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**S e n a t e**

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**SESSION NO. 39**

Wednesday and Thursday  
November 24 and 25, 2004

**THIRTEENTH CONGRESS  
FIRST REGULAR SESSION**

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**CALL TO ORDER**

At 3:00 p.m., Wednesday, November 24, the Senate President, Hon. Franklin M. Drilon, called the session to order.

**PRAYER**

Sen. Ramon B. Magsaysay Jr. led the prayer, to wit:

Heavenly Father, we are nothing without You.

We come before You in submission, to know You more as we strive to serve our countrymen with the kind of disposition that will satisfy You.

For oftentimes, Lord, we do things for You instead of in You. And what pleases You more than anything is selfless service done in communion with You, not without You. Your approval of our accomplishments at the end of the day is the measurement of our worthiness as a leader.

Earnestly, we pray, Father, give us a servant heart that beams Your characteristic leadership among our Filipino people who long for direction and change in our country.

Give us the focus to be able to unceasingly pray and work according to the vision of your Son, Jesus Christ, the Lion-Hearted Lamb.

Give us the meekness of the Lamb whenever we are subjected to the furnace of politics. But give us the strength of the lion when we are called upon to defend the weak and the poor, and do what is right.

This we beseech You as we thank and praise Your Name, through Him

who peacefully carried the weight of the cross for the freedom of the worst sinners.

Amen.

**DEFERMENT OF THE ROLL CALL**

Upon motion of Senator Pangilinan, there being no objection, the Body deferred the roll call to a later hour.

**DEFERMENT OF APPROVAL OF THE JOURNAL**

Upon motion of Senator Pangilinan, there being no objection, the Body deferred the consideration and approval of the Journal of Session No. 38, to a later hour.

**PRIVILEGE SPEECH OF SENATOR GORDON**

Availing himself of the privilege hour, Senator Gordon delivered the following speech:

Let me begin by quoting from the Scripture of St. John the Evangelist. He points out that a hired man who is not a shepherd and the sheeps are not his own, sees the wolf coming and leaves the sheeps and runs away, the wolf catches the sheeps and scatters them. This is because he works for pay and he has no concern for the sheeps.

Today is Volunteers' Day in Subic Bay. This is the day when 12 years ago, the Filipinos of Olongapo—from Luzon, Visayas and Mindanao — went to Subic Bay and hauled down the flag of the United States' military facility for the last time after 94 years of presence in the country. We struck the colors of the Republic at that time and took a leap of faith. We had to convince our people to

believe in themselves because, after all, there was a situation where, at that time, we had just come out of the disaster that was Pinatubo.

Pinatubo was, indeed, a deadly disaster. It enveloped Central Luzon with a blanket of ash that went up 90,000 feet and circulated throughout the earth's surface. By the time it was over, houses and buildings were demolished, and several people were dead, and one foot of ash was all over Olongapo and Subic Bay.

Following that eruption in 1991 came the debate on the bases that started right here in this hall where 12 of our senators voted to remove the bases from our country. What did that create in Olongapo and Angeles City? Fear. Fear of the fact that they have lost their rice bowls. Not only have they lost their homes, now they are going to lose their rice bowls. *Mawawalan na po sila ng kabuhayan sa kanilang pang araw-araw na pangangailangan. Ngunit ano po ang nangyari? Imbis na matakot*, instead of making fear envelope us, we conquered fear. We made fear our friend.

Taking up the vision of a Subic Bay free port which this Representation presented in 1980 in preparation for any sudden withdrawal of U.S. facilities in our country *nag-lobby po kami*. We did not fix the blame. *Hindi po kami nanisi kahit na kaninong tao dito sa Senado. Tinanggap namin ang desisyon ng Senado na paalisin ang Amerikano. Nagdala kami ng mga tao, tatlong libo, apat na libo, araw-araw galing sa Olongapo, nagbu-bus, namamasahe. At ano po ang nangyari? Naglobby po kami dito sa hall na ito para makuha iyong vision of a free port na itinalaga ni Congresswoman Gordon na hindi tinanggap sa Mababang Kamara ngunit hinabol dito on Second Reading at hinabol hanggang doon sa tinatawag na bicam. At ano po ang nangyari? Nakuha po natin iyong vision na gawing free port ang Subic.*

Up to that time, there was no vision in the bill. The bill merely said that there was going to be created a Base Conversion Development Authority that would convert the facilities left by the Americans into a productive commercial usage. There was no free port to speak of, there was no vision about infrastructure to be built or for that matter, how it was going to be done.

A lot of discussions were made. But fearing the promises of the past, fearing the pillaging that happened in the past, fearing what happened in Sangley Point where there were promises of a port or an international airport, the people of Olongapo took matters into their hands and said, "We would like to take over and run the facility." With the help of our friends here like Senators Enrile and Angara and former Senator Shahani and many others, the bill, as we proposed, was approved in the Senate creating the Subic Bay Metropolitan Authority. By the way, we also lobbied for Clark. A Clark Special Economic Zone was also formulated. I even had to bring in Abong Tayag and Eddie Narciso from Clark so that there would also be a vision for a Clark Special Economic Zone, because at that time, nobody was lobbying for Clark.

Knowing that Clark was practically pillaged during the height of Pinatubo, knowing that nothing happened in Sangley Point after it was turned over, we had to rely on people power practically. And what was that people power? Was it just demonstration? No. We invited our people to guard the Subic Bay facility so that we were going to make them practically stakeholders in their own future. We told them, "In your hands lies the future of our country. And if you do not guard this facility, other people who are not from here will guard this facility and they will guard it cavalierly as in many cases in the past."

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Surely, when that happened and it happened, we were able to show them a picture, a frame, at that time because we wanted to convince our people. In fact, at that time, I wanted to show them what Subic Bay could be. At that time I showed them a picture and I would like to direct the attention of this Body here, the picture of an American aircraft carrier leaving Subic Bay with its barren hills in the background. After which, I said that if they volunteered, they would now have a future where those hills could become skyscrapers like these. And they thought that was Subic Bay in the future. In fact, that was the same aircraft carrier leaving the port of San Francisco with the same background in geography.

A lot of people started to see with their eyes what Subic could be. And soon, the poor and those who were employed who lost their rice bowls started joining us in volunteering.

At that time when the bases were removed, there was a lot of speculation. One day the World Bank came to Subic Bay and, in fact, they were told not to see me. The World Bank delegation, about 12 of them, came to Olongapo and insisted on seeing this Representation because they have heard of the free port vision of Olongapo. And they immediately gave us an oral examination about what Subic was going to be. After that, they invited this Representation to go to Washington and there we were given a grant of \$350,000 that seemed like a paltry amount, but it was a grant to start a land-use plan with the facilities to be left by the Americans.

When we were in America, I was with a young man by the name of Inky Reyes, who was a lawyer from the University of the Philippines. We argued our case before the World Bank, together with another lawyer, Atty. Bocobo.

Afterwards, we went to New York. When we started talking to the Filipino-Americans or Filipinos studying or working in New York, one gentleman by the name of Dennis Mendiola, 23 years old, slipped a letter to me. When I opened the letter, he said he was a young man who worked for McKinsey & Co. and was very well paid. He left his job to volunteer in Subic Bay.

When we came back, we started developing and working on Subic Bay. About 8,000 people started coming in. They worked for nothing and they guarded homes that did not belong to them — 1,776 homes left by the Americans — and there was no pillaging, unlike other places where even the bathroom fixtures were stolen. And they cut the grass of lawns that did not belong to them.

The facility has a power plant and the people working there offered to stay so that they could run power plant in case there was no power coming from the NPC. We had to guard the 60-tank storage facility of fuel which if we did not run would have degraded the environment.

And pretty soon, more and more volunteers came in but they were soon rewarded.

Soon Enron came and put up a power facility. And we signed our first contract.

The Taiwanese came to Subic Bay. When they came, they took away 300 hectares of what was then swamp lands or waste lands that they filled in, and which today, houses many of the Taiwanese corporations in Subic Bay including Acer.

Later on, the Japanese came. During all this time, the people were performing their duties without pay, running tourist facilities without pay, including the Negritos who decided that they would now become the tour guide inside the Triple

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Canopy Forest that was left by the Americans, against expectations that the trees would be cut. The people of Olongapo picked up the effort and soon it became the favored visiting place of many, many domestic and foreign tourists in our country.

And so within one year, Subic Bay won the *Kalakbay* Award for tourism from the Department of Tourism and we brought the volunteers over. And soon also, we started getting our first bite at the possibility of Federal Express coming into Subic and using the facility as its hub in Asia.

A lot of people during all this time were discouraging us. They said we could not do it through volunteerism. In fact, what did we do? We believed in ourselves and we went to the Federal Express headquarters. I brought in young Dennis Mendiola, double *summa cum laude* from Wharton; Armin Santos, another graduate of Iona; and together with our lawyers, negotiated the preliminary deal that we signed eventually in New York with Federal Express.

Eventually, we soon got other volunteers. Not only the people of Olongapo volunteered, but also engineers and architects who ran the public works facility. Soon, we also got additional volunteers from America. We had Dondi Alikpala, a graduate of Florida, who ran our marketing department; and Marivic Poblador. They are here today at the back and I would like you to take a look at them. They started the trade and business system in Subic Bay. A young lady by the name of Grace Games who graduated *cum laude* from the University of Asia and the Pacific joined us. She became one of the bar topnotchers three years ago.

Today, these volunteers, together with 8,000 that later on grew to 23,000 volunteers, made Subic what it is today. Soon, afterwards, we started building a highway that cut across the mountains

of Dinalupihan, the idea being to bring the highway closer to Central Luzon so that the export processing zones could be built there. We built the tunnel, in fact. We promised FedEx that they will get a new airport because the existing airport was really designed for fighter aircrafts. And FedEx was going to bring in heavy-laden aircraft that must land day in and day out because it would have in the future about 18 aircraft or even 20 aircraft landing everyday to bring cargo to the world overnight, positively, absolutely and expeditiously.

And to make a long story short, we were able to build that airport in time and we were able to make FedEx come in. After that, the big companies started coming in as well. Acer brought in computers. Today, we make laptops in Subic Bay and we would have been able to make more were it not for some insecurity in the way Subic was handled after our departure later on.

