

The SECRETARY:

PETITIONS

Resolution No. 49 of the Municipal Board of Ormoc City endorsing the enactment into law of H.B. No. 3439 re exempting Operation Brotherhood Foundation from certain fees and taxes.

The PRESIDENT. To the Committee on Ways and Means.

The SECRETARY:

Resolution No. 50 of the Municipal Board of Ormoc City requesting that S. B. No. 192 re fixing the salaries of provincial and city officials, be amended to include city councilors.

The PRESIDENT. To the Committee on Provincial and Municipal Governments and Cities.

The SECRETARY:

Resolution No. 44 of the Municipal Board of Ormoc City endorsing the approval of H.B. No. 1350 granting greater autonomy to provincial and local governments.

The PRESIDENT. To the Committee on Provincial and Municipal Governments and Cities.

The SECRETARY:

Resolution No. 1074 of the Municipal Board of the City of Butuan requesting the immediate approval of the bill appropriating Eight Million Pesos for the cities and provinces in Mindanao affected by the recent flood.

The PRESIDENT. To the Committee on Finance and Economy.

The SECRETARY:

BILLS ON FIRST READING

S. No. 437 — By Senator Balao

AN ACT AUTHORIZING THE REDEMPTION OF THE BACK PAY CERTIFICATES OF MILITARY PERSONNEL WHO WERE IN THE ACTIVE SER-

VICE OF THE PHILIPPINE ARMY ON OR BEFORE DECEMBER THIRTY ONE, NINETEEN HUNDRED AND FORTY ONE.

The PRESIDENT. To the Committee on Finance and Economy.

The SECRETARY:

S. No. 438 — By Senator Primicias

AN ACT TO MAKE THE APPOINTMENTS EXTENDED BY THE AUDITOR GENERAL FINAL AND EFFECTIVE.

The PRESIDENT. To the Committee on Civil Service.

The SECRETARY:

S. No. 439 — By Senator Sumulong

AN ACT GRANTING CERTAIN PRIVILEGES AND IMMUNITIES TO PUBLIC INTERNATIONAL ORGANIZATIONS OF WHICH THE PHILIPPINES IS A MEMBER, AND TO THE OFFICERS AND EMPLOYEES OF SUCH ORGANIZATIONS.

The PRESIDENT. To the Committee on Foreign Relations.

The SECRETARY:

S. No. 440 — By Senator Magsaysay

AN ACT TO AMEND SECTION TWO OF REPUBLIC ACT NUMBERED THREE HUNDRED AND FORTY SO AS TO AUTHORIZE PAYMENT IN ADVANCE TO AN OFFICER OR ENLISTED MAN WHO RETIRES WITHOUT GETTING ONE LUMP SUM GRATUITY AN AMOUNT EQUAL TO HIS PENSION FOR THE FIRST THREE YEARS FOLLOWING HIS RETIREMENT, AND FOR OTHER PURPOSES.

The PRESIDENT. To the Committee on Veterans and Military Pensions.

Senator PRIMICIAS. Mr. President, in connection with the bill on capital gain stock on which we have appointed a Conference Committee on the part of the Senate to confer with a



similar Committee on the part of the House, a Member of the Conference Committee on the part of the Senate having been elected President of the Senate (this is Senator Marcos), upon the proposal of the Chairman of the Committee on the side of the Liberals, I ask that Senator Marcos be substituted by Senator Fernandez in the said Conference Committee.

The PRESIDENT. Is there any objection? (Silence.) The Chair hears none. The motion is approved.

APPROVAL ON THIRD READING OF SENATE BILL NO. 24

Senator PRIMICIAS. Mr. President, I ask that we vote on third reading on Senate Bill No. 24. Printed copies of this bill were distributed on April 5, 1963.

The PRESIDENT. Voting on third reading on Senate Bill No. 24 is now in order. The Secretary will please read the title of the bill only, if there is no objection. (There was none)

The SECRETARY:

AN ACT CREATING THE PHILIPPINE VETERANS' BANK, AND FOR OTHER PURPOSES.

The PRESIDENT. The Senate will now proceed to vote on the Bill. The Secretary will please call the roll.

The SECRETARY:

Senator	Alejandro D. Almendras	.....	Absent.
"	Gaudencio E. Antonio	.....	Absent.
"	Eulogio Balao	.....	Absent.
"	Estanislao A. Fernandez	.....	Yes.
"	Maria Kalaw-Katigbak	.....	Absent.
"	Oscar Ledesma	.....	Yes.
"	Roseller T. Lim	.....	

SENATOR LIM EXPLAINS HIS VOTE

Senator Lim. Mr. President, I am glad that this bill came up for the legislation because, at

least, the veterans who usually is not welcome in other banks will now have a bank where his application can be dealt with some sympathy. At least, for the first time, the veteran who risked his life and the widow who lost her husband and the children who lost their father who fought in defense of our country can, under this bill, expect priority in the approval of loan applications. We know that many times a poor widow or orphan of a veteran — who does not count with enough influence — sometimes can hardly enter any of these banks. But with the creation of this Veterans' Bank, I am sure that the application of a veteran, widow or orphan will be given priority. The veterans of this country, their orphans, and their widows have yet much to collect, specially from the United States Government. We have heard many speeches on the floors of both Houses of Congress by legislators, all through the years since liberation — legislators delivering speeches backed up by data and statistics proving conclusively that our war claims against the United States have not satisfied or have not been granted to us in a satisfactory manner. And I am glad that at last the legislators of this Congress, the members of this present Congress, have been able to approve a bill of this nature. It took us several weeks to grind this bill in the legislative mill, and I do say that with the brilliant amendments submitted by my colleagues on the floor, we have quite a good Veterans' Bank Bill. And for these reasons, I gladly vote yes in favor of this bill.

