

JOURNAL NO. 51
Tuesday, January 15, 2002

CALL TO ORDER

At 4:01 p.m., Deputy Speaker Emilio R. Espinosa Jr. called the session to order.

NATIONAL ANTHEM AND PRAYER

Pursuant to Section 35, Rule VIII of the Rules of the House, the Members sang the National Anthem and thereafter, observed a minute of silent prayer.

SUSPENSION OF SESSION

Thereupon, the Chair motu proprio suspended the session at 4:03 p.m.

RESUMPTION OF SESSION

At 4:31 p.m., the session was resumed.

ROLL CALL

Upon direction of the Chair, the Secretary General called the Roll and the following Members were present:

Abayon	Cagas
Ablan Cajes	
Albano	Calalay
Alfelor	Cari
Almario	Carloto
Alvarez	Castro
Amante	Cayetano
Amin Celeste	
Ancheta	Chatto
Andaya	Chiongbian
Antonino-Custodio	Chipeco
Apostol	Chungalao
Aquino (A.)	Clarete
Aquino (B.)	Cruz
Arbison	Cruz-Ducut
Bacani	Cua
Banaag	Cuenco
Barbers	Dadivas
Barinaga	Dangwa
Baterina	De Guzman
Beltran	De Venecia
Bersamin	Defensor (A.)
Biazon	Defensor (Ma. T.)
Bondoc	Dilangalen
Bueser	Domogan

Cabilao	Duavit
Dumpit	Paras
Dy (C.)	Pilando
Dy (F.)	Pingoy
Espino	Puentevella
Espinosa (Emilio)	Ramirez-Sato
Estrella	Real
Failon	Reyes (E.)
Falcon	Reyes (V.)
Floirendo	Roco
Fuentebella	Rodriguez (I.)
Garcia (E.)	Rodriguez (O.)
Garcia (V.)	Roman
Gatchalian	Rosales
Gonzales (N.)	Salapuddin
Gonzalez (R.)	Sandoval (F.)
Gordon	Santiago
Gozos	Seachon
Gullas	Silverio
Gunigundo	Singson
Imperial	Solis
Jala	Soon-Ruiz
Javier	Suarez
Jimenez	Sumulong
Joseon	Suplico
Kintanar	Sy-Alvarado
Lacson	Syjuco
Leviste	Taganas Layus
Locsin (T.)	Taliño-Santos
Lopez (J.)	Teodoro
Lozada	Teves
Macarambon	Tulagan
Macias	Umali (Aurelio)
Malanyaon	Unico
Marañon	Uy (E.)
Marcos	Veloso
Martinez	Vicencio
Maza	Villar
Montilla	Villarama
Nachura	Villareal
Nicolas	Violago
Nieva	Yapha
Nograles	Ylagan
Ocampo	Yumul-Hermida
Olaño	Zamora (R.)
Padilla	Zialcita

With 142 Members responding to the Call, the Chair declared the presence of a quorum. (See Appendix 1)

The following Members appeared after the Roll Call:

Abad	Libanan
Abaya (A.)	Lobregat
Abaya (P.)	Locsin (Ma. V.)

Amatong Lopez (R.)
Angara-Castillo Mathay
Baculio Monfort
Badelles Moreno
Bautista Nantes
Bulut Ortega
Castelo Daza Pichay
Cojuangco Remulla
Del Mar Romualdo
Dumarpa Saludo
Echiverri San Juan
Espina Sandoval (V.)
Espinosa (Edgar) Torres
Garin Umali (Alfonso)
Hizon Uy (R.)
Ipong Wacnang
Jaraula Zubiri
Ledesma

APPROVAL OF THE JOURNAL

On motion of Majority Leader Neptali M. Gonzales II, there being no objection, the Body approved the Journal of the previous session.

REFERENCE OF BUSINESS

On motion of Rep. Gonzales, there being no objection, the Body proceeded to the Reference of Business.

Upon direction of the Chair, the Secretary General read the titles of the following Bills and Resolution, including the Committee Reports, which were referred to the appropriate Committees hereunder indicated:

BILLS ON FIRST READING

House Bill No. 4178, entitled:

"AN ACT ESTABLISHING A FARM MACHINERIES MANUFACTURING PROGRAM AND APPROPRIATING FUNDS THEREFOR"

By Representative Garin

TO THE COMMITTEE ON AGRICULTURE, FOOD AND FISHERIES AND THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4179, entitled:

"AN ACT EXEMPTING THE INCOME AND RECEIPTS FROM LOANS USED TO FINANCE AGRICULTURALLY BASED AND/OR LOCATED ACTIVITIES AND BUSINESSES FROM TAXES"

By Representative Garin

TO THE COMMITTEE ON WAYS AND MEANS

House Bill No. 4180, entitled:

"AN ACT ESTABLISHING THE SOLAR ENERGY DEVELOPMENT AUTHORITY AND APPROPRIATING FUNDS THEREFOR"

By Representative Garin

TO THE COMMITTEE ON GOVERNMENT ENTERPRISES AND PRIVATIZATION AND THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4181, entitled:

"AN ACT APPROPRIATING THE AMOUNT OF TWO MILLION PESOS (P2,000,000.00)

FOR THE CONSTRUCTION OF A COOPERATIVE CENTER IN EVERY CONGRESSIONAL DISTRICT OF THE COUNTRY"

By Representative Garin

TO THE COMMITTEE ON COOPERATIVES DEVELOPMENT AND THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4182, entitled:

"AN ACT PROVIDING FOR A NEW QUEDAN SYSTEM IN THE MARKETING OF PALAY AND APPROPRIATING FUNDS THEREFOR"