Nonetheless, the effort continued as we fixed the infrastructure: land, air, sea, satellite and cyberspace. We had a slogan called "Subic Brings In the World to the Philippines and the Philippines to the World by Land, by Air, by Sea, by Satellite, and by Cyberspace." And indeed, we did. We got FedEx for air. We had a new highway. We had new investments in PLDT and AT&T that brought in a modernized telephone system. In fact, we started getting Mabuhay Satellite and Eagle Satellite that connected us with the rest of the world which made Subic very attractive to investors because of good the communications, good airport connectivities, so much so that the port was the only one left to be developed.

When we bidded out the port, we were extremely disappointed to see that as Hong Kong was being vacated by the British and about to be turned over to China. We saw an opportunity when we

bided it out. When we bided it out, there were several Filipino and foreign bidders out there. One of the bidders was Li Ka Shing Co. H.I.T. Unfortunately, after they won the bid, for some reason, the national government kept on looking for excuses not to grant or to approve the bid. And so what happened was, the bid was set aside. After two attempts to bid it, after two awardings practically, the national government set aside the bid for all sorts of reasons, and what happened was, we lost Li Ka Shing and H.I.T. Had we gotten H.I.T., we would have had the biggest port operator in the whole world, operating out of Subic Bay, together with the airport of Federal Express. But no, that was not to be. And that is why in that particular instance, we lost the opportunity.

But because of all these, soon companies came in, including, for example, a company from London that brought in the technology to build armored personnel carriers for our military. Those armored personnel carriers that we see, the SIMBAs were made in Subic Bay. We also started to build telephones. We started making Reebok shoes, motherboard cards, fishing gear, scuba gear and other goods. Soon, we had a school and soon we were attracting many others. In fact, at one point, we were about to sign a deal with Citibank of New York to use it as a backroom data entry for their international operations. We passed on AOL because they wanted a big building that we needed for the future. We wanted to pass it on to Clark Field and Clark today has AOL working out of Clark and employing thousands of people.

The long and the short of it was that the people of Olongapo succeeded in making the country proud. The volunteers of Olongapo, the people of Olongapo made the country proud and by doing so, showed that we had the capability to be honest and to work hard and not to be reliant on others. And in fact, because

of this, presidents from all over the world as well as correspondents from all over the world started coming.

In the picture we can see Margaret Thatcher. We can see the President of Vietnam who came over to Subic Bay. We had the President of Lithuania come over to Subic Bay. We had the President of Papua New Guinea, the President of Panama who even appropriated for himself Li Ka Shing, when Li Ka Shing's bid for the Panama Canal was selected. And today, they have H.I.T. in the Panama Canal. Alberto Fujimori went over to Subic Bay and many others.

And eventually, we got APEC. Can you imagine a place that was supposed to fail, that was supposed to be pillaged and robbed, suddenly hosting the Summit that Gloria Macapagal just attended. And we had all the presidents of the APEC countries coming down to Subic? We then said, "It's our time."

Twelve years later, what has happened to Subic Bay?

I will not go on and say what has happened to Subic Bay because I think it will diminish the honor and respect for it. But I would like to call the attention of the Senate today to the fact that during that time, *ika nga, wika nga ni Rizal: No todos del mio en la noche de nuestros abuelos — habang sa dilim ng gabi mayroong nagpuyat para sa kinabukasan ng ating bansa.* So I will not tarry on what happened to Subic afterwards. There will be another time and place for it. After all, we are already being accused of having so many investigations. But I will take time here today to draw and catch the attention of our fellow senators to get us to renew our faith in our country and to think about Clara Macasaet, the *Balikatan* lady, not educated, not lettered formally, but nonetheless giving of herself to her country and dying at the time Subic was about to be taken over by people who

wanted Subic for themselves and not for the country.

I can talk to you about the man by the name of Ferdie Aristorenas, a young high school graduate from the Ateneo who went on to U.P. law school, and joined the Villaraza, Carpio Law offices. Instead of just trying to pursue a very lucrative career in law, he came to Subic Bay, walked in and said, "Mr. Chairman, I want to join Subic Bay and volunteer because I was one of those who wanted the Americans to leave Subic Bay and this time I would like to see to it that we are able to get through and make sure that I partake in making sure that the people of Subic Bay can prove that we can do it." And indeed, he did. He rose to become my deputy in running Subic Bay and he was the guy, together with the young volunteers from other countries and from the Philippines, who made the deals that made Subic Bay the success story that it is today.

Today, 12 years later, we are still looking at the future. And one of the things that we would like to see happen is to extend Subic and Clark to Central Luzon because what good is having a Subic Bay with an airport and a seaport, and all these facilities, or for that matter, Clark with all its facilities, just for themselves? No, sir. We want to use, connect and maximize these infrastructure and facilities by utilizing the three airports of Subic, Clark and Manila, and the two seaports of Subic and Manila, to make sure, as we build that highway for which we are spending a lot of money in the North Expressway as well as the new highway from Clark to Subic Bay, that we are able to help somebody generate the necessary build-up of an export processing zone between Subic and Clark, between Subic and Zambales, between Clark and all the way up to La Union in Poro Point, so that we could perhaps create a new and better country.

Today, in this era, where a PMA graduate, a young lieutenant, a valedictorian no less, a recipient of the Presidential Saber, was caught shoplifting in the United States and caused considerable embarrassment to us -- we need to renew our faith in ourselves -- because the future of this country belongs even to the young soldier caught shoplifting in the United States,

That is why I found it fit to try and touch the hearts and minds of our fellow senators today and perhaps our country to the idea that volunteerism works; that it will only work when people are not after just pay, but after a higher goal -- the national interest, the common good, or, for that matter, things like honor and dignity through hard work.

Today, I am proud to be able to make these suggestions and to try to get all of us to consider the fact that 12 years ago, a lot of our people gave their time, a lot of our youth with their Wharton degrees, their Harvard degrees, Stanford degrees, and even degrees from Spain and from Scotland, young people as well as the old and the poor and the rich came over to Subic Bay and gave of themselves to transform -- TRANSFORM is the word I use in capital letters -- to try to transform the mindset and hearts of our people that we can still change our country.

When I became Mayor of Olongapo, I said: "What this country needs is not just a change of men but a change in men." Transformation in leadership, I submit, is what we need today. For so long, the country has been run by people who want to have transactional politics. We, ourselves, are guilty of that in the patronage that we continue to perpetuate in our constituencies. We allow ourselves to get our people to rely on us and not to rely on themselves, not to rely on their hard work or their ability to get themselves educated. And when they do get educated

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to demand of them that they use their talents, their education to be able to work for their own country, for their own country's good, for posterity.

Therefore, in closing, I would like to invite everyone to that sweet experience we had. Pinatubo stared us down. The base that was rammed down our throats practically for 94 years, we did not even have anything to do with it, gave us a monicker of "Sin City" but the people, the Filipinos that came from all walks of life to Olongapo City were able to get themselves together through Pinatubo, through the sin city image of Olongapo, through the challenge of losing their rice bowls when Americans left, and brought in people like Lewis Preston who said, "Subic is absolutely fantastic. You heard about it, you read about it but until you have seen it, I cannot believe it." This is Lewis Preston, the late President of the World Bank who went over there during Pinatubo but at the same time was gratified to see that there were still many Filipinos, not a few, but many Filipinos who will see that when there is a vision, the people will not perish. And when there are people with values who can volunteer, they will achieve their own personal victories as well as the community victory.

This morning, I was in Subic Bay and I marched down with the people and we went to the Volunteer Wall to look at all the names out there, some have gone, and this morning, we raised again the biggest flag in the country at that time and we raised it proudly before a monument that we erected of the young volunteers, college graduates, of the hard-nosed, blue-collar worker along with his wife, the *Balikatan* lady who volunteered, all of them grimly facing and focused on the flag, their backs to the sunset and facing the sunrise on the east and looking at the flag and with the baby, the baby is the only one smiling in that statue in that monument because his forebears were preparing the future for that baby.

I close today by citing Ralph Waldo Emerson who:

"Not gold but only man can make nations great and strong. Men who, for truth and honor's sake, stand fast and suffer long. Brave men who work while others sleep, men who dare while others shy. They build the nation's pillars deep and lift them to the skies."

#### INTERPELLATION OF SENATOR ENRILE

At the outset, Senator Enrile stated that the Subic Bay free-port zone came into being as a result of the 1991 Mt. Pinatubo eruption during which time, the senators were discussing the departure of the American forces in view of the rejection by the Senate of the continued presence of the U.S. military bases in the Philippines, principally in Subic and Clark. At that time, he noted, the source of livelihood of the residents of Olongapo, Angeles City and its environs were these military bases and that the lack of jobs in Subic and Clark resulted in the creation by Congress of a special economic zone and free port. He added that establishments such as duty-free shops were allowed to be set up in the economic zone and free port to initially give jobs to dislodged Filipino employees of the American naval and air bases.

Senator Gordon explained that, in anticipation of China's withdrawal from Hong Kong, he had envisioned Subic as a commercial hub like the former crown colony. He said that he had brought the 1980 free port study forward, and suggested that Subic be developed into a place where tax-free consumer goods can be sold through duty-free shops.

To the observation that establishments such as duty-free shops in the Subic free port were supposed to operate temporarily until its workers, who were former employees of the Americans in Subic and Clark could find jobs to support their families, Senator Gordon replied that his vision for Subic Bay was not in the original BCDA bill. Stressing that he never thought of making duty-free shops the main money-earner for Subic,

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he elaborated that his idea was to have people shopping and bringing their dollars into Subic instead of spending it in Hong Kong. He said that he had never thought of letting the free port rely on duty-free shops alone. Moreover, he observed that the Subic Bay free port allowed people to see a cultural change because duty-free items could be purchased by local residents. In fact, he stated that Subic Bay authorities issued rules and regulations premised on trust such as the imposition of a US\$200 limit on purchases that could be bought from the free port once a year.

Following allegations that these duty-free shops were involved in smuggling operations because customers were buying a lot of products, Senator Gordon disclosed that the rules were tightened to limit access to the duty-free shops only to residents of Olongapo.

Senator Enrile recalled that the establishment of duty-free shops in Subic was supposed to be temporary just so there would be substitute employment for people who were dislocated by the departure of the Americans. He said that the real basis for the creation of a free port was to attract foreign investors to set up industrial bases in the area for goods to be exported.

