

SENATE

P. S. RES. NO. 578

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Introduced by **SENATOR LEILA M. DE LIMA**

RESOLUTION

URGING THE APPROPRIATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON FURTHER INCREASING THE ABILITY OF THE COUNTRY TO ENSURE THAT THE STATUS AND POSITION AS PUBLIC OFFICERS AND GOVERNMENT EMPLOYEES ARE NOT BEING MISUSED OR ABUSED FOR PERSONAL GAIN, AND THAT THE INTEGRITY OF GOVERNMENT POSTS AND THE DISCHARGE OF A GOVERNMENT AGENCY'S MANDATE AND OPERATIONS ARE SHIELDED FROM IMPROPER INFLUENCE AND INTERFERENCE FROM PERSONALITIES WITH VESTED INTERESTS AND DUBIOUS REPUTATIONS, BY LOOKING INTO THE APPLICATION AND IMPLEMENTATION OF CURRENT LAWS, INCLUDING THE CIVIL SERVICE LAW AND THE CODE OF CONDUCT AND ETHICAL STANDARDS FOR PUBLIC OFFICIALS AND EMPLOYEES, AND OF OTHER RELATED LAWS, TO THE REVELATIONS COMING OUT OF THE INTERNAL SQUABBLE AT THE PHILIPPINE CHARITY SWEEPSTAKES OFFICE (PCSO)

WHEREAS, Section 1, Article XI of the Constitution provides that “[p]ublic office is a public trust”;

WHEREAS, the same Section also emphasizes that “[p]ublic officers and employees must at all times be accountable to the people, serve them with utmost responsibility, integrity, loyalty, and efficiency, act with patriotism and justice and lead modest lives”;

WHEREAS, Section 2 of Republic Act No. 6713 or the “Code of Conduct and Ethical Standards for Public Officials and Employees” also states that it is the policy of the State to “promote a high standard of ethics in public service”;

WHEREAS, Philippine Star, on 22 December 2017, reported that newly appointed Philippine Charity Sweepstakes Office (PCSO) Board Member Sandra Cam is seeking a Senate investigation into the agency’s alleged recent “lavish” and

“grandiose” Christmas Party at Edsa Shangri-La Hotel which had an alleged budget of P9.8 Million¹;

WHEREAS, in the same news article, PCSO General Manager Alexander Balutan clarified that the approximately P10 Million figure cited by Cam was just used as an estimate for planning, and that the PCSO only spent P6 Million of said estimate, which was way below the budget of previous Christmas parties of the agency, and that the venue of their Christmas party was the cheapest and most affordable ²;

WHEREAS, in another article, Balutan further clarified that the Department of Budget and Management originally approved P14 Million for the party, but that he cut it down to P6 Million, and that “half of the (P6 Million) went to the employees in terms of (raffle and performance) prizes”³;

WHEREAS, more than the issue of the lavish Christmas celebration, however, what is even more alarming and disturbing, and thus requiring its own, separate and independent investigation, is Balutan’s counter-allegation, as reported in Manila Times, that Cam’s attempt to discredit the PCSO management arose is in pursuit of her plan to “get the agency’s top post in order to allow her friend, Charlie ‘Atong’ Ang, to take control of the Small Town Lottery (STL) operations nationwide”⁴;

WHEREAS, in the Manila Times article, Balutan narrated that “Cam and Ang requested for a meeting merely a week after he and PCSO Chairman Jose Jorge Corpuz were appointed” and that “Ang offered P200 Million per month to the PCSO if it agreed to allow him to operate STL nationwide”⁵;

WHEREAS, Balutan said that he rejected the proposal because “apart from Ang’s reputation as a gambling lord, the amount was too small compared with the revenue being generated by STL, already at P1.7 Billion monthly”⁶;

WHEREAS, an Inquirer article reported that “Balutan accused Cam ... of dropping the name of President Rodrigo Duterte when she and gambling operator Charlie ‘Atong’ Ang visited the PCSO in 2016 to lobby the agency to allow Ang to operate Small Town Lottery (STL) nationwide”, with Balutan saying that “Cam and Ang even dropped the names of the President and his special assistant, Bong Go, who

¹ Morallo, Audrey. (22 December 2017). PhilStar Global, *Sandra Cam seeks probe of PCSO's 'grandiose' party at 5-star hotel*. Retrieved from <http://www.philstar.com/headlines/2017/12/22/1770877/sandra-cam-seeks-probe-pcsos-grandiose-party-5-star-hotel>. Accessed on 28 December 2017.