By Representative Garin

TO THE COMMITTEE ON AGRICULTURE, FOOD AND FISHERIES, THE SPECIAL COMMITTEE ON FOOD SECURITY AND THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4183, entitled:

"AN ACT TO PROMOTE AND DEVELOP THE SEED INDUSTRIES OF THE PHILIPPINES, AND TO INSURE THE AVAILABILITY OF HIGH QUALITY SEEDS OF SUPERIOR CROP VARIETIES FOR NATIONAL AGRICULTURAL PRODUCTION"

By Representative Garin

TO THE COMMITTEE ON AGRICULTURE, FOOD AND FISHERIES AND THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4184, entitled:

"AN ACT CREATING THE METROPOLITAN QUEZON DEVELOPMENT AUTHORITY, DEFINING ITS POWERS AND FUNCTIONS AND APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES"

By Representative Castelo Daza

TO THE COMMITTEE ON GOVERNMENT REORGANIZATION AND THE COMMITTEE ON APPROPRIATIONS

House Bill No. 4185, entitled:

"AN ACT CLUSTERING THE DIFFERENT BARANGAYS IN THE SECOND DISTRICT OF QUEZON CITY INTO TWO (2), THEREBY CREATING A NEW CONGRESSIONAL DISTRICT"

By Representative Castelo Daza

TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 4186, entitled:

"AN ACT CREATING THE MINDANAO ECONOMIC DEVELOPMENT COORDINATION OFFICE (MEDCO), DEFINING ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES"

By Representative Castelo Daza

TO THE COMMITTEE ON GOVERNMENT REORGANIZATION, THE SPECIAL COMMITTEE ON MINDANAO AFFAIRS AND THE COMMITTEE ON APPROPRIATIONS

RESOLUTION

House Resolution No. 356, entitled:

"RESOLUTION DIRECTING THE COMMITTEES ON BASIC EDUCATION, CIVIL SERVICE AND PROFESSIONAL REGULATIONS, AND LABOR AND EMPLOYMENT, TO INQUIRE, IN AID OF LEGISLATION, INTO THE MANNER OF IMPLEMENTATION OF THE STEP INCREMENT PROVISIONS OF SECTION 16 OF REPUBLIC ACT NO. 4670, OTHERWISE KNOWN AS 'THE MAGNA CARTA FOR PUBLIC SCHOOL TEACHERS' AS MANDATED BY SECTION 13(c) OF REPUBLIC ACT NO. 6758, ENTITLED 'AN ACT PRESCRIBING A REVISED COMPENSATION AND POSITION CLASSIFICATION SYSTEM IN THE GOVERNMENT AND FOR OTHER PURPOSES"

By Representative Rosales

TO THE COMMITTEE ON RULES

ADDITIONAL COAUTHORS

With the permission of the Body, the following Members were made coauthors of the Bills and Resolutions hereunder indicated:

Rep. Joaquin M. Chipeco Jr. for House Bill No. 3206;

Rep. James J. Gordon Jr. for House Bill No. 121;

Rep. Ismael "Chuck" G. Mathay III for House Bills No. 1682 and 2383;

Reps. Leovigildo B. Banaag, Angelo O. Montilla and Douglas RA. Cagas for House Bill No. 1034;

Rep. Narciso D. Monfort for House Bill No. 4008 and House Resolution No. 311;

Rep. Jurdin Jesus M. Romualdo for House Bills No. 211, 409 and 416;

Rep. Eleuterio R. Violago for House Bills No. 825, 1320, 2849, 3827, and 3828;

Rep. Manuel "Way Kurat" E. Zamora for House Bills No. 2912 and 3326;

Rep. Reynaldo A. Calalay for House Bill No. 4111; and

Rep. Enrico R. Echiverri for House Bill No. 401.

COMMITTEE REPORT

Report by the Committee on Local Government (Committee Report No. 143), re H. No. 756, entitled:

"AN ACT PROVIDING FOR GREATER FISCAL AUTONOMY IN FAVOR OF LOCAL GOVERNMENT UNITS (LGUs) IN THE CHOICE OF DEPOSITORY BANKS, AMENDING SECTION 311 OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991"

recommending its approval with amendments in consolidation with House Bill No. 1359.

Sponsors: Representatives Macias, Villar, Jaraula, Pichay and the Members of the Committee on Local Government

TO THE COMMITTEE ON RULES

ADDITIONAL REFERENCE OF BUSINESS

Report by the Committee on Ways and Means (Committee Report No. 136), re H. No. 4111, entitled:

"AN ACT PROVIDING FOR THE EXEMPTION OF FIXED INCOME EARNERS FROM THE FILING OF INCOME TAX RETURNS, AMENDING FOR THE PURPOSE SEC. 51 (A) (2) (b) OF REPUBLIC ACT NO. 8424, OTHERWISE KNOWN AS THE TAX REFORM ACT OF 1997"

recommending its approval in substitution to House Bills No. 897 and 3221

Sponsors: Representatives Angara-Castillo, Ledesma IV, Teves, Lopus, Gunigundo, Echiverri, Joaquin, Chatto, Malanyaon, Castelo Daza, Montilla, Ipong, Nicolas, Ancheta, Angping, Alfelor Jr., Badelles, Banaag, Cagas, Cari, Chiongbian, Chipeco, Dadivas, Del Mar, Dimaporo, Durano, Espina, Espinosa, Fuentebella, Jala, Lanot, Lacson, Layus, Locsin (V.), Macias II, Maza, Monfort, Nepomuceno, Olaño, Ortega, Puentevella, Ramirez-Sato, Ramiro, Reyes Jr., Roman, Romualdo, Santiago,

Seachon Jr., Suarez, Sumulong, Veloso, Vicencio and Yapha

TO THE COMMITTEE ON RULES

Report by the Committee on Legislative Franchises (Committee Report No. 144), re H. No. 1758, entitled:

"AN ACT GRANTING THE ASIA OVERNIGHT EXPRESS CORPORATION A FRANCHISE TO ESTABLISH, OPERATE AND MAINTAIN DOMESTIC AND INTERNATIONAL AIR TRANSPORTATION SERVICES

recommending its approval without amendments

Sponsors: Representatives Zubiri, Del Mar, and the Members of the Committee on Legislative Franchises

TO THE COMMITTEE ON RULES

SUSPENSION OF SESSION

Whereupon, the Chair motu proprio suspended the session at 4:43 p.m.