Senator Gordon agreed to the observation that the transformation of Subic into a mixed free port and domestic economy has lent itself to become a smuggling enclave. However, he recalled that when he asked the support of Senator Enrile and other legislators for the bill creating the Subic Bay free port, he had envisioned the free port to include shipment of goods as well as a free trade zone where factory owners could manufacture products principally for export or sale within Subic but if the goods were sold outside Subic, taxes would be levied on them. He said that this is provided for in the IRR.

Senator Enrile pointed out that the Record of the Senate on the debates on the Subic Bay free port would show the intent that goods manufactured in the free port should be primarily for export. If these products are brought out of the free port and allowed to enter the economy, he said that these goods must be brought in through a

formal port of entry in the country and be treated as imports. Affirming this observation, Senator Gordon also opined that opening duty-free shops along with free ports in Clark and Camp John Hay was a mistake which was why the Supreme Court decided that Clark and Poro Point could not be free port zones because they are in the nature of export processing zones.

Replying to further queries, Senator Gordon stated that the practice of allowing manufactured consumer goods to enter Subic in the guise of supplies to a duty-free shop but marketed to local consumers could not be justified because this would really be smuggling. He affirmed that smuggling is being practiced in the area and he had spoken with his people to help the new administration combat this crime. He recalled that during his term as head of SMBA, the rules were strictly enforced such that he even had people monitor, identify and record the activities of every vehicle that entered and left the free port.

To the observation that the \$200 purchase limit was abused so that the Subic duty-free shops became a veritable source of smuggled goods that were sold in other places, Senator Gordon recalled that the workers were issued ID cards and their entry and exit were logged. However, he said that this system is no longer being practiced. He recalled having cautioned then President Ramos about the possibility of smuggling in the former Clark Air Base if duty-free shops were allowed to operate in the area but the former President said that the operations of these establishments would only be temporary.

Senator Enrile asked whether Senator Gordon would be willing to sponsor a legislation to stop the operation of duty-free shops in Subic and Clark so that the duty-free shop concept would then be limited to international airports of the country. Senator Gordon replied that a free port and an export processing zone are two different entities. He said that Clark is described as a special economic zone where factories can come in, bring in raw materials, manufacture goods, and reexport them. On the other hand, he said, Subic was designed as a free port like Hong Kong where there is a transshipment of goods to encourage people to shop there. He lamented

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that smuggling has become the main business in Subic which is why management has lost the momentum in inviting new companies to come in.

Senator Enrile agreed that any hotel in Subic that imports beef, dairy or poultry products for its use takes on the character of a free port entity. He wondered whether transferring the businesses of Rustan or SM Megamall to Subic would help promote the country's economy.

Senator Gordon replied that his views as Subic administrator for many years was to trust the people who set up business in the area but if they fooled around, their establishments were closed. He said that he had never allowed some of the elements that wanted to set up free ports in Subic to open shops.

On whether San Miguel Corporation, for instance, could be allowed to set up its main brewery in Subic, serve the local economy and pay only 5% of its gross profit, Senator Gordon replied in the negative.

Asked on the difference between a duty-free shop and San Miguel Corporation, Senator Gordon replied that San Miguel Corporation could be allowed to sell its products within Subic Bay, but if its product would be given a special 5% tax on gross income, the products would have to be sold abroad. Based on the IRR of the Subic Bay Metropolitan Authority, he said, the enterprise may generate income from sources within the customs territory of up to 30% of its total income.

To Senator Enrile's argument that the IRR is not written in the BCDA law, Senator Gordon pointed out that the IRR is pursuant to the law and partakes of a law because of an executive order issued by the President. He informed the Body that the IRR was prepared with the help of the World Bank and in coordination with the Department of Finance and the Bureau of Customs.

Senator Enrile contended that the IRR cannot rise above its source which is the law. He said that if Senator Gordon would go beyond the limits of the law, he is, in effect, arrogating unto himself

as an administrator, a function that is solely within the competence of Congress.

Senator Gordon explained that the BCDA law incorporates provisions on the SBMA. In standard practice, he said, the IRR is always issued when a law is made and it is subject to the approval of the President.

Based on the jurisprudence on this particular aspect, Senator Enrile argued that the yardstick is that the IRR that implements a law must not be inconsistent with the law, hence, whether or not that provision is in the law, "the spring cannot rise above its source."

Senator Gordon agreed. However, he said that he would be willing to come out with an amendment to safeguard the law, provided that the administration has the integrity and honesty to implement it. He noted that the problem lies in the implementation of many laws that had been enacted by Congress. At the time Subic Bay was being conceptualized as a free port, he said that he thought it was high time the government put up a place similar to Hong Kong where the Filipinos can shop. Unfortunately, he said, other people decided to establish duty-free enterprises, hence, Clark, Poro Point and the rest were established.

Asked by Senator Enrile to read that portion in the Bases Conversion Development Act, R.A. No. 7227, where it states that the IRR can be issued, Senator Gordon replied it is not provided therein. Senator Enrile stated that precisely, Mr. Ramos or any president for that matter, has no business issuing IRR to implement the law without an authority from Congress.

Senator Gordon posited that any doubt on the matter could be resolved in favor of the SBMA under the presumption of regularity in the performance of duty. Since there were people coming down to Subic at that time, he said that the SBMA administration deemed it right to issue the IRR. Senator Enrile stated that in due time, the Body should revisit some of these laws and amend them if necessary, otherwise, Congress would be meaningless. Senator Gordon agreed.

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## INTERPELLATION OF SENATOR ANGARA

Senator Angara recalled that the birth of the Subic free port came about almost midnight when the senators were in a conference on BCDA bill at the Manila Hotel discussing the Bases Conversion and Development Act.

Senator Gordon agreed as he recalled that he, along with other private sector volunteers, had to lobby at the last minute for the inclusion of a provision allowing the Subic local government to convert certain facilities that were left by the Americans. He stated that one of the first plans that he prepared in Olongapo in 1980 was an alternative to the U.S. bases in view of the experience of Sangley Point. He said that he was apprehensive the administration would start appointing people who would proceed to pillage the bases, as what happened to Olongapo in 1959 when the Americans closed its naval reservation. He recounted that as mayor of Olongapo, he immediately talked to the people, asked about their vision, out of which arose the vision of a free port.

At that time, Senator Angara recalled that he, Senators Shahani and Enrile, realizing that Subic would practically become a desert unless there was an alternative use for it, sat down with then Mayor Gordon, worked together throughout the night to put the vision of a free port through the conference committee. He urged the Body not to lose sight of the fact that even hardened Congress can be moved if there is a challenge, a vision greater than anyone and greater even than the collective.

Senator Gordon stated that Senators Angara, Enrile, Shahani and other senators who supported their cause are still in the hearts and minds of the people of Olongapo. He stated that the other day, he was in Ateneo to speak before an alternative class of one hundred and fifty students, some of whom had lost faith in the country and had turned cynical. Instead of reading his prepared speech, he said that he just narrated the story of Olongapo and Subic Bay, and how he and young volunteers from Ateneo, U.P., La Salle and other schools had lobbied for the bill. After his talk, he said that a young man stood up and said that before Senator Gordon spoke, he was prepared

to join his family in the U.S., but after the speech, his faith in the country was restored.

Senator Gordon said that former President Aquino declared December as a "Volunteer Month." He noted that the beauty of being a volunteer—having been one all his life—is that one is never alone and has self-worth. He lamented that today, so many Filipinos look up to individuals who have titles, money, influence and connections; not honesty, diligence and good work ethics. He said that indeed it hurts to hear people say that they are cynical.

Senator Angara adverted to a front page article in the *Herald Tribune* a couple of days ago, indicating that a Gallup organization global survey of politicians and political institutes had concluded that at no time in history had politicians ever enjoyed so low a respect and esteem than now. Senator Gordon replied that he has not come across the article, but he had heard of it and many sad stories about the country.

Senator Angara said that he stood up to commend Senator Gordon because there are few instances where the virtues of vision and selflessness are celebrated. He said that what Senator Gordon and his people have done for Subic are highly commendable and worth remembering at this time when people are condemning all politicians.

Senator Gordon observed that Filipinos have seemingly succumbed to blame-throwing; they know what they do not want but very few of them really know what they want. He lamented that the Filipinos no longer exact leadership from among themselves; they just rely on politicians; if they can no longer rely on politicians, they hold the knife by the blade and go abroad. He expressed strong belief that regardless of what happened in the past, the Filipinos can still believe in and contribute to the country; they can still forge on.

Asked about Dado Banaga, Senator Gordon stated that Dado Banaga is probably one of the richest Filipinos in the world who owns companies that are listed in the U.S. stock market. He recounted that when he tried to invite Mr. Banaga to help in Subic, the latter criticized Filipino

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politicians because they make empty promises and do not understand the nuances of international business. Eventually, he said, he and Mr. Banaga came to respect each other. He added that Mr. Banaga and others like him could be icons to Filipinos.

Senator Angara stated that Mr. Banaga is a partner of the governments of Singapore, Taiwan and Vietnam that consider him their official adviser on electronics. He said that he had a very long conversation with Mr. Banaga and wondered why he never helped the government. He noted that Mr. Banaga came to the Philippines several times but became fed up with politicians. He said, however, that Mr. Banaga is willing to help the Philippines as he had helped other governments. He stressed that here is a man willing to share his fortune and talent but is unable to do so owing to the unstable political climate in his mother country. In view thereof, he asked how the volunteers could be expected to stay in the country and continue working for the government.

Senator Gordon noted that half of the young and talented volunteers had gone back to the U.S., while the other half have stayed to help both the private sector and the government. He pointed out that under Senate Bill No. 1866, volunteerism would be rewarded and protected from unnecessary suit and harm. He hoped that when the time comes, the Members would pass the bill.

At this point, Senator Gordon clarified that Section 14 of the BCDA provides that, "The Subic authority shall exercise administrative powers, rule-making and disbursement of funds over the Subic Special Economic Zone in conformity with the oversight functions of the BCDA."

