Opo.

REP. ATIENZA. Sasabihin na lang nila, hindi nagamit iyong pera kaya wala po kaming nai-deliver na bahay, at kaya po tayo at may krisis sa pagkain.

REP. SALCEDA. Salamat.

REP. ATIENZA. Mme. Speaker, we have a problem, but it is not my problem alone, it is also your problem and everybody's problem.

We have to attend to the basic needs of our people; otherwise, we will have a bigger problem. We do not want that, we want the President to succeed, but he must be given an accurate picture. It is not enough for the DBM to submit a proposal, for the President to sign, and we to consider it. When we engage each other to a direct questioning and interpellation, the answer goes back to—ang may kasalanan diyan ay iyong mga hindi gumastos ng pera. Bakit hindi sila palitan lahat? Why do we not have a general reshuffle of the Cabinet so that we will have a better performing team who will deliver on the President's promises?

REP. SALCEDA. Opo.

REP. ATIENZA. Mahirap ipaliwanag iyong aming narinig sa inyo. I wish you could do the explaining in Plaza Miranda. Explain to our people why they are hungry, why we do not have fish in our tables, why rice is now unaffordable, and tell them about it.

REP. SALCEDA. Opo.

REP. ATIENZA. Dahil kung ang mga namumuno ay malaki ang pagkukulang, palagay ko mahihirapan kayo. But at this point, I would like to thank the Gentleman for answering our questions to the best of his abilities, and for the Secretary of Budget and Management to listen patiently, as I hope, it registers also on him that he should brief the President properly.

Sigaw kayo nang sigaw nang sigaw ng Build, Build, Build—wala naman pong nangyayari.

Ang laki-laki ng pondo, hindi po naman nagagastos, at kung ginagastos man, hindi para sa kapakanan ng mga mahihirap kundi, malamang, napunta pa sa mga bulsa noong mga gumagamit ng salapi ng bayan.

With that, Mme. Speaker, we thank the Gentleman for his patience. I know he is a patient and very bright man, but his logic is not the logic of a hungry man.

Thank you.

REP. SALCEDA. Salamat po.

THE DEPUTY SPEAKER (Rep. Garin, S.). Thank you, Honorable Atienza.

The Majority Leader is recognized.

REP. HOFER. Mme. Speaker, the next to interpellate the Sponsor, I move that we recognize Representative France L. Castro from the ACT TEACHERS Party-List.

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

The Honorable Castro is recognized. Please proceed.

REP. CASTRO (F.L.). Maraming salamat, Mme. Speaker. Magandang hapon po, G. Isponsor.

REP. SALCEDA. Thank you po.

REP. CASTRO (F.L.). Ang akin pong mga katanungan ay may kinalaman sa benepisyo, iyong mga cuts, at siyempre po iyong Cash-Based as different from the Obligation-Based. Sinasabi po, Mr. Sponsor, Mme. Speaker, ng DBM na may problema sa absorptive capacity kaya dapat bawasan ang pondo ng mga ahensiya. Sabi nga ninyo kanina, kapag hindi ginamit, dapat ay mawala. Hindi ba dapat ay ibalik? Kapag mahina sa disbursement, dapat bawasan din iyong pondo. Pero, may I know the absorptive capacities at saka iyong disbursement ng DBM, Mr. Sponsor.

SUSPENSION OF SESSION

REP. SALCEDA. I move for a one-minute suspension of the session, Your Honor, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is suspended.

It was 5:22 p.m.

RESUMPTION OF SESSION

At 5:22 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is resumed.

The Majority Leader is recognized.

SUSPENSION OF CONSIDERATION OF H.B. NO. 8169

REP. MARCOLETA. Mme. Speaker, I move to suspend the consideration of House Bill No. 8169.

THE DEPUTY SPEAKER (Rep. Garin, S.). Can you repeat the motion, Majority Leader?

REP. MARCOLETA. I move to suspend the consideration of House Bill No. 8169.

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

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move that we take up an item in the Business for the Day.

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

The Majority Leader is recognized.

CONSIDERATION OF CTTEE. RPT. NO. 844 ON H. RES. NO. 292

REP. MARCOLETA. Mme. Speaker, I move that we consider the findings and recommendations contained in Committee Report No. 844 on House Resolution No. 292

THE DEPUTY SPEAKER (Rep. Garin, S.). Is there any objection? (*Silence*) The Chair Hears none; the motion is approved.*

* See MEASURES CONSIDERED (printed separately)

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

With the permission of the Body, and since copies of the Committee Report have been previously distributed, the Secretary General read only the title of the measure without prejudice to inserting its text in the Congressional Record.

THE SECRETARY GENERAL. House Resolution No. 292, entitled: A RESOLUTION DIRECTING THE PROPER COMMITTEE OF THE HOUSE OF REPRESENTATIVES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ILLEGAL PRACTICES IN THE BUREAU OF IMMIGRATION.

THE DEPUTY SPEAKER (Rep. Garin, S.). The Majority Leader is recognized.

COMMITTEE AMENDMENT

REP. MARCOLETA. Mme. Speaker, before we adopt the findings and recommendations of the Committee relative to the said inquiry, we would like to introduce an amendment to Committee Report No. 844 on House Resolution No. 292:

- Amend the Report as follows:

On page 7, paragraph 5, line 4 of the report, delete the phrase "November 30, 2016" and in lieu thereof put the phrase NOVEMBER 30, 2006.

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

REP. MARCOLETA. Mme. Speaker, I now move that we adopt the findings and recommendations contained in Committee Report No. 844, as amended.

ADOPTION OF FINDINGS AND RECOM. IN CTTEE. RPT. NO. 844 ON H. RES. NO. 292, AS AMENDED

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

The findings and recommendations contained in Committee Report No. 844 on House Resolution No. 292 are adopted.

RATIFICATION OF CONF. CTTEE. RPT. ON H.B. NO. 7402 AND S.B. NO. 1363

REP. MARCOLETA. Mme. Speaker, we are in

receipt of the Conference Committee Report reconciling the disagreeing provisions of House Bill No. 7402 and Senate Bill No. 1363.

May I ask that the Secretary General be directed to read only the titles of the measures.

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

The Secretary General is directed to read only the titles of the measures.

With the permission of the Body, and since copies of the Conference Committee Report have been previously distributed, the Secretary General read only the titles of the measures without prejudice to inserting the text of the report in the Congressional Record.

THE SECRETARY GENERAL. House Bill No. 7402, entitled: AN ACT PROMOTING TELECOMMUTING AS AN ALTERNATIVE WORK ARRANGEMENT FOR EMPLOYEES IN THE PRIVATE SECTOR; and Senate Bill No. 1363, entitled: AN ACT INSTITUTIONALIZING TELECOMMUTING IN THE WORKPLACE AND FOR OTHER PURPOSES.

REP. MARCOLETA. Mme. Speaker, I move that we ratify the said Conference Committee Report.

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

The Conference Committee Report is ratified.

DESIGNATION OF MEMBERS TO THE CONF. CTTEES.

REP. MARCOLETA. Mme. Speaker, I move that we designate the following as members of the Conference Committee on the disagreeing provisions of House Bill No. 7442 and Senate Bill No. 2023, for the Majority: Reps. Divina Grace C. Yu, Jose Christopher Y. Belmonte, John Marvin "Yul Servo" C. Nieto, Alexandria P. Gonzales; and for the Minority: Rep. Anna Marie Villaraza-Suarez.

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

The Members nominated are so designated.

The Majority Leader is recognized.

REP. MARCOLETA. Mme. Speaker, I move that we designate the following as members of the Conference

* See MEASURES CONSIDERED (printed separately)

Committee on the disagreeing provisions of House Bill No. 5615 and Senate Bill No. 1716, for the Majority: Reps. Conrado M. Estrella III, Ruwel Peter S. Gonzaga, Mark Aeron H. Sambar, Marlyn L. Primicias-Agabas, Cristina “Chiqui” Roa-Puno, Mohamad Khalid Q. Dimaporo; and for the Minority, Rep. Abigail Faye C. Ferriol-Pascual.

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

The Majority Leader is recognized.

SUSPENSION OF SESSION

REP. MARCOLETA. I move for the suspension of the session, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is suspended.

It was 5:27 p.m.

RESUMPTION OF SESSION

At 5:28 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is resumed.

The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 8169

Continuation

PERIOD OF SPONSORSHIP AND DEBATE

REP. ALONTE. Mme. Speaker, I move that we resume the consideration of House Bill No. 8169 and direct the Secretary General to read the title of the measure.

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

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

THE SECRETARY GENERAL. House Bill No. 8169, 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 NINETEEN, AND FOR OTHER PURPOSES.

THE DEPUTY SPEAKER (Rep. Garin, S.). Thank you.

The Majority Leader is recognized.

DEPARTMENT OF BUDGET AND MANAGEMENT

Continuation

REP. ALONTE. Mme. Speaker, the parliamentary status of the Bill is that it is in the period of interpellation and debate.

I move, Mme. Speaker, that we resume the interpellation and debate on the budget of the Department of Budget and Management.

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

REP. ALONTE. I move that we recognize Cong. Joey Sarte Salceda to sponsor the budget of the said agency.

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

The Honorable Salceda is recognized to sponsor the budget.

The Majority Leader is recognized.

REP. ALONTE. Mme. Speaker, I move that we recognize again Rep. France L. Castro of ACT TEACHERS Party-List to continue on her interpellation.

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

The Honorable Castro is recognized for her interpellation.

Please proceed.

REP. SALCEDA. The answer, Your Honor, is 90.2 percent.

REP. CASTRO (F.L.). So, the absorptive capacity of the DBM is 90...

REP. SALCEDA. Point two.

REP. CASTRO (F.L.). ... point 2 percent. How about the disbursement performance?

REP. SALCEDA. How does the disbursement rate, Your Honor? So, I thought they are synonymous.

REP. CASTRO (F.L.). In 2017, Mme. Speaker .

REP. SALCEDA. Opo, iyong 2017 po ito—90.2, lahat po ng perang ibinigay natin sa kanila, 90.2 percent ay nagastos nila.

REP. CASTRO (F.L.). Okay. Tama po bang mayroon ding unobligated balance na P272.898 million? Ito nga po iyong sinasabi ninyo na 20.53 percent? Tama po ba iyong aking observation sa budget, distinguished Sponsor, Mme. Speaker?

REP. SALCEDA. More or less po, Your Honor, kasi 10 percent po ng total budget nila would be about P300 million.

REP. CASTRO (F.L.). So, mayroon pong P344 million ...

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). ... unutilized NCAs at saka iyong mga other negative observations ng COA. Pero sa ganitong kalagayan ng budget ng DBM, tumaas pa ng P1.644 billion para sa 2019 or kung ikumpara natin, Mme. Speaker, sa 2017 Budget, tumaas ito ng 87.17 percent sa 2019 Budget. Tama po ba, Mr. Sponsor, Mme. Speaker?

REP. SALCEDA. Tama po, Your Honor, pero ang itinaas po na iyan ay para sa Procurement Service.

REP. CASTRO (F.L.). Para saan ho itong itinaas na ganito kalaking budget ng DBM?

REP. SALCEDA. Para po sa operations po ng Procurement Service.

REP. CASTRO (F.L.). Operations on the procurement of?

REP. SALCEDA. Ganito po iyan, Ma'am. Kapag ang isang ahensya po ay gustong mapabilis o mas may tiwala siya na iyong kanyang budget sa pagbili ng isang bagay, puwede na niyang ibigay sa Procurement Service at magbabayad siya ng 5 percent. So, iyong 5 percent pong iyon ay umabot na ng 1.7 billion, na sa pamamagitan po ng budget na ito ay nagiging parang—ina-appropriate po iyon para sa gastos. Iyong revolving fund po, actually, ito po iyong revolving fund na galing sa 5 percent na service fee na ibinabayad ng mga nagpapa-procure sa Procurement Service.

REP. CASTRO (F.L.). Okay po. Pupunta na po ako doon sa mga budget cuts doon sa ating different agencies.

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). Ang nakakalungkot po, Mme. Speaker, Mr. Sponsor, iyong mga budget cuts na malalaking slash, slash, slash cuts ng DBM ay iyon

pang mga line agencies natin na nagbibigay talaga ng direktang serbisyo sa ating mga mamamayan katulad ng edukasyon, health o pangkalusugan. Katulad nga ng sinabi kanina ni Cong. Atienza, iyong pabahay o NHA, at ito pa, napakalaking cuts din ang ginawa ng Department of Budget and Management dito sa Department of Agriculture. Kung ang patakaran ng Department of Budget and Management sa pagka-cut ng mga budgets ng mga ahensya na ito ay tungkol lang doon sa absorptive capacity nitong mga ahensya na ito kung bakit binawasan po nang napakalaki ang budget...

REP. SALCEDA. Your Honor, puwedeng ma-generalize natin na kapag mahina pong gumastos, hindi na binibigyan ng budget para po magastos na, pero hindi naman binabawasan iyong sa mandatory obligations katulad ng PS o iyong pambayad ng ilaw, kuryente at ng telepono, Your Honor, kung hindi iyong kanilang tinatawag na discretionary expenditures katulad po ng mga Capital Expenditures.

Your Honor, babalikan ko nga po, P238 billion po ang inupuan ng DepEd. Tapos iyong binawas na looks like nabawas po na P67 million, kung ikukumpara mo po doon sa na-accumulate nila na obligated but not yet implemented o hindi pa po nare-release na pera, eh mukhang hindi ho siya ganoon ka-highly irregular, Your Honor, na magtapyas ka kasi hihintayin mo po na maubos nila iyong in-obligate nila.

Tulad din po sa DOH na umabot po ng P135 billion po iyong HFEP. Sa loob po ng 2015 to 2017 na halos wala po silang ginalaw, less than 10 percent lang po iyong kanilang na-implement doon sa P135, Your Honor. So, although, iyong mga regions na marurunong pong gumastos kasi kapag tiningnan mo po, dalawang bagay po ang risk that the DBM is taking by following that policy: first, there are—hindi po lahat ng pangangailangan is the same across all areas, spatially, Your Honor, in terms of the allocation, some areas may need immediate allocation; second, Your Honor, you may be penalizing a certain region kasi ang tinitingnan mo iyong suma total o iyong average. So, iyong mga mabubuting components po ng DOH o ng DepEd na magagaling po na mag-implement ng proyekto ay pati po sila ay nadadamay dahil po sa pangkalahatan po. So, may risk din po iyong ginagawa po ng DepEd. Pero, sa pananaw ko po, Your Honor, kung ganoong klase na P135 billion ang naipon mo, hindi mo ginastos, iyong isa naman ay P238 billion, hindi mo ginastos, ay aba, eh dapat lang ipaubos ko muna sa iyo bago bigyan kita ng bago.

REP. CASTRO (F.L.). So, ibig sabihin po sa prinsipyo ng pagba-budget ng DBM, iyong talagang nagiging batayan natin ay iyong kung paano nagamit noong nakaraang taon iyong budget, hindi po doon

sa needs, pero paano ninyo maipapaliwanag sa Kinatawang ito, Mme. Speaker, Mr. Sponsor, iyong budget halimbawa ng DILG at ng DND, ang Department of National Defense, dahil nakita naman natin dito na 22.32 percent ang itinaas, ang DILG rin, 31.17 percent ang itinaas.

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). Pero kung napansin ninyo po iyong kanilang performance, absorptive capacity at tsaka iyong disbursement, hindi naman po ito nalalayo doon sa mga ilang agency. Ano iyong ano, ano iyong espesyal dito sa ganitong klase ng pagtrato sa ganitong ibang department? Mayroon bang pinapaboran?

REP. SALCEDA. Wala po.

REP. CASTRO (F.L.). Mayroong...

REP. SALCEDA. May pinaboran dahil may binigyan ng increase, iyong iba hindi.

REP. CASTRO (F.L.). Opo, papaano ninyo maipapaliwanag iyan, Mr. Sponsor, Mme. Speaker?

REP. SALCEDA. Pero hindi ho basis po diyan iyong absorptive capacity o disbursement rate sa paglaki po ng budget po ng DILG at AFP dahil po ito is a result of an act of Congress, called the Joint Resolution No. 1, Your Honor, kung saan pinayagan po natin na iangat ang sweldo po ng mg uniformed personnel. So, ito po ay isang pagpapatupad lamang ng iniatas po ng Kongreso sa DBM. Kaya po, Your Honor, hindi po unreasonable na sabihin na madaling i-absorb po ang salary increase.

REP. CASTRO (F.L.). Okay. Kaya nga lang, makikita ninyo naman dito, Mr. Sponsor, kung ano rin iyong priority ng ating gobyerno sa pagbibigay ng salary increase. Dalawang tranche nang tumaas ang salary ng ating mga uniformed personnel pero mula noong 2016, bagaman at sinasabi ng DBM na mayroon pa tayong Executive Order No. 201 noong nakaraang gobyerno o kay Pangulong Aquino, pero wala pa pong nakikita ang ating mga government employees, civilian employees ng kalinga naman mula sa gobyernong ito sa pamumuno ng ating Presidente in terms of sweldo.

Nakita naman natin kanina, narinig ko sa discussion ninyo ni Cong. Arlene D. Brosas na, extensively, tinalakay iyong TRAIN na talagang apektadong-apektado, hindi lang naman mga uniformed personnel dito sa TRAIN, pati rin iyong mga civilian personnel.

So, nakikita natin dito, Mr. Sponsor, Mme. Speaker, kung ano po iyong prayoridad ng ating gobyerno sa

2019 kaugnay noong suweldo at benepisyo naman ng ating mga government personnel. Sa tingin ko pa lang dito, may kinikilingan talaga ang ating pamahalaan kaugnay doon sa suweldo at benepisyo. Anyway, so gusto ninyo pong mag-comment, Mr. Sponsor, or can I go on na with my questions?

Okay, salamat po. Bago ko po tapusin ito, sana po bago matapos ang budget ay mapag-isipan na madagdagan din iyong budget para sa pagtaas din ng suweldo noong ating mga sibilyan na personnel.

Last na lang po tungkol dito. Mayroon po sa DND na P3 billion na mga special yata na request ni President Duterte. Ito ay mula sa Department of National Defense na kung titingnan natin, itong P3 billion na ito ay pambili ng mga kagamitang panggiyera na P3 billion. Puwede ninyo po bang ipaliwanag sa Kinatawang ito na prayoridad pa rin talaga ng ating gobyerno iyong pagbili ng bala sa halip na libro o pagtatayo ng eskwelahan, sa halip na ipambili ng mga parachute o mga rifle, etc. Puwede bang maipaliwanag itong ganitong pagtatangi sa budget ng DND? Kasi napansin ko, Mr. Sponsor, na mas mahalaga yata sa DBM itong mga kagamitang panggiyera at kagamitang pumapatay kaysa iyong libro or mga bulak o anuman na gagamitin sa ospital. Puwede bang maipaliwanag ito?

REP. SALCEDA. Ang Estado po kahit saang mundo po ay hindi naman—kapag tiningnan mo po itong amount na ito na halos 1 percent of 1 percent ng kabuuan ay hindi na po siguro unreasonable na para sa isang Estado na mayroon pong external risks and whether we like it or not, may internal security risk na iyong budget po na P3 billion po para sa bala at P3 billion out of P3.7 trillion, Your Honor. So, that is almost one, not even one-tenth of 1 percent, Your Honor. It is pretty small.