RESUMPTION OF SESSION

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

UNFINISHED BUSINESS:
COMMITTEE REPORT NO. 98
ON HOUSE BILL NO. 1910

Thereupon, on motion of Rep. Gonzales, there being no objection, the Body resumed consideration on Second Reading of House Bill No. 1910 as embodied in Committee Report No. 98 and submitted by the Committee on Civil Service and Professional Regulation.

Upon direction of the Chair, the Secretary General read the title of the Bill, to wit:

"AN ACT RE-IMPLEMENTING THE SYSTEM OF ATTRITION, PROVIDING FOR OPTIMUM UTILIZATION OF PERSONNEL IN GOVERNMENT SERVICE, PROVIDING PENALTIES THEREFOR, AND FOR OTHER PURPOSES."

As to the parliamentary status of the Bill, Rep. Gonzales informed the Body that it was in the period of individual amendments.

On motion of Rep. Gonzales, the Chair recognized Rep. Ma. Victoria L. Locsin to sponsor the measure and Rep. Exequiel B. Javier for his proposed amendment.

PROPOSED AMENDMENT OF REP. JAVIER

Rep. Javier proposed, on page 3, between lines 17 and 18, to insert a new section, to wit:

SECTION 6. SAVINGS FROM APPROPRIATIONS FOR THE POSITIONS VACATED AND

WHICH REMAIN UNFILLED UNDER THE PROVISIONS OF THIS ACT SHALL NOT BE USED FOR THE EMPLOYMENT OF CASUAL OR EMERGENCY EMPLOYEES AND SHALL REVERT TO THE GENERAL TREASURY.

MANIFESTATION OF REP. ALBANO

Before the Body could act on the proposed amendment of Rep. Javier, Rep. Rodolfo B. Albano manifested his intent to propose an anterior amendment.

Rep. Javier however suggested that Rep. Albano propose the anterior amendment after the Body shall have acted on his amendment considering that the same was already pending on the floor.

The Chair then requested Rep. Albano to allow the Body to continue first with the proposed amendment of Rep. Javier. He said that Rep. Albano will be recognized thereafter.

In response, Rep. Albano yielded the floor to Rep. Javier.

APPROVAL OF THE PROPOSED
AMENDMENT OF REP. JAVIER

As accepted by the Sponsor, there being no objection, the Body approved the proposed amendment of Rep. Javier to insert a new Section 6 between lines 17 and 18 on page 3.

MANIFESTATION OF REP. JAVIER

As a consequence of his foregoing amendment, Rep. Javier stated that the old Sections 6, 7 and 8 shall be renumbered accordingly. The Chair affirmed that the renumbering will indeed follow as a consequence of Rep. Javier's amendment.

PROPOSED AMENDMENT OF REP. ALBANO

Upon recognition by the Chair, Rep. Albano recalled that during his interpellation on House Bill No. 1910, he raised his concern regarding Section 3 of the Bill which he felt would negate the very essence of the measure. He then proposed to delete the provision on page 2, lines 14 to 18.

The Sponsor however informed Rep. Albano that said provision had been deleted by way of a Committee amendment on December 19, 2001.

WITHDRAWAL OF REP. ALBANO'S
PROPOSED AMENDMENT

Rep. Albano stressed that he just wanted to stand by his original position, adding that his copy of House Bill No. 1910 does not reflect the Committee amendments. He observed that the sponsoring Committee has not yet furnished the Members with clean copies of the measure after the Body had approved the Committee amendments. Nonetheless, Rep. Albano withdrew his proposed amendment on page 2.

AMENDMENT OF REP. AQUINO (A.)

Upon recognition by the Chair, Rep. Agapito A. Aquino proposed to delete the words "health workers, social workers and community development workers" on page 2, subparagraph (f), lines 5 and 6. He pointed out that these positions had been devolved to the local government units (LGUs) by virtue of the Local Government Code of 1991.

The Sponsor informed Rep. Aquino that said positions are still existing in regional offices as part of the national government.

While he believed that the positions need not be included in the provision because they had been devolved to the LGUs, Rep. Aquino nonetheless proposed to add the phrase WHENEVER APPLICABLE after the words "community development workers" to cover the positions which Rep. Locsin noted have remained with the regional or national offices.

The Sponsor accepted the proposed amendment and there being no objection, the Body approved the same.

AMENDMENT OF REP. SILVERIO

As proposed by Rep. Lorna C. Silverio and accepted by the Sponsor, the Body approved on page 2, line 22, to change the phrase "fine of not less than Twenty-Five Thousand Pesos (P25,000.00) but not exceeding One Hundred Thousand Pesos (P100,000.00)" to the phrase FINE OF NOT LESS THAN SIX THOUSAND PESOS (P6,000.00) BUT NOT EXCEEDING TEN THOUSAND PESOS (P10,000.00).

Rep. Silverio explained that under the original Attrition Law or Republic Act No. 7430, the penalty was only within the range of P3,000 to P5,000. She underscored that her proposal had increased this penalty by 100%. She added that the penalty imposed under the Bill is exorbitant considering the low salaries of government employees and officials.