#### ROLL CALL

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

Angara, E. J.	Lim, A. S.
Arroyo, J. P.	Madrigal, M. A.
Defensor Santiago, M.	Magsaysay Jr., R. B.
Drilon, F. M.	Pangilinan, F. N.
Ejercito Estrada, J.	Pimentel Jr., A. Q.
Ejercito Estrada, L. L. P.	Recto, R. G.
Enrile, J. P.	Revilla Jr., R. B.
Flavier, J. M.	Roxas, M.
Gordon, R. J.	Villar Jr., M. B.
Lacson, P. M.	

With 19 senators present, the Chair declared the presence of a quorum.

Senator Biazon, Cayetano, Osmeña arrived after the roll call.

*Senator Lapid was earlier inside the Session Hall before the roll call was made.*

#### ACKNOWLEDGMENT OF THE PRESENCE OF GUESTS

At this juncture, Senator Pangilinan acknowledged the presence of representatives from the Barangay Councilors' League of the Philippines headed by Councilor Julio Jaime of Parañaque City.

#### APPROVAL OF THE JOURNAL

Upon motion of Senator Pangilinan, there being no objection, the Body dispensed with the reading of the Journal of Session No. 38 and considered it approved.

#### REFERENCE OF BUSINESS

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

#### MESSAGE OF THE PRESIDENT OF THE PHILIPPINES

Letter of Her Excellency, President Gloria Macapagal-Arroyo, dated November 12, 2004, submitting to the Senate for its consideration and immediate concurrence, a certified true copy of the **Montreal Amendment to the**

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**Montreal Protocol on Substances that Deplete the Ozone Layer**, which was done in Montreal on 17 September 1997

**To the Committee on Foreign Relations**

**COMMUNICATION**

Letter from Nemia L. Austria, Chief, Finance Division, Office of the Regional Executive Director of the Department of Environment and Natural Resources, submitting to the Senate the Consolidated Financial Reports as of the quarter ending September 30, 2004 for Fund 101 per COA Circular No. 92-374 dated March 5, 1997.

**To the Committee on Finance**

**ADDITIONAL REFERENCE OF BUSINESS**

**BILLS ON FIRST READING**

Senate Bill No. 1861, entitled

AN ACT PROVIDING FOR A TOTAL BAN ON ANTI-PERSONNEL LANDMINES, FOR OTHER PROHIBITIONS OR RESTRICTIONS ON THE USE OF LANDMINES, BOOBY-TRAPS AND OTHER DEVICES, FOR CREATION OF A PHILIPPINE COORDINATING COMMITTEE ON LANDMINES, AND FOR RELATED PURPOSES

Introduced by Senator Flavier

**To the Committees on National Defense and Security; and Finance**

Senate Bill No. 1863, entitled

AN ACT CREATING AN OFFICE OF VETERANS AFFAIRS IN THE PHILIPPINE EMBASSY IN THE UNITED STATES OF AMERICA, DEFINING ITS FUNCTIONS, PROVIDING FUNDS APPROPRIATIONS THEREFOR, AND FOR OTHER PURPOSES

Introduced by Senator Magsaysay Jr.

**To the Committees on National Defense and Security; Foreign Relations; and Finance**

Senate Bill No. 1864, entitled

AN ACT INSTITUTIONALIZING GOVERNMENT SCHOLARSHIP GRANT TO DESERVING NATIONAL AND LOCAL GOVERNMENT EMPLOYEES, PROVIDING FUNDS FOR THIS PURPOSE AND FOR OTHER PURPOSES

Introduced by Senator Magsaysay Jr.

**To the Committees on Civil Service and Government Reorganization; Education, Arts and Culture; Ways and Means; and Finance**

Senate Bill No. 1865, entitled

AN ACT AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 6971 OTHERWISE KNOWN AS "THE PRODUCTIVITY INCENTIVES ACT OF 1990" AND FOR OTHER PURPOSES

Introduced by Senator Magsaysay Jr.

**To the Committee on Labor, Employment and Human Resources Development**

**COMMITTEE REPORTS**

Committee Report No. 6, submitted by the Committees on National Defense and Security; and Public Order and Illegal Drugs on Proposed Senate Resolution No. 41, introduced by Senator Defensor Santiago, Miriam, entitled

RESOLUTION DIRECTING THE APPROPRIATE COMMITTEE/S TO INQUIRE ON THE ALLEGED CONTINUOUS ACQUISITION BY THE MILF OF WEAPONS AND AMMUNITIONS,

recommending the adoption of the recommendation and their immediate implementation.

Sponsors: Senators Biazon and Villar Jr.

**To the Calendar for Ordinary Business**

Committee Report No. 7, prepared and submitted jointly by the Committees on National Defense and Security; and Constitutional Amendments, Revision of Codes and Laws on Senate Bill No. 1862 with Senators Luisa "Loi" Ejercito Estrada, Biazon and Gordon as authors thereof, entitled

AN ACT PRESCRIBING A FIXED TERM OF OFFICE FOR THE CHIEF OF STAFF AND THE MAJOR SERVICE COMMANDERS OF THE ARMED FORCES OF THE PHILIPPINES (AFP) AND FOR OTHER PURPOSES,

recommending its approval in substitution of Senate Bill Nos. 67 and 1284.

Sponsors: Senators Biazon, Gordon and Luisa "Loi" P. Ejercito Estrada

**To the Calendar for Ordinary Business**

Committee Report No. 8, submitted jointly by the Committees on National Defense and Security; and Finance on Senate Bill No. 1286, introduced by Senator Biazon, entitled

AN ACT CREATING THE RANK OF FIRST CHIEF MASTER SERGEANT/FIRST MASTER CHIEF PETTY OFFICER IN THE ENLISTED RANKS OF THE ARMED FORCES OF THE PHILIPPINES (AFP), APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES,

recommending its approval with amendments.

Sponsor: Senator Biazon

**To the Calendar for Ordinary Business**

**COMMITTEE REPORT NO. 5  
ON SENATE BILL NO. 1854  
(Continuation)**

Upon motion of Senator Pangilinan, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1854 (Committee Report No. 5), entitled

AN ACT INCREASING THE EXCISE TAX RATES IMPOSED ON ALCOHOL AND TOBACCO PRODUCTS, AMENDING FOR THE PURPOSE SECTIONS 141, 142, 143, 144, 145 AND 288 OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED.

Senator Pangilinan stated that the parliamentary status was still the period of interpellations.

Thereupon, the Chair recognized Senator Recto, Sponsor of the measure.

**SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended.

*It was 4:13 p.m.*

**RESUMPTION OF SESSION**

At 4:14 p.m., the session was resumed.

**REMARKS OF SENATOR ENRILE**

Senator Enrile stated that the Minority, in order to give justice to Senate Bill No. 1854, a complicated measure, had requested time to prepare for their interpellations next week as he gave assurance that the Minority would not waste the time of the Senate.

However, Senator Pangilinan sought clarification as he pointed out that Senator Osmeña had informed him earlier that he was ready to interpellate the next day.

Senator Enrile stated that the Minority would not impede any of their colleagues who are ready to interpellate. He added that it was unfortunate that most of the Minority senators were not well

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initiated in taxation, hence, they needed more time to prepare.

Asked by the Chair if he could give an estimate of how long the interpellations of the Minority senators would take without being bound by a timetable, Senator Enrile replied that from experience, the time cannot be determined. He added that it would depend on the ability of the interpellator and the answers and materials that the Sponsor would give. He pointed out that: 1) there were three public hearings on the bill, but not all the senators are members of the committee; 2) the bills that were subjected to public hearings were Senate Bill No. 1815 that he filed, and House Bill No. 3174. He stated that the committee members from the Minority requested resource materials during the hearings but the Executive failed to submit some of them. He added that the Minority senators never knew who drafted the bill and where the committee got the information on which it based the rates in Senate Bill No. 1854. Precisely, he said, this was the reason why the Minority senators asked to be given until next week to prepare.

The Chair noted that Senator Osmeña would interpellate the next day while the others would take their turn next week.

As Chairman of the Committee on Ways and Means, Senator Recto clarified that he, with the assistance of the technical and committee staff, crafted the Committee Report based on the inputs from the Executive department and committee hearings. He said that he did not begrudge the Minority for asking time to study what was indeed a complicated measure. He said that based on the 1997 record, it took the committee eight months to prepare its report and roughly a year before the bill was enacted into law.

He said that the ways and means committee had three hearings on the present bill and had only about three to four weeks to gather relevant information for it to make a determination on the type of committee report that it wanted to submit to the Body.

## POINT OF CLARIFICATION OF SENATOR DEFENSOR SANTIAGO

Asked by Senator Defensor Santiago whether the bill is a certified measure, the Chair replied in the affirmative.

Asked on the tradition or practice followed by the legislative branch when such a certification had been issued, Senator Pangilinan replied that when a certification is issued by Malacañang, Congress does away with certain constitutional requirements regarding first, second and third readings and do away with the required session days to speed up the passage of the bill.

Senator Defensor Santiago said that this would mean that even only out of comity or courtesy to a coequal branch of government, when the President certifies a bill as urgent, Congress should exert every effort to act on it urgently.

She pleaded with the Minority for the least delay in the consideration of the bill in view of the fact that during President Macapagal Arroyo's recent visit to South America, the state leaders that she met, the international community, in particular the international lending community, were waiting for indications that the Philippine Congress would cooperate with her effort to pass the priority revenue measures. She said that the international community expects to make a visit to the Philippines in December to check on whether her executive initiative was being followed up in the legislative branch.

She reiterated her plea for the Minority to give the bill the urgency that the President has requested because of far-reaching consequences if Congress failed to act on it before the Christmas break.

Senator Pangilinan stated that Section 26(2) of Article VI of the Constitution provides, "No bill passed by either House will become a law unless it has passed three meetings on separate days, and printed copies thereof in its final form have been distributed to its Members three days before its passage, except when the President certifies to the necessity of its immediate enactment to meet a public calamity or emergency."

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## INQUIRY OF SENATOR LACSON

Asked by Senator Lacson whether a public calamity exists, Senator Pangilinan replied that the financial situation falls under a public emergency in view of the huge budget deficit and the implications of the possible downgrading of the country by the international creditors. He believed that the passage of the bill would address the public emergency.

On the observation that the President had just announced that the fiscal crisis was over, Senator Pangilinan recalled that the previous day, Senator Recto said that he disagreed with the President.