² *Ibid.*

³ Agoncillo, Jodee A. (21 December 2017). Inquirer.net, *Cam hits P10-M Christmas party of PCSO; it's only P6M, says GM*. Retrieved from <http://newsinfo.inquirer.net/954024/cam-hits-p10-m-christmas-party-of-pcso-its-only-p6m-says-gm#ixzz52lrg7zSj>. Accessed on 28 December 2017

⁴ Antiporda, Jefferson. (27 December 2017). Manila Times, *PCSO junks Atong's bid to corner lottery*. Retrieved from <http://www.manilatimes.net/pcso-junks-atongs-bid-corner-lottery/370797/>. Accessed on 28 December 2017

⁵ *Ibid.*

⁶ *Ibid.*

supposedly sent them to Balutan and Corpuz to discuss how the STL should be operated”⁷;

WHEREAS, Atong Ang, in an ABS-CBN News article, appears to confirm his and Cam’s name-dropping of the President, claiming that “he only met with Balutan and Corpuz because Duterte sought his help to shake up STL Operations”, claiming that “...the President asked Cam to call him”⁸;

WHEREAS, it is important to note that, in the same ABS-CBN article, Ang reiterated a claim he made early last year linking Justice Secretary Vitaliano Aguirre II and National Security Adviser Hermogenes Esperon, and now adding Balutan and Corpuz, to an alleged plan to assassinate him last April, because the “officials wanted to weaken the virtual jai-alai operations of Meridien Vista Gaming Corporation, where he is the general manager, in order to promote STL”⁹;

WHEREAS, said allegation prompted the filing last 3 May 2017 of Senator Leila M. De Lima’s PSR No. 359, calling on the Senate Committee on Civil Service, Government Reorganization and Professional Regulation, to conduct an investigation, in aid of legislation, on the alleged involvement of certain cabinet members of the Duterte Administration and high-ranking military officials in the operation of small town lotteries;

WHEREAS, in another news report, Cam confirmed that she is friends with Ang since President Erap’s time¹⁰;

WHEREAS, Cam and Ang have been both linked to jueteng in the past, such as when, in 2010, Senator Miriam Defensor-Santiago revealed that Ang is one of the jueteng kingpins in the country¹¹ and in 2005, Cam claimed that she personally delivered jueteng payola to the offices of the Arroyos and she implicated Mikey Arroyo, son of former president Gloria Macapagal-Arroyo, and Iggy Arroyo, brother-in-law of President Arroyo, as having benefited from jueteng operations¹²;

WHEREAS, the Supreme Court had occasion to state that “[b]eyond debate, gambling is an evil even if its advocates bleach its nefariousness by upgrading it as a necessary evil. In a country where it is a policy to promote the youth’s physical, moral,

⁷ Agoncillo, Jodee A. (4 January 2017). *Inquirer.net, Balutan vs Cam: Gambling lord dragged into PCSO squabble.* <http://newsinfo.inquirer.net/957333/balutan-vs-cam-gambling-lord-dragged-into-pcso-squabble>. Accessed on 8 January 2017.

⁸ ABS-CBN News. (27 December 2017). *ABSCBN.com, Atong Ang denies bid to control lottery with Sandra Cam’s help.* Retrieved from <http://news.abs-cbn.com/news/12/27/17/atong-ang-denies-bid-to-control-lottery-with-sandra-cams-help>. Accessed on 28 December 2017.

