



# Congressional Record

PLENARY PROCEEDINGS OF THE 18<sup>th</sup> CONGRESS, FIRST REGULAR SESSION

## House of Representatives

Vol. 2

Tuesday, September 10, 2019

No. 18

### CALL TO ORDER

*At 2:00 p.m., Deputy Speaker Rose Marie “Baby” J. Arenas called the session to order.*

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

The Majority Leader is recognized.

### SUSPENSION OF SESSION

REP. BAGATSING. Mme. Speaker, we move to suspend the session for a few minutes.

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

*It was 2:00 p.m.*

### RESUMPTION OF SESSION

*At 2:20 p.m., the session was resumed.*

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

Everybody will please rise for the short prayer to be led by the Hon. Rosanna “Ria” Vergara of Nueva Ecija.

*Everybody rose for the Invocation.*

### INVOCATION

REP. VERGARA. *Dear Lord, with utmost gratitude, we thank You for this opportunity to come together and carry out the solemn and constitutional duty to legislate the appropriations of our government.*

*We are also thankful for our country’s leaders from all branches of the government, who have selflessly given their time, talents and efforts to put together the proposed budget now ready for deliberations.*

*Almighty Lord, inspire us in this important work that has already been done so that the debates and the decisions that will result from our sessions will bear fruit and be completed on time.*

*As we bear in mind the welfare of the Filipino people, especially those mired in poverty, we humbly pray for strength, wisdom and guidance to tirelessly work for a beneficial outcome of these proceedings.*

*We also ask for the gift of understanding and patience so that we may never forget that, while we acknowledge our differences, we are one in our goal to help our fellow Filipinos improve their quality of life. May we never lose sight of the significance of the proposals, questions, and the collective decisions that we will be making for the future of our country.*

*We pray that all that we do and say reflect Your greater glory and will stir our country toward inclusive growth, peace and unity.*

*This we ask in Your great and Holy Name.*

*Glory be to the Father, and to the Son, and to the Holy Spirit, as it was in the beginning, is now and ever shall be, world without end.*

*Amen.*

### NATIONAL ANTHEM

THE DEPUTY SPEAKER (Rep. Arenas). Please remain standing for the singing of the Philippine National Anthem.

*Everybody remained standing for the singing of the Philippine National Anthem.*

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

REP. BAGATSING. Mme. Speaker, yesterday, September 9, 2019, we adopted House Resolution No. 308, in consolidation with House Resolutions No. 264 and 281. I likewise move that we consolidate House Resolutions No. 289 and 293 with House Resolution No. 308.

I so move.

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

## ROLL CALL

REP. BAGATSING. Mme. Speaker, I move that we call the roll of Members.

I so move.

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

The Secretary General will please call the roll.

*The Secretary General called the roll, and the result is reflected in Journal No. 18, dated September 10, 2019.\**

THE SECRETARY GENERAL. Mme. Speaker, the roll call shows that 254 Members responded to the call.

THE DEPUTY SPEAKER (Rep. Arenas). With 254 Members responding to the call, the Chair declares the presence of a quorum.

The Majority Leader is recognized.

REP. CRISOLOGO. Mme. Speaker, I move for the deferment of the approval of the Journal of the previous session.

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

REP. CRISOLOGO. Mme. Speaker, I move that we proceed to the Reference of Business.

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

The Secretary General will please read the Reference of Business.

## REFERENCE OF BUSINESS

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

## BILLS ON FIRST READING

House Bill No. 4324, entitled:

“AN ACT ESTABLISHING THE MAGNA CARTA FOR BARANGAYS”

By Representative Dy (Faustino Inno)

## TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 4325, entitled:

“AN ACT UPGRADING THE MINIMUM SALARY GRADE LEVEL OF TEACHERS FROM SALARY GRADE 11 TO 19”

By Representative Dy (Faustino Inno)

TO THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4326, entitled:

“AN ACT CONVERTING THE MOUNTAIN PROVINCE – IFUGAO ROAD VIA NATONIN–AGUINALDO SECTION INTO A NATIONAL ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Dalog

TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4327, entitled:

“AN ACT MANDATING THE DEPARTMENT OF EDUCATION (DepED) TO INCORPORATE FIRST AID IN THE PHYSICAL EDUCATION (P.E.) SUBJECT IN ELEMENTARY AND SECONDARY SCHOOL CURRICULUM IN BOTH PUBLIC AND PRIVATE SCHOOLS”

By Representative Panotes

TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4328, entitled:

“AN ACT RATIONALIZING THE ECONOMIC REGULATION OF WATER UTILITIES, CREATING THE WATER REGULATORY COMMISSION AND FOR OTHER PURPOSES”

By Representative Olivarez

TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4329, entitled:

“AN ACT CREATING THE DEPARTMENT OF WATER RESOURCES AND FOR OTHER PURPOSES”

By Representative Olivarez

TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4330, entitled:

“AN ACT INCREASING THE BED CAPACITY OF THE DR. SERAPIO B. MONTAÑER, JR. MEMORIAL HOSPITAL IN THE

\* See ANNEX (printed separately)

MUNICIPALITY OF MALABANG, SECOND DISTRICT OF LANAODEL SUR, FROM A 25-BED CAPACITY INTO A 100-BED CAPACITY, UPGRADING OF ITS PROFESSIONAL HEALTHCARE SERVICES AND FACILITIES, AUTHORIZING THE INCREASE OF ITS MEDICAL PERSONNEL AND APPROPRIATING FUNDS THEREFOR”

By Representative Balindong  
TO THE COMMITTEE ON HEALTH

House Bill No. 4331, entitled:

“AN ACT CONVERTING THE CONCHU PROVINCIAL ROAD IN THE CITY OF TRECE MARTIRES AND THE MUNICIPALITY OF AMADEO, ALL IN THE PROVINCE OF CAVITE, INTO A NATIONAL ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Remulla  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4332, entitled:

“AN ACT CREATING THE NATIONAL FILM ARCHIVE TO BE MANAGED BY THE FILM DEVELOPMENT COUNCIL, AND APPROPRIATING FUNDS THEREFOR”

By Representative Nieto  
TO THE COMMITTEE ON PUBLIC INFORMATION

House Bill No. 4333, entitled:

“AN ACT ESTABLISHING A JOB TRAINING PROGRAM FOR MATURE OR OLDER WORKERS”

By Representative Nieto  
TO THE COMMITTEE ON LABOR AND EMPLOYMENT

House Bill No. 4334, entitled:

“AN ACT ADJUSTING THE SALARY SCHEDULE OF CIVILIAN PERSONNEL IN THE GOVERNMENT, AND FOR OTHER PURPOSES”

By Representative Nieto  
TO THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4335, entitled:

“AN ACT REGULATING THE IMPOSITION OF FEES FOR THE USE OF PARKING SPACES AND FACILITIES IN SHOPPING MALLS, HOSPITALS, SCHOOLS, HOTELS, AND SIMILAR ESTABLISHMENTS, INCLUDING VACANT LOTS USED EXCLUSIVELY FOR PARKING AND PRESCRIBING PENALTIES FOR VIOLATION THEREOF”

By Representative Nieto  
TO THE COMMITTEE ON TRADE AND INDUSTRY

House Bill No. 4336, entitled:

“AN ACT GRANTING DISCOUNTS ON BASIC AND EDUCATION SERVICES TO UNDERPRIVILEGED STUDENTS IN ALL LEVELS, INCLUDING THOSE ENROLLED IN TECHNICAL-VOCATIONAL (TECH-VOC) INSTITUTIONS”

By Representative Nieto  
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE AND THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 4337, entitled:

“AN ACT MANDATING THE ANNUAL PUBLIC DISCLOSURE OF ALL CONTINGENT LIABILITIES INCURRED BY ALL NATIONAL GOVERNMENT AGENCIES, LOCAL GOVERNMENT UNITS, GOVERNMENT-OWNED OR -CONTROLLED CORPORATIONS, GOVERNMENT FINANCIAL INSTITUTIONS, AND OTHER GOVERNMENT INSTRUMENTALITIES”

By Representative Santos-Recto  
TO THE COMMITTEE ON PUBLIC ACCOUNTS

House Bill No. 4338, entitled:

“AN ACT ESTABLISHING A NATIONAL PROGRAM FOR THE FILIPINO GIFTED CHILDREN AND APPROPRIATING FUNDS THEREFOR”

By Representative Guico  
TO THE COMMITTEE ON YOUTH AND SPORTS DEVELOPMENT

House Bill No. 4339, entitled:

“AN ACT REGULATING THE PRODUCTION, IMPORTATION, SALE, AND USE OF SINGLE-USE PLASTICS, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Barba  
TO THE COMMITTEE ON ECOLOGY

House Bill No. 4340, entitled:

“AN ACT ESTABLISHING A REGULAR DISTRICT OFFICE OF THE LAND TRANSPORTATION OFFICE (LTO) IN THE MUNICIPALITY OF ALCOY, IN THE 2<sup>ND</sup> DISTRICT OF THE PROVINCE OF CEBU AND APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES”

By Representative Caminero  
TO THE COMMITTEE ON  
TRANSPORTATION

House Bill No. 4341, entitled:

“AN ACT REGULATING PUBLIC SOLICITATIONS AND PROVIDING PENALTIES FOR VIOLATION THEREOF, REPEALING FOR THE PURPOSE ACT NO. 4075, AS AMENDED BY PRESIDENTIAL DECREE NO. 1564, OTHERWISE KNOWN AS THE SOLICITATION PERMIT LAW”

By Representative Ramirez-Sato  
TO THE COMMITTEE ON SOCIAL SERVICES

House Bill No. 4342, entitled:

“AN ACT ESTABLISHING THE ARCHITECTURE CODE OF THE PHILIPPINES AND FOR OTHER PURPOSES”

By Representative Ramirez-Sato  
TO THE COMMITTEE ON CIVIL SERVICE AND PROFESSIONAL REGULATION

House Bill No. 4343, entitled:

“AN ACT CREATING ADDITIONAL BRANCHES OF REGIONAL TRIAL COURT IN THE PROVINCE OF CAMARINES NORTE TO BE STATIONED IN THE MUNICIPALITY OF LABO, AMENDING FOR THE PURPOSE SECTION 14, PARAGRAPH (F) OF BATAS PAMBANSA BLG. 129, OTHERWISE KNOWN AS ‘THE JUDICIARY REORGANIZATION ACT OF 1980’, AS AMENDED, AND APPROPRIATING FUNDS THEREFOR”

By Representative Tallado  
TO THE COMMITTEE ON JUSTICE

House Bill No. 4344, entitled:

“AN ACT CREATING AND ESTABLISHING THE NATIONAL ACADEMY OF SPORTS, PROVIDING FUNDS THEREFOR”

By Representative Tambunting  
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE AND THE COMMITTEE ON YOUTH AND SPORTS DEVELOPMENT

House Bill No. 4345, entitled:

“AN ACT MANDATING THE INSTITUTIONALIZATION, DEVELOPMENT, TRAINING, ORGANIZATION AND ADMINISTRATION OF BASIC RESERVE OFFICERS TRAINING CORPS (ROTC) IN GRADES 11 AND 12 IN PUBLIC AND PRIVATE EDUCATIONAL

INSTITUTIONS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7077, OTHERWISE KNOWN AS THE ‘CITIZEN ARMED FORCES OF THE PHILIPPINES RESERVIST ACT’, AND APPROPRIATING FUNDS THEREFOR”

By Representative Tambunting  
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE AND THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 4346, entitled:

“AN ACT DECLARING THE COCONUT LEVY ASSETS AS A TRUST FUND, PROVIDING FOR ITS MANAGEMENT AND UTILIZATION, AUTHORIZING THE PRIVATIZATION AND MANAGEMENT OFFICE TO DISPOSE THE COCONUT LEVY ASSETS, AND FOR OTHER PURPOSES”

By Representative Tambunting  
TO THE COMMITTEE ON AGRICULTURE AND FOOD

House Bill No. 4347, entitled:

“AN ACT INSTITUTING A NATIONAL LAND USE AND MANAGEMENT POLICY, PROVIDING THE IMPLEMENTING MECHANISMS, AND APPROPRIATING FUNDS THEREFOR”

By Representative Tambunting  
TO THE SPECIAL COMMITTEE ON LAND USE

House Bill No. 4348, entitled:

“AN ACT RECOGNIZING X-LINKED DYSTONIA PARKINSONISM (XDP) AS A RARE FILIPINO DISEASE, CREATING THE XDP CENTER OF THE PHILIPPINES TO SPEARHEAD RESEARCH AND PROVIDE ASSISTANCE TO PATIENTS OF SAID DISEASE, AND PROVIDING FUNDS THEREFOR”

By Representatives Castro (Fredenil), Gorriceta, Defensor (Lorenz), Tupas, Haresco, Marquez, Billones, Nava, Baronda, Gasataya, Valmayor, Cueva, Benitez, Ferrer (Juliet), Arroyo, Lagon and Paduano  
TO THE COMMITTEE ON HEALTH

House Bill No. 4349, entitled:

“AN ACT MODERNIZING AGRICULTURE, PROVIDING FUNDS FROM THE ANNUAL VALUE-ADDED TAX COLLECTIONS, AMENDING FOR THE PURPOSE THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED”

By Representative Santos-Recto  
TO THE COMMITTEE ON AGRICULTURE  
AND FOOD

House Bill No. 4350, entitled:

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

By Representative Santos-Recto  
TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON AQUACULTURE AND FISHERIES RESOURCES

House Bill No. 4351, entitled:

“AN ACT INSTITUTING REFORMS TO FURTHER PROTECT AND DEVELOP MICRO, SMALL AND MEDIUM ENTERPRISES, AMENDING FOR THE PURPOSE EXECUTIVE ORDER NO. 81, OTHERWISE KNOWN AS ‘THE 1986 REVISED CHARTER OF THE DEVELOPMENT BANK OF THE PHILIPPINES,’ AS AMENDED”

By Representative Santos-Recto  
TO THE COMMITTEE ON MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT

House Bill No. 4352, entitled:

“AN ACT EXPANDING THE COVERAGE OF MICRO ENTERPRISES AS BENEFICIARIES OF THE MAGNACARTA FOR MICRO, SMALL AND MEDIUM ENTERPRISES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6977, AS AMENDED”

By Representative Santos-Recto  
TO THE COMMITTEE ON MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT

House Bill No. 4353, entitled:

“AN ACT INCREASING TO THREE THOUSAND PESOS (P3,000) THE MONTHLY PERSONNEL ECONOMIC RELIEF ALLOWANCE (PERA) GRANTED TO GOVERNMENT EMPLOYEES, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES”

By Representative Santos-Recto  
TO THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4354, entitled:

“AN ACT REMOVING THE CONDITIONS FOR

THE CONDONATION OF ALL UNPAID INCOME TAXES DUE FROM LOCAL WATER DISTRICTS, AMENDING FOR THE PURPOSE SECTION 289-A OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED”

By Representative Santos-Recto  
TO THE COMMITTEE ON WAYS AND MEANS

House Bill No. 4355, entitled:

“AN ACT PROVIDING FOR THE FAIR AND EQUITABLE ALLOCATION OF FARM-TO-MARKET ROADS PROJECTS OF THE DEPARTMENT OF AGRICULTURE”

By Representative Santos-Recto  
TO THE COMMITTEE ON AGRICULTURE AND FOOD

House Bill No. 4356, entitled:

“AN ACT EXEMPTING THE MANUFACTURE, ASSEMBLY, CONVERSION AND IMPORTATION OF PLUG-IN HYBRID ELECTRIC VEHICLES FROM THE PAYMENT OF EXCISE TAXES AND DUTIES, AND FOR OTHER PURPOSES”

By Representative Santos-Recto  
TO THE COMMITTEE ON ECOLOGY

House Bill No. 4357, entitled:

“AN ACT MODERNIZING HEALTHCARE AND HEALTH INFRASTRUCTURE, PROVIDING FUNDS FROM THE ANNUAL VALUE-ADDED TAX COLLECTIONS, AMENDING FOR THE PURPOSE THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED”

By Representative Santos-Recto  
TO THE COMMITTEE ON HEALTH

House Bill No. 4358, entitled:

“AN ACT MANDATING THE SECRETARIES OF THE DEPARTMENT OF FINANCE, NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY, AND DEPARTMENT OF BUDGET AND MANAGEMENT, AND THE GOVERNOR OF THE BANGKO SENTRAL NG PILIPINAS, TO APPEAR SEMI-ANNUALLY BEFORE CONGRESS TO REPORT ON THE STATUS AND DIRECTIONS OF THE FISCAL AND MONETARY POLICIES OF THE STATE”

By Representative Santos-Recto  
TO THE COMMITTEE ON APPROPRIATIONS AND THE COMMITTEE ON WAYS AND MEANS

House Bill No. 4359, entitled:

“AN ACT PROVIDING TAX RELIEF TO THE LABOR SECTOR BY EXPANDING THE COVERAGE OF EXCLUSIONS FROM GROSS INCOME AND INCREASING THE AMOUNTS OF DE MINIMIS BENEFITS EXEMPT FROM TAX AMENDING FOR THE PURPOSE SECTIONS 32(B) AND 33 OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED, AND FOR OTHER PURPOSES”

By Representative Santos-Recto  
TO THE COMMITTEE ON WAYS AND MEANS

ESTABLISHING AN INCENTIVES SYSTEM FOR THE PRIVATE SECTOR ENGAGED IN THE PROMOTION OF THE WELFARE OF STREET CHILDREN AND FOR OTHER PURPOSES”

By Representative Santos-Recto  
TO THE COMMITTEE ON WELFARE OF CHILDREN

House Bill No. 4360, entitled:

“AN ACT PROHIBITING THE CONVERSION OF IRRIGATED AND IRRIGABLE AGRICULTURAL LANDS FOR NON-AGRICULTURAL USES, AMENDING FOR THE PURPOSE SECTION 20 OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991”

By Representative Santos-Recto  
TO THE COMMITTEE ON AGRARIAN REFORM

House Bill No. 4364, entitled:

“AN ACT CREATING THE PHILIPPINE MEDICAL ACADEMY, ESTABLISHING THE PHILIPPINE MEDICAL SCHOLARSHIP PROGRAM AND APPROPRIATING FUNDS THEREFOR”

By Representative Santos-Recto  
TO THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 4361, entitled:

“AN ACT PROHIBITING TELECOMMUNICATION COMPANIES FROM IMPOSING AN EXPIRATION PERIOD ON THE VALIDITY OF PREPAID CALL AND TEXT CARDS AND THE FORFEITURE OF LOAD CREDITS THEREOF”

By Representative Santos-Recto  
TO THE COMMITTEE ON INFORMATION AND COMMUNICATIONS TECHNOLOGY

House Bill No. 4365, entitled:

“AN ACT EXCLUDING OVERTIME PAY FROM THE COMPUTATION OF TAXABLE INCOME AMENDING FOR THIS PURPOSE SECTION 32 (B) (7) OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED”

By Representative Santos-Recto  
TO THE COMMITTEE ON WAYS AND MEANS

House Bill No. 4362, entitled:

“AN ACT GRANTING EMPLOYEES THREE DAYS PAID LEAVE TO ATTEND SCHOOL-RELATED ACTIVITIES OF THEIR CHILDREN”

By Representative Santos-Recto  
TO THE COMMITTEE ON LABOR AND EMPLOYMENT AND THE COMMITTEE ON CIVIL SERVICE AND PROFESSIONAL REGULATION

House Bill No. 4366, entitled:

“AN ACT PROMOTING ENVIRONMENTALLY SUSTAINABLE TRANSPORT BY PROVIDING INCENTIVES FOR THE MANUFACTURE, ASSEMBLY, CONVERSION AND IMPORTATION OF ELECTRIC, HYBRID AND OTHER GREEN VEHICLES, AND FOR OTHER PURPOSES”

By Representative Santos-Recto  
TO THE COMMITTEE ON ECOLOGY

House Bill No. 4363, entitled:

“AN ACT ADVANCING THE RIGHTS OF STREET CHILDREN BY STRENGTHENING THE BARANGAY COUNCIL FOR THE PROTECTION OF CHILDREN (BCPC) AND

House Bill No. 4367, entitled:

“AN ACT REQUIRING INTERNET SERVICE PROVIDERS TO DELIVER A MINIMUM STANDARD FOR INTERNET CONNECTION SPEED”

By Representative Santos-Recto  
TO THE COMMITTEE ON INFORMATION AND COMMUNICATIONS TECHNOLOGY

House Bill No. 4368, entitled:

“AN ACT PROTECTING CONSUMERS FROM UNREASONABLE FEE INCREASES BY PROVIDING FOR A CONSUMER GROUP REPRESENTATION IN THE GOVERNING

BOARDS OF GOVERNMENT REGULATORY BODIES, AMENDING FOR THE PURPOSE THEIR RESPECTIVE CHARTERS, AND FOR OTHER PURPOSES”

By Representative Santos-Recto  
TO THE COMMITTEE ON TRADE AND INDUSTRY

House Bill No. 4369, entitled:

“AN ACT ESTABLISHING LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, INTERSEXUAL, ASEXUAL, AND INDIVIDUALS OF VARIOUS SEXUAL AND GENDER ORIENTATIONS (LGBTQIA+) HELP AND PROTECTION DESKS IN ALL PHILIPPINE NATIONAL POLICE STATIONS, AMENDING FOR THE PURPOSE TITLE VII OF REPUBLIC ACT NUMBER 8551, AS AMENDED, OTHERWISE KNOWN AS THE ‘PHILIPPINE NATIONAL POLICE REFORM AND REORGANIZATION ACT OF 1998,’ AND FOR OTHER PURPOSES”

By Representative Santos-Recto  
TO THE COMMITTEE ON WOMEN AND GENDER EQUALITY

House Bill No. 4370, entitled:

“AN ACT EXCLUDING THE PERFORMANCE-BASED BONUS FROM THE COMPUTATION OF TAXABLE INCOME AMENDING FOR THE PURPOSE SECTION 32 (B) (7) OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED”

By Representative Santos-Recto  
TO THE COMMITTEE ON WAYS AND MEANS

House Bill No. 4371, entitled:

“AN ACT INSTITUTING REFORMS TO FURTHER PROTECT AND DEVELOP THE NURSING PROFESSION, AMENDING FOR THE PURPOSE REPUBLIC ACT NUMBER 9173, OTHERWISE KNOWN AS THE ‘PHILIPPINE NURSING ACT OF 2002’ ”

By Representative Santos-Recto  
TO THE COMMITTEE ON CIVIL SERVICE AND PROFESSIONAL REGULATION

House Bill No. 4372, entitled:

“AN ACT ENSURING ACCESS TO SECONDARY EDUCATION BY CONVERTING ALL PUBLIC ELEMENTARY SCHOOLS INTO INTEGRATED SCHOOLS OFFERING COMPLETE BASIC EDUCATION AND FOR OTHER PURPOSES”

By Representative Santos-Recto

TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4373, entitled:

“AN ACT MODIFYING THE AWARD OF THE CENTENARIAN GIFT, AMENDING FOR THE PURPOSE SECTIONS 2, 3, AND 4 OF REPUBLIC ACT NO. 10868, OTHERWISE KNOWN AS THE CENTENARIAN ACT OF 2016”

By Representative Baronda  
TO THE SPECIAL COMMITTEE ON SENIOR CITIZENS

House Bill No. 4374, entitled:

“AN ACT INCREASING THE HONORARIUM OF BARANGAY OFFICIALS AND APPROPRIATING FUNDS THEREOF”

By Representative Baronda  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 4375, entitled:

“AN ACT PROVIDING FOR THE CONVERSION OF THE JCT. BCIR–BAAN KM 3–AMAMAYLAN–NEW ERA ROAD–JCT. MAYOR DEMOCRITO D. PLAZA II AVENUE IN BUTUAN CITY INTO A NATIONAL SECONDARY ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Fortun  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4376, entitled:

“AN ACT PROVIDING FOR THE CONVERSION OF THE JCT. BCIR–DOONGAN ROAD–JCT. BUTUAN CITY–MASAO PORT ROAD IN BUTUAN CITY INTO A NATIONAL SECONDARY ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Fortun  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4377, entitled:

“AN ACT PROVIDING FOR THE CONVERSION OF THE JCT. BCIR–NORTH MONTILLA BOULEVARD–SALVADOR CALO ROAD–JCT. BUTUAN CITY–MASAO PORT ROAD IN BUTUAN CITY INTO A NATIONAL SECONDARY ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Fortun  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4378, entitled:

“AN ACT PROVIDING FOR THE CONVERSION OF THE JCT. BCIR–LIBERTAD–BONBON ROAD–JCT. MAYOR DEMOCRITO D. PLAZA II AVENUE IN BUTUAN CITY INTO A NATIONAL SECONDARY ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Fortun  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4379, entitled:

“AN ACT PROVIDING FOR THE CONVERSION OF THE JCT. BCIR–R. CALO–PAGATPATAN ROAD IN BUTUAN CITY INTO A NATIONAL SECONDARY ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Fortun  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4380, entitled:

“AN ACT PROVIDING FOR THE CONVERSION OF THE JCT. BCIR–LIBERTAD–AMBAGO ROAD–JCT. BUTUAN CITY–MASAO PORT ROAD IN BUTUAN CITY INTO A NATIONAL SECONDARY ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Fortun  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4381, entitled:

“AN ACT PROVIDING FOR THE CONVERSION OF THE JCT. BUTUAN CITY–MALAYBALAY ROAD–VILLA KANANGA–CAPITOL ROAD–JCT. BCIR BUTUAN CITY INTO A NATIONAL SECONDARY ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Fortun  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4382, entitled:

“AN ACT PROVIDING FOR THE CONVERSION OF THE JCT. BCIR–CAPITOL DRIVE–LIBERTAD ROAD–JCT. BCIR IN BUTUAN CITY INTO A NATIONAL SECONDARY ROAD AND APPROPRIATING FUNDS THEREFOR”

By Representative Fortun  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4383, entitled:

“AN ACT FURTHER AMENDING ARTICLE 97 OF ACT NO. 3815, OTHERWISE KNOWN AS THE REVISED PENAL CODE, IN ORDER TO CLARIFY THE LEGISLATIVE INTENTION OF REPUBLIC ACT NO. 10592 EXCLUDING RECIDIVISTS, HABITUAL DELINQUENTS, ESCAPEES AND PERSONS CONVICTED OF HEINOUS CRIMES FROM ENJOYING THE BENEFITS OF GOOD CONDUCT TIME ALLOWANCE (GCTA) UNDER ARTICLE 97 OF SAID ACT”

By Representative Garcia (Pablo John)  
TO THE COMMITTEE ON JUSTICE

House Bill No. 4384, entitled:

“AN ACT ESTABLISHING SEPARATE SCHOOLS DIVISION OFFICES IN THE FIRST AND SECOND DISTRICT OF THE PROVINCE OF ZAMBOANGA DEL SUR”

By Representative Yu  
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4385, entitled:

“AN ACT TO CONVERT INTO A NATIONAL ROAD THE ARELLANO TO CALANGUIGAN ROAD PORTION ALONG THE MALALAO NATIONAL ROAD (TABUK–QUEZON ROAD) STRETCHING FROM BARANGAY ARELLANO TO BARANGAY CALANGUIGA, ALL IN THE MUNICIPALITY OF QUEZON, PROVINCE OF ISABELA, AND APPROPRIATING FUNDS THEREFOR”

By Representative Dy (Faustino Michael)  
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4386, entitled:

“AN ACT DECLARING SEPTEMBER 17 OF EVERY YEAR AS A SPECIAL NONWORKING PUBLIC HOLIDAY IN THE PROVINCE OF ZAMBOANGA DEL SUR”

By Representative Yu  
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 4387, entitled:

“AN ACT PROVIDING FOR PROTECTION, SECURITY AND BENEFITS OF WHISTLEBLOWERS, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES”



By Representatives Zarate, Gaité, Cullamat, Castro  
(France), Brosas and Elago  
TO THE COMMITTEE ON JUSTICE

House Bill No. 4388, entitled:

“AN ACT STRENGTHENING THE WITNESS PROTECTION, SECURITY AND BENEFIT PROGRAM, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6981, OTHERWISE KNOWN AS THE ‘WITNESS PROTECTION, SECURITY AND BENEFIT ACT’, AND PROVIDING ADDITIONAL FUNDS THEREFOR”

By Representatives Zarate, Gaité, Cullamat, Castro  
(France), Brosas and Elago  
TO THE COMMITTEE ON JUSTICE

House Bill No. 4389, entitled:

“AN ACT ESTABLISHING A PHILIPPINE SCIENCE HIGH SCHOOL (PSHS) CAMPUS IN THE MUNICIPALITY OF REINA MERCEDES, PROVINCE OF ISABELA AND APPROPRIATING FUNDS THEREFOR”

By Representative Go (Ed)  
TO THE COMMITTEE ON SCIENCE AND TECHNOLOGY

House Bill No. 4390, entitled:

“AN ACT CRIMINALIZING THE MALICIOUS AUTHORIZING, PUBLICATION AND DISSEMINATION OF FAKE NEWS ON SOCIAL MEDIA AND OTHER MEDIA PLATFORMS AND PRESCRIBING PENALTIES THEREFOR”

By Representative Go (Ed)  
TO THE COMMITTEE ON JUSTICE

House Bill No. 4391, entitled:

“AN ACT PROVIDING THE NATIONAL ENERGY POLICY AND REGULATORY FRAMEWORK FOR THE USE OF ELECTRIC VEHICLES, AND THE ESTABLISHMENT OF ELECTRIC CHARGING STATIONS”

By Representative Go (Ed)  
TO THE COMMITTEE ON ECOLOGY

House Bill No. 4392, entitled:

“AN ACT INSTITUTIONALIZING THE ALTERNATIVE LEARNING SYSTEM IN THE BASIC EDUCATION FOR OUT-OF-SCHOOL CHILDREN, YOUTH AND ADULTS, PERSONS WITH DISABILITIES, INDIGENOUS PEOPLES, AND OTHER MARGINALIZED SECTORS OF SOCIETY, AND APPROPRIATING FUNDS THEREFOR”

By Representative Robes  
TO THE COMMITTEE ON BASIC EDUCATION  
AND CULTURE

House Bill No. 4393, entitled:

“AN ACT DESIGNATING MATI AIRPORT IN DAVAO ORIENTAL AS THE OFFICIAL ALTERNATE AIRPORT TO THE DAVAO INTERNATIONAL AIRPORT AND APPROPRIATING FUNDS THEREFOR”

By Representative Almario  
TO THE COMMITTEE ON  
TRANSPORTATION

House Bill No. 4394, entitled:

“AN ACT UPGRADING THE MARIA L. ELEAZAR DISTRICT HOSPITAL IN THE MUNICIPALITY OF TAGKAWAYAN, PROVINCE OF QUEZON INTO A LEVEL III GENERAL HOSPITAL, TO BE KNOWN AS THE MARIA L. ELEAZAR GENERAL HOSPITAL, UNDER THE DIRECT SUPERVISION AND CONTROL OF THE DEPARTMENT OF HEALTH, INCREASING ITS BED CAPACITY FROM TWENTY-FIVE (25) TO ONE HUNDRED (100), AND APPROPRIATING FUNDS THEREFOR”

By Representative Tan (Angelina)  
TO THE COMMITTEE ON HEALTH

House Bill No. 4395, entitled:

“AN ACT GRANTING A FIXED MONTHLY HONORARIA AND ADDITIONAL BENEFITS TO ACCREDITED BARANGAY HEALTH WORKERS, AMENDING FOR THIS PURPOSE SECTION 6 OF REPUBLIC ACT 7883 OTHERWISE KNOWN AS THE BARANGAY HEALTH WORKERS' BENEFITS AND INCENTIVES ACT OF 1995”

By Representative Calixto  
TO THE COMMITTEE ON LOCAL  
GOVERNMENT

House Bill No. 4396, 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  
TO THE COMMITTEE ON LOCAL  
GOVERNMENT

House Bill No. 4397, entitled:

“AN ACT REQUIRING FULL DISCLOSURE

OF ALL INFORMATION ON FISCAL MANAGEMENT FROM ALL NATIONAL GOVERNMENT DEPARTMENTS, BUREAUS, AGENCIES AND OTHER INSTRUMENTALITIES, INCLUDING GOVERNMENT-OWNED OR -CONTROLLED CORPORATIONS, AND THEIR SUBSIDIARIES, AND LOCAL GOVERNMENTS, AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF AND FOR OTHER PURPOSES”

By Representative Abaya  
TO THE COMMITTEE ON PUBLIC ACCOUNTS

House Bill No. 4398, entitled:

“AN ACT INSTITUTING A NATIONAL LAND USE AND MANAGEMENT POLICY, PROVIDING THE IMPLEMENTING MECHANISMS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Abaya  
TO THE SPECIAL COMMITTEE ON LAND USE

House Bill No. 4399, entitled:

“AN ACT TO ESTABLISH INCLUSIVE EDUCATION IN ALL PUBLIC SCHOOLS FOR CHILDREN AND YOUTH WITH SPECIAL NEEDS, PROVIDING GUIDELINES AND FINANCIAL ASSISTANCE THEREFOR”

By Representative Tambunting  
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4400, entitled:

“AN ACT AMENDING SECTIONS 11 AND 12 OF REPUBLIC ACT NO. 7941 OR THE PARTY-LIST SYSTEM ACT”

By Representative Salo  
TO THE COMMITTEE ON SUFFRAGE AND ELECTORAL REFORMS

House Bill No. 4401, entitled:

“AN ACT CREATING THE DEPARTMENT OF DISASTER MANAGEMENT, DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Bolilia  
TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON DISASTER MANAGEMENT

House Bill No. 4402, entitled:

“AN ACT RENEWING FOR ANOTHER

TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO TAGBILARAN BROADCASTING SYSTEM INC., FORMERLY TAGBILARAN SYSTEM, TO CONSTRUCT, INSTALL, OPERATE, AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PROVINCE OF BOHOL AND ANYWHERE IN THE PHILIPPINES”

By Representative Aumentado  
TO THE COMMITTEE ON LEGISLATIVE FRANCHISES

House Bill No. 4403, entitled:

“AN ACT ESTABLISHING A MEDICAL CENTER IN BARANGAY LACARON, MUNICIPALITY OF MALITA, PROVINCE OF DAVAO OCCIDENTAL TO BE KNOWN AS DAVAO OCCIDENTAL MEDICAL CENTER, AND APPROPRIATING FUNDS THEREFOR”

By Representative Bautista-Bandigan  
TO THE COMMITTEE ON HEALTH

House Bill No. 4404, entitled:

“AN ACT RENAMING THE MALITA DISTRICT HOSPITAL IN POBLACION, MUNICIPALITY OF MALITA, PROVINCE OF DAVAO OCCIDENTAL INTO MALITA CHILDRENS AND WOMEN HOSPITAL”

By Representative Bautista-Bandigan  
TO THE COMMITTEE ON HEALTH

House Bill No. 4405, entitled:

“AN ACT INCREASING THE AUTHORIZED BED CAPACITY OF THE TOMAS LACHICA DISTRICT HOSPITAL IN THE MUNICIPALITY OF JOSE ABAD SANTOS, PROVINCE OF DAVAO OCCIDENTAL FROM TWENTY-FIVE (25) BEDS TO FIFTY (50) BEDS, UPGRADING ITS MEDICAL FACILITIES AND IMPROVING HEALTH CARE SERVICES, AND APPROPRIATING FUNDS THEREFOR”

By Representative Bautista-Bandigan  
TO THE COMMITTEE ON HEALTH

House Bill No. 4406, entitled:

“AN ACT PROTECTING SENIOR CITIZEN FROM VIOLENCE, DEFINING ELDER ABUSE, AND PRESCRIBING PENALTIES THEREFOR”

By Representatives Yap (Eric), Tulfo and Taturan  
TO THE SPECIAL COMMITTEE ON SENIOR CITIZENS

## COMMUNICATIONS

Letter dated July 22, 2019 of Usec. Ricardo B. Jalad, Administrator, Office of Civil Defense, Department of National Defense, notifying the House of Representatives the posting in their Office's website of the following Unified Reporting System (URS)-generated Budget and Financial Accountability Reports:

1. Statement of Appropriations, Obligations, Disbursements and Balances (FAR 1);
2. Summary of Appropriations, Allotments, Obligations, Disbursements and Balances by Object of Expenditures (FAR 1-A);
3. List of Allotment and Sub-Allotment (FAR 1-B);
4. Statement of Obligations, Disbursements, Liquidations and Balances for Inter-Agency Fund Transfers (FAR 1-C);
5. Statement of Approved Budget, Utilizations, Disbursements and Balances (FAR 2);
6. Statement of Approved Budget, Utilizations, Disbursements and Balances by Object of Expenditures (FAR 2-A);
7. Report of Disbursements (FAR 4);
8. Quarterly Report of Revenue and Other Receipts (FAR 5);
9. Statement of Approved Budget, Utilizations, Disbursements and Balances for Trust Receipts (FAR 6); and
10. Statement of Allotment, Obligations and Balances (SAOB).

