

SIXTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
Third Regular Session )



Senate  
Office of the Secretary

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SENATE  
P. S. R. No. 1685

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

RESOLUTION  
DIRECTING THE PROPER SENATE COMMITTEE  
TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION,  
ON THE REPORT THAT THE COMMISSION ON AUDIT HAS ORDERED  
28 GOVERNMENT FIRMS TO RETURN ₱626 MILLION IN ILLEGAL ALLOWANCES

1 WHEREAS, the Constitution, Article 2, Section 27, provides:

2 Section 27. The State shall maintain honesty and integrity in the public  
3 service and take positive and effective measures against graft and corruption.

4 WHEREAS, online news website *Rappler* on 2 November 2015 reported that the  
5 Commission on Audit (COA) has ordered 28 government-owned or controlled corporations  
6 (GOCCs) to return unauthorized cash allowances and incentives amounting to ₱626.119 million;

7 WHEREAS, state auditors allegedly said that the 28 GOCCs should discontinue the  
8 payments of compensation, allowances, benefits, and incentives of Board of Trustees, Board of  
9 Directors, officers and employees that have no legal basis;

10 WHEREAS, the GOCCs red-flagged by the COA reportedly include:

- 11 • The Philippine Economic Zone Authority (PEZA), ₱213.84 million;  
12 • Duty Free Philippines Corporation (DFPC), ₱154.926 million;  
13 • Metro Cebu Water District (Metro Cebu WD), ₱108.26 million; and  
14 • Bangko Sentral ng Pilipinas (BSP), ₱23.156 million;

15 WHEREAS, the Congress, through relevant legislation, should impose strict penalty for  
16 the unlawful disbursement of funds for employee salaries, bonuses, or benefits;

17 WHEREFORE, BE IT HEREBY RESOLVED BY THE PHILIPPINE SENATE to direct  
18 the proper Senate committee to conduct an inquiry, in aid of legislation, on the report that the  
19 Commission on Audit Report has ordered 28 government firms to return ₱626 million in illegal  
20 allowances.

Adopted,

  
MIRIAM DEFENSOR SANTIAGO  
JP