MANIFESTATION OF REP. AQUINO (A.)

Upon recognition by the Chair, Rep. Aquino adverted to the provision on page 2, line 14, pointing out that the words "filing up" should read FILLING UP.

The Chair however informed Rep. Aquino that said provision had been amended.

PROPOSED AMENDMENT
OF REP. AQUINO (A.)

Adverting to page 2, lines 25 and 26 which provides that "... violators shall suffer the penalty of perpetual disqualification from public service," Rep. Aquino asked whether said provision is too harsh considering that the Committee has already increased the penalties. He opined that the penalty of disqualification should only attach to offenses involving moral turpitude, and the like.

The Chair requested Rep. Aquino to firm up his proposed amendment.

Rep. Aquino thereafter proposed on page 2, line 25, to delete the phrase "perpetual disqualification from public service" such that the sentence would end with the phrase "at the discretion of the court."

SUSPENSION OF SESSION

On motion of Rep. Locsin (Ma. V.), the session was suspended at 5:00 p.m.

RESUMPTION OF SESSION

At 5:01 p.m., the session was resumed.

AMENDMENTS OF REP. AQUINO (A.)

As proposed by Rep. Aquino and accepted by the Sponsor, the Body approved the following amendments:

1. On page 2, line 24, after the word "court", to delete the phrase: "and shall suffer the penalty of perpetual disqualification from public service";
2. On page 3, line 5, to replace the word "office" with the phrase GOVERNMENT AGENCY OR INSTRUMENTALITY; and
3. On the same page, line 8, after the word and the acronym "The DBM", to include the phrase IN COORDINATION WITH THE CSC.

PARLIAMENTARY INQUIRY OF REP. PADILLA

Upon recognition by the Chair, Minority Leader Carlos M. Padilla sought clarification on page 2, line 4, paragraph (e), which reads "Where the replacements come from existing employees." He asked whether the word "employees" refers to employees of the same department or whether the replacement may come from another department. He noted that in the old Attrition Law or Republic Act No. 7430 which is the model used by the Committee, employees coming from another department were qualified to be appointed to replace a vacancy in another department. He then asked for the Committee's position thereon so that he could propose the necessary amendment, if such would be acceptable to them.

SUSPENSION OF SESSION

On motion of Rep. Padilla, the session was suspended at 5:07 p.m.

RESUMPTION OF SESSION

At 5:11 p.m., the session was resumed.

REMARKS OF REP. PADILLA

After conferring with the Sponsor of the Bill, Rep. Padilla said that he

is now ready to propose his amendment.

AMENDMENT OF REP. PADILLA

As proposed by Rep. Padilla and accepted by the Sponsor, the Body approved the amendment on page 2, line 4, Section 3(e), after the word "employees" before the semicolon (;) to insert the phrase: OF SAME AGENCY OR ANY OTHER AGENCY, so that the paragraph will read as follows: "WHERE THE REPLACEMENTS COME FROM EXISTING EMPLOYEES OF SAME AGENCY OR ANY OTHER AGENCY."
TERMINATION OF THE
PERIOD OF AMENDMENTS

There being no other Committee or individual amendments, on motion of Rep. Gonzales, there being no objection, the Body closed the period of amendments.

APPROVAL ON SECOND READING OF
HOUSE BILL NO. 1910, AS AMENDED

On motion of Rep. Gonzales, there being no objection, the Body approved on Second Reading House Bill No. 1910, as amended.

SUSPENSION OF SESSION

On motion of Rep. Gonzales, the session was suspended at 5:14 p.m.

RESUMPTION OF SESSION

At 5:17 p.m., the session was resumed.

BUSINESS FOR THE DAY:
COMMITTEE REPORT NO. 136
ON HOUSE BILL NO. 4111

On motion of Rep. Gonzales, there being no objection, the Body considered on Second Reading House Bill No. 4111 as embodied in Committee Report No. 136 and reported out by the Committee on Ways and Means.

Upon direction of the Chair, the Secretary General read the title of the Bill, to wit:

"AN ACT PROVIDING FOR THE EXEMPTION OF FIXED INCOME EARNERS FROM THE FILING OF INCOME TAX RETURNS, AMENDING FOR THE PURPOSE SEC. 51, (A) (2) (b) OF REPUBLIC ACT NO. 8424, OTHERWISE KNOWN AS THE TAX REFORM ACT OF 1997."

As copies of the Bill had been distributed to the Members, on motion of Rep. Gonzales, there being no objection, the Body dispensed with the reading of the text of the measure without prejudice to its insertion into the Record of the House.

Subsequently, on motion of Rep. Gonzales, the Chair recognized Rep.

Julio A. Ledesma IV for his speech.
SPONSORSHIP SPEECH OF REP. LEDESMA

At the outset, Rep. Ledesma expressed belief that the Bill will help the country and the two million single-income, fixed-wage earners who file income tax returns every year. Although said Bill is not revenue-generating in nature, he said that it will in fact enhance productivity and save expenses for the country in the light of the Committee's finding that annually, approximately two million individual taxpayers whose wages are fixed in nature, have a single income source and whose taxes are withheld at the source of employment. Because of this, he continued, several Members had filed a bill that would exempt these wage earners from the filing of their income tax returns.

Rep. Ledesma then explained that the approval of the Bill will save the government two million man-hours of lost productivity every year when two million fixed-income earners troop to various offices of the Bureau of Internal Revenue (BIR) to file their income tax returns. In addition to this, he stated that said the enactment of the law will also save the government approximately eight to 10 million pages of ITR forms which the two million income tax filers consume. It will also save the BIR approximately 12 million man hours of lost time, assuming that each taxpayer consumes two-and-a-half hours of the time of BIR officers in administering the filing of said returns, he added.