TO THE COMMITTEE ON APPROPRIATIONS

Letter dated July 23, 2019 of Benjamin S. Pongos, Jr., OIC City Mayor, Ormoc City, transmitting the Report on Fund Utilization and Status of Program/Project Implementation for the Quarter Ended March 30 and June 30, 2019 on the Local Government Support Fund – Assistance to Cities (LGSF-AC) and on the Local Government Support Fund – Financial Assistance to Local Government Units (LGSF-FA to LGUs).

TO THE COMMITTEE ON APPROPRIATIONS

Letter dated 23 July 2019 of Juanito Victor C. Remulla, Provincial Governor, Province of Cavite, submitting the Quarterly Financial Report of Operations for the Ending of 2nd Quarter 2019 - Conditional Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement (FY 2017-2018 CMGP).

TO THE COMMITTEE ON APPROPRIATIONS

Letter dated 23 July 2019 of Atty. Guiller B. Asido, Administrator, Intramuros Administration, transmitting to the House of Representatives the Financial Reports of the Intramuros Administration for the quarter ending June 30, 2019.

TO THE COMMITTEE ON APPROPRIATIONS

Letter dated July 26, 2019 of Victor J. Yu, Provincial Governor, Province of Zamboanga Del Sur, submitting the Report on Fund Utilization and Status of Program/Project Implementation for the Quarter Ended April to June 2019 on the Local Government Support Fund to Local Government Unit, to wit:

1. Social Services Program;
2. Conditional Matching Grant Program;
3. Bottom-Up Budgeting (BUB) Projects; and
4. Kalsada Projects.

TO THE COMMITTEE ON APPROPRIATIONS

Letter dated July 29, 2019 of Ernesto M. Pernia, Secretary of Socioeconomic Planning, National Economic and Development Authority (NEDA), submitting the NEDA's Physical Report of Operations (PRO) as of June 30, 2019.

TO THE COMMITTEE ON ECONOMIC AFFAIRS

Letter dated 29 July 2019 of Gilda G. Sañosa, Chief, Financial and Management Division, Civil Aeronautics Board, Department of Transportation, furnishing the House of Representatives with a copy of the following reports:

1. Status of Implementation of Prior Years' Audit Recommendation – Audit Observations and Recommendations for the CY 2019 as of June 30, 2019; and
2. Annual Audit Report of the Civil Aeronautics Board for the year ended December 31, 2018.

TO THE COMMITTEE ON APPROPRIATIONS

Letter dated 30 July 2019 of Michael G. Aguinaldo, Chairperson, Commission on Audit, furnishing the House of Representatives with copies of the 2018 Annual Audit Reports (AARs) on the following government agencies:

- A. Consolidated Annual Audit Reports
  1. Department of Education (DepEd);
  2. University of the Philippines System (UPS);
  3. Commission on Higher Education (CHED);
  4. National Labor Relations Commission (NLRC); and
  5. Overseas Workers Welfare Administration (OWWA).
- B. Individual Annual Audit Reports
  1. Early Childhood Care and Development Council (ECCDC);
  2. National Council for Children's Television (NCCT);
  3. National Book Development Board (NBDB);
  4. National Museum (NM);
  5. Marikina Polytechnic College (MPC);
  6. Philippine State College of Aeronautics (PhilSCA);

7. Bureau of Workers with Special Concerns – Social Amelioration Program (BWSC-SAP);
8. Professional Regulation Commission (PRC);
9. Philippine Overseas Employment Administration (POEA); and
10. Institute for Labor Studies (ILS).

## C. Management Letters

1. Eulogio “Amang” Rodriguez Institute of Science and Technology (EARIST); and
2. Rizal Technological University (RTU).

TO THE COMMITTEE ON APPROPRIATIONS

Letter dated August 6, 2019 of Ernesto M. Pernia, Secretary of Socioeconomic Planning and Head, Legislative-Executive Development Advisory Council (LEDAC) Secretariat, submitting the Second Quarter Financial and Physical Accomplishments that includes the following:

1. Statement of Appropriations, Allotments, Obligations, Disbursements and Balances as of the Quarter Ending June 30, 2019; and
2. Quarterly Physical Report of Operation as of June 30, 2019.

TO THE COMMITTEE ON APPROPRIATIONS

Letter dated 15 August 2019 of Secretary Adelino B. Sitoy, LLB, LLM, Presidential Adviser on Legislative Affairs and Head, PLLO, submitting the following financial accomplishment reports, pursuant to Section 102 of the General Provisions of Republic Act No. 11260:

1. Statement of Appropriations, Allotments, Obligations, Disbursements and Balances for the quarter ending June 30, 2019 (FAR No. 1);
2. Summary of Appropriations, Allotments, Obligations, Disbursements and Balances for the quarter ending June 30, 2019 (FAR No. 1-A);
3. List of Allotments and Sub-allotments for the quarter ending June 30, 2019 (FAR No. 1-B);
4. Monthly Report of Disbursements for the months of April, May and June 2019 (FAR No. 4); and
5. Quarterly Report of Revenue and Other Receipts as of June 30, 2019 (FAR No. 5).

TO THE COMMITTEE ON APPROPRIATIONS

Letter dated August 27, 2019 of Jose Luis Martin C. Gascon, Chairperson, Commission on Human Rights, furnishing the House of Representatives with a copy of the Human Rights Advisory on the Accessibility as a Matter of Right of Persons with Disabilities, CHR (V) Advisory A2019-005, issued on July 1, 2019.

TO THE COMMITTEE ON HUMAN RIGHTS

## COMMITTEE REPORT

Report of the Committee on Higher and Technical

Education (Committee Report No. 10), re H.B. No. 4466, entitled:

“AN ACT INTEGRATING LABOR EDUCATION INTO THE SOCIAL SCIENCE SUBJECTS IN THE HIGHER EDUCATION CURRICULUM”

recommending its approval in substitution of House Bills Numbered 1228, 3323 and 3736

Sponsors: Representatives Go (Mark) and Pineda  
TO THE COMMITTEE ON RULES

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

## SUSPENSION OF SESSION

REP. MACAPAGAL ARROYO. May I request for a suspension of the session, Mme. Speaker.

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

*It was 2:57 p.m.*

## RESUMPTION OF SESSION

*At 3:23 p.m., the session was resumed with Speaker Alan Peter “Compañero” S. Cayetano presiding.*

THE SPEAKER. The session is resumed.  
The Majority Leader is recognized.

REP. ROMUALDEZ (F). Mr. Speaker, yesterday, September 9, 2019, we passed Resolution No. 10, which reads as follows:

A RESOLUTION HONORING THE ACHIEVEMENTS AND CONTRIBUTIONS OF DR. GEORGE SIAO KIAN TY, AN OUTSTANDING FILIPINO, PHILANTHROPIST, AND BUSINESS LEADER

Whereas, the House of Representatives, has on several occasions recognized the achievements and contributions of outstanding Filipinos for their invaluable contribution to the country’s nation-building;

Whereas, Dr. George Siao Kian Ty was an outstanding Filipino tycoon who, through his vision accompanied by commitment, hard work, passion, and perseverance, founded the country’s leading financial conglomerate;

Whereas, in the 1950s when his family’s flour factory business, the Wellington Flour Mills, was experiencing financial difficulties and could not secure funding from existing

financial establishments then, Dr. George Ty envisioned to open a bank of his own;

Whereas, in 1962, this vision came to fruition when he founded Metropolitan Bank and Trust Co. which has now grown to become one of the recognized leaders in the banking industry with over 950 domestic branches, 2,300 ATMs nationwide, and over 30 foreign branches, subsidiaries, and representative offices;

Whereas, beyond banking he also succeeded in other industries where he sat in the leadership of various Philippine firms such as GT Capital Holdings, Toyota Motor Philippines Corp., Federal Land Inc., among others;

Whereas, Dr. George Siao Kian Ty, as both a philanthropist par excellence and a business leader, is truly an inspiration as he received various accolades for his excellent leadership which includes the Order of Lakandula with a rank of Bayani in 2010, the Gawad Lakan ng Kalakalan in 2011, the Order of the Rising Sun, Gold and Silver Star conferred by the Japanese Government in 2017, among others;

WHEREAS, success in business was not complete for Dr. George Siao Kian Ty, unless it touched the lives of Filipinos that led him to establish the Metrobank Foundation which is primarily engaged in corporate social responsibility with its various education and healthcare programs and at the same time maintains a dynamic partnership with other humanitarian organizations which likewise provide services to vulnerable sectors of the society;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the House of Representatives honor the achievements and contributions of Dr. George Siao Kian Ty, an outstanding Filipino, philanthropist, and business leader.

Adopted,

(Sgd.) Alan Peter “Compañero” S. Cayetano  
Speaker

Mr. Speaker, the members of the Metrobank Foundation: Mr. Aniceto M. Sobrepeña, President; Program Partners of the Metrobank Foundation, Atty. Al Miguel T. Leogardo, the Vice President of the Rotary Club of Makati, Metro Manila; Rolando P. Ramirez, past President of the RCMM; John Paul Montero, President of the Rotary Club of New Manila East; and Claro Baarde, COPS Chairman, RCNME are here present in the VIP gallery, Mr. Speaker. May we call them to rise to, at least, accept our appreciation through a round of applause. *(Applause)*

THE SPEAKER. It is a privilege and an honor for this Representation as well as all Members of Congress to be part of this Resolution that honors the commitment and the life and works that Dr. George Ty has given to all Filipinos. So, later on, to all Members who want to join, we will have a simple ceremony at the social hall of the Speaker’s Office. Thank you.

The Majority Leader is recognized.

REP. ROMUALDEZ (F.). Mr. Speaker, yesterday, we also passed Resolution No. 9, which reads as follows:

RESOLUTION HONORING AND  
COMMENDING THE METROBANK  
FOUNDATION OUTSTANDING FILIPINOS  
OF 2019

WHEREAS, The Metrobank Foundation is committed to promote a culture of excellence in the sectors of the academe, the police, and the military through The Metrobank Foundation Outstanding Filipinos with its component searches, namely: a) Award for Teachers, (b) Award for Soldiers, and (c) Award for Police Officers;

WHEREAS, The Metrobank Foundation Outstanding Filipinos is a career service award program that honors the excellence, dedication, heroism and sacrifices of Filipino teachers, soldiers and police officers being implemented by the Metrobank Foundation in conjunction with the Rotary Club of Makati Metro Manila for the Award for Soldiers and the Rotary Club of New Manila East and the Philippine Savings Bank for Award for Police Officers;

WHEREAS, The Metrobank Foundation Outstanding Filipinos are citizens recognized as models of excellence in their profession who live in accord with values of patriotism, integrity, and resourcefulness, having their social responsibilities in mind, in the performance of their profession;

WHEREAS, with the theme “Beyond Excellence”, this year’s search was launched last November 2017 with the objective of recognizing ten (10) exemplary Filipinos for their outstanding services and contributions to nation-building;

WHEREAS, after a dynamic and exhaustive nationwide search, the distinguished members of the Final Board of Judges selected four (4) teachers, three (3) soldiers, and three (3) police officers as the Metrobank Foundation Outstanding Filipinos of 2019;

WHEREAS, the ten (10) awardees will join the ranks of six hundred sixty-five (665) outstanding public servants recognized by The Metrobank Foundation since 1985:

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved, that the House of Representatives honor and commend the 2019 Metrobank Foundation Outstanding Filipinos namely:

For the Award for Teachers:

1. Dorothy S. Tarol, Ph.D.  
Master Teacher II  
Special Education (SPED)-Integrated  
School for Exceptional Children  
Gen. Luna-A. Mabini Streets, Iloilo City
2. Cristina B. Cristobal, Ph.D.  
Special Science Teacher 5  
Philippine Science High School Main  
Campus, Diliman, Quezon City
3. Ricardo T. Jose, Ph.D.  
Professor 12  
College of Social Sciences and  
Philosophy  
University of the Philippines  
Diliman, Quezon City
4. Eva Maria Cutiongco-Dela Paz, M.D.  
Professor 10  
College of Medicine  
University of the Philippines Manila  
Manila

For the Award for Soldiers:

5. Master Sergeant Ramil A. Caporas  
Team Supervisor  
Explosive Ordinance Division, Army  
Support Command  
Philippine Army Camp Servillano  
Aquino, San Miguel, Tarlac City
6. Major Romulo G. Dimayuga  
Currently taking up Master of Science  
in Defense Analysis major in Special  
Operations  
Naval Post Graduate School, Monterey,  
California, United States of America  
(Former Operations and Training Officer,  
Force Reconnaissance Group  
Headquarters  
Philippine Marine Corps, Fort  
Bonifacio, Taguig City)
7. Lieutenant Colonel John Paul D.  
Baldomar  
Chief Current Operations Branch  
Internal Security Operations Division  
Office of the Deputy Chief of Staff  
for Operations, Armed Forces of  
the Philippines  
Camp Aguinaldo, Quezon City

For the Award for Police Officers:

8. Police Chief Master Sergeant Marsha  
T. Agustin  
Investigator  
Women and Children Protection  
Center  
Philippine National Police  
Headquarters  
Camp Crame, Quezon City
9. Police Major Robert A. Reyes  
Technical Support Officer  
Counter Intelligence Task Force  
Philippine National Police  
Headquarters  
Camp Crame, Quezon City
10. Police Colonel Edwin A. Quilates  
Provincial Director  
Batangas Provincial Police Station  
Camp Miguel C. Malvar  
Batangas City

for their loyalty and dedication to the Constitution of the Republic of the Philippines, for their faithful performance of their sworn duties and responsibilities beyond reproach, and for being model citizens in their respective communities.

Adopted,

(Sgd.) Alan Peter “Compañero” S. Cayetano  
Speaker

SUSPENSION OF SESSION

THE SPEAKER. Thank you, Majority Leader. May we invite this year’s outstanding Filipino awardees to receive a copy of the Resolution and be honored by your House of Representatives.

The session is suspended. *(Applause)*

*It was 3:32 p.m.*

RESUMPTION OF SESSION

*At 3:41 p.m., the session was resumed.*

THE SPEAKER. The session is resumed. The Majority Leader is recognized.

REP. ROMUALDEZ (F.). Mr. Speaker, I move that we proceed to the Calendar of Business.

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

CONSIDERATION OF H.B. NO. 4228  
ON SECOND READING

REP. ROMUALDEZ (F.). Mr. Speaker, I move that we consider House Bill No. 4228, contained in Committee Report No. 8, as reported out by the Committee on Appropriations.

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

THE SPEAKER. 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. 4228, 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 TWENTY, AND FOR OTHER PURPOSES.

THE SPEAKER. The Majority Leader is recognized.

PERIOD OF SPONSORSHIP AND DEBATE

REP. ROMUALDEZ (F.). Mr. Speaker, I move that we open the period of sponsorship and debate.

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

REP. ROMUALDEZ (F.). Mr. Speaker, I move that we recognize Rep. Isidro T. Ungab, the Chairman of the Committee on Appropriations, to deliver his sponsorship speech on House Bill No. 4228.

THE SPEAKER. Is there any objection? *(Silence)*  
The Chair hears none; we now recognize Cong. Isidro Ungab, the Gentleman from Davao and Chairman of the Committee on Appropriations, to deliver his sponsorship speech.

SPONSORSHIP SPEECH OF REP. UNGAB

REP. UNGAB. Mr. Speaker, honorable Members of this House, Ladies and Gentleman, good afternoon.

Mr. Speaker, my dear colleagues, as Chairman of the Committee on Appropriations, I am honored to sponsor

and present House Bill No 4228, otherwise known as the General Appropriations Bill for Fiscal Year 2020.

We are aware that the General Appropriations Bill is a legislative measure so crucial that no other measure is considered in detail, other than how the income and revenues collected must be returned to the people through the national budget. For that is what appropriations is all about—the flowing back of revenues to our constituents in order to genuinely and effectively address poverty and inequality.

Mr. Speaker, as Representatives of the people from Batanes to Jolo, and as Party-List Representatives, we are accountable for every peso that is printed in the budget book. The three thick books on your tables—consisting of Volumes I-A, I-B and Volume II—are now subject to your scrutiny.

May I emphasize that the distributed copies of the Fiscal Year 2020 General Appropriations Bill are faithful replicas of the National Expenditure Program.

Certainly, Mr. Speaker, the Fiscal Year 2020 General Appropriations Bill, which adopts the budget theme “Continuing the Journey to a More Peaceful and Progressive Philippines,” was formulated on the basis of the fourth expenditure plan submitted by the President to Congress on August 20, 2019, in consonance with Section 22, Article VII of the Constitution, which reads, and I quote:

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

Basing the General Appropriations Bill on the President’s budget does not necessarily mean, however, that such appropriation measure has to embody the President’s proposal in toto. The President’s budget was the basis of discussions in the Committee hearings and then, used further in fashioning this General Appropriations Bill. Having been, thus, put to use, the President’s budget has fulfilled its constitutional purpose.

Whether or not the Appropriations Bill remains the same, in one part or another, the President’s budget submitted earlier is a matter of Congressional discretion and an exercise of the legislative power of the purse.

Mr. Speaker, my distinguished colleagues, we are called to act on this P4,001,000,000,000 budget. This is a budget of expenditures, as mentioned by the Constitution, which is our current budgetary practice. It is composed of Programmed New Appropriations of P2.85 trillion and Automatic Appropriations of P1.25 trillion.

\* See MEASURES CONSIDERED (printed separately)

*At this juncture, the Speaker relinquished the Chair to Deputy Speaker Rodante D. Marcoleta.*

Our task, Mr. Speaker, is to authorize funds for the operations of the government in 2020 by way of a General Appropriations Law. This will complement the Automatic Appropriations already authorized by existing laws. The new General Appropriations Bill sought to be authorized under House Bill No. 4228 is P3.066 trillion, consisting of P2.85 trillion in Programmed New Appropriations and P216.3 billion in Unprogrammed Appropriations, which can be spent only if and when actual revenues for the year exceed the targeted revenue, as per the Budget of Expenditures and Sources of Financing, or when new foreign loans or grants are received.

Mr. Speaker, may I now present the highlights of Fiscal Year 2020 National Expenditure Program. Consistent with the fiscal program of the government, the proposed P4.1-trillion budget is 12 percent or P438 billion higher than the Fiscal Year 2019 budget of P3.662 trillion. It is also equivalent to 19.4 percent of the GDP, which is slightly higher compared to the 19.2 percent in Fiscal Year 2019.

The proposed budget aims to achieve the government's development objectives by investing in priority programs, including infrastructure and social services by adhering to fiscal sustainability.

The P4.1-trillion budget reflects the government's resolve to allocate the annual available resources only to those programs and projects which are better planned and can be executed and completed within the budget year by agencies based on their implementation capacities.

The Expenditure Program is, therefore, consistent with the fiscal program composed of the revenue collection target of P3.536 trillion, a disbursement ceiling of P4.214 trillion, and net financing sources to cover the corresponding P677.6-billion budget deficit. This budget deficit is maintained within the medium-term cap of 3.2 percent of the GDP or Gross Domestic Product. Such financial stance supports the expansionary fiscal policy to finance strategic infrastructure developments and human capital developments.

Mr. Speaker, in terms of general expense class, Personnel Services will be allocated with P1.2557 trillion or equivalent to 30.6 percent of the total of the 2020 budget. The amount will cover the salaries and benefits of State workers, the creation of new positions, filling-up of vacant positions, as well as the implementation of the proposed salary increase of government employees with an initial funding requirement of P31.1 billion.

We urge the Department of Budget and Management or the DBM to fast-track the crafting of the proposed Salary Standardization Law for its immediate implementation.

Maintenance and Other Operating Expenses or MOOE will get a share of P1,587.7 billion or 38.7 percent of the total budget to support the major

programs and projects of government agencies, including the share of the local government units in the Interval Revenue Allotment amount of P649 billion. Among the expenses under the MOOE are those that will cover the implementation of banner programs for social protection such as this Pantawid Pamilyang Pilipino Program or 4Ps of the Department of Social Welfare and Development, P108.8 billion; Unconditional Cash Transfer, P36.5 billion; National Health Insurance Program of the Philippine Health Insurance Corporation, P67.4 billion; and the Universal Access to Quality Tertiary Education of the CHED and TESDA, P39.3 billion.

On the other hand, Capital Outlays and Net Lending will get an allocation of P804.2 billion or 19.6 percent of the proposed budget. This will fund the flagship infrastructure projects under the Build, Build, Build infrastructure program, particularly for roads, railways, communications, airports, ports, and other transport networks, among others. Meanwhile, Financial Expenses, which will be utilized primarily for the payment of interest payments on loans and bank charges, amounts to P4.524 billion or 11 percent of the total budget.

Mr. Speaker, may I now present to you today the sectoral allocation of the P4.1-trillion budget.

The Expenditure Program for 2020 continues to give priority to social and economic services in support of programs that seek to alleviate poverty, build-up human capital and develop infrastructure to sustain the country's economic growth.

The social services sector will receive the largest share with P1.5252 trillion or 37.2 percent of the total 2020 budget investing in human infrastructure through education, culture and manpower development by implementing key programs and projects aimed at protecting the vulnerable and providing expanded educational opportunities.

The Economic Services sector will receive the second largest share at 28.9 percent with P1,187.3 billion allocation. The General Public Services sector will receive the third largest allocation with P734.5 billion or 17.9 percent, followed by the Defense sector with P195.6 billion or 4.8 percent of the total budget.

Debt Burden covering interest payments and net lending to be disbursed to creditors is allotted P461 billion or 11.2 percent of the total budget.

Mr. Speaker, the departments—the following budgetary allocations will be received by the following: the first and top recipient, consistent with the constitutional mandate, is the Department of Education, including the State Universities and Colleges, Commission on Higher Education, the Technical Education and Skills Development Authority, for a total of P673 billion; second, the Department of Public Works and Highways, P534.3 billion; third, the Department of the Interior and Local Government,



P238 billion; fourth, the Department of Social Welfare and Development, this includes Unconditional Cash Transfers of P36.5 billion, for a total of P195 billion; fifth is the Department of National Defense, P189 billion; sixth, the Department of Health, including the PHIC budget of P67.4 billion, for a total of P166.5 billion; seventh, the Department of Transportation, P147 billion; eighth, the Department of Agriculture, including the National Irrigation Administration, P93.1 billion; ninth, the Judiciary, P38.7 billion; tenth, DENR or the Department of Environment and Natural Resources, P26.4 billion.

Mr. Speaker, as the Chairman of the Committee on Appropriations, I respectfully request for the support of the honorable Members of the House of Representatives in the early passage of the People's Budget, without sacrificing the objective scrutiny of all its provisions because this Representation believes in the value of the wisdom of each Member of this Chamber and of their contributions in ensuring that the General Appropriations Bill that we will pass is one that contains programs and services that our people truly value at amounts they believe are just, fair and appropriate. We should not forget that while it is expected of each of us to assert the needs of our respective Congressional districts and party-list organizations, we are also expected, as leaders of our country, to see things in the broader national perspective. After all, our country is more than just the sum of all our congressional districts and party-list organizations, and the Filipino people are more than just the sum of our respective constituents.

This Representation expresses his heartfelt gratitude to the Speaker, the Deputy Speakers, the Majority Leader, the Minority Leader, the Vice Chairpersons and members of the Committee on Appropriations, and the Representatives from both the Majority and the Minority blocs for the time, efforts, commitment and wisdom they have given, shown and shared during the budget briefings and hearings of the Committee on Appropriations.

This Representation also expresses his heartfelt gratitude and sincere commendation to the members of the technical staff of the Committee on Appropriations, and other officials and employees of the House Secretariat for their excellent services during the meetings of the committee. Your contributions are indeed valuable and are of great service not only to this institution, but also to our people and our country.

Speaking as the Representative of the Third District of Davao City, please allow me to express my gratitude as well to my constituents not only for entrusting me with their mandate, but also for their support of this Representation as Chairman of the Committee on Appropriations. The role that I play and the services that I render as Chairman of the Committee

on Appropriations are among my humble ways of honoring the great privilege accorded to me by my constituents.

Mr. Speaker, my distinguished colleagues, once again, your Committee on Appropriations submits this General Appropriations Bill for your scrutiny and consideration, and to finally approve this proposed measure.

Thank you, Mr. Speaker. Thank you, my colleagues.

THE DEPUTY SPEAKER (Rep. Marcoleta). The Chair notes the speech of the Honorable Ungab, Chairman of the Committee on Appropriations, on House Bill No. 4228.

The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we recognize the Hon. Elenita Milagros "Eileen" Ermita-Buhain, Senior Vice Chairman of the Committee on Appropriations, to deliver a second sponsorship speech on House Bill No. 4228.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Marcoleta). Is there any objection? (*Silence*) There being none, the Chair recognizes the Senior Vice Chairman, the Hon. Eileen Ermita-Buhain, for a second sponsorship speech on House Bill No. 4228.

#### SPONSORSHIP SPEECH OF REP. ERMITA-BUHAIN

REP. ERMITA-BUHAIN. Mr. Speaker, my distinguished colleagues, I stand before you today to co-sponsor House Bill No. 4228 or the General Appropriations Bill, the national government budget for Fiscal Year 2020.

As the President had emphasized in his budget message, the proposed Fiscal Year 2020 national budget is anchored on the theme "Continuing the Journey to a More Peaceful and Progressive Philippines." The annual Cash-Based Budgeting was employed precisely to instill fiscal discipline while improving the awareness of government agencies in implementing projects and delivering services and, thus, allows us to end many wasteful programs. This is consistent with the administration's goal to fund the priorities of the government with the intent of raising the living standards of all Filipinos and securing the future of our country.

Under an annual Cash-Based Appropriations, all government programs and projects for the fiscal year should be implemented and delivered within the same fiscal year. Goods and services delivered within the same fiscal year, inspected and accepted until the end

of the year will be settled within the same year, up to an extended period, subject to the issued guidelines on Cash-Based Budgeting System.

And this, Mr. Speaker, my dear colleagues, is what we all want to happen. We want every peso we allocate to be put meaningfully and efficiently to its best use for our people. We want the budget to serve as an instrumental tool that will fully reflect the changes that we want to happen in our country including higher accountability. More than ever, we want the budget to be more responsive to the needs of our people.

The proposed national budget for Fiscal Year 2020 will amount to P4.1 trillion. This is 12 percent higher compared to the P3.662 trillion of Fiscal Year 2019 GAA, and it is equivalent to 19.4 percent of the GDP. The spending on the social services sector shall get a significant share of 37.2 percent, amounting to P1.525 trillion which is P148 billion more than the current year's allocation of P1.377 trillion.

Meanwhile, the economic services sector shall get P1.183 trillion or 28.9 percent of the proposed budget, while the share of the debt burden on the budget at 11.2 percent has decreased from 11.3 percent.

Over the past three weeks, we have worked hard in the Committee on Appropriations to deliberate on the proposed 2020 national budget. While indeed, the 2020 budget is 12 percent higher than the P3.662 trillion we approved for this year, the need to prioritize our people's urgent needs explained the increase. As we collectively address poverty and inequality, and use the budget as an instrument or tool, we focus on what will create the most immediate impact.

The next year's budget focuses on public services that will provide jobs, educate our youth, ensure a healthier citizenry and empower each Filipino to participate in economic activity.

The Unconditional Cash Transfer Program which is the flagship program of the government to fight poverty has admittedly generated a degree of controversy, with a proposed budget of P36.5 billion, which is 19 percent of P195 billion proposed budget to the Department of Social Welfare and Development. This program has often been misconstrued by its critics as a dole-out. But on the contrary, it is a strategic investment in human capital development towards the realization of more inclusive growth.

Without improved human capital through equitable, sustainable and quality healthcare, especially for the poor, it will be difficult to build the country's human capital to supply the required workforce for new jobs and investments essential to sustain a 7 to 8 percent inclusive economic growth per year.

Upon closer inspection, the programs we have in the social services sector are strategically linked to each other. They are designed to meet specific targets and produce well-defined outcomes that have been

laid out in the Philippine Development Plan. The plan itself embodies the overall reforms and actions that our President wants done.

His thinking and pronouncements resonate well in line with the dictum that, "Those who have less in life should have more in law." This dictum should find its utmost relevance in the formulation and enactment of the national government budget.

The national budget remains a powerful tool for promoting greater equity in our society today. It is the means by which our resources can be allocated to their most proper, effective and efficient use. What we do with the national budget will answer the question of who in the end will benefit.

My dear colleagues, once again, we are called upon to perform our mandated task of passing the budget. Once more, we are called upon to make responsible use of our power over the purse, and to ensure that the budget truly reflects the needs of our people.

Our swift and timely approval of the proposed 2020 budget will send a clear and positive signal to the international community that our country remains firm and deliberate in pursuing the path to reform. It would be supportive of the positive credit ratings that our country has garnered. Most importantly, this would help convince our people that they remain the center and totality of our efforts.

Much has been said and done for those who have less in life in this country. For every campaign period, we would trumpet the struggle to emancipate the poor and deliver them a better quality of life. Such burning passion is the reason why we find ourselves here today as public servants and representatives of our constituents.

Mr. Speaker, distinguished colleagues, the proposed 2020 national budget is one of empowerment, that it should be offering more opportunities for public participation in governance, that the budget is one of the greater and deeper commitment to the social contract we must ensure.

Thank you, Mr. Speaker, and I thank the distinct Members of this august Chamber.

THE DEPUTY SPEAKER (Rep. Marcoleta). The Chair also notes the second sponsorship speech of the Honorable Ermita-Buhain.

The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we now proceed with the period of interpellation and debate on the General Principles and Provisions of the national budget for Fiscal Year 2020.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Marcoleta). Is

there any objection? (*Silence*) There being none, the motion is approved.

The Majority Leader is recognized.

#### GENERAL PRINCIPLES AND PROVISIONS

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we recognize the distinguished Minority Leader Bienvenido M. Abante Jr. to interpellate on the General Principles and Provisions.

I so move, Mr. Speaker.

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

REP. ABANTE. Thank you, Mr. Speaker.

On top of this lectern, Mr. Speaker, Committee on Appropriations Chairman, is the Budget of Expenditures and Sources of Financing for Fiscal Year 2020, where the battle cry is “Continuing the Journey to a More Peaceful and Progressive Philippines.”

Mr. Speaker, House Committee on Appropriations Chairman Cong. Isidro T. Ungab, my esteemed colleagues in the House, mga kababayan, magandang hapon po sa inyong lahat.

Today, we begin the arduous and oftentimes tedious task of scrutinizing the government’s National Expenditure Program or NEP.

I thank the Committee on Appropriations Chairman for his presentation and would like to start off by responding to my counterpart from the Majority, the distinguished Gentleman from the First District of Leyte, Majority Leader Ferdinand G. Martin Romualdez, who last Sunday, impressed upon us the importance of passing the budget on time, and appealed to the Members of this august Body to be professional and disciplined in the course of our deliberations, to ask relevant questions, and to keep within our allotted time in order to expedite the passage of the 2020 General Appropriations Bill.

