



REPUBLIC OF THE PHILIPPINES
Senate
Pasay City

Journal

SESSION NO. 79

Tuesday, June 3, 2014

**SIXTEENTH CONGRESS
FIRST REGULAR SESSION**

SESSION NO. 79
Tuesday, June 3, 2014

CALL TO ORDER

At 3:17 p.m., the Senate President, Hon. Franklin M. Drilon, called the session to order.

PRAYER

The Body observed a minute of silent prayer.

SUSPENSION OF SESSION

With the permission of the Body, the Chair suspended the session.

It was 3:18 p.m.

RESUMPTION OF SESSION

At 3:19 p.m., the session was resumed.

ROLL CALL

Upon direction of the Chair, the Secretary of the Senate, Atty. Oscar G. Yabes, called the roll, to which the following senators responded:

Angara, S.	Honasan, G. B.
Aquino, P. B. IV B.	Lapid, M. L. M.
Binay, M. L. N. S.	Legarda, L.
Cayetano, P. S.	Marcos Jr., F. R.
Drilon, F. M.	Pimentel III, A. K.
Ejercito, J. V. G.	Recto, R. G.
Estrada, J.	Sotto III, V. C.

With 14 senators present, the Chair declared the presence of a quorum.

Senators Enrile, Escudero, Osmeña, Poe, Trillanes and Villar arrived after the roll call.

Senator Cayetano (A) was on official mission abroad.

Senator Guingona was likewise on official mission.

Senator Defensor Santiago was on indefinite qualified medical leave as stated in her letter dated May 14, 2013.

Senator Revilla was absent.

APPROVAL OF THE JOURNAL

Upon motion of Senator Angara, there being no objection, the Body dispensed with the reading of the Journal of Session No. 78 (June 02, 2014) and considered it approved.

REFERENCE OF BUSINESS

The Secretary of the Senate read the following matters and the Chair made the corresponding referrals:

**MESSAGES OF THE PRESIDENT
OF THE PHILIPPINES**

Letter of His Excellency, President Benigno S.

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Aquino III, dated 26 May 2014, certifying to the necessity of the immediate enactment of House Bill No. 4296, entitled

AN ACT MANDATING THE COMPLETION OF THE LAND ACQUISITION AND DISTRIBUTION (LAD) COMPONENT OF THE COMPREHENSIVE AGRARIAN REFORM PROGRAM (CARP) PURSUANT TO REPUBLIC ACT NO. 6657, OTHERWISE KNOWN AS THE "COMPREHENSIVE AGRARIAN REFORM LAW," AS AMENDED,

in order to address the immediate need to extend the operation of the Land Acquisition and Distribution (LAD) program under the Comprehensive Agrarian Reform Program (CARP) set to expire on 30 June 2014. As a constitutionally mandated undertaking, it is imperative that the State ensure the completion of an agrarian reform program dedicated to the ideal of a just and equitable distribution of land among tenant farmers. Despite the CARP's initial success in implementing agrarian reform, a substantial portion of the country's agricultural lands remains beyond the program's coverage and will continue to be so unless the program's efficacy is extended. The certification of House Bill No. 4296 provides for the seamless implementation of the LAD and reaffirms this government's dedication to implementing genuine land reform.

To the Committee on Rules

Letter of His Excellency, President Benigno S. Aquino III, dated 26 May 2014, submitting for the Senate's consideration and concurrence the 1999 Montreal Convention for the Unification of Certain Rules for International Carriage by Air, which was signed on 28 May 1999 in Montreal.

To the Committee on Foreign Relations

BILLS ON FIRST READING

Senate Bill No. 2266, entitled

AN ACT TO PROMOTE COST-EFFECTIVE MEASURES FOR THE TRANSPORT SECTOR AND COMMUTING PUBLIC, PROVIDING FOR THE CREATION

OF A NATIONAL TRANSPORTATION SAFETY BOARD, PRESCRIBING ITS POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR

Introduced by Senator Grace Poe

To the Committees on Civil Service and Government Reorganization; Public Services; and Finance

Senate Bill No. 2267, entitled

AN ACT TO FURTHER PROTECT PHILIPPINE CORALS AND OTHER MARINE TREASURES, AMENDING FOR THE PURPOSE SECTIONS 91 AND 97 OF REPUBLIC ACT NO. 8550 OR THE PHILIPPINE FISHERIES CODE OF 1998

Introduced by Senator Grace Poe

To the Committees on Agriculture and Food; and Environment and Natural Resources

RESOLUTIONS

Proposed Senate Resolution No. 681, entitled

RESOLUTION DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE FAILURE OF GOVERNMENT UNITS TO WARN AND PROTECT THE CITIZENS AND TOURISTS OF PANGASINAN AGAINST JELLY FISH ATTACKS

Introduced by Senator Defensor Santiago

To the Committees on Health and Demography; and Local Government

Proposed Senate Resolution No. 682, entitled

RESOLUTION DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE REPORT THAT BAMBOO, AND NOT STEEL BARS, WERE USED FOR REINFORCEMENT IN A DESTROYED SCHOOL BUILDING IN PALO, LEYTE

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Introduced by Senator Defensor Santiago

To the Committee on Public Works

Proposed Senate Resolution No. 683, entitled

RESOLUTION DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE REPORT THAT MANY PHILIPPINE TOWNS ARE STILL WITHOUT FIRE TRUCKS

Introduced by Senator Defensor Santiago

To the Committee on Local Government

Proposed Senate Resolution No. 684, entitled

RESOLUTION DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE REPORT THAT WORKERS ARE BEING HIRED THEN FIRED EVERY FIVE MONTHS TO AVOID REGULARIZATION UNDER THE LAW

Introduced by Senator Defensor Santiago

To the Committee on Labor, Employment and Human Resources Development

Proposed Senate Resolution No. 685, entitled

RESOLUTION DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON REPORTS THAT SYNDICATES USE COURIER CARGO SERVICES TO DELIVER ILLEGAL DRUGS NATIONWIDE

Introduced by Senator Defensor Santiago

To the Committees on Public Order and Dangerous Drugs; and Public Services

Proposed Senate Resolution No. 686, entitled

RESOLUTION DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID

OF LEGISLATION, ON THE REPORT THAT FIREARMS WORTH NEARLY P12M ARE MISSING FROM THE HEADQUARTERS OF THE PHILIPPINE NATIONAL POLICE

Introduced by Senator Defensor Santiago

To the Committee on Public Order and Dangerous Drugs

Proposed Senate Resolution No. 687, entitled

RESOLUTION DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE REPORTED CHOLERA OUTBREAK IN ALAMADA, COTABATO

Introduced by Senator Defensor Santiago

To the Committee on Health and Demography

Proposed Senate Resolution No. 688, entitled

RESOLUTION CONGRATULATING NONITO DONAIRE JR. FOR WINNING THE MAY 31, 2014 WORLD BOXING ASSOCIATION (WBA) FEATHERWEIGHT CHAMPIONSHIP TITLE AT THE COTAI ARENA OF THE VENETIAN RESORT IN MACAU