Rep. Ledesma further pointed out that the Committee had determined during its deliberations that single-income or fixed-wage earners are already taxed at the source of their income, and are thus "captured" through the Government Service and Insurance System (GSIS) and Social Security System (SSS) documents they file, which are in turn harmonized with BIR files. He then expressed his pleasure in sponsoring House Bill No. 4111.

SPONSORSHIP SPEECH OF
REP. ANGARA-CASTILLO

Upon the request of Rep. Bellaflor J. Angara-Castillo, on motion of Rep. Gonzales, there being no objection, the Body approved to insert Rep. Angara-Castillo's sponsorship speech into the Record of the House.

TERMINATION OF THE PERIOD
OF SPONSORSHIP AND DEBATE

There being no interpellations and speeches en contra, on motion of Rep. Gonzales, there being no objection, the Body closed the period of sponsorship and debate.

TERMINATION OF THE PERIOD
OF AMENDMENTS

There being no Committee or individual amendments, on motion of Rep. Gonzales, there being no objection, the Body closed the period of amendments.

APPROVAL ON SECOND READING

OF HOUSE BILL NO. 4111

On motion of Rep. Gonzales, there being no objection, the Body approved on Second Reading House Bill No. 4111.

SUSPENSION OF SESSION

On motion of Rep. Gonzales, the session was suspended at 5:24 p.m.

RESUMPTION OF SESSION

At 5:25 p.m., the session was resumed.

REMARKS OF REP. LEDESMA

Upon resumption of session, on behalf of the Committee on Ways and Means and two million fixed-income earners, Rep. Ledesma expressed his gratitude to the leadership of the House for the immediate approval of House Bill No. 4111.

Thereafter, the Chair recognized Rep. Monico O. Puentevella on a question of personal and collective privilege.

QUESTION OF PRIVILEGE
OF REP. PUENTEVELLA

Rep. Puentevella took exception to the plan of the Department of Tourism (DOT) to extend visa privileges to Chinese nationals who come to the Philippines as reported in an article in the day's issue of Today. He then quoted the article which had likewise quoted Tourism Secretary Richard Gordon as having said that the privilege has attracted a record number of Chinese tourists on group tours from Taiwan, Macau, Hong Kong and Mainland China.

He added that the aforecited article further stated the following: a) said policy had been approved by the Bureau of Immigration upon Secretary Gordon's request following an increase in the frequency of flights of several foreign airlines such as Air Macau to the newly upgraded Laoag Airport; b) the temporary tourist visas given to Chinese nationals on group tours are good for seven to 14 days; c) the approval of the landing visa policy has allegedly led to the steady increase in weekly visitors from Chinese tour groups; d) passengers on the Bureau of Immigration's blacklist and other excludable aliens are not granted the privilege; and e) because of the initial success of the policy, the DOT is studying the possibility of implementing the same privilege in other international airports, especially in the Southern Philippines. He further cited that Secretary Gordon was also quoted as having said that in line with the policy of the Administration to reinvigorate the East Asean Growth Area (EAGA), tourists and businessmen from Indonesia, Malaysia and Brunei may be enticed to visit the country; and that towards this end, work on the rehabilitation of the airport in Cotabato City will start shortly to ensure that it could accommodate international flights from members of the EAGA area.

Thereupon, Rep. Puentevella maintained that while the intention of the DOT may be noble, its policy is an affront to the dignity of the Filipino people. This, as he asked whether Filipinos have stooped so low that it has to open its doors to any Chinese national just to generate income. He inquired on the purpose Philippine embassies abroad would have, aside from taking care of overseas Filipino workers, if landing visas would be given to Chinese tourists. He likewise asked where the government would get the money to maintain its offices abroad like the Manila Economic Cultural Office in Taiwan which depends mostly on income from visa fees. He underscored that Philippine embassies abroad have more information on blacklisted foreigners and opening numerous international ports in the Philippines may enable these foreigners to enter the country through the back door and pose potential smuggling problems to the government.

Rep. Puentevella inquired whether Congress had been consulted in the formulation of the policy and thereafter expressed hope that the Committee on Foreign Affairs could investigate the problem in aid of legislation to determine from the DOT the advantages and disadvantages of continuing the implementation of said policy.

He then thanked the Speaker for the valuable time the latter had afforded him to ventilate the sentiments of a Filipino who seeks to ensure that visa privileges are given enough importance in the same way as they are given in other countries.

Thereupon, Rep. De Guzman stated that certain Members wish to interpellate Rep. Puentevella. On his motion, there being no objection, the Chair recognized Rep. Fred H. Castro for his interpellation.
INTERPELLATION OF REP. CASTRO

Rep. Castro initially expressed certainty that Rep. Puentevella is not aware of any safety nets which prevent the nefarious effects of the DOT's proposals. He added that he was likewise certain that no one in the Chamber could lay claim that he is aware of such safety nets, thus he would leave the matter to the Committee on Foreign Affairs after Rep. Puentevella's speech shall have been referred thereto.

Whereupon, Rep. Castro pointed out that what had caught his interest was Rep. Puentevella's statement that the DOT's program is an affront to the dignity of the Filipino people. He requested that Rep. Puentevella further elaborate as to how said program could be an affront to the dignity of the Filipino people and of the Members of the House.