On behalf of the Minority, let me assure everyone here that we acknowledge that the timely passage of the budget is necessary to avoid delays in the delivery of services to our people, and that we are aware that such delays can adversely affect our economy.

Let me stress, however, that we in the Minority recognize and fully embrace our responsibility to thoroughly assess and evaluate the details and minutiae of the proposed NEP, because the Minority believes that a proper examination of the budget is just as important as its prompt passage, especially if we want a national budget that is 100-percent pork-free, 100-percent waste-free, and 100-percent beneficial to our constituents. Our people, Mr. Speaker, deserve no less.

Viewed through this lens, we are concerned about disturbing trends in the figures pertaining to our past

budgets, especially with regard to the seeming incongruence between the funds allocated for government programs, the revenues generated to support these, and the government’s track record in the utilization of the funds allocated to it by Congress.

Based on figures from 2016, 2017 and 2018, there appear to be issues with both the revenue being inputted into government, as well as the output, meaning the disbursements released for government programs. This is especially relevant now that we have a record-breaking P4.1 trillion budget that begs the following questions: First, do government line departments genuinely require these funds? Second, can the concerned agencies generate the revenue to cover the funding requirements of government? Third, are the agencies capable of utilizing all the funds allocated for them?

The answers, Mr. Speaker, Mr. Chairman, to the first question will be tackled in the deliberations to be held in the next two weeks. The answers to the second and third questions, however, reveal issues with regard to our projections and assumptions, issues that we will endeavor to thresh out this afternoon.

We hope, with the aid of the honorable Chair of the Appropriations Committee and our economic managers, to get a better handle on the macroeconomic assumptions pertaining to our budget. My colleagues and I in the Minority would like to determine the knowledge and familiarity of the country’s economic managers in terms of the macroeconomic parameters to ascertain the reliability of their assumptions for the year 2020 and explore the impact and possible consequences if the projected macroeconomic conditions are not met.

As regards the national government revenues, Mr. Speaker, our goal is to assess the breadth of knowledge of the country’s economic managers in terms of national government revenues, enumerate the major source of national government revenues, identify issues in the projections of national government revenues by way of comparing projected and actual revenue collections, evaluate the impact of inaccurate projections of national government revenues, and formulate an action plan concerning fiscal policy that will help address the pressing issues at hand.

We also want to review, Mr. Speaker, dear Chairman, our revenues, expenditures, disbursements and borrowings. Specifically, we will attempt to evaluate the fiscal condition of the country in terms of revenues, expenditures, disbursements and borrowings. Based on data such as revenues, expenditures, disbursement and borrowings, we hope to make a valid valuation of the country’s fiscal performance, and explore the possibility of having a balanced budget by way of

making an adjustment in the fiscal deficit by tweaking numbers pertaining to government revenues and unused appropriations. We would also like to ascertain sustainable action that will ensure that the national budget is not irregular, unnecessary, extravagant and excessive.

Mr. Speaker, Mr. Chair, I really have prepared a good number of questions, but in respect to time and to give my colleagues in the Minority their time, I will waive my right to ask questions to assure you, Mr. Speaker, Mr. Chair, the Chairman of the Appropriations Committee, and our distinguished Secretary of Finance that we in the Minority are committed to pass the budget on time.

Thank you, Mr. Speaker. *(Applause)*

REP. UNGAB. Thank you, Mr. Speaker.

I just will answer as a whole because there were several questions. First of all, I would like to thank the honorable Minority Leader Bienvenido M. Abante Jr., *Bisaya gyud ko*. It is an honor to respond to the query or the questions of the honorable Minority Leader, but let me just summarize my response.

First of all, before we come up with the budget, Mr. Speaker, all things are based on a plan, and the government plan is the Philippine Development Plan. We have a 20-Year Development Plan, then we have a 5-Year Development Plan from which the budget is formulated. Just like any corporation, government or private, big or small, the budget is the interpretation or the Financial Plan of the government or any other organization or corporation. Therefore, the GDP was also based on target or the Philippine Development Plan. What do we want to achieve next year, in the next three years or in the next decade? There is a plan formulated by the National Economic and Development Authority.

The plan for next year is to develop or for the economy to grow by 6 to 7 percent, and from there the revenues are targeted based on tax effort as a percentage of the Gross Domestic Product or GDP, after which, the budget is also formulated because we want to make sure that the budget can be sustained or the budget that will be implemented the following year can also be well-financed by our fiscal program. More or less that is the backdrop, Your Honor, of the budget and I am very positive that our macroeconomic fundamentals can really implement and support sustainable growth and development, not only this year or next year, but also hopefully in the years to come.

Thank you, Mr. Speaker.

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

REP. MACAPAGAL ARROYO. Mr. Speaker,

before we recognize the next interpellator, it is my distinguished privilege to welcome to the Lower House the members of the Development Budget Coordination Committee (DBCC), headed by our Cabinet Members, who serve as our resource speakers or resource persons to aid our Sponsors, namely: Secretary Wendell E. Avisado of the Department of Budget and Management; the honorable Secretary Carlos G. Dominguez III, Secretary of Department of Finance; the honorable Secretary Ernesto M. Pernia, Secretary of National Economic and Development Authority; and our Deputy Governor Francisco G. Dakila Jr., Bangko Sentral ng Pilipinas.

With this, I would like to recognize the Hon. Jose L. Atienza Jr. from the Party-List BUHAY.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Marcoleta). The Honorable Atienza is recognized.

REP. ATIENZA. Thank you, Mr. Speaker. *Salamat po*, Mr. Majority Leader.

Of course, we would like to congratulate our colleague for having delivered his message to the Body on the relevance of the budget that we are going to discuss. At the same time, I would like to ask him that next time maybe he can give us a copy of the budget earlier because I got my copies only yesterday. I am not Superman and I could not digest four books in a couple of hours. So, if you had given us copies of this earlier, I am sure we would be asking for more detailed and more accurate figures in the proposed budget.

Having said that, Mr. Speaker, *gusto ko lang liwanagin kay Representative Ungab*, our Chairman, to state very clearly, *sa kanyang pananaw*, ano ba ang main direction ng ating *gastusin ngayon*? What are the main objectives and maybe the secondary objectives of this budget, so that we can all appreciate the vision of the President and the administration and to join them and be of help whichever way we can.

REP. UNGAB. Thank you, Mr. Speaker.

First of all, with regard to the copies, we will take note of that. Hopefully, next year, we will have distributed earlier the General Appropriations Bill, but just to add, the General Appropriations Bill that we distributed is a faithful copy of the National Expenditure Program, and for purposes of reference, it is basically the same, Your Honor.

As to the next question, *kung anuman ang pananaw ko*—what are the directions? Your Honor, the plan is to hopefully become an upper-middle income economy by 2022. Your Honor, the DBCC presented to us the plan of the government and the intention is to grow by 6 to 7 percent by next year. Although, we understand that this year, in the first half, we experienced a slower

growth compared to last year, but considering that the budget has already been approved by April, there is a catch-up plan and I am pretty sure that with a plan to increase expenditures, the budget is already set, so for this year, there is a catch-up plan. We hope to achieve the low end of the target but for next year, Your Honor, it is the same 6 to 7 percent, which is well-distributed based on the strategy of the government anchored on government expenditure, “Build, Build Build”.

Let me emphasize, however, that there is a significant change in our economic development in the past three years. What I am saying is that we can now feel an inclusive growth and development observed in our country. I am saying this because based on the figures, in 2018 alone, 12 regions in 2018 grew higher than the national average—GDP growth of 6.2 percent. All regions except Regions II and III also grew faster than the NCR in 2018 and poverty incidence fell from 27.6 percent in the first half of 2015 to 21 percent in 2018 or 6 percent reduction in poverty incidence.

I must admit that being a student of economics, the figures augurs well for a better Philippines—a robust growth that was experienced in the past three years and with very stable macroeconomic fundamentals which started as early as the 90s. We, the country, the Philippines, I believe will go a long way not only next year, but also in the future.

A while ago, during lunch, and during the Majority caucus, the Department of Finance Secretary, Secretary Dominguez made mention of the possibility that the Philippines, our country, might attain the “A” rating investment grade hopefully kung naipapasá po lahat iyong ating economic reform programs as well as, of course, if we come up with a very good budget scrutinized by Congress, plus prudence in our expenditures. I can relate this because, right in this Hall in 2012, in the Fifteenth Congress, when I was delivering and debating on the Sin Tax Law of 2012, during that time we were one notch below investment grade.

During those times, Indonesia got an investment grade and I was so impressed by Indonesia. I, together with the Department of Finance at that time, started talking to our credit rating agencies, and I asked them, how can the country or how can we attain an investment grade credit rating? I asked then whether, if we pass the Sin Tax Law, which was in 2012, we can get an investment-grade credit rating? The credit rating agencies informed us that if we passed the Sin Tax Law at that time, it could have helped.

Your Honor, in 2013, some time in March or April, the Philippines got an investment grade. Right now, because of the very good economic management by our economic managers we are one notch below an “A” investment-grade credit rating. If and when the executive and the legislative will be able to pass the

measures or if we will be able to come up with very good financials, if we can get the “A” credit rating that will mean more investments, lower price rates in the interest of loans, we will have more jobs, and hopefully, we will be able to attain 14 percent poverty incidence by 2022.

If and when this country gets a poverty incidence rate of one or single digit, I am sure, all of us Members of this House, because we have participated in crafting these economic measures, we will be proud one day, proud again that we are Filipinos, proud again that our country has become an investment destination not only in Southeast Asia, but also in the whole world.

Thank you, Mr. Speaker. I hope I have answered the Honorable Atienza.

REP. ATIENZA. Mr. Speaker, I was listening to the rhetoric of the Gentleman. I call them “rhetoric” because he is already saying, by next year we should have a better life for the Filipinos. Did I hear it right? Did I hear it right, Mr. Sponsor?

REP. UNGAB. Yes, I believe so, Mr. Speaker.

REP. ATIENZA. Because I have been hearing that promise since the time I entered politics 50 years ago. Up to this time, we are grappling with poverty.

We are now discussing the biggest budget ever in the history of our country, P4.1 trillion. My question, again, I will reiterate: Ano po ba ang direksyon ng gastusing ito na sa tingin ninyo ay makapagpapabago ng buhay nating mga Pilipino? Dahil kung gagastusin lang natin ito na wala po naman tayong ibibigay sa mga mamamayan at wala tayong pagbabagong magaganap, katulad ng mga nangyari sa nakaraan ay babalik tayo rito next year and we will be looking at the shadow of what happened.

Tonight, I would like to ask the questions straight. How do you see changes in the economic condition of our people with this huge expenditure on our tables now? Papaano po magbabago ang kalagayan ng mamamayan? You mentioned the GDP. You mentioned the other Asian countries. They have less GDP compared to the Philippines, but their GDP per head, per citizen is much higher than that being enjoyed by the Filipinos. Tama po ba iyong aking assumption?

REP. UNGAB. Mr. Speaker, if I may.

The economic indicators would show that the Philippines, through GDP, is growing, and what is very beautiful now is that economic development is very much dispersed. We experienced growth centers not only in the NCR, but you also see growth and development outside of the NCR. This will show that economic development is now becoming equitable and inclusive. So, Your Honor, spending high through

this budget is alright, considering that our purpose in government expenditure is to stimulate the economy. By stimulating the economy, we will have more economic activities, we will have more job opportunities, and we will have more employment opportunities for our people.

REP. ATIENZA. We would be appreciative if the Gentleman can explain. The Philippines has a 5.6 GDP this year. Is that correct?

REP. UNGAB. Yes, Mr. Speaker.

REP. ATIENZA. Malaysia has a 5.4 GDP. Tama po ba iyon?

REP. UNGAB. I am not very sure of my figures...

REP. ATIENZA. You are not sure.

REP. UNGAB. ... but yes, the Philippines, Mr. Speaker, is one of those ...

REP. ATIENZA. Ireland is lower, with 3.4 percent GDP. I see some of the economists nodding their heads, so obviously, I am citing the right figures, but the Filipinos' GDP per head is only \$3,700 per annum, while the Malaysian lower growth rate enjoys \$11,000 per annum. The Thai, also the lowest in GDP, enjoys about \$7,000 per annum, so there is something wrong with what we are doing.

In this budget, my question is, are we going to do the same things that we have been doing in the past and let Filipinos go hungry and hungrier, while the rich get richer, and the poor get poorer? Iyon ang gusto ko pong marinig sa inyong paliwanag upang magkaisa tayo sa isang budget na magdadala ng mas magandang buhay para sa mahihirap.

REP. UNGAB. Mr. Speaker, if we look at the trend, we—the Philippines is indeed a growing economy, and we are one of the fastest growing economies here in Southeast Asia. Also, if we have noticed as I have said earlier, the development is now becoming equitable and this is a new trend. I would presume that if the trend continues and if the trend will be sustained, the GNI or the gross national income per capita—I think what was cited by the Gentleman, Your Honor, we will be on the right track if we continue our present direction, if we continue what we have started, because the programs and the projects are well-dispersed. You can see the development now, you have growth centers outside of Metro Manila, you have economic growth being achieved faster than the national average which, I believe, are caused by the multiplier effect of the government expenditures based on the infrastructure spending of the government.

REP. ATIENZA. Mr. Speaker, I have to admit that the Gentleman is not responsive to my queries. Mayroon ba rito sa budget na ito na magbibigay ng garantiya sa ating mga mamamayan na mas gagaan ang buhay nila dahil sa pananalapi ng ating bansa? Ano po ang silbi ng isang napakalaking budget kung wala po namang epekto sa mamamayan? Baka iyong mga mayayaman lang ang yayaman dito. Walong pamilya na lang ang nagkakamal ng yaman ng Pilipinas. Samantala ang mamamayan, gaya ng sinabi ko sa inyo, mahirap pa rin—one of the poorest in Asia, although our so-called economic indicators seemed to be positive.

Ang gusto kong marinig ngayon sa gobyerno, papaano natin mababago ang direksyong iyan? Dito sa pondo natin, kung gagamitin natin upang makatulong sa pagbabago, we will all be united, pero kung ang pondong ito ay hindi rin magkakaroon ng anumang epekto sa nangyayari ngayon—I will give an example.

When we started the 4Ps, the government only allocated about P6 billion under the administration of President Arroyo. I remember the Social Welfare Department Secretary admitting in a formal Cabinet meeting that she was finding it very difficult to honestly make sure that the money, which is cash in nature, goes to qualified beneficiaries.

Now we are allocating P108 billion. Am I correct with this figure, Mr. Speaker? Tama po ba na P108 billion ang allocation natin ngayon?

REP. UNGAB. For what particular item?

REP. ATIENZA. Anyway, do we have safeguards to make sure that the money will go to the beneficiaries, the poorest of the poor, so that mababawasan ang bilang nila at hindi na naman madadagdagan katulad ng nakita natin sa taong ito? Dumarami ang walang trabaho, dumadami ang mga mahihirap, lumalaki ang ating pondong ipinamimigay, ano ang epekto nito? Is the Gentleman also excited about the 4Ps—a giveaway program which does not seem to be working for the benefit of the country as a whole?

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

A while ago, I was talking about economic directions, but let me assure the Gentleman from BUHAY Party-List that the biggest allocation will be provided for social services and the economic sector. The amount of P1.525 trillion or a 37 percent share of the budget goes to the social services sector while P1.184 trillion goes to economic services. All in all, they have the lion's share of the budget for next year, Your Honor, Mr. Speaker.

REP. ATIENZA. You mentioned in your message the term "culture," that you intend to make it one of the

engines for our next year's spending. Culture—iyon po ba ay tama ang pandinig ko o baka hindi ninyo sinabing “culture?” Kultura—because if I heard it right, then I am going to look into all of these four books to find out how culture is going to play its part in our national development. I agree with you that culture is as important as agriculture, tama po iyan; ang isang bansang walang kultura, hindi rin mabubusog kailanman. Samantala, ang ating kultura ay mayaman, makulay, makasaysayan at punung-puno ng sustansya ng ating pagkatao bilang mga Pilipino.

I must state very clearly, the past administrations from the time of Mr. Marcos—I do not like praising Mr. Marcos because he is one of the main reasons why we remain poor, but you have to admit that that leader knew how to give the Filipinos the kind of appreciation for our culture. Kaya natutuwa ako sa sinabi ninyo, culture will play a major role in this budget. So, I will look for all the items that you are basing that projection on.

What in your mind—hindi ko naman hinihing ang isang detalyadong plano at programa—what in your mind today can indicate and assure us, especially me, asking that question? Will this budget give more preference, importance and relevance to the Filipino culture?

REP. UNGAB. Yes, Your Honor, Mr. Speaker. I agree with the Gentleman that social and economic assistance to the population, as well as agriculture as he mentioned, can really help upgrade the standard of living of our countrymen, we the Filipinos.

Let me also cite some details of our social program. These are the subsidy transfer programs of our government agencies. This includes universal access to Quality Tertiary Education, around P39 billion. This will be implemented by the CHED and the TESDA. There is the Unconditional Cash Transfer to be implemented by the DSWD, around P37.2 billion. We have the basic facilities education to be implemented by the Department of Education, around P36 billion, and also, the Educational Assistance and Subsidies from the Department of Education at around P31.2 billion. The School-Based Feeding Program, which is also to be implemented by the Department of Education, has a total of P6 billion.

Mr. Speaker, just to add, the trend of the Philippines in terms of per capita GNP has improved a lot. I have the figures now from the Department of Finance and from our economic managers.

The per capita GDP in US dollars of the Philippines in 2015 was \$2,883, while Indonesia in 2015 was US\$3,368. You will see that Indonesia is very much higher than the Philippines in 2015. But we are catching up because in 2018, the per capita income of the Filipinos was at \$3,104, while Indonesia has \$3,800 on the same year. So, the Philippines is fast catching up.

Aside from this, Your Honor, Mr. Speaker, if we compare the Philippines to Indonesia, which was very much ahead of us a decade ago, comparing our credit ratings now based on Moody's, Standard & Poor's, Fitch, and R&I, the Philippines is now rated higher than Indonesia. I remember that in 2012, Indonesia was ahead of us in getting an investment-grade credit rating. The Philippines is fast catching up. Now we are higher. We are above than that of Indonesia in our credit rating, Your Honor, Mr. Speaker.

REP. ATIENZA. Mr. Speaker, there seems to be a time delay between the distinguished Sponsor and this Representation. I am already on the cultural side of your proposed budget.

On the economic side, your figures are selective. All I can say is that it does not answer the question of the ordinary Filipino citizen today, “Saan kami next year?”

Anyway, I would like to shift to culture because he bragged about culture playing a major role in this budget. In what sense did you say that, Mr. Speaker, distinguished Sponsor? The economic—tanggapin na natin ang katotohanan, talagang mahirap ang bayan. Magsisikap na lang tayo kung papaano gagaan ang buhay ng mamamayan.

Doon sa isyu ng kultura sa budget na ito, ginawa ninyong isa sa mga haligi ng inyong plano ang culture. So, I am asking the question, why are you using culture in your projection for the proper utilization of this budget? Ano po ba ang cultural program ng administrasyong ito?

REP. UNGAB. Earlier, Mr. Speaker, I mentioned that through education, this budget will be providing a substantial amount for subsidy. We believe that the proper education of our children, beginning from elementary to high school to college, can help us inculcate the culture of all the Filipinos. That would be a great help, Mr. Speaker.

REP. ATIENZA. Hindi ko po yata nasakyan ang sagot.

Mayroon po bang for a change, because the administrations of President Cory, President Ramos, President Arroyo, President Erap, President Noynoy Aquino, walang nagbigay halaga sa ating kultura. Ang tanong ko bago ako mag-celebrate dahil narinig ko, sabi ninyo, culture will be given a special—ang tanong ko sa inyo, anong special preference ang ibibigay ninyo sa culture, on the cultural side? That is a correct projection. As I said, a nation with no culture will not get anywhere. A nation who does not appreciate its own culture, wala nang pag-asa iyon. Iikot na lang nang iikot iyon sa pangako ng mga pulitiko, pero hindi sila makakatikim ng magandang buhay. Mayroon po ba kayong cultural program? Kung wala, di lilipat na po ako ng ibang paksa.

REP. UNGAB. Mr. Speaker, can I request for one-minute suspension of the session? I will just go to the Honorable Atienza.

REP. ATIENZA. Ako na po ang pupunta diyan.

#### SUSPENSION OF SESSION

REP. MACAPAGAL ARROYO. Mr. Speaker. I move to suspend the session.

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

*It was 4:53 p.m.*

#### RESUMPTION OF SESSION

*At 4:54 p.m., the session was resumed.*

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

The Majority Leader is reconized.

REP. UNGAB. Thank you, Mr. Speaker.

Mr. Speaker, I already talked to the Honorable Atienza. Actually, what I said, I think there is something wrong with the sound system, medyo mahina. Ang sinabi ko “agriculture,” hindi po culture. Anyway, I already explained it to the Honorable Atienza, Mr. Speaker.

REP. ATIENZA. You mentioned that what you meant was “agriculture.” Tama po ba iyon?

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

REP. ATIENZA. I will agree with the Gentleman. Agriculture should play a major role in our economic planning. That is common sense. In fact, I do not know why agriculture is left behind many times when it should be one of the engines of our national development. On the other hand, providentially, my having mistaken “agriculture” from your lips as “culture” also should be taken seriously.

A nation with no culture will get nowhere. Ang bansang walang kultura, kulto ang mangyayari. Ang Pilipinas ay napakayaman sa kultura, pero ngayon, wala nang itinuturo sa ating mga kabataan.

What do the young do today, they get into drugs, shabu and all kinds of shenanigans and even crimes, in so many times because culture has been forgotten by five administrations, by one generation of Filipinos. Wala nang culture, kailangang ibalik din natin iyan.

I will have to remind the Sponsor in the deliberations of the departments that culture should play a major role. Huwag nating balewalain ito. Kapag wala iyan, hindi na

puwedeng sabihin ng Pilipino na angat siya sa ibang tao. Pero kung mayroon tayong kultura na minana natin sa ating mga ninuno, uunland tayo sa ating pagsisikap.

Though I am happy we had that misconnect, you said agriculture and I thought you already said culture, I hope we have a meeting of our intentions in the details of this budget, that culture should not be forgotten and set aside once again.

On other matters, Mr. Speaker, napagod na yata ang Sponsor natin, we are thankful that the Sponsor is very patient. Congressman Ungab is known for that. He is a patient man. He smiles off all of the problems on his shoulders, but we must face the reality, Mr. Speaker, distinguished Sponsor. The nation is saddled by so many things and President Duterte has stressed that the number one problem of the nation is not money anymore because now we have so much money. The number one problem still is corruption. Kapag iyong pera ay nawawala, hindi nagagamit, wala ring halaga iyan.

Noong budget ng nakaraang taon, ang laki ng inilagay na pondo para sa flood control projects. The test—heavy rains fell on the islands, especially Metro Manila, that we were flooded in the worst way. So, nasaan iyong mga project? I will show you where. They are all open today, still unattended, incomplete. I do not know what the government is doing about it. A flood control project, which do not lead to any outlet, is a ghost project as far as we are concerned. We are checking this one by one to expose to the nation that hundreds of billions of pesos have been lost to the so-called flood control projects, all the way from Bicol up to here in Metro Manila. And dami-daming binungkal na kalsada. Hanggang ngayon, marami sa kanila ay nakabungkal pa pero wala po namang koneksyon na pupuntahan ang tubig-baha.

Sa lugar namin, binilang ko mahigit 20 ang flood control projects, subalit noong umulan nang malakas, hanggang baywang ang tubig sa loob ng bahay ko. So, nasaan iyong flood control projects? Iyon ang mga hinahanap ng taumbayan, hindi iyong halaga. Hindi na sila nagugulat diyan, P4.1 trillion, ang kasunod na tanong: How will you spend it?

Shall we heed the call of the President? Shall we answer him squarely? We will make sure that this budget will not contain flood control projects once again. I will ask the Secretary of Public Works, “Why are you not completing all these projects?” In Quezon City, ang dami; in Manila, marami rin; at sa lahat ng cities, marami—mga proyektong hindi tinatapos ng ating mga kontratista. Bakit pinapayagan ito ng gobyerno?

Ako po naman ay naging Alkalde at isa lang ang aming alituntunin: “Huwag mong tapusin iyong proyekto mo, tatabunan namin at sisingilin ka namin ng damages.” I am just wondering why they cannot do that now, unless the contractor can also point an accusing finger: “Eh, kinuha mo na iyong komisyon mo kaya hindi ko matapus-tapos ito eh.”



Mr. Sponsor, these are the things we will look into in the details of the departmental budget. We cannot be excited by a message in the General Principles, the same way that we would not expect our countrymen to understand what we are saying. Kailangan lang tiyakin natin na iyong hamon sa atin ng Pangulo ay tugunin natin nang isang talagang tunay na puspusan at wastong paggamit ng salapi ng bayan.

We have to do this now; otherwise, next year, we will be talking about the P5 trillion budget—it does not mean anything as far as the people are concerned. We have to show them that this P4.1 trillion will be spent properly to improve the quality of their lives.

I will be with you, Mr. Sponsor, on all of your good intentions but I will be against you in any misdelivery of what you have stated today in this Chamber and God will bless and continue to bless our blessed nation with a better life, with the proper use of this money that we are talking about.

Again, our gratitude and thanks to the Sponsor for being accommodating enough to understand the frustrations that I have expressed because what I have expressed are frustrations of our people, and I am here to express the sentiments of our people. I am very clear on why God sent me to Congress and that is to reflect what the people are expecting from the government: good, effective, honest delivery of service which is very, very much needed today. Traffic is just one example. We cannot seem to solve traffic. The traffic conditions continue to give us all a difficult time. That is totally difficult to understand why traffic overwhelms the Filipinos. If you have anything on that, Mr. Speaker, we will help you all the way.

God bless us all. Thank you.

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

REP. MACAPAGAL ARROYO. Mr. Speaker, we would like to recognize Hon. Carlos Isagani T. Zarate of BAYAN MUNA Party-List to interpellate the Hon. Isidro T. Ungab.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Marcoleta). Before the Chair recognizes Honorable Zarate, I believe there is a need to advise Members who seek to interpellate the Sponsors to please limit our premises to the questions because we would like to economize time; and secondly, because we are still debating on the General Principles, we have to be very focused on that.

The Chair recognizes the Honorable Zarate.

REP. ZARATE. Thank you, Mr. Chair.

Sa ating kagalang-galang na Sponsor, puwede ho bang magtanong ng ilang clarificatory questions dito po sa ating panukalang batas?

REP. UNGAB. Gladly, Your Honor.

REP. ZARATE. Maraming salamat, Mr. Sponsor.

Ayon ho sa ating kagalang-galang na Sponsor, Mr. Speaker, ang panukalang budget para sa taong 2020 ay ang “Pagpapatuloy ng Paglalakbay sa Mas Mapayapa at Progresibong Pilipinas or sa Ingles ay Continuing Journey to a More Peaceful and Progressive Philippines,” kaya batay sa share o bahagi ng kabuuang budget, pinakamalaki diumano ang inilaan sa Social Services at Economic Services; pinakamaliit naman ang nakalaan sa Depensa.

Pero, Mr. Speaker, Mr. Sponsor, kung ating ihahambing ang budget sa kasalukuyan, mas malaki pa nga nang bahagya, kung titingnan natin at susuriin natin ang porsyentong itinaas ng budget ng Depensa kaysa sa General Public Services. The Defense has a total budget of P195.6 billion, while ang itinaas sa General Public Services ay 3.3 percent lamang, ang Defense ay 3.71 percent.

Gayundin, kung ating paghahambingin, mas malaki ang itinaas ng porsyento ng budget para sa Pambayad Utang kaysa sa ating Social Services. Ang ating Debt Burden for next year will have a 11.3 percent of our total budget while our Social Services will only have 10.7 percent of our total budget.

Sa hanayan naman ng ahensya, while totoo, makikita nating mukhang malaki ang inilaan sa DepEd, DPWH, DILG, DSWD, at DND ang isa sa may pinakamalaki, DILG, DND. Kaya nandiyan, makikita natin, halimbawa, Mr. Speaker, tumaas ang Confidential and Intelligence Expenses, which ballooned, especially sa Office of the President. It is now at P2.25 billion each, iyong confidential and intelligence expenses, or P1.0 billion higher than the P1.25 billion each for the said expenses requested by the administration in 2018 and 2019. Kung atin ngang paghambingin, ang total black budget or Intelligence and Confidential Budget of the Office of the President from 2016 and 2020 will only be P10 billion. But in 2020 alone, P8.28 billion ang nakalaan dito, an increase of 17.8 percent from its current budget of P7.32 billion.

Samantala, habang tumataas ang mga budget ng para sa intelligence and confidential fund or itong tinatawag nating black budget, patuloy naman nating tinatapyasan ang napakaraming budget, sa pangkalusugan, sa edukasyon at iba pa.

Dito rin sa ating 2020 budget, Mr. Speaker, sinasalamain nito ang madugong track record ng pamahalaan sa pamamaslang lalo na sa giyera laban sa droga, sa insurhensiya at kriminalidad, kaya hindi biro na makita natin dito ang napakalaking pagtaas ng budget sa mga makinarya ng gobyerno sa pagsupil ng mamamayan particularly sa PNP at AFP patungkol sa mga pamamaslang, pandurukot, ilegal na pag-aresto, at

kabilang na nga dito ang pagsasara ng mga eskwelahan ng mga Lumad. Lalo kung ating titingnan sa kalakhan nga na ang budget ng Defense ay umakyat ng 40 percent kumpara nitong taong ito.

Kaya, Mr. Speaker, Mr. Sponsor, kahit na sinabi natin na this is a “Continuing Journey to a More Peaceful and Progressive Philippines,” ang nakikita namin dito, ito ay isang budget para panggiyera, because it concentrates on the path of repression rather than the path of addressing the injustices that lead to armed conflicts in our country. Nakikita naman natin dito kahit na ang mga ahensya ng pamahalaan ay umaamin that there is no real progress in the country in terms of our economy. Kung pag-uusapan natin ang agrikultura, which has trended downwards for the past decades, it has in fact even declined sharply after the present Duterte administration pushed the passage of the Rice Liberalization Law. So, this inequality and social justice is enforced through fear and even more violence.

The Sponsor also mentioned earlier na napakaganda, even ang usapin ng unemployment and underemployment, but as we look at the statistics even provided by government institution, ang definition ng “employment” was even tweaked so as to make it appear that there is really a large increase in employment in the past three years. A computation, according to the original definition of “unemployment,” shows that the real unemployment rate, for example, in 2018, is in fact at 10.1 percent and the real number of unemployment or unemployed is at historical high of 4.6 million. So, worst, it is much worse than the already high 9.0 unemployment and 4.0 million unemployed, in fact in 2016, when the Duterte administration came to power.

So, lumalabas, Mr. Sponsor, Mr. Speaker, the number of unemployed Filipinos has increased by 615,000 since the start of the administration. And as I have mentioned earlier, worst na tinamaan ay ang ating agrikultura. While it has already suffered a downward trend in the past decades, it is notable that even the employment in the agricultural sector has fallen by 1.1 million between 2016 and 2018, with an initial further 376,000 losses reported as of April 2019 alone from the period last year. So, we will now ask ourselves, is this budget really for a continuing journey for a progressive Philippines when what we see are the opposite?

The actual Philippine growth rate continues to decline since the start of the administration. As of the first quarter of 2019, the actual growth rate is only 5.6 percent, and this is much lower than the first quarter of 2018 growth rate of 6.2 percent. As of second quarter of 2019, the actual growth rate is also at 5.5 percent lower than the 6.2 percent in the second quarter of 2018. In fact, the projection of the economic managers of 6.0 percent growth rate for this year, to achieve that, we should have an average of 6.5 percent growth rate

in the next two quarters. So, my first question, Mr. Sponsor, Mr. Speaker, sa ganitong nagiging trend at sa ganitong nagiging kalagayan ng ating ekonomiya, do you think our country will meet the targets with the current statistics, especially in the last two quarters of 2019, Mr. Sponsor, Mr. Speaker?

REP. UNGAB. Thank you, Mr. Speaker.

First of all, on the Defense budget, traditionally, the Defense is number three. Last time, I defended the GAA in the Sixteenth Congress, I remember that Education, Public Works, and the Defense was number three. In this particular budget, Mr. Speaker, the Defense is only number five, and this is notwithstanding—considering that there is martial law all over Mindanao now, we have to consider the threats all over. We still believe that the country needs a strong or bigger budget for Defense with regard to the debts. As apportioned from the expenditures for this particular budget, it may have increased because the debts are being used to finance the “Build, Build, Build,” to finance our government projects that need to generate jobs, generate employment—our projects that are intended to catalyze development both in the countryside and in the urban areas. But if we consider the debts as a part or share of the GDP, the trend is that it is going down. In fact, the figures will show—I just, I do not have the figures now—the budget deficit as well as the expenditures and the total consolidated public sector deficit. If it will go every year as a percentage to the GDP, it is going down. What is important, Your Honor, is that the trend is going down and I think by 2022, it would be less than 40 percent. That is the total debts to the GDP and a demand of 41 percent or maybe less. So, from 50 plus down to 41 percent, that is already a big, I would say, remarkable trend in terms of our economic management ah—financial management by our financial managers, Your Honor.

I got also these figures from the Philippine Statistics Authority with regard to employment. Unemployment is down to 5.3 percent in 2018 and it further declined to 5.2 percent in the first half of 2019, with unemployment outside of NCR down to 5.0 percent. Employment generation has turned around 826,000 jobs in 2018, only slightly below the low-end target, as non-agricultural jobs increased by 1.1 million. In the first half of 2019, employment generated registered at an average of 480,000 with non-agricultural jobs increasing by 1.5 million.

The increase in youth unemployment ah—it is okay—those were the figures that were given to us by the PSA, Your Honor, in terms of employment generation.