In defense of the State, because it is also clear in the Constitution that we must defend the State against arising risks, Your Honor, I think the amount is not egregiously grotesque. Hindi ho siya ganoong kalaki na masasabi nating kailangan mo pong papiliin kung sa bala o sa libro. Ang sasabihin ko, Your Honor, kung P10 billion iyon, baka pa, pero P3 billion iyan, pero iyong ginagastos naman natin sa libro—although tama ka, P2 billion lang ang para sa libro.

REP. CASTRO (F.L.). Oo tama. Ang laki-laki talaga nito.

REP. SALCEDA. Kaso, marami po iyan na hindi po absorbed noon. Ang hirap na magsasalita ka pa. Babawiin ko lang nang konti iyong predicate, ano po?

REP. CASTRO (F.L.). Kasi po, Mme. Speaker, Mr. Sponsor, ang mga guro po ay ...

REP. SALCEDA. Magandang headline iyan pero ...

REP. CASTRO (F.L.). ... hirap na hirap nang maghanap ng libro. Gumagastos pa sila ng sarili nilang sweldo para makabili lang ng libro.

REP. SALCEDA. Magandang headline iyan. Mas marami ang budget natin para sa bala kaysa libro pero...

SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is suspended.

It was 5:45 p.m.

RESUMPTION OF SESSION

At 5:46 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Garin, S.). The session is resumed.

REP. CASTRO (F.L.). So, inaamin po ng...

THE DEPUTY SPEAKER (Rep. Garin, S.). Before you proceed.

REP. CASTRO (F.L.). ... ating Sponsor na mas malaki pa iyong budget na inilaan ng Department of Budget and Management sa mga bomba, bala, sa mga baril, at iba pang mga panggiyerang kagamitan kasya sa mga textbooks at mga materials sa eskwelahan. Tama po ba, Mr. Sponsor?

REP. SALCEDA. Opo. Pero and sinasabi ko naman, Your Honor, kung titingnan mo iyong kabuuan na P658 billion na ginagastos po para pangsweldo ng teacher, para po sa mga eskwelahan at iba pang mga pangangailangan sa learning resources, at para po sa continuing education ng atin pong mga kabataan, Your Honor, sa tingin ko, Your Honor, next year, we will make sure na we budget more for books than for bullets, Your Honor. I will have to agree with you na that is...

REP. CASTRO (F.L.). Pero puwede pa naman remedyuhan iyan, Mr. Sponsor.

REP. SALCEDA. Ay opo.

REP. CASTRO (F.L.). So, magko-commit ba kayo na kahit at the minimum, baligtarin natin ito?

REP. SALCEDA. Ay opo.

REP. CASTRO (F.L.). Iyong P2 million sa P3 million na...

REP. SALCEDA. Sigurado po. Salamat po.

REP. CASTRO (F.L.). ... or sa maximum na kahilingan ng Representanteng ito, tanggalin na lang natin itong P3 billion na ito na gagastusin natin sa mga bala at iba pang mga kagamitang panggiyera.

REP. SALCEDA. Aanuhin lang—palalakin ko po para hindi mo na masasabi ulit na mas malaki ang budget sa bala kaysa sa libro. Hindi mo na ulit masasabi po iyan at gagawin ko po iyan.

REP. CASTRO (F.L.). Okay, salamat po, Mr. Sponsor, pero ire-reiterate ko po na ang ating prayoridad ay dapat po ay iyong edukasyon ng ating mga kabataan.

Okay, next po ay iyong tungkol doon sa tinatawag nating Fiscal Discipline and Openness Program. Tumaas po ng 53.05 percent o P38.2 million of which P12.989 million is given to develop and promote fiscal transparency and participation standards and strategies. Tumaas po, Mme. Speaker, distinguished Sponsor, ng P1.6 million by—ang laki nito—702 percent. So, kumusta naman po, Mr. Sponsor, Mme. Speaker, iyong compliance ng agency sa mga—dito sa transparency. Kumusta naman po iyong kanilang performance doon sa compliance nito? Mayroon po ba tayong record niyan, Mr. Sponsor, Mme. Speaker, para mapabilis na po natin iyong...

REP. SALCEDA. Sa akin, sa dinami-rami po ng mga dala nila ay hindi po nadala iyong records na iyan, Your Honor, but I will commit to you that at the appropriate time, because I want to give you an exact figure, with respect to the compliance to the open government, Your Honor.

REP. CASTRO (F.L.). Thank you, Mr. Sponsor.

REP. SALCEDA. Ngayon lang ako sa iyo hihingi ng ano...

REP. CASTRO (F.L.). Hinihiling po ng Kinatawag ito na magbigay ang DBM noong compliance ng lahat ng mga ahensya in terms of transparency and reporting provisions na pinondohan po. Puwede po bang ipaliwanag na lang po sa Kinatawag ito kung bakit po lumaki o tumaas? Mga 702 percent ang itinaas. Ano po ba ang difference nito doon sa 2017 Budget?

REP. SALCEDA. We will answer that question, Your Honor. Can we move to the next one, because they are really looking—because I always insist that we look at the empirical data before I make an answer?

REP. CASTRO (F.L.). Okay. Next topic, Mr. Sponsor, Mme. Speaker, on Public Financial Management Program, isa po ito sa locally funded projects na may budget na P388.176 million. Sang-ayon po sa DBM, ang purpose nito ay to strengthen the foundation of the Philippine Public Financial and Management Reform Program or system at mayroon silang roadmap for this 2017 hanggang 2022. Kasama dito, distinguished Sponsor, iyong iba't ibang mga reforms tulad ng: (1) Shifting to an Annual Cash Budgeting System; (2) Enhancing the Procurement Process with Emphasis on Infrastructure Projects; (3) Linking Planning and Budgeting and Improving Costing Techniques for Projects and Program—hanggang po sa number (7) Capacity Building. As we push for the Budget Reform Bill na in-enact po natin ngayong taon na ito, nakatuntong po ito doon sa pag-i-intervene ng—tama po ba base doon sa nabasa ko about doon sa intervention ng Australian government kaugnay nitong mga reforms na ito?

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). At bakit po sa Australia nag-model tayo? Puwede po bang mapaliwanag, ano po ba iyong kakaiba sa Australian model na kung saan itong Cash Budgeting na pinag-uusapan natin ay sa tingin ng DBM ay napakaganda at napakagaling sa ating kasalukuyang setting?

Actually, Mme. Speaker, mayroon pong nag-train pa na 1,600 senior government officials from 54 countries. Nag-volunteer po sila at eto po, so puwede po bang maipaliwanag iyong tungkol po dito?

REP. SALCEDA. Your Honor, ito rin po ay mga advice lang po na kung saan may technical assistance po iyong Australia sa ating pong bansa, at ito po iyong mga binuo na ng atin pong mismong Departamento kung papaano po ipapatupad kung anuman po iyong lumabas sa mga pag-aaral po ng Australia patungkol po sa atin pong general fiscal management system po dito sa atin.

REP. CASTRO (F.L.). So, alam ninyo po kung pagbabatayan natin iyong fiscal management ng Australia ...

REP. SALCEDA. Hindi po.

REP. CASTRO (F.L.). ... in terms of pagbibigay nila ng welfare sa kanilang mga mamamayan para kaiba doon sa ginawa na in-apply—kakaiba yata iyong application ng DBM doon sa Australian way, kasi po, hindi po ba welfare country po ang Australia.

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). Malaki po ang naitutulong ng gobyerno Australia sa kanilang mga mamamayan.

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). Lahat po ay provided sila noong mga pangangailangan ng kanilang mamamayan, pero bakit parang baligtad ito doon sa in-apply natin doon sa mga basic social services, halimbawa?

REP. SALCEDA. Your Honor, we are speaking ng iba-iba pong level, ng usapin ng dalawang countries. Ang unang-una po, Your Honor, halimbawa, iyong ating competition policy na ipinanganak po iyong Philippine Competition Commission, iyon po ay galing din po sa pag-aaral o tulong o technical assistance po ng Australia. Dito naman po ngayon, iyong bago pong technical assistance o TA Program po ng Australia, patungkol naman po dito sa atin pong fiscal management systems po. Pero, Your Honor, tama ka, kung susundin lang natin ang welfare system sa Australia, certainly, Your Honor, na mas maganda at kung maabot po natin iyong kanilang: one, iyong kanilang rich resources; pangalawa, iyong kanilang hindi hamak na mas mataas na taxation o kanila pong tax to GDP, eh kakayanin din po natin na hindi lang sa paggaya—halimbawa po, Your Honor, maliban po doon sa Philippine Competition Policy, o iyong atin pong government neutrality, ay marami na rin po tayong masasabi natin na inspired po ng Australia.

Iyong atin pong sinulat ni Congressman Tinio na Universal Access to Quality Tertiary Education, isa rin po iyon sa nag-benefit po sa welfare system po ng Australia. Pero, subalit, Your Honor, kung buong-buo ang welfare system ng Australia ay hindi po kakayanin sa ngayon po ng atin pong fiscal resources. So, ang kanila pong masasabi na pagtulong ay sa pag-provide po ng technical assistance para po sa ating mga fiscal management systems, Your Honor.

REP. CASTRO (F.L.). So, kaugnay po nitong fiscal management systems, paano po ba ito makakatulong ayon sa pag-aaral para masugpo iyong korapsyon, halimbawa, o paano ma-utilize? Kasi nakalagay naman dito hindi ba iyong paano magagamit iyong ating budget wisely. Kung titingnan ko, susumahin ko ito. Paano po ito makakatulong doon sa pagsugpo ng impending, iyong mga korapsyon or iyong misuse ng mga fundings, et cetera?

REP. SALCEDA. Ang isa po, Your Honor, kapag efficient po ang sistema, usually po, Your Honor, ang resulta po niyan eh nawawala po iyong oportunidad para po iwaldas iyong pera, lalung-lalo na sa mga ibang hindi kanais-nais na paraan. So, I think, although an efficient system is necessary, it is not sufficient for,

you know, the entire concept, the entire eradication of corruption. But, certainly, Your Honor, by making our key financial or fiscal management system, Your Honor, lalung-lalo na itong tinatawag na budget and treasury management system na mag-e-eliminate po ng multiple stand-alone system and provide real-time online monitoring of appropriations, allotments, obligations, and disbursements, so wala ka na pong pwedeng pagtaguan. Kita agad kung nasaan na po iyong authorization ng Kongreso; standardized and automated processes formats and reporting across the national government and consolidated government-wide reports through systematic real-time recording. In other words, Your Honor, hindi ho ito mangyayari kung hindi po nagre-reconcile ang mga numero. Kasi kapag hindi iyan nag-reconcile, tiyak may nangyari po. Sa pamamagitan po ng pagkakaroon ng isang integrated fiscal management system, Your Honor, it has the co-benefit of reducing the window of opportunity for corruption, Your Honor. But at the same time, providing, you know, more effective services, Your Honor.

REP. CASTRO (F.L.). Thank you po ha, Your Honor.

So, idadagdag ko lang doon, nakalagay po sa mga nabasa ko iyong kasama dito iyong improving the efficiency and accountability of public funds used and enhancing the link to service delivery. Mayroon din po dito po iyong reduce poverty and improving the effectiveness noong funds natin. So, ...

REP. SALCEDA. Napakaambisyosa naman niyon.

REP. CASTRO (F.L.). Siguro po kung magagamit natin ito nang tama at mai-apply natin ito nang tama sa ating kasalukuyang setting, mag-aantay po ako niyan, siguro, next year ...

REP. SALCEDA. Ano iyong pinakahuli ...

REP. CASTRO (F.L.). ... kung paano ...

REP. SALCEDA. ... na title? Poverty reduction?

REP. CASTRO (F.L.). Reduce poverty and improve the effectiveness noong paggamit po noong pondo natin.

REP. SALCEDA. Oo.

REP. CASTRO (F.L.). So, iyon po parang mayroon ganong ...

REP. SALCEDA. Pwede ko bang tingnan iyong listahan mo?

Maraming salamat sa ating pong interpellator. Iyon pala po ay isang pananaw na ino-offer po from the Australian perspective na makakatulong po sa pagpapababa ng poverty rate rito sa Pilipinas, gayundin ang kanila pong pagtulong, pagbibigay ng technical assistance para po mas maging mabisa at mabilis or effective and efficient our fiscal and financial management systems.

REP. CASTRO (F.L.). Marami pong salamat, Mr. Sponsor, Mme. Speaker. Ito po iyong last on financial assistance subsidy. So dati po, wala itong line item na ito sa budget ng DBM. Mayroon pong P1.3 billion financial assistance or subsidy ang DBM. So, wala pong ganito ang DBM in the past years. This contributes 84 percent of the increase in the MOOE of the DBM. Pwede po bang maipaliwanag ito sa Representanteng ito, Mme. Speaker, Mr. Sponsor? Ano po iyong guidelines, disbursements, sinu-sino po iyong mga beneficiaries nitong program na ito?

REP. SALCEDA. Ah wala ho, that is not a misclassification but that is the only classification available. In our government accounting system, Your Honor, that could refer to the transfer of funds to the general, to the Procurement Service, Your Honor. So, iyon lang po ang, baka pwede ho naming palitan iyong pangalan na iyan. Sila, ang DBM na lang ang magbago ng kanilang financial accounting system, hindi iyong magugulo lang tayo. So, I guess, Your Honor, we will take that as an amendment at the appropriate time that we will call that essentially as a subsidy? Ha?

REP. CASTRO (F.L.). Pero, Mme. Speaker

REP. SALCEDA. Subsidy.

REP. CASTRO (F.L.). Mme. Speaker, Mr. Sponsor, mayroon po ditong budget, so ang inaantay ko lang po naman ay iyong breakdown noong magiging beneficiaries nito at ang guidelines ng disbursing.

REP. SALCEDA. Ang beneficiary po niyan ay essentially iyong mga MOOE, iyong mga gamit po ng procurement service, Your Honor.

REP. CASTRO (F.L.) Okay.

REP. SALCEDA. At iyan naman po ay self-funding dahil po iyong pambayad po diyan, because iyong atin pong ginagawa, iyong budget po is a funding authorization. Pero iyong sourcing, halos nama-match po noong 5 percent na itsina-charge po ng PS para po sa mga national government agencies na gumagamit ng kanilang facilities, Your Honor. So, I can easily,

Your Honor, ibibigay ko po iyong breakdown na iyan po sa resulta o sa records po nila for the first six months of 2018 kung saan po napunta—kung anong klaseng paggamit po na ang tawag po ay financial subsidy or financial assistance. Yes. Papalitan ho namin iyong pangalan dahil hindi ho akma sa kung ano ang paggamit.

REP. CASTRO (F.L.) Okay. Pupunta na po tayo doon sa mga last questions ko po regarding doon sa benefits naman.

At this juncture, Deputy Speaker Garin (S.) relinquished the Chair to Deputy Speaker Mercedes K. Alvarez.

REP. CASTRO (F.L.) On Collective Negotiation Agreement or CNA incentives, Mme. Speaker, distinguished Sponsor, as per General Provision ng fiscal year 2019, the approval of the CNA ay sa agency head and not anymore with the DBM.

Iyong pag-a-approve po noong pagfa-fund doon sa mga CNA incentives ay hindi na sa DBM at sa agency na. So, mayroon pong disadvantages kasi po sinasabi din po dito na iyong payment ay—the payment shall be made within the validity of the appropriation, which is now until December 31, 2019, but the savings are generally declared at the end of the year.

So, paano po ba mangyayari ito, Mr. Sponsor, Mme. Speaker, kasi parang mahirap po itong ganitong polisiya sa pagga-grant po ng CNA incentives? Iyong una, mayroon po itong conflict dahil nakalagay po sa rules ng DBM na ito po ay kukuhanin sa ilang mga part ng MOOE ng ahensya. On the part of the Department of Budget—Department of Education, alam naman natin, Mr. Sponsor, Mme. Speaker, na kulang na kulang po iyong budget po sa MOOE. So, malaki na nga iyong mga cost-cutting sa MOOE ah—ito ay ilalagay pa sa expenses ng MOOE, iyong CNA incentive. Matagal ko na itong ano eh—pangatlong taon ko na sigurong sinasabi ito na sana mabigyan ng kaukulang pondo iyong CNA incentives ng mga employees.

REP. SALCEDA. Siyempre po sa pagbigay ng CNA incentives po ay ibu-book po natin under MOOE dahil po iyon ay nanggaling sa savings po sa MOOE.

REP. CASTRO (F.L.). Kasi, Mr. Sponsor, prior to 2017, nailagay naman ito doon sa—may line budget naman po ito, so puwede po ba itong maibalik ulit iyong ganoong

REP. SALCEDA. Saan?

REP. CASTRO (F.L.) ...sistema po ng pag-a-allocate ng CNA incentive ng mga employees since

karapatan naman po ng mga empleyado itong pag-uunyon at isa po sa mga benepisyo nila na natatanggap mula dito sa kanilang pag-oorganisa at sama-samang pagkilos ay ito pong incentive na ito?

SUSPENSION OF SESSION

REP. SALCEDA. May I ask for one-minute suspension of the session because it is a very technical question and I think it can be answered quite directly by the experts—from the resource persons from the DBM, Your Honor. I move for a one-minute suspension of the session, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is suspended.

It was 6:06 p.m.

RESUMPTION OF SESSION

At 6:11 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is resumed.

REP. CASTRO (F.L.). Thank you, Mme. Speaker. So, in consultation with the personnel or staff of the Department of Budget and Management, as regards the CNA benefits of employees and teachers, so ang commitment po sa Kinatawang ito ay magkakaroon ng ASAP na consultation with the Department of Education at pag-usapan iyong source of fund para dito sa CNA benefits, at inaasahan po ng Kinatawang ito, Mr. Sponsor at Mme. Speaker, iyong immediate na report at, hopefully, makuhanan ng budget itong—mabadyetan itong CNA incentives ng ating mga empleyado at mga guro.

REP. SALCEDA. Pakiano po sa Sponsor, ...

REP. CASTRO (F.L.). So, hinihiling po natin sa ating ...

REP. SALCEDA. ... ilagay po in writing para may, masigurado ko po na ...

REP. CASTRO (F.L.). So, nagko-commit po ba ...

REP. SALCEDA. ... mayroon akong utang sa inyo.

REP. CASTRO (F.L.). ... ang ating Sponsor ...

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). ... na matulungan ang Kinatawangs ito ...

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). ... based doon sa pinag-usapan natin kanina?

REP. SALCEDA. Actually, may advance solution na po ang ating DBM Secretary na puwede po na—mas lalo pong mapabilis dahil po willing po siya na certain percentage po ng MOOE ay i-allocate na po sa CNA. Pero in the meantime po, Your Honor, iyong continuing dialogue po with DepEd para alam rin natin po kung saan kukuhanin po mismo iyong CNA. Baka naman po eh mag-set tayo ng certain amount, certain percentage pero po maliit lang din naman po iyong kinalabasan. So, Your Honor, I would appreciate a letter really, asking, reminding me of the commitments made by the DBM with respect to the CNA, Your Honor.

REP. CASTRO (F.L.). Okay, maraming salamat, good Sponsor.

REP. SALCEDA. Thank you, at sa lahat po ng mga susunod po na ire-raise mo.