In response thereto, Rep. Puentevella stated that most of the Members of the House have had the privilege of applying for visas probably from countries like China, Taiwan and Macau and had to queue, comply with routine procedures and pay for corresponding visa fees in the process. He cited that if one wanted to travel to China for example, one had to comply with all the requirements before one could be allowed to leave the Philippines. He noted, however, that under the DOT's existing policy, any national from China who wishes to come to the Philippines or for example, land in the Laoag International Airport, could be granted the same privilege as long as he is willing to pay the appropriate fees

albeit under different arrangements. He asked on why such privilege is being given by the Philippine government to other nationals while Filipinos are not allowed to enjoy the same privilege when they go to other countries. He further asked whether this is the way Filipinos should be treated in the year 2002 as he stressed that this is an affront to the dignity of Filipinos.

Subsequently, Rep. Castro stated that notwithstanding the difficulties Filipinos go through in applying for visas to countries the former had referred to, nobody asks Filipinos to go to said countries and apply for visas for that purpose. This simply means, he said, that the people of such countries do not need the Filipinos and on the contrary, the Filipinos are the ones who wish to go to said countries and as such should be willing to submit to strict administrative requirements of the respective consulates of the countries concerned.

While he partly agrees with Rep. Castro, Rep. Puentevella opined that people have varied reasons in going to other countries. This, as he explained that what he had tried to raise on the floor was the procedure being imposed on Filipinos which greatly differs with those imposed on Chinese nationals. He stressed that he had adverted to the way Filipinos are being treated and the procedure they would have to undergo when they have to go to countries like the United States and Europe, among others.

In contrast to this, he reiterated that the Philippines has been welcoming any person to the country through the Laoag International Airport without even knowing whether such persons are blacklisted in foreign embassies abroad. He added that such persons are being allowed entry into the country by virtue of a procedure that is totally different from those imposed on Filipinos when they apply for visas to other countries. He expressed concern that opening numerous international airports in the Philippines to foreigners may only provide more options for potential smuggling in the country. He then surmised that Rep. Puentevella was not really against the DOT program but was more concerned about the safety nets that should be put in place before said program is implemented. He inquired whether his assumption was correct.

Rep. Puentevella replied in the affirmative.

In short, Rep. Castro said that Rep. Puentevella is not against the opening of Philippine airports in the interest of the country's economy because more tourists would mean more government revenues.

In response, Rep. Puentevella stated that the value of tourists coming into the country is not just mainly for the economy. He said that other countries like Singapore, Malaysia and Hong Kong do not have to open too many of their airports because they want to control the influx of tourists and apprehend blacklisted foreigners. However, with regard to the economy, tourism in the aforementioned countries have attained phenomenal growth rates even prior to the September 11 attack of the World Trade Center in New York, through proper tourism promotion and advertisements in the mass media and not by granting landing visa fees to foreigners who enter the country through other ports aside from the

NAIA. He maintained that the government can promote tourism in the country by other means such as utilizing the mass media.

At this point, Rep. Castro stated that his curiosity has been satisfactorily answered by Rep. Puentevella and that he is convinced of the validity of the latter's observation that the government cannot sacrifice the security of the nation in the guise of boosting the economy. However, he expressed hope that the latter will no longer raise any objection against this particular tourism program of the DOT after all the safety nets and security measures are put in place by the proper agencies. With this view, he then moved for the referral of Rep. Puentevella's speech to the appropriate committee, specifically the Committee on Foreign Affairs.

Subsequently, the Chair recognized Rep. Imee R. Marcos for her interpellation.

INTERPELLATION OF REP. MARCOS

At the outset, Rep. Marcos stated that she, together with her constituents, the people in the Ilocos Region and the beneficiaries of the planned Laoag International Airport, share Rep. Puentevella's sentiment about allowing Chinese nationals and other aliens entry into the country without any type of screening. Certainly, she said, over 90 Chinese nationals are languishing in the different jails in the country for various offenses ranging from narcotics dealing, kidnapping and others.

Rep. Marcos then clarified that the intention of the Representative from the Ilocos Region who initiated the program of requiring foreigners to secure their visas upon landing at the Laoag International Airport was that the same would only be on a very limited pilot basis and for pre-screened Chinese tourists on a three-day package visit. In other words, she said that before entering the country, these Chinese nationals had already gone through a background check. Moreover, she said that this is not a DFA program but a local and congressional initiative.

Stating that she was making a manifestation rather than an interpellation, Rep. Marcos pointed out that the principle of reciprocity and mutuality have long been recognized because Filipino nationals traveling to China are able to obtain visas upon arrival in Macau and that the same has been adopted in other cities in China like Shanghai and Xiamen. She added that this procedure of granting landing visas had long been initiated even before the idea was conceived of in the Philippines. She then stated that at present, the Laoag International Airport, aside from the NAIA, is the second best earner of foreign currency directly derived from landing fees of international airplanes. For this reason, she said that she is convinced that more flights will be derived from Northern Asia if the DFA would grant landing visas to foreign tourists on a very specific and limited scale. She added that it has been reported that a Chinese national needs at least a week to obtain a Philippine visa, hence delaying business and travel plans.

Thereupon, Rep. Marcos pointed out that the Philippines has been unable to profit from the burgeoning and highly profitable interchange traffic resulting from the prohibition against Taiwanese nationals traveling directly to China and other cities like Hong Kong and Macau. She then expressed hope that Laoag City would be the flight interchange center and a new alternative airport devoted solely to flights to and from Taiwan and China. She added that the Far East Transport Corporation had already started flights from Taiwan to Laoag and that the China Southern Airlines is also willing to pick up passengers from the Philippines to the different cities in China. Likewise, she added that there was an earlier suggestion that foreign tourists arriving in Laoag on a package tour should be allowed only a three- day stay in the Philippines without a visa. In view of the international upsurge in crime, terrorism, human trafficking, narcotics and kidnapping, it is the consideration together with the BI that the lesser evil is not the non-granting of visas but rather the granting of visas on a very limited scale so as to be able to screen and monitor the activities of the visa grantees.