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

Just a quick reply. Of course, the PSA will say that our unemployment rate really went down. Bumaba iyong number ng unemployed. As I was saying earlier, dahil binago rin ng PSA ang bagong definition ng “sino ba ang ma-consider na unemployed,” but if we base it on the previous definition of who are the unemployed, ang sinasabi ko nga umaabot ito sa 4.64 million Filipinos. Dahil as it is now, kung ikaw, in the last three months, ay ayaw mong maghanap ng trabaho, nasa bahay ka lang, under the PSA definition, for example, you are not considered unemployed, dahil tumigil ka lang sa paghanap ng trabaho, but in real terms, unemployed ka.

Another point, it appears now, speaking of debt, the main economic strategy of the present administration is still debt-driven. We have to spend so much on infrastructure, mangungutang nang mangungutang para bayaran din iyong kasalukuyang utang, at kung may natitira, i-pondo sa infra to pump-prime the economy. So, iyon iyong parang nagiging taktika or strategy ng administration. In fact, as mentioned by the Speaker during his sponsorship speech, for next year, ang uutangan po natin ay P1.4 trillion sa ating kabuuang budget dahil ang kaya lamang kolektahin ng ating mga ahensya sa pamahalaan ay P3.3 trillion.

Tama po ba iyong pagkakuha ko ng figure, Mr. Speaker, Mr. Sponsor, P1.4 trillion?

REP. UNGAB. Yes. Unang-una po, Mr. Speaker, Your Honor, as to the definition of “unemployment,” the PSA informed us that they only follow the international standards in computing unemployment.

Now, with regard to the net domestic borrowings, yes, it is P1.400 trillion, Mr. Speaker, Your Honor, total gross borrowings. As to the strategy, yes, the Build, Build, Build is one of the main strategies to pump-prime expenditures and economic development through infrastructure-building considering that it can generate employment, it can have multiplier effects through construction through services-related forward and backward linkages to the construction sector, and it is, indeed, helping boost the economy.

So, even the strategies of private small, medium, large or micro corporations, it is all right to borrow for as long as it produces economic returns that will produce more employment, more economic opportunities, and more investments for the people. So, in other words, because of the pump-priming, because of these infrastructure projects, the economy is boosted, the economy is moving, the economy is catalyzed, and if you notice the trend every year, as a percentage of the GDP, indeed the interest payment, as well as the amount of total debts, is gradually reducing, Mr. Speaker, Your Honor.

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

You mentioned, again on the issue of debt, na wala namang problemang mangutang basta it will produce economic benefits to the people. You, in fact, mentioned that our debt-to-GDP ratio is now declining. The projection for 2020 from 41.8 percent in 2018, by 2020, the DOF or the Department of Finance said that our debt-to-GDP ratio will be at 41.4 percent in 2020. May I inquire, Mr. Speaker, Mr. Sponsor, what is the basis for the projection that our debt-to-GDP ratio by 2020 is 41.4 percent? What is the basis being used in the computation considering that as I have mentioned earlier, iyong atin pong GDP growth, as estimated by our economic managers, ay hindi nga na-meet and, in fact, ay nag-decline. We failed to reach our target even for this year and the third quarter, Mr. Speaker.

REP. UNGAB. Thank you, Mr. Speaker, Your Honor.

Actually, the basis for both revenues and expenditures is actually the development plan of the government, the development plan of the country. Based on that, you target how much percentage you want to develop, and from that, you come up with a budget as prepared by the DBCC or Development Budget Coordination Committee. We have your budget as a percentage, you target your revenues, you have your tax revenues and your non-tax revenues, and then whatever cannot be financed, you borrow.

The borrowings usually, Mr. Speaker, is a choice between domestic and foreign, and the good part of that is that we are now biased towards the local borrowings. So, it helps a lot—borrowing from the local economy—because if you borrow in pesos, you are not subject to the foreign currency risk and that could help, and it also will contribute to lower interest rate expenses. So, in some, Your Honor, borrowing is not bad, borrowing is okay as long as it helps the economy. I have here the figures from our economic managers, the projection, if the same print will continue, we might end up having only 38.9 percent of GDP in 2022.

We are performing very much better than western countries. We are performing very much better than the other countries. As I have said earlier, the economic fundamental is very strong and I believe the Philippines can weather whatever crisis that may occur in the international financial circle considering that we have a strong domestic economy, Your Honor.

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

Parang maganda nga hong tingnan na ang ating debt-to-GDP ratio by 2022 ay nasa 38.9 percent. Mukhang mababa siya, but we cannot just take it in isolation. Mukhang bumaba siya pero kung titingnan mo in real numbers, talagang lumaki ang utang natin. I mentioned that, Mr. Sponsor, Mr. Speaker, because the

present administration's debt, ang utang po sa pagpasok ng kasalukuyang administrasyon is almost three times higher than the average monthly increase in the previous administrations. We have accelerating borrowings. Our domestic national government's borrowing grew from P355.1 billion or 2.5 percent of our GDP in 2016 to P614.7 billion or 7 percent of our GDP in the first quarter of 2019 alone, and our foreign borrowing grew from P24.1 billion or a 0.2 percent of our GDP in 2016 to 1.3 percent in our GDP in the first semester of 2019.

Maganda pong sabihin na, anyway, by 2022, our debt-to-GDP ratio will go down but we have to take note that every year, interest payments are also becoming heavier. In fact, in our national budget, sa ating Automatic Appropriations ay napakalaki ng binabayaran nating interest, and of course, even if the Sponsor, Mr. Speaker, mentioned that we are now biased to domestic borrowing, we cannot yet ignore the fact that payments will become heavier as our peso depreciates as far as our foreign borrowings are concerned.

So, I will now go to the next item. Aside from borrowings, how are we going to finance our P4.1 trillion budget for next year, Mr. Sponsor, Mr. Speaker?

REP. UNGAB. Thank you, Your Honor.

On the earlier question as to the borrowings, just like any enterprise, big or small, small or medium-micro, it will always depend on the capacity to pay the enterprise. In our particular case, the government of the Philippines has really the capacity to pay considering that, in fact, it is really going down, as a percentage to the GDP.

As to how do we finance our expenditures of our budget, this will be financed by tax revenues in the amount of P3.3 trillion and non-tax revenues of about P203 billion. So, tax effort is 17 percent then for the expenditures of P4.1 trillion, Your Honor. So, it shall be financed by both tax revenues and non-tax revenues, Your Honor.

REP. ZARATE. Thank you, Mr. Sponsor. Yes, 94 percent or P3.3 trillion will be coming from taxes and ang kalakhan nito ay magmumula, in fact, sa koleksiyon natin sa pagpasá natin ng TRAIN, and I have to take note na dahil sa pagpasá nitong TRAIN na ito, ang talagang nagpapasan doon sa pag-finance ng ating budget kada taon mula nang maipasá ang TRAIN ay ang ating mga mamamayang Pilipino. I can recall that in 2019, in the President's Budget Message, he mentioned and he promised that TRAIN 1 will put more money into people's pockets. Mas madadagdagan daw ang pera ng ating mamamayan sa kanilang bulsa, but in the current Presidential message ay hindi ko na ho nakita iyon na ang pangako na madagdagan ang pera o savings ng bulsa ng ating mamamayan dahil in reality, wala hong

pumasok lalong-lalo na ang ating mga ordinaryong mamamayan. Sila ho ang nawalan dito sa TRAIN. In fact, dahil dito sa TRAIN, sa halip na mayroong maiwan sa bulsa ng ating mamamayan ay sila pa iyong may maraming pinapasan.

So, ang next ko na tanong, Mr. Speaker, Mr. Sponsor, of the P3.32 trillion, how much is expected by the administration or the government that will come from TRAIN 1 and how much also will come from the passage of other tax revenues pending or already passed by Congress?

REP. UNGAB. Thank you. Mr. Speaker.

Mention was made about the policy of the President as to the fiscal policy in financing the budget. Mr. Speaker, I can say this because I, too, was the Appropriations Chairman in the Davao City Council when the President was Mayor and he would always remind me—Secretary Wendell is here and he was also a Councilor before—he would always remind us, “Sid, let us prepare a budget for the poor because the rich can take care of themselves.”

Mr. Speaker, although I was not around in the previous council, I was also watching TRAIN or Tax Reform for Acceleration and Inclusion closely. The President who loves the poor exempted the low-income earners earning below P250,000 from taxes and they were about 90 percent of the volume of taxpayers. If there was an inflation that happened last year, it was not entirely caused by TRAIN. It was also attributed to the international price of fuel. Also, Your Honor, remember that what was added to the economy when you talk about exempting 90 percent of the taxpayer's base—those earning P250,000 and below—you are adding P12 billion to the economy per month or about P140 billion.

Your Honor, if this amount that was infused to the economy really went to the pockets of the poor, I believe, kung hindi lang nangyari ang inflation, ang laki ng tulong sa purchasing power, and now that inflation is going down, purchasing power is now even reflected, if you notice in the equitable distribution of the economic growth in the rural areas. In fact, there were already regions overtaking the NCR in economic development.

As to the question of how much is package 1A or the TRAIN revenues, it is contributing to the total revenues—for 2020, Your Honor, P153,800,000,000. So, it helped, but again, if you will notice, overall it is helping the economy. The poverty incidence is going down. If the present trend will continue, if the economic reform package will be passed by both the Lower House and the Upper House, I hope and pray that the target of the economic managers to reach a poverty incidence of 14 percent by 2022 will be realized. I hope and pray because if that will happen, ang laking tulong po agad na mangyayari sa Pilipinas by that time, Your Honor.

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

I inquired on that, Mr. Sponsor, Mr. Speaker, dahil, in reality, iyong sinasabi nating 90 percent na nakinabang sa TRAIN or more of that, in reality, there are those who are not beneficiaries of TRAIN. For example, lahat ng mga minimum wage earners are already exempted from paying taxes. The poorest, 17.2 million families, do not get benefits from the personal income tax but they suffer the higher tax and inflation-driven prices especially last year, and that is 76 percent or 8 out of 10 Filipinos ang hindi nakinabang.

Even if you mentioned that our inflation rate now is going down, remember that the prices of commodities ay hindi naman bumababa. Ang ibig lang sabihin na bumaba ang ating inflation ngayon ay ang tantos ng pagtaas ng presyo, pero ang presyo na itinaas noong nakaraang taon, noong mga nakaraang quarter, ay nandiyan pa rin at tumaas pa rin kahit na maliit nitong nakaraang buwan.

So, one more thing, we said that the poorest 10 million families will benefit from the cash transfers, for example, with TRAIN, but I observed and I read it somewhere that six months, in fact last year, six months into the highest inflation that we experienced, only 3.8 million received these cash transfers from the government. So, lumalabas, six million families have been suffering from high prices with none of them receiving the benefits coming from TRAIN dahil delayed na delayed iyong sinasabing cash transfer.

On the other hand, the rich, because of TRAIN 1, also pay lower income taxes, and with the expected passage of another TRAIN Bill, the CITIRA Bill, they will also pay even lower taxes starting 2023, from 30 percent to 20 percent.

So, talagang nakikita natin dito, habang palobo nang palobo o palaki nang palaki ang ating budget, palaki nang palaki ang manggagaling sa buwis, at ang nagpapasan ng mga buwis na ito karamihan ay ang ating ordinaryong mamamayan.

REP. UNGAB. Thank you.

REP. ZARATE. Now, on a budget-related issue, Mr. Speaker,...

REP. UNGAB. Thank you.

REP. ZARATE. ...may we inquire from the good Sponsor, about some adjustments that were made in the appropriations of the different agencies and departments from January 1 to June 30, wherein we noticed and observed the following adjustments: adjustments that resulted in a decrease in the appropriation of some agencies and departments and an adjustment that resulted in an increase in the appropriation of one department or one agency.

One major observation is that, the PS of all national government agencies increased but there are agencies na malaki ang ibinagsak. For example, the Department of Education recorded a high decrease in both of its MOOE and Capital Outlay. The DepEd and the DA recorded the highest decrease adjustment over all agencies and both are in their Capital Outlay. The adjustment decrease of these two agencies totals to P27 billion or 93.82 percent of the total adjustment decrease in all national government agencies.

May we inquire from the Sponsor, Mr. Speaker, why this kind of adjustment in the current budget for these agencies?

REP. UNGAB. Your Honor, let me start with the earlier observation on the inflation rate. Inflation rate is very much under control now. The average inflation rate for 2019 is 2.6 percent, and the target is between 2 to 4 percent for next year, so 3 percent. If you notice, prices are more stable. I personally do not really like inflation because inflation will steal away the money from our workers. Mr. Speaker, in conclusion, more or less, inflation is very much under control this year, and hopefully in the coming years. Then, as to the question on the budget of the—was it the budget of the Department of Education, Your Honor, that was reduced? Actually, the total budget of the Department of Education increased by 4 percent, Your Honor. From P531,565,249,000, it was increased to P551,715,849,000. From P531 billion to P551 billion or an increase of P20,150,000,000, so we have a gross or overall increase of 4 percent, Your Honor.

REP. ZARATE. Your Honor, Mr. Sponsor, Mr. Speaker, probably the Sponsor is referring to the increase in the budget for next year. My question really is about the adjustment being made by the government now after we passed the budget, following the reenacted budget last year. For example, in the first six months—I shall cite DepEd—from January 1 to June 30, its total allotment, including Continuing Appropriations and Unobligated Allotment, is P520,000,951,113. Based on the adjustments for Special Provisions in the GAA, modification in the Allotment Classes, and releases to the implementing agencies from its SPF and Unprogrammed Funds, DepEd will have a decrease in its appropriations of P16,901,313,000 for Capital Outlays. So, that is why I asked the reason behind the big decrease.

The Department of Agriculture, for example, from January 1 to June 30, has a Total Appropriations of P54,000,785,845, but there is a decrease, particularly in its Capital Outlays of P10 billion for the remaining period of 2019.

So may we inquire from the Sponsor, Mr. Speaker, on the reason.

REP. UNGAB. Your Honor, I asked our Representative from the DBM, and actually, the adjustments that are in the budget or the particular budget on the Capital Outlay of the Department of Education was actually transferred to the school-building program. The amount was transferred to the DPWH for the DPWH to implement, Your Honor.

REP. ZARATE. What about the increases, for example, in the PS of the DND, the DILG, the DOH, the DOJ, the DOTr, and the Department of Finance, Mr. Sponsor, Mr. Speaker?

REP. UNGAB. Those are salary increases that were implemented, and they were taken from the MPBF, Your Honor.

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

Now, may I go to another point, Mr. Sponsor, Mr. Speaker, on the obligations incurred, Unobligated Balances. I observed in the budget, Mr. Sponsor, Mr. Speaker, that the obligation rates of several departments are very low, especially, for example, the Civil Service Commission, the DOT, the DOLE, the NEDA, the ARMM, DTI, and several others. May we inquire from the Sponsor, Mr. Speaker, kung ganito kababa ang kanilang obligation rate. The DOT for example, the obligation rate is at 25 percent. We are now in August; how can the government expect that there can be a catch-up program, and how can we meet the so-called targets in the remaining quarters of the year if this will continue to be the obligation rate?

REP. UNGAB. Thank you, Your Honor.

With regard to the obligation rates, which were mentioned by the Honorable Zarate—I was looking at the figures, yes, medyo mababa, because these are actually the obligations over allotment, and we all know that the budget was delayed for this year. The approval came only—the signing was done in April, so this is normal. However, we were assured that because of the catch-up plan, and the disbursements are already in place, there will be an increase of these obligations, Your Honor, before the end of the year.

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

Now, in relation to that, we noticed in the budget that there are 26 departments, including the DOH, the DOLE and DAR, which received lower allocations for 2020. However, there are also departments—10 departments, in fact, including the National Defense—which received more allocation for 2020. So, 26 with less allocation, and 10 with more allocation for next

year. May I inquire, what was the basis for allocating a budget for a particular department? Bakit itong department na ito ay tumaas, bakit itong department na ito ay bumaba ang kanyang budget?

REP. UNGAB. Kindly repeat the question, Your Honor.

REP. ZARATE. We noticed in the budget, Your Honor, Mr. Speaker, that there are at least 26 departments—including the DOH, DOLE and DAR—which received lower allocations for 2020. However, there are also departments, including the DND and the DILG, that received higher allocations for next year. So, the question is, what was the basis, for example, in the grant of a higher allocation or a lower allocation for a particular department?

REP. UNGAB. Your Honor, this question was also raised during the committee hearings. The reason behind the allocations or the basis is the utilization rate. If the question is why the Department of Defense has a higher or, I would say, increase or whatsoever, the DND was proud during its presentation that it has a high utilization rate, Your Honor.

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

Because I just wonder, Mr. Sponsor, Mr. Speaker, if the basis is the utilization rate, we also observed in the budget that the Department of Agriculture and the DOTr also have lower utilization rates. For example, the DA, it has a 37-percent utilization rate, but it received an additional 20 percent for its budget. DOTr has 35-percent utilization rate, but it also received an additional 30 percent for its budget for 2020. So, I guess the reason is not only the utilization rate. So, what are really the other reasons why some departments got the bigger piece of the pie while the others did not, Mr. Sponsor, Mr. Speaker?

REP. UNGAB. Mr. Speaker, the DOTr, because of the foreign-assisted projects, they are somewhat exempted and the treatment is different because these are actually part of the Build, Build, Build, program, and these are foreign-assisted projects.

With regard to the Department of Agriculture, the treatment is different because we really need to improve the state of our agriculture, need to increase productivity in agriculture. It may have contributed a small amount to the GDP—as a part of GDP is about 8 percent, less than 10 percent—however, about one-fourth of the labor force is in agriculture. That is why you just cannot neglect agriculture, most especially since that most of those in the poor sector of our society come from agriculture, Your Honor.

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

Finally, I also observed that a big chunk of the budget still remains in the National Capital Region. Sinasabi po ng kasalukuyang administrasyon na kailangang i-disperse natin ang allocation ng budget, especially sa regions, but based on regional allocations, makikita ho natin, halos P1 trilyon mahigit ang nasa National Capital Region, P1.018 but ang nasa pinakabottom of this—halimbawa, number 19, Caraga Region with only P68 billion; Region XI, number 12, with P92 billion, and down the line. So, lumalabas, Mr. Sponsor, Mr. Speaker, iyong sinasabi nating i-disperse to the regions ang ating pambansang budget, lalung-lalo na ngayon na napakalaki nito, ang bias pa rin nito ay lahat nang malalaking proyekto ay nandito pa rin sa kalakhang Maynila o sa National Capital Region. Even sa region sa Mindanao or sa Visayas, maliit pa rin iyong ating allocation. May we get a reaction from the ...

REP. UNGAB. Mr. Speaker, there are departments or agencies whose nationwide budgets are lodged in the head offices or its head central offices. That is why if you will notice, at a glance, you would say that NCR still has the bigger proportion. However, Your Honor, when this is being implemented, the regions will get a share. I believe this can be already shown or expressly exhibited in the performance of the economy.

You will notice, there are now growth centers outside of the NCR. There are regions growing faster than the NCR. In fact, there are regions growing faster than the national average. That means, there is equitable, widely dispersed distribution of the budget, Your Honor.

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

Bilang panghuli po, makikita po natin sa panukalang budget na ito, gaya ng nabanggit ko kanina, kahit na jina-justify ng ating Sponsor, kalakhan sa budget na ito, makikita natin na ito ay budget pa rin, sa tingin naming, ng giyera, budget ng kill, kill, kill dahil sa lumolobong budget sa mga departamento na kaugnay dito, ang Depensa, DILG at iba pa.

Sa kabilang banda, makikita nga natin na patuloy iyong pagkaltas natin ng budget sa iba't ibang pangunahing serbisyo ng ating mamamayan, at makikita rin natin na sa darating na panahon, ang magpapasan pa rin ng burden ay ang ating mamamayan dahil napakalaking bahagi ng ating lumolobong budget ay manggagaling sa utang at manggagaling sa dagdag-buwis. So, ito iyong sinasalamin, sa tingin namin, sa pambansang budget na ito na kailangang wakasan na. Kung gusto talaga nating iangat ang kabuhayan ng ating mamamayan mula sa deka-dekada nang kahirapan, kailangan i-prioritize natin ang ating budget lalung-lalo na doon sa napakalimitadong pondo ng ating bayan na nakita nga natin ngayon.

Kung noong nakaraang taon, sinasabi ng

administrasyon na agriculture is no longer a priority because we are an industrial country. Nakita natin ang epekto noon at ngayon ay sinasabi nating bigyan natin ng priority ang agriculture.

So, marami pong salamat, Mr. Sponsor, Mr. Speaker, sa pagsagot sa ating mga katanungan.

Thank you, Mr. Speaker.

REP. UNGAB. Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Marcoleta). Before I recognize the Majority Leader, the Chair wishes to reiterate the request made earlier. Judging from the three interpellators, the Chair took note that there is an average of about nine minutes of laying the predicate before a question is propounded. This means that if one speaker is allotted one hour, there is only an average of six questions being asked. I think this is not consistent with the very nature of interpellation. Interpellation, I believe, is about asking more questions rather than laying the predicate or some preliminary statement. Having said that, the Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Thank you, Mr. Speaker.

Mr. Speaker, I move to recognize the Hon. Arnie Teves from the Third District of Negros Oriental.

THE DEPUTY SPEAKER (Rep. Marcoleta). The Honorable Teves is recognized.

REP. TEVES (A.). Thank you, Mr. Speaker. Good afternoon, everybody.

Maigsi lang ito. Unang-una, gusto ko lang humingi ng assurance mula sa leadership na kung puwede sana, iyong budget process na pinaghirapan natin, huwag naman sana magbago sa printing lang katulad nang nangyari noong nakaraan. Ang ibig kong sabihin, ayos na lahat, nasa NEP, nasa GAB, pero kapag print, wala na or baka may madagdag sa printing. So, sana gawin natin diyan, lagyan natin ng *colatilla* iyong budgeting process na kung ano ang napag-usapan dito, iyon na iyon. We are all gentlemen here. Baka mangyari na naman iyong kagaya last year. Kung ganoon, huwag na tayong mag-budget hearing, mag-printing na lang tayo. Can I have that assurance from the leadership?

*At this juncture, Deputy Speaker Marcoleta relinquished the Chair to Deputy Speaker Henry S. Oaminal.*

REP. UNGAB. Your Honor, in terms of assurance, yes, we can assure you, Your Honor, that whatever the result of the budget deliberations here in the Plenary, when it reached the Senate and then the Bicam, we will give you our assurance, Your Honor, that that will be the official outcome.

REP. TEVES (A.). Yes, kahit sa Bicam na lang dahil lugi kasi kaming hindi nakakasali sa Bicam. Hindi naman puwedeng tayong lahat pumunta sa Bicam at magbantay ng mga sarili nating budget, so sana lang hindi na mawala.

Thank you for that assurance. Aasahan ko iyon at hindi lang ako, tayong lahat.

Next, I have a very important question on policy about our economy. Matagal ko na kasi itong hiningi, isina-suggest that we do a “no X-ray, no entry” policy in the Bureau of Customs and it only needs a P25 billion investment and on the first year, it will gain P140 billion. So ang kita noon, P115. Ang hindi ko maintindihan, bakit hindi pa nangyayari ngayon. Ang funding ng Customs natin ngayon parang P2 billion lang yata from here.

Gusto ko lang maitanong ulit kung puwede ba natin itong gawin kahit next year na, that for Customs, we do a “no X-ray, no entry” policy. Other than a revenue measure, which will also be an anti-illegal drugs measure. Iyon lang, Mr. Speaker. That is my last, last point.

REP. UNGAB. Mr. Speaker, I agree that is a very good idea that the entire physical volume should undergo x-ray. I think that is a very good idea but I think that can best be answered when we take up the budget of the Department of Finance because the Bureau of Customs is under the Department of Finance which I think will be next—the NEDA and the DOF, Your Honor.

REP. TEVES (A.). Actually, I asked it now because I was told to ask it now instead of the DOF. I was going to ask it from the DOF but sinabihan ako na itanong ko na ngayon.

REP. UNGAB. I agree it is a good idea, Your Honor.

REP. TEVES (A.). Again, basta mamaya, kung nandiyan na ang DOF, sila na ang bahalang sumagot but, you know, I wrote all the senators about this. I even wrote a letter to the President to this effect that it is possible to have a “no X-ray, no entry” policy like in all first-world countries. Sana lang ay gawin natin ito. Hindi naman ito para sa akin, para ito sa ating lahat.

Thank you, thank you everybody.

REP. UNGAB. Thank you, Mr. Speaker.

REP. CASTELO. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Majority Leader.

REP. CASTELO. Mr. Speaker, I move that we suspend the consideration of the General Principles and Provisions to give way to the next department.

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

#### DEPARTMENT OF FINANCE

REP. CASTELO. Mr. Speaker, I move that we suspend the session for a few minutes, rather, Mr. Speaker, I move that we consider the budget of the Department of Finance including its attached agencies and corporations.

I so move, Mr. Speaker.

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

#### SUSPENSION OF SESSION

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

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

*It was 6:02 p.m.*

#### RESUMPTION OF SESSION

*At 6:03 p.m., the session was resumed.*

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

The Majority Leader is recognized.

REP. CASTELO. Mr. Speaker. Thank you. We would like to acknowledge the presence of the guests of the honorable Deputy Speaker Raneo “Ranie” E. Abu, namely: the Panlalawigang Liga ng mga Barangay from the province of Batangas, headed by Board Member Wilfredo M. Maliksi, ABC President. (*Applause*)

THE DEPUTY SPEAKER (Rep. Oaminal). The guests of our Deputy Speaker Raneo “Ranie” E. Abu, please rise and welcome to the Eighteenth Congress of the House of Representatives.

The Majority Leader is recognized.

REP. CASTELO. Likewise, Mr. Speaker, we would like to recognize the Department of Finance family, headed by Secretary Carlos G. Dominguez III, Undersecretary Gil S. Beltran, Undersecretary Karl Kendrick T. Chua, Undersecretary Mark Dennis Y.C. Joven, Assistant Secretary Antonio G. Lambino II,



Assistant Secretary Soledad Emilia J. Cruz, Assistant Secretary Maria Edita Z. Tan, Commissioner Rey Leonardo B. Guerrero of the Bureau of Custom, Deputy Commissioner Celia C. King of the Bureau of Internal Revenue, National Treasurer Rosalia V. De Leon of the Bureau of the Treasury, Executive Director Niño Raymond B. Alvina of the Bureau of Local Government Finance, Hon. Manuel De Jesus Siayngco of the Central Board of Assessment Appeal, Commissioner Dennis Antonio B. Funa of the Insurance Commission, Executive Director Donald M. Boo of the National Tax Research Center, Chief Privatization Officer Gerald L. Chan of the Privatization and Management Office, Chairperson Emilio B. Aquino of the Securities and Exchange Commission, President Cecilia C. Borromeo of the Land Bank of the Philippines, Director Maria Luisa M. Notario of the Philippine Tax Academy, and President Alberto E. Pascual of the Trade and Investment Corporation.

THE DEPUTY SPEAKER (Rep. Oaminal). The Chair recognizes the official family of the Department of Finance, headed by its dynamic Secretary, the Honorable Carlos G. Dominguez III.

The Majority Leader is recognized.

REP. CASTELO. Thank you, Mr. Speaker.

May we please recognize Hon. Horacio P. Suansing Jr. of the Second District of Sultan Kudarat to defend the budget of the Department of Finance including the attached agencies and corporations.

I so move, Mr. Speaker.

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

Hon. Horacio P. Suansing Jr. of the Second District of Sultan Kudarat is recognized.

REP. SUANSING (H.). Thank you, Mr. Speaker.

Mr. Speaker, my esteemed colleagues and all our guests gathered today in this august Chamber, I stand before you to present the budget of the Department of Finance and its attached agencies for Fiscal Year 2020.

Sound fiscal policies have often been cited as the bedrock of robust economic performance, productivity and growth. Fortunately, the recent years have seen a policy tipping point leading to a convergence of ideas of our fiscal managers from the DOF and Members of Congress. This brought forth economically rational discourse and landmark pieces of legislation that ushered in an era of fiscal reforms.

Just in the last three years, Mr. Speaker, we passed decades-long proposals into laws such as the Customs Modernization and Tariff Act, the Tax Reform

Acceleration and Inclusion Law, the Tax Amnesty Act or Package 1B of the Comprehensive Tax Reform Program which also included State Tax Restructuring, the Tobacco Tax Reform Law and now the Corporate Income Tax and Incentives Rationalization Act or CITIRA.

As we reap the gains of the reforms we have put into place, we now have stronger fiscal governance leading to a double-digit collection growth and credit rating upgrades. Last year, the total revenue collection reached P2.85 trillion. This is higher than the 2017 level by 15.2 percent. Tax collections which account for 90 percent of total revenues posted a 14 percent growth.

Both the Bureau of Internal Revenue and the Bureau of Customs achieved a double-digit collection growth of 10.1 percent and 29.4 percent, respectively. The total revenue collections reached P1.8 trillion in the first seven months of 2019. This is 9.6 percent or P159.3 billion higher than the same period last year.

Standard & Poor also stated in their assessment of the Philippines that a tax reform agenda was a key factor in their credit rating upgrade, from BBB to BBB+. This is one step closer to the sterling AAA rating history. This higher investment, Mr. Speaker, translates to lower borrowing cost and more money for investment in education, healthcare, social development and in other priority projects. These reforms and substantial gains enable us to fund critical government programs that are badly needed by our constituents. Hence, it is but prudent to equip the Department of Finance and attached agencies with sufficient budget to keep this momentum of fiscal reforms and gains.

We have highly qualified and dedicated public servants in the DOF family who need our support as Members of Congress for the approval of their P17,293,807,000 budget.

Having served the Bureau of Customs under DOF for 27 years, I have experienced first hand the challenges and rigors of the job of our fiscal managers, not just in ensuring a healthy fiscal environment, but also in doing the nitty-gritty of policy implementation.

As good soldiers, we have to attain the revenue targets given to us. It was a tall order just to—as the men and women of DOF and attached agencies now are tasked to further improve tax collection efficiency and comply with bigger revenue collection. Although, our tax effort in 2018 rose by 14.7 percent of the GDP, the highest rate in two decades, and now nearing the regional average, the challenge is still to improve, to exceed previous achievements and never rest as we strive to reach bigger and bolder targets.

Mr. Speaker, we bear to put great importance in one of the fundamental tasks of the DOF to ensure adequate resources for government projects and budgetary requirements with the end goal of attaining the aspirations of *matatag, maginhawa at panatag na buhay* for all Filipinos.

My esteemed colleagues, we all envision this life for our constituents, and with our fiscal reforms in the recent years, we have made headway toward our vision of inclusive growth and globally competitive economy that brims the daily lives of our countryman. We must sustain our lives and help equip the Department of Finance carry out its mandate. I, thus, seek your support for the approval of the budget of the Department of Finance and its attached agencies and corporations.

Thank you, Mr. Speaker.

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

REP. CASTELO. Mr. Speaker, I move that we recognize the distinguished Gentleman representing BUHAY Party-List, Hon. Lito L. Atienza Jr., to interpellate Congressman Suansing.

I so move, Mr. Speaker.

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

The Honorable Lito Atienza of BUHAY Party-List is recognized.

REP. ATIENZA. Thank you, Mr. Speaker. Maraming salamat po, Majority Leader.

Yes, we thank the Gentleman for presenting the budget of the Department very well and quite clearly. It is an uptrend, am I to assume that? Tumataas hindi po ba ang koleksyon?

REP. SUANSING (H.). Gladly, Mr. Speaker.

REP. ATIENZA. Yes. I would like to follow it up by saying, "Don't you feel that it could have been better with a little more effort on the part of the Department and the attached agencies?" Puwede hong nagbago nang kaunti iyon, mas mataas kung ginawa ang mga tamang hakbang.

May I ask the Gentleman if he is aware that the importation today consists mainly of container vans?

REP. SUANSING (H.). Yes, Mr. Speaker.

REP. ATIENZA. Could the Gentleman have an idea how many container vans arrive in the Philippines every day?

REP. SUANSING (H.). Based on the records of the Bureau of Customs, around 12,000 container vans arrive...

REP. ATIENZA. 12,000, tama po ba iyan?

REP. SUANSING (H.). ...at different ports of the country.

REP. ATIENZA. Labindalawang libong container vans.

REP. SUANSING (H.). Yes, Mr. Speaker.

REP. ATIENZA. Alam po ba ninyo kung ano ang nasa loob ng mga container van na iyan?

REP. SUANSING (H.). Well, the Bureau of Customs has this goods declaration verification system that is in place now. This is from the advanced manifest that is given to the Bureau of Customs. So, bago dumating, 24 hours before the arrival of the ship carrying all these containers, the Bureau of Customs have already had an advanced knowledge of the contents of each container, Mr. Speaker.

REP. ATIENZA. Prepared by the importer. Is that correct?

REP. SUANSING (H.). Yes, Mr. Speaker.

REP. ATIENZA. Therefore, we cannot assume 100 percent accuracy because no importer would declare what is inside. Kung iyan ay mayroong mga cylinder ng shabu, marahil hindi niya sasabihin. Hindi po ba?

REP. SUANSING (H.). That is the very reason that we have an office called the Risk Management Office, Mr. Speaker. The job of this office is to have this selectivity process as to select whether these containers, based on their country of origin and their contents, would be subjected to the red lane, the yellow lane or the green lane, Mr. Speaker.

REP. ATIENZA. Tama rin po iyong sinabi ng ating Sponsor, theoretically, but what is happening is that, smuggling continues every day, unabated, uncontrolled and not paying the necessary taxes, and not to mention, that prohibited drugs are allowed to come in as we have already witnessed. Cylinders of shabu were found inside the container vans.

So, may I ask the Gentleman, if he can say categorically that the 12,000 container vans that come into the islands of our country are inspected by competent Customs personnel?

REP. SUANSING (H.). Mr. Speaker, based on the selectivity process, all red lane containers are subjected to 100 percent examination, Mr. Speaker.