Senator Lacson wondered how Senator Recto could disagree with the President who certified the measure. Senator Pangilinan reiterated that the huge budget deficit was a problem that had to be addressed.

## REMARKS OF SENATOR ARROYO

Senator Arroyo stated that he had always taken a position against taxes because the Executive should not ask for tax measures unless it first improves tax collections. However, he pointed out that even as the President proposed eight tax measures that would yield an expected revenue of about P80 billion, she only certified one tax measure that would yield P10 billion. He said that he would not be comfortable opposing this particular tax measure as he asked why the Senate should make it difficult for the President.

He said that there is no problem if the Opposition opposed the bill as he assumes that they are sincere and patriotic. However, he argued that the downgrade in the country's credit standing should not continue no matter how an individual might hate the administration. He pointed out that the Senate has been called upon to help the government and the Members are supposed to cooperate, short of which, they would fail as lawmakers. He said that asking the Body to approve a bill that would yield P10 billion out of the targeted P80 billion in revenues is not too much to ask.

In fact, he added, the Members had made it difficult for Senator Recto as Chair of the Committee on Ways and Means to even hear the seven other measures which the administration senators themselves are opposing. He urged the Members to consider the instant bill in the interest of fairness.

## REMARKS OF SENATOR ENRILE

Senator Enrile said that while the Opposition gave the assurance that they would help the government, they still have the right to scrutinize every measure brought to the floor. He reminded the Body that the Opposition's role is to fiscalize and to ensure that the interest of the nation is safeguarded. He, however, said that the Majority who have the numbers could go ahead and cloture or silence the Opposition if they so desired. He said that the Minority only wanted time to dissect the bill not for themselves but for the sake of the people so that they could understand the issues. If what the Majority wanted is convenience, he said, then all the Opposition had to do is to stop working because it is not their responsibility to help the Majority. However, he warned that if the Majority disregarded the Minority and passed the bill, the nation would someday regret it.

## MOTION OF SENATOR PANGILINAN

Senator Pangilinan manifested that Senator Osmeña was ready to interpellate in the next day's session.

Thereafter, he moved to suspend consideration of the bill.

## REMARKS OF SENATOR ARROYO

Without imposing on the Minority, Senator Arroyo asked whether it is possible to have a time frame to finish the deliberations on the bill. The delay, he cautioned, could further affect the image that the Senate could not pass even a single measure that, unfortunately, some foreign elements have incorrectly imposed on the government. He said that the government is in

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no position to haggle with some foreign impositions.

Senator Enrile stated that while he understood the predicament of the administration, he was not willing to surrender the prerogative of the Opposition. He reiterated that the Majority could cloture the Opposition because they have the numbers but they should not talk about a time frame because the Senate is a free institution and the Members are going to exercise their right as senators.

#### REMARKS OF THE CHAIR

The Chair suggested that the matter be discussed in a caucus scheduled after the session.

Senator Enrile said that he would attend the caucus but would be unwilling to accept any cloture.

The Chair clarified the issue of cloture was not being discussed, adding that the issue of a time frame on the deliberation on the bill could also be discussed in caucus.

#### REMARKS OF SENATOR LIM

Senator Lim recalled that two weeks ago Senator Pimentel was denouncing the North Railway system contract that was negotiated with China, while Senator Arroyo argued that it was the South Railway project that should be discussed. He said that after listening to the arguments, he did not realize that there is a railroad in the Senate.

The Chair requested Senator Lim to continue his observation after the Body has acted on the motion to suspend consideration of Senate Bill No. 1854.

#### REMARKS OF SENATOR PIMENTEL

Senator Pimentel explained that the problem started when the Majority senators relinquished their right to interpellate on the bill to facilitate its approval, catching the Minority off guard as they were preparing for their own interpellations carefully to do justice to the expectations of the people. He emphasized that the Minority do

not desire to prevent the approval of the measure before the recess; in fact, they supported the call for a caucus to thresh out many things.

The Chair affirmed that there would be a caucus after the session as previously called and as agreed upon during the senators' caucus last week.

#### SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1854

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

#### REMARKS OF SENATOR LIM

Senator Lim recalled that almost all the Majority senators manifested their desire to interpellate on the bill and the Opposition senators also manifested the same. He said that he was therefore surprised when Senator Pangilinan announced that the Majority senators would no longer interpellate and, thereafter, asked who among the Minority senators would like to do so. Being last on the list, he stated that he thought he would interpellate in two-weeks time, thus, he was caught flatfooted when Senator Pangilinan asked him if he was ready to interpellate. He said that in the spirit of cooperation, he agreed to interpellate even if he was not ready.

Senator Lim stated that the Minority have already expressed their intention to cooperate but would resist arm-twisting by the Majority as what is at stake is the imposition of burdensome taxes on the Filipinos. In the spirit of cooperation and reconciliation, he expressed hope that the Minority would be given consideration so that Senator Enrile would have time and data to prepare for his interpellation next week.

At this juncture, Senator Arroyo stated that the Majority decided not to interpellate because Senator Enrile's bill would tax the people more than Senator Recto's bill. He disclosed that he was prepared to interpellate Senator Recto but given a choice between two bills where one measure proposed to collect more taxes, he decided to support Senator Recto's proposal. He pointed out

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that there was no attempt at railroading or preventing any Member from speaking as there is no cloture provision in the Rules of the Senate. He clarified that the Body was still trying to agree on the process.

Senator Enrile said that as senators, they should be accorded a modicum of respect and courtesy and should not be told to hurry as they all know their responsibilities. He requested that the position of the Minority be understood as nobody has a monopoly on responsibility. He stated that he could begin his interpellation that day but with all the questions he would raise, it would take some time for him to finish.

The Chair stated that it was not the Senate's desire that Senator Enrile ask questions until kingdom come.

At this juncture, Senator Pangilinan reminded the Body of the caucus after the session during which issues that have been raised on the floor would be threshed out.

#### **SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, the session was suspended.

*It was 4:46 p.m.*

#### **RESUMPTION OF SESSION**

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

#### **COMMITTEE REPORT NO. 2 ON SENATE BILL NO. 1833**

*(Continuation)*

Upon motion of Senator Flavier, there being no objection, the Body resumed consideration, on Second Reading, of Senate Bill No. 1833 (Committee Report No. 2), entitled

#### **AN ACT TO STRENGTHEN THE UNIVERSITY OF THE PHILIPPINES AS THE NATIONAL UNIVERSITY.**

Senator Flavier stated that the parliamentary status was the period of interpellations.

The Chair recognized Senator Pangilinan, Sponsor of the measure.

#### **INTERPELLATION OF SENATOR PIMENTEL**

Senator Pimentel noted that the bill would give the Board of Regents powers over the land use of the real properties of the University.

Senator Pangilinan clarified that some of these powers are already enjoyed by the Board of Regents but there are restrictions on their use. For example, he said, the construction of certain buildings that may not be directly used for educational purposes would be considered an act beyond the Board's authority.

Noting that the Local Government Code provides that only the city, province or the municipality is authorized to grant permits for any construction within its territorial boundaries, Senator Pimentel asked how the broadening of the powers of the Board would affect such provision.

Replying thereto, Senator Pangilinan clarified that the proposed measure would not prevent any local government from exercising its power and jurisdiction over the issuance of permits. In fact, U.P. at present secures the necessary permits through the contractors, he said. He stressed that the Board recognizes the power of the local government to grant permits for constructions in properties within its territorial boundaries.

Asked if there is an existing land-use plan for the University, Senator Pangilinan replied in the affirmative. He informed the Body that individual campuses, with the assistance of technical committees, put together their respective land-use plans and submit the same to the Board for approval. He disclosed that the academic function of the University has primacy in the land-use plan, that is, the plan must be consistent with the mission of the University to provide access to quality education on the tertiary level. He stated that the plan also considers auxiliary services such as student and faculty housing, parks and playgrounds as well as commercial areas for the needs of the students

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and residents in the area; and science and technology parks in selected campuses.

Senator Pimentel expressed concern about the wanton destruction of forest trees in some campuses in the execution of the land-use plan as revealed by Senator Madrigal. He stressed that maintaining sound ecological balance should be taken into account in formulating land-use plans, otherwise, the University would become a leader in the degradation of the remaining forests within its own campuses.

As regards the necessity for a mechanism for consultation with the stakeholders in formulating land-use plans, Senator Pangilinan explained that, as has been the practice, the plan is initially presented to the respective University councils and the UP community – the students, the residents and the non academic personnel. He averred that all land-use plans go through the process of consultation before the Board approves them.

Senator Pimentel stressed that the Board, given its greater powers, should be conscious of the need to protect the environment of the University campuses throughout the nation.

Senator Pangilinan reiterated that the Board is not being given more powers than it already has at the moment. He pointed out that the bill would merely codify these powers and that the only additional power the bill provides for is the power to fix salaries.

Reverting to the issue of land-use plans, Senator Pimentel asked if there is a mechanism for review should controversies arise. Senator Pangilinan said that there is a system of review whereby plans that had been approved by the Board could be updated and adjusted. He recalled that during the watch of U.P. President Javier, a proposal to convert the Commonwealth property into a commercial district was approved by the Board in 1996. He stated that there was vigorous opposition from the U.P. community so the matter was brought to the attention of then President Ramos and eventually, the plan was shelved. The deed of sale signed by President Quirino in favor of U.P., he pointed out, provides that any disposition of properties in

U.P. Diliman would need the approval of the President of the Philippines.

Asked whether the views of the affected stakeholders could prevail over the decisions of higher government authorities, Senator Pangilinan replied in the affirmative. He asserted that the election of the new U.P. President was proof that the academic community actively pursued an agenda that it believed was best for the University.

Upon further query, Senator Pangilinan affirmed that nothing in the bill curtails the right of stakeholders; in fact, it provides for additional representation in the Board of nonacademic personnel to strengthen their participation in policymaking.

At this point, Senator Pimentel congratulated U.P. President-elect Dr. Emerlinda Roman, saying that she fully deserves the election to such a prestigious office. He assured Dr. Roman of the support of the senators for whatever plans she has for the best interest of U.P.