Introduced by Senator Maria Lourdes Nancy S. Binay

To the Committee on Rules

Proposed Senate Resolution No. 689, entitled

RESOLUTION CONGRATULATING AND COMMENDING NONITO "THE FILIPINO FLASH" DONAIRE, JR. FOR WINNING THE WORLD BOXING ASSOCIATION (WBA) FEATHERWEIGHT TITLE AGAINST SOUTH AFRICAN SIMPIWE VETYEKA AT THE VENETIAN HOTEL AND CASINO IN MACAU, CHINA ON MAY 31, 2014

Introduced by Senator Joseph Victor Ejercito

To the Committee on Rules

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ADDITIONAL REFERENCE OF BUSINESS**COMMITTEE REPORTS**

Committee Report No. 37, submitted by the Committee on Labor, Employment and Human Resources Development, on Senate Bill No. 136, introduced by Senator Ejercito Estrada, entitled

AN ACT REFORMING THE NATIONAL APPRENTICESHIP PROGRAM AND PROVIDING STANDARDS FOR THE TRAINING AND EMPLOYMENT OF APPRENTICES, AND REGULATORY STANDARDS FOR ACCREDITATION OF APPRENTICESHIP PROGRAMS,

recommending its approval without amendment.

Sponsor: Senator Ejercito Estrada

To the Calendar for Ordinary Business

Committee Report No. 38, submitted by the Committee on Labor, Employment and Human Resources Development, on Senate Bill No. 29, introduced by Senator Cayetano (P.), entitled

AN ACT PROHIBITING THE DISCRIMINATION ON THE EMPLOYMENT OF ANY INDIVIDUAL ON THE BASIS MERELY OF AGE,

recommending its approval without amendment, taking into consideration Senate Bill Nos. 730 and 772.

Sponsor: Senator Ejercito Estrada

To the Calendar for Ordinary Business

Committee Report No. 39, submitted by the Committee on Electoral Reforms and People's Participation, on Senate Bill No. 1291, introduced by Senator Ejercito Estrada, entitled

AN ACT AMENDING SECTION 261 (W) OF THE OMNIBUS ELECTION CODE (BATAS PAMBANSA BILANG 881),

recommending its approval without amendment.

Sponsor: Senator Pimentel III

To the Calendar for Ordinary Business**SPECIAL ORDER**

Upon motion of Senator Angara, there being no objection, the Body approved the transfer of Committee Report No. 30 on Proposed Senate Resolution Nos. 436 and 439 from the Calendar for Ordinary Business to the Calendar for Special Orders.

CONSIDERATION OF COMMITTEE REPORT NO. 30

Upon motion of Senator Angara, there being no objection, the Body considered Committee Report No. 30 on Proposed Senate Resolution Nos. 436, entitled

RESOLUTION DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, TO STRENGTHEN LAWS TO ENSURE THE EFFICIENCY, TRANSPARENCY, AND ACCOUNTABILITY OF GOVERNMENT DISASTER RELIEF PROJECTS, ESPECIALLY THOSE INVOLVING INTERNATIONAL AID, FOLLOWING REPORTS THAT BUNKHOUSES BEING DEVELOPED BY THE DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS IN LEYTE AND EASTERN SAMAR THAT ARE MEANT FOR THE VICTIMS OF SUPERTYPHOON YOLANDA ARE OVERPRICED AND DO NOT COMPLY WITH INTERNATIONALLY RECOGNIZED STANDARDS AND BEST PRACTICES;

and Proposed Senate Resolution No. 439, entitled

RESOLUTION DIRECTING THE SENATE COMMITTEE ON PUBLIC WORKS TO INVESTIGATE, IN AID OF LEGISLATION, THE ALLEGED SUBSTANDARD AND OVERPRICED BUNKHOUSES BUILT FOR THE SURVIVORS OF SUPERTYPHOON "YOLANDA" IN THE VISAYAS REGION, AND TO INSTITUTE CORRECTIVE MEASURES TO ENSURE THE SAFETY AND SECURITY OF THOSE DISPLACED BY THE SAID CATASTROPHE.

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Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Angara, only the title of the committee report was read without prejudice to the insertion of its full text into the *Record of the Senate*.

The Chair recognized Senator Marcos for the sponsorship.

SPONSORSHIP SPEECH OF SENATOR MARCOS

Senator Marcos presented to the Body Committee Report No. 30 which, he said, contains the comprehensive report on the bunkhouses constructed to serve as temporary shelter for the victims of supertyphoon "*Yolanda*."

Hereunder is the full text of Senator Marcos' sponsorship speech:

Seven months ago, the whole country was horrified by the unprecedented monstrous typhoon "*Yolanda*" that claimed almost 7,000 lives, and caused unspeakable destruction that left 90% of the Visayas region ravaged. With more than 200,000 families displaced by "*Yolanda*," and more than half a million houses wiped out, generous international and local donors, moved by sympathy and compassion, immediately mobilized global assistance to help the estimated 17 million people in 44 provinces and 171 cities and municipalities from the tragedy.

Like everybody else, I was shocked by the magnitude of the devastation and, at some point, almost refused to believe that it happened, and could happen again. But life has to go on, and we have to face the herculean challenges ahead.

On the 18th of November 2013, after identifying temporary shelter sites, the government started building bunkhouses in Leyte and Eastern Samar, which were earmarked to serve as temporary shelters for the families rendered homeless by the typhoon.

Secretary Panfilo M. Lacson, Presidential Assistant for Rehabilitation and Recovery, together with Architect and Urban Planner, Felino Palafox Jr. and Architect Dan Lichauco, conducted ocular inspection of several bunkhouses on 16 to 20 of January 2014, in three different sites, namely: Guiuan, Eastern Samar and Palo and Tacloban City, Leyte. The initial assessment showed that the bunkhouses were

poorly constructed, which led Architect Palafox Jr., who in his experience in handling post-disaster rehabilitation plans in different countries all over the world, to question the quality of the units which he even claimed to be undersized and substandard based on international criteria.

The initial finding was bolstered by reports of an alleged collusion between contractors and "at least one politician" for possible anomalies in the construction of the bunkhouses. In a letter dated 8 January 2014, Secretary Lacson requested the Criminal Investigation and Detection Group (CIDG) to "conduct an investigation to the said allegations for the purpose of filing the appropriate charges against the perpetrators, if any."

This led to the filing of Proposed Senate Resolution Nos. 436 and 439 by Senators Miriam Defensor Santiago and this Representation, respectively, in order to determine if indeed the bunkhouses were truly substandard and overpriced as alleged; and likewise, to make sure that corrective measures are instituted for the safety and security of the suffering families displaced by the said catastrophe.

Your Committee on Public Works, chaired by this Representation, conducted a committee hearing on 6 February 2014, and on 13 February 2014, subsequently inspected the subject bunkhouses in Barangays 62, 95, 91 in Tacloban City, and Barangay Tacuranga and Pawing, in Palo, Province of Leyte.