REP. ATIENZA. Again, Mr. Speaker, the Gentleman is saying that the Customs Bureau today and the

Department of Finance rely—one, on the declaration of the importer; two, on the classification that the people below will provide for every container van coming in. We can assume that an importer will always undervalue his importation, and, in fact, known smugglers could not even say what is inside. *Mayroon pong mga lumulusot diyang nakikita natin*, eventually, in the outlets, imported items, which to our mind, we doubt whether they paid the necessary taxes or not because the container vans are not really, genuinely inspected by the Bureau of Customs.

Is the Gentleman aware that there is already a way of ensuring that each and every container van is given a thorough inspection, if not here but from the port of origin? Number one, *iyong shabu ay hindi na makakalusot, kung mayroong inspection habang iyon ay ikinakarga pa lang sa kanilang pinanggagalingan*. Number two, *malalaman na ng Bureau of Customs kung ano ang nilalaman ng 12,000 container vans coming to the Philippines because they have been inspected in the ports of origin*.

What the Gentleman is saying, *alam ng Customs kung ano ang laman, pero paano nila malalaman iyon kung wala namang inspection na ginawa?* Is the Gentleman aware that we have a law, we labored in Congress, in the Sixteenth Congress, year 2015, to pass a law that will provide for the modernization of our Customs practices and processes?

Is the Gentleman aware that we had labored in the Sixteenth Congress, in 2015, to pass a law that will modernize our Customs practices and processes? One important provision of that law was an amendment done here in this Congress—again, thank you to the Members of that Congress—and that is the automatic inspection of all container vans *doon sa kanilang pinanggagalingan*. *Kaya hindi puwedeng mapalusutan ang ating bansa, hindi puwedeng mapalusutan ang Customs Bureau. Makakakolekta tayo ng mas higit na pera o salapi na kailangan natin ngayon kaya mayroon tayong mga tax laws, at marami tayong pinag-iisipan na mga paraan para maka-raise ng pondo. Sinabi ng ating Kongresista kanina na iyong kaunting investment lang ay maaaring kumita ng four or five times in the first year. So, I would like to ask you, why is the Customs Bureau hesitant in having modern equipment, apparatus and systems that will make sure that whatever is contained in every container, the necessary taxes for that must be paid?*

It was 2015 when that law was passed, and it is now 2019. One administration has finished, but they did not implement the law. This administration came in and so, I am asking my good friend. To disabuse your mind, Mr. Speaker, the present Secretary of Finance is a good friend of mine and I have the highest regard for him for his competence and honesty. He is an honest businessman. But I am also perplexed,

I am dumbfounded because when I asked him why the former administration of President Aquino not implement the Customs Modernization Act, he just said, and I will quote it, “Let me just study the law, *padre*. I will definitely study it and I will implement it very shortly.” That was three years ago, Mr. Speaker, and I promised you and I promised myself that I will ask this question in front of my good friend. You can ask him the official reason as to why the Customs Bureau is hesitant to put this system so that we will never again be victims of smuggling like the entry of illegal drugs, and the shortchanging being done by dishonest and unscrupulous importers. Even in that law, we tried hard to insert a clause that the inspection can be done voluntarily at the expense of the importer. We asked the importers, and they said, “We are very happy with that. We are willing to spend a little more, but for as long as we are guaranteed, if we are clean, we get the green lane. If we have doubtful, dubious contents in our container vans, the authorities will not allow them in. So, we are willing to spend to deserve a green lane.”

Today, the green lane is being used by the smugglers, and *shabu* is passing through the green lane. I understand every Customs Chief made recommendations to the Department of Finance to finally implement this law. You may want to ask my friend as to why the Bureau of Customs and the Department of Finance is not implementing the Customs Modernization and Tariff Act. *Kung may diperensiya iyong batas, ayusin natin ito, pero hindi puwedeng itinaon na lang sa archives iyan. I wonder what they did to the law and here, you are impressing us with the 10 percent increase when we probably would have doubled the collection of the Bureau of Customs.*

In fairness to the honest Customs officers and personnel who labor so that they will be given the respect by our people, there is a law that should protect that effort. *Ano po ba ang inyong masasabi diyang? Ang suggestion ko ay tanungin ninyo si Secretary, nandiyang siya. I saw him earlier. Why is he not enforcing the law? Pumapasok ang mga container vans na hindi natin alam kung ano ang mayroon ang mga ito. Mayroon lang tayong hawak na papel, ang declaration ng importer, pero wala namang importer na magsasabi na mayroon akong dalawang cylinder diyang puno ng shabu.*

I am waiting for an answer, Mr. Speaker, so that we can act in this Congress. We may have to improve the law, and I would like to hear this from him. Otherwise, we will continue to harp on this issue as he is being unfair to the people who still believe in the Customs’ function. He is being unfair to our people who are being taxed left and right and yet, the Bureau of Customs is not doing their job properly. I am waiting for an answer, Mr. Speaker.

REP. SUANSING (H.). Thank you, Mr. Speaker, Your Honor.

As to your first point regarding the pre-inspection scheme, the Bureau of Customs had done that in the early '90s. It was conducted by the SGS and it is a pre-inspection examination being done at all ports of origin. The reason it was discontinued was that it cost the government a very large sum of money and so, instead of the SGS doing that, the SGS transferred its technology to the Bureau of Customs. They professionalized the Customs personnel and added some equipment like having X-ray machines at the ports of destination. Right now, Mr. Speaker, there are around 40 X-ray machines throughout the country, and six of them are new ones, having been just purchased by the Bureau of Customs. The Bureau of Customs has realized that for the system to be more effective, there should be more or they should be adding more X-ray machines.

That is the reason, Mr. Speaker, Your Honor, that in the 2019 GAA, the Bureau of Customs proposed an additional P356 billion for these X-ray machines. Unfortunately, Mr. Speaker, this proposal was not included in FY 2020 NEP because, according to the MITHI or the Medium-Term Information and Communications Technology Harmonization Initiative, it is not yet timely for the Bureau of Customs to buy these additional X-ray machines this 2020, Mr. Speaker, Your Honor.

REP. ATIENZA. Mr. Speaker, the Gentleman mentioned SGS and the failed experiment at that time. That is correct and rightfully, it was a wrong way to conduct the Bureau of Customs' operations. We got the SGS, but they were the ones assessing the amount of taxes, and the Supreme Court said that it was not legal, that it cannot continue. So, that was stopped by President Ramos. The law today does not talk about anybody assessing itself in the Bureau of Customs. That function rests exclusively in the hands of the Philippine government and it cannot be delegated to any foreign company or to anybody else except the Philippine government. That is the point. May paraan ngayon upang iyon lamang contents ang malalaman natin, but the assessment is not being given up by the Philippine government.

Ang tanong ko, bakit hindi natin pinapa-inspection? Ang sagot ninyo, kulang ang ating equipment at 14 lang ang ating X-ray machines. Mayroon din po namang provision doon na puwedeng ipa-inspection iyan at the expense of the importer so that we know what is coming into our ports, also the cost. So, my question remains unanswered. Why are the Bureau of Customs and the Department of Finance today not interested in closing in on the big leakage and the entry of illegal drugs in the country? Why? People are asking why? I am just delivering the questions of the people here. Why are the Bureau of Customs and the Department of Finance not

seemingly interested in implementing the intentions of the Customs Modernization and Tariff Act?

REP. SUANSING (H.). Mr. Speaker, for the record, the Bureau of Customs is now implementing the pre-inspection scheme on bulk and break bulk cargoes. It means to say that bulk cargoes, like oil and other fuels that are bulk and steel, are being inspected from the ports of origin. From there, a surveyor report is submitted that will give the Bureau of Customs the exact amount and quantity of the cargoes. They have started that around five years ago, Mr. Speaker.

Now, as to the point of the Honorable Atienza that the Bureau of Customs is not implementing or is hesitating in using X-ray machines, I have been telling you, Mr. Speaker, that they have already proposed a Capital Outlays of P366 billion for 2020 but unfortunately, it was not included in 2020 NEP, Mr. Speaker.

REP. ATIENZA. Mr. Speaker, I would not accept the answer because it puts the blame on the government, when it is the Bureau of Customs which should see to it that the law is implemented even at no expense to the government. Iyan ang tanong ko. Wala nang gastos kasi lahat dito ay kita na. Dito, binu-buwisan natin lahat ng mga bagay na pumapasok sa ating bansa ngayon, pero paano iyong lumulusot sa smuggling? You say that bulk and break bulk importation like oil and other substances are being inspected, but I am not talking about the importation of these substances. I am talking about goods which enter the country everyday, even like luxury cars. You see Maseratis, Lamborghinis and Ferraris being driven around all over Metro Manila, and you ask yourself, nabayaran kaya ang buwis sa mga iyan? The answer is, malamang hindi sapagkat hindi alam ng Customs na ang mga kotse, itong mga luxurious cars, ang laman noong container vans.

REP. SUANSING (H.). Mr. Speaker, right now the Bureau of Customs is implementing the so-called "Goods Declaration Verification System" and the National Value Verification System." These two systems are both geared towards determining the exact goods being brought into the Philippines and also their valuation. These are now in place, Mr. Speaker, Your Honor.

REP. ATIENZA. So, is the Gentleman saying, Mr. Speaker, that the Customs is inspecting container vans today?

REP. SUANSING (H.). Mr. Speaker, as I had said before, all containers coming in are being subjected to a selectivity process, and they are selected as being "red," "yellow" or "green." The "green" containers go out without any inspection; the "yellow" containers

go through a documentary check; and the red lanes or “red” containers are subjected to X-ray screening and physical examination, Mr. Speaker.

REP. ATIENZA. Mr. Speaker, I hate to say this, but I am going to say it. The Gentleman, I find him to be sincere, is misinformed and I have data to show in support of my allegation. The container vans are not being inspected because of their own reasoning that they do not have the equipment or the money to buy the equipment—they are moving to and from by saying they have 14 but that number was not enough, and they asked for P300 billion and yet, that was not included in the National Expenditure Program. We are saying that it is a good investment and for me, one of the best investments to curb smuggling and the entry of prohibited drugs in the country. Sayang lahat ang pagod natin dito. Sayang iyong mga buhay na ibinuwis. Sayang iyong buhay ng mga law enforcers natin. Sayang iyong mga biktima ng patayan sa droga kung tuloy-tuloy ang pasok ng droga sa atin.

REP. SUANSING (H.). Mr. Speaker, nagpapasalamat po ako kay Honorable Atienza sa pagsuporta niya na dapat magkaroon ng additional X-ray machines sa Bureau of Customs. Ito na nga ang sinasabi ko kanina. May proposal po iyong Bureau of Customs na P356 billion for Capital Outlays but unfortunately, hindi po naisama ito sa 2020 NEP kaya po sa suggestion po o ang recommendation ni Honorable Atienza na kailangan magkaroon tayo ng bagong X-ray machines, ako po ay 100 percent na susuporta diyan.

REP. ATIENZA. Again, I would like to agree with him, but I cannot. The Gentleman is misinformed and he is parroting data and facts today which are not based on reality. Smuggling continues in the country through the container vans. He said, and I accept his data, that 12,000 container vans enter the Philippine islands today daily. They inspect only about 300 to 400 of these container vans. For the rest, they already use—I do not know what they are using—estimates, in their limited perception, or the declarations of the smuggler and they agree with each other: “You only pay the necessary “tara” per container and the rest, we can split among ourselves.”

Hindi tama po ang nangyayari, Mr. Speaker, and I will continue to harp on this issue. It is a good step on the part of my good friend, Secretary Dominguez to require this of everybody. With this system, when you bring in a container, you will never be able to smuggle anything in the Philippines. If we rely on the statement of the smugglers themselves, we might as well close shop. The government is being given the runaround and if we follow that kind of thinking, kawawa naman ang ating bayan.

If that is all that the Gentleman can provide, I will not persecute him with more questions, but he has not answered the questions that we had propounded on the Customs Modernization and Tariff Act which should have been implemented three years ago under the new administration. I got the commitment of my good friend, and I have no reason to doubt his integrity that it will be implemented. So, I am still waiting for that statement to come true—that it will be implemented.

Thank you.

REP. SUANSING (H.). Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). Thank you, Honorable Atienza, for your interpellation.

The Majority Leader is recognized.

REP. CASTELO. Mr. Speaker, may we recognize the Hon. Stella Luz A. Quimbo of the Second District of Marikina for the Minority?

THE DEPUTY SPEAKER (Rep. Oaminal). Hon. Stella Quimbo of the Second District of Marikina is recognized.

REP. QUIMBO. Mr. Speaker, there being no Member of the Minority with burning questions for the DOF, I move to terminate the period of interpellation. *(Applause)*

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). There is a motion to terminate the interpellation.

The Majority Leader is recognized.

REP. CASTELO. Mr. Speaker, on the part of the Majority, we join the Minority in the motion to terminate the period of interpellation on the proposed budget of the Department of Finance, including its attached agencies and corporations.

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

The Majority Leader is recognized.

REP. DE VENECIA. Mr. Speaker, we would like to acknowledge the presence of some guests in the gallery. They are the guests of the honorable Deputy Speaker Raneo “Ranie” E. Abu: the Rotary Club of Bauan in the municipality of Bauan, Second District of Batangas, headed by Asst. Gov. Vic Arellano.

THE DEPUTY SPEAKER (Rep. Oaminal). They are the guests of whom?

REP. DE VENECIA. They are the guests of Deputy Speaker Ranie Abu.

THE DEPUTY SPEAKER (Rep. Oaminal). The presence of the guests of Deputy Speaker Ranie Abu is hereby acknowledged. Please rise. Welcome to the House of Representatives. *(Applause)*

The Majority Leader is recognized.

REP. DE VENECIA. Mr. Speaker, may we also acknowledge the presence of the guests of Hon. Gavini "Apol" C. Pancho. They are the Barangay Councilors from Barangay Subic, Baliwag, Bulacan, to wit: Councilors Marlon Centeno, Al Valderama, Mon Maglonzo and Sherwin Sulit.

THE DEPUTY SPEAKER (Rep. Oaminal). The presence of the guests of Honorable Pancho is hereby acknowledged. Please rise. Welcome to the House of Representatives. *(Applause)*

The Majority Leader is recognized.

#### SUSPENSION OF SESSION

REP. DE VENECIA. Mr. Speaker, I move that we suspend the session.

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

*It was 6:41 p.m.*

#### RESUMPTION OF SESSION

*At 6:45 p.m., the session was resumed.*

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

May I ask the Majority Leader, what is our parliamentary status now?

#### LEGISLATIVE-EXECUTIVE DEVELOPMENT ADVISORY COUNCIL

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

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

The Majority Leader is recognized.

#### SUSPENSION OF SESSION

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

suspend the session to allow the technical staff access to the session hall.

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

*It was 6:46 p.m.*

#### RESUMPTION OF SESSION

*At 6:46 p.m., the session was resumed.*

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

The Majority Leader is recognized.

REP. TADURAN. Mr. Speaker, may we acknowledge the presence of Mr. Jose Miguel R. Dela Rosa, NEDA-Central Support Office, Supervising Undersecretary; and Ms. Roweena M. Dalusong, NEDA-Internal Audit Staff, Supervising Director, both from the LEDAC Secretariat.

THE DEPUTY SPEAKER (Rep. Oaminal). The presence of the officers and members of the Legislative-Executive Development Advisory Council is hereby acknowledged.

The Majority Leader is recognized.

REP. TADURAN. Mr. Speaker, I move that we recognize the Sponsor of the budget of the LEDAC, Hon. Peter John D. Calderon.

THE DEPUTY SPEAKER (Rep. Oaminal). Hon. Peter John Calderon from the Seventh District of Cebu is recognized to sponsor the LEDAC budget.

#### SPONSORSHIP REMARKS OF REP. CALDERON

REP. CALDERON. Thank you, Mr. Speaker.

Mr. Speaker, the Legislative-Executive Development Advisory Council was created through Republic Act No. 7640 to serve as a consultative and advisory body to the President as the head of the NEDA Board on certain programs and policies essential to the realization of the goals of the national economy. The LEDAC also serves as a venue to facilitate high-level policy discussions on vital issues and concerns affecting national development.

On this note, Mr. Speaker, I ask the Body to favorably consider the budget of the Legislative-Executive Development Advisory Council.

Thank you, Mr. Speaker.

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

REP. TADURAN. Mr. Speaker, I move that we recognize, from the Minority, the Hon. Gabriel H. Bordado Jr. from the Third District of Camarines Sur, for his interpellation.

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

The Hon. Gabriel Bordado Jr. from Naga City is recognized.

REP. BORDADO. Thank you very much, Mr. Speaker.

Let me propound my first question to the Sponsor. You were telling us that the LEDAC was created by virtue of Republic Act No. 7640 as a consultative and advisory body to the President. Is that correct?

REP. CALDERON. That is correct, Mr. Speaker.

REP. BORDADO. That it has several functions which are to determine and recommend socioeconomic development goals, provide policy advice to the President, integrate regional development plans into the national development plans, and study measures to improve implementation of official development assistance, among others.

REP. CALDERON. Yes, that is correct, Mr. Speaker.

REP. BORDADO. Mr. Speaker, distinguished Sponsor, how does the LEDAC propose to increase the number of meetings to address concerns on common legislative agenda and in the process, ensure a smoother and more efficient coordination between and among the concerned parties?

REP. CALDERON. Please repeat the question, Mr. Speaker.

REP. BORDADO. My question is, how does the LEDAC propose to increase the number of meetings in order to address concerns on common legislative agenda and the process, ensure a smoother and more efficient coordination between or among concerned parties?

REP. CALDERON. Actually, Mr. Speaker, the LEDAC meets upon the call of the Chairman who is, of course, the President. Aside from the quarterly and special LEDAC meetings, there are also the meetings of the Technical Working Group that was created to assist the LEDAC.

REP. BORDADO. Mr. Speaker, distinguished Sponsor, in the performance information of the LEDAC

for last year, there was only one joint meeting. Is this correct?

REP. CALDERON. Yes, that is correct, Mr. Speaker.

REP. BORDADO. In other words, the LEDAC is not meeting regularly?

REP. CALDERON. As I said, Mr. Speaker, there is this Technical Working Group of the LEDAC that meets regularly.

REP. BORDADO. We must remember, Mr. Speaker, that during the time of Pres. Fidel Ramos, the LEDAC was used to the hilt in order to coordinate the activities of the legislative and the executive departments. In this case, you are saying that the LEDAC had only one meeting last year.

REP. CALDERON. For the entire Seventeenth Congress, Mr. Speaker, the LEDAC met four times.

REP. BORDADO. So, this is incorrect? According to the performance information, Mr. Speaker, the LEDAC had only one joint meeting.

REP. CALDERON. The information I have here, Mr. Speaker, is that yes, for this year, there was one joint ExeCom and TWG meeting and one meeting with the Cabinet Secretary.

REP. BORDADO. Okay. So, you are saying right now that the LEDAC also met on many occasions.

REP. CALDERON. Yes, but not the full LEDAC, Mr. Speaker.

REP. BORDADO. Okay. Given that pronouncement, Mr. Speaker, distinguished Sponsor, what specific priority measure can you propound to us in order to address this concern?

REP. CALDERON. Mr. Speaker, for the Eighteenth Congress, the LEDAC has not yet come up with a common legislative agenda. During the Seventeenth Congress, I think 28 bills were included in the common legislative agenda, but only 12 became laws, Mr. Speaker.

REP. BORDADO. Mr. Speaker, distinguished Sponsor, what I am asking is, what specific courses of action should the LEDAC take in order to address the concerns which we raised a while ago?

REP. CALDERON. The problem, Mr. Speaker,

is that the LEDAC meets only upon the call of the Chairman who is the President. What the LEDAC is doing now is just meeting with the ExeCom and the TWG.

REP. BORDADO. Mr. Speaker, are you saying that the LEDAC does not have plans and programs within the next few months or few years?

REP. CALDERON. The TWG, Mr. Speaker, has already come up with an indicative list for a common legislative agenda for the Eighteenth Congress, but this still has to be approved by the LEDAC, Mr. Speaker.

REP. BORDADO. Okay. Thank you, Mr. Speaker. Thank you, distinguished Sponsor.

There being no other member of the Minority who will ask questions on the LEDAC, Mr. Speaker, I am respectfully moving to terminate the interpellation by the Minority.

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

REP. TADURAN. Mr. Speaker, on the part of the Majority, we join the Minority in the motion to terminate the interpellation on the proposed budget of the Legislative-Executive Development Advisory Council.

THE DEPUTY SPEAKER (Rep. Oaminal). There is a motion from the Majority and the Minority that the period of interpellation on the Legislative-Executive Development Advisory Council be terminated. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Majority Leader is recognized.

#### SUSPENSION OF SESSION

REP. TADURAN. Thank you, Mr. Speaker. I move that we suspend the session.

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

*It was 6:58 p.m.*

#### RESUMPTION OF SESSION

*At 6:59 p.m., the session was resumed.*

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

The Majority Leader is recognized.

#### GENERAL PRINCIPLES AND PROVISIONS

##### *Continuation*

REP. BAGATSING. Mr. Speaker, I move that we resume the debate on the General Principles and Provisions of the 2020 GAB.

THE DEPUTY SPEAKER (Rep. Oaminal). There is a motion to resume the debate on the General Principles and Provisions. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BAGATSING. Mr. Speaker, I move that we recognize Rep. Bayani F. Fernando from the First District of Marikina for his interpellation.

THE DEPUTY SPEAKER (Rep. Oaminal). Before the Chair will recognize Hon. Bayani Fernando for his interpellation, ...

REP. BAGATSING. Mr. Speaker.

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

REP. BAGATSING. Mr. Speaker, I move to withdraw that motion and instead, I move that we recognize the Chairman of the Committee on Appropriations, Hon. Isidro "Sid" T. Ungab for the sponsorship...

#### SUSPENSION OF SESSION

REP. BAGATSING. I am sorry. I move to suspend the session.

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

*It was 7:02 p.m.*

#### RESUMPTION OF SESSION

*At 7:02 p.m., the session was resumed*

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

The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Mr. Speaker, I move to recognize Hon. Joey Salceda to defend the General Principles and Provisions of the 2020 GAB. I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Oaminal). There is a motion to recognize the Honorable Salceda to continue defending the debate on General Principles



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

Before the Chair will recognize the Honorable Salceda, the Chair will call on Hon. Pablo John “PJ” Garcia to continue presiding over the session today.

*At this juncture, Deputy Speaker Oaminal relinquished the Chair to Deputy Speaker Pablo John F. Garcia.*

THE DEPUTY SPEAKER (Rep. Garcia, P.). Hon. Bayani F. Fernando is now recognized.

REP. FERNANDO. Thank you, Mr. Speaker.

Distinguished Sponsor, I have a concern on Section 20 of the General Provisions on the 2020 General Appropriations Bill on the Procurement of Common-Use Supplies and in the interest of time, I will raise my concern very briefly.

Section 20 of the General Provisions, entitled: Procurement of Common-Use Supplies, states:

All agencies of the government shall purchase its common-use supplies requirements from the Procurement Service (PS) as mandated under LOI No. 755 dated October 18, 1978, E.O. No. 359, s. 1989, A.O. No. 17, s. 2011 and such other guidelines issued thereon.

Common use supplies shall refer to those included in the Electronic Catalogue of the PS and those which shall be regularly updated to include all items commonly procured by agencies of the government.

It also covers all instrumentalities including local government units.

Mr. Speaker, distinguished Sponsor, under this provision, do we consider giving priority to local suppliers and manufacturers?

REP. SALCEDA. I am sorry. Can you please repeat the question, Your Honor?

REP. FERNANDO. The question is: under this provision on the procurement of common-use supplies, do we consider giving priority to local suppliers and manufacturers?

REP. SALCEDA. There is no more such priority under the law for local suppliers.

REP. FERNANDO. There is no such priority?

REP. SALCEDA. No more.

REP. FERNANDO. Okay. Mr. Speaker, distinguished Sponsor, I will recommend that with

regard to items with at least 70 percent local added value to any common-use supplies being procured by the government, such procurement shall be made mandatory and shall include garments and shoes. Is it possible, Mr. Speaker, distinguished Sponsor?

REP. SALCEDA. Mr. Speaker, Your Honor, to the extent possible, I think yes, but it might put, Your Honor, restraints on the competitive bidding because some of the supplies may not be available locally and 70 percent is a very high figure for certain commodities to meet. So, for that kind of condition to be met, may mga bagay po na talagang hindi 70 percent.

Iyong number two po, competition. Dalawang bagay lang naman po, but definitely, I share that, as an economist, we must encourage the government to lead by example by essentially purchasing goods from its own people. Unfortunately, some of these goods, number one, may not be available; and number two, there may be no competition and therefore in many instances, Your Honor, such procurement may be disadvantageous to the government.

REP. FERNANDO. Well, I am aware, Mr. Speaker, distinguished Sponsor, of some restrictions, where procurement may be restricted by certain treaties or arrangements with other...

REP. SALCEDA. None, Your Honor, there are no treaties that will essentially bind us...

REP. FERNANDO. There are no treaties—none, we are not, ano, obliged by any other...

REP. SALCEDA. In other words...

REP. FERNANDO. Well, in that case, Mr. Sponsor, because I believe that in this manner, we will be contributing greatly to the promotion of our domestic manufacturing and I believe—would you say 70? Some say that 70 percent may be too high, but there must be some—I suppose that it may be subject to some studies. Anyway, I am manifesting this for the record, Mr. Speaker, and at the proper time, I will make the appropriate amendments.

Thank you very much, Mr. Sponsor.

REP. SALCEDA. Very well, Your Honor, at the appropriate time, I think we will accept, and the mood of this Sponsor is really to accept, except that to some extent, it may put restraints on the efficiency of the government, especially since that our Procurement Law is probably one of the most stringent laws in the whole world, Your Honor. So, if you add another condition such as this, it may prevent the efficient and effective performance of our individual agencies, considering that

they have to use certain commodities. The direction, Your Honor, is correct but unfortunately, I think it must be worded in such a way that it will not add another layer of excuse for agencies which are not performing or achieving their performance indicators, Your Honor. But I am very much—because we already have a law that essentially says “subject to the certification of the DTI, there is such a thing as “domestic preference for locally-manufactured goods, as certified by the DTI.”

REP. FERNANDO. That sounds too technical for me to make...

REP. SALCEDA. Yes, the wording.

REP. FERNANDO. ... but I will wait for that appropriate time ...

REP. SALCEDA. Yes, Your Honor, we will propose an alternative wording.

REP. FERNANDO. ... and I will submit my amendments.

Thank you very much.

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

REP. ROMUALDO. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. ROMUALDO. Mr. Speaker, the next Member who wishes to interpellate the Sponsor is Rep. France L. Castro of ACT TEACHERS Party-List. I move for her recognition, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Hon. France Castro of ACT TEACHERS Party-List is hereby recognized.

REP. CASTRO (F.L.). Maraming salamat po, Mr. Speaker.

Would the distinguished Sponsor yield to some clarificatory questions on the General Principles?

REP. SALCEDA. Yes po.

REP. CASTRO (F.L.). Thank you, distinguished Sponsor.

Kapansin-pansin na walang kahit token mention ng salary increase for our government employees sa President’s Budget Message na siyang nagha-highlight ng mga prayoridad ng administrasyon sa susunod na taon. Prayoridad, meaning, ito iyong items na malamang—sila iyong pinakamalaki ang pondo.

Just a clarification for the public, lalo na iyong mga public school teachers, school personnel, at kabilang na iyong mga kasama natin dito sa House at hindi natin magagawa ang trabaho natin kung wala sila, itong mga taga-DBM—may balita na P31 billion daw na salary increase, ito ba iyong lump sum sa Miscellaneous Personnel Benefits Fund for Payment of Compensation Adjustment on page 997, NEP Volume III, ito iyong nagkakahalaga ng P31,099,129,000, Mr. Speaker, distinguished Sponsor?

REP. SALCEDA. Your Honor, I can give you a copy of the explanation by the DBM so that, officially, that will be entered into this proceeding that will essentially identify the nature of that so-called P31.2 billion. It says: “The proposed SSL V shall be implemented in three tranches beginning January 2020. And as agreed upon in the Cabinet and as pronounced by the President in his 2019 State of the Nation Address, the salary adjustment will cover all civilian personnel including teachers and nurses, amounting to P31.2 billion.”

I will certainly give that to you and therefore, may I seek that the Secretariat enter this into the records so that we will have the proper, what you might call or perhaps, we can introduce a special provision that will specifically identify this P31.2 billion as referring to the first tranche of the SSL V.

REP. CASTRO (F.L.). Thank you, distinguished Sponsor. For the record, Mr. Speaker, ito po bang P31 billion lang po, ito iyong inilalaan para sa salary increase ng lahat ng mga government employees na, more or less, 1.5 million?

REP. SALCEDA. Mr. Speaker, Your Honor, I was the Sponsor of GCG last year and part of the performance of GCG was, essentially, to commission Wyatt Consultancy amounting to about, I understand, almost P54 million that essentially would study the general compensation framework for the civilian bureaucracy so that there is a basis: it is data-driven, it is science-based and it definitely will provide the proper basis for the salary adjustment.

At the proper time, Your Honor, to my knowledge, this may be a first tranche but that does not necessarily reflect the totality of the entire SSL V. It is like—at first it says “initial.” I will not say it is a “token” but definitely, it is an initial downpayment on the SSL V.

REP. CASTRO (F.L.). Ang ibig sabihin nito, Mr. Speaker, distinguished Sponsor, ito lang iyong first tranche, iyong P31 billion?

REP. SALCEDA. It is, but I would rather call it the initial downpayment.

REP. CASTRO (F.L.). Okay. Nabanggit na ninyo kanina na nakalakup diyan sa dokumento na itong salary increase ng mga government employees ay three tranches at iyong P31 billion—more than P31 billion ito—ang initial na pondo ng ...

REP. SALCEDA. Actually, we cannot just multiply it by three and say that it is P93 billion. I am only saying that, Your Honor, last August 13, I think the GCG has essentially been presented with the results of the so-called study on salary. At the appropriate time, with the GCG budget this year, perhaps—because I have not seen this myself, I will admit that—so, when the proper time comes, Your Honor, we could delve into this issue more intensively. So, hindi mo po puwedeng i-multiply ito ng tatlo and say that it is the total amount of the tranches, no.

REP. CASTRO (F.L.). Natanong ko na ito sa DBCC and they said that they are going to submit that document to me before the Plenary.

REP. SALCEDA. The GCG study?

REP. CASTRO (F.L.). Dahil hindi na-submit iyan, and for the record ay gusto lang natin mapaalam ...

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). ... kung ano na iyong ginagawa ng ating DBCC kaugnay ng mga tanong natin sa Committee when I raised the same topic, Mr. Sponsor, distinguished colleague.

REP. SALCEDA. I will definitely submit this, but I think the better alternative, Your Honor, is really for me to give you a copy of the GCG study commissioned by the GCG.

REP. CASTRO (F.L.). So, ito na rin ba iyong result noong study that was expected to be delivered by an independent firm before the end of June this year? Subsequently, the DBM will come out with the proposed salary schedule in the third quarter of 2019. So, ito ba iyong pinag-usapan last year, ito na po iyong result noong study na sinasabi ng ating DBM?

REP. SALCEDA. Hindi po.

REP. CASTRO (F.L.). Okay. Ano po iyong pinagbatayan ng amount na P31 billion, Mr. Speaker? According to the DBM, the funding requirement for the fourth tranche of the salary increase under the SSL is estimated to be P45 to P50 billion. Parang, distinguished Sponsor, Mr. Speaker, mahirap paniwalaan na ang P31 billion will entail ng lagpas na P1,000 na increase para

sa Salary Grade 1 na mga government employees. Ang SSL IV, sa average, Mr. Speaker, distinguished Sponsor, nagbigay lang po iyan ng P500 per tranche. In fact, the fourth tranche for SG 1 ay P558, for Salary Grade 11 ay P578 lamang na may budget na P45 to P50 billion. So, ini-expect po ba natin na doon sa P31 billion, iyong sinasabing P500 per month, per year, ay mas maliit pa dito iyong matatanggap ng nasa Salary Grade 1?

REP. SALCEDA. No, Your Honor. I will try my best for the GCG study to be submitted in September. Hopefully, Your Honor, the Lady being the Representative of our teachers, I will certainly do my best, when the GCG budget is brought to the floor, to demand an earlier submission of the GCG—commissioned study by the Wyatt Consultancy. So, Your Honor, it clearly provides—it is an expression, an articulation of the desire of this administration to provide all of its public servants the means and the wherewithal to meet their daily needs while they perform their duties to the nation. So, iyon po ay hindi reflective at kailangan po natin hintayin iyong pag-aaral na isinagawa po ng GCG.

REP. CASTRO (F.L.). Okay. Ito po bang salary increase ng mga government employees, ano po ba ito, ito ba ay magiging SSL V, EO ba ito, joint resolution o batas na gagawin dito sa Kongreso?

REP. SALCEDA. As previously practiced, Your Honor, it will be covered by a joint resolution. Before it becomes a joint resolution, you have to appropriate—baliktad nga po ngayon dahil nauna na po iyong appropriation and therefore, we will consider that as a reserve once the joint resolution has been approved by Congress. I hope we have enough time, Your Honor, until December 31, to essentially come up with the joint resolution based on the submission of the GCG study hopefully within the month of September, Your Honor.

REP. CASTRO (F.L.). Okay. I hope po na sa Committee on Appropriations in due time, Mr. Speaker, dahil mayroon na rin talagang more than 30 na mga kasamahan natin dito, including the ACT TEACHERS Party-List at ang Makabayan bloc ang nag-propose ng salary increase para sa ating mga government employees, and I hope that, very soon, makapag-schedule ang ating Committee on Appropriations ng hearing about our salary increase proposal.

REP. SALCEDA. Certainly, Mr. Speaker, and we will also submit for your consideration a scientific study conducted by GCG.

REP. CASTRO (F.L.). Okay. So, Mr. Speaker, distinguished Sponsor, you are going to give me that document now?