⁹ *Ibid.*

¹⁰ Roxas, Patricia Ann. (27 December 2017). *Inquirer.net, Cam denies Atong Ang behind PCSO smear drive.* Retrieved from <https://newsinfo.inquirer.net/955499/cam-denies-atong-ang-behind-pcso-smear-drive-atong-ang-cam-balutan-pcso-denial-smear-campaign-christmas-party>. Accessed on 28 December 2017

¹¹ Mendez, Christina. (23 September 2010). *Philippine Star, Singsons, Atong named in jueteng.* Retrieved from <http://www.philstar.com/headlines/614212/singsons-atong-named-jueteng>. Accessed on 28 December 2017

¹² ABS-CBN News. (15 September 2010). *ABSCBN.com, New PNP chief a jueteng coddler, says whistleblower.* Retrieved from <http://news.abs-cbn.com/nation/09/15/10/new-pnp-chief-jueteng-coddler-says-whistleblower>. Accessed on 28 December 2017.

spiritual, intellectual, and social well-being, there is no right to gamble, neither a right to promote gambling for gambling is *contra bonos mores*"¹³;

WHEREAS, the main reason for carving out of an exception to the general and near-absolute prohibition of gambling, which prohibition arises from the deleterious social effects of gambling on the individual, family and social lives of Filipinos, is the fact that the proceeds are meant to augment the State's resources needed to maintain provincial, city and municipal hospitals, and to provide assistance for charitable, relief, social welfare and health work or work for the improvement of the conditions of the indigent Filipino masses in this country or abroad¹⁴;

WHEREAS, the PCSO is that part of the government bureaucracy that is tasked to raise money and provide funds for health programs, medical assistance and services, and charities for the underprivileged;

WHEREAS, the PCSO's mandate and its role in the government bureaucracy is, therefore, much too critical to the welfare and well-being of Filipinos, and thus, too essential to the national interest to be disturbed or sidelined by the top officials' squabbles, or destroyed by vested and dubious interests;

WHEREAS, like any other government agency, the image of the PCSO should not be tarnished and its operations affected by the internal politics of the high-ranking personalities in the agency, and neither should it be used as the milking cow of the current powers-that-be, through the abuse of official position and authority to control STL operations under the PCSO for their own personal benefit and that of their principals, thus committing the criminal acts of graft and corruption, malversation, or plunder;

WHEREAS, there is an urgent need to look into the allegations and revelations made by General Manager Balutan, particularly if there is a need for legislative measures that would further strengthen the requisite qualifications – including for integrity, good moral character and absence of vested interests – for appointment to, and maintenance of, a public service post within the Philippine bureaucracy, or legislative measures for post-appointment mechanisms to ensure the proper discipline of government officials and employees, especially those who conduct themselves, in their official capacity or otherwise, in a manner that undermines, if not destroys, the ability of the agency to properly discharge its mandate solely for the welfare of the people, or those who fail to abide by the explicit legal requirement of "uphold[ing] public interest over personal interest"¹⁵;

WHEREAS, institutional integrity emanates from the individual integrity of an agency's officials and, thus, such positions of power should be entrusted to persons who possess untarnished reputations and who live by high moral standards;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, to direct the appropriate Senate Committee to conduct an inquiry, in

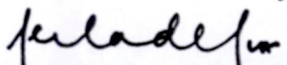
¹³ *Lim v. Pacquing*, G.R. No. 115044 January 27, 1995.

¹⁴ Section 6 (c) and (d) of Republic Act No. 1169.

¹⁵ Section 2, Republic Act No. 6713, "Code of Conduct and Ethical Standards for Public Officials and Employees."

aid of legislation, on further increasing the ability of the country to ensure that the status and position as public officers and government employees are not being misused or abused for personal gain, and that the integrity of government posts and the discharge of a government agency's mandate and operations are shielded from improper influence and interference from personalities with vested interests and dubious reputations, by looking into the application and implementation of current laws, including the Civil Service Law and the Code of Conduct and Ethical Standards for Public Officials and Employees, and of other related laws, to the revelations coming out of the internal squabble at the Philippine Charity Sweepstakes Office (PCSO).

Adopted,


LEILA M. DE LIMA