REP. CASTRO (F.L.). Ah, oo. Ang ire-raise ko po iyong tungkol sa Magna Carta benefits. So, mayroon pong probisyon sa Republic Act No. 4670 na dapat ay taun-taon na pinopondohan ng Department of Education itong mga medical benefits, overtime pay, hardship allowance, pero doon po sa binanggit ko, hindi po talaga pinopondohan dito ever since ay iyong medical benefits ng mga teachers ...

REP. SALCEDA. Pinondohan ko po iyan.

REP. CASTRO (F.L.). ... ito po iyong Section 22 ng Magna Carta of Public School Teachers.

REP. SALCEDA. Pinondohan ko po iyan noong Chairman ako.

REP. CASTRO (F.L.). So, wala pa po ngayon, Mme. Speaker, Mr. Sponsor.

REP. SALCEDA. 2006 po, Your Honor, good for one year.

REP. CASTRO (F.L.). So, nagko-commit ...

REP. SALCEDA. Ang Nanay ko po ay may Magna Carta na iyon hanggang ngayon, eh usapin pa pala.

REP. CASTRO (F.L.). Oo, alam ko, Mr. Sponsor, na ang nanay ay teacher din.

REP. SALCEDA. Papa ko, teacher din.

REP. CASTRO (F.L.). Oo, at alam mo ito, itong batas ...

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). ... na ito na dapat ay mapondohang ng Department of Budget and Management. Ang ikinakatuwiran po ng DBM, Mr. Sponsor, Mme. Speaker, ay ayaw daw pong payagan ng DBM itong pag-a-allocate ng budget para sa mga medical benefits ng mga teachers.

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). So, ano po ang puwedeng mai-commit ng ating good Sponsor para po maglaan? Maglalaan po ba ng budget sa taong ito ang ating DBM para po doon sa medical benefits ng ating mga teachers?

REP. SALCEDA. Masasaklaw po kasi, Your Honor, ng bagong PhilHealth Act—iyong Universal Health Care Act—ang expanded health care benefits po ng public sector employees, kasama na po iyong mga teachers.

So, kung...

REP. CASTRO (F.L.). Mr. Sponsor, doon po sa interpellation ko sa Department of Health, napakasama ng performance noong sinasabi nilang check-up na Memorandum of Agreement with the Department of Education and the PhilHealth, more than 700,000 po ang empleyado ng Department of Education, pero ang kanila pong natutugunan lang ay wala pa pong 200,000. So, ang hinihiling po ng Kinatawangs ito, na dapat lahat po ng ating mga kaguruan at empleyado ng Department of Education ay maka-avail nito. Paano po mae-ensure ng Department of Budget itong benepisyo na ito na nakalagay sa R.A. No. 4670?

REP. SALCEDA. Isama ninyo na rin po iyan, kasi may ibinubulong sa akin na may bago daw silang ipapalabas na mukhang tutugon po ng buong-buo diyan sa inyong panawagan. So, pakilista na rin po doon.

REP. CASTRO (F.L.). So, ano pa po—secret pa po—surprise pa po?

REP. SALCEDA. Hindi ho secret po, hindi ho surprise. Basta...

REP. CASTRO (F.L.). So, ito po ba ay ano—mai-implement iyong pagbabago o...

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). ...magkakaroon ng pagpopondo...

REP. SALCEDA. Matutugunan po.

REP. CASTRO (F.L.). ...sa 2019?

REP. SALCEDA. Matutugunan po na—base po sa kung ano dapat po ang...

REP. CASTRO (F.L.). Okay, Mme. Speaker, with the commitment of our good Sponsor here na matutulungan tayo na magkaroon ng pagpopondo o pagbabago dito sa policy na ito regarding sa medical benefits—alam ninyo po sa ngayon, natutuwa po iyong mga teachers natin na nakikinig ngayon at nanonood na nagsisikap po iyong ating good Sponsor na matulungan ang mga kaguruan para, for the first time, makuha na nila itong benefits na ito since 1966.

Last na lang po, Mr. Sponsor, as regards the maternity benefits, alam ko po mayroon pong maternity benefits iyong ating mga teachers, pero ang problema po natin dito—ang problema po ng Kinatawang ito, Mme. Speaker, distinguished Sponsor, ay iyong paglalaan ng budget para sa mga substitute teachers. Kasi ang nangyayari dito, pinapasan noong mga hindi nagli-leave na mga teachers iyong mga klase, iyong mga estudyante noong mga nagma-maternity leave na mga teachers. Puwede bang maglaan ng mas malaking budget ang Department of Budget and Management kaugnay noong pagbabayad doon sa suweldo noong mga substitute teachers or personnel?

REP. SALCEDA. Iyong nakalagay po diyan sa budget as proposed po ng DepEd ay hindi ho binawasan—P2 billion po. At alam ko po noong ako po ay governor, halos lahat po ng SCF ko po ay inilalaan ko po talaga para sa mga substitute teachers po, Your Honor. Pero ang usapan po noon with the DepEd, magkakaroon kami ng priority na kapag nagkaroon po ng creation of new items, uunahin po iyong mga substitute namin. Pero sa ngayon po, Your Honor, ang sagot ko ay may P2 billion po doon sa budget para po sa substitute teachers.

REP. CASTRO (F.L.). So, sa tingin po ng Kinatawang ito, Mr. Sponsor, Mme. Speaker, kulang po iyong P2 billion sa isang taon.

REP. SALCEDA. So, 700,000...

REP. CASTRO (F.L.). Puwede po bang magkaroon ang Kinatawang ito para mas scientific tayong maglaan ng budget kaugnay nito, iyong experience po ng five years...

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). ...kung ilan po iyong mga nagma-maternity leave at nagli-leave, para malaman talaga natin kung ano iyong eksakto—mas makita natin...

REP. SALCEDA. Baka mayroon ka po diyan...

REP. CASTRO (F.L.). ...makita po natin iyong...

REP. SALCEDA. ...baka mayroon ka pong...

REP. CASTRO (F.L.). ...pinakamalapit na estimate na pagpopondo dito sa mga substitute teachers na ito or employees.

REP. SALCEDA. Baka mayroon ka po diyan na datos ready, Your Honor, na ang—from 700,000, tapos iyong women of reproductive health, tapos iyong—I do not know fertility, not fertility rate, but incidence of pregnancy among teachers, Your Honor. But if you have that, Your Honor, then we can have the factual basis for making a budget, because iyong P2 billion po, in-adopt lang po from DepEd, Your Honor. So, kung mayroon ka po diyan, iaabot ko rin po sa kanila. Bakit po kasi natin titikisin ang mga bata na mawalan po ng pag-aaral dahil lang po nabuntis iyong kanilang teacher? So, hindi naman ho dapat po iyon.

REP. CASTRO (F.L.). Okay po, isasama ko din po ito doon sa ibibigay kong sulat, ...

REP. SALCEDA. Pang-apat na po iyan na pangako.

REP. CASTRO (F.L.). ... reminder po sa ating good Sponsor, ...

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). ... para matulungan ang Kinatawang ito at makatulong din tayo generally sa ating mga kaguruan at estudyante kaugnay nitong mga benepisyo na ito.

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). So, with that commitment, Mme. Speaker, Mr. Sponsor, I end my interpellation.

REP. SALCEDA. Salamat.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Majority Leader is recognized.

REP. ALONTE. Mme. Speaker, I move that we recognize Rep. Antonio L. Tinio of the ACT TEACHERS Party-List for his interpellation.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Honorable Tinio is now recognized for his interpellation.

REP. TINIO. Maraming salamat, Mme. Speaker.

REP. SALCEDA. Bakit ang damping orange stickers iyang folder mo? Mukhang ang dami-dami yata ng ...

REP. TINIO. Mme. Speaker, yes, well, kaugnay pa rin ito sa ongoing discussion sa Cash-Based Budgeting. Noong sa Committee on Appropriations briefing ng DBCC, ni-raise na po natin ito, bakit, halimbawa, pati iyong mga MOOE ng mga napakahalagang ahensya delivering social services ay binawasan, kasama dito iyong Department of Education.

Narinig na natin iyong explanation sa pagbawas sa Capital Outlay budget na mababa ang utilization and so on, pero ang hindi po natin maintindihan, bakit halimbawa, kanina ay nabanggit na ang, halimbawa, sa Department of Education, ang budget para sa textbooks, iyong binanggit kanina, ito ay binawasan by 40 percent, from P2.9 billion currently to P1.7 billion na lamang. Iyong something like the School-Based Feeding Program, from P5.3 billion ngayon, ginawang P3.9 billion. That is a 25-percent reduction. Iyong para sa Inclusive Education Program, cut by 40 percent. So, we are talking about multi-grade education, indigenous people's education program, Madrasa education, and so on. Computerization program, from P8.6 billion, naging P4.2 billion, a 50-percent reduction. So, marami pa po iyan pero ang punto po, bakit pati iyong mga, kumbaga, core programs ng Department of Education ay binawasan ng napakalaki iyong kanilang MOOE?

Noong time noong budget hearing sa Committee level, ang sagot sa atin ni Secretary Diokno ng DBM, itanong ninyo iyan sa ahensya, hindi na kami ang makasasagot niyan. Noong tinanong ko sa ahensya, tinanong ko sa DepEd, itinuro na naman nila ang DBM. So, nagtuturuan po ang dalawang ahensya kung bakit binawasan ng malaki ang ahensya, ang mga programang ito. Hindi na ito usapin ng Capital Outlay. Sige na, narinig na natin, bagaman hindi necessarily tinatanggap na binawasan iyan dahil sa mabagal na o kapos ang absorptive capacity, pero kapag usapin na ng School-Based Feeding Program, paano idya-justify ng Sponsor, at saka ng DBM, na babawasan iyong School-Based Feeding Program o iyong sa textbooks?

REP. SALCEDA. Mme. Speaker, it is really a timing difference kasi lumipat tayo ng Cash-Based. Samakatuwid, iyong kalahati po ng school year, papalo

na po sa 2020. So, iyong 2019 na school year, 2019 to 2020, mako-cover po diyan iyong mga gastos o sa MOOE. Samakatuwid, Mme. Speaker, you have the word of the DBM that iyong seeming deductions are actually just a matter of timing difference. If we could have a multiyear Cash-Based budget—in 2020, it should start to normalize, then you can see the full budgeting. Sa 2020, both the second-half and the first-half will already be included in that budget but for next year's budget, Your Honor, it is only June to December that is covered by the 2019 proposed budget.

REP. TINIO. What about the January to March? Wala siyang pondo?

REP. SALCEDA. Kasi nga, Mme. Speaker, iyong budget sa ngayon na 2018 ay hindi pa Cash-Based, so, puwede pang i-obligate iyong mga current expenditure, current funding authorization to cover the January to March or January to April, Mme. Speaker.

REP. TINIO. So, iyon po ang paliwanag na ...

REP. SALCEDA. Opo.

REP. TINIO. ... iyong 2018 Budget, actually, ay budget hanggang June to— ...

REP. SALCEDA. Yes.

REP. TINIO. ... January to March?

REP. SALCEDA. Iyong MOOE lang po, Mme. Speaker, kasi puwede namang magtayo ng building kahit Enero, Pebrero, Marso, Abril.

REP. TINIO. Puwede silang magtayo pero they are required to obligate before the end of the year.

REP. SALCEDA. That is correct, Mme. Speaker. But, for the MOOE, what is being budgeted, with the budget that we are looking at because of the shift to Cash-Based Budgeting, is only for the budget that will essentially be obligated. Kaya po ang nandiyang po sa 2019, dahil iyong first-half naman ng 2019 o iyong tinatawag nating second semester ng school year, ay covered na po ng 2018. Pero, iyong bina-budget po natin ngayon for 2019 refers to the first semester of the 2019 to 2020 budget. So, iyong bawas na nakikita natin dito refers to the unbudgeted portion referring to the second semester of the 2019 to 2020 budget, which will be covered by the 2020 budget, Mme. Speaker.

REP. TINIO. So, ang sinasabi ninyo lang, let me get this clear, na under an Obligation-Based Budget,

ang DepEd noon, ang pinopondohan ng GAA is the school year.

REP. SALCEDA. Opo.

REP. TINIO. Hindi iyong ...

REP. SALCEDA. Kasi puwede nga pong gawin iyon, kasi dati po, noong una, one year plus one, so two years. Ngayon, one year and three months na lang, at saka, based po doon sa hybrid, one year plus, bale, 15 months, plus three, basically po. That is only for some of the other items, Mme. Speaker. The basic difference, Mme. Speaker, is really the 12 months—one year versus the current of one year plus three months.

REP. TINIO. Okay, Mr. Speaker, so, we have that explanation on record.

REP. SALCEDA. Yes.

REP. TINIO. Titingnan natin kung, on the ground, kung ganoon nga ang nangyayari sa budget, na may sapat na budget pa na hawak ang DepEd, ang mga eskuwelahan simula sa 2018 budget nila para sa unang hati ng susunod na taon.

REP. SALCEDA. Opo.

REP. TINIO. Okay, sigé.

Ngayon, on another matter, ito po, very specific, this is a concern I also raised during the deliberations on the CHED, as well as the budget for State universities and colleges. In particular, ito iyong need for funding for the promotion, the seventh cycle of promotion of ...

REP. SALCEDA. NBC.

REP. TINIO. Yes, the NBC 461, meaning, iyong promotion ng mga faculty sa mga State universities and colleges. This is for the period 2013 to 2016. The cycle period is 2013 to 2016. Nangangailangan po ito ng pondo na P2.91 billion, covering 107 State universities and colleges.

We are already talking about the 2019 Budget ...

REP. SALCEDA. Yes.

REP. TINIO. ... ngunit walang pondo na inilalaan ang DBM para dito.

Ngayon, naiintindihan natin na ayaw maulit noong mga faculty ng State universities and colleges na ilang cycles ang lilipas na hindi ito napopondohan ng gobyerno kaya po napapako sila mga posisyon, napapako ang kanilang mga suweldo at benepisyo. Magkakaepkto ito kahit sa retirement benefits nila, ang

hindi pagpondo ng gobyerno sa kanilang well-earned promotions. Some of them will be retiring na nakapako pa sa napag-iwanan na dapat na posisyon.

REP. SALCEDA. Mme. Speaker, ...

REP. TINIO. Ngayon, ang sinasabi na naman kung bakit hindi pinopondohan, dahil gusto raw ipaulit ng DBM iyong guidelines, and essentially, they want the faculty to reevaluate based on new guidelines that have yet to be approved, which is unfair.

REP. SALCEDA. Yes.

REP. TINIO. Kung gusto nila baguhin ang guidelines, i-apply nila sa susunod na cycle, G. Isponsor.

G. Isponsor, paano po ba madya-justify ...

REP. SALCEDA. Mme. Speaker, kung masasabi lang natin sana ngayon kung magkano iyon ...

REP. TINIO. P2.91 billion po.

REP. SALCEDA. Kaya nga. Eh may idinagdag na tayo na P1.4 billion doon po sa P52 billion. So, Mme. Speaker, mas madali na po, iyong idinagdag natin para sa SUCs na P1.4 billion doon po sa P52 billion, magdadagdag na lang tayo ng P1.5 billion, mako-comply na po natin iyang NBC.

I am with you, Mme. Speaker, in complying with the NBC, especially the seventh cycle, Mme. Speaker. So, we can work for sourcing additional P1.5 billion so that the P1.4 billion which we attached or allocated for SUCs in the realignment made on the first day of the budget plenary, dadagdagan na lang natin po ng P1.5 billion. I think, Mme. Speaker, it will not be difficult for the Committee to comply with something that will benefit—117,000? Ilan po sila?

REP. TINIO. It is 107,000 state universities and colleges.

REP. SALCEDA. Precisely, Mme. Speaker.

REP. TINIO. We are talking about around maybe 20 or 30,000 na ...

REP. SALCEDA. Professors.

REP. TINIO. ... faculty, yes.

REP. SALCEDA. Yes, Mme. Speaker.

REP. TINIO. Okay. Well, thank you very much for that very clear commitment on the part of the

distinguished Sponsor of this budget. So, we look forward to the action that will be taken at the proper time. Ngayon, Mr. Chair, Mme. Speaker, and G. Sponsor, ito iyong isang concern natin during the deliberations on the budget of the DBM—sorry, of the DPWH last night. I raised the issue, the controversial issue of the, well, the so-called P51.7 billion insertion into the budget of the DPWH. As you know, that controversy actually caused the delay in the deliberations on the whole budget. Essentially, that issue held the P3.7-trillion budget under consideration, hostaged for several days, before the House acting as a Committee of the Whole, made amendments to the General Appropriations Bill that we are now deliberating upon. So, realignments were made.

Last night, the Sponsor of the DPWH budget made an astonishing statement. According to him—I am talking about the honorable Representative Lobregat who sponsored the DPWH budget—the DPWH, including the Secretary himself, Mark Villar, essentially made a statement that the DPWH submitted a budget of P480 billion. That was the budget they submitted. However, in the National Expenditure Program submitted to Congress by Malacañang, the DPWH budget increased to P531 billion. So, Secretary Mark Villar, essentially disowned the additional P51.7 billion. Hindi raw nanggaling sa kanila iyon. I say that is an astonishing claim made by the Sponsor of the DPWH budget.

Kaya itinanong ko po, aba, kung hindi pala nanggaling sa DPWH iyong additional P51.7 billion worth of projects, saan nanggaling iyon? Paano naipasok iyan sa NEP na na-submit ng Malacañang sa Kongreso? Ngayon po, kung hindi po sa DPWH nanggaling, logically, sa DBM nanggaling ito. Kaya itinatanong ko po, ano po ba ang nangyari doon? Why does the Secretary of the DPWH say na hindi sa kanya nanggaling iyong the so-called additional insertions of P51.7 billion worth of infrastructures projects?

REP. SALCEDA. Mme. Speaker, these are the facts. The original request made by the DPWH to the DBM in their initial budget call was P651.55 billion. The preliminary ceiling set by the DBM after was P480.16 billion. Then eventually, Mme. Speaker, the DBM granted them a final ceiling of P555.7 billion, parang sardinas, and which was the basis for their submission for the NEP, Mme. Speaker.

REP. TINIO. Well, yes, kagabi iyon din ang sinabi ng Sponsor ng DPWH. Pero iyong nakakagulat nga sa statement ng Sponsor ng DPWH budget ay sinabi nila na pinaninindigan ni Secretary Villar ng DPWH na ang isinumite lang nilang mga proyekto sa budget ay itong P480.1 billion. Wala raw silang kinalaman doon sa dagdag pa na P51.7 billion na mga proyekto.

REP. SALCEDA. Iyong narration of events, Mme. Speaker, I would say, comes directly from the DBM. So it starts really with the request of the DPWH for P680 billion. Then it was followed by a DBM ruling giving them a ceiling of only P480 billion. Then, eventually, Mme. Speaker, through iterative planning processes, which are normal during budgeting, it was increased to P555.7 billion which, upon the submission of the DPWH, was entered into the NEP.

REP. TINIO. Okay. Well, you mentioned alternative budget planning processes.

REP. SALCEDA. No, iterative, Your Honor, because...

REP. TINIO. Okay, iterative.

REP. SALCEDA. Iterative.

REP. TINIO. Thank you. Okay. Sige, pero ito nga eh, ang claim ni Secretary Villar ay P480 lang iyong mga proyekto na na-submit nila.

REP. SALCEDA. I do not think ...