REP. SALCEDA. Yes, Your Honor.

REP. CASTRO (F.L.). Okay.

REP. SALCEDA. Pagdating po ng GCG budget, huwag nating aprubahan hanggang hindi nila na-submit ito.

REP. CASTRO (F.L.). Okay.

REP. SALCEDA. Thank you.

REP. CASTRO (F.L.). Okay na po tayo doon sa salary, Mr. Speaker, distinguished Sponsor.

According to the Key Budget Priorities of our government or of our President this year, ang sabi niya dito:

#### Key Budget Priorities

1) Ensuring a peaceful and safe journey to progress. Progress without peace is futile. And to pursue progress without seeking peace or without the willingness to pay the price for peace is like wanting to make an omelet without breaking eggs. We need to put as much effort into the journey to peace as the journey to progress. And for this, we are giving our full budget support to the agencies in charge of protecting our safety and ensuring lasting peace.

For 2020, the increase in budget support for the Philippine National Police amounts to P184.9 billion, while the DOJ is allocated P23.2 billion. The DND meanwhile gets P189.0 billion or 4.6 percent of the budget pie.

Furthermore, nakalagay dito, Mr. Speaker, distinguished Sponsor:

#### Achieving Lasting Peace

Lasting peace can only be attained by combating criminality and terrorism in all its forms. Under the 2020 budget proposal, we have authorized the creation of 10,000 Police Officer I positions in the PNP, costing the government P3.0 billion. Moreover, I have given the DBM the go-signal to approve x x x.

Kung mapapansin po natin, Mr. Speaker, distinguished Sponsor, iyon pong nakalagay na mga budgets dito para sa PNP, DND, DOJ, Judiciary, et cetera, ito po iyong mga dinagdagan na mga budgets. Hindi po ba, Mr. Speaker, distinguished Sponsor, kung gusto nating ma-achieve talaga iyong lasting peace at progress, dapat sagutin natin iyong social justice, iyong economic root of conflict. Would you comment on this, distinguished Sponsor?

REP. SALCEDA. Actually, Mr. Speaker, when you write documents such as this, you would like to enumerate everything you will invest on those instruments that essentially secure the peace of the State. For me, as an analyst, Mr. Speaker, the single biggest item investment of this country on peace is the P70 billion we will invest in BARMM because that is actually, incrementally, the single most significant change in this budget for all of the offices that you have mentioned plus the additional P12 billion that will be invested by the DPWH. Essentially, P82 billion in BARMM is the single investment on peace. There are several levels, Mr. Speaker. We can talk about peace in our homes and in our streets, peace in terms of our relationship with all sectors, peace within our certain regions and ethnicities. In short, Mr. Speaker, there are three levels but as a basic minimum, we have to invest, of course, in having peace in our homes with our children, and in our schools. At the same time, Mr. Speaker, we have to secure peace with our own people of different ethnicities. Lastly, Mr. Speaker, in terms of social justice, we must consider the P82 billion in BARMM as essentially an investment, considering the long, historical social injustice that has been committed to our brothers in Mindanao.

I will agree with you that securing peace may be not just through financial investments. Talking peace is probably more important than money, but as I had said, there are three levels. We talk about peace in our homes, communities and schools. We have peace in our regions. Now, we have peace within our sectors that have suffered more injustice. So, Your Honor, I think talking peace should also be considered as an investment by this administration and in so many instances since 2016, the President has continuously made the most serious efforts in the history of this country to talk peace with everyone—the MILF, the CPP-NPA-NDF possibly included, of course.

So, Your Honor, I think this administration is quite serious about making peace a pillar for progress. That is my answer, very long.

REP. CASTRO (F.L.). Mr. Speaker, distinguished Sponsor, ang Kinatawan pong ito ay naniniwala na makakamit lang natin ang true and lasting peace and progress kapag nasagot po iyong roots of conflict nitong criminality at iyong binabanggit na terrorism.

REP. SALCEDA. Yes.

REP. CASTRO (F.L.). So, paano po magiging peaceful ang ating mga mamamayan at walang nagrereklamo na—tingnan ninyo naman, Mr. Speaker, distinguished Sponsor, kung gaano kalaki iyong mga budget cuts doon sa mga services na dapat na ibinibigay natin sa ating mamamayan. Hindi natin kailangan ng dole-out, hindi natin kailangan ng pamamalimos. Ang

kailangan natin ay mga serbisyo. Lumalaki nga, Mr. Speaker, ang budget natin pero nababawasan iyong budget na inilalaan natin sa social services. For example, sa CHED, binawasan ito ng P11 billion; sa DOH, P9 billion; sa DOLE, P1.9 billion; sa Judiciary, P800 million, at marami pang iba, Mr. Speaker. Ito ba iyong sinasabi natin na paglalagyan natin ng mga serbisyo para sa ating mga mamamayan pero na-cut dito? Ang ibig bang sabihin, Mr. Speaker, ang konsepto ba ng peace and order na sinasabi dito sa Budget Message ay lakihan ang budget ng PNP at DND dahil ang peaceful na Pilipinas ng kasalukuyang gobyerno ay puno ng patayan, human rights violations at karahasan, habang nananatiling walang lupa ang mga magsasaka, walang sapat na trabaho ang mga mamamayan, kulang ang mga paaralan, pabahay, ospital at iba pang serbisyong panlipunan na pangunahing sanhi ng kahirapan? Ito ba ang sinasabi natin na tinutugunan ng budget na ito, Mr. Speaker, distinguished Sponsor?

REP. SALCEDA. Your Honor, iyong mga na-cite po ninyo na mga pagbaba ay dahil po sa mga ipinasok ng mga Senador. Kung babalikan po natin iyong organic budget presented by the President, there is a so-called President's budget. It merely normalizes the base for this budget because there is such a thing as institutional amendments made by the Senate. So, if you consider the NEP vis-à-vis the budget for 2019, there is no such thing as a decrease. Now, just to address one, the DOH budget. Your Honor, as Chairman of the Ways and Means Committee, almost all of the new measures that we are approving—and you were there when the amendment was made—80 percent virtually of every tax measure is being earmarked for the DOH budget which is automatically appropriated, and they need not be in the NEP essentially and they may be covered by a special provision. But there is already—as I said, Mr. Speaker, for the DOH budget, if you will include all the proceeds from the UHC measures, you will actually see an increase.

For the rest, Mr. Speaker, the DepEd—I will check, Mr. Speaker, because I was told that some of the items were nonrecurring like the Capital Expenditures for a new building and therefore, you do not need to be repeating that same building in the new budget. I can explain that very well, Mr. Speaker. In the meantime, ipinapanap ko po kung ano ang sources ng pagbaba noong binanggit ninyong tatlong departamento essentially with respect to social services, Mr. Speaker. Babalikan po natin.

REP. CASTRO (F.L.). Darating po tayo, Mr. Speaker, distinguished Sponsor, doon sa taxes.

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). Nakalagay din po dito

sa Budget Message ng President, sinabi natin, hindi ba, “Continuing the journey to a more peaceful and progressive Philippines and effective allocation for infrastructure and social services.” Magbibigay po ako, Mr. Speaker, distinguished Sponsor, under principle 3, on social services, sinabing na it will receive the largest chunk of the budget with P1.525 trillion or a 37.2 percent share. Yet, despite the supposed priority given for social services, there were budget cuts in certain programs in health, education and housing.

I will give a particular example, Mr. Speaker, distinguished Sponsor. While P92.2 billion is allocated to implement the Universal Health Care Program, there is a significant cut in the public health programs under the allotment of the DOH for P709 million, for P17.55 million. Hindi ko na rin iisahin, Mr. Speaker, Mr. Sponsor, iyong mga cuts. Ang tanong ko lang po—although ang Kinatawang ito personally ay hindi naniniwala sa Universal Health Care dahil nga doon sa anomalya sa PhilHealth—malaki rin ang naitutulong nito sa primary health care at saka iyong out-patient benefits.

REP. SALCEDA. Mr. Speaker.

REP. CASTRO (F.L.). Inaprubahan natin sa Congress iyong Universal Health Care Act. In fact, binanggit pa ito sa SONA ng ating Pangulo. Tama po ba?

REP. SALCEDA. Tama po.

REP. CASTRO (F.L.). So, iyong P67 billion na sin tax, dito na manggagaling iyong para sa senior citizens, et cetera, pero ang gusto natin sanang mapondohan, especially, ay iyong bagong batas din natin sa mga PWDs, na mandatory para sa mga PWDs ang magkaroon ng health services. Pero, Mr. Speaker, Mr. Sponsor, ...

REP. SALCEDA. Mr. Speaker, do you want me to answer?

REP. CASTRO (F.L.). Bakit po ito hindi pinondohan, itong Universal Health Care?

REP. SALCEDA. Magkano po iyon?

REP. CASTRO (F.L.). Mayroon pong P67 billion.

REP. SALCEDA. Sixty-seven—no, I mean health services ...

REP. CASTRO (F.L.). From the DOH?

REP. SALCEDA. ... for PWDs na hindi pinondohan.

REP. CASTRO (F.L.). Dapat po ay parang mayroon daw proposal ang DOH para dito sa implementation ng UHC na P153 billion.

REP. SALCEDA. Mr. Speaker, kasi iyong taxes na ina-approve po natin ngayon, automatic po na pupunta sa kanila. These are automatically appropriated. Therefore, Mr. Speaker, the budget or what is being presented, what is being financed, the current revenue streams—and so, I guess, Mr. Speaker, there is elbowroom for the DOH to increase the budget for its Universal Health Care Program, the DOH being the principal driver of the Universal Health Care Act. There is elbowroom, Mr. Speaker, for their increased spending based on the tax bills that we approved in Congress.

REP. CASTRO (F.L.). Okay. Sinasabi po ng ating Sponsor na, kumbaga, initial lang itong mga sinasabi ninyo.

REP. SALCEDA. Hindi po.

REP. CASTRO (F.L.) Hindi ba dapat ito ay nakapaloob na dito kung talagang gusto nating mapatupad ...

REP. SALCEDA. Yes, Your Honor.

REP. CASTRO (F.L.). ... itong sinasabinating UHC...

REP. SALCEDA. Alam naman po at tinatanggap po ng administrasyon na kulang po ng P52.2 billion para buong mapondohan ito. So far, Your Honor, naaprubahan natin ay P17 billion. Marami pa po tayong mga measures para po maabot ang P52.2 billion, unless, Your Honor, we cut on the other equally priority programs of our people.

Your Honor, ang sinasabi ko lang, lahat ng mga tax measures na pumapasok po dito sa floor, halos lahat po noon ay nakalaan para sa DOH para sa Universal Health Care Act, at mayroon pa po iyong Automatic Appropriations provision. Your Honor, mayroong P240 million po dito sa budget for the health care program of PWDs.

REP. CASTRO (F.L.). It is P240 million?

REP. SALCEDA. Yes. Yes, for three million PWDs, tig-P50 po.

REP. CASTRO (F.L.). Kasya ba?

REP. SALCEDA. Yes.

REP. CASTRO (F.L.). Iyong P240 million ay para sa implementation ng batas natin sa PWD?

REP. SALCEDA. Yes.

REP. CASTRO (F.L.). Mayroon na po bang IRR para dito?

REP. SALCEDA. Wala pa po, pero puwede naman po tayong mag-program as a basic sector po.

REP. CASTRO (F.L.). Comment lang po ha, Mr. Speaker. Mayroon naman po tayong ipinapasang mga batas para doon sa ating mga mahihirap, lalo na iyong para sa serbisyong pangkalusugan, pero kapansin-pansin po, Mr. Speaker, na hindi ito pinagtutuunan ng mas malaking budget para mapatupad ating mga serbisyo para sa kalusugan. Ito po iyong napansin namin dito sa budget na ito.

Pagdating po sa taxes, pumunta po tayo sa taxes.

REP. SALCEDA. Opo.

REP. CASTRO (F.L.). Kapansin-pansin, Mr. Speaker, distinguished Sponsor, sa BESF, partikular sa Revenue Programs By Source, na tumaas ang nanggagaling mula sa indirect taxes at iyong mga ipinapasa nating taxes sa mamamayan mula sa direct taxes, na direktang burden ng mga mamamayan dahil sa TRAIN. Makikita ito doon sa ating BESF. Ang tanong ko, Mr. Speaker, mayroon po ba tayong breakdown ng taxes on net income and profit? Kasi sa income tax, ito ay personal income tax na sinisingil mula sa mga indibidwal. Ang ibig sabihin, galing ito sa mga empleyado. Ang corporate income taxes na makukuha natin at pino-project natin sa 2020, mababawasan iyong corporate taxes. So, Mr. Speaker, distinguished Sponsor, mayroon na ba tayong breakdown ng taxes on net income and profit?

REP. SALCEDA. Mayroon po and we can provide you.

REP. CASTRO (F.L.). Okay. Puwede po bang mabigyan ang Representasyong ito?

REP. SALCEDA. Opo, within the night.

REP. CASTRO (F.L.). Last comment po, Mr. Speaker.

REP. SALCEDA. Thank you very much.

REP. CASTRO (F.L.). Tungkol po dito sa budget,

sinasabi o nakikita namin na papalaki nang papalaki ang burden na balak ipakarga ng administrasyon sa mayorya ng ating mamamayan. Taxes should be the venue for income and wealth redistribution. Ang ibig sabihin, kumuha ka ng mas malaki mula doon sa mas mayayaman at ibigay mo ito sa mga mas mahihirap in the form of social services, salary increases and productive spending on land reform and national industrialization na popondohan ng taunang General Appropriations. Hindi dapat baliktad ang ginagawa natin na kung saan ang social justice naroroon sa huli.

Tungkol naman po, Mr. Speaker, distinguished Sponsor, sa infrastructure spending, skewed ang priorities for infrastructure building sa ilalim ng binabanderang “Build, Build, Build.” Enumerated ito, Mr. Sponsor, sa Budget Message sa ilalim ng BBB pero kapansin-pansin, wala sa golden age for infrastructure ang tinatawag nating social infrastructure or infra for social services. Halimbawa po nito ay iyong school building, classroom building, at maging iyong mga dagdag na mga Bahay Pag-asa sa DSWD. Kung may boost for roads, highways, airports, tourism sites, dams, et cetera, bakit walang commensurate boost for child and youth centers at crisis centers sa DSWD, hospitals, rural health units, housing units at iba pa?

REP. SALCEDA. Aaminin ko po, mas maliit po ang mga ito kasi hindi ho natin masyadong nabigyan ng pansin noong nakaraan—halimbawa, may mga taon po tayo na nakapagpatayo po tayo ng 47,000 classrooms. I can give you the summary, for the past 10 years, on how many classrooms, how many increases in the bed capacity, how many units of Bahay Paglaum/Pag-asa we have built but generally, Your Honor, you must look at it in the totality. Kasi nga po kung ako ang tatanungin ninyo, bilang isang ekonomista, ano pa po ba talaga ang nagpapababa ng poverty? Nagpapababa po ng poverty ang public infrastructure kasi ito po ang nag-i-induce ng private investment na nagki-create ng trabaho na nagpapababa po ng level of poverty. Iyong 4Ps, ito po, this is for poverty alleviation, not poverty reduction.

REP. CASTRO (F.L). Iyon nga po ang gusto natin, Mr. Speaker, distinguished Sponsor, dapat nga poverty alleviation at masagot iyong mga services ng ating mga mamamayan through these infrastructure. Mayroon nga po tayong kampanya kaugnay ng droga pero ito pong rehabilitation centers na dapat na pinopondohan natin ay wala. Example po, ang P19.9 billion for the construction, replacement and repair of school buildings under DepEd BESF ay katumbas lang ng dalawang airport pa lang. Mas malaki pa ang halaga ng road widening na P33.5 billion kaysa sa mga eskuwelahan o classrooms. Kapantay lang halos ng para sa right of way na pangwalis lang sa mga mahihirap para

mapagawa ang mga daan. Hindi nalalayo sa 696-kilometer tourism roads o P21.7 billion samantalang kung iikot tayo sa iisang dibisyon sa isang probinsiya, maraming dilapidated classrooms, at dito pa lang sa Luzon ay may mga napipilitang gumamit ng CR para sa faculty room. May SUC na bumababa ang Capital Outlays. At kumusta po ang Capital Outlays ng mga hospitals at DOH?

Ito po iyong sinasabi natin na dapat pondohan compared doon sa sinasabi natin na tumaas and budget ng PNP, DND, Intelligence Fund at iba pa dahil ito naman po talaga iyong sasagot doon sa restlessness ng mga tao—iyong kawalang ng serbisyo, iyong kawalan ng lupa, iyong health services, at education. So, ito po iyong pinupunto natin, Mr. Speaker. Pinapatunayan ng budget na ito na talagang hindi siya tutugon doon sa pangangailangan ng mamamayan.

REP. SALCEDA. I agree.

REP. CASTRO (F.L). Okay, sige. To wind up, Mr. Speaker, distinguished Sponsor, walang kapantay po iyong pagpapahalaga ng budget na ito doon sa tinatawag nating, or my personal term, iyong “kill, kill, kill” na budget kaysa po dapat doon sa budget natin para sa mga mahihirap for poverty alleviation.

Ito lang po, Mr. Speaker, distinguished Sponsor, thank you very much.

REP. SALCEDA. Salamat.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. BAGATSING. Mr. Speaker, I move that we recognize Rep. Junie E. Cua from the Lone District of Quirino to defend the General Principles and Provisions.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Hon. Junie Cua is recognized.

REP. CUA. Thank you, Mr. Speaker.

REP. BAGATSING. Mr. Speaker, the next to interpellate is from the Minority, Rep. Arlene Brosas from the GABRIELA Party-List.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Hon. Arlene D. Brosas is recognized for her interpellation.

REP. BROSAS. Thank you, Mr. Speaker. Mr. Speaker, honorable Sponsor, ilan lang pong clarificatory questions kaugnay ng DBCC budget.

REP. CUA. Where are you, Mr. Speaker?

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

Mr. Speaker, Mr. Sponsor, ang Representasyong ito mula sa GABRIELA Women's Party ay nag-request noong DBCC budget hearing ng ulat at kahit ballpark figure hinggil sa savings ng Duterte administration mula 2016 hanggang 2018. Sa katunayan, tungkulin dapat ng DBM at ng Office of the President na regular na magsumite ng ulat kaugnay sa savings as provided for in the General Provisions of the annual Appropriations Act. Unfortunately, wala pa rin po kaming natatanggap na ulat kaugnay sa savings. We are talking here of the P4.1-trillion budget for 2020 which hinges on regressive taxes largely affecting ordinary Filipinos and yet, iyong gobyerno natin ay hindi pa nakakapag-disclose ng anything about savings.

May we ask again, for the record, how much are the savings of the Duterte regime from 2016 to 2018. Did all these revert to the Treasury? Paano po ito ginastos? Can the DBM furnish us now with a full report on the savings, Mr. Speaker, Mr. Sponsor?

REP. CUA. Mr. Speaker, I was provided a copy of a letter signed by the honorable Secretary of the DBM supposedly to satisfy the request of the Lady about the information that she requested. This document was received September 4, and I am sure it is on its way to your office, Mr. Speaker, if you have not received it.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, kahit po iyong ballpark figure lang.

#### SUSPENSION OF SESSION

REP. CUA. May I request for a few minutes' suspension of the session, Mr. Speaker, so that we can get the correct figure.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is suspended.

*It was 7:48 p.m.*

#### RESUMPTION OF SESSION

*At 7:49 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is resumed.

Please proceed, Honorable Cua.

REP. CUA. I was going to say that while we are waiting for the information, so that we do not waste time, if there are other concerns that the Lady would like to ask about, baka puwede na po nating pag-usapan.

THE DEPUTY SPEAKER (Rep. Garcia). Yes. The Honorable Brosas will please proceed to another point.

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

Last year po kasi, na-disclose ng DBM ang generated savings of P370 billion kaya po nais nating malaman kung magkano naman ngayon. This is more than five times the collected tax revenues during the first year of the implementation of TRAIN 1. Ayon po dito, P68.44 billion iyon. Even if TRAIN revenues are projected to reach P162 billion in 2022, mas malaki pa rin ang savings noong 2017. Kaya po natin sinasabi, Mr. Speaker, Mr. Sponsor, there should never be a need to enforce additional taxes on ordinary Filipinos in the first place if there is a gigantic amount of unspent funds.

Sa bahagi po ng Gabriela Women's Party at ng mga kababaihan, malinaw po iyong tanong namin—bakit kailangan pigain ang mamamayan ng dagdag na buwis kung bilyon-bilyon naman iyong naitatabi ng gobyerno taon-taon. Bakit kailangang pagdusahin ito ng mga kababayan kung labis-labis naman iyong pondo ng gobyerno, Mr. Speaker, Mr. Sponsor.

REP. CUA. Mr. Speaker, in response to the point of the Lady, with all due respect and no offense meant, gusto ko lang pong medyo i-correct iyong information sapagkat base po sa datos na aking hawak ngayon, ang savings po noong 2017 ay umabot lamang po ng 168, at noong 2018, about 195. Gusto ko ring sagutin iyong punto na kung mayroon tayong ganitong savings ay dapat huwag na tayong mag-reform ng ating tax structure. Ito pong mga reform measures na ating ginagawa, these tax reform measures are intended for long-term growth. Tayo po ay naglunsad ng isa sa pinakamalaking infrastructure program sa buong kasaysayan ng Republika ng Pilipinas sa pamamagitan ng ating tinatawag na "Build, Build, Build." Kung hindi po tayong magkakaroon ng political will na mareporma ang ating tax system at magpataw ng buwis na sa ating palagay naman ay hindi naman magiging dahilan ng kahirapan ng buhay sapagkat progressive naman po iyong ating taxation system, sa palagay ko po ay nararapat gawin iyon.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, sa mga nakaraan pong mga araw—nagpasa tayo ng buwis na TRAIN 1 noong nakaraang taon. Ito ang isa po sa mga inirereklamo natin sa naging epekto ng TRAIN 1, na iyong oil excise tax at saka tobacco excise tax, dahil sinasabi ninyo po kasi kanina na progressive ang taxation na mayroon tayo, sumasang-ayon po ba kayo na iyong nangyari sa TRAIN 1 ay regressive taxation in terms of the oil excise tax and iyong iba pa pong mga nilagyan ng tax na mga produkto?



REP. CUA. Unang-una po, iyong buwis po sa tabako, alcohol at asukal, ang mga ito po ay may health considerations. Bilyon-bilyon din po ang ginagasta ng gobyerno para lang po gamutin iyong mga nalululong dito sa paggamit ng tabako at sa pag-inom ng alcohol. Malaki rin po ang nagagasta ng gobyerno sa pagpapagamot ng mga diabetics, ano po. Kaya sa tingin ko po, ito ay progressive in that sense. Now, iyon naman pong tax sa gasolina, nataon na sa mga panahong na iyon ay tumaas ang ating foreign exchange rate at biglang tumaas o nadagdagan pa ng pagtaas ng presyo ng gasolina sa international market, kaya po medyo naging distorted ang presyo ng gasolina noong mga panahon na iyon at somehow, ito po ay napagsamantalahan ng mga negosyante. Pero ngayon po ay nakikita na natin na, with all the corrections in the market, bumaba ang gasolina, bumaba ang exchange rate—nag-stabilize. Hindi naman po ganoon kalaki ang naging epekto ngayon.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, sinasabi ninyo po na may gain iyong taumbayan doon sa taxes na nire-reform. Taxes for whom at saan po exactly napunta iyong taxes ng taumbayan? In fact, sa ngayon po, marami po sa ating mga mamamayan, halos 10 million unemployed Filipinos ang mayroon tayo, at 23 million ang naghihirap sa ating bayan. Kung totoo po na napupunta iyong taxes sa kanila, hindi po dapat ganito iyong kalagayan ng ating mga kababayan. Kahit po sa usapin ng health, kulang na kulang, ano po. Kahit nga po sa allocation pa rin natin para health noong mga nakaraan na taon, talagang kulang na kulang iyong budget para doon sa mga mahihirap nating mamamayan.

So, in short, hindi po siya talaga napapakinabangan ng mga tao. Hindi rin sila aangal sa taas ng bilingin kung totoong naging progressive iyong taxation. Ngayon ay nararamdaman nila iyong taas ng bilingin. Very specific na lang po diyan ay iyong pagtaas ng presyo ng bigas, hindi ba? Kasi ngayon ang bigas, magkano na po? Samantala dati, nakakabili tayo ng mas mababa pa sa P38, mas mababa pa sa P40, pero ngayon, naka-peg sa ganoong presyo iyong ating bigas.

So, Mr. Sponsor, Mr. Speaker, iyong mga ganito po, na kung saan talaga o kung nakikinabang na totoo iyong ating mga mamamayan, dapat nararamdaman at nakikita po natin iyan sa kasalukuyang kalagayan. Sana hindi rin po pila-pila iyong mga nasa public hospitals natin at umaasa sa PCSO, sa ibibigay ng kanilang mga district Congressmen at kung ano-ano pa, kung talagang naibibigay natin iyong services mula sa mga taxes na sinasabi natin ay nakakatulong sa kanila. Bilang pagsagot, iyon po ang sinasabi namin.

Anyway, gusto ko pong dumako sa isa pang punto. How much is the foreseen savings for 2020 since we cannot assume that all agencies will fully spend their

obligated budgets in the coming fiscal year despite the adoption of Cash-Based Budgeting? Magkano po iyong projection natin for 2020?

REP. CUA. Mr. Speaker, Your Honor, wala po tayong projection ng savings for 2020 sapagkat hindi po tayo magpo-project noon, sapagkat ang ating plano ay gastusin lahat ng ating pera na ating nai-budget. Hindi po tayo kinakailangan magkaroon ng projection sa savings. Ang savings ay lalabas lamang kung, despite our effort and determination to spend all the funds that we have budgeted, unfortunately, ay nagkaroon pa rin tayo ng problema. Saka pa lang po tayo magkakaroon ng savings.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, at this point, gusto na po nating malaman kung magkano iyong ballpark figure ng savings natin ngayong 2019. Babalikan ko lang po.

REP. CUA. Well, for 2019, wala pa po tayong pino-project kasi ang savings po ay nari-realize lamang after the projects had been fully and completely implemented. Sa ngayon, hindi pa po natatapos ang ating taon, hindi pa po natin malalaman kung tayo ay magkakaroon ng savings o hindi. I hope that we end up with a miniscule amount of savings because of the Cash Budgeting regime that we have adopted.

REP. BROSAS. Mr. Sponsor, Mr. Speaker, iyong tinatanong ko po ay iyong 2019.

REP. CUA. Yes, Ma'am.

REP. BROSAS. Kung wala pong komprehensibong ulat kaugnay ng savings ng nakaraan, this is the bare minimum for transparency and fiscal rationality, kailangan po natin ng ganitong mga detalye, ano po, para malaman natin kung totoo iyong sinasabi ninyo na kailangang gastusin. Pero kung noong nakaraan nga ay mayroon po kayong ibinibigay na mga data na P190 billion, noong nakaraang 2017 ay P168 billion, P195 billion, at ngayong itinatanong po natin kung magkano iyong savings, ano po ang point ng pagpapataas pa natin ng mga taxes kung hindi natin nare-resolve iyong usapin ng gastusin iyong buo, ano? Ibig sabihin, nakakapagtabi. So, bakit ganoon? Hindi po nareresolba. At kailangan po natin sigurong makita kung bakit ganoon, kung bakit hindi natin maresolba na magastos iyong lahat.

REP. CUA. Mr. Speaker, gaya po ng aking answer kanina, hanggang hindi po natatapos ang taon, hindi natatapos iyong project, wala po tayong savings. Kung pagdating ng katapusan ng taon ay natapos iyong project, may natirang pera, by January ay malalaman na natin kung magkano ang savings, at alam na rin natin kung magkano iyong naging unobligated natin.

Nagkaroon tayo ng appropriation, hindi natin na-obligate lahat because we have poor absorptive capacity, ay magkakaroon po tayo ng unobligated. So, premature po siguro na alamin natin kung magkano ang magiging savings sa panahong ito ng nasa kalagitnaan pa lang ng taon, Mr. Speaker.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, kahit po iyong mga report ng government savings ng DBM noong nakaraan, hindi po nadi-disclose doon iyong mga dahilan kung bakit mayroon tayong mga ganitong savings?

REP. CUA. Well, ang ibig sabihin kasi ng savings, natapos natin iyong project, may natirang pera, mabuti para sa atin iyon. Ngayon, kung ang sinasabi natin ay unobligated because of some reasons—maaari nating sabihin na ang isang kalsada ay may problema sa right of way, nagkaproblema sa NPA, may peace and order problem, nagkaroon ng lindol, nabagyo, naanod ng baha—iyan po ang mga maaaring dahilan para iyong project ay hindi ma-complete. Pero kung hindi na-complete, walang savings. So, natapos ang taon, may mga hindi na-obligate, unobligated iyon.

REP. BROSAS. Okay, Mr. Speaker.

REP. CUA. Wala po tayong savings doon.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, so, sinasabi ninyo po, uulitin ko lang, sa 2017, mayroon tayong P168 billion na savings at sa 2018, mayroon tayong P195 billion na savings. Tama po ba?

REP. CUA. Sandali lang po, tingnan ko lang po itong nagkabuhol-buhol na notes. Yes, Ma'am, P195.8 billion ang 2018, P168.2 billion ang 2017.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, hindi ba kailangan muna natin maipa-submit iyong full report ng government savings by the DBM bago natin i-legislate iyong bagong badyet natin for next year? Para makita natin kung ano po iyong ano ...

REP. CUA. Yes. Accordingly, ito pong mga savings ay na-consider din doon sa pag-craft ng budget. In other words, itong P168 billion ay hindi lang naman ito isang departamento lamang. Ito ay nakakalat sa mga ibang mga departamento. At iyong mga savings na iyan, halimbawa, iyan ay nandoon sa DOST, kaya kasama din iyan sa magiging consideration ng kanilang budget.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, mayroon po ba kayong breakdown noong report na iyon na P195 billion at saka P168 billion?

REP. CUA. We will provide you, Mr. Speaker.

REP. BROSAS. Thank you, Mr. Speaker, Mr. Sponsor, iyon po iyong tungkol sa savings. Iyong full report po, ang pag-submit po ng full report na iyan ay makakaigi for transparency para sa ating mga kababayan kung ano iyong nagiging dahilan ng unspent funds dahil ito po ay malaking kawalan din sa ating mga mamamayan kung bakit nagkaganoon na hindi nagagastos iyong dapat ay nagagastos para sa ating mga kababayan.

Iyong susunod ko pong tanong ay tungkol sa rising expenditures on public order and safety habang nagdecline iyong spending natin sa agricultural services and support sa trade and industry, when it is assumed that we are continuing the journey to a more peaceful and progressive Philippines. Bakit po papalaki ang gastusin sa kapulisan kung totoong nasusugpo iyong problema sa kriminalidad?

REP. CUA. Well, sa katotohanan lang, Mr. Speaker, as we deliberate today, kulang talaga ang pulis natin. Iyong ating ratio na ideal sana sa ating bansa ay malayo tayo doon sa standard, kaya hanggang ngayon ay mayroon pa rin tayong problema sa peace and order kasi nga kulang ang ating manpower kaya po kinakailangan natin magdagdag ng mga pulis. The other point is, as we move on as a nation, dumadami ang ating population, kaya kailangan din tayo magdagdag ng magme-maintain ng peace and order.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, gusto ko lang sabihin sa inyo na iyong BESF, tiningnan namin ang Expenditure Program by Sector, lumalabas na sa Economic Services, sa Agriculture and Agrarian Reform, mayroon tayong percentage of the total na 3.48 percent lang. Sa Trade and Industry, mayroon tayong 0.25 percent lamang. Kapag na-total mo po, iyon lang iyong mayroon tayo for the Economic Services samantalang sa Defense, mayroon tayong 4.77 percent total na percentage for Domestic Security. Mayroon po tayong Public Order and Safety na 7.41 percent ang total, malaki po iyon. Banggitin ko na rin ang Debt Service Interest Payments ay 11 percent. Ibig sabihin po, napakaliit naman noong nasa Agriculture and Agrarian Reform at DTI compared sa DND budget natin at saka sa Public Order and Safety.

Kung gusto po nating tugunan iyong kailangan ng ating mga mamamayan hindi po ba nararapat na iyong pondo ay ina-allot natin para sa agrikultura, agrarian reform at iba pang mga pangangailangan ng ating mga mamamayan?

REP. CUA. Mr. Speaker, Your Honor, if I recall noong ako po ay nag-defend ng budget ng Agriculture, for almost 10 years ago, ang budget po ng Agriculture

noon, wala pa pong P10 billion. Ngayon po ang budget ng Agriculture ay umaabot na ng P80 billion kaya napakalaki na ng budget na iyon. Kung iko-compare natin sa nakaraan ay malayo hong di hamak itong inilalaan sa Agrikultura, and we must also remember na ang pondo na ating ina-allocate sa ating Agrikultura, hindi lang po naka-limit dito sa gastusin ng gobyerno. Mayroon din po tayong mga programa na funded by the private sector like the banking sector, et cetera.

So, all told, sa tingin ko, hindi naman napapabayaang ang agrikultura. Now, with respect to bakit mas malaki iyong Defense kaysa sa Agrikultura at saka DAR, siguro, maliban sa pagkain, mahalaga din iyong ating security sapagkat problema nga natin ang droga, problema natin ang kriminalidad, problema natin ang proteksiyon ng ating lupain, ng ating karagatan and so, kinakailangan din pong palakasin natin ang ating armed forces para magkaroon ng katahimikan, Mr. Speaker.