During the hearing, your Committee was able to unravel some of the important facts in connection to and surrounding the construction of the subject bunkhouses:

1. The bunkhouses were drawn up in detail by the DPWH. The construction materials for these temporary shelters consisted of coco lumber, corrugated galvanized iron roofing sheets, and marine and ordinary plywood. The floor area of the bunkhouses, with a common toilet and bath, totaled 255.28 square meters.
2. With an estimated total cost of P959,345.00, the DPWH had asked the contractors to reduce the price of the bunkhouses to P836,018,00 by netting out the profit margin and overhead expenses.
3. When the construction of the bunkhouses was about to start, it was reported that many local contractors were not available to undertake the civil works since they were tied up with other projects elsewhere. To remedy the situation, the DPWH had to engage the services of contractors from other

regions of the country to help in undertaking the construction works.

4. The contractors, however, were hard pressed to finish the construction of bunkhouses in a short period of just 30 days, as mandated, or in time for Christmas, despite the fact that the materials needed per specifications of the DPWH were not immediately available.
5. To beat the deadline, the contractors went on to start building the bunkhouses using whatever materials were available, even though they were not in conformity with the specifications prescribed by the DPWH. This meant that substitutes or alternative materials were used instead.
6. As of January 2014, the Committee was informed that 54 families had already occupied the bunkhouses. Per the DSWD, the award of each bunkhouses to the family-occupants was undertaken through a joint assessment by the Department of Social Welfare and Development (DSWD) with its regional offices, and the local government units concerned.

Given the aforementioned factual background, our Committee has identified three major issues that need to be addressed and resolved in the course of the investigation.

1. Whether or not the subject bunkhouses were truly substandard and overprices, as alleged;
2. Whether or not the design of the bunkhouses was in accordance with international standards and current practices in the building of transitional houses; and
3. Whether or not there existed collusion between the private contractors and "at least one politician" that led to the suspicion that there was an anomaly in the construction of the bunkhouses.

After thorough deliberations and careful inspection of the subject bunkhouses, the Committee respectfully submits the following findings:

1. The bunkhouses are under-specifications, as laid down by the Department of Public Works and Highways, thereby making these structures substandard. And this is mainly due to the following reasons:
 - Unavailability at that time of construction materials that conform with the standards set or required by the DPWH;
 - Lack of manpower to undertake the construction of the bunkhouses; and

- Due to the existing exigencies, the bunkhouses had to be constructed and completed despite the lack of specified materials as required by the DPWH.

It is noteworthy to state, however, that despite the deficiencies, the questioned quality of the bunkhouse units are being remedied, and that necessary corrections have been undertaken by the contractors. It is indeed unfortunate that the technical and structural designs set forth by the DPWH were not complied with by the contractors understandably because the specified construction materials were not readily available at the time that the building of the said shelters had to be completed.

Considering the urgent necessity to build these structures, construction proceeded despite the limitations. After all it was argued that saving lives was the primordial goal that could not be compromised.

2. The bunkhouses were not really overpriced since the contractors had not yet been paid even with a single centavo for the expenses that they incurred in building the structures. Furthermore, price adjustment is a reasonable option as long as the underspecified materials are within the minimum standard of the DPWH.

It was clear from the testimony of Sec. Rogelio Singson of DPWH that no payment, much less any downpayment, had been made to the bunkhouses' contractors who eventually were even required to correct the noted deficiencies and flaws of the shelters.

The use of underspecified materials was not intentional but because the agreed materials were not readily available at the time when they were constructed. The contractors were required to construct within a period of 30 days to provide temporary shelter to our countrymen.

Secretary Singson further explained that they are contemplating to make the necessary adjustments and corresponding deductions to the contract price of the bunkhouses so long as the questioned materials will meet the minimum requirement of the DPWH. The said move is acceptable and appears reasonable to the Committee considering the attendant circumstances that were present during the construction of the bunkhouses.

3. As regards the issue of non-compliance with international standards for bunkhouses, the Committee found that ideally, the guidelines in constructing temporary or transitional houses, among others, for people displaced

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by natural or man-made calamities are spelled out in the *Sphere Handbook of International Standards*. This handbook, which was used in several countries devastated by great calamities, contains life-saving humanitarian response to people affected and displaced by disasters.

Nonetheless, the question raised was: Has this been followed in the construction of the bunkhouses in the Visayas region? The conclusion was that the bunkhouses were not in compliance with the international standards in building transitional houses. This is precisely because these were built using the available materials and resources which were not necessarily according to the specification. The prevailing emergency situation then compelled the government to undertake the immediate construction of the bunkhouses despite the lack of quality resources, with the objective of saving lives, which was considered as far more important than complying with the requirements of the law when compliance could not be possible given the constraint of time and resources.

4. The Committee on Public Works likewise looked into the alleged "collusion" between the private contractors and "at least one politician" that allegedly tainted the construction of the bunkhouses with anomaly.

During the committee hearing, it was learned that Secretary Lacson had tasked the Criminal Investigation and Detection Group (CIDG) of the Philippine National Police to investigate this matter thoroughly.

P/CSupt. Benjamin Magalong of the CIDG testified that Secretary Lacson never mentioned any name of a politician involved in the alleged anomaly.

The CIDG, however, assured the Committee of its commitment to undertake a more thorough investigation on this specific issue of collusion, and should there exist supporting evidence to prove the alleged anomaly, the issue would be addressed forthwith by pursuing the proper legal action against persons or entities found responsible for any irregularity.

Also, in the course of the investigation, it was revealed that the Department of Social Welfare and Development had imposed stringent requirements for families to be qualified for temporary shelter units. The extremely long and arduous bureaucratic processes have prevented family-beneficiaries to immediately occupy the bunkhouses despite the emergency situation that they were confronted with. This actually

negated the earnest efforts and goals of the national and local governments to ensure and secure the welfare of the family-casualties, who continued to be exposed to the man-made and natural hazards, as they could not immediately transfer to the reserved bunkhouses due to impractical technicalities set forth by the DSWD and which could not be complied with given the loss of documents and other required data and information that had to be submitted to the DSWD.

In view of the foregoing, the Committee respectfully recommends that:

1. Legislative measures should be introduced amending Republic Act No. 6541, as amended by Presidential Decree No. 1096 or the National Building Code, and other related laws that would clearly define the minimum design guidelines in building temporary structures, and even permanent evacuation centers to be built in local government units in calamity-prone areas;
2. The proposal to create the Department of Housing and Urban Development introduced in both houses of Congress should be expeditiously approved in order to have a specific government agency that would be focused on the housing or shelter needs of the people.
3. A legislative measure should likewise be introduced for possible amendment to Republic Act No. 9184 or the Government Procurement Reform Act, that will introduce provisions that prevent unscrupulous contractors, government officials and employees from taking advantage of the emergency situation when the construction of buildings has to be undertaken as an aftermath of disasters by simply resorting to the use of substandard materials, thereby compromising the structural integrity and liveable quality of the structures.
4. The DSWD should be flexible enough to simplify the process and procedure of identifying family-beneficiaries qualified for comprehensive assistance from the government, giving priority to the provisions of basic and important necessities of the most needy and endangered.
5. The CIDG investigation on the reported collusion between private contractors and "at least one politician" that raised suspicion of alleged irregularities in the construction of the bunkhouses should be vigorously and expeditiously pursued. Should the facts and evidence warrant, appropriate administrative,

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criminal and civil charges should be filed against the perpetrators.