In closing, Rep. Marcos stressed that the Immigration Bureau, together with the Bureau of Customs and the ATO have all manifested their support and enthusiasm for the proposed landing visa effort in the Laoag International Airport. She expressed belief that Repls. Castro and Puentevella would understand the eagerness of the Ilocanos to be able to derive business from Northern Asia, particularly from the huge market of China, for the benefit of their local constituents.

At this point, Repls. Roque R. Ablan Jr. and J. Apolinario L. Lozada Jr. simultaneously sought recognition from the Chair. However, the former yielded the floor to the latter.

INTERPELLATION OF REP. LOZADA

At the outset, Rep. Lozada opined that a lot has been said about the granting of visas. However, he explained that the Philippine Visa Law clearly states that the Philippines grants the privilege to its bilateral partners for the same privilege that the latter is granting to the country. He said that it is an Executive privilege to delist a country if the same privilege is being granted to the Philippines. In the case of the Chinese, he pointed out that their President had issued an Executive Order instructing the DFA to delist China from among the countries that had been considered in the past as prohibited aliens by the government. He then clarified that the issue at hand is not really a violation of visa rules and regulations and that the problem of security is a police matter. He added that it is not a matter that would violate the country's foreign policy and sovereignty but one that should be taken care of by the Armed Forces of the Philippines (AFP) and the Philippine National Police (PNP). He then underscored that before the President issued the delisting of Chinese nationals from the prohibited list, she had already been given proper briefing as to how the concerned agencies will be implementing said presidential delisting.

Whereupon, Rep. Lozada stressed that this matter was timely raised by Rep. Puentevella so that the Committee on Foreign Affairs could really look into the different measures and safety nets that the AFP and the

PNP has put in place in the implementation of the "No Visa Entry" for the Chinese nationals from Mainland China and nationals of other countries. So far, he said that the country has a "No Visa Agreement" with almost all countries, except for a very few. He then said that the country has been allowing 21 days with no visa requirement to nationals of ASEAN-member countries. With regard to Chinese nationals, he said that this is limited to only five to seven days upon prior submission of the names of people coming into the country. He added that this one of the rules of procedure that the President had clarified when she visited China a few months ago. Moreover, he explained that this is the main reason why the government had granted the Chinese entry into the country without visa for a limited period. He said that this is also very beneficial to the economy of the provinces in Northern Philippines and this is also the reason why Reps. Marcos and Ablan are very supportive of the measure.

In this regard, Rep. Lozada stated that the Committee on Foreign Affairs will convene a meeting to brief the Members on the safety nets that the DFA, the DOT, the PNP and the AFP had formulated in the implementation of the "No Visa Entry" agreement.

In ending his interpellation, Rep. Lozada expressed hope that this clarification would enlighten the Members of the august Body regarding the matter.

Subsequently, the Chair recognized Rep. Ablan for his interpellation.

INTERPELLATION OF REP. ABLAN

Rep. Ablan initially stated that he was glad that Rep. Lozada had made mention of the Executive Order issued by the President after her visit to China a few months ago. He then clarified that Singapore, Malaysia and Thailand have a lot of tourists because they do not have problems with the Chinese from Mainland China who enter their country even without any visa. However, in the case of the Philippines, Chinese nationals from Mainland China are required to secure a Philippine visa before entering the country.

Contrary to what has been said, Rep. Ablan pointed out that tourists from Mainland China who arrive at the Laoag International Airport have visas that have been cleared by the Bureau of Immigration through information technology or computer systems between China and the Philippines. Some of these requirements, he said, are handled by travel agents who are required to submit the names the tourists to the Immigration Bureau through the Philippine Consulates who screen these tourists and determine whether they have been blacklisted in both countries. Moreover, he said that travel agents have a bond of several millions in their respective currencies and are fined P250,000 if one of their tourists does not return to his/her country of origin.

While he is aware that the Philippine government has a different policy with respect to tourists from the People's Republic of China (PROC), Rep. Ablan reminded the Body that Filipinos could go to any place therein, like Xiamen, and secure their visas only upon arrival in said

place. Since it was then the policy of the DFA to require Chinese tourists to the Philippines to secure their visas in Beijing, he continued, Filipino tourists to China were likewise required to get their visas in Manila. However, he stressed that under the aforesaid EO, a Filipino can now go to Shenzhen, cross the border and secure his visa after paying a certain amount. He added that Filipino tourists can even go to Macau or Xiamen and just pay the required fees there. However, he lamented that since the people of PROC are considered by the Philippine government as restricted nationals, they are required by the latter to secure their visas.

Rep. Ablan thereafter asked why Chinese nationals have to secure their visas upon arrival in Laoag City, this as he pointed out that these big spenders are from Mainland China who have deposited, through an arrangement in Hong Kong, \$50,000 in their banks before coming over to the province.

As he is not aware whether there is another international airport other than the Ninoy Aquino International Airport (NAIA) that can generate at least P48 million a month, he disclosed that in a span of three days, tourists who visit Laoag City spend a minimum of P10,000. Thus, he estimated that 100 passengers would translate into P1 million. The 12 flights to Laoag City generate P48 million a month, he stressed, and which amount is plowed into the province's economy and benefit the farmers, fishermen and small entrepreneurs.

Moreover, Rep. Ablan disclosed that the Laoag Casino contributes some P10 million to P11 million a month to the Philippine Amusement and Gaming Corporation, and which share forms part of the national income and is distributed to the local government units, including Bacolod City. Hence, he stressed that goodies coming from Taiwan and the PROC through Laoag City is enjoyed not only by the province because it is distributed to the four corners of the country.