REP. BROSAS. Mr. Speaker, Mr. Sponsor, the proposed 2020 national budget philosophy centers on the theme: "Continuing the Journey to a More Peaceful and Progressive Philippines." Peace and progress, kapayapaan at kaunlaran umano ang nais makamit sa pamamagitan ng panukalang budget para sa 2020. Subalit mahirap pong pag-usapan ang kapayapaan at kaunlaran kung kakarampot ang nakalaan sa agrikultura at industriya. The budget for Agriculture and Agrarian Reform is only 3.48 percent of the total budget, while the budget for Trade and Industry is almost nil or 0.25 percent of the total budget. Samantala, nasa 7.41 percent ang budget ng Public Order and Safety; 4.77 percent naman ang bahagdan ng Domestic Security. Taon-taon, papalaki po iyong pondo para sa PNP at DND at papaliit naman ang direktang suporta para sa ating agrikultura at maliliit na industriya. Kaya po ang budget na ito sa prayoridad ng pagba-budget, sa tingin po namin ay hindi po ito ang makakasagot sa kasalukuyang kalagayan ng ating bansa.

Maraming salamat po, Mr. Sponsor and Mr. Speaker.

REP. CUA. Mr. Speaker, ako po ay sumasang-ayon sa kanyang obserbasyon na kinakailangan dagdagan pa ang para sa agrikultura. Ito ay kailangan talaga rin nating dagdagan sapagkat ito say isang mahalagang sektor ng ating lipunan.

Thank you.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. BAGATSING. Mr. Speaker, I move that we recognize Rep. Eufemia "Ka Femia" C. Cullamat from BAYAN MUNA for her interpellation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Honorable Cullamat is recognized for her interpellation.

REP. CULLAMAT. Salamat, Mr. Speaker. Puwede po bang magtanong ng kaunti?

REP. CUA. Puwede po kahit marami.

REP. CULLAMAT. (*Laughs*) Maraming salamat.

Doon po sa Budget Message ng ating Pangulo, sinasabi niya na nais ng budget na ito ang isang mapayapa at progresibong Pilipinas. Alam naman natin na ang totoong kapayapaan ay nakabatay sa panlipunang katarungan at sa pagbibigay ng solusyon sa mga ugat ng kahirapan. Alam din natin na malaki ang budget ng PNP at DND, kaya ang tanong ko po dito ay paano matutugunan ng napakalaking budget ng DND at DILG, Intel at Confidential Funds, at ng Office of the President ang kahirapan ng 22 milyong Pilipino, Mr. Speaker?

REP. CUA. Well, Mr. Speaker, hindi po budget ng Defense ang makatutulong sa mga mahihirap. Ang makatutulong po sa kahirapan ay iyong budget ng Agrikultura, iyong budget po ng DPWH, iyon pong budget ng Department of Health, at iba pang mga departamento na tumutugon sa pangangailangan ng ating mga mahihirap.

REP. CULLAMAT. Mr. Speaker, Mr. Sponsor, nandidito po kasi iyong malalaking pondo kaya sa amin, bilang mga mahihirap, parang nakikita namin na baka mayroong budget ang DND at DILG para doon sa dinadanas naming kahirapan. Ito kasi iyong pinakamalalaki kaya para sa amin, dito namin nakikita na baka nandito ang budget para matugunan iyong kahirapan ng 22 milyong Pilipino, Mr. Speaker.

REP. CUA. Mr. Speaker, gaya ng akin pong nasabi, kung ikukupara natin ang budget ng DND sa budget ng DPWH, napakalayo po. Kung ikukupara po natin ang budget ng DND sa budget ng DOH, napakalayo rin po. Kung iko-compare natin sa Department of Education, napakalayo rin po. Ito po ang mga departamento na tumutugon sa kahirapan. Kailangan po ng ating mga mahihirap ang edukasyon. Kailangan po ng mahihirap natin ang mga kalsada, tulay, irigasyon. Kailangan ng ating mahihirap ang nanggagaling sa Department of Agriculture at marami pang iba na ang mandato ay social service.

So, thank you, Mr. Speaker.

REP. CULLAMAT. Mr. Speaker, Mr. Sponsor, bagamat hindi ganoon kalinaw ang sagot sa aking unang tanong, ang pangalawa ko pong katanungan ay hinggil doon sa 4Ps. Ang 4Ps, bilang dole-out na mayroong

budget na P108.8 billion, ang tanong ko po dito ay ilang porsiyento na ng mga 4Ps livelihood program beneficiaries ang nakaahon na mula sa kahirapan sa ngayon?

REP. CUA. Ang alam ko lang po ay four million ang ating benepisyaryo. Kung ilan po iyong nakaahon sa kahirapan, puwede po nating itanong iyan sa Department of Social Welfare and Development and they will provide your office with that information later.

REP. CULLAMAT. Puwede ba nating makuha o makahingi ang mga datos na ito?

REP. CUA. Yes, kukunin po natin.

REP. CULLAMAT. Thank you.

REP. CUA. Sasabihin po natin sa DSWD na ipadala sa inyong opisina.

REP. CULLAMAT. Ang sunod ko pong tanong, Mr. Speaker, ay itong hinggil sa martial law sa Mindanao, iyong mga HRVs sa ilalim ng martial law sa Mindanao. Batay sa statement ng PNP noong December 2018, sinabi na wala silang paglabag sa karapatang-pantao sa ilalim ng martial law.

So, maninindigan ba tayo dito sa statement na ito?

REP. CUA. Well, hindi naman po nangangahulugan na kung may martial law na ipinatutupad ay nilalabag kaagad ang karapatang-pantao. Mayroon pa rin tayong proseso na sinusunod ayon sa ating legal structure. Napilitan lamang tayong gamitin ang martial law sapagkat ang ating kalaban dito ay hindi po traditional o conventional na army. Ang kalaban po natin dito ay naka-underground at hindi po nakaharap and so, we needed the extra power of the State to address those concerns. I think it is never the intention of the framers of our Constitution na kapag nag-declare ng martial law ay kakalimutan na natin ang human rights. Hindi po ganoon, at kailangan ding po ito ay nirerespeto rin.

Thank you, Mr. Speaker.

REP. CULLAMAT. Mr. Speaker, Mr. Sponsor, ako po o isa po ako—kabilang ako sa 800,000 na biktima ng martial law, lalo na sa ngayon na dinudugtong iyong NTF-ELCAC ka, na sa karanasan ay napakaraming sibilyan ang pinapatay. Kaya lalong nangangamba ang buhay ng mga mahihirap dahil ang tinatamaan nito ay mga sibilyan batay na sa karanasan. Sa aking pag-iisip ay naglaan tayo ng malaking budget doon sa ating mga security forces, na sa tingin namin nay mas lalong dumarami ang problema namin. Kaya napag-isipan ko, ayon sa aking pag-iisip, bakit mahirap tayong maglaan

ng pondo para sa usapang pangkapayapaan, kasi sa nakikita namin ay kung ano ang problema, ay dapat talaga itong pag-usapan.

Kaya para sa amin na palaging biktima nitong mga paglabag ng mga karapatang-pantao ay ito talaga iyong iniisip namin, na sana ang ating pamahalaan o ang pamahalaan na ito ay maglaan talaga ng pondo para sa usapang pangkapayapaan. Dahil kahit ano pa man, malaki man o maliit, kailangang ang problema ay pag-usapan, at hindi itong patuloy tayo na titingnan lang natin, pero kapwa Pilipino naman tayong nagpapatayan. Ito lang talaga iyong tunay na paraan, itong usapang pangkapayapaan. Kaya, Mr. Speaker, ito lang po iyong aking ihahatid dito sa bulwagang ito, na sinasabi namin talaga na magiging progresibo ang ating bansa kung matutugunan natin ang problema ng mga mahihirap, lalo na ng mga magsasaka, Mr. Speaker, Mr. Sponsor. Maraming salamat.

REP. CUA. Sumasang-ayon po ako sa inyong mungkahi. I think, your proposal deserves to be heard and we will look into it, Ma'am. We need to have peace and your suggestion is well taken.

REP. CULLAMAT. Maraming salamat.

THE DEPUTY SPEAKER (Rep. Garcia, P). The Majority Leader is recognized.

REP. BAGATSING. Mr. Speaker, I move that we recognize Rep. Argel Joseph T. Cabatbat from MAGSASAKA Party-List to make his interpellation.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P). The Honorable Cabatbat is recognized for his interpellation.

REP. CABATBAT. Thank you, Mr. Speaker. Mr. Sponsor, I will not be repeating the question concerning agriculture because I believe it had been exhaustibly discussed earlier. So, let me move on to my other question, Mr. Speaker. May I ask, Mr. Sponsor: what is the technical procedure that we observe in reproducing the NEP into the GAB? Manual pa rin po ba ito or do we require a USB from the Office of the President, Mr. Speaker?

REP. CUA. May I be clarified on the question—what is the technical procedure in converting the NEP to a bill?

REP. CABATBAT. Yes, yes, Mr. Speaker.

REP. CUA. Well, I am not privy to the technical process, but I would assume, because this is just a

reproduction of the Bill—I mean, of the NEP—we use the soft copy to reproduce it, I suppose. Okay, I was informed that this was done manually. This is supposed to be or this is a faithful reproduction of the NEP.

REP. CABATBAT. Thank you, Mr. Speaker. The reason I asked this, and I thought that this was done manually, was because I saw some discrepancies.

REP. CUA. Okay.

REP. CABATBAT. I can cite one, Mr. Speaker, and under the NEP, on page 1,393, under the DPWH ...

REP. CUA. Page 1,900...

REP. CABATBAT. Page 1393, on local roads, Mr. Speaker, the amount stated there is P26,501,486,000 but in the GAB, it is P27,104,000,000, Mr. Speaker. May I ask a comment, Mr. Speaker, as to the discrepancy?

#### SUSPENSION OF SESSION

REP. CUA. Well, these are technical matters, so, may I ask the technical staff. May I ask for a one-minute suspension of the session so that I can consult with the technical staff.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is suspended.

*It was 8:27 p.m.*

#### RESUMPTION OF SESSION

*At 8:28 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is resumed.

REP. CUA. After discussing with the interpellator, we have clarified the matter. I think that, instead of P27 billion, it became P26 billion, so, we will effect the correction. It is only a typographical error and so, we stand corrected.

Thank you.

REP. CABATBAT. Thank you, Mr. Speaker. I suspected so, Mr. Speaker.

REP. CUA. Thank you, Mr. Interpellator.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Please proceed.

REP. CABATBAT. Concerning savings, Mr.

Speaker, in 2015 to 2017 GAA, Mr. Speaker, savings is defined under Section 70 for 2015 GAA, Section 73 for 2016 GAA, and for 2017 GAA, it is Section 67. They are substantially the same, Mr. Speaker, but compared to the definition of savings in 2018 and 2019 GAA, Mr. Speaker, the following items are not considered savings anymore—savings may likewise refer to available balances of appropriations arising from unused compensation and related costs pertaining to unfilled, vacant or abolished positions, non-entitlement to allowance, leaves of absences, unutilized pension, et cetera, but under the 2018 GAA and the definition under the NEP, these are not considered savings anymore. So, how do we treat these funds, Mr. Speaker? They are not considered savings anymore, so those budgets that are supposed to be used for those items should revert to the National Treasury, Mr. Speaker?

REP. CUA. They should. Yes, if they are unutilized, Mr. Speaker, I would suppose it should revert. I think the Gentleman is correct.

REP. CABATBAT. Thank you, Mr. Speaker. For my second to the last question, Mr. Speaker, what is the validity of the 2017 Appropriations and 2018 Appropriations?

REP. CUA. In 2017, I think we were not in the Cash Budgeting regime yet. I think for MOOE and PS, it is one year; and for Capital Outlays, two years. In the 2018 budget—for the 2019 budget, I think we effected the Cash Budgeting process, so, everything ends by the end of the year.

REP. CABATBAT. Thank you, Mr. Speaker.

REP. CUA. With a leeway of three months in the next year.

REP. CABATBAT. From what I heard, Mr. Speaker, for PS, the validity is only for one year, is that correct, Mr. Speaker?

REP. CUA. Yes, that is right. I am talking only of the Capital Outlays with a leeway of three months, from what I understand.

REP. CABATBAT. Yes. As far as PS is concerned, the validity is only for one year?

REP. CUA. Yes, you are right.

REP. CABATBAT. Thank you. I am wondering, Mr. Speaker, under the 2018 budget, there is P4,172,000,000 in Unobligated Releases for PS. And for the 2017 budget—for 2019, although this is

adjusted, there is P437,000,000 Unobligated Releases for PS. May I be clarified as to why these items are here, considering that the validity of PS is supposed to last only for one year because this is under Continuing Appropriations, Mr. Speaker? So, under Continuing Appropriations, under the heading Unobligated Releases for PS, I can find these huge amounts, Mr. Speaker. Can I have a comment on that, Mr. Speaker?

REP. CUA. Okay. So, if they remain unobligated by the end of the year, they automatically revert.

REP. CABATBAT. Even if it is PS, Mr. Speaker?

REP. CUA. Yes.

REP. CABATBAT. Thank you, Mr. Speaker.

Last question. As to the reports on Continuing Appropriations for 2018, only three agencies, departments or bodies had reported anything, and these are the Senate, the House of Representatives and the Department of Agrarian Reform. May I know, Mr. Speaker, if the other agencies have no Continuing Appropriations for 2018, or they have not yet submitted their reports? I just want to be clarified, Mr. Speaker.

REP. CUA. Yes, your observation is quite correct and this is because of the fiscal autonomy that we give to constitutional bodies.

REP. CABATBAT. I see. No further questions, Mr. Speaker.

REP. CUA. Thank you, Mr. Speaker.

REP. CABATBAT. Thank you, Mr. Sponsor.

REP. CUA. Thank you, Gentleman.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. BAGATSING. Mr. Speaker, I move that we recognize Sr. Dep. Minority Leader Janette L. Garin MD for her interpellation.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Sr. Dep. Minority Leader Janette L. Garin is hereby recognized.

REP. GARIN (J.). Mr. Speaker, the General Principles and Provisions had been extensively and thoroughly discussed. There being no Member from the Minority who would like to ask questions, we move that we terminate the discussion on the General Principles and Provisions.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. BAGATSING. Mr. Speaker, on the part of the Majority, we join the Minority on the motion to terminate the period of interpellation and debate on the General Principles and Provisions.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). There is a joint motion to terminate the period of interpellation and debate on the General Principles and Provisions. *(Applause)* Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

The Majority Leader is recognized.

#### SUSPENSION OF SESSION

REP. BAGATSING. Motion to suspend.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is suspended.

*It was 8:35 p.m.*

#### RESUMPTION OF SESSION

*At 8:36 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is resumed.

The Majority Leader is recognized.

#### NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

REP. CRISOLOGO. Thank you, Mr. Speaker.

I move that we begin the consideration of the budget of the National Economic and Development Authority, including its attached agencies/corporations.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). There is a motion to consider the budget of the National Economic and Development Authority. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

REP. CRISOLOGO. Mr. Speaker, I move that we acknowledge the presence of the following: from the National Economic and Development Authority, Secretary Ernesto M. Pernia; Undersecretary Rosemarie G. Edillon, Undersecretary Rolando G. Tungpalan, Undersecretary Jose Miguel R. Dela Rosa, Asst. Secretary Carlos Bernardo Abad Santos, Asst. Secretary Roderick Planta and Asst. Secretary

Mercedita Sombilla; and from the attached agencies: from the Philippine Statistics Authority, Asst. Secretary Rosalinda P. Bautista; from the Philippine Institute for Development Studies, President Celia M. Reyes; from the Public-Private Partnership Center, Executive Director Ferdinand A. Pecson; from the Philippine National Volunteer Service Coordinating Agency, the OIC, Corazon M. Macaraig; from the Philippine Statistical Research and Training Institute, Executive Director Josefina C. Venegas-Almeda; from the Tariff Commission, Chairperson Marilou P. Mendoza; and from the Commission on Population, Executive Director Juan Antonio A. Perez III; and also from the LEDAC Secretariat, Undersecretary Jose Miguel Dela Rosa and Director Roweena M. Dalusong.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The presence of the officials of the NEDA, and its attached agencies and corporations, headed by Secretary Pernia is hereby acknowledged.

REP. CRISOLOGO. Thank you, Mr. Speaker.

Now, I move that we recognize the honorable Rep. Junie E. Cua from the Lone District of Quirino for his sponsorship speech.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Hon. Junie Cua of the Lone District of Quirino is hereby recognized for his sponsorship speech.

#### SUSPENSION OF SESSION

REP. CRISOLOGO. Motion to suspend, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is suspended.

*It was 8:38 p.m.*

#### RESUMPTION OF SESSION

*At 8:39 p.m., the session was resumed.*

THE DEPUTY SPEAKER (Rep. Garcia, P.). The session is resumed.

REP. CRISOLOGO. Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Hon. Junie Cua is recognized for his sponsorship speech.

#### SPONSORSHIP REMARKS OF REP. CUA

REP. CUA. Mr. Speaker, it is my honor and pleasure

to sponsor the budget of the NEDA, our highest body on socioeconomic development and also a policy coordinating body, a department so important to the development of our nation.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. CRISOLOGO. Mr. Speaker, I now move that we recognize our Minority Leader, Rep. Bienvenido M. Abante Jr., for his manifestation with regard to the budget of the National Economic and Development Authority.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The honorable Minority Leader, Bishop Benny Abante, is recognized.

REP. ABANTE. Thank you, Mr. Speaker, honorable Sponsor. I was supposed to ask a good number of questions, but I was prevailed upon by some very close friends not to ask questions anymore. Being a very kind and courteous colleague, Mr. Speaker and honorable Sponsor, I will just make a manifestation but still based on some questions that I would like to be answered, and this time, Mr. Speaker, may I request that the answers be submitted to me in written form.

REP. CUA. Okay.

REP. ABANTE. So that I could be able to digest the substance of the answers of our Secretary of NEDA. I am concerned about the NEDA's definition of the term "poor." I am concerned about how the NEDA assesses or measures how many Filipino people are considered poor. If we are going to base that on the result of the Family Income and Expenditure Survey, Mr. Speaker, where the PSA said that the poverty threshold per family amounted to P10,481 a month, therefore, an income below this amount would categorize a family as "being poor," and an income above this would mean a family is "not poor." When you speak of the minimum wage in which a family of five has a salary of more than P15,000, they are not considered poor, according to this poverty threshold.

This question, Mr. Speaker, is very important because all the policies and the programs of the NEDA, including all the budget allocations for social reforms like "Pantawid Pamilyang Pilipino Program," are all based on the NEDA's determination of the number of Filipinos who are poor. That would be the first. To me, the principal measure for poverty should be the cost of decent living. The minimum wage for eight hours of work should be equal to the cost of living, and anything below that would be starvation wages and therefore,

indecent. The NEDA should therefore explain their basis in arriving at the poverty threshold.

Second, I would like to focus my attention on the Public-Private Partnership (PPP). My question would be, what is the status of the Build, Build, Build Program? I think that even if that would be a real and very good example of economic infrastructure, they are kind of proceeding quite slowly, Mr. Speaker, honorable Sponsor. How are we going to pay for them?—that is the next question. Take note, only two projects had been completed as of April of 2019. The latest comprehensive status report on the Build, Build, Build Program is available from the website of the National Economic and Development Authority. As of April, at least 37 or about half of the projects had been approved by the NEDA Board, another 29 projects are awaiting approval, and nine projects need no approval at all. Only two projects have been completed so far, and I would think they are relatively minor and obscure, and both cost only a little over P1.2 billion. Well, that is just one percent of one percent of the original P8.4 trillion expected cost of the Build, Build, Build Program.

The nine ongoing projects represent only 12 percent of all identified projects. None of the big-ticket projects like the Metro Manila Subway, the three new PNR lines, and the Subic Clark Railway have yet broken ground. Of course, they are in various stages of detailed engineering, design, budgeting, financing or procurement. To us, spending is so much weaker than expected. The economic managers had promised to spend P847 billion in 2017 and P1.2 trillion in 2018, but actual infrastructure disbursements fell short of these amounts by 18 percent and 26 percent, respectively.

The third question would be, how are we going to pay for all of these projects? I was told and informed that about 42 percent of the new loans will be financed by China—maybe wholly or partially. I still would like to find out if that is true. We were told that the two grant-funded projects—the Binondo-Intramuros Bridge and the Estrella-Pantaleon Bridge are also Chinese-funded, but to us, Chinese loans tend to include onerous provisions, including higher interest rates and using part of our territory as collateral. We need to hear the explanation from the NEDA or the DOF why we prefer loans from China when the interest rates from Japan and Korea are much lower.

The last would be this—all over the news it has been advertised that Mr. Ramon S. Ang will be building the new Manila International Airport at the cost of P700 billion. I would like to find out, Mr. Speaker, how many unsolicited proposals had been submitted by Mr. Ramon S. Ang to the DOF?

With that, Mr. Speaker, I end my manifestation and I hope that our dear Secretary from NEDA, by the

urging of the honorable Sponsor, would give me written answers to the queries in my manifestation.

Thank you very much, Mr. Speaker.

REP. CUA. Mr. Speaker, we have taken note of the questions in the manifestation of the good Minority Leader, questions that have far-reaching policy implications and questions that, I would assume, will give the NEDA a few sleepless nights.

Thank you so much to our dear Minority Leader for sparing me a long verbal answer. Thank you for giving me the opportunity of delegating to the Secretary of the NEDA the task of answering your questions. If you want it in written form, we will ask the Secretary if he would accede.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. CRISOLOGO. Mr. Speaker, I now move that we recognize the honorable Rep. Mohamad Khalid Q. Dimaporo from the First District of Lanao del Norte, to interpellate the Sponsor in the proposed budget.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Hon. Khalid Dimaporo is recognized for his interpellation.

REP. DIMAPORO (M.). Mr. Speaker, may I request the good indulgence of the Sponsor if I can ask or make some clarificatory questions to be placed on record.

REP. CUA. With pleasure, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Please proceed.

REP. DIMAPORO (M.). Thank you, Mr. Speaker. My issue is in regard to the establishment of the Regional Development Councils. Before I served here as a Congressman, I served for three terms as a Provincial Governor. I served in the RDC with my partner in the NEDA, the Regional Director of NEDA, crafting and monitoring Regional Development Plans. I served as co-Chair with Gov. JJ Romualdez in Northern Mindanao. I served as INFRACOM Chairman under Mayor Lawrence Cruz of Iligan City. Then I served as the Regional Development Chairman of Northern Mindanao before I became a Congressman.

My surprise, Mr. Speaker, was when I entered Congress, I was tasked to become the Vice Chairman of the Appropriations Committee for the Autonomous Region of Muslim Mindanao. It was there when I saw that in Region X, we were implementing projects for the Province of Lanao del Sur. Of course, that was a slap on my face as an RDC Chair. *Bakit nangyayari iyan?* We



were working so hard to craft the Regional Development Plans; we were monitoring the budget of the region, and here come certain departments downloading money to be implemented in another region.

Automatically in my head, I thought, baka may monkey business dito. This might be some type of violation of national laws. So, I would like to ask the good Sponsor, what are the national laws that guide the administrative jurisdiction of our Regional Development Councils, Mr. Speaker.

REP. CUA. Mr. Speaker, insofar as I know, the RDC's mandate is clearly enshrined in the Constitution.

REP. DIMAPORO (M.). Mr. Speaker, with the indulgence of the good Sponsor, since we are pressed for time, I would like to answer my own question.

REP. CUA. Yes, go ahead please.

REP. DIMAPORO (M.). Thank you.

I was surprised to find out that the origin of our Regional Development Councils actually comes from the Marcos era. Correct me if I am wrong. Presidential Decree No. 1, Integrated Reorganization Plan of President Marcos, this is where Region II was crafted, the region of the good Sponsor, Mr. Speaker. Over a series of time, our Presidents enacted executive orders/administrative orders, to further improve the way our regions are organized. One classic example is the MIMAROPA Act. It started as an executive order, then became an administrative order under Gloria Macapagal Arroyo, and then ultimately became Republic Act No. 10879 or the MIMAROPA Act that gives the Administration administrative jurisdiction of the Regional Development Council in MIMAROPA.

The same is also true for Lanao del Norte under Region X thru President Gloria Macapagal Arroyo's Executive Order No. 36 of 2001, Reorganizing the Mindanao Administrative Regions. The latest was the crafted landmark legislation by the Seventeenth Congress—the Bangsamoro Organic Law or Republic Act No. 11054 which provides the jurisdiction of the Bangsamoro Autonomous Region. I just would like to get a confirmation from our good Sponsor and hopefully, he will agree with me so I can move on.

REP. CUA. Yes, Mr. Speaker, I agree with the points and the discussions of the good interpellator.

REP. DIMAPORO (M.). Mr. Speaker, now my question is, we already have executive orders, administrative orders, Republic acts, defining the administrative jurisdiction of our NEDA Board or the NEDA Regional Development Councils. Now, why is it in Region X, Region IX, Region XII, the national

department is downloading budgets in Region X to be implemented in Lanao del Sur? Why is it that the national department is downloading budgets in Region XII to be implemented in Maguindanao? Why is it that national department is downloading budgets in Region IX to be implemented in Basilan, Sulu, Tawi-Tawi? I would like to know if the good Sponsor has any idea as to why this is happening.

REP. CUA. Mr. Speaker, this is the first time I heard this kind of problem, and I think this is a problem that needs to be looked into. I think that it is never the intention of anyone that funds intended for one region will be implemented in another region. I would imagine that technically, that can be considered as juggling of funds and therefore, a technical malversation of some sort. So, I think this is a matter that we should refer to the Committee on Good Government.

REP. DIMAPORO (M.). Mr. Speaker, let me answer my question again by explaining why this is happening. In the previous administration or before the creation of the Bangsamoro Autonomous Region, the reason it happened is because that is a way the national line agencies circumvent the spirit of autonomy. My concern is that it might be happening again in the 2020 budget.

REP. CUA. Yes. I could not agree more with the Gentleman from Lanao del Norte. Even the 1987 Constitution provides that, in the spirit of decentralization and local autonomy, an RDC is supposed to be created to do that. Having said that, it is very clear that the intention of the Constitution is that what belongs to one region should not find its way in another region. Anyway, I think that it would be best that this matter be referred to the proper committee later on.

REP. DIMAPORO (M.). Thank you, Mr. Speaker. The reason I am bringing this up is because it is a pivotal point or very crucial argument that I will be using when I will be interpellating on the budgets of other national line agencies. I would like to thank the honorable Sponsor, Mr. Speaker, that he agrees with me. That is wrong and maybe, even illegal and unconstitutional. For example, for the Bangsamoro, they approved our Regional Development Plan and then, once the GAA is passed, it is not downloaded to the Bangsamoro Autonomous Region, but instead downloaded to Regions IX, X and XII for implementation. That does not seem right, Mr. Speaker, and I would like to thank again the good Sponsor for helping me place that on record.

I would like to go to my last question. My last question is, again, as regards Republic Act No. 11054,

the Bangsamoro Organic Law under Article VII, Section 27. Now, the Bangsamoro Organic Law provides for a block grant—we have established that it was around P70 billion. If the Bangsamoro government wants additional funding, then it has to do that in the form of a proposal to the national government, and I would like to believe that it should be submitted to the NEDA because the NEDA is the monitoring arm as far as project implementation for our government is concerned. Now, they can propose an additional funding that will be on top of their automatic block grant and inserted in our General Appropriations Act.

So, I would like to ask the good Sponsor, Mr. Speaker: Has the Bangsamoro government submitted their Regional Development Plan for projects to be funded by the GAA on top of their P70-billion grant? Have they submitted that to the NEDA, Mr. Speaker?

REP. CUA. I was informed that they have not.

REP. DIMAPORO (M.). Thank you, Mr. Speaker, because that establishes a very important fact. If there is a budget allocated for the Bangsamoro Autonomous Region without it being backed by a Bangsamoro Development Plan, then that could be a clear example of pork barrel in the Executive. This is something that we will discuss further when I interpellate other line agencies. I would like to thank the honorable Sponsor for his very clear-cut answers to my questions.

Thank you, Mr. Speaker.

REP. CUA. Thank you, Mr. Interpellator.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. DE VENECIA. Mr. Speaker, next to interpellate is the honorable Gentleman from BAYAN MUNA Party-List, Hon. Ferdinand R. Gaité. I move that he be recognized.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Honorable Gaité of BAYAN MUNA is hereby recognized for his interpellation.

REP. GAITE. Maraming salamat po, Mr. Speaker.

Pahihintulutan ba ng Sponsor ng NEDA na magbigay ako ng ilang katanungan sa pino-propose na budget ng NEDA?

REP. CUA. Opo, Mr. Speaker.

REP. GAITE. Salamat po.

Ang NEDA, ayon sa ating Saligang Batas sa Article XII, Section 9, ang tanging ahensiya ng pamahalaan na magsisilbi bilang independent

economic planning agency na pamumunuan ng Pangulo, pero ang NEDA ang siyang magsisilbing independent planning agency of the government. Tama po ba, Mr. Sponsor?

REP. CUA. Tama po iyon.

REP. GAITE. Sa ganitong katanungan, ang isang napakahalagang programa ngayon na itinutulak ng pamahalaan ay magkaroon daw ng, ayon sa Section 1 din ng naturang Artikulo, “The goals of the national economy are a more equitable distribution of opportunities, income, and wealth” and so forth. Tama po ba iyon, Mr. Speaker?

REP. CUA. Tama po iyon. Gusto po natin na narrow down ang income gap ng mahirap at mayaman for a more equitable distribution of wealth.

REP. GAITE. Salamat po, Mr. Speaker.

Ang katanungan ko po ay tungkol doon sa policy ng Public-Private Partnership, sapagkat naniniwala ang Kinatawang ito na sa halip na magkaroon ng equitable distribution ng wealth, ay nagkakaroon ng concentration, nag-a-amass ng napakalaki, gargantuan na kita o tubo ang iilan sa ating bansa. Ayon mismo sa kasalukuyang Family Income and Expenditure Survey ng Philippine Statistics Authority as of 2015, lalabindalawang tao, hindi po pamilya, 12 na katao ang may yaman na mahigit US\$1 billion; US\$500 million to US\$1 billion na yaman, 15 na katao; US\$100 to US\$500 million na yaman, 152 na katao. A total of 38,222 ang kabilang sa pinakamayayamang 0.04 percent ng populasyon ng Pilipinas ang nandito sa survey ng may pinakamataas na yaman ng ating Pilipinas.

Naniniwala po ba kayo sa statistics na ito, Mr. Speaker, through our Sponsor?

REP. CUA. Puwede po bang pakiulit iyong katanungan?

REP. GAITE. Ayon sa Family Income and Expenditure Survey as of 2015, lalabindalawa lamang ang may yaman na mahigit isang bilyong dolyares. Labinlima ang may yaman na US\$500 million to US\$1 billion. Kung susumahin sa mga kumikita ng mahigit US\$1 million pataas, 38,222 lang na individuals ito comprising 0.04 percent ng populasyon ng Pilipinas. Ito po ay galing sa FIES ng Philippine Statistics Authority as of 2015. Nabasa na po ba ng ating kagalang-galang na Sponsor ang istatiska na ito?

REP. CUA. Unfortunately, Mr. Speaker, to be honest, I have not read the data that the Gentleman had just read. But I will see to it that I will read it so that I am informed.

REP. GAITE. Maraming salamat po, Mr. Speaker.

Kaya ko po naitanong iyan dahil iyong pinaka-objective ng national economy and patrimony na magkaroon ng equitable distribution ng yaman ay hindi nagaganap dahil ipinatutupad itong policy ng Public-Private Partnership or privatization. Dito na lamang sa larangan ng pribitisasyong ng tubig na isang napakahalagang, hindi lamang simpleng commodity, kundi isang karapatan. Ngayon ay napakaraming mga water districts na isinasa-pribado na ipinagkakaitan ang isang human right, isang basic right—ang karapatan sa tubig.

Sa kasalukuyan, tama po ba, Mr. Speaker, na iyan ang programa ngayon ng pamahalaan patungkol sa Public-Private Partnership na isusulong ng programang ito doon sa development ng ating infrastructure services, utilities at iba pa, Mr. Speaker?

REP. CUA. Ang PPP o ang pagtutulungan ng gobyerno at ng pribadong sektor ay isa lamang po sa mga sistema na maaari nating i-implement ang isang public investment project. Itong PPP scheme ay hindi lang naman po ito sa Pilipinas kundi sa maraming bansa po, and develop or undeveloped emerging economies are also doing this. Ang dahilan po nito ay sapagkat naniniwala tayo na kapag nagkatulungan ang gobyerno at ang pribadong sektor, magagamit ng pamahalaan ang kanilang kapital para ma-free up din iyon ibang kapital ng pamahalaan, at magamit din ang kanilang expertise para sa mga proyektong makikinabang ang mga mamamayan.

So, hindi naman po nangangahulugan na kung ang sistema natin na ito ay ating gagamitin para tayo ay mas makarami ng ipapatupad na mga public investment projects ay pinahihirapan natin ang mahihirap o pinahihirap pa natin ang mahihirap, kundi ito ay isang pamamaraan para makapag-deliver tayo ng mga serbisyo na ginagamit natin ang kapital ng pribadong sektor.

REP. GAITE. Maraming salamat po sa kasagutan, Mr. Speaker.

Ang inaalala ng Kinatawang ito doon sa usapin ng Public-Private Partnership, may sinasabing malaking monopolyo ng iilang napakahalagang serbisyo ang nagaganap kung kaya't iyong yaman at konsentrasyon ay napupunta sa ilan. Mismo iyong iskema ng Public-Private Partnership, ayon mismo sa opisina ng NEDA sa kanilang Contract Review Committee Report ay umamin na doon sa mga contracts—this was based on the 2018 Contract Review Committee Report—na out of 41 water districts na napirmahan na nagkaroon ng Joint-Venture Agreement, wala daw naging challengers doon sa competitive selection bidding dahil hindi binigyan ng pagkakataon na magkaroon ng pantay na laban para sa kapakinabangan ng mamamayan.