With the catastrophic horrors of *Yolanda*, our readiness to respond to such unprecedented scale of destruction has certainly been put to test. Admittedly, we can honestly claim that much has been learned from this disaster and other less devastating calamities.

As we move on beyond the pain from this unspeakable tragedy, we are now armed with a more resilient spirit and a firm resolve to face whatever future challenges nature confront us with.

SUSPENSION OF CONSIDERATION OF COMMITTEE REPORT NO. 30

Upon motion of Senator Angara, there being no objection, the Body suspended consideration of Committee Report No. 30.

COMMITTEE REPORT NO. 33 ON SENATE BILL NO. 2159 (Continuation)

Upon motion of Senator Angara, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2159 (Committee Report No. 33), entitled

AN ACT AMENDING REPUBLIC ACT NO. 7721, OTHERWISE KNOWN AS "AN ACT LIBERALIZING THE ENTRY AND SCOPE OF OPERATIONS OF FOREIGN BANKS IN THE PHILIPPINES AND FOR OTHER PURPOSES."

Senator Angara stated that the parliamentary status was the period of committee amendments.

Thereupon, the Chair recognized Senator Osmeña, sponsor of the measure.

COAUTHOR

Senator Osmeña manifested that Senator Villar is coauthor of Senate Bill No. 2159.

SUSPENSION OF SESSION

Upon motion of Senator Osmeña, there being no objection, the session was suspended.

It was 3:45 p.m.

RESUMPTION OF SESSION

At 3:49 p.m., the session was resumed.

MANIFESTATION OF SENATOR VILLAR

Senator Villar manifested her desire to ask the Sponsor how foreign banks could extend real estate loan considering the constitutional prohibition to own real property. In reply, Senator Osmeña cited Section 7 of the measure which seeks to insert a new provision in Section 9 of the law, to wit:

"Section 9. *Participation in Foreclosure Proceedings.* – Foreign banks which are authorized to do banking business in the Philippines through any of its modes of entry under Section 2 shall be allowed to bid and take part in foreclosure sales of real property mortgaged to them, as well as to avail of enforcement and other proceedings, and accordingly take possession of the mortgaged property, for a period not exceeding five (5) years from actual possession: *Provided*, that in no event shall title to the property be transferred to such foreign bank. In case said bank is the winning bidder, it shall, during the said five (5)-year period, transfer its rights to a qualified Philippine national, without prejudice to a borrower's right under applicable laws. Should the bank fail to transfer such property within the five (5)-year period, it shall be penalized one half (1/2) of one percent (1%) per annum of the price at which the property was foreclosed until it is able to transfer the property to a qualified Philippine national."

Senator Villar believed that it would be difficult to encourage foreign banks to operate in the Philippines if they would not be allowed to accept real estate as collaterals.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2159

Upon motion of Senator Angara, there being no objection, the Body suspended consideration of the resolution.

SPECIAL ORDER

Upon motion of Senator Angara, there being no objection, the Body approved the transfer of Committee Report No. 37 on Senate Bill No. 136 from the Calendar for Ordinary Business to the Calendar for Special Orders.

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**COMMITTEE REPORT NO. 37
ON SENATE BILL NO. 136**

Upon motion of Senator Angara, there being no objection, the Body considered, on Second Reading, Senate Bill No. 136 (Committee Report No. 37), entitled

**AN ACT REFORMING THE NATIONAL
APPRENTICESHIP PROGRAM AND
PROVIDING STANDARDS FOR THE
TRAINING AND EMPLOYMENT OF
APPRENTICES, AND REGULATORY
STANDARDS FOR ACCREDITATION
OF APPRENTICESHIP PROGRAMS.**

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Angara, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

Thereupon, the Chair recognized Senator Estrada, sponsor of the measure.

**SPONSORSHIP SPEECH
OF SENATOR ESTRADA**

Senator Estrada delivered his sponsorship speech speech, as follows:

On my second term as a senator and in my capacity as chairperson of the Committee on Labor, Employment and Human Resources Development, I wish to leave behind a landmark legislation that will help address the persistent and unabated problem of unemployment in our country.

A recent survey of the Social Weather Stations (SWS) claims that joblessness reached 25.7% which is equivalent to an estimated 11.5 million adult Filipinos. Additionally, a member of the Cabinet of the present administration admits that "much more need to be done to create even more meaningful job opportunities for a large number of Filipinos."

It is thus a privilege to sponsor Committee Report No. 37, the Apprenticeship Training Act of 2014, which seeks to institute reforms and conduct massive advocacy on the apprenticeship program to encourage both the enterprises and prospective apprentices in order to promote skills acquisition and youth employment.

Apprenticeship in the Philippines has been implemented as a system both for training and employment. For the past 50 years or so, the

apprenticeship program has become more employment-oriented and its training orientation has been given less attention. In 1994, with the passage of Republic Act No. 7796, the management of the program was transferred from the Department of Labor and Employment (DOLE) which gives emphasis on skills training. The objective was to ensure that a steady supply of skilled workers would be made available through a strong collaboration between TESDA and the enterprises.

Since the program's transfer to TESDA, however, the expected reforms on the program's implementation did not fully materialize. It remained to be governed based on the provisions of the Labor Code. It was further hampered by the provision of Executive Order No. 111 issued in 1986 that limited the training duration to only six (6) months. Because of this, the program did not get the much-needed support from employers. The apprentices, on the other hand, view it as an employment option rather than as a tool for skill formation.

For the past five years, the number of enterprises participating in the program has remained very low. As of 2013, there were only 875 enterprises with registered programs with TESDA. The number of apprentices, on the other hand, reached only an average of 65,000 every year which represents only 4.0% of the total population of the TVET graduates.

ADB study reveals that the Philippine Youth Not in Employment Education or Training (NEET) rate is relatively high compared to other countries. There are about one in four youth who are outside employment and education and training system. Majority of those are women and young people from lower income family. Given the current problem of growing youth unemployment and the existing job skills mismatch, there is a need to strengthen the implementation of the program. The training that the youth would get through apprenticeship would give them the competencies and the experience to qualify for existing and future jobs.

This calls for comprehensive reforms in the implementation of the apprenticeship program which could be done only through the amendment of the relevant provision of the Labor Code and Executive Order No. 111. In particular, the reforms shall be covered by the following provisions of the proposed bill:

1. Making the apprenticeship program purely a training program so that the focus would be on the skills development of the apprentices within enterprises;

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2. Provision for a well-structured combination of theoretical and practical instruction that would be indicated in the training plan to be submitted by the enterprise;
3. Apprenticeable qualifications including the competencies to be learned to be promulgated by the TESDA Board;
4. Apprenticeship period to be determined based on the complexity of the skills to be learned by the apprentices;
5. Registration of apprenticeship program can be by qualification, cluster of competencies, or unit of competency. Bundling of qualification is likewise allowed;
6. Issuance of a training certificate to the apprentice is mandatory for the company;
7. Application of dual training system approach as to the apprenticeship scheme;
8. Exemption of certified apprenticeship graduates from probationary employment once retained or absorbed as regular workers by the enterprise;
9. Application of a system of equivalency in the program that would make completion of apprenticeship comparable to a formal training program in a Technical and Vocational Education and Training (TVET) institution;
10. Compulsory training of apprentices in certain trade, occupations, jobs or employment levels where shortage of trained manpower is deemed critical as determined by the TESDA Board;
11. Mandatory competency assessment of apprentices and certification of passers; and
12. Creation of Apprenticeship Training Fund which shall be derived from the apprenticeship fee paid by every firm owner in industries employing workers in apprenticeable qualifications.