REP. TINIO. So, ang assumption ko doon, ito iyong nagdaan sa budget iyong...

REP. SALCEDA. Hindi po.

REP. TINIO. ... karaniwang budget preparation process. Ibig sabihin, kasama na diyan iyong consultation sa mga Regional Development Council.

REP. SALCEDA. Iyong na-submit po nila, P650 una. Then, na-cut po ng DBM to P480. Then, nagkaroon nga po ng iteration na tumaas po iyon sa P555.7 billion na siya pong naging basehan ng pag-submit ng final listing ng DPWH na pumasok po sa NEP.

REP. TINIO. Yes, I understand. Nagkaroon ng ganyang proseso pero sa kabila ng binabanggit ninyong facts, nananatili pa rin ang claim ni Secretary Villar na iyong na-submit nila na kaya nilang panindigan ay iyong P480. Kaya nga hindi sila umaalma, kaya iyong Sponsor kagabi ay hindi nagpahayag ng pag-alma sa ginawa ng House acting as Committee of the Whole to realign, to essentially take away P51.7 billion of the budgets that are already line items. Hindi sila umangal dahil sabi nila hindi naman nanggaling sa amin iyan.

Ang gusto ko pong malaman, ano po ba iyong kung hindi, kung ayon sa DPWH mismo hindi nanggaling sa kanila, saan nanggaling? Ibig sabihin, may mga, you know, usually sasabihin dito these are congressional insertions. Pero ako nga, gusto kong malaman ito kasi

usually iyong congressional insertion, mangyayari ngayon sa panahon na tinatalakay na dito during the budget authorization phase, habang nagde-deliberate diyan ipinapasok iyong so-called congressional insertions o congressional initiatives. In fact, iyon iyong official term na ginagamit mismo ng DBM. Pero, sa kasong ito, tila may nangyaring insertions during the budget preparation phase. And I would like to know exactly, in the interest of transparency, kung paano o anong proseso ang pinagdaanan niyan at ano ang naging papel ng DBM, because, ultimately, I hold the DBM responsible for the so-called insertions because that was the budget that the President submitted to Congress.

REP. SALCEDA. Your Honor.

REP. TINIO. So, maging transparent po tayo kasi naging ...

REP. SALCEDA. Transparent po iyan, Your Honor.

REP. TINIO. ... public na ang issue na ito, gusto ngayon malaman paano nangyari iyan.

REP. SALCEDA. Your Honor, sinasabi ko nga na binigyan sila ng mas mataas na ceiling, iyon iyong na-submit ng DPWH. I mean, very clear naman po, Your Honor, na binigyan sila ng P480. Nag-submit sila ng P650, isinauli, hanggang P480 ka lang. Tapos, nag-usap, nagkaroon ng mga consultation, ginawang P555.7. So, iyong final listing cannot emanate from the DBM, Your Honor, because it is always the IA or the implementing agency that makes the list especially their Central Office, planning offices. So, I guess, Your Honor, if you want an answer, we have to go back to the Central Planning Office of the DPWH.

REP. TINIO. Naririnig ko po ang sinabi ninyo, pero kaya nga sinabi ko, nagsimula ako sa pagsabi na iyong Sponsor made an astonishing declaration during last night's deliberations claiming that Secretary Villar essentially disowns the P51.7 billion. Hindi raw nanggaling sa kanila. Kaya nga itinatanong ko ngayon kasi normally ia-assume natin na iyan ang na-submit ng ahensiya, eh di paninindigan ng ahensiya iyan.

REP. SALCEDA. Opo.

REP. TINIO. Eh hindi po ganoon ang nangyayari.

REP. SALCEDA. I guess, Your Honor, I do not know how to add any further except probably to go—I think if you are looking for the sinner, Your Honor, the culprit must be in those who can submit the list, and the guy who can submit the list is the Central Planning

Officer of the DPWH because that is the natural—before Secretary Villar signs anything endorsing the final listing for the inclusion in the 2019 National Expenditure Plan, Your Honor, it will emanate from their central planning offices.

REP. TINIO. Well then, can we then be provided with the list of additional projects that were funded, sabi ninyo P480 ang na-submit, itinaas ang ceiling, naging P555 ba?

REP. SALCEDA. You mean your P650, Your Honor?

REP. TINIO. Yes. No, iyong additional.

REP. SALCEDA. Iyong P650, Your Honor.

REP. TINIO. Yes. Well, ang claim ni Secretary Villar, 480 iyong na-submit nila, so may karagdagan daw na P51.7 billion.

REP. SALCEDA. I do not know, Your Honor, but I probably have to refer to the records because the 480 can only emanate from the DBM because they set the ceiling. They submitted 650, the ceiling was set at 480, then after alteration, it became P555.7 billion, Your Honor. So, I guess, Your Honor, if you are looking for him, he must be a Central Planning Officer.

REP. TINIO. Well, I reiterate my request to the DBM, the list of additional projects that were included in the budget of, in the final budget submitted by Malacañan to Congress. So, iyong from 480 to—is it P555?

REP. SALCEDA. Yes, Your Honor. The problem I have with that is what would be the status of those projects that were eventually, essentially not included in the final list of the P555.7 billion. In short, Your Honor, the final submission of the DPWH will be as such, the P555.7 billion as submitted to the—then, Your Honor, the P555.7 is ...

REP. TINIO. All right. Well, alright, then let me rephrase my request. The House realigned P51.7 billion from the budget of the DPWH. Then, may we be provided with a breakdown of the P51.7 billion.

REP. SALCEDA. Which was slashed?

REP. TINIO. Which was slashed.

REP. SALCEDA. Yes, Your Honor.

REP. TINIO. Okay.

REP. SALCEDA. Yes, certainly.

REP. TINIO. Okay. Thank you. So, with that, Mme. Speaker, I end my interpellation. Thank you.

REP. SALCEDA. Thank you. Ngayon lang ako umayaw sa iyo ha?

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Majority Leader is recognized.

REP. PIMENTEL. Mme. Speaker, I move that we recognize Rep. Carlos Isagani T. Zarate of BAYAN MUNA Party-List.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Honorable Zarate is now recognized for his interpellation.

REP. ZARATE. Thank you, Mme. Speaker. Magandang gabi po sa lahat.

Will the good Sponsor entertain some clarificatory questions?

REP. SALCEDA. Opo, Sir.

REP. ZARATE. Thank you, Your Honor.

As preliminary, Your Honor, may we inquire how much is our national debt as of this moment.

REP. SALCEDA. P7.1 trillion, Your Honor.

REP. ZARATE. P7.1 trillion. And of this P7.1 trillion, for next year's budget, how much is our allocation to ...

REP. SALCEDA. Actually, we are paying P650 million of that, Your Honor, P320 million is interest payment, Your Honor.

REP. ZARATE. Thank you, Your Honor. And that is how many percent of our national budget?

REP. SALCEDA. Usually, Your Honor, you only use the IP or the interest payment as percentage of—so that would be, more or less, about 8 percent of the total budget.

REP. ZARATE. Eight percent of our ...

REP. SALCEDA. Total budget.

REP. ZARATE. ... budget for next year.

REP. SALCEDA. That is right, Your Honor.

REP. ZARATE. So, practically, Your Honor, what

we are debating here in Congress is only 92 percent of our national budget. Is that ...

REP. SALCEDA. Probably, Your Honor. In fact, you can slash also the IRA...

REP. ZARATE. Okay.

REP. SALCEDA. ... so, that is another P650 million, Your Honor. So, you are probably talking—if you exclude all the mandatories, Your Honor, you are talking about P2.2 billion.

REP. ZARATE. P2.2 billion.

REP. SALCEDA. P2.2 billion, Your Honor. That is really what we are essentially budgeting, Your Honor.

REP. ZARATE. Okay. So, P2.2 billion which means about...

REP. SALCEDA. That is the operating budget of the national government agencies, Your Honor.

REP. ZARATE. And it is how many percent of our national budget, Your Honor?

REP. SALCEDA. That would be already a very good figure, Your Honor, in terms of—if you look at them as essentially being not mandatory and, therefore, Your Honor, that would be about two-thirds—55 percent, Your Honor, of the total budget could be said to be non-mandatory or discretionary budget.

REP. ZARATE. Thank you, Your Honor.

REP. SALCEDA. In short, these are budgets that you can reallocate to the priorities that you want.

REP. ZARATE. Thank you, Your Honor, Mme. Speaker. Karamihan po noong dapat kong itanong ay nasagot na rin. Pupuntusan ko na lang po ng balik iyong usapin ng ating inflation.

REP. SALCEDA. Opo.

REP. ZARATE. We have a headline inflation in August at 6.4 percent and it is projected that by September, it can rise up to 6.8 or to 7 percent.

REP. SALCEDA. Opo.

REP. ZARATE. Pero nakakabahala po iyong sinabi ng Secretary ng DBM, si Secretary Diokno, na wala namang diperensiya iyon kung 6.4 o 6.8 dahil in the past ay mas mataas pa nga ang inflation. Hindi

ho katanggap-tanggap iyon dahil sa 6.4 pa lamang hirap na hirap na ang ating mamamayan at kung sasabihin nating aakyat pa ito sa 6.8 by September and probably by October ay ganoon din, lalo hong pasanin at pabigat na ito sa ating mga kababayan, Your Honor. So, is it now our policy na okay lang tumaas iyang inflation?

REP. SALCEDA. Ay, hindi po.

REP. ZARATE. Walang nakakabahala po diyan.

REP. SALCEDA. Kilala ko po si Secretary Diokno dahil simula pa po noong panahon ni Presidente Erap Estrada po, isa ho siyang kaaway ng inflation, subalit, Your Honor, siguro naabutan lang po na sa isang pag-interview na kung saan po sinasabihan niya na huwag naman eksaherado iyong mga—because there are exaggerated depictions or narrations or narratives, Your Honor, of the inflation issues in the Philippines. So, ang sinasabi niya it is not something na if you compare it, let us say to Venezuela or to Turkey, Your Honor, we are far away from it. But essentially what he was trying to say when he said that is that this still can be managed or controlled. So, concern ho iyan. Kilala ko po iyan dahil isa po ako sa talagang nagbabantay po sa kung anong sinasabi ng atin pong Secretary Diokno bilang isang ekonomista simula po 1998 hanggang ngayon. So, ang kanyang track record po kung patungkol po lalung-lalo na—kasi simple lang po ang inflation, Your Honor, itong lahat ng nandito natin hinahabol nating growth wala pa. Ang inflation po kung anong mayroon ka na, kakainin, tatanggalin sa iyo kaya hindi ho magandang patakaran ang inflation, Your Honor, kasi kung anong mayroon ka na, kakaltasin. Mahirap na nga pong habulin iyong dagdag eh di mas madali po siguro na kung anong mayroon ka na eh protektahan mo na.

So, sa pananaw pong iyan, Your Honor, kung nasabi man po iyan ng atin pong Secretary ng DBM, naniniwala po ako na ang ibig niya pong sabihin ay may mga measure na po ang gobyerno upang makontrol ang pagtaas po ng presyo lalung-lalo na ng basic commodities dito sa ating bansa.

REP. ZARATE. Salamat, Your Honor, Mme. Speaker. Certainly, I agree with you, Your Honor, na talagang hindi katanggap-tanggap and, in fact, itong latest na survey ng SWS, tinanong ang ating mga kababayan, “Kumusta ba ang buhay ninyo?” Ang sabi noong latest na survey taken from September 15 to 23—kasagsagan ng pagtaas ng inflation—sabi nila more Filipinos believe that their life has worsened in the past months at ito ay dahilan sa inflation. Now, ang sunod ko na tanong, Your Honor, noong pinagdebatehan natin iyong budget for 2018, for this year, na-factor in na rin iyong inflation?

REP. SALCEDA. Opo.

REP. ZARATE. Na-project na iyan ng mga economic manager. Sabi nila...

REP. SALCEDA. 2.4.

REP. ZARATE. ... two to four lang, but I think by March na-breach na iyong 4 percent. So, ano ang naging epekto nito, Your Honor? Can you enlighten us, dahil September ay—August, naging 6.4 na. So, anong epekto nito sa ating budget for 2018, Your Honor?

REP. SALCEDA. Sa ngayon po, Your Honor, unang-una, kung patungkol po doon sa paggastos ng 2018, mukhang kaya pa pong ma-absorb. In other words, hindi ho natin kailangan pumunta sa Contingent Fund kasi mayroon naman ho tayong pagkukunan ng para sa masasabi ho nating inflationary adjustment on the necessary expenditures or whether MOOE or iyong iba pa po na big ticket capital expenditure, Your Honor. Thus, Your Honor, there has been no recourse to the Contingent Fund which could provide, Your Honor, kung baga sa—additional resources po for items that may have exceeded their allowable budget, Your Honor.

REP. ZARATE. Thank you, Your Honor.

REP. SALCEDA. So, kaya pa...

REP. ZARATE. Kaya pa po...

REP. SALCEDA. Kaya pa.

REP. ZARATE. ... ng mga mayayaman siguro, Your Honor.

REP. SALCEDA. Hindi po. Kaya po ipursigi iyang budget based po sa 2018 framework, Your Honor. Hindi pa ho mababawasan iyong klase ng serbisyong binibigay po natin sa atin pong mga mamamayan na ipinangako po natin for 2018.

REP. ZARATE. Thank you, Your Honor. Incidentally, may we inquire, Your Honor, Mme. Speaker, ano naman ho ang projection natin for 2019 when it comes to inflation based on the current situation that we have now that inflation is spiking and there is no end in sight, and I heard, and I read some time ago, Your Honor, that in an interview mentioned, probably, that 4 percent ...

REP. SALCEDA. This year po...

REP. ZARATE. ... inflation will be next year pa natin ...

REP. SALCEDA. This year po, 5.1 ang average given already kung anu-ano na po pumasok plus the forecast po for October, November and December, Your Honor. For next year po, assuming po there is no further spike, although, we are seeing that the average that Dubai will go up is from \$70 to \$74, so that is an additional of about 6 percent spike in oil prices and, hopefully, that we can stabilize the peso. So, all being told, Your Honor, by next year, we might see inflation because of the high base in 2018 could ease down due to base effects to between 3.8 to 4.2 percent, Your Honor. I have just looked, actually, Your Honor, at my own model and I think iyon po ang lumalabas if you are ...

REP. ZARATE. Three point eight to four point ..

REP. SALCEDA. It is 3.8 to 4.2 percent, Your Honor.

REP. ZARATE. Four point two. Thank you, Your Honor. Incidentally, was there a study, Your Honor, conducted by our government agencies kung anong mga sektor ang talagang malubhang tinamaan nitong pagsipa ng inflation natin from January up to this time that we speak now.

REP. SALCEDA. Hindi na—natural, Your Honor, spatially, Your Honor, iyong mga mahihirap na probinsiya, mahihirap po na mga region, dahil nga po sa ang klase ng inflation lahat po ay food. Samakatuwid, Your Honor, iyong poorest provinces dahil ang kanila pong consumption basket ay kung ikaw po ang pinakamahirap na pamilya, 62 percent po ng lahat ng gastos mo buwan-buwan ay galing po sa pagkain at iyon po ang sumipa.

REP. ZARATE. Tama.

REP. SALCEDA. So, masasabi ho natin na in terms of—spatially, Your Honor, it would be ARMM, Region V, Region VIII, and CARAGA, but in terms, Your Honor, of income classes, that will be the lowest 40 percent.

REP. ZARATE. Lowest 40 percent.

REP. SALCEDA. Yes.

REP. ZARATE. Thank you, Your Honor. So, we can then consider the present inflation rate that we have as already serious.

REP. SALCEDA. Yes. Hindi naman ho na as if you would require a devaluation. No.

REP. ZARATE. Earlier, Your Honor, you mentioned that one of the factors that we still have to consider in next year's inflation ay kung ano iyong magiging presyuhan sa world market ng oil products, ano?

REP. SALCEDA. Iyon nga po, Your Honor, ang base po kasi, ang sa DBCC po, isinasangguni po ang karamihan po ng assumptions natin lalo na sa external sector sa BSP po.

So, iyong binigay po sa akin kanina ng BSP, tinitingnan nila na ang Dubai price ay magiging \$70.11 to \$74.28 per barrel next year po, Your Honor.

REP. ZARATE. Yes.

REP. SALCEDA. Iyan po ang average niyan next year. So, may nakikita pong pagtaas pa iyong average ng Dubai price po, Your Honor, at iyon po ang basehan ng ating batas.

REP. ZARATE. Thank you, Mme. Speaker, Your Honor. We continue to assert that talagang isa sa factor ng pagsipa ng inflation natin ngayon ay ang pag-implement natin ng TRAIN Law. Kahit ano pa man ang sabihin natin ay malaking factor ang TRAIN, especially sa ating mga mahihirap, at ramdan na ramdan na nila ang epekto nito. Sa batas na TRAIN, sinasabi natin doon na kung talagang magkakaproblema, halimbawa, sa oil products at aabot na ito sa \$80 per barrel sa tatlong buwan na magkakasunod ay isu-suspend ito.

REP. SALCEDA. Opo.

REP. ZARATE. But this will only apply sa susunod na taon na implementation noong tranches.

REP. SALCEDA. Iyong 225.

REP. ZARATE. Is there already a plan to suspend the implementation of excise taxes for next year, Mme. Speaker, Your Honor based on the fact na iyong pagsipa nga ng oil price?

REP. SALCEDA. Mino-monitor po ito, siyempre. Hindi naman ho insensitive ang economic managers natin kaya definitely, mino-monitor iyan. Kung ako ang tatanungin ninyo, siyempre, ipinagdarasal ko na sana bumaba na lang. This is a philosophical difference between us, especially me being an analyst. Kasi kapag iyan ay ibinababa natin, makikinabang si Ayala dahil 54 percent po ng lahat ng langis dito, ang kumakain ay iyong nasa top 10 percent ng buong bansa. Kapag tinanggal ninyo po iyan, ang binibigyan ninyo ng subsidyo ay hindi po ang mahirap, kaya nga po iyon ang pinakabalangkas ng TRAIN, na kung ano

man ang masagi, katulad ng binabanggit ninyo kanina na as percentage of their income probably, kasi mas masakit sa kanila. Dito ay tama po kayo pero in terms of kung iyan ay maibabalik natin kaagad kung anuman po iyong naging sagi, iyong binayaran ni Henry Sy at ni Ayala na higher taxes ay hindi naman natin isasauli. Iyon po ang pilosopiya sa kabuuan ng TRAIN. Pero aaminin ko po, Mme. Speaker, Your Honor, na sa ganitong konteksto, kung anuman ang itinaas ng TRAIN, halimbawa sa sahod ng isang ordinaryong mamamayan, baka mas mataas ang porsiyento noong TRAIN plus as percentage of their expenditure and so, in that sense, Mme. Speaker, Your Honor, masakit na dahil may tama. Ang naging problema lang po, iyong ating safety net ay hindi ho kaagad nailatag gawa nga na kailangan natin ng ID, at ngayon lang po tayo ay nagkaroon ng national ID system. Kailangan po ng iba pang mga proseso pero sa ngayon po, Mme. Speaker, Your Honor, 6.517 million families had already been given P2,400 each and only 3.5 million families remain to be given their Unconditional Cash Transfer benefit. Sa Pantawid Pasada naman, halos 117,000 na po ang nabigyan ng suporta. Pagpasensiyahan na po ninyo at mayroon tayong pagkakaiba.

