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FOURTEENTH CONGRESS OF THE) REPUBLIC OF THE PHILIPPINES) Second Regular Session)

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SENATE

COMMITTEE REPORT NO. 532

Submitted by the Committee on Public Services on JUN - 2 2009

RE : Senate Concurrent Resolution No. <u>10</u>

Recommending its adoption in substitution of Senate Joint Resolution 27

Sponsor : Senator Revilla

MR. PRESIDENT:

The Senate Committee on Public Services to which was referred S. Jt. Res. No. 27, introduced by Senators Revilla, Honasan, Lacson and Zubiri, *entitled:*

"SENATE RESOLUTION

CLARIFYING THE TRUE INTENSION OF CONGRESS IN THE PROPER IMPLEMENTATION OF R. A. 9497 ALSO KNOWN AS "THE CIVIL AVIATION AUTHORITY OF THE PHILIPPINES"

has considered the same and has the honor to report them back to the Senate with the recommendation that the attached **Senate Concurrent Resolution No.** <u>10</u> be adopted in substitution of S. Joint Resolution No. 27 with Senators Revilla, Honasan, Lacson and Zubiri as authors thereof. Respectfully submitted:



MEMBERS:

EDGARDOJ. ANGARA

GREGÓRIO "Gringo" B, HONASAN

FRANCIS G. ESCUDERO

RICHARD J. GORDON

PANFILO "Ping" M. LACSON

MAR ROXAS

FRANCIS N. PANGILINAN

ALAN PETER S. CAYETANO

JOKER P. ARROYO

EX- OFFICIO MEMBERS:

JINGGOV P. EJERCITO ESTRADA President Pro-Tempore Why? wrong with he old ian. AQUILINO Q. PIMENTEL, JR JUAN MIGUEL F. ZUBIRI Majority Floor Leader Minority Floor Leader

JUAN PONCE ENRILE

Senate President Pasay City

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FOURTEENTH CONGRESS OF THE REPUBLIC) OF THE PHILIPPINES

Second Regular Session

9 JUN -2 P6:29

SENATE

S. CONCURRENT RESOLUTION NO. RECLIGED BY

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Introduced by Senators Revilla, Arroyo, Honasan, Lacson and Zubiri

"SENATE CONCURRENT RESOLUTION

CLARIFYING THAT THE BOARD OF DIRECTORS OF THE CIVIL AVIATION AUTHORITY OF THE PHILIPPINES (CAAP) AS MANDATED UNDER REPUBLIC ACT NO. 9497, OTHERWISE KNOWN AS THE CIVIL AVIATION AUTHORITY ACT OF 2008, HAS THE AUTHORITY TO DETERMINE THE QUALIFICATION STANDARDS OF ITS TECHNICAL PERSONNEL AND THE POWER TO FIX THEIR COMPENSATION AND FRINGE BENEFITS

WHEREAS, on 04 March 2008, Republic Act No. 9497 creating the Civil Aviation Authority of the Philippines (CAAP), thereby, abolishing the Air Transportation Office (ATO) was enacted into law.

WHEREAS, the law addresses the civil aviation problems of the Philippines, especially the downgrading of its status from category one to category two;

WHEREAS, the CAAP is mandated to have jurisdiction over the restructuring of the civil aviation system, the promotion, development and regulation of the technical, operational, safety, and aviation security functions;

WHEREAS, Section 12 of R. A. 9497 states that qualified personnel of the ATO shall be given preference in the filling-up of plantilla positions created under the new CAAP;

WHEREAS, all other personnel and officials affected by the abolition of ATO shall be given the option to avail themselves of the three (3) modes of retirement therein enumberated;

WHEREAS, in determining the qualifications of personnel, including those personnel from ATO, the Board of Directors of the CAAP shall determine the appropriate qualification standards of its technical personnel which should be accorded due recognition by the Civil Service Commission and other concerned agencies and entities;

WHEREAS, Section 18 of R. A. 9497, the Board of Directors shall have the power to determine the new schedule of salaries of the employees of the newly created office subject to the compliance with the existing compensation laws;

WHEREAS, the personnel holding technical positions shall be exempted from the provisions of the existing Compensation Law and their compensation and other fringe benefits shall be determined and fixed by the Board of Directors;

WHEREAS, the Authority is given fiscal autonomy to use all moneys earned from the collection/levy of any and all such fees, charges, dues, assessments and fines it is empowered to collect/levy solely to fund its operations;

WHEREAS, although the Authority operates under its Board of Directors, budget and fiscal matters as well as the qualification standards of personnel are still subject to review by the Department of Management (DBM) and Civil Service Commission (CSC), respectively;

WHEREAS, after more than a year since the law was passed, the Philippine Civil Aviation remains to be under category two status primarily due to lack of qualified technical personnel, which is one of the critical elements imposed by the International Civil Aviation Organization (ICAO);

WHEREAS, on the first week of July 2009, the Federal Aviation Administration– International Aviation Safety Assessment (FAA-IASA) will conduct an audit in the Philippines regarding its compliance to ICAO requirements;

NOW THEREFORE, be it Resolved, as it is hereby Resolved, That by virtue of Republic Act No. 9497, the office of the Civil Aviation Authority of the Philippines (CAAP) was created, thereby abolishing the Air Transportation Office (ATO);

RESOLVED, further, That in the filling up of CAAP plantilla positions, qualified hold over ATO personnel shall be given preference subject to the Rules and Regulations of the Civil Service Commissions (CSC);

RESOLVED, furthermore, That those personnel occupying technical positions shall be exempt from the coverage of the existing compensation laws following the intent of the framers, which explicitly gave the Board the power to fix their compensation and corresponding fringe benefits;

RESOLVED, finally, That the Board of Directors of the CAAP shall be the governing body which shall be responsible for policies and regulations in the operations of the Authority including the determination of the appropriate qualification standards of its technical personnel and the power to fix their compensation and fringe benefits. Resolutions issued by the Board shall constitute as primary authorization for any CAAP activity and should be accorded due recognition by concerned agencies and entities.

Approved,