I am confident that the members of this Chamber shall be in the forefront to support a measure that will help address the problem of unemployment in the country. Thus, I earnestly seek the immediate approval of this bill.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 136

Upon motion of Senator Angara, there being no objection, the Body suspended consideration of the bill.

COMMITTEE REPORT NO. 33 ON SENATE BILL NO. 2159 (Continuation)

Upon motion of Senator Angara, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2159 (Committee Report No. 33), entitled

AN ACT AMENDING REPUBLIC ACT
NO. 7721, OTHERWISE KNOWN AS
"AN ACT LIBERALIZING THE
ENTRY AND SCOPE OF OPERATIONS
OF FOREIGN BANKS IN THE
PHILIPPINES AND FOR OTHER
PURPOSES."

Senator Angara stated that the parliamentary status was the period of committee amendments.

COMMITTEE AMENDMENTS

As proposed by Senator Osmeña, there being no objection, the following committee amendments were approved by the Body, one after the other:

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1. On line 12, after the words "PUBLICLY-LISTED," insert the phrase IN ITS COUNTRY OF ORIGIN;
2. On line 17, after the phrase "AT LEAST seventy percent (70%)," insert the phrase OR ANY SUCH AMOUNT AS MAY BE DETERMINED BY THE MONETARY BOARD;

The session was suspended and was resumed shortly thereafter.

3. On line 22, after the phrase "AS NATIONAL INTEREST MAY REQUIRE," delete the opening bracket (I) and the figure "(ii)" and insert the phrase THE MONETARY BOARD SHALL (I);
4. On line 26, replace "(iii)" with (II);
5. On line 32, remove the closing bracket (I) after the word "Philippines";

Page 3

6. On line 28, replace the word "CAREGORY" with CATEGORY;

Pages 4 and 5

7. Delete lines 32 to 35 on page 4 all the way

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to lines 1 to 3 on page 5, to wit: "PROVIDED, HOWEVER, THAT THE MONETARY BOARD MAY PRESCRIBE A HIGHER SINGLE BORROWER'S LIMIT FOR A FOREIGN BANK UP TO THE EQUIVALENT OF ITS PERMANENTLY ASSIGNED CAPITAL FOR THE PURPOSE OF PROMOTING FOREIGN INVESTMENTS," and in lieu thereof insert the sentence THE SINGLE BORROWER'S LIMIT FOR A DOMESTIC BANK OR FOREIGN BANK SHALL BE TWENTY-FIVE PERCENT (25%) OF ITS NET WORTH.

Page 7

8. Delete the opening bracket () before the word "after" on line 7 and the closing bracket () after the word "Philippines" on line 8.

TERMINATION OF THE PERIOD OF COMMITTEE AMENDMENTS

There being no further committee amendment, upon motion of Senator Angara, there being no objection, the Body closed the period of committee amendments and proceeded to the period of individual amendments.

TERMINATION OF THE PERIOD OF INDIVIDUAL AMENDMENTS

There being no individual amendment, upon motion of Senator Angara, there being no objection, the Body closed the period of individual amendments.

APPROVAL OF SENATE BILL NO. 2159 ON SECOND READING

Submitted to a vote, there being no objection, the Chair declared Senate Bill No. 2159 approved on Second Reading.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2159

Upon motion of Senator Angara, there being no objection, the Body suspended consideration of the bill.

SUSPENSION OF SESSION

Upon motion of Senator Angara, the session was suspended.

It was 4:13 p.m.

RESUMPTION OF SESSION

At 4:23 p.m., the session was resumed.

COMMITTEE REPORT NO. 25 ON SENATE BILL NO. 2211 (Continuation)

Upon motion of Senator Angara, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 2211, entitled

AN ACT STRENGTHENING CONSUMER PROTECTION IN THE PURCHASE OF BRAND NEW MOTOR VEHICLES AND FOR OTHER PURPOSES.

Senator Angara stated that the parliamentary status was the period of committee amendments.

Thereupon, the Chair recognized Senator Aquino, sponsor of the measure.

TERMINATION OF THE PERIOD OF COMMITTEE AMENDMENTS

There being no committee amendment, upon motion of Senator Angara, there being no objection, the Body closed the period of committee amendments and proceeded to the period of individual amendments.

SOTTO AMENDMENTS

As proposed by Senator Sotto and accepted by Senator Aquino, there being no objection, the Body approved the following amendments, one after the other:

1. On page 2, delete lines 21 to 22; and
2. Reletter the succeeding subsections accordingly.

Senator Sotto explained that importers, particularly those in the gray market, should not be included in the law. He said that it would be detrimental to the legal distributors of imported cars and manufacturers in the Philippines if importers shall be included.

So that it cannot be said that he may benefit from the measure, Senator Sotto disclosed that he was a former chairman and part-owner of Autohaus BMW, the distributor of BMW in the Philippines. He said that he divested his properties from the firm when he was appointed chairman of the Dangerous Drugs Board.

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INQUIRY OF THE CHAIR

Asked by the Chair whether there was any other reference to "importer" in the rest of the bill, Senator Aquino replied in the negative, clarifying that importers were not intended to be part of the bill.

TERMINATION OF THE PERIOD OF INDIVIDUAL AMENDMENTS

There being no other individual amendment, upon motion of Senator Angara, there being no objection, the Body closed the period of individual amendments.

APPROVAL OF SENATE BILL NO. 2211 ON SECOND READING

Submitted to a vote, there being no objection, Senate Bill No. 2211 was approved on Second Reading.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2211

Upon motion of Senator Angara, there being no objection, the Body suspended consideration of the bill.

SUSPENSION OF SESSION

Upon motion of Senator Angara, the session was suspended.

It was 4:28 p.m.

RESUMPTION OF SESSION

At 4:35 p.m., the session was resumed.

COMMITTEE REPORT NO. 19 ON SENATE BILL NO. 27

(Continuation)

Upon motion of Senator Angara, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 27 (Committee Report No. 19), entitled

AN ACT TO EFFECTIVELY INSTILL HEALTH CONSCIOUSNESS THROUGH PICTURE-BASED WARNINGS ON TOBACCO PRODUCTS.

Senator Angara stated that the parliamentary status was still the period of individual amendments.

Thereupon, the Chair recognized Senator Cayetano (P), sponsor of the measure, and Senator Enrile for his amendments.

AMENDED COPY OF SENATE BILL NO. 27 AS OF MAY 28, 2014

Senate President Drilon stated that the Body would be using as basis for the amendments the amended copy of the bill as of May 28, 2014.

ENRILE AMENDMENTS

As proposed by Senator Enrile and accepted by the Sponsor, there being no objection, the Body approved the following amendments:

1. On page 8, line 20, after the word "be," replace the word "made" with IMPOSED; and
2. On the same page, lines 21 and 22, after the acronym "DOH," delete the phrase "or other appropriate body."