Alam natin na ang serbisyo sa tubig ay isang napakahalagang serbisyo at sabi nga nila, paulit-ulit, “water is life.” Pero kung nagkakaroon ng unfair competition na kung saan iilan lamang ang nakakamonopolyo ng serbisyong ito, kung ito ba talaga ay nakakatulong sa mamamayan lalo na in the light na ngayon, sa mga ilang water districts na nasa pribado tulad na nangyari sa MWSS na isinapribado noong 1997 sa ilalim ng Maynilad Water Services, Inc. at Manila Water Company, Inc., naranasan natin ang napakataas ng pagtaas ng presyo ng halaga ng tubig, gayundin sa iba pang water districts at kabilang na rito iyong sa Tarlac, Trece Martires, Tanauan at iba pang mga water districts na kamakailan lamang ay nasa pribado—totoo ho ba na sa kapakinabangan ng mamamayan o sa kapakinabangan ng iilang monopolyong kapital sa ating bansa?

REP. CUA. Mr. Speaker, sa pagkakaalam ko po ang pag-e-engage ng isang pribadong kumpanya para sa public service or public utility na ganito ay mayroon pong proseso ito. We have the Government Procurement Act. This is a service that government is procuring and therefore, this must have gone through a process of competitive bidding. So, kung nagkaroon man ng proseso, ang pagkakasabi po natin ay nagkaroon ng hindi tamang sistema ng pagkaka-award, iyon po ay puwedeng ma-question natin. But I would imagine that because these are big projects, hindi basta-basta naman maa-award ito kung hindi dumaan sa tamang proseso sapagkat maraming mga kumpanya nagka-interest doon sa project at kung hindi tama ang pagkaka-award, siguradong maraming nagreklamo.

Now, I remember, Mr. Speaker, bago po naisa-pribado ang water utility service na ito, ang ating tubig noon sa Manila at sa kalakhang Metro Manila ay minamanege ng NAWASA. Natatandaan ko pa noon, medyo bata pa ako noon, kung gaano kasama ang serbisyo ng NAWASA pero simula nang ito ay maisa-pribado ay malaki ang na-improve ng serbisyo, Mr. Speaker.

REP. GAITE. Mr. Speaker, masasabi ba natin na noong nakaraan at hanggang ngayon pala, noong nakaraang summer season na kung saan ang tubig natin ay wala nang tumutulo sa ating mga gripo, at iilang oras lamang ang inilalaan ng Maynilad at Manila Water para dito, masasabi ba natin na umunlad ang serbisyo pagkatapos nang ito ay na-privatize noong 1997? Hindi lang iyon, masasabi ba natin na ang halos 1,000 porsiyento ng ang pataas na halaga ng tubig mula sa Maynilad at Manila Water ay isang indikasyon ng pag-unlad ng serbisyo sa tubig, Mr. Speaker?

REP. CUA. Mr. Speaker, sumasang-ayon ako sa obserbasyon na sa taon na ito ay nagkaroon tayo ng problema sa tubig. Subalit sa aking pagkakataon,

mahaba ring panahon ang lumipas na hindi tayo nakakaranas ng ganito, at kung ating pag-aaralan kung bakit ito ay nangyari, siguro maaari din tayong maniwala na ito ay isang phenomenon na because of climate change, because of abnormalities in our weather, ay posible talagang mangyari ang ganitong tagtuyot. In a way, we can call it “force majeure.” So, hindi nangangahulugan na iyong sistema natin ay nagkamali dahil lamang sa isang insidente na ganito. Now, insofar as the price of the service is concerned, I think we are well aware that this is a regulated industry at mayroon tayong regulator na nagbabantay nito, at kung nagkaroon ng hindi tamang pagpresyo sa produktong ito, hindi nangangahulugang mali iyong ating naging sistema, Mr. Speaker.

REP. GAITE. Mr. Speaker, narinig ko na naman ang parehong paliwanag o alibi ng Maynilad at Manila Water at ito ay nabanggit rin ng ating Sponsor, iyong climate change. Ngunit napatunayan na nga, as a matter of fact, ang Maynilad at Manila Water ay inatasang ma-penalize bunga ng kapabayaang, negligence doon sa pag-ensure bunga ng ang climate change ay hindi lang nangyari this summer, kundi ito ay isang projected na environmental change na kanilang dapat pinagplanuhan. Nakita na nga, batay sa kanilang kapabayaang, ay na hindi nila na-develop iyong mga iba’t ibang water sources upang maibsan sana iyong naging problema ng tubig nitong nakaraan.

Ang punto ko po, Mr. Speaker, hindi po garantiya at solusyon na ang pribatisasyon ang makakatulong sa pagpapaunlad ng serbisyo sa ating mga mamamayan hindi lamang po sa usapin ng tubig, transportasyon, pagkain, kuryente at iba pa. Sa halip na pakinabangan ng mga mamamayan, lalo lamang namomonopolisa ng iilang mga oligarkiya sa ating bansa, to the detriment of the consuming public na kailangang-kailangan ang mga serbisyong ito. Pero ngayon, bunga ng policy ng Private-Public Partnership, ng Joint Venture Agreements, napipinsala ang mga mamamayan sa ganitong iskema ng pagpipinansya at pagpapatakbo ng mga serbisyong panlipunan.

Ang isa rin na direktang epekto, at sinabi rin ito ng Contract Review Committee Report, na isa ring masamang epekto nito ay doon sa mga nagaganap na pribatisasyon na malawakang tanggalan kapag naisakatuparan ang pagbabago ng pag-aari o iyong sinasabing nagko-control ng service na ito. Sa mga naganap, kahit sa MWSS, mahigit 60 percent ng kanilang workforce ang natanggal, gayundin sa ibang mga water districts na kamakailan lamang ay pumailalim sa Joint Venture Agreement.

Kung kaya’t paano masasabi na kapaki-pakinabang ito kung iyong napakahalagang trabaho ng ating mga manggagawa, na ang ilan sa kanila ay 10, 20, 50, 25 years na sa trabaho, pero bunga ng pagbabago

ng pag-aari ng mga naturang water districts, sila ay pinagtatanggal sa trabaho.

Papaano po ito maipapaliwanang, Mr. Speaker, through sa ating Sponsor?

REP. CUA. Mr. Speaker, gaya ng aking paliwanag, I think we cannot blame those attendant problems because problems can always crop up but they do not mean that the problems emanated from the PPP concept. Anyway, Mr. Speaker, the points of the Gentleman are well noted.

REP. GAITE. Iyon lang po ang aming katanungan hinggil dito sa programa na ipinatutupad ng NEDA na may mahalagang papel sa pag-aaprubang mga naturang Public-Private-Partnership at Joint Venture Agreements, dahil tama naman ang sabi ng ating kagalanggalang na Sponsor na para sa kapakanan lagi ng mamamayan ang ating lahat ng hangarin kung kaya’t dapat tinitingnan natin sa kabuuan at hindi lang makaisang-panig ang ating pagsusuri sa mga proyekto tulad ng ipinatutupad sa Public-Private-Partnership programs.

Maraming salamat po, Mr. Speaker, at sa ating kagalang-galang na Sponsor.

REP. CUA. Thank you, Mr. Speaker, and we will take note of the suggestions of the Gentleman to ensure that public interest is safeguarded.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we recognize Hon. Angelica Natasha “Nica” Co.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Honorable Co is hereby recognized.

REP. CO (A.). Good evening, Mr. Speaker. Good evening, everybody.

I have a very quick question. The New General Appropriations of the NEDA, Office of the Director General, for Fiscal Year 2018 is P3.052 billion. Am I correct, this is for 2018?

REP. CUA. Yes, you are right, Mr. Speaker.

REP. CO (A.). And then, the Total New General Appropriations of the NEDA, including the attached agencies, for Fiscal Year 2018, is P8.929 billion. Am I correct, Mr. Speaker?

REP. CUA. That is right, Mr. Speaker.

REP. CO (A.). Okay. So, now, this means that

P5.877 billion of the Total New General Appropriations of the NEDA for Fiscal Year 2018 was distributed among its attached agencies. Am I correct?

REP. CUA. That is correct, Mr. Speaker.

REP. CO (A.). Now, from this P5.877 billion, how much was appropriated for the Philippine Statistics Authority?

REP. CUA. What year are you referring to?

REP. CO (A.). For Fiscal Year 2018, is it P5.602 billion?

REP. CUA. For 2018, it is P5.685 billion.

REP. CO (A.). All right. So, am I correct in saying that this shows more than 80 percent of your appropriations for Fiscal Year 2018 for Philippine Statistics Authority?

REP. CUA. Yes, you are correct.

REP. CO (A.). Yes. So, in your appropriations report for actual Fiscal Year 2018, reflected in the National Expenditure Program for Fiscal Year 2020, I noticed that the total Unused Appropriations of the NEDA for Fiscal Year 2018 amounted to P2.259 billion, and a large portion of this Unused Appropriations was classified as Unobligated Allotment amounting to P2.4 billion.

Now, can I ask the status of these unused appropriations and can I request for a detailed written report, maybe, if you cannot provide it today?

REP. CUA. Yes, we will provide you with a detailed breakdown of this. I would like to inform you that this is essentially coming from the National ID System, the budget of which is lodged in the PSA.

REP. CO (A.). Yes.

REP. CUA. For a more equitable distribution of wealth and because of the late crafting of the IRR and the release of the funds, there is a little delay in its implementation. So, this accounts for it.

REP. CO (A.). Okay. So, the budget for 2018 is for the ID system.

REP. CUA. Yes.

REP. CO (A.). All right, that is it. Thank you, Mr. Speaker.

REP. CUA. Thank you. Thank you, Mme. Interpellator.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we recognize Hon. Sergio C. Dagooc.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Honorable Dagooc is recognized for his interpellation.

REP. DAGOOC. Thank you, Mr. Speaker.

Honorable Sponsor, can I ask some clarificatory questions with regard to the briefer presented by the NEDA to the DBCC?

REP. CUA. Yes, Your Honor.

REP. DAGOOC. Mr. Speaker, I would just like to point out that the NEDA, in their presentation, considered some potential risks for growth and ...

REP. CUA. May I beg your pardon, can you please repeat that.

REP. DAGOOC. The NEDA, during their presentation to the DBCC, pointed out that there are factors, potential risks, to growth. So, there are nine factors—external and domestic. May I just ask, Mr. Sponsor, Mr. Speaker, if the NEDA implemented programs to address these factors being pointed out?

REP. CUA. Mr. Speaker, Your Honor, if you will take note of the external and internal risks, these are really risks beyond the control of the NEDA. For example, the US-China trade war, there is really nothing that we can do there. The slowdown in the different economies is also another one. Internally, disruption in power, climate change—these are factors really beyond our control. However, the different departments of the government, through advice also coming from the NEDA as it is a policy advisory body, have taken note and, I suppose, they have contingency measures with respect to these factors. For example, should there be an escalation of US-China trade war that would affect our exports, I am certain that the Department of Trade and Industry must have lined up some contingency measures, just to give you one example, Mr. Speaker, honorable Sponsor.

REP. DAGOOC. Mr. Sponsor, Mr. Speaker, to be specific, the NEDA identified power disruptions and energy sector challenges. So, I think these could not, at this point in time, be addressed through the budgets of the government agencies because our existing laws

prohibit those which pertain to generation of power. You know, power will drive all of the things that we have. All of the economic fundamentals can be disrupted without power supply.

In Mindanao, for example, for about four years, we suffered four to 10 hours rotating brownouts daily because of power supply shortage. However, what I am pointing out is, did the NEDA recommend legislative measures to address it, particularly amendments to our existing laws that prohibit generation of power?

We have been talking, Mr. Speaker, Mr. Sponsor, about Build, Build, Build. You know, it is no longer food, shelter and clothing which are our basic needs. In this modern times, Mr. Speaker, Mr. Sponsor, it is already electricity, food, shelter and clothing. We cannot accomplish this Build, Build, Build without construction materials. Construction materials cannot be produced without electricity. If we cannot address the power supply shortage just because this is now under the private sector, I believe we will have a problem in the future because power plants are built within a period of two to five years and most importantly, the private sector will not build power plants if they are not assured of contracts.

I am already 34 years in the power sector, Mr. Sponsor, Mr. Speaker. This is a serious matter. This is a reality. We should address this not only with a budget, but with a legislative measure. I hope this will be taken into consideration by the NEDA, Mr. Speaker.

Thank you.

REP. CUA. I fully agree with you, Your Honor, and we have taken note of your suggestion.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Mr. Speaker, I move that we recognize Hon. Sharee Ann Tee Tan of the Second District of Samar.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Hon. Sharee Ann Tan of Samar is hereby recognized for her interpellation.

REP. TAN (S.A.). Mr. Speaker, since there are no further questions from the Minority, I move to close the period of interpellation on the budget of the National Economic and Development Authority and its attached agencies.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. MACAPAGAL ARROYO. Mr. Speaker, on the part of the Majority, we join the Minority in terminating the interpellation on the budget of the NEDA.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). There is a joint motion to terminate the period of interpellation on the proposed budget of the NEDA and its attached agencies. Is there any objection? *(Silence)* The Chair hears none; the motion is approved. *(Applause)*

The Majority Leader is recognized.

#### NATIONAL INTELLIGENCE COORDINATING AGENCY AND NATIONAL SECURITY COUNCIL

REP. ROMUALDO. Mr. Speaker, I move that we now consider the proposed budget of the National Intelligence Coordinating Agency and the National Security Council.

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

REP. ROMUALDO. Mr. Speaker, to sponsor the budgets of the said agencies, I move that we recognize the Vice Chairman of the Committee on Appropriations, Rep. Rozzano Rufino B. Biazon of the Lone District of Muntinlupa City.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Honorable Biazon is recognized for his sponsorship speech.

REP. BIAZON. Mr. Speaker, may I proceed.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Please proceed.

#### SPONSORSHIP REMARKS OF REP. BIAZON

REP. BIAZON. Thank you.

This Representation has the honor to present the proposed budgets of both the National Security Council and the National Intelligence Coordinating Agency, with the NSC posting a proposed budget of P348.65 million, higher by 1.5 percent over their 2019 budget and the NICA proposing a budget of P881.255 million or a decline of 7.64 percent compared to their 2019 budget.

This Representation is ready to answer questions, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. ROMUALDO. Mr. Speaker, before we recognize the first Member who wishes to interpellate the Sponsor, we would like to acknowledge the presence of the officials of the two agencies concerned. From the National Security Council, we have Director General and National Security Adviser Hermogenes Esperon Jr. as well as other officials of the National Security Council; and from the National Intelligence Coordinating Agency, we have Director General Alex Paul Montenegro as well as other officials of the said agency.

Now, Mr. Speaker, I move that we recognize Rep. Carlos Isagani T. Zarate of BAYAN MUNA Party List for his manifestation.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Honorable Zarate of BAYAN MUNA is recognized.

REP. ZARATE. Thank you, Mr. Speaker.

Magandang gabi po sa ating kagalang-galang na Sponsor at sa dalawang ahensiya, ang NICA at ang National Security Council. Maikasing manifestation lang po ito.

Kanina po, nailatag natin iyong nilalaman ng pambansang budget at gaya na ho ng nasabi namin, ang pambansang budget na ito, nagre-reflect ng budget na giyera dahil kung mapapansin natin, tumaas iyong budget ng nasa security sector pero iyong nasa social services naman ay natapyasan at nabawasan. Makikita natin dito, kahit na sinabi ng pamahalaan na ang tema ng budget na ito ay "Continuing the Journey to More Peaceful and Progressive Philippines," makikita natin sana ang bias ng budget na ito.

Sa katunayan, ngayong araw lang, sinabi ni Pangulong Duterte na talagang sa halip na solusyonan natin ang mahigit limang dekadang tunggalian na sa ating bayan sa pamamagitan ng isang usapang pangkapayapaan, ang kanyang katugunan dito, na nire-reflect din ng budget na ito, ay all-out war. Walang pagkakaiba ito sa naging katugunan ng mga nakaraang administrasyon na ang kanilang kiling ay doon sa militaristang solusyon sa mahigit limang dekada nang tunggalian sa ating bayan. Kaya, Mr. Speaker, Mr. Sponsor, sa ahensiya ng NICA at sa ahensiya ng National Security Council, tinutunggali natin ito dahil malinaw naman ang problema ng ating bayan ngayon ay lubhang kahirapan, nandiyan pa rin iyong kawalang hustisya sa ating bayan sa mga problemang kinakaharap ng ating mga mamamayan, iyong mga biktima ng paglabag sa karapatang-pantao.

So, iyon ang aming gustong ipunto rito sa ating pag-uusap sa pambansang budget. Dapat ito ay patungo doon sa pagtugon talaga sa kung ano ba ang naging ugat ng problema sa ating bayan. Bakit mayroong rebelyon? Bakit tuloy-tuloy na may tunggalian sa ating bayan? Para sa Kinatawagang ito, mahalaga na bumalik

sa usapang pangkapayapaan ang dalawang partido, lalo at higit na mayroon nang, supposedly, naabot iyong usapang pangkapayapaan. Mayroon nang mga draft agreements, halimbawa, sa usapin ng social economic reforms, and even doon sa usapin ng tigil-putukan. Kaya sa halip, ang paggugugol ng ating limitadong budget ay lalong magdidiin doon sa nangyaring tunggalian sa ating bayan. Dapat isipin ng Kongresong ito, responsibilidad natin o isa sa malaking responsibilidad natin na ang paggugol ng budget na ito ay tutugon doon sa ugat ng sinasabi ko na mahigit limang dekadang rebelyon na sa ating bayan.

Iyon lang po ang aking manipstasyon, Mr. Speaker, Mr. Sponsor.

Maraming salamat po.

REP. BIAZON. Mr. Speaker, if I may venture a response to the manifestation.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Please proceed.

REP. BIAZON. The two agencies on deck are both vital to national development. It is not just principally about security in terms of the military or the police. Aside from that, the budget for the NSC is just 1.5 percent while for the NICA, it is even a decline of 7.64 percent. Nevertheless, we agree to what the Gentleman had mentioned about addressing the root cause of insurgency, of those who make a stand against the government, because even the administration itself, through Executive Order No. 70, recognizes that it should not be an all-out military solution.

The President himself, President Rodrigo Duterte, in issuing Executive Order No. 70, said in the Whereas clauses, if I may read:

WHEREAS, there is a need to reframe and refocus the government policy for achieving inclusive and sustainable peace by recognizing that insurgencies, internal disturbances and tensions, and other armed conflicts and threats are not only military and security concerns but are symptomatic of broader social, economic and historical problems such as poverty, historical injustice, social inequality, and lack of inclusivity, among others;

So, it basically shows that the administration is mindful of other approaches to ending the insurgency, Your Honor.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

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

recognize Rep. Sarah Jane I. Elago of KABATAAN Party-List for her manifestation.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Hon. Sarah Jane Elago is recognized.

REP. ELAGO. Maraming salamat, Mr. Speaker.

Indeed, this is not an interpellation but a very important manifestation from this Youth Representation. First, I would like to note the noncompliance of both the NICA and the NSC with regard to their reporting and posting of requirements.

Ang Representasyong po na ito ay nagtala mula sa kanilang websites at sa ilang pang electronic means ng pag-uulat na hindi po kumpleto ang mga kinakailangan na financial at fiscal accomplishments na nararapat na inuulat ng NSC at NICA 30 araw pagkatapos ng kada quarter ng taon.

Para sa NSC, mula 2013 hanggang 2017 lamang ang nakaulat na kanilang financial accomplishments. Magdadalawang taon na mula nang sila ay nagpasa ng kumpletong ulat ng kanilang financial accomplishment. Pagdating naman po sa NICA, bagamat mula 2014 hanggang 2017 ay nakumpleto ang kanilang financial at fiscal accomplishments, 2018 at 2019 pa din po hindi kumpleto ang mga kinakailangan na kanilang submissions. Kaya napakahalaga po sa ating itinutulak na pag-unlad batay sa seguridad ang nakikitang transparency ng ating mamamayang Pilipino sa paggogobyerno at kung tayo po ay hindi magko-comply doon sa mga kinakailangan na mga requirements, para po nating iniwan sa dilim ang ating mga kababayan.

Katulad na lamang ho sa mga pangunahing usapin sa seguridad na nakasama doon sa year-end statement na pahayag mula sa National Security Council pagdating sa West Philippine Sea issue, nais din nating malaman kung ano na ba ang mga nagawa ng Pilipinas pagdating sa pagtindig para sa ating pambansang soberaniya at sa ating teritoryal na integridad. Pagdating naman sa usapin ng illegal drugs, ang nakalagay lamang dito, Mr. Speaker, na nananatili na ang primary mission ng Duterte administration ang war on illegal drugs, ngunit nababahala po tayo sa nakalagay rin dito sa kanilang pahayag para sa taong 2018 na mas magiging matindi ang pag-eradicate ng menace na ito. Bagamat po ay sinusuportahan ng Representasyong na ito ang pagsugpo sa illegal na droga, nakita na natin sa nakaraang tatlong taon kung gaano hindi naman ang droga ang nasusugpo, kung hindi ang buhay po ng mga inosente, mga walang kalaban-laban, mga bata, mga kabataan, at marami po diyan ay mga maralita. Umabot na sa bilang ng 29,000 ang mga napapaslang, at kabilang doon ang mga homicide cases under investigation. Sa tingin po natin, hindi natin masasabi na stable at mayroong ligtas na klima sa ating bansa kung magpapatuloy ang

mga pamamaslang na ito ng walang hustisya at mga pananagutan.

Kaya naman, Mr. Speaker, ang hiling ng Representasyong na ito, sa ating pagpopondo, ang kinakailangan ay ang mga programa, mga proyekto, mga aktibidad na makikinig sa mga hinaing, sa mga saloobin ng taumbayan at hindi magre-resort doon sa mga undemocratic na mga measures na pipigilan o kaya gigipitin pa ang boses ng mamamayang Pilipino.

Maraming salamat, Mr. Speaker.

REP. BIAZON. Thank you, Mr. Speaker, my distinguished colleague.

The NSC and NICA has committed to update the data requested.

Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

REP. ROMUALDO. Mr. Speaker, to interpellate the Sponsor, I move that we recognize Rep. Ferdinand Gaité of the Party-List BAYAN MUNA.

THE DEPUTY SPEAKER (Rep. Garcia, P.). Honorable Gaité of Bayan Muna is recognized for his interpellation.

REP. GAITE. Salamat po, Mr. Speaker.

Pahihintulutan ba ng Sponsor ng budget ng NSC at ng NICA na makapagtanong ng ilang clarificatory points?

Batay sa aming pagsisiyasat, ang National Security Council, ay ang principal na advisory body na nagbibigay ng proper coordination, integration ng mga plano at patakaran affecting national security. Ang NICA ay isang executive office under the OP, the Office of the President. Ayon din sa aming pagsusuri, the NICA is responsible for coordinating all government activities relative to national intelligence, preparing national intelligence estimates of local and foreign situations for the formulation of a national policy by the President. Naglabas din ng kaukulang Executive Order No. 246 which states that the NICA is mandated to be the “focal point for the direction, coordination and integration of government activities involving national intelligence.” Naglabas rin ng Human Security Act of 2007, under Republic Act No. 9372, which provides that the NICA shall be the secretariat of the Anti-Terrorism Council. Administrative Order No. 68, among others, further designated the Director General of NICA as the principal adviser to the President on intelligence. Tama po ba itong mga nabanggit, Mr. Speaker?

REP. BIAZON. That is correct.



REP. GAITE. Ngayon po, ang aming concern ay diyan sa isyu na ginagawa ng NSC at ng NICA doon sa red-baiting at red-tagging, at labeling ng mga Kinatawan tulad ko at ng iba pang mga progresibong party-list.

The Oxford Living Dictionary defines “red-tagging” or “red-baiting” as the harassment or persecution of a person because of known or suspected communist sympathies. In his dissenting opinion in *Zarate vs. Aquino II*, Supreme Court Associate Justice Marvic Leonen cited a 2011 journal article that defined “red-baiting” as the act of labeling, branding, naming, and accusing individuals and/or organizations of being left-leaning, subversives, communists, or terrorists, strategy by state agents, particularly law enforcement agencies and the military, against those perceived to be threats or enemies of the State. Aware po ba ang ating kagalang-galang na Sponsor sa nabanggit na paliwanag o definition ng “red-tagging”?

REP. BIAZON. I have to be honest that it is the first time that I personally have heard of that explanation, Your Honor, although we can have a layman’s understanding of what it is.

REP. GAITE. Salamat po, Mr. Speaker.

Sa ilalim ng Human Security Act of 2007, dini-define ang terrorist organization as any group of persons that commit certain crimes under the Revised Penal Code like rebellion, *coup d’etat*, kidnapping and murder, among others, to sow “widespread and extraordinary fear and panic among the populace, in order to coerce the government to give in to an unlawful demand.” However, Section 17 of the HSA requires the government to seek clearance from the court before an organization is officially declared a terrorist. Iyan ho ba ay nakasulat dito sa HSA or Human Security Act, Mr. Speaker?

REP. BIAZON. May I beg your indulgence, can you repeat the last portion of the statement.

REP. GAITE. Sa Human Security Act of 2007, dini-define ang terrorist organization as any group of persons that commit certain crimes under the Revised Penal Code like rebellion, *coup d’etat*, kidnapping and murder, among others, to sow “widespread and extraordinary fear and panic among the populace, in order to coerce the government to give in to an unlawful demand.” However, Section 17 of the HSA requires that the government seeks clearance from the court before an organization is officially declared as a terrorist. Tama po ba iyan, Mr. Speaker?

REP. BIAZON. Yes, Your Honor.

REP. GAITE. Kung gayon, mayroon pa po akong

ilang katanungan. Ayon sa inilabas ng Pangulo na Executive Order No. 70, nakasaad dito ang creation of a National Task Force to end local communist armed conflict, with the National Security Adviser as the Vice Chair and the NICA Director General as member. Tama po ba, Mr. Speaker?

REP. BIAZON. Tama po iyan.

REP. GAITE. Now, bilang Vice Chair, member ng National Task Force na ito, maaari ninyo bang kumpirmahin na nagsasagawa rin kayo ng mga forum at briefer sa mga iba’t ibang government agencies, Mr. Speaker?

REP. BIAZON. Yes, Your Honor. The National Security Adviser confirms that.

REP. GAITE. Mr. Speaker, pahintulutan ninyo po akong maipalabas sa ating screen ang ilang mga presentations na isinasagawa ng naturang ahensiya ng NICA at ng NSC. Naririto po ang PowerPoint presentation na ginagamit ng National Task Force to End Local Communist Armed Conflict sa kanilang mga forum o briefing sa mga government agencies. So, ang title po, “The Enemy Within.” Familiar po ba kayo sa PowerPoint presentation na ito, Mr. Speaker?

REP. BIAZON. The NSC and NICA are not aware of the presentation being shown on the screen right now.

REP. GAITE. Sige po. Puwede pong ituloy iyong next slide? Iyan po. Ayon sa presentation, iyong isasalaming presentasyong ito, ayon sa mga nag-report sa amin, ang ilang items na tinatalakay: one, iyong infiltration; ikalawa, pagpapaliwanag sa Executive Order No. 70, series of 2018, at kung ano iyong NTF-ELCAC; at pangatlo, iyong recommendation at kung papaano iyong way ahead. Can you confirm that this document actually exists and is being used by the NTF-ELCAC? Maaari po ba nating malaman kung ano-anong ahensiya ng gobyerno ang nagsasagawa ng mga forum, briefer, seminar ng NTF-ELCAC na ipini-present ang naturang presentasyon?

REP. BIAZON. Kung tama po ang pagkaunawa ko sa tanong, ano-anong ahensiya ang nagsasagawa ng information campaign about the NTF-ELCAC? Ayon sa Executive Order No. 70 mismo, ang approach na ginagawa ngayon ay ang whole-of-government approach. So, maaari nating sabihin na ang kabuuan ng—let me correct myself there, it is whole-of-nation approach kung saan involved ang iba’t ibang mga ahensiya ng pamahalaan.

REP. GAITE. Maraming salamat po doon sa kasagutan sapagkat iyong whole-of-nation approach na tulad ng nabanggit ng ating kagalang-galang na Sponsor ay nilalaman na rin nitong naturang PowerPoint presentation. Ayon sa ulat na nakarating sa aming opisina, ginagamit ng NTF-ELCAC ang PowerPoint na ito na—pakilabas po iyong huling slide—kitang-kita sa slide na ginagamit na presentation ng NSC at ng NICA ang aking larawan bilang COURAGE President bago ako naging Kinatawan ng BAYAN MUNA, at si Rep. France Castro ng ACT TEACHERS Party-List bilang bahagi daw noong infiltration ng burukrasya na isinasagawa ng CPP-NDF-NPA. Ayun, nasa lower corner ng picture si ACT TEACHERS Party-List Rep. France Castro at ako ay nandoon sa ibabaw—last, second to the right. Iyong kasamahan ko pong isa ay lider naman ng aming unyon sa DSWD. Mayroon po tayong mga iba pang unions na kasama diyan na ang pangunahing ipinaglalaban ay iyong usapin sa sahod, trabaho, karapatan, at iba pang mga batayang kahilingan ng mga government workers na kinatawan ng BAYAN MUNA. Aware po ba ang ating Sponsor dito sa inilalabas ng NICA at NSC sa usapin na ginagawa o sa mga briefer na ginagawa nila sa iba't ibang ahensiya ng pamahalaan?

REP. BIAZON. The NICA is confirming that they know about this presentation, this particular image on the screen right now.

REP. GAITE. Mr. Speaker, alam ba ng ating Sponsor na ang pag-uunyon ay ginagarantihan ng Saligang Batas? Article XIII, Section 3 ng ating Saligang Batas ay nagsasaad ng:

The State shall recognize the rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike.

At alam po ba ng ating Kinatawan, ng Sponsor, na mayroon nang inilabas na Executive Order No. 180, noong panahon pa ho ng dating Pangulong Corazon Aquino, na nagbigay ng guidelines sa pag-uunyon sa pampublikong sektor, Mr. Speaker?

REP. BIAZON. Yes, we are aware of the provisions in the Constitution and, of course, other issuances. We are also aware that there are legal mechanisms for one to bring his grievances against actions of government.

REP. GAITE. Mr. Speaker, kung gayon, sa halip na kilalanin ang karapatan ng mga kawani at manggagawa sa pag-uunyon, ano ang ginagawa ng NSC at NICA sa PowerPoint presentation na ito? Ito ba ay direktang paglabag doon sa constitutionally guaranteed rights,

na napakadaling bansagan na komunista o member ng CPP-NPA-NDF kahit wala man lang, not even an iota of evidence? Napakadaling akusahan ang mga Kinatawan ng Kongreso sa mga ganitong presentation, Mr. Speaker.

REP. BIAZON. As I mentioned earlier, Mr. Speaker, if any person or citizen feels aggrieved, there are legal mechanisms for one to utilize to address that grievance. The State agencies, such as the NSC and NICA, also have a mandate to perform. They also have sources of information that they can use as a basis for whatever action that they will take, which can be challenged.

REP. GAITE. Mr. Speaker, kami ay naniniwala na hindi tama ang ginagawang labeling sa inyong lingkod, pati sa ibang kapwa Members tulad ni Rep. France Castro, at iba pang mga leader ng unyon at asosasyon sa mga ahensiya ng pamahalaan. Ito ay malaking paglabag sa mga batayang karapatan ng mga mamamayan. Labeling groups or individuals as “communist terrorists” violates the constitutional guarantee of presumption of innocence and may have serious implications on the security and movement of individuals and groups involved. Red-tagging, in its most extreme, can lead to warrantless arrests, torture, and forced disappearances or at worst, extrajudicial killings.

Nababanggit na hindi tiyak na kung ito ba ay isinasagawa ng NSC o ng NICA, pero marami po ang nagbanggit sa amin, mga iba't ibang kawani na nag-report sa amin, na hindi lang isang beses, kung hindi maraming beses sa iba't ibang ahensiya ng pamahalaan na ginagawang itong red-tagging, labeling, at ang pag-present ng PowerPoint na ito bilang paraan para i-besmirch ang reputasyon ng mga lider-manggagawa, lalo na sa gobyerno. I demand that the NSC and NICA officially stop this irresponsible misinformation. Ito ay deliberate na pananakot sa mga kawani at mamamayan. The NSC and NICA should learn to respect the rights of the people and show some respect to public officials.

Doon sa mga kasagutan ng ating kagalang-galang na Sponsor, Mr. Speaker, hindi po kami handa na tanggapin ang budget ng NICA at NSC, sa pino-propose na budgets ng naturang mga ahensiya, Mr. Speaker.

REP. BIAZON. Maraming salamat, kagalang-galang na kasamahan. Ang atin pong dalawang ahensiya ay patuloy po na gagawin ang kanilang mandato ayon sa mga batas at issuances na ibinigay ng pamahalaan.

Maraming salamat, Mr. Speaker.

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

REP. GAITE. Mr. Speaker, as we mentioned, we are not ready to accept the budgets of the NICA and

NSC, because the answers propounded are not sufficient to convince us na dapat na nga bang aprubahan ang naturang budget ng natirang dalawang ahensiya.

THE DEPUTY SPEAKER (Rep. Garcia, P.). The Majority Leader is recognized.

SUSPENSION OF CONSIDERATION  
OF H.B. NO. 4228

REP. ZUBIRI. Mr. Speaker, I move to suspend the consideration of House Bill No. 4228, Mr. Speaker.

I so move, Mr. Speaker.

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

REP. ZUBIRI. Mr. Speaker, I move to suspend the session.

Mr. Speaker, please be advised that starting tomorrow, September 11, 2019, the new seating arrangement at the Plenary Hall will be implemented. This seating arrangement is mainly based on established practice. The Plenary Pages will be at the Plenary Hall early to assist you. If you have any concerns, kindly approach any Secretariat employee in the Plenary Hall, Mr. Speaker.

Mr. Speaker, I move to suspend session until 1:00 p.m. tomorrow, September 11, 2019.

SUSPENSION OF SESSION

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

The session is suspended until one o'clock tomorrow afternoon, September 11, 2019.

*It was 10:01 p.m.*