As regards the location of the different campuses of U.P., Senator Pangilinan informed the Body that aside from the one in Diliman, there are campuses in Manila; Los Baños; Baguio; Clark; four in the Visayas – Miag-ao, Iloilo City, Cebu and Tacloban; and Mindanao.

Upon further queries, Senator Pangilinan stated that U.P. Clark only leases the building that it is currently occupying and has no property in the area; in Subic, U.P. is leasing half of a building; U.P. owns the campus in Baguio City that has an area of 3.5 hectares. He stated that the campus in Los Baños, including the forest reserve, is 4,000 hectares; and U.P. Manila, 14 hectares. Senator Pimentel observed that there is hardly any room for new constructions in the U.P. Manila because it is filled with buildings.

As regards the Miag-ao campus, Senator Pangilinan said that it has 480 hectares and offers undergraduate courses; on the other hand, the Iloilo City campus is for high school and graduate students, and those who wish to enter the College of Management. U.P. Iloilo, he added, also owns a

10-hectare property in the city that was donated by the Iloilo City government to be used as a school site.

With regard to the U.P. campus in Cebu, Senator Pangilinan informed the Body that it is 17 hectares – 12 hectares in Lahug that was donated by the Cebu provincial government to house the campuses for graduate studies in the fields of business administration, public administration, and education; and five hectares in Talisay. However, he said that a significant portion of the Lahug property is occupied by squatters. In Diliman alone, he pointed out, informal settlers occupy about 100 hectares of the University property.

Senator Pimentel stated that U.P. should not tolerate the situation because time would come when it would be more difficult to get the squatters out of the U.P. property. He said that at the proper time, he would propose an amendment that would give the Board the power to tackle the problem of squatting more decisively.

Senator Pangilinan welcomed the proposal, pointing out that cases have been filed, negotiations have been made, and coordination with concerned government agencies have been pursued but the problem of squatting remains.

As regards the other U.P. campuses, Senator Pangilinan stated that U.P. Tacloban, which has seven hectares by virtue of a proclamation by President Aquino in 1989, is not occupied by informal settlers; on the other hand, the 204-hectare Davao campus that was established as U.P. Mindanao by virtue of Republic Act No. 7889 has informal settlers.

Asked whether U.P. has allowed some government agencies to use part of its property in Diliman, Senator Pangilinan replied in the affirmative, saying that these agencies include the Phivolcs, the National Computer Center, the DOST, the Philippine Nuclear Research Institute, and the Philippine Social Science Center. A government agency is allowed to use U.P. property, he said, in terms of its linkage to the academe and with the requirement that it reserves a space for the use of the University.

On whether these government agencies are paying rent to U.P., Senator Pangilinan said that there is no financial consideration and payment is in the form of a usable space for the University.

Asked whether the Philippine Social Science Center rents out conference rooms to those who want to use its facilities, including U.P. student organizations, Senator Pangilinan replied in the affirmative, saying that these are minimal amounts to cover expenditures on utilities and maintenance of facilities.

On Senator Pimentel's suggestion that the Board look into the matter so that the rent could be given as subsidy to U.P. students and organizations, Senator Pangilinan said that the matter would be negotiated with the PSSC.

On whether there had been other patent violations of the land-use plans of the University aside from the case of informal settlers, Senator Pangilinan replied in the negative. Senator Pimentel disclosed that he has been furnished with a copy of the complaints filed by the faculty and employees of the School of Labor and Industrial Relations and the Institute of Small Scale Industries against the construction of two restaurants, the Chateau Verde and Tree House, within the public affairs complex. He asked who and why permits were issued to the owners of the restaurants, and whether sanctions were imposed on the persons responsible for the constructions. In reply, Senator Pangilinan stated that the original arrangement was that the two restaurants would only be canteen concessionaires, and for violating the terms and agreement of the concession, cases were filed against them in court. The University, he noted, has responded to the complaints and Chateau Verde and Tree House are no longer in operation.

Senator Pimentel recommended that the University land-use plans be formulated with full transparency and participation of all the stakeholders and they should clearly provide for a system of accountability of officials responsible for the implementation of the plans and such other matters the Body may decide upon. Senator Pangilinan agreed as he gave the assurance that the committee would be willing to accommodate the amendments at the proper time.

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Asked if the bill proposes to exempt the University from the Salary Standardization Law, Senator Pangilinan replied in the affirmative.

Senator Pimentel asked whether other state universities enjoy the same exemption, noting that the Philippine Normal University got an exemption when it was converted into a university. Senator Pangilinan stated that only PNU enjoys exemption from the SSL.

As to the budgetary implications of such exemption, Senator Pangilinan explained that the University would have to raise the necessary revenue through joint venture agreements to fund an incremental increase in salaries. He explained that the University internally generates a P950-million income annually that comes from different sources —auxiliary services, lease contract, tuition fees, interest from endowment funds and hospital fees. Hypothetically, he pointed out that a 30% increase in the salary of the faculty would require about P400 million that may be generated from the science and technology park.

Asked by the Chair if the University is allowed to use all of its income, Senator Pangilinan replied in the affirmative.

Queried by the Chair if the P950 million is for University operations, Senator Pangilinan also replied in the affirmative, stating that a big part of it is earmarked for laboratories, libraries, student assistance and sports.

Senator Pimentel asked if the internally generated income is reflected in the budget request of the University and if it is accounted for. Senator Pangilinan replied that the income is included in the U.P. budget in the GAA.

Queried by the Chair if the U.P. item in the GAA has a specific provision that U.P. can use its internally generated income, Senator Pangilinan replied in the affirmative. Further, he affirmed that the provision has to be indicated annually in the GAA.

Asked by the Chair if the bill includes such a provision so that it would not be subject to the whims and caprices of Congress or the line veto by an unsympathetic president,

Senator Pangilinan stated that fortunately the provision had never been vetoed by past presidents, but it could happen in the future.

Upon query of Senator Pimentel on the membership of the Board of Regents, Senator Pangilinan replied that it was decreased from 12 to 11 to avoid a tie during the voting as what happened in the recent election of the University President.

Asked if there is a provision in the bill that guarantees the representation of campuses outside of Metro Manila in the Board, Senator Pangilinan replied that the representation of the faculty regents and student regents and the administrative staff representative are rotated among campuses outside of Metro Manila to insure proper representation in the Board.

To the suggestion to increase the representation in the Board of campuses outside Metro Manila, Senator Pangilinan gave the assurance that the committee would look into the proposal at the proper time as he noted that geographic representation could be included. Senator Pimentel said that he would seriously offer a proposal during the period of amendments.

On another matter, Senator Pimentel asked if the chancellor of U.P. Los Baños has instituted a system of hiring faculty members for only one semester. Senator Pangilinan replied that the Board had asked the chancellor to extend the appointments of the concerned faculty members to one year.

On whether the recommendation of U.P. Vice President Serena Diokno that the hiring of faculty members should be for one year had been acted upon, Senator Pangilinan replied in the affirmative.

Asked by the Chair on the number of faculty members whose appointments are temporary, Senator Pangilinan replied that about one third of 4,000 faculty members have temporary appointments.

The Chair stated that the strength of the U.P. College of Law is its regular faculty members who have security of tenure. Given the policy

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of hiring faculty on a temporary basis, It wondered how the University could attract and maintain qualified faculty members. It asked about the rationale of the policy. Senator Pangilinan explained that the reason why almost one-third of the faculty members are temporary is that they still have to meet certain requirements to become tenured.

Upon query of the Chair, Senator Pangilinan explained that these requirements, at least for a professor, include a PhD or an equivalent degree, excellent teaching record, active publishing career or an equivalent measure of creative outputs in the arts, among others.

Upon query of the Chair, Senator Pangilinan replied that the concerned faculty members are rehired on a year-to-year basis and are given five years within which to fulfill the minimum requirements. He explained that this is a common practice among universities in other countries.

On the observation that the views of the students are a critical factor in the renewal of a teacher's appointment in U.P., Senator Pangilinan said that in all campuses, students evaluate the faculty members and the evaluation is used as a basis to renew or extend their appointments.

Senator Pimentel argued that the evaluation could be criticized as putting pressure on the teacher to become more popular instead of being effective. Senator Pangilinan agreed, as he recalled that when he was a teacher in Ateneo and was evaluated annually, there was an apprehension that if the teacher is not accommodating, he might be evaluated differently. He clarified that although the evaluation is one of the criteria, it is not the only basis for renewing or terminating appointments.

On the recommendation of Vice President Diokno for a review of the qualitative aspect of the students' evaluation of teachers, Senator Pangilinan said that the Office of the Academic Affairs has been instructed to study the matter.

Asked what would happen to the U.P.-Los Baños 170 faculty members whose appointments expired last October 31, Senator Pangilinan replied that all of them were given an extension up to May 2005.

Senator Pimentel asked if Senator Pangilinan could facilitate a dialogue between Senator Madrigal and the Opposition senators and Chancellor David of U.P. Los Baños. He asserted that while Chancellor David can dispute the assertion of a senator, the authority of a senator to speak out on a matter of public interest cannot be challenged. Senator Pangilinan stated that he had a dialogue with University officials earlier about the issue and he suggested that they clarify the issue with Senator Madrigal and the Opposition senators.

Senator Pimentel stressed that the Opposition senators would not block the passage of the bill; however, he said, when a senator raises a question, he deserves a forthright answer.

On the matter of securitization, asked if it would be an additional power to be given to the Board, Senator Pangilinan replied in the affirmative as he said that the provision could be deleted if Senator Pimentel so wished.

Asked on the joint ventures entered into by the University, Senator Pangilinan replied that the Basilan Land Grant is a joint venture agreement with the Department of Trade and Industry but it no longer exists because the land was subjected to CARP. He affirmed that the DTI, through the National Development Corporation, was the partner in the joint venture entered into by the University during the term of then President Angara.

Upon further query, Senator Pangilinan explained that by an act of Congress, under the concept of stewardship, U.P. was given 3,000 hectares of land in Basilan, a portion of which was a rubber plantation.

At this point, Senator Angara explained that the University of the Philippines is one of the land grant universities established in the country when the Americans came, the land grant university being a common feature in American education. He informed the Body that a land grant is given to a university to ensure that in the future, it would derive much of its support from the use of that grant. He said that U.P. was the first land grant university and was given land grants in Basilan, Quezon, Tarlac and Baguio.