REP. ZARATE. Naiintindihan ko po, Mme. Speaker, Your Honor.

REP. SALCEDA. It is a difference in view and to me, it is a very egalitarian issue—but you think it affects the poor so much—and therefore, I would rather get the rich scot-free and give them all the benefits of no taxes. For me, Your Honor, I would rather use those taxes to benefit the poor and so, it is a difference in strategy, Your Honor.

REP. ZARATE. Thank you, Your Honor, for that information. Iyon nga po ang masama dito dahil napangakuan natin ang ating mga kababayan, lalong-lalo na ang mga mahihirap, na—sige lang, ipasa natin ang mga buwis na ito, anyway, mayroon naman tayong safety nets, pero inamin na rin ninyo na huling-huli dumating iyong safety nets at kinolekta na natin mula sa bulsa ng mga mahihirap iyong buwis kaya sila talaga ang tinatamaan.

Incidentally, Mme. Speaker, iyong sinabi ninyo na pag-aaral na ang top 10 percent naman ng ating population ang kumokunsumo, halimbawa, ng oil, ganoon din ang sinabi natin noong ipinasa natin ang value-added tax measure. Halos cut and paste lang ang nagiging rason ng pamahalaan. May pag-aaral din na ang mga produktong ito ay ang top 10 percent ng ating population ang tatamaan dahil sila iyong kumokunsumo pero ang katotohanan, in the real world, ipapasa at ipapasa ito doon sa ating mga kababayan kahit na sinabi natin na ang excise tax ay doon mo naman ipapatong sa top 10.

REP. SALCEDA. Pero may kalaban sila and they are facing a downward sloping demand curve, Mme. Speaker, Your Honor. They have competitors so they cannot just impose or ram down the throats of ordinary consumers their pricing behavior. Mme. Speaker, Your Honor, at least to that extent, hindi mo basta-basta puwedeng i-pass on dahil unang-una, mawawalan sila ng market share; at pangalawa, may kalaban sila.

REP. ZARATE. Be that as it may, Mme. Speaker, Your Honor, ito nga ang lumalabas ngayon pagkatapos ipinasa natin itong TRABAHO. Naging dagdag na pakinabang ito doon sa mga mayayaman na at malalaking korporasyon, at inamin na rin natin dito na hindi naman ito revenue neutral. Talagang mayroong mawawala sa pamahalaan kaya to cushion—to our mind—that impact sa revenue na mawawala sa ating pamahalaan ay inuna na nga natin na kolektahin at pigain ang ating mahihirap na mga kababayan sa pamamagitan ng TRAIN 1.

I will now go to my last item of interpellation, Mme. Speaker, Your Honor, at ilang beses na rin tayong nagkakapalitan ng punto rito. Doon po muli sa usapin ng contractualization, dahil bilang pagbubuo lang, kabahagi ang DBM dito sa naglabas ng Joint Circular No. 1, pati ang Civil Service Commission at COA.

REP. SALCEDA. Opo

REP. ZARATE. Napakalaki ng epekto nito sa ating mga contractuales. Sa pagtataya po ba ng DBM, ilan ang maaapektuhan ng circular na ito at the end of December 31, 2018 sa mga job orders and contractual workers, contracts of service, memoranda of agreement, at ano pa mang katawagan sa mga kawani ng pamahalaan natin na mawawalan ng trabaho, o hindi na magkakaroon ng trabaho at the end of the year or at the beginning of January 1, 2019?

REP. SALCEDA. Sa national po ay 200,000, at puwede kong ipangako na halos wala pong masasaktan.

REP. ZARATE. There will be 200,000 workers out of the 800,000?

REP. SALCEDA. Opo.

REP. ZARATE. Overall?

REP. SALCEDA. Out of the 1 million po iyon, Mme. Speaker, Your Honor.

REP. ZARATE. That is 200,000 workers.

REP. SALCEDA. Opo.

REP. ZARATE. Tama po iyan. Ganoon talaga karami siguro iyan dahil sa datos nga ng Department of Agriculture na lang ay 10,975 ang contractuals at contracts of service. Sa BFAR, we have 5,943 pero ang karamihan o mas marami sa DPWH, DSWD, NAPC at iba pang mga ahensiya. Kahit nga nitong mga nakaraang araw, Your Honor, Mme. Speaker, kahit na iyong mga government-owned and -controlled corporations ay may contractuals din, pati sa SBMA, BCDA at iba pa.

At this point, Mme. Speaker, Your Honor, alam naman natin kung ano ang magiging epekto nitong Joint Circular No. 1 kaya tinutuligsa at nilalaban ito ng mga kawani natin sa pamahalaan na maaapektuhan nito. Ano po ba ang nakikitang solusyon o kahit na pagsasalubong man lang ng gobyernong ito sa mga kawani natin na maaapektuhan nitong Joint Circular No. 1 at the end of this year?

REP. SALCEDA. Siguro, ang sagot ko sa inyo simple lang— sana maging Chairman ako ng CSC at papadaliin ko po ang Civil Service examination. Iyon naman po talaga ang nagiging problema o ang pinakaproblema kung bakit hindi po sila nare-regularize. May solusyon, Mme. Speaker, Your Honor, at ang unang-una as a necessary first step, mukhang magkakaroon muna po ng extension iyong mga similarly situated contractuals pero it will take a certain process kasi siyempre gusto natin unahin iyong matagal nang nagtatrabaho po diyan pero hindi makapasa-pasa sa Civil Service examination. Based po sa average, only 8 percent ang nakakapasa sa Civil Service exams.

Hinihintay ko nga po iyong panukala ninyo na magkaroon ng substitute ang eligibilities para bilang isang legislative framework ay maging less disruptive and at the same time, we will achieve iyong ating goal na tapusin na po ang contractualization, lalong-lalo na po sa national government, because we should set and lead by example, Mme. Speaker, Your Honor.

By way of an answer, definitely, the predisposition of the DBM is only to allow extension to minimize disruption.

REP. ZARATE. Thank you, Mme. Speaker, Your Honor. We get that commitment now dito sa Plenaryo na i-extend ito.

REP. SALCEDA. Ito po ang pagkakasabi sa akin para wala namang sisihan. Halos wala—iyon po ang exact word. May masasaktan ba? Halos wala.

REP. ZARATE. Halos wala. Ilang porsiyento po kaya iyong halos wala, Mme. Speaker, Your Honor?

REP. SALCEDA. I think kapag lumagpas ka ng isa, hindi na iyon wala.

REP. ZARATE. At any rate, Your Honor, Mme. Speaker, ang pinag-usapan po natin ngayon are long-term solutions. Kaya ang gusto natin ngayon ay makita o mahanap, especially from the Department of Budget and Management, iyong kagyat na solusyon. Kami po ay nananawagan na, kung hindi man maibasura ang Joint Circular No. 1 na ito, ay i-defer nga iyong implementation noong Joint Circular No. 1. I am not moving to defer the budget of DBM, Mme. Speaker, Your Honor, but the implementation of Joint Circular No. 1. If the Department says it is now studying a possible extension para walang disruption sa serbisyo ng ating mga kawani sa pamahalaan, certainly, we welcome that, but of course we want a long-term solution. I am glad, Mme. Speaker, that the Gentleman mentioned that this Representation and BAYAN MUNA filed—and it is now in the Committee level—ang ating panukalang batas na House Bill No. 7415 to give a substitute Civil Service eligibility to our state workers or government employees.

REP. SALCEDA. Mme. Speaker, Your Honor, gusto sana kitang batiin ng Merry Christmas pero galing sa DBM kasi po ito at nakasulat po ito ng COA-CSC Joint Memorandum Circular, so, hindi ko ho maiko-commit. Your Honor, ang maiko-commit po ng DBM ay iyong pagkakaroon po ng pondo para sa extension ng puwedeng masaktan kaya nga ang sagot ay halos wala dahil kinukuha o isa din po sila na nagbibigay ng mga inputs para doon sa bagong Joint Memorandum Circular na mag-aamyenda po doon sa JMC 1. So, Your Honor, sa pananaw ko ay Merry Christmas pa rin.

REP. ZARATE. Thank you, Mme. Speaker, Your Honor. Puwede naman o tama po na ang kalakhan ay sa COA at sa Civil Service.

REP. SALCEDA. Opo.

REP. ZARATE. Pero alam naman po natin ang poder ng DBM sa buong burukrasya natin at sa katunayan, talagang napaka-makapangyarihan ang DBM sa usapin ng budget at iba pa. Sa mahabang talakayan nating debate rito sa budget, palaging napupunta sa DBM iyong mga usapin.

REP. SALCEDA. Ang uwi palagi ay sa DBM, opo.

REP. ZARATE. Again, we welcome that commitment from the DBM na bigyan ng kagyat na solusyon itong problema ng ating mga, hindi lang isang libo, dalawang libo, kung hindi dalawang daang libong mga kawani sa pamahalaan.

Maraming salamat po, Mme. Speaker, Your Honor.

REP. SALCEDA. Salamat din po.

REP. ZARATE. On that good note, Mme. Speaker, Your Honor, I will end my interpellation. Maraming salamat, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Majority Leader is recognized.

REP. PIMENTEL. Mme. Speaker, I move that we recognize Rep. Arnel U. Ty from LPGMA Party-List.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Honorable Ty is now recognized for his interpellation.

REP. SALCEDA. Thank you, Mme. Speaker.

REP. TY. Mme. Speaker, may I ask a few questions to our distinguished Sponsor?

REP. SALCEDA. Yes, Mme. Speaker, Your Honor.

REP. TY. Sa maraming pagkakataon, ang Representanteng ito ay palaging nagtatanong doon sa iba't ibang departamento tungkol po sa budget nila. Puwede po bang malaman iyong procedure natin ng pag-approve or pagbibigay ng sa rekomendasyon ng isang departamento sa pangangailangan sa pananalapi. Kadalasan, kapag tinatanong ko po ang ating mga departamento sa committee hearings, palagi silang nagsasabi: "Sapat lamang po iyong aming sinasabmit." Pero kapag dumating na po ang ating NEP or ang ating GAB, kulang na iyong naaprubahan ng Department of Budget and Management. Papaano po ba ang wastong proseso para naman magabayan kami rito?

REP. SALCEDA. Lahat po nagsisimula sa zero o Zero-Based Budgeting, Mme. Speaker, Your Honor, at sa kung ano po ang iniatas ng national government base sa charter ninyo o sa EO 292--kung ano ang mga role na gagampanan ninyo sa ating lipunan. Idadagdag pa diyan kung ano ang national goal na na-set ng ating Pangulo o ng ating Kongreso, kung gusto nating maging upper income class, mas mabawasan ang poverty o mas pantay-pantay at patas po. So, lahat iyan, may role po ang lahat ng departamento.

Kapag iyan po ay nakikita na natin o nakonsidera na po natin, magsisimula na po tayo from zero doon po sa masasabi nating Tier 1, or before the Tier 1, iyong mga mandatory. Magtatanong tayo: Ilan ho ba iyong tao ninyo? Sapat na ba ito o kailangan bang ninyo magdagdag? Sasabay na po diyan iyong mandatory na mga implications noong mga rulings po ng Supreme

Court, kung pinapadagdagan po ng suweldo o ng DBM, kung may pinirmahan pong bagong CNA. Then, Your Honor, Mr. Speaker, pupunta na po tayo doon sa Tier 1. Ito po iyong may pagka-discretionary, kung ano po iyong masasabi natin, kasi iyong pasuweldo po—hindi ba—halos lahat naman may tao kaya may pasuweldo, pero ito na po iyong mga proyekto na gagawin mo para po ma-achieve mo iyong mandato mo; at pangalawa, para makapag-contribute ka sa national goal o sa Philippine Development Plan.

Then, mayroon pong tier 2 at iyan na po iyong masasabi nating "wish list." Ang ibig sabihin nito, mayroon kang naiiba, na kung ikaw ay bibigyan nila ng pera, mas bibilis ang takbo ng ekonomiya, mas bababa ang poverty, o mas dadami ang investors dito sa Pilipinas. Samakatuwid, Mme. Speaker, Your Honor, ito po iyong masasabi nating proseso kung papaano nabubuo ang budget bago dalhin sa atin dito sa Kongreso. Iyan po ang proseso po pero kung pabalik-balik, at kapag Pebrero na po, sasabihin ng DBM, "Oy, ito iyong ceiling ng lahat ng gastos sa gobyerno" and so, sa ating mga departamento ay may budget call po dahil sasabihin ng DBM, "Oy, hanggang dito ka lang muna." Usually, sasabihin nila "hindi," so, lalampas siya.

Katulad ngayon, binigyan ng DBM ng P480 billion na ceiling ang DPWH pero ang nasabmit po niya ay P655 billion kaya mapupunta na po ito ngayon sa isang proseso o sa isang bureau sa DBM. Kung sa DPWH, Bureau A at doon po sa Bureau A, iisa-isahin na—Ito ba iyong mga proyekto na makakapag-achieve ng mga OPIF o iyong tinatawag po nating indicators na gusto ipakita ang kontribusyon ng departamento sa pangkalahatang national effort towards development. Then, maaaring sabihin ng DBM, "Sumobra ka ha, ibabalik ko iyan sa iyo, so, ikaw na ang bahala na magtanggap." Basically, Mme. Speaker, Your Honor, babalik ito doon sa dating departamento kasi sabi ng DBM, "Magtanggap ka at hanggang 480 lang talaga tayo" pero binalik nila ang nakalagay at sinabi nila, "Puwede ka hanggang 555.7." Sa tingin ko ho, Your Honor, Mme. Speaker, most situations in most government agencies, whether GOCCs or ordinary implementing agencies, would follow the same process—it all starts with zero.

REP. TY. Maraming salamat po, Mme. Speaker. Ang tanong ko lamang po sa inyong paliwanag, lumalabas po rito na itong budget na inilalaan sa isang departamentong humihingi ng budget requirement niya, ang focus ng DBM ay makapagpatupad ng serbisyo ang departamento.

REP. SALCEDA. Opo.

REP. TY. Iyan po ang inyong binabanggit.

REP. SALCEDA. Opo.

REP. TY. Subalit ang tanong ho ngayon diyan, kasi kasama ho diyan iyong wish list nila, ito ang pangangailangan nila upang ma-deliver ang kanilang mga tasks pero hindi ho ito sasapat. Tinatanggap naman ho ito ng DBM, dahil ang ibig sabihin, mayroon hong pinagkukunan ng halaga ang isang departamento sa pangangailangan nito, na kapag ganito kalaki, ito ang kanilang kayang i-deliver. Ngayon, kung ito ay binawasan, ang ibig lamang sabihin ay tinatanggap po ng DBM na bababa po iyong performance noong isang ahensiya na iyon. Ganoon po ba?

REP. SALCEDA. Tama po. Kung minsan po, kung sasabihin ng departamento, “Kapag binigyan mo ako ng 100, ito ang made-deliver ko,” pero may presumption po doon na iyon ang priority ng Presidente. Halimbawa, magde-deliver ako ng 100—ewan ko kung anong klaseng example kasi drugs ang nasa isip ko, parang ganoon, Sir, so, depende po. Ito ba iyong objective talaga ng national if you can deliver a certain magnitude that will contribute to the national objective, Your Honor? Kaya depende rin po sa kung anong pananaw ng ating Pangulo at ng buong Gabinete kung ano po iyong mahalaga na dapat magawa ng gobyerno, kasi kahit sabihin pa natin na mas marami akong magagawa pero kung hindi naman po iyon ang kanilang priority ay hindi ho maibibigay iyong budget na hinihingi.

REP. TY. Opo. Ngayon, sa pangangailangan ng isang departamento ng kanyang pondo at nabawasan ito, subalit mayroon pa rin siyang target na kailangang i-deliver, sinusuportahan ho ba ng Department of Budget and Management kung ang departamentong ito ay nag-exceed sa kanyang deliverables—ang ibig po bang sabihin nito, sa susunod na taon ay pag-uukulan siya ng mas maayos o mas tamang pananalapi kapag siya ay humingi ng kaukulang pondo? Dahil tandaan po natin na lahat naman po, taun-taon, tayo ay humihingi ng pondo at sa report din po na sinasabmit sa Kongreso sa ating budget deliberation, mayroon po siyang mga nade-deliver at iyon ang tinatanong ko—ito po ba ay nagiging dahilan upang mabigyan ng additional fund ang isang ahensiya kapag kahit na sa isang limitadong pondo ay nakakapag-deliver siya, exceeding what the department had promised to deliver?

REP. SALCEDA. Sa tingin ko naman, Your Honor, may guhit po iyon., ang ibig sabihin ho ay mas paborable ang pananaw ng DBM kung masasabi po nating iyong mga hinihingi po ng departamento at iyon din po ang kahinaan ng isang public institution dahil kung sa private po ginawa iyon, lumaki na sana iyong profit at mula doon sa profit na iyon, madali pong magkaroon ng profit sharing. Kaya iyon po ang kahinaan ng

management incentive system sa pagtrabaho sa isang gobyerno dahil hindi natin nabibigyan ng kaukulang insentibo iyong magagaling o iyong nag-out perform po sa kanilang mga targets. Sa pagkakaalam ko, halimbawa, sa Bureau of Customs, sa Bureau Internal Revenue, mayroon po sila noong Attrition Law kung saan kapag lumampas ka sa target na na-budget ninyo, may share po iyong buong unit ng Customs o ng BIR, dahil parang mayroon silang stake doon sa magandang performance ng kanilang bureau.

Kung kaya lang po siguro natin na malagyan ng pera o ng financial—kumbaga, sa lahat po ng tao sa Pilipinas, bago ma-serbisyuhan ng isang government agency, mayroon silang sample kung ano iyan. Parang PERA, doon lang nila ibibigay kapag maganda ang performance, although hindi ito PERA talaga, so, puwede siguro na magkaroon tayo ng basehan kung paano po bibigyan ng reward iyong magaling na performance ng isang unit or iyong isang agency, Your Honor.

REP. TY. Maraming salamat po. Ang kadahilanan kung bakit ko po naitatanong ito ay upang sa darating na mga panahon, maisa-suggest natin ito sa mga ahensiya na palaging nagrereklamo sa atin na bakit ito lamang ang pondo nila kapag tayo ay nag-i-interpellate at sinasabi nila pa, “kasi po ito lamang ang ibinigay sa amin ng DBM.” Naintindihan ko iyong Bureau of Customs at ang BIR because they are income generating.

REP. SALCEDA. Opo.

REP. TY. Sila po ang nagpo-provide ng ating pananalapi sa ating taun-taon na pangangailangan kaya madali hong sabihin na ito ang target nila at kapag na-hit nila—or kaya naman, ang gastusin ho nila ay mas maliit kaysa sa nako-contribute nila sa ating pamahalaan dahil sila naman po talaga ang money generating na ahensiya para ho matugunan natin itong mga pangangailangan natin taun-taon.