ENRILE-CAYETANO (P) AMENDMENT

As originally proposed by Senator Enrile and modified by Senator Cayetano (P), there being no objection, the Body approved to delete on page 8a, from lines 29 and 29a, the phrase "THE MANUFACTURERS AND IMPORTERS OF CIGARETTES AND TOBACCO PRODUCTS AS WELL AS."

Senator Cayetano (P) said that the aforementioned amendment, which was agreed upon by her and Senator Enrile, was based on the World Health Organization's Framework Convention on Tobacco Control which obliged the Philippines, being a signatory to it, to protect the setting and the implementation of its policies with respect to tobacco control. She stated that the amendment recognizes the fact that there is a fundamental and irreconcilable conflict between the tobacco industry's interest and public health policies and, as such, the Parties to the Convention should not allow any person to make recommendation on anything that is prescribed in the bill. She stated that the concern was also raised by Senator Defensor Santiago.

Senator Enrile affirmed the statement of Senator Cayetano (P).

PROPOSED AMENDMENTS OF SENATOR SOTTO

On page 3, line 17, after the word "unit" and the

comma (,) Senator Sotto proposed to delete the words "master cases."

Senator Sotto stated that the strength and the integrity of the master cases would be severely compromised if printed thereon the graphic health warnings, using similar printing process for packs, because of the multiple passes that they have to undergo during printing. He said that when these master cases are weakened, they no longer become usable for transport purposes. He further pointed out that no country in the world prints graphic or text warnings on master cases and that there is no technology capable of printing large picture-based health warnings on master cases using the standards provided by the measure.

In reply, Senator Cayetano (P) explained that a similar amendment was earlier raised by Senator Enrile but was not approved because of the fact that in the Philippines, particularly in the provinces, the boxes are used for display either intentionally or unintentionally because there are no storage areas where they can be stored. Since boxes are used and reused to transport products, she said that the packages which bear the logo of the cigarette companies will continually be advertised, particularly to the youth which is the most vulnerable sector, without any corresponding warnings. She said that when Senator Enrile introduced the amendment, she manifested her agreement only on the condition that an alternative warning is placed on the package just to make sure that there is some kind of a graphic warning in it even if it does not have the same quality or does not have full color prints similar to what cigarette packs have.

As a compromise, Senator Sotto suggested to put text warnings instead of picture warnings. He agreed that the youth sector is one of the targets of the warning and that master cases are also used for other purposes, but he pointed out that majority of those exposed to master cases are still the "kargadors" or loaders. He suggested the use of text warnings instead, so that the tobacco industry would not be burdened with additional production cost.

At this juncture, Senator Cayetano (P) suggested the setting aside of the proposal in the meantime as she would ask her resource persons to explore the suggestion of Senator Sotto and to look for an alternative amendment.

On page 3 (a), line 23 and 24, after the word "packages," Senator Sotto proposed to replace the phrase "found in the market" with MANUFACTURED OR IMPORTED.

Senator Sotto explained that the measure should provide an exhaustion or transition period longer than the one year provided in the bill to allow products without graphic warning to be consumed in the market.

Relative thereto, Senator Sotto also proposed to delete on page 6, line 19(a), the phrase "from the issuance of the templates by the DOH" and replace it with the phrase AFTER THE END OF THE TRANSITION PERIOD. He stated that manufacturers have requested a 12- to 14-month transition period to allow them to acquire, install and test machines that will be used to print picture-health warnings, and that at the end of the 12th month, which is the transition period, they shall withdraw packs with text warnings as required under the bill. On the other hand, he said that manufacturers and the rest of the supply chain, namely, the distributors, wholesalers and retailers, need a reasonable period of time to exhaust old stocks or those that bear textual health warnings. He pointed out that the transition period and its transition date, which is 12 months from the date of the initial set of health warnings released by the regulator, are distinct from the exhaustion period, which should be counted from the transition date.

Asked by the Chair whether the transition and the exhaustion periods refer to 24 months from the time the template is issued, Senator Sotto clarified that transition period covers 12 months, after which cigarette packs should already contain graphic health warnings, but he believed that those without warnings should still be sold after 12 months. The Chair noted that cigarettes might already be in retail stores by that time.

Senator Cayetano (P) recalled that the initial proposal was for a transition period of 90 days; however, during a dialogue with the different members of the industry, some were amenable to six months, one even four months, and others were requesting an extension of the 90 days. In fact, she said that to the surprise of the manufacturers who were willing to comply from ninety days to six months, the Committee provided an even longer transition and exhaustion period of 12 months.

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The Chair confirmed the statement of Senator Cayetano (P), adding that one of the manufacturers even put in a position paper his company's agreement to comply within 12 months, a period that is even longer than what they were requesting.

Senator Sotto asked whether the manufacturer cited was an importer because, if so, he will withdraw his proposal because, indeed, an importer can sell products in a period of nine months or less. Senator Cayetano (P) replied that one of those who proposed a shorter period was JTI and another one was British-American Tobacco; on the other hand, Philip Morris asked for more time.

Senator Cayetano (P) assumed that within nine or ten months, the manufacturers would replenish their stocks, and they might comply earlier so that their products with the graphic health warning would be on the market. She said that it would be impossible for them to assume that they would only put the graphic warnings on the day after the one-year period, otherwise, their products will not be on the market. She maintained that the law simply provided the transition and exhaustion period, and for the manufacturers to comply within that period, they could comply earlier so that they would not run out of stocks.

SUSPENSION OF SESSION

Upon motion of Senator Sotto, the session was suspended.

It was 4:56 p.m.

RESUMPTION OF SESSION

At 4:59 p.m., the session was resumed.

Senator Sotto raised the possibility that the tobacco industry would slow down because they could no longer manufacture without graphic health warnings until they set up the machines and new packaging.

Senator Sotto then reiterated his proposed amendment on page 3a, lines 23 and 24, to delete the phrase "found in the market" and in lieu thereof, insert the phrase MANUFACTURED OR IMPORTED INTO THE PHILIPPINES.

SUSPENSION OF SESSION

Upon motion of Senator Sotto, the session was suspended.

It was 5:02 p.m.

RESUMPTION OF SESSION

At 5:03 p.m., the session was resumed.

Senator Cayetano (P) did not accept the proposed amendment.

On page 4a, line 13, Senator Sotto proposed the deletion of the word and figure "sixteen (16)" and its substitution with the word and figure EIGHT (8).

Senator Sotto stated that the variations used by other countries, particularly in the ASEAN region, are lower than 16. In particular, he said that Singapore had six variations in 2004 and 2006; Brunei had six variations up to 2012; Malaysia has six variations; and Indonesia has five variations. He pointed out that at 16 variations over a 24-month period, each health warning will only appear for 45 days, whereas for eight variations, each health warning will appear for 90 days. He noted that a longer period would be more effective in instilling the warning among the consumers' consciousness.

At this juncture, Senate President Drilon pointed out that in the same page and line, the word "minimum" was replaced by the word "maximum."