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As regards the Basilan Land Grant, Senator Angara said that it was a good joint venture subject because rubber, cocoa and coconut can be grown in the area. The Basilan Land Grant being idle, and with the University not having much income, he said that the University entered into a joint venture to derive income from its use. He noted that the land grant was subjected to CARP and became even more unproductive. He stressed that a potential source of income needs to be utilized and developed and partners have to be invited because the University has no money for investment.

Asked by Senator Pimentel why the Basilan Land Grant was subjected to CARP, Senator Pangilinan surmised that rather than spend money to maintain and protect the property, the government decided to put the land grant under the CARP and decided to take the money. The University received P75 million from the CARP, he said.

The Chair posited that the NDC must have been considered an absentee landlord which was why the Basilan land grant was subjected to CARP.

Senator Pimentel observed that government educational institutions are exempted from CARP. He asked what the basis was for subjecting the Basilan Land Grant, all 3,000 hectares of it, to CARP. He urged the U.P. legal office to look into the matter. Senator Pangilinan agreed, saying that he would request the University officials to provide documents.

Fearing that the same thing might happen again, Senator Pimentel stressed that it is important to safeguard the University properties.

The Chair suggested that a provision be inserted in the bill exempting University land grants from CARP. Senators Pimentel and Pangilinan agreed to the suggestion. Senator Pimentel underscored that no degree of occupation of a University property should ripen into ownership.

On the power of the Board to enter into an outright sale of the University properties, Senator Pimentel stated that "outright sale" should not

cover land deeded by the government to the University. Senator Pangilinan replied that out of the 24,000 hectares, 22,000 are land grants and cannot be disposed of without the approval of Congress.

Asked by the Chair if the government's action on the Basilan Land Grant had the approval of Congress, Senator Pangilinan replied that it was disposed off through CARP as he affirmed that the beneficiaries were private individuals.

Replying to other queries, Senator Pangilinan mentioned that the University has a total of 24,000 hectares of landholdings, including land grants in Quezon and Laguna.

Senator Pimentel suggested that a provision be included in the bill stating that lands deeded to U.P. are not subject to the CARP and can never be owned by any individual who lives on and claims the property as his own. Senator Pangilinan agreed to the suggestion.

On the assumption that 2,000 of the 24,000 hectares owned by the University might be subjected to outright sale, Senator Pangilinan replied that this property is further classified as follows: 1,000 hectares for campus sites, 850-950 hectares for research areas, and 50 hectares which are donations from private entities that are subject to the terms and conditions of the donation. Senator Pimentel pointed out that the deeds of donation may have a proviso that the donated land would revert to the donor's estate in the event the property is no longer used by the donee for educational purposes. Senator Pangilinan clarified that not all the deeds of donations require that the property be used solely for educational purposes.

Asked whether the 1,000 hectares reserved for campus sites could not be subjected to outright sale, Senator Pangilinan replied in the affirmative.

As to whether these same properties would not be leased for commercial purposes, Senator Pangilinan clarified that this could become an issue because leasing portions of a selected area of the campus has been envisioned as part of the land-use plan. For instance, he noted that for the

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science and technology parks being envisioned in U.P., Diliman, 100 hectares would be open for lease in the north and another 40 hectares in the south. He stated that a number of lands for research areas are mangroves. Senator Pimentel expressed concern about the matter as he suggested that only a certain portion of the 1,000 hectares be subjected to lease. Senator Pangilinan agreed to the suggestion.

Recalling that Senators Roxas and Arroyo had earlier expressed their concern over the power of the Board to dispose of, alienate or encumber these properties, Senator Pangilinan said that he was more than willing to accommodate any amendments that would safeguard the properties of U.P.

At this juncture, Senator Pimentel suspended his interpellation until the next day in light of the scheduled caucus at 6:00 p.m.

#### **SUSPENSION OF CONSIDERATION OF SENATE BILL NO. 1833**

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

#### **INSERTION OF COSPONSORSHIP SPEECHES INTO THE RECORD**

At the instance of Senator Flavier, there being no objection, the Body approved the insertion of the cosponsorship speeches of Senators Osmeña and Pangilinan on Senate Bill No. 1745 into the Record of the Senate.

#### **COSPONSORSHIP SPEECH OF SENATOR OSMEÑA**

The following is the full text of the speech of Senator Osmeña on Senate Bill No. 1745:

*"A nation should not be judged by how it treats its highest citizens but its lowest ones." - Mandela*

This bill if passed into law will appropriate \$200 million, a portion of the \$650 million in illicit gains amassed by the late dictator, Ferdinand Marcos, which

were found in Swiss banks and recovered by the government, to partially compensate those men and women who were unjustly victimized by Marcos and his minions during that brutal reign known as martial rule.

Let me recapitulate some of the events which led to this reign of terror and greed.

In January 1970, two months after what is now acknowledged as the dirtiest presidential elections in Philippine history, thousands of young Filipinos staged a raucous demonstration in front of Congress during the State of the Nation Address. Because that rally was quickly followed by several others, this movement became known as the First Quarter Storm

In November of that same year, nationwide elections were conducted for the selection of delegates to a Constitutional Convention. Since Marcos had a constitutionally mandated limit of only two terms as president, there were widespread fears that he would utilize the vast powers of the presidency to ensure the election of his glamorous wife, Imelda, as his successor thus ensuring his continued control of the levers of power in this country.

In the convention, a group of progressive members led by Raul Manglapus, Nene Pimentel, Tito Guingona, Joe Concepcion, Napoleon Rama, Voltaire Garcia and several others sought to introduce a provision that would ban members of the Marcos family from running in the presidential contest scheduled in 1973.

This, of course, ran contrary to Marcos' plans and he employed several delegates as paymasters to distribute monthly payola payments to a majority of the members to ensure that the final draft of the proposed constitution would be one to Marcos' liking.



The following year, on August 21, 1971, a date that would live in infamy, the proclamation rally of the candidates of Liberal Party at Plaza Miranda was bombed by unknown perpetrators. Nine people were killed and several dozens were injured, some very seriously. Among them were several senators and close relatives of some of our colleagues here today.

Marcos immediately seized upon this tragedy to proclaim the suspension of the writ of *habeas corpus* and order the arrest and detention of dozens of student activists critical of his regime.

As a result of the Plaza Miranda bombing, the senatorial candidates of Marcos' Nacionalista Party were clobbered in the November 1971 mid-term elections. Opposition to the Marcos regime had significantly increased from a few thousand student activists to a majority of the Filipino people.

But Marcos was not one to give up so easily. With the realization that he faced widespread charges of corruption when his term ended, he proceeded to orchestrate a scenario of civil unrest and sporadic acts of violence to project an image of public disorder and possible anarchy.

Several bombings were staged: at a department store in Quiapo; at a Meralco substation; at the house of one of his key leaders; even the toilet of the Constitutional Convention was not spared. This last event caused the media to tag Marcos' designs as a "revolution by constipation."

What made matters worse for Marcos was the exposé by a respected delegate of the Convention, Hon. Eduardo Quintero, of the payola being paid by Marcos to many of the delegates.

Around July 1972, Sen. Ninoy Aquino exposed on the floor of the Senate a grand design by Marcos to perpetuate himself

in power by imposing a dictatorship through military rule. This secret plan was code-named Oplan Sagittarius.

Of course, Marcos vehemently denied this, calling Ninoy Aquino a congenital liar.

The liar turned out to be Marcos. On September 21, 1972, Marcos issued Presidential Proclamation 1081 placing the entire country under Martial Law. He ordered his soldiers to close down the Congress and all privately owned television and radio stations, newspapers and other publications. For the next 14 years, the Filipino people would hear only what Marcos wanted them to hear; see only what Marcos wanted them to see. They were forbidden to speak out even in private gatherings because a decree had been issued penalizing "rumor-mongering" -- a catch-all phrase that conveniently included any and all expressions of opposition to the Marcos regime.

Marcos announced that he was making this drastic move in order to reform society and to save the country from take-over by the leftists and the rightists. It must be noted that the total armed membership of the New People's Army was only about 700 at the time.

Marcos also immediately ordered the arbitrary arrest and detention of thousands of his political adversaries, including Senators Ninoy Aquino, Jose Diokno and Ramon Mitra.

To install even greater fear into the hearts of the Con-Con delegates, he arrested several of their members including Joe Concepcion, Nap Rama, Jose Mari Velez and Soc Rodrigo.

From the media, he detained Chino Roces, the publisher of the largest news daily -- the *Manila Times*; Geny Lopez, president of the largest radio-tv network ABS-CBN and Max Soliven, a columnist and TV commentator.

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In January 1973, to cow the populace into ratifying a new Constitution which was tailor-made for him, he ordered the execution by firing squad of an alleged drug dealer nobody had heard of – a certain LIM SENG. Expectedly, a week later, the new Marcos constitution was spuriously deemed ratified by a show of hands in barangay assemblies all over the country.

In the months and years that followed, many bright, involved, committed young Filipinos disappeared from the face of the earth. Two that I recall were Emmanuel Yap, son of eminent lawyer and Supreme Court Justice Pedro Yap, and Kiko Sison, an economist with a post-graduate degree from George Washington University and who worked with the Presidential Management Staff. Their bodies were never recovered. Even their cars and drivers were never found. Kiko Sison's only fault was that he was the brother of Jose Maria Sison, the chairman of the Communist Party of the Philippines.

Thousands of Filipinos were incarcerated in dozens of military stockades and safehouses. The Association of Major Religious Superiors of the Philippines (AMRSP) estimated that at its peak, the population of the various detention camps and safehouses reached 17,000. In all, around 70,000 Filipinos became unwilling guests of the goons of Marcos. Senator Pimentel was so honored no less than four times. Thousands were subjected to many types of torture. Hundreds were salvaged (murdered) including the brother of a former senator whose body was found with his eyes plucked out and large gaping wounds all over his body.

On that same infamous date, August 21, this time a dozen years after the Plaza Miranda bombing, the most brazen extrajudicial execution in history took place in almost full view of television cameras and members of the foreign media. Ninoy

Aquino was murdered in cold blood upon his arrival at the Manila International Airport.