Bigyan ko lang ho ng isang halimbawa, kasi ito po ay malapit sa aking puso, ang Department of Energy at saka ang DILG. Umpisahan po natin doon sa Department of Energy. Taun-taon, ako po ay nagtatanong tungkol doon sa EMB, iyon hong Energy Management Bureau nila, na nagmo-monitor ng maraming mga gasolinahan at petroleum terminals, subalit iyong kanilang pondo po ay lubos na napakaliit samantalang sila ang isa sa mga in-charge doon sa income na nako-contribute po ng Malampaya. Ang tanong ko po doon—bakit po ba taun-taon na lamang ay hindi ho natin mapag-ukulan ng sapat na pondo para makapag-dagdag sila ng tao at saka ho ng Capital Outlays? Kapag papansinin po ninyo ang departamentong ito, talagang kulang na kulang po ang kanilang assets, ang ibig sabihin, mga sasakyan, tao. Ano po ba ang puwede nating magawa at puwede

nating mai-share sa kanila at sabihin, “Ito ang dapat ninyong gawin upang ang inyong pangangailangan ay maibigay sa inyo.” Ang layo po kasi noong hiningi nila sa naibigay, Mme. Speaker.

REP. SALCEDA. EIMB?

REP. TY. Iyong OIMB ho, Oil Management Bureau po ng Department of Energy. Tandaan po natin, sabi ko nga ...

REP. SALCEDA. Magkano po iyong budget nila?

REP. TY. Hindi ko na ho matandaan pero ako po ay nakakasiguro na lubhang napakaliit po noong kanilang pondo para sa task o iyong kanilang obligasyon na dapat gawin. Tandaan po natin, may 4,000 libong istasyon na kailangan nilang i-monitor pero ang tao lamang po nila diyan ay hindi ho sobra sa 100.

REP. SALCEDA. From the bureau?

REP. TY. Iyan po ang aking palaging itinatanong taun-taon na lamang, kung bakit ba hindi nila madagdagan ang kanilang mga personnel at assets tulad ng sasakyan. Kapag tiningnan po ninyo ang kanilang Capital Outlays, lubos na napakaliit po niyan, samantalang malaki ang contribution nila sa pamahalaan mula sa Malampaya exploration na sila po ang humahawak.

SUSPENSION OF SESSION

REP. SALCEDA. I move for a one-minute suspension of the session.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is suspended.

It was 7:30 p.m.

RESUMPTION OF SESSION

At 7:31 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is resumed.

The Sponsor is recognized.

REP. SALCEDA. Your Honor, tama po kayo. Noong panahon po ni Marcos, napakahalaga po ng unit na ito ng DOE kasi ito po halos ang nagbabantay ng ating OPSF. Sa ngayon po, Your Honor, kung mabibigyan mo po kami siguro ng justification, tatanggapin ko po. Tatal, nasa P15 million pa, at kung anuman po ang kailangan nila, wala ho akong rason para tanggihan.

REP. TY. Maraming salamat po. Ang akin lang po sanang hiling ay kung puwede ito sa susunod na taon.

REP. SALCEDA. Hindi na ho, para na po sa budget ngayon.

REP. TY. Iyong pangangailangan lamang ho nila, mas alam naman po ng Department of Energy kung ano po iyong nasabmit nila dahil ako naman po ay susunod lang doon sa kanilang wish list. Ang pagkakabanggit po nila sa akin ay kailangan po nila ng mga sasakyan upang makaikot sa lahat ho ng mga istasyon sa buong bansa.

REP. SALCEDA. Opo.

REP. TY. Ang nakikita ko po, binanggit po nila during the Committee hearing that they need at least 50 vehicles pero masyado hong malaki iyon at kung tutuusin, puwedeng bawasan. Iyon po ang pangangailangan po nila ...

REP. SALCEDA. Nasa 15 po?

REP. TY. Hindi—5-0 po. Nationwide po kasi itong pinag-uusapan natin dito pero, ang ibig kong sabihin, ito naman pong Representanteng ito ay hindi naman po ipipilit ito.

REP. SALCEDA. Nandito si Secretary. Kung anuman ang sabihin mo ay nakikinig po si Secretary Diokno. Mas maganda po rito, Mme. Speaker, if the honorable Congressman can just give me a letter and I will certainly push for it in this current budget, Your Honor.

REP. TY. Salamat po.

REP. SALCEDA. Whatever it is, for as long as it is not 50. Just make it more reasonable, Your Honor.

REP. TY. Opo, salamat po. Ganoon din po siguro ang aming puwedeng i-propose, dahil ito naman ho ay galing din sa kanila, na dagdagan ang mga tauhan at mga abogado ho sa kanilang legal team. Marami ho silang kaso ngayon na hindi maaksiyunan sapagkat, sa akin hong record, ay lilima lang ho ang abogado ng departamento po nila.

REP. SALCEDA. Iyan po talaga, masasabi ko sa inyo, na sa budget po ay puwede kitang ilaban pero sa creation of positions po, Your Honor, baka puwede mag-reallocate—susubukan ho namin mag-reallocate ng iba pong unfilled positions sa DOE at ilalagay po namin sa OIMB para puwede ninyong i-fill-up ito.

REP. TY. Maraming salamat po Aasahan ko po iyan.

REP. SALCEDA. Mga ilan ho?

REP. TY. Kayo na po ang bahalang maglagay dahil ang importante lamang ho ay madagdagan. Iyon lamang ho. Siguro, mas simpleng hiling na, sa pananaw ko, ay mas matutugunan rather than ipapangako natin na hindi maibibigay.

REP. SALCEDA. Alam po ninyo, kilala ko ang office na iyon at alam ko po na may mahalaga silang role na ginagampanan para po sa ating consumer welfare, kaya very important po na anything that promotes consumer welfare ay nandiyan po ako. Kasama mo ako diyan.

REP. TY. Maraming salamat po.

REP. SALCEDA. May 172 items po na bakante ang DOE. Siguro, mga 10 ang ililipat namin sa OIMB.

REP. TY. Maraming salamat po. Anuman hong karagdagan ay malaking tulong para ho sa kanila.

REP. SALCEDA. Salamat po.

REP. TY. Ngayon po, after the DOE, at ang sabi ko nga ay dalawang ahensiya lamang naman po ang aking pong tinututukan dito, at ang pangalawa po ang Bureau of Fire Protection at total naman ho ay 19 minutes pa lang naman. Ang isa hong suliranin at palagi kong pinoproblema dito, sabi nga ho ninyo maliban sa income generation, which is, ito po iyong aking idinidepensa dahil iyong DOE ay nakapag-provide naman ng sapat na income sa ating gobyerno.

Pangalawa, serbisyo. Nakikita ho natin ang pangangailangan at importansiya ng Bureau of Fire Protection, at kapag tiningnan po natin iyong kanilang tinutugunang responde taun-taon, umaangat po iyong bilang. Nasa record po naman iyan na since 2016—doon na lamang po tayo mag-umpisa sa 2016—2017 at 2018, ang mga natugunan po nilang sunog taun-taon ay umaangat ho ng almost 15 percent. Iyan po iyong kanilang record na naibigay po noong nakaraang araw nang ako po ay nag-interpellate sa kanilang pangangailangan sa budget.

Kung titingnan po natin iyong kanilang Capital Outlays, taun-taon ho, ito ay nagsi-see-saw. Ang ibig sabihin, may panahon na umangat ng kaunti pero may panahon na malaki ang ibinagsak. Halimbawa po, 2016, ang kanilang Capital Outlays is P750 million. Pagdating ng 2017, bumagsak po ito ng P543 million samantalang ang nirespondehan po nilang sunog ay umangat po ng 20 percent. Itong 2018, umangat ho ang kanilang budget ng P654 million subalit hindi ho ito katumbas noong budget na nakuha nila noong 2016 samantalang ang kanilang nirespondehan ngayon ay umangat na naman ho ng another 20 percent.

Iyon po ang aking katanungan. Bakit po ang kanilang Capital Outlays ay hindi maibigay sa kanila samantalang ito po iyong pangangailangan nila upang sila ay makapagresponde ng tama? Tandaan po natin, iyong binabanggit ho nilang figure dito na kanilang fill-in sa kanilang fire trucks ay umaangat daw ho, taun-taon, ng only one percent. Noong tinanong ko po iyan noong nakaraang araw, kung ilan naman po ang taun-taon na nasisira at nagiging junk na sasakyan nila, ang sabi po nila ay ito ay umaabot ng 150 taun-taon. Ang ibig sabihin ho, we are infusing 56 fire trucks, but we are now o ang na-junk po or hindi na ho natin nagagamit ay 150 fire trucks. So, ibig sabihin ho, bumababa po iyong kanilang fill-in sa bawat probinsiya, city, siyudad at munisipyo.

REP. SALCEDA. Opo.

REP. TY. Ano po bang puwede nating magawa rito?

REP. SALCEDA. Unang-una, Your Honor, nakasaad po doon sa Special Provisions na puwede nilang gamitin up to P1 billion ang kanilang fire fees. Nakalagay po dito, “Fire Code Revenues—In addition to this amount”—nasa budget natin ito—“herein”—iyong nandiyan po—“one billion pesos (P1,000,000,000.00) shall be used for the modernization” et cetera. Then, it reads: “rescue equipment sourced from 80 percent of the taxes, fees and fines collected in accordance with Section 13 of Republic Act No. 9514.” Pangalawa po, Your Honor, sa mismo pong budget ay may nakalagay po dito na para sa mga fire trucks na na-source from the regular budget, mayroon po silang P811 million this year at P845 million dito po sa budget next year.

REP. TY. Maraming salamat po doon sa pagpapaalala. Ito po ang akin hong nadiskubre noon sila ay tinatanong po natin. Since 2010, iyong pong kanilang Special Provisions on Fire Code Revenues ay taun-taon ho ay umaangat and in fact, they are exceeding their target, base ho doon sa report nila. Ang pinagtatakahan ko lang ho, maging sila ay humihingi ng tulong mula sa atin sa Kongreso, na kahit ang total collection po nila ay umaabot na po ng P9 bilyon, hindi pa rin ho sila nakakapag-procure kahit na isang truck dahil ang sinasabi po nila, hindi ho nila ito makuha sa National Treasury. Samantalang pagdating po sa Special Provisions, ito po ay naka-earmarked for modernization. Ano po ba ang nangyayari ngayon, Mme. Speaker, paano ho ba natin masosolusyonan itong tulong na puwede nating ibigay sa Bureau of Fire Protection samantalang ang nakukuha lang nila taon-taon for Capital Outlays, it is only an average of P600 million at ang pangangailangan nila na fire

trucks ay umaabot sa halos 4,000 ang kanilang target na kailangang mabili. Mayroon ho palang P9 billion mula 2010 hanggang 2017 na hindi ho magamit dahil po hindi ho naibabalik sa kanila kahit ho mayroong tayong probisyon na sinasabi po nating ito ho ay naka-earmarked for modernization.

REP. SALCEDA. Opo, P9 billion nga ang nandito. Ang taon-taon pong kinikita ay P2 billion pero mayroon naman pong special provision na puwede nilang gamitin ito. Sino ba o ano bang bureau, Your Honor, baka puwede ninyo pong ipanukala kasi nandito pa ang atin DBM Secretary dahil open naman po sila na gamitin nila ng buong-buo? So, ang importante lang ...

REP. TY. Opo. Ang tanong lang po ay kung paano natin matutulungan ang Bureau of Fire Protection na makuha ang perang iyan sa National Treasury sapagkat hindi naman ho dapat nasa National Treasury iyan dahil mayroon ho tayong special provision that this is earmarked for modernization.

REP. SALCEDA. Your Honor, kung kaya siguro na at least may P1 billion dito, may P800 million doon, hindi po P1.8 billion—baka gusto ninyo pong ilipat sa Procurement Service ng DBM? Naririnig ko na palagi rin naman ho iyan na nagkakaproblema po sila sa procurement, so, ang pinakamabilis po nito ay kung iyong P1 billion na authorization na incremental plus P800 million na organic.

Your Honor, tumatango-tango naman si Secretary na, kung gusto po ninyo, ay sabihan lang ninyo po si Director Leonard R. Bañago at sa Procurement Service na lang po ng DBM para hindi na po tayo dumaan pa sa napakarami pong paraan. Marami po akong naririnig na procurement problems po talaga sa Bureau of Fire Protection, at saka hindi dapat po maging dahilan iyon dahil magaling naman po sila at maganda po ang kanilang koleksiyon.

REP. TY. Opo.

REP. SALCEDA. Samakatuwid, Your Honor—iyon po, tumango ulit si Secretary Diokno na kung puwede po kayo na lang po o baka puwede pong sabayan ninyo na lang si Director General Bañago sa atin pong Secretary ng DBM patungkol po dito sa procurement, kasi kailangan na kailangan din naman po ng mga fire trucks.

REP. TY. Tama po. Nabanggit naman din ng Bureau of Fire Protection na hindi ho sila tumututol sa anumang paraan, mapabilis lamang iyong kanilang pag-procure ho ng mga firetrucks. Kaya nga po naisipan ko hong magtanong ngayon sapagkat alam

ko pong nandito iyong ating Sekretaryo na maaaring makatulong upang masolusyonan itong pondong matagal nang hindi nagagamit. Iyon naman po ang talagang suliranin ng Departamentong ito, mayroon pong pera pero hindi ho nama-maximize. Iyon lang naman at pareho ang ating objective na magamit po ito.

REP. SALCEDA. Opo.

REP. TY. Kaya po, hindi ko alam ang kasagutan kung paano gagawin. Kayo ang mas may eksperyensiya po diyan G. Sponsor, kung paano po ang dapat nating gawin.

REP. SALCEDA. Puwede ho akong kumuha ng special—puwede ho akong humingi ng one minute suspension para po makausap lang po ng Congressman ang Secretary ng DBM?

SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is suspended.

It was 7:44 p.m.

RESUMPTION OF SESSION

At 7:44 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is resumed.

The Honorable Ty is recognized.

REP. TY. G. I sponsor, nabanggit naman po ni Secretary na mas mapapabilis kung sa kanila na po ang procurement. Kung maaari lang po dahil ito naman po ay hindi kakayanin ng isang Representante na pilitin ang Bureau of Fire Protection na i-assign itong collection o revenue po nila dahil sinasabi po nila, during the time na kami ay nagtatanong sa kanila, ay wala daw ito sa kanila at nasa National Treasury, subalit sila ho iyong may karapatan na ilipat ito sa Department of Budget and Management for the procurement. Ang nagiging suliranin ko, dahil hindi ko rin ho alam ang dapat gawin, ay papaano ho ba natin maiaalis o matatagal sa National Treasury itong perang umaabot na sa P9 billion upang magamit ito ng Bureau of Fire Protection or magamit ho ito ng Department of Budget and Management for them to procure these for the needs of the Bureau of Fire, for the intention of their modernization?

REP. SALCEDA. May SARO po, Sir, at nag-

issue na po sila ng SARO para maibigay nga po iyong P1 billion.

REP. TY. Kailangan po bang ako ang magsabi sa Bureau of Fire Protection or mayroon po ba tayong oversight sa Kongreso upang pilitin natin ang Bureau of Fire Protection.

REP. SALCEDA. Transparent naman ho tayo dito, Your Honor.

REP. TY. Alam nga natin na pare-pareho tayong may naririnig na anomalya sa kanilang pagpo-procure ng mga fire trucks.

REP. SALCEDA. Hindi ho.

REP. TY. Ano po ba ang pinakamagandang suggestion po ninyo upang matapos na po natin at masolusyonan ang problemang ito?

REP. SALCEDA. Hahanapin ko po iyong kopya ng SARO at ibibigay ko po sa inyo at kayo na po ang pumunta kay Secretary Diokno.

REP. TY. Marami pong salamat.

REP. SALCEDA. Grabe naman ito.

REP. TY. Doon po tayo ngayon sa TRAIN 1, at ang katanungan ko po kasi involves the budget of the national government dahil po sa ang nakasaad po doon sa TRAIN 1, sa aking pagkakaalala, ay mayroon pong safety net iyon hong petrolyo para ho doon sa ating excise tax, na once umabot po ito ng \$60 per barrel sa loob ng tatlong buwan, ang ibig pong sabihin, sa susunod na taon ay puwede ho nating i-lift muna ang implementation ng tranche. Ano po bang implementation, iyong first tranche o iyong second tranche? Gusto ko ho sanang maliwanagan tungkol po dito.

REP. SALCEDA. Iyong source ko kasi nawala, si Karl Chua, pero susubukan ko pong masagot. Your Honor, I will just read it:

The program provides a monthly fuel subsidy of a tariff of P33 per unit to qualified franchise holders or around P5,000 from July to December 2018. The monthly subsidy will be increased next year to P1,000 or double per unit, or around P20,550 for the whole year of 2019. For 2019, this subsidy shall cover and absorb the potential loss of income from providing fare discounts to the riding public. Furthermore, the LTFRB shall issue the Memorandum Circular

to support the implementation of Pantawid Pasada Program.

The Joint Memorandum Circular for the Pantawid Pasada Program, which prescribes the general guidelines for the implementation, was signed on July 11, 2018. The DBM has already released the funds amounting to P977 million following the submission of a special budget request by the DOTr. The program was launched on 12 July 2018 for the initial distribution of Pantawid Pasada cards to some 500 franchise holders. The distribution of cards to 139,669 beneficiaries nationwide is targeted to be completed before the end of the year.

Iyan po ang status po, officially, ng Pantawid Pasada Program, Your Honor, na nakapaloob po doon sa TRAIN 1.

REP. TY. Opo, tama po iyon—kung ito po ay umabot o hindi man umabot ang presyo ng ating petrolyo sa international market price na \$60 or more per barrel, iyan po ay ibinibigay po nating subsidiya sa mga transport groups, pero mayroon ho tayong safety net. Ang gusto ko lang ho namang malaman is—I implement po ba natin na kung mayroon ho tayong three consecutive months That, when the world market price of petroleum reaches \$60 per barrel, ay sa next year po natin ay isu-suspend po ba natin iyong second tranche?

REP. SALCEDA. Opo, pero reasonably, Your Honor, only one-half.

REP. TY. Okay. But it will be suspended—yes?

REP. SALCEDA. I think, Your Honor, we can put that as a special provision. Yes, it provided for that, but what if we do not implement this because it will reach \$83 per barrel? I think it stands to reason, Your Honor.

REP. TY. Yes, but definitely, there will be some percentage or amount to be suspended in the implementation of our tariff?

REP. SALCEDA. Opo, Your Honor, pero sa tingin ko, we can put that in the special provision that in case na we take recourse to the \$83 rule ...

REP. TY. Yes, opo.

REP. SALCEDA. ... then certainly, Your Honor, that the Pantawid Pasada will be limited only to one-half of the total.

REP. TY. Opo, pero ito lamang ho naman iyon.

Iyong Pantawid Pasada po ay talagang kailangan ibigay dahil iyan po ang nasa probisyon po ng ating batas, subalit iyon lamang ho ang sinasabi natin, that there is a safety net because, sabi nga natin, iyong windfall profit natin when it comes to the VAT, kung tumataas ho ang presyo ng petrolyo sa international market ay sumusunod po iyong income natin.

REP. SALCEDA. Opo.

REP. TY. Kaya po ang ating probisyon ay kung tumaas ho ng todo, magbababa po tayo ng tariff. Just to remind the Sponsor po, we are now on the fourth month that the international market price of crude oil reached \$85 per barrel. As of now, isang buwan na po tayong nasa \$85. Last month ho, it was \$70 o \$75, at noong nakaraang dalawang buwan po, nasa \$60 na po tayo. Ang ibig pong sabihin ay inabot na po natin iyong tatlong sunod-sunod na buwan na more than \$60 po. Ang tanong ko lamang ho, kung ito ba ay mai-implement next year na magre-reduce po tayo ng tariff?