At this point, Rep. Ablan asked whether it was Rep. Puentevella's contention that the people coming through Laoag International Airport are criminals. He guaranteed that said people have been cleared by the Bureau of Immigration (BI), the DFA and the Philippine National Police. He disclosed that these tourists are so protected that they could not even go out of Ilocos Norte, as they are met in the airport by the BI, the Bureau of Customs and Aviation Security Command personnel. The officials of Ilocos Norte are given the opportunity to watch over said tourists because they do not want the latter to be kidnapped, he added.

If there are any points of which Rep. Puentevella would like to be cleared, Rep. Ablan said that he is ready to give the answers, this after giving his assurance that he would be glad to work for and channel flights from Laoag City to Bacolod City in the event that the latter will have an international airport.

At this point, Rep. Puentevella stated that with due respect to Rep. Ablan, he had simply taken the floor to clarify some things. However, he said that he considers it an honor on his part to be interpellated by Rep. Ablan.

Rep. Ablan, in reaction, stressed that he would be glad to explain to Rep. Puentevella to clear any doubts about the tourists arriving in Laoag City.

Rep. Puentevella thanked Rep. Ablan, as well as Rep. Marcos, for their reactions to his speech. However, he clarified that insofar as the Members of the Twelfth Congress are concerned, they would be very happy in case the economy of Northern Luzon zooms up due to the tourism influx brought about by the Laoag International Airport. Just like Rep. Castro, he said that he was merely concerned about the safety nets with respect to people visiting the country who are given less problems than the Filipinos going not only to Mainland China but to Macau and Taiwan as well. As a member of the Committee on Foreign Affairs and just like his other colleagues, he said that he would like to be enlightened on the new policy of the DOT.

Subsequently, Rep. Puentevella stressed that he was not merely talking about Laoag International Airport, because there are also plans to open similar airports in Cotabato City and Davao City and that he wanted to ensure that safety nets are in place. He quoted Rep. Marcos that at present, many nationals from China who have come into the country are behind bars or have peddled narcotics.

Despite Rep. Ablan's assurance that said nationals who visit the country are "clean" because their records have been screened, Rep. Puentevella said that it is a fact that Yakuza members come to Metro Manila almost everyday and are eventually caught by the police after spending a lot of time in the metropolis.

Rep. Puentevella maintained that the screening of nationals who visit the country is not foolproof. He observed that despite the alleged privileges given to Filipino tourists in Beijing and the so-called friendly arrangements between the two countries as a result of the President's last visit to Mainland China, Filipinos still experience difficulties in securing visas thereto.

Pursuing his point, Rep. Puentevella underscored that he simply wanted to course the matter through a hearing so that he could be enlightened on the facts. This, as he noted how a lot of people have been wary of the government's policy on Chinese tourists not only with respect to the Laoag International Airport but to other future potential airports as well. Even as he would like to see the economy grow and tourism prosper, he stressed that security is equally important to the country.

Not a single Chinese from Mainland China or Taiwan has ever been caught in the Laoag International Airport, Rep. Ablan disclosed. Moreover, he said that not one of those Chinese in jail or in immigration detention centers has entered said airport. Yakuza members enter through Manila and not Laoag City, he stressed. He said that he will join Rep. Puentevella should the latter wish to have the entry of the Yakuza members in the airport investigated because the latter are in connivance with the members of the BI.

Moreover, Rep. Ablan said that like Rep. Puentevella, he would like to see security measures in all the airports of the country scrutinized

because he would like the tourists to come in. This as he noted that tourism is the number one builder of economy in countries like Spain and Thailand.

These countries, he observed, do not have problems because they do not require visas. He lamented that tourists do not come to the Philippines because of numerous travel requirements. As claimed by Rep. Marcos, he agreed that the government is very strict. He noted that it would take at least seven days for Chinese nationals to come into the country. Since these people are basically gamblers, he said that they want to come to Laoag City merely to play because their names would be listed as belonging to the Communist Party should they decide to play in Macau.

They do not want to go to Manila because they are afraid of being held up; neither do they want to go to Cebu because of fear of being kidnapped, he observed. Thus, he stressed, these people come to Laoag City. As he further noted that the loss of tourism in the South is a gain of tourism in the North, he expressed hope that the peace and order situation will improve so that more tourists will visit the country.

Rep. Ablan thereupon reiterated his promise than when Bacolod City will have an international airport, he will be glad to channel all the tourists in Laoag City to Bacolod City. He said that he was also glad that Rep. Puentevella had ventilated the issue; otherwise, he would not have been given the chance to clear the name of the Province of Ilocos Norte and the wisdom of the President in declaring a "no visa" policy in Laoag City.

Tourists who go to Subic are not required to have visas, Rep. Ablan observed. On the other hand, he stressed that while tourists to Laoag City are not also given visas, they are scrutinized. These tourists are guaranteed by their travel agents, he continued, and should their names be included in the watch list of either the BI, the PNP or the National Bureau of Investigation, then they cannot be given certificates to go to Laoag City.

REFERRAL OF REP. PUENTEVELLA'S SPEECH

On motion of Rep. De Guzman, there being no objection, the Body referred Rep. Puentevella's speech to the Committee on Foreign Affairs.

SUSPENSION OF SESSION

On motion of Rep. De Guzman, the session was suspended at 6:15 p.m.

RESUMPTION OF SESSION

At 6:16 p.m., the session was resumed.

ADJOURNMENT OF SESSION

Thereupon, on motion of Rep. De Guzman, there being no objection, the Chair declared the session adjourned until four o'clock in the afternoon

of Wednesday, January 16, 2002.

It was 6:16 p.m.

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I hereby certify to the correctness of the foregoing.

(Sgd.) ROBERTO P. NAZARENO
Secretary General

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