Arguably, the greatest sufferings, aside from the direct victims of torture and salvaging, were visited upon the wives and children of those who were detained. Those who enjoyed comfortable lives now went hungry. Those who were already hungry to begin with, went destitute. Most women could not find jobs to support their kids and were condemned to begging from friends, relatives and strangers. Children had to drop out from school and missed out on their education.

I was detained without any arrest warrant on Nov. 27, 1972. I was never informed of any charges against me. I was not allowed to consult a lawyer. It was only after Geny Lopez and I embarked on a 10-day hunger strike two years later, that we were finally allowed to retain attorneys, former Senators Jose Diokno and Lorenzo Tañada.

A charge sheet was also finally presented to me alleging that I and others conspired to assassinate Ferdinand Marcos, a crime I did not commit. Fortunately, I had already obtained through a friend at the Judge Advocate Generals Office (JAGO) a copy of that very same charge sheet one year earlier. My name was not on it. But in its newest edition, my name had been substituted on line #7 for someone named Mario Suson.

I dared General Antonio Uy of the Presidential Security Command (PSC) to conduct my trial immediately. Instead, the dictator ordered a reinvestigation of our case, an inquiry which stretched out for another two years. In the end, because the fiscals who conducted the inquiry admitted that there was no evidence to warrant the charges, they switched the charge to rebellion, a broad political crime, which, under martial law, covered anything and everything.

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Because assuming I were convicted, I had already served the minimum sentence of 4 years and 2 months for the crime of rebellion, Senator Diokno took my case to the Supreme Court. The justices slept on my case and after my escape, declared the case moot and academic and dropped it although the principle would have applied to thousands of Filipino men and women still rotting in detention camps.

By the grace of God, on Sept. 30, 1977, Geny Lopez and I staged a dramatic escape from the Maximum Security Unit of Fort Bonifacio. We had spent 4 years, 10 months and 3 days in isolation. We broke out of our cell at 8 pm Friday and landed at the Los Angeles International Airport 33 hours later. It might have been the longest fastest escape ever. The Carter administration immediately granted Geny and me political refugee status, a slap on the face of the Marcos regime.

Did Ferdinand Marcos succeed in his proclaimed intention to reform society? If he had, then that would be our country's greatest secret.

In fact, if there had been some pitiable attempts at introducing reforms, it seems those did not include himself and his wife, his relatives and cronies.

In truth, the recovery of the \$650 million in the name of his Swiss foundations is stark evidence of his real intent in having declared martial law – which was to amass power and riches for himself, his relatives and his cronies.

In October 1985, former Singaporean Prime Minister Lee Kuan Yew, wrote in his memoir's "From Third World to First":

"Marcos had been Reagan's good friend and political supporter. When Schultz earlier discussed the matter with me, I said Marcos was the problem, not the solution. He asked me to speak frankly to Reagan who was most unhappy at the prospect of abandoning an old friend. So, as gently

as I could, I described to Reagan how Marcos had changed from the young anti-communist crusader of the 1960's to become a self-indulgent aging ruler who allowed his wife and cronies to clean out the country through ingenious monopolies and had put the government heavily in debt. The credit ratings of the Philippines and his government had plummeted".

Today, P300 billion of our consolidated public sector debt of P6 trillion is due to the behest loans of Marcos' cronies borrowed from government financial institutions like the PNB, DBP and the LandBank. In real terms, the Filipino people are still continuing to pay for the serial plunder of Ferdinand Marcos.

Society also paid a hefty price in terms of the wasted lives of thousands of brilliant young men and women. Almost an entire generation of potential leaders had been wiped out by the tyrant.

In February 1986, the tyrant was pushed from power and fled to Hawaii. I was one of over 9,000 plaintiffs who filed several lawsuits against Marcos before U.S. courts. These lawsuits were later consolidated into a single class action suit before a U.S. district court in Hawaii. Filipino attorneys like Romy Capulong assisted in its preparation and prosecution.

We filed a civil suit in America because Marcos was residing in America so that he could not use as an excuse the fact that he would not be able to defend himself and testify on his own behalf. Furthermore, there were pools of hidden wealth in foreign banks still unrecovered and the banks of foreign countries are more inclined to obey the order of attachment of a U.S. court than a Philippine court. Moreover, after 20 years in power, almost all the judges in the Philippines had been appointed by Marcos or owed him favors. Their impartiality was questionable.

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Our confidence in the impartiality of the American court paid off when Judge Manuel Real ruled in favor of the plaintiffs. Even if we do not collect a single cent, the world was presented with judicial proof that our homegrown tyrant was guilty in thousands of instances of human rights violation.

Because of my participation as cosponsor of this measure, I hereby declare that I shall not be filing any claim to the funds to be appropriated by this measure, even though any sum awarded to me would have been donated to organizations such as Free Legal Assistance Group (FLAG) and Task Force Detainees Philippines (TFDP).

But I stand solidly with my co-plaintiffs in pursuing the execution of the Hawaiian court's decision to identify and recover other hidden pools of Marcos wealth -- whether or not proved ill-gotten. Justice demands nothing less.

Many families of the human rights victims continue to live in poverty. It is for their sake that I urge my distinguished colleagues to ensure the timely passage of this measure. Nelson Mandela wrote "A nation should not be judged by how it treats its highest citizens but its lowest ones."

The passage of this bill into law should remind present and future generations of Filipinos that there were many in our land who believed that democracy is priceless and who accordingly paid the costs.

May the memory of the deeds and sacrifices of thousands of martyrs further instruct our youth that should they find themselves in the same predicament at some future time, they might derive inspiration from the quiet courage and unyielding defiance of so many who valiantly offered their lives on the altar of freedom and human rights.

## COSPONSORSHIP SPEECH OF SENATOR PANGILINAN

Following is the full text of the speech of Senator Pangilinan:

The Human Rights Victims Compensation Act has never been more timely and relevant. This initiative is long overdue, and will provide the necessary closure deserved by victims of human rights violation and unlawful incarceration during the term of former President Marcos.

During that epoch, violations of basic rights were rampant. While we probably take our present liberties for granted -- our rights to work, to shelter, to health, to education, to a living wage, to a healthy environment, to self-determination -- there remains many people in the world whose rights continue to be violated by authoritarian government. This bill sends a strong signal to the international community that the Philippines is genuine in its intent to promote human rights, that it is serious about reparation and penance for crimes committed against human beings.

This bill brings to fruition the dreams I had, when I was a student leader marching in the streets to defy the injustices brought about by the declaration of martial law. This bill brings into realization the ideals, which I and my colleagues present here have been fighting for so desperately until today, to place people at the center of human development goals. It still brings us face to face with our role as legislators, as members of the State, our role as lawyers, to be arbiters of human rights. Most of all, it confirms our humanity and our undying dedication to the preservation of human dignity.

There are about 9,539 claimants in a human rights litigation case against the Marcoses but more than half of them are unfortunately already deceased. It is

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unfortunate enough that their lives were shattered in the past. The least we can do is help them secure a better future if not for them, for their families.

The bill seeks to establish criteria for compensating other victims of human rights abuse and provides for statutory guidelines for the award of said compensation. I believe that the compensation posited by this bill is just and reasonable.

It recognizes the historical and social necessity of officially documenting the human rights violations under the Marcos regime.

It finally directs the Commission on Human Rights, the Presidential Commission on Good Government, the National Historical Institute and the University of the Philippines to submit a report to the President, to Congress and to the Supreme Court.

The Marcos human rights victims are the real heroes behind the people power that regained for us the democracy that we enjoy today. Giving them their due share in the recovered Marcos wealth is but a small compensation for the inspiration of idealism, courage, and sense of nation the victims have instilled in our generation and the generations to come.

The passage of the bill will send a positive signal that the government is unwavering in its pursuit of the Marcos wealth. This will embolden efforts to gain support from the Swiss government to help the government recover the ill-gotten wealth of the Marcoses.

Compensating the victims of human rights violations under the Marcos regime is not about the money per se but about public accountability, justice and retribution. We need to compensate the victims and their families, in order to show that the concept of public accountability is alive. It also serves as a

closure to that tragic chapter in our country's history. The closure allows us to move on as a country. The message of compensation is simple – those who trample upon the basic rights of our people must be made to account for their acts. Let us put this issue to rest, and allow our Filipino brothers and sisters to obtain the closure they justly deserve, by passing the bill without delay.

#### **SUSPENSION OF SESSION**

Upon motion of Senator Flavio, the session was suspended.

*It was 6:08 p.m.*

#### **RESUMPTION OF SESSION**

At 6:08 p.m., the session was resumed.

#### **SUSPENSION OF SESSION**

Upon motion of Senator Pangilinan, there being no objection, the Chair declared the session suspended until ten o' clock in the following morning.

*It was 6:08 p.m.*

#### **RESUMPTION OF SESSION**

At 10:58 a.m., Thursday, November 25, the session was resumed with Senate President Drilon, presiding.

#### **SECOND ADDITIONAL REFERENCE OF BUSINESS**

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

#### **BILLS ON FIRST READING**

Senate Bill No. 1866, entitled

AN ACT TO ENCOURAGE VOLUNTEERISM BY PROVIDING PROTECTION FROM LIABILITY OF VOLUNTEERS SERVING IN NON-PROFIT ORGANIZATIONS

**AND GOVERNMENTAL ENTITIES  
AND ALLOWING THE GRANT  
OF INCENTIVES THEREFOR**

Introduced by Senator Gordon

**To the Committees on Justice and Human  
Rights; and Social Justice, Welfare and Rural  
Development**

**COMMUNICATION**

Letter from Officer-in-Charge Pedro O. Chan, Office of the Undersecretary for Migrant Workers' Affairs, Department of Foreign Affairs submitting to the Senate a copy of Report to Congress covering the period July to December 2003 pursuant to Section 33 of Republic Act No. 8042 (Migrant Workers and Overseas Filipinos Act of 1995).


**To the Committees on Labor, Employment  
and Human Resources Development; and  
Foreign Relations**

**ADJOURNMENT OF SESSION**

Upon motion of Senator Pangilinan, there being no objection, the Chair declared the session adjourned until three o'clock in the afternoon of Tuesday, November 30, 2004.

*It was 11:01 a.m.*

I hereby certify to the correctness of the foregoing.

  
OSCAR G. YABES  
Secretary of the Senate  
*MS/ly* *llh* *llh*

Approved on November 30, 2004