REP. SALCEDA. Depende po. Iba po kasi ang mino-monitor po nila, iyong Dubai crude oil po.

REP. TY. NYMEX po yata tayo kapag tayo po ay ...

REP. SALCEDA. Well, Your Honor, I think I will go back po to the IRR para mas klaro po kung ano ba dapat talaga ang gagamitin na presyo sa world market—North Sea Brent Crude, WTI, West Texas.

REP. TY. Salamat po.

REP. SALCEDA. You know, we have all sorts of prices pero iyong na-cite na alam ko is the Dubai price, Your Honor. Anyway, Your Honor, you have my commitment that if we take recourse to the \$83, then at least one-half will still be given as Pantawid Pasada subsidy to the transport sector.

REP. TY. Yes. Then, another question, Mme. Speaker—What will be the effect on our budget, on the interest rate that every so often—how many months—that the BSP is increasing by 50 points ang ating interest? May projection po ba tayo na, what if the commercial interest rates hit around 9 percent per annum, what will be its effect on our budget and borrowings?

REP. SALCEDA. Domestically, Your Honor, dahil nire-refinance na ho natin, halimbawa, iyong para sa 91-days, so, iyong 100 basis points po doon is equal to P2 billion pero iyong leverage po, dahil po doon ay naka-fix ang ating mga coupons sa

ROP, iyon atin pong Republic of the Philippines, na umaabot po ng halos \$36 billion, iyong isang palo po ng 100 basis points doon ay aabot po ng P6 billion po, Your Honor. At para tapusin ko na po rin, ang 1 percentage point po na increase sa inflation ay magdadagdag po sa deficit ng P20.5 billion, kung magkakaroon po tayo ng adjustments sa mga gastos na, halimbawa, sa MOOE ng isang departamento, ay hindi na po kakayanin i-deliver iyong deliverables nila at kailangan po ng inflationary adjustment.

SUSPENSION OF SESSION

REP. SALCEDA. Mme. Speaker, I move for a one-minute suspension of the session, Your Honor.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is suspended.

It was 7:54 p.m.

RESUMPTION OF SESSION

At 7:55 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is resumed.

The Sponsor is recognized.

REP. SALCEDA. Sa AFP Modernization Program kasi, mayroon po silang nakalagay doon na inflation adjustment mechanism and so, siguro, iyon para sa mga ordinaryong ano—pag-aaralan po natin kung papaano po ma-i-implement ito pero sa ngayon po, dahil 300 basis points iyon and so, ang average ay 5.2, kaya dapat po ay 3, so, 200 basis points, ang impact po niyan for one year is P40 billion dahil po ang dumarating sa atin ngayon ay only for September, October, November, December—five months—so, 5 divided by 12 times 40, so, for this year alone, Your Honor, siguro, may incremental adjustments na tayo, pero susubukan po namin maisaad po ito sa GAB.

REP. TY. Opo. Ibig sabihin ho, mababawasan po iyong ating pondo?

REP. SALCEDA. Hindi po pero magdadagdag po tayo ng gastos.

REP. TY. Uutangin ho natin?

REP. SALCEDA. Kung anuman po ang nandiyan ngayon, kung anong dagdag gastos po, utang na iyan.

REP. TY. Maraming salamat po.

Huli na lang po, huling katanungan. Iyon pong Road

Board ay hindi na ho natin na-abolish sa kasalukuyan. Ilan pa po ba ang natitirang pondo ng Road Board sa kasalukuyan, sa ngayon po?

SUSPENSION OF SESSION

REP. SALCEDA. Mme. Speaker, I move for a one-minute suspension of the session, Your Honor, so I can give the correct numbers.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is suspended.

It was 7:56 p.m.

RESUMPTION OF SESSION

At 7:57 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is resumed. The Sponsor is recognized.

REP. SALCEDA. Your Honor, the balance to date is P42.6 billion.

REP. TY. It is P42.6 billion po?

REP. SALCEDA. Yes, as of September 25, 2018

REP. TY. Opo. Ang katanungan ko po ay saan po natin gagamitin ngayon ang pondong ito, sapagkat ang intention po nito is to make sure that our existing roads ay mananatili sa maayos na kalagayan pero sa kasalukuyan marami na po...

REP. SALCEDA. Your Honor, because we have rescinded the abolition, then we will go back to the normal processes that governed the utilization of the Road Board proceeds.

REP. TY. Kailan po kaya ito mari-realize po natin, upang ang atin po naman mga kasamahan dito ay puwede hong mag-umpisang mangako sa ating mga constituencies na mapo-provide natin ng maayos ang kanilang mga highways and other infrastructures sa ating bansa.

REP. SALCEDA. I have clarified with the Gentleman the status of that decision as well as of course the status of the fund. It will not be subjected to the appropriation procedure we are now going through, Your Honor. Essentially, I think hindi po kailangan kausapin kasi iyong pag-release nito, mukhang kailangan po interagency—ito na lang po—ang gagawa na po ng programa ay iyong DPWH at saka iyong DOTr.

REP. TY. Ang gagawa po ng programa ay ang DPWH.

REP. SALCEDA. At DOTr.

REP. TY. Ano po, ang DOTr?

REP. SALCEDA. Opo.

REP. TY. Kapag ito po ay revenue, papaano po natin mamomonitor? Tayo pong mga Kongresista ang gumawa ng batas na iyan at mayroon pong kaukulan kung saan ho natin gugugulin.

REP. SALCEDA. Opo. Ang katanungan po ay, tayo po ay nangangamba na baka kung saan-saan lamang nila gagamitin ito. Ano po ba iyong ating kapangyarihan upang silipin saan nila gagamitin ang pondong ito? This is P42 billion and it will continue to go up because of the continuous collection by the LTO.

REP. SALCEDA. The author of that Bill is right beside me and according to him, it is a dedicated fund that can only be spent on four things but, basically, Your Honor, iyong four things na iyon, iyong paglalagay po—among tawag diyan?—ng description, ng line item o ng ano, I think, Your Honor, we will still have the ability to the two Departments, no longer only to the Road Board, but to the two Departments.

REP. TY. Okay. Opo, hindi po naman tayo mahihirapan na sapagkat alam po naman natin na tayo pong lahat ang nakakaharap sa ating mga constituencies sa bawat bayan, at lahat ng pangangailangan nila ay sa atin ho hinihingi ng ating mga constituencies. Ano naman ho iyong ating kasiguraduhan na matutugunan natin ang lahat ng pangangailangan noong ating mga distrito, ang ibig bang sabihin nito, they will entertain iyong ating mga suggestion? Or again, tayo na lang ay nasa isang tabi at kung ano na lang ang gusto nilang gawin ay wala na tayong magagawa, at kung anuman iyong mga pananaw natin na mas importanteng bagay na ating kailangang paggugulan ay baka ho hindi tayo pansinin?

REP. SALCEDA. Opo.

REP. TY. Iyon naman ho ang aking worry, Mme. Speaker, G. Isponsor.

REP. SALCEDA. Sa tingin ko, Your Honor, we will approach it in a systematic way, through the leadership of the Speaker and, of course, our Majority Leader, how these funds shall continue to serve our

constituents. Dati naman po talaga, we can propose projects that can be funded by the Road Board Fund, Your Honor.

REP. TY. Maraming salamat po. Iyon na lamang po, Mme. Speaker, G. Sponsor. Maraming salamat po sa lahat po sa inyong kasagutan at magandang gabi po sa inyong lahat.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Majority Leader is recognized.

REP. PIMENTEL. Mme. Speaker, I move that we recognize our Minority Leader, Rep. Danilo E. Suarez from the Third District of Quezon.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Minority Leader, the Honorable Suarez, is now recognized for his interpellation.

REP. SUAREZ. Thank you, Mme. Speaker, distinguished Sponsor.

Just before you were talking about gold—there were questions about gold and so, I would just like to find out how much is our reserve? I did raise that question one time because the more money the government has, the more money will be spread around and circulate. So, are we being controlled by an entity on how much money we can have in circulation? Can you ask the good Secretary?

REP. SALCEDA. Wala po.

REP. SUAREZ. So, we can print. If we want money, then, we print?

REP. SALCEDA. We do not have a legislative framework, Your Honor, except for the Bangko Sentral which prints money, but this is subject to macroeconomic stability and inflation target, Your Honor.

REP. SUAREZ. I have to go back to the US practice, Mme. Speaker, Your Honor. Before, they were using gold reserve as their base and having money in circulation. They withdrew that—inalis na po nila ang gold reserve at ang ginagamit po nila is dollar reserve. Ngayon, ang tanong ko po is, there must be an entity which—they are not telling us, but I will be very polite in asking—guide us on how much money can we spend. So, is it the IMF-WB?

REP. SALCEDA. Hindi na ho, Sir.

REP. SUAREZ. Hindi na?

REP. SALCEDA. Dati po, opo.

REP. SUAREZ. So, ang tinitingnan lang nila is, at binabantayan tayo, iyong efficiency ng ating revenue—iyon ang sinasabi.

REP. SALCEDA. Opo.

REP. SUAREZ. Kung gaano iyong ating nalilikom na pera, diyan ho ang base ng ating puwedeng gastusin. Hindi ho ba ganoon ang ginagawa natin?

REP. SALCEDA. Opo, tama po.

REP. SUAREZ. Okay. In this new appropriations, distinguished Sponsor, Mme. Speaker, is the first time that we will be using Cash-Based Budgeting. Hindi po ba tama, ngayon lang ho natin gagawin ito, ano?

REP. SALCEDA. Opo. Kung tutuusin po, Your Honor, adjective lang iyan.

REP. SUAREZ. Yes, but prior to this ...

REP. SALCEDA. In other words, Your Honor, if you want to express it as essentially allowing implementation up to 15 months and an additional 6 months—because essentially, Your Honor, there is a technical word to it, that for the agencies, all the money given to them here, they can use for as long as they finish by March next year, and they should get paid by June of the following year, Your Honor. That is the definition of Cash-Based.

REP. SUAREZ. So, wala hong problema kung ganoon.

REP. SALCEDA. Opo.

REP. SUAREZ. I do not know whether the distinguished Sponsor, Mme. Speaker, was present during the initial meeting of the presentation of the 2019 budget but I raised this issue that the delay in implementation of the programs of the government is not the call of Congress but sa Executive ho iyon. Hindi ho ba? Hindi ho naman natin kasalanan kung ang isang project ay nade-delay. Kung may problema po sa mga iba't ibang issue, whether environmental, right-of-way o kung anuman, it is internal to them, it is beyond us. So, ang tanong ko—bakit po tayo magkakaroon ng burden na ganoon kasi? Next question is, hindi ho nagastos iyong pera at dito po sa Cash-Based Budgeting kukunin po ng DBM iyong pera. Ganoon po ang proposal, hindi po ba?

REP. SALCEDA. Opo.

REP. SUAREZ. Ngayon, ang sinasabi natin,

kapag matatapos na, ibibigay natin ulit. Tama po ba rin ako roon? Dahil hindi po naman siguro tatapusin ng contractor or supplier at ide-deliver ito kung wala siyang assurance that there are funds available. Now, my question is, gaano katagal bago mo maibalik iyong pera sa ahensiya?

REP. SALCEDA. Nasa Kongreso po, Your Honor, kung we will re-authorize po natin iyong balanse para doon sa hindi pa nabayaran po.

REP. SUAREZ. Remember, Congressman Ty was saying that iyong mere procedure lamang po ng transfer took them months.

REP. SALCEDA. Opo, pero, Your Honor, dahil may bahay na, wika nga, ito iyong expenditure item, so, kung ano po ang dapat pang bayaran, halimbawa, P100 million iyon pero ang nabayaran ay P60 million lang, dahil iyon lang din po ang na-implement at may natitira pong P40 million, then definitely, in the following fiscal year, we can re-authorize the release of the balance for the completion of the project.

REP. SUAREZ. Mme. Speaker, Your Honor, sorry to intervene.

REP. SALCEDA. Yes, Sir.

REP. SUAREZ. Put yourself in the shoes of a contractor or supplier. Iyan ho ang inaasahan lang niya, na mabilis iyong balik noong kanyang puhunan, magagawa niya iyong project but for some reason or another, as I had said, beyond our control because it is procedural, iyong pera ho na hindi magagastos ay kukunin. So, you are telling me that it will take months for him to get paid? Nangutang po siya sa bangko para doon sa kanyang project and then, magbabayad siya ng interest, kaya baka pati iyong tubo niya doon sa kanyang pinagpaguran ay mawala pa.

REP. SALCEDA. Wait po, Your Honor.

REP. SUAREZ. Distinguished Sponsor, may kasabihan tayo na “kung hindi sira ay bakit natin kukumpunihin.” Wala ho naman diperensiya itong present system natin but maybe, we can improve it with the innovation of the good Secretary. Pero nakapahirap hong ...

REP. SALCEDA. Yes, Your Honor. In response, Your Honor, to your question, we are proposing as a new special provision stating that, “In exceptional circumstances where the implementation of the program, activity or a project has been delayed due to force majeure or other justifiable reasons as

determined or agreed upon by the agency or decided by the competent authority and without the fault of the contractor, the funding requirements for its completion shall be chargeable against any available fund in the succeeding fiscal year.”

In other words, Your Honor, hindi na katulad kanina na sinasabi ko na kailangan po ng new line item re-authorization, Your Honor. So, it shall be, as I had said, Your Honor, a more automatic form of payment in case that there is a justifiable reason for the delay. Therefore, Your Honor, this special provision essentially allows that the funding requirement for its completion shall be chargeable against any available fund in the succeeding fiscal year. Your Honor, think that is—mas mukhang risonable naman po, Your Honor...

REP. SUAREZ. Taking from your answer “mukhang risonable,” the phrase “sounds reasonable” is alarming already. Bakit pa ho tayo magkakaroon ng “sounds reasonable”? As I had said, Mme. Speaker, Your Honor, ang problema nga natin dito ay paano gagastusin iyong napakarami nating pera, but we are putting up a lot of hindrances and controls.

Let me go back to another subject. Mme. Speaker, Your Honor, I just would like to find this out. Our debt burden is P370 billion, am I correct, Your Honor, for 2018 and then P440 billion for next year?

REP. SALCEDA. I will get the figure—yes, Your Honor, that is P399.57 billion.

REP. SUAREZ. So, are we getting, how are we giving, what is our position? Are we doing good, or are we doing bad?

REP. SALCEDA. We are good. In 2004, Your Honor, Mme. Speaker, when you were the Chairman of the Committee on Ways and Means, Your Honor, it may be good to be reminded that we had interest payments.

REP. SUAREZ. You, the Sponsor, was the Chairman of the Economic Affairs Committee, Your Honor.

REP. SALCEDA. Your Honor, the interest payments, as a percentage of the total budget, was 28.6 percent.

REP. SUAREZ. I remember.

REP. SALCEDA. Now, this number, Your Honor, is less than 8 percent of total budget, Your Honor.

REP. SUAREZ. Now?

REP. SALCEDA. Yes, that is correct.

REP. SUAREZ. So, we are doing good.

REP. SALCEDA. We are good, and I think we are fiscally moderate, Your Honor.

REP. SUAREZ. Well, that is nice to know because in a week's time, you and I will be going back to our districts and we will be telling our barangays—our kapitan, our councilor, our constituents—that we are doing good, that 8 percent of our GDP is on—hindi ho nila maiintindihan iyon.

REP. SALCEDA. Tama po.

REP. SUAREZ. Ang maiintindihan nila at itatanong sa inyo at sa akin, “O, Congressman, ang Barangay Maligaya ay binigyan ninyo ng flood control project, bakit kami ho ay wala?” Hindi po ba?

REP. SALCEDA. Tama po kayo diyan.

REP. SUAREZ. It is because kino-control po natin ang ating paggastos.

REP. SALCEDA. Iyong 3.2 percent kasi, iyon ang parang constraining factor ng halos lahat po ng ginagawa natin ngayon, Your Honor, this 3.2 percent na NG deficit to the total GDP. Hindi ko naman sinasabi na iyon po ang ating religion pero, Your Honor, mukhang kumportable na rin po ako na 3.2 percent although lumalangoy tayo sa gitna ng dagat kung saan ang average po na NG deficit to the GDP ay nasa 4.5 percent. Ang kaso po, Your Honor, sa budget na ito, iyong ceiling ay na-set na po ng Executive based sa constitutional powers niya and so, the only way that this deficit will go up to 4.5 percent is by not collecting, which we do not want either, Your Honor.

So, I once intimated to the good Secretary that he might want to consider increasing the budget deficit, but he may be proven right because of the rising interest rate, Your Honor, that it may be more prudent to have a lower NG deficit to the total GDP. I think the 3.2 percent is an acceptable number to our creditors and credit-rating agencies.

REP. SUAREZ. Mme. Speaker, distinguished Sponsor, this Representation, on three occasions, even in the LEDAC, the good Secretary committed to us that there will be a quicker implementation of our programs because it is not us, but it is the line agency through our appeal na, kung maaari, dahil may request po sa amin ang kapitan at ang mayor, kung puwedeng gawin ito. Hindi po naman talaga project natin iyan. So, ang tanong ko lang po is this—ang isang nagiging problema ho natin is the meticulous and rigid provision of the Procurement Law, and I

offered to the good Secretary that I will amend the Procurement Act but the answer to me was, “No need. You have come up with a perfect Procurement Law and what we have to do is amend the IRR.” Now, can we amend the IRR as what had been committed by the good Secretary?

REP. SALCEDA. I think, Your Honor, it is well within the powers of Congress to essentially review the Procurement Law because the original author is back—is going out of Congress again, Congressman Andaya. It is over 14 years old, Your Honor, and I guess 14 years is a lot of time already to learn how we use the Procurement Law and there are a lot of learnings and lessons, Your Honor. So, I think a review is in order.

REP. SUAREZ. Well, distinguished Sponsor, Mme. Speaker, I have the words coming from an authority on the budget—he made those statements. So, ang sa akin lang po, that initiative should come from them, na i-amend nila iyong IRR, not necessarily amending the Procurement Law, but just the IRR so that we will have a faster, quicker and more effective implementation of government projects by those who know best.

REP. SALCEDA. We last changed the IRR in 2015 and the good Secretary says we can continuously update the IRR, Your Honor.

REP. SUAREZ. Distinguished Sponsor, may I know your thoughts on the 2019 budget? What do you think—is it a position of strength or weakness? Be honest.

REP. SALCEDA. Alam mo, Your Honor, kasi number one—ayaw ko namang aminin na noong March po, noong pumunta ang IMF, nagkaroon po tayo ng Article IV review. We had an Article IV review kung saan nakuha natin ang Seal of Good Housekeeping. Tinitingnan nila iyong buong mundo and, well, nagparinig sila na dapat ang budget deficit natin ay 2.6 percent of the GDP. Ngayon po iyong kaharap natin ay 3.2 percent of the GDP.

So, kung tatanungin ninyo po ako kung ang budget na ito ay sapat para ma-achieve ang 6 percent, puwede po at kaunti po ang downside; kung itong budget ba na ito ay makakapagpababa ng presyo, kulang pa at kailangan tayong maglagay ng pera sa agriculture; kung ito bang budget na ito ay gagawin ang Pilipinas na mas competitive, sa tingin ko, mas maraming bagay pa ang kailangan bago po magawa iyan. Pero sa pananaw ko, Mme. Speaker, itong budget na ito ay one step towards increasing the competitiveness index. Is it redistributing enough wealth to the countryside? Hmm, I do not know.