Senator Cayetano (P) further clarified that prior to the Enrile amendment, the bill indicated a period of 12 months for eight variations, but when Senator Enrile proposed to amend it to "a maximum of eight (8)," the period was extended to two years, and Senator Enrile agreed to "a maximum of sixteen (16)" since it would basically be similar to eight in a year. She said that she could not accept Senator Sotto's proposed amendment.

SOTTO AMENDMENTS

On page 4, lines 10 and 11, Senator Sotto proposed the deletion of the phrase "in accordance with guidelines prescribed by the DOH, or in the absence thereof."

Senator Sotto explained that the phrase would give the wrong impression that the DOH can prescribe



a higher resolution or more colors, and the phrase "resolution of 300 dpi using 4-color printing" would only operate in the absence of the DOH guidelines.

Senator Cayetano (P) noted that Senator Escudero had a similar concern and proposed a similar amendment, which is the deletion of the phrase "or in the absence thereof" on page 4, line 11. She said that with the deletion of that phrase, it would clarify the standard "in full color, with a resolution of 300 dpi using 4-color printing" while still acknowledging that DOH can provide guidelines that would not stray from the standard.

On page 4, line 11, as proposed by Senator Sotto and modified and accepted by the Sponsor, the Body approved the deletion of the phrase "or in the absence thereof."

On page 11, lines 24 to 28, Senator Sotto asked on the rationale of Section 18 (*Other Obligations of the Tobacco Industry*). Senator Cayetano (P) explained that it was simply a declaration of responsibility addressed to the social conscience of those in the tobacco industry, specifically in informing the public of the health hazards of the product that they are selling.

At this juncture, Senate President Drilon asked whether the deletion of Section 18 would diminish the legal obligation of the manufacturer or the importer of tobacco. Senator Cayetano (P) expressed willingness to delete the provision to ensure that the manufacturers would be conscious of their social responsibility. She nevertheless agreed to its deletion.

There being no objection, the Body approved the deletion of lines 24 to 28 of page 11 and the renumbering of the succeeding sections accordingly.

Asked by Senator Sotto if Section 20 (*Repealing Clause*) includes Section 13 (a) to (e) of RA 9211 and DOH administrative orders, Senator Cayetano (P) replied in the affirmative.

Senate President Drilon pointed out that the operative act in Section 20 of the measure would be that the laws, decrees, executive orders, administrative orders, and parts thereof which are inconsistent with the measure are so repealed.

At this point, Senator Cayetano (P) emphasized that the DOH and its attached agencies would be

fully in charge of the implementation of the law. She lamented that despite making the same declaration during the consideration of R.A. No. 9711 which created the Food and Drug Authority, tobacco companies still chose to question the FDA's jurisdiction in implementing and overseeing health-related issues on tobacco products.

Finally, Senator Sotto asked Senator Cayetano (P) and the Committee to review the penalties provided for in the measure which, he noted, are stiffer than the penalties in the Dangerous Drugs Act. In response, Senator Cayetano (P) manifested that some of the penalties were already reduced during the period of committee amendments. However, she expressed willingness to accept further recommendations.

At this point, Senate President Drilon noted that the House version provided for lower penalties; hence, he suggested that notwithstanding the passage of the bill on Third Reading, the Senate would carry the mandate of flexibility, insofar as the penalties are concerned, in the Bicameral Conference Committee.

TERMINATION OF THE PERIOD OF INDIVIDUAL AMENDMENTS

There being no other individual amendment, upon motion of Senator Angara, there being no objection, the Body closed the period of individual amendments.

APPROVAL OF SENATE BILL NO. 27 ON SECOND READING

Submitted to a vote, there being no objection, Senate Bill No. 27 was approved on Second Reading.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 27

Upon motion of Senator Angara, there being no objection, the Body suspended consideration of the bill.

MANIFESTATION OF SENATOR SOTTO

Senator Sotto manifested that while he just voted in favor of the approval of the bill on Second Reading, he wanted Senator Cayetano (P) to update him regarding his proposal on the master cases. In reply, Senator Cayetano (P) said that the Committee would present options on how the master cases would be handled during the bicameral conference.

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**SECOND ADDITIONAL
REFERENCE OF BUSINESS**

The Secretary of the Senate read the following matters and the Chair made the corresponding referrals:

BILL ON FIRST READING

Senate Bill No. 2268, entitled

AN ACT AMENDING REPUBLIC ACT NUMBERED THREE THOUSAND FIVE HUNDRED NINETY-ONE, AS AMENDED, AND OTHER RELATED LAWS, TO ENHANCE THE RESOLUTION AND LIQUIDATION FRAMEWORK FOR BANKS AND BANKING INSTITUTIONS, AND TO STRENGTHEN THE INDEPENDENCE, AUTHORITY AND FINANCIAL CAPABILITY OF THE PHILIPPINE DEPOSIT INSURANCE CORPORATION, AND FOR OTHER PURPOSES

Introduced by Senator Osmeña III

To the Committee on Banks, Financial Institutions and Currencies

COMMITTEE REPORTS

Committee Report No. 40, prepared and submitted by the Committee on National Defense and Security, on Senate Bill No. 2269, with Senator Trillanes IV as author thereof, entitled

AN ACT AMENDING SECTION 4(B) OF REPUBLIC ACT NO. 7898, OTHERWISE KNOWN AS THE AFP MODERNIZATION ACT, AS AMENDED BY REPUBLIC ACT NO. 10349, ESTABLISHING THE "REVISED AFP MODERNIZATION PROGRAM," AND FOR OTHER PURPOSES,

recommending its approval in substitution of Senate Bill No. 1658.

Sponsor: Senator Trillanes IV

To the Calendar for Ordinary Business

Committee Report No. 41, prepared and submitted jointly by the Committees on Women, Family Relations and Gender Equality; and Constitutional Amendments and Revision of Codes, on Senate Bill No. 2270, with Senators Maria Lourdes Nancy S. Binay, Cayetano (P.) and Defensor Santiago as authors thereof, entitled

AN ACT ENSURING THE FUNDAMENTAL EQUALITY OF MEN AND WOMEN UNDER THE LAWS ON MARRIAGE AND FAMILY RELATIONS, AMENDING FOR THE PURPOSE EXECUTIVE ORDER NO. 209, OTHERWISE KNOWN AS THE FAMILY CODE OF THE PHILIPPINES, AND FOR OTHER PURPOSES,

recommending its approval in substitution of Senate Bill Nos. 1260 and 2072.

Sponsor: Senator Cayetano (P.)

To the Calendar for Ordinary Business

Committee Report No. 42, submitted by the Committee on Women, Family Relations and Gender Equality, on Senate Bill No. 1647, introduced by Senator Maria Lourdes Nancy S. Binay, entitled

AN ACT REPEALING THE CRIME OF PREMATURE MARRIAGE UNDER ARTICLE 351 OF ACT NO. 3185, OTHERWISE KNOWN AS THE REVISED PENAL CODE,

recommending its approval without amendment.

Sponsor: Senator Cayetano (P.)

To the Calendar for Ordinary Business

SPECIAL ORDER

Upon motion of Senator Angara, there being no objection, the Body approved the transfer of Committee Report No. 41 on Senate Bill No. 2270 from the Calendar for Ordinary Business to the Calendar for Special Orders.