Kung bumalik tayo sa Codal siguro, Mme. Speaker, which we both authored in 1999, if you remember, ...

REP. SUAREZ. Yes, Mr. Sponsor.

REP. SALCEDA. ... we had a long fight wherein po iyong lahat po ng discretionary resources ng national government were subjected to a Codal—you know, 50 percent from poverty, 20 percent equal sharing, 20 percent base po sa demand—which essentially po paved roads and lengths of national roads. I am not so sure, Your Honor, whether there are greater resources for the countryside kasi the way I read it, mukhang napaka-NCR-centric po ng decision-making ng atin pong gobyerno. I am just being forthright, Mme. Speaker.

But will I defend this budget? Yes, if that is the ultimate question, Mme. Speaker. Yes, I believe in this budget.

REP. SUAREZ. We will just have to rely on the commitment of the good Secretary that it will be quicker, we can have a certain comfort level about our district's concerns, distinguished Sponsor, Mme. Speaker.

REP. SALCEDA. Thank you.

REP. SUAREZ. With that commitment, Mme. Speaker, Your Honor, on the part of the Minority, we do not have any more questions to raise on the proposed budget of the DBM. I move to terminate the period of interpellation and debate on its budget.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Majority Leader is recognized.

REP. PIMENTEL. Mme. Speaker, on behalf of the Majority, we join the Minority in terminating the deliberations on the budget of the Department of Budget and Management, Mme. Speaker.

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

Congratulations to the Department of Budget and Management.

SUSPENSION OF SESSION

REP. PIMENTEL. Mme. Speaker, I move for a one-minute suspension of the session.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is suspended for a few minutes.

It was 8:23 p.m.

RESUMPTION OF SESSION

At 8:24 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is resumed.

The Majority Leader is recognized.

SUSPENSION OF CONSIDERATION OF H.B. NO. 8169

REP. PIMENTEL. Mme. Speaker, I move that we suspend the consideration of House Bill No. 8169.

I so move, Mme. Speaker.

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

RATIFICATION OF CONF. CTTEE. RPT. ON H.B. NO. 4113 AND S.B. NO. 1305

REP. PIMENTEL. Mme. Speaker, we are in receipt of the Conference Committee Report reconciling the disagreeing provisions of House Bill No. 4113 and Senate Bill No. 1305, increasing the maternity leave period to 105 days for female workers.

May I ask that the Secretary General be directed to read only the titles of the measures.

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

The Secretary General is directed to read only the titles of the measures.

With the permission of the Body, and since copies of the Conference Committee Report have been previously distributed, the Secretary General read only the titles of the measures without prejudice to inserting the text of the report in the Congressional Record.

THE SECRETARY GENERAL. House Bill No. 4113, entitled: AN ACT INCREASING THE MATERNITY LEAVE PERIOD TO ONE HUNDRED (100) DAYS FOR FEMALE WORKERS IN THE GOVERNMENT SERVICE AND IN THE PRIVATE SECTOR, AND GRANTING AN OPTION TO EXTEND FOR AN ADDITIONAL THIRTY (30) DAYS WITHOUT PAY; and Senate Bill No. 1305, entitled: AN ACT INCREASING THE MATERNITY LEAVE PERIOD TO ONE HUNDRED TWENTY (120) DAYS FOR FEMALE WORKERS IN THE GOVERNMENT SERVICE AND THE PRIVATE SECTOR WITH AN OPTION TO EXTEND FOR AN ADDITIONAL THIRTY (30) DAYS WITHOUT

PAY, PROVIDING A PARENTAL LEAVE PERIOD FOR ADOPTIVE PARENTS, AND GRANTING AN ADDITIONAL THIRTY (30) DAYS FOR SOLO MOTHERS, AND FOR OTHER PURPOSES.

REP. PIMENTEL. Mme. Speaker, in accordance with our rules, I move that we ratify the said Conference Committee Report.

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

The Conference Committee Report is ratified.

REP. PIMENTEL. Mme. Speaker, I also move that we include the additional coauthors of House Bills No. 8217 and 8265, as contained in the list to be submitted by the Committee on Rules.

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

The Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 8169

Continuation

PERIOD OF SPONSORSHIP AND DEBATE

REP. PIMENTEL. Mme. Speaker, I move that we resume the consideration of House Bill No. 8169.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). 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. 8169, 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 NINETEEN, AND FOR OTHER PURPOSES.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Majority Leader is recognized.

SUSPENSION OF SESSION

REP. PIMENTEL. I move for one-minute suspension of the session, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is suspended for a few minutes.

It was 8:26 p.m.

RESUMPTION OF SESSION

At 8:26 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The session is resumed.

The Majority Leader is recognized.

LUMP-SUM FUNDS

REP. PIMENTEL. Mme. Speaker, I move that we now open the period of interpellation and debate for the Lump-Sum Funds and for this purpose, may I move to recognize the Hon. Joey Sarte Salceda, Mme. Speaker.

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

The Honorable Salceda is now recognized for his sponsorship.

The Majority Leader is recognized.

REP. PIMENTEL. Mme. Speaker, I move that we recognize Rep. Makmod D. Mending Jr. of AMIN Party-List.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Honorable Mending is now recognized for his interpellation.

REP. MENDING. Thank you, Mme. Speaker, assalamu alaykum and good evening, distinguished Sponsor.

Ang tanong ko po sa Lump-Sum Funds ay iikot sa iisang pondo lamang—iyong NDRRM Fund or iyong National Disaster Risk Reduction Management Fund, kung saan nakapaloob iyong P10 billion na pondo ng Marawi Rehabilitation Fund for 2018 at P3.5 billion for 2019. Puwede ko po bang malaman, Mme. Speaker, distinguished Sponsor, kung gaano po katagal ang validity ng NDRRM Fund, Mme. Speaker, distinguished Sponsor?

REP. SALCEDA. Kung gaano katagal ang?

REP. MENDING. Validity, until when is it valid?

REP. SALCEDA. One year.

REP. MENDING. Does it expire by the year's end or not?

REP. SALCEDA. One year.

REP. MENDING. So, one year po ang validity? Out of the P10 billion Marawi Rehabilitation Fund, ilan na po ang na-release or magkano na po ang na-release as of August or September, Mme. Speaker, distinguished Sponsor?

REP. SALCEDA. Mme. Speaker, P4.6 billion.

REP. MENDING. So, P4.6 billion. Ibig sabihin po, mayroon pang six...

REP. SALCEDA. There is still P5.4 billion.

REP. MENDING. Yes, P5.4 billion ang hindi pa po nare-release, Mme. Speaker, distinguished Sponsor?

REP. SALCEDA. Opo.

REP. MENDING. For the information of the distinguished Sponsor, Task Force Bangon Marawi briefed the Committee on Muslim Affairs last September 23, and they informed the Committee that there is P1.5 billion left that has not been earmarked and there is three-point-something na earmarked na po. So, there is that possibility that maybe by year end, magkakaroon ng portion dito na unreleased. Ang tanong ko po, Mme. Speaker, distinguished Sponsor, kung ito man po ay mangyari, ito po bang natirang pondo or unreleased ay magiging part of the unappropriated surplus of the General Funds, Mme. Speaker, distinguished Sponsor?

REP. SALCEDA. Mme. Speaker, I will join you in authoring a joint resolution that will extend the life...

REP. MENDING. Thank you, Mme. Speaker, distinguished Sponsor. We prepared a draft for the joint resolution.

REP. SALCEDA. Okay. I can sign it now.

REP. MENDING. Maraming salamat po. Iyon po iyong tinatayo ko rito. Ang pangalawang tanong ko po naman....

REP. SALCEDA. Sabi mo isa lang.

REP. MENDING. ...ay tungkol sa P3.5 billion for 2019. Ano pong nangyari, bakit ganoon kaliit ang inilaan para sa rehabilitasyon ng Marawi City, Mme. Speaker, distinguished Sponsor?

REP. SALCEDA. Sa pananaw ko, Mme. Speaker, kukunin lang po iyan sa account na iyon na ang tawag ay NDRRM Fund subalit, Mme. Speaker, marami naman po na puwedeng pagkunan dahil ang pagkakaalam ko po,

umaabot po ng halos P40 billion ang pangangailangan po. Samakatuwid, sa tingin ko, Mme. Speaker, hindi ganoon kahirap na mabigyan, madagdagan po, dahil ang problema lang naman po ay mabagal din iyong utilization po noong Task Force Bangon Marawi.

REP. MENDING. Yes, Mme. Speaker, distinguished Sponsor. Nabanggit ninyo na rin po, iyon din po iyong ating issue na kailangang malaman dahil iyong procedure para ma-release ang pondo na ito ay nagkaroon ng isang layer, ito iyong Task Force Bangon Marawi. Kasi dati po, OCD lang naman iyong sa NDRRM Fund, hindi ba? So, dahil nagkaroon ng Task Force Bangon Marawi, kailangan dumaan doon papunta ng OCD, paakyat ng OP. Medyo nagkaroon ng bureaucratic delay.

So, maraming salamat po for joining us doon sa pag-extend ng validity ng pondong ito, at pangalawa po, iyong na-prepare ng NEDA for the Comprehensive ...

REP. SALCEDA. Rehabilitation ...

REP. MENDING. ... Rehabilitation Program ay more than P40 billion. Hiwalay pa po ito doon sa most affected area na P17 billion. So, may we know, Mme. Speaker, distinguished Sponsor, kung tama po ba iyong narinig natin sa balita na mag-i-issue ng Marawi bonds ang ating Treasury, Mme. Speaker, distinguished Sponsor?

REP. SALCEDA. Opo. Ang kabuuan po kasi na pangangailangan ng Bangon Marawi ay halos P86 billion, Mme. Speaker, P86.1 billion. Ang pananaw ko po, Mme. Speaker, ang tagal-tagal na ng Pilipinas bago po tayo humingi ng tulong. Ewan ko kung ano nangyari po sa atin, na parang ayaw na ayaw nating gumawa ng flash appeal o panawagan sa buong mundo na may kailangan tayo, na kailangan natin ng tulong. Sa pandinig ko po, dahil mga kasama ko rin po sila noong panahon po na ako ay Chairman ng Green Climate Fund, malaki po ang goodwill ng international donor community po para sa Marawi reconstruction efforts, Mme. Speaker.

REP. MENDING. Thank you, Mme. Speake. Coming from the distinguished Sponsor, I believe na magkakaroon ng pondo para sa rehabilitasyon ng Marawi. Nagkakaroon lang po talaga ng mahabang delay. Ang patience po kasi ng mga tao sa Marawi, medyo umiiksi na. Sana po, sa lalong madaling panahon, magawan po natin ng paraan.

Mme. Speaker, distinguished Sponsor, wala na po akong katanungan. Maraming salamat po and magandang gabi sa lahat.

REP. SALCEDA. Thank you po.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Majority Leader is recognized.

REP. PIMENTEL. Mme. Speaker, I move that we recognize our Minority Leader, Rep. Danilo Suarez of the Third District of Quezon.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Minority Leader, the Honorable Suarez, is now recognized for his interpellation.

REP. SUAREZ. Mme. Speaker, on the issue of the Lump-Sum Funds, we would like to request that the application of the funds, if they have identified how they will be spent, be given for evaluation and review by the newly created Committee on Oversight.

REP. SALCEDA. Certainly, Your Honor. I think that is part of the coverage. Having been Chairman of the Committee on Oversight, Mme. Speaker, that is one of the principal functions of the Committee on Oversight since it cuts across all types of activities, and one of them, really, kasi ...

REP. SUAREZ. So, magagawa po natin iyong checks and balances, Mme. Speaker?

REP. SALCEDA. Yes, Mme. Speaker, I think we can even put, in the Special Provisions, that a report on the utilization of these Lump-Sum Funds shall be reported to Congress through the standing Committee on Oversight.

REP. SUAREZ. With that, Mme. Speaker, distinguished Sponsor, on the part of the Minority, we interpose no more questions on the Lump-Sum Funds. I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Majority Leader is recognized.

REP. PIMENTEL. On behalf of the Majority, we join the Minority in terminating the deliberations on the Lump-Sum Funds. *(Applause)*

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

REP. PIMENTEL. Mme. Speaker, for his *Turno en Contra*, I move that we recognize our Minority Leader Danilo E. Suarez.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Honorable Suarez is now recognized to deliver his speech *en Contra*.

SPEECH *EN CONTRA* OF REP. SUAREZ

REP. SUAREZ. Mme. Speaker, dear colleagues, the 2019 Budget has an increase of P433 billion or 13 percent from its Cash-Based equivalent in 2018. Infrastructure development, human development through education, health, and food security, and peace and order, are still the key budget priorities. We choose to be optimistic that the respective agencies will ensure efficient spending in these areas.

A thorny issue in our country's fiscal management is that we passed new taxes, knowing that the government agencies are, for whatever reasons, not fully utilizing their budgets. Why do we need to raise taxes for more money and burden our taxpayers when the government agencies and departments are unable to make full use of the monies given them? Mme. Speaker and my distinguished Sponsor, Members, it is difficult to make sense of this.

Despite the passage of the TRAIN and the imminent passing of TRABAHO, our support remains tentative unless tax collection is transparent and efficient. This Representation strongly urges the administration, and has done so repeatedly, to implement the Lateral Attrition Law that has been in place since 2005. I have said it before, and I will say it again, strictly implement this law and let it strengthen the administration's drive to promote transparency and accountability.

During our budget deliberations, problematic areas in certain industries surfaced. My fellow legislators expressed concern, even frustration, with the Department of Agriculture in light of the crisis in our basic commodities. We remain import-reliant. I am sure some of my colleagues here will agree that we are skeptical that the DA will fulfill its assurance to accelerate spending in rice production and in the fisheries industry. Will we ever be self-sufficient in rice? Similarly, does the Philippine Coconut Authority acknowledge the urgent need for a massive replanting program to replace our senior citizen coconut trees? Majority of the coconut trees in our country are no longer bearing fruit, and without massive replanting, this industry will face extinction.

There was concern regarding the budgets for law enforcement and defense. The DND was given a budget of P250 billion and the DILG was given P232 billion. While we recognize their efforts in maintaining peace and order in our country, and defending us against all threats, foreign or domestic, public trust in these institutions has been tarnished by the allegations of EJK, accusations of police excess in Tokhang operations. We trust that these institutions will honor the mandates of their service and not allow monies to be given to them for use for activities with questionable legal and moral quality.

As lawmakers, we are voting to pass a P3.757-trillion budget to be distributed to various government departments and their attached offices. With a keen eye on all the money we are entrusting to them, we should be reminded that the Executive family of the President has not been spared of corruption allegations and it behooves us legislators to ensure that the problems regarding absorptive capacity, utilization rate, efficient and transparent spending across all government departments and agencies are being addressed. Since last year, we have been consistent with our call to revive the Oversight Committee in Congress, and I am happy to announce to the Members that we were given permission already by the Speaker to start to operate before the break. Once the Committee has convened, we, as lawmakers, will have another venue to exercise our role as legislative check to the Executive.

Finally, the Minority proposes expedited spending, where needed, such as in rice production and fisheries, and downloading the budget directly to the local government units to provide for immediate support to constituents and local industries. Local government units are most aware of the issues at the grassroots level. Downloading directly to the LGUs eases the bureaucratic bottleneck created by centralized government spending.

May I take the liberty of expressing my gratitude to my fellow lawmakers. This past month was hard work and so, my sincere thanks to the House leadership, the head and members of the Committee on Appropriations, those who vigorously interpellated. The Minority asks the administration to take seriously the various concerns of all the lawmakers here. Listen carefully to those from the Minority, the Majority and the Independent Minority. While our views might vary or are even contradictory, we are one House and we all share in our aim to promote and achieve lasting peace, progress and prosperity for our nation.

This budget was passed under challenging circumstances brought about by a change in House leadership. With apologies to the previous House leaders, this Representation was enthused by the admirable work ethic of the Speaker. Medyo palakpakan po natin ang work ethic ng ating Speaker. *(Applause)* She stayed and stood with us during plenary debates while attending to the normal and urgent business of the House at the same time.

Let us also thank the hardworking Secretariat, the pages, the LSB and the rest of the House staff who stayed with us through this process.

Maraming salamat po. Mabuhay po ang Kongreso ng Pilipinas. *(Applause)*

REP. PIMENTEL. Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The Majority Leader is recognized.

REP. PIMENTEL. Mme. Speaker, I move that we close the *turno en contra*.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). Is there any objection? *(Silence)* The Chair hears none; the period of *turno en contra* is now closed.

REP. PIMENTEL. Mme. Speaker, I move that we open the period of amendments.

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

The period of amendments is now open.

REP. PIMENTEL. Mme. Speaker, I move that we recognize the Majority Leader, Rep. Rolando “Nonoy” G. Andaya Jr.

REP. ANDAYA. Mme. Speaker, I move that we consider Committee amendments.

I so move.

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

COMMITTEE AMENDMENT

REP. ANDAYA. Mme. Speaker, I move that we approve the Committee of the Whole’s amendment contained in Committee Report No. 1.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). Is there any objection? *(Silence)* The Chair hears none; the amendment is approved.

REP. ANDAYA. Mme. Speaker, there being no other Committee amendments, I move that we proceed to consider individual amendments.

I so move, Mme. Speaker.

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

REP. ANDAYA. Mme. Speaker, consistent with parliamentary precedents, we propose the creation of a small committee to receive and resolve individual amendments to House Bill No. 8169 for Fiscal Year 2019 General Appropriations Bill.

The following will compose the small committee: For the Majority, Sr. Vice Chairperson Maria Carmen S. Zamora, Rep. Federico “Ricky” S. Sandoval II and Rep. Corazon T. Nuñez-Malanyaon. For the Committee on Rules, Majority Leader Rolando G. Andaya Jr. For the Minority, the honorable Minority Leader Danilo E. Suarez, Rep. Anthony M. Bravo, PhD and Rep. Edcel C. Lagman.

The deadline for the submission of amendments is on October 9, 2018.

I so move, Mme. Speaker.

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

REP. ANDAYA. Mme. Speaker, I move that we close the period of amendments.

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

The Majority Leader is recognized.

REP. ANDAYA. I move that we vote on Second Reading on House Bill No. 8169, as amended.

I so move, Mme. Speaker.

VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Alvarez, M.). There is a motion for the approval of House Bill

No. 8169, as amended. As many as are in favor, please say *aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). As many as are against, please say *nay*.

FEW MEMBERS. *Nay*.

APPROVAL OF H.B. NO. 8169, AS AMENDED, ON SECOND READING

THE DEPUTY SPEAKER (Rep. Alvarez, M.). The *ayes* have it; the motion is approved.

House Bill No. 8169, as amended, is approved on Second Reading. (*Applause*)

ADJOURNMENT OF SESSION

REP. ANDAYA. Mme. Speaker, I move that we adjourn the session until Monday, October 8, at three o'clock in the afternoon.

I so move, Mme. Speaker.

THE DEPUTY SPEAKER (Rep. Alvarez, M.). Is there any objection? (*Silence*) The Chair hears none; the session is adjourned until October 8, 2018, Monday, at three o'clock in the afternoon.

It was 8:45 p.m.