**COMMITTEE REPORT NO. 41
ON SENATE BILL NO. 2270**

Upon motion of Senator Angara, there being no objection, the Body considered, on Second Reading,

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Senate Bill No. 2270 (Committee Report No. 41), entitled

AN ACT ENSURING THE FUNDAMENTAL EQUALITY OF MEN AND WOMEN UNDER THE LAWS ON MARRIAGE AND FAMILY RELATIONS, AMENDING FOR THE PURPOSE EXECUTIVE ORDER NO. 209, OTHERWISE KNOWN AS THE FAMILY CODE OF THE PHILIPPINES, AND FOR OTHER PURPOSES.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Angara, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

Thereupon, the Chair recognized Senator Cayetano (P), sponsor of the measure.

**SPONSORSHIP SPEECH
OF SENATOR CAYETANO (P)**

Senator Cayetano (P) delivered her sponsorship speech, as follows:

Our country has proudly accepted recognition as one of the most gender-equal nations in the world. The Philippines is the best performer in the Asia-Pacific region when it comes to equality between genders, and we have been identified as a global leader in gender equality, outranking even the United States and the United Kingdom.

However, despite the landmark legislation we have passed and have been recognized for, there remain vestiges of gender insensitivity and discrimination against women in our laws.

As such, I rise before you today to sponsor two committee reports seeking to amend provisions that are unjustly biased against women, and eliminate the inequality between genders as codified in our current law.

Amendments to the Family Code

The first is Committee Report No. 41, which introduces amendments to Executive Order No. 209, otherwise known as the Family Code of the Philippines. The Family Code, as amended, contains several provisions that hold the decision of the husband or father, supreme over that of the wife or mother.

As a background, Executive Order No. 209 was a presidential proclamation made in 1987, almost 30 years ago. And although it introduced many subsequent changes, gender-biased provisions which are remnants of the Civil Code passed in 1950, still remain, to wit:

- Article 14, which deals with the requirement of parental consent for marriage of a child aged between eighteen (18) and twenty-one (21) years old, accords primacy to the consent of the father over the mother.
- Articles 96 and 124, which deal with the administration of community property and conjugal partnership, respectively, state that although administration and enjoyment belong to both spouses jointly, the husband's decision shall prevail in case of disagreement. The wife's only recourse is to bring such matter before the courts.
- Article 211 states that the father and mother shall jointly exercise parental authority over their common children, but the father's decision shall prevail in case of disagreement. The rearing of children is a joint and collaborative effort between the father and mother. There is no rational explanation for according more weight to the decision of the father in the exercise of parental authority.
- Finally, Article 225, which states that the father and mother shall jointly exercise legal guardianship over the property of their unemancipated common child, once again holds the father's decision supreme in case of disagreement.

Thus, the proposed measure seeks to amend the preceding provisions to give equal weight to the decision of the husband or father, and the wife or mother. This way, we eliminate the undue prejudice against women, and the law can now accord the same weight to the decision of either spouse or parent, in important matters concerning their marriage and family.

As enshrined in our Constitution, "The State recognizes the role of women in nation-building, and shall ensure the fundamental equality before the law of women and men." I humbly ask for the support of my colleagues in getting our laws up to speed, and earnestly seek the swift passage of this measure.

SUSPENSION OF SESSION

Upon motion of Senator Angara, the session was suspended.

It was 5:31 p.m.

RESUMPTION OF SESSION

At 5:34 p.m., the session was resumed.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 2270

Upon motion of Senator Angara, there being no objection, the Body suspended consideration of the bill.

SPECIAL ORDER

Upon motion of Senator Angara, there being no objection, the Body approved the transfer of Committee Report No. 42 on Senate Bill No. 1647 from the Calendar for Ordinary Business to the Calendar for Special Orders.

COMMITTEE REPORT NO. 42 ON SENATE BILL NO. 1647

Upon motion of Senator Angara, there being no objection, the Body considered, on Second Reading, Senate Bill No. 1647 (Committee Report No. 42) entitled

AN ACT REPEALING THE CRIME OF
PREMATURE MARRIAGE UNDER
ARTICLE 351 OF ACT NO. 3815,
OTHERWISE KNOWN AS THE
REVISED PENAL CODE.

Pursuant to Section 67, Rule XXIII of the Rules of the Senate, with the permission of the Body, upon motion of Senator Pimentel, only the title of the bill was read without prejudice to the insertion of its full text into the Record of the Senate.

Thereupon, the Chair recognized Senator Cayetano (P) for the sponsorship.

SPONSORSHIP SPEECH OF SENATOR CAYETANO (P)

In presenting Senate Bill No. 1647 for plenary consideration, Senator Cayetano (P) delivered the following speech:

Committee Report No. 42 seeks to amend Act No. 3815 or the Revised Penal Code, which is a modified version of the Spanish Penal Code of 1870. This law was enacted in 1932, or a full

82 years ago; thus, there is certainly a need to revisit some provisions that have become outdated through the decades.

One such provision is Article 351 which punishes women who contract premature marriages. The crime of premature marriages punishes "any widow who shall marry within three hundred and one days from the date of the death of her husband, or before having delivered if she shall have been pregnant at the time of his death." Likewise, a woman whose marriage shall have been annulled or dissolved shall be penalized, if she shall marry before her delivery or before the expiration of three hundred and one days after the legal separation.

This is an antiquated provision that perpetuates discrimination against women in our laws. Article 351 effectively enforces a mourning period for women, while no such law applies to men. More importantly, it restricts the right of a woman to marry by making such act a crime punishable by law. Thus, Committee Report No. 42 seeks to expressly repeal Article 351 of the Revised Penal Code, thereby "removing a barrier to women's equal right to marriage," and doing away with a part of our law that discriminates against women.

As enshrined in our Constitution, "The State recognizes the role of women in nation building, and shall ensure the fundamental equality before the law of women and men." I humbly ask for the support of my colleagues in getting our laws up to speed, and earnestly seek the swift passage of this measure.

SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1647

Upon motion of Senator Angara, there being no objection, the Body suspended consideration of the bill.

CHANGE OF REFERRALS

Upon motion of Senator Angara, there being no objection, the Body approved the change of referral of Senate Bill No. 2161 and of House Bill No. 3899 from the Committee on Government Corporations and Public Enterprises to the Committee on Urban Planning, Housing and Resettlement.

OVERSIGHT COMMITTEE MEMBERSHIPS

Upon nomination by Senator Angara, there being no objection, the following senators were designated

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as members of the Senate panel in the Joint Congressional Oversight Committee on the Automated Election System created pursuant to Republic Act No. 8436 as amended by Republic Act No. 9369: Senators Pimentel, Poe, Aquino, Villar, Ejercito, Honasan and Sotto.

ADJOURNMENT OF SESSION

Upon motion of Senator Angara, there being no objection, the Chair declared the session adjourned until three o'clock in the afternoon of the following day.

It was 5:40 p.m.

I hereby certify to the correctness of the foregoing.


OSCAR G. YABES
Secretary of the Senate


Approved on June 4, 2014