The SECRETARY:

Senator	Roseller T. Lim	.....	Yes.
"	Fernando Lopez	.....	Yes.
"	Genaro F. Magsaysay	.....	Yes.
"	Manuel P. Manahan	.....	Yes.
"	Raul S. Manglapus	.....	Yes.
"	Camilo Osias	.....	

Senator OSIAS. Mr. President.

The PRESIDENT. The gentleman from La Union.



## SENATOR OSIAS EXPLAINS HIS VOTE

Senator OSIAS. Mr. President, I just would like to make of record that the veterans, their widows, orphans and legitimate heirs owe a debt of gratitude to the entire membership of the Senate who, from March the 1st till March 28, occupied themselves with the perfection of the bill upon which we are voting. The members of the Senate were animated by a desire to render merited recognition and substantial service to veterans numbering around 400,000; and when we take into account the fact that their orphans, their widows, and their legitimate heirs are also benefited, that means a total of around 2 million persons affected. And so, I think that the veterans should be grateful to all the members of the Senate who gave their time and effort to enacting a good bill for their benefit. I vote yes.

## The SECRETARY:

Senator	Camilo Osias	.....	Yes.
"	Ambrosio Padilla	.....	Yes.
"	Cipriano P. Primicias	.....	Yes.
"	Gil J. Puyat	.....	Yes.
"	Francisco Rodrigo	.....	Yes.
"	Eulogio Rodriguez, Sr.	.....	Absent.
"	Rogelio de la Rosa	.....	Absent.
"	Jose J. Roy	.....	

Senator ROY. Mr. President.

The PRESIDENT. The gentleman from Tarlac.

## SENATOR ROY EXPLAINS HIS VOTE

Senator ROY. Mr. President, I wish to explain my vote in voting yes on the measure.

It will be recalled that during the debate which lasted for more than two weeks on the deliberation of this Veterans' Bank Bill, there had been bitter exchanges of views on how the bill should be enacted into law. There was a time when the opposition of some members of the Senate was

mistaken as a dilatory step taken by several members of the Senate who objected to some major provisions of the measure. It will be recalled, Mr. President, that bitter was the objection to the original bill, the goal or the objective of all the members of the Senate in the final enactment of the bill met with the approval of the veterans organizations of our country.

The passage of the bill in my opinion, or the enactment of the bill into a law, in the final analysis, or the implementation of that law, may give cause for discouragement among the veterans. While we have provided in the law that veterans of World War II, their widows or orphans, shall eventually be entitled to have in their names share in the proposed Bank, and while we have so provide in the bill that a certain portion of the dividends on the shares of the veterans be set aside to meet some objectives of the veterans organizations, that is, for charitable purposes, still I feel that it is incumbent upon the Administration — after the enactment of this bill into a law — to see to it that the \$20 million set aside for the veterans under our Reparation Treaty with Japan should be made good. I have to make this statement because, in the past, there has been negligence on the part of the Administration — the past Administration and even during the present Administration, particularly during the first year of the present Administration — negligence in the sense that the Reparations Law has not been faithfully implemented in respect to the setting aside of \$4 million every year from the proceeds of reparation. It will be recalled that had there been a faithful compliance of the law of setting \$4 million every year, this being the 5th year, the full amount of \$20 million should have been set aside by now. But what happened? Only \$8 million, corresponding to the first two years of reparation, has been set aside to the trust fund for veterans. I would like to call the attention of the present administration that there is due the amount corresponding to three years,



long overdue, which is equivalent to \$12 million. And I would like to call the attention of the present administration that in setting aside that \$12 million, the present rate of exchange should be taken into account. When the veterans got \$8 million out of reparations for the first two years, only the equivalent in pesos at 2 to 1 has set aside. But under the free of exchange inaugurated by the present administration, I would like to repeat here, and I would like to alert the veterans of our country, the veterans of World War II, to see to it that the present Administration will set aside the long overdue amount of \$12 million in pesos at the present rate of exchange which, according to my estimate, will be amounting to about ₱42 million.

I vote yes, I repeat, Mr. President.

The SECRETARY:

Senator Jose J. Roy ..... Yes.  
 " Lorenzo Sumulong .....

Senator SUMULONG. Mr. President, I would like to explain my vote on this bill.

The PRESIDENT. The gentleman is recognized.

SENATOR SUMULONG EXPLAINS HIS VOTE

Senator SUMULONG. When the original Committee Bill was brought for discussion on the floor of the Senate, I stood up and announced my objection to the bill because I believed that the original Committee Bill contained defects which, instead of making the bill beneficial to veterans, will make it prejudicial to their interest; and also because under the provisions of the original Committee Bill, the so-called Veterans' Bank will in fact be a government bank subject to the absolute control of the President of the Philippines.

My first objection was that under the original Committee Bill, the shares of common stock will remain in the name of the Government as trustee during the fifty years during which the Veterans' Bank will exist as a corporation. In other words, during the entire lifetime of the Veterans' Bank, the veterans who really own the common shares of stock will not be able to dispose of it because during that whole period the common stock will be in the name of the Government as trustee. I am glad that during the period of debate this provision was amended so that as now amended, the bill provides that within five years from the organization of the Bank the common shares of stock shall, by mandatory provision in the bill, be transferred to the veterans who own them and in that way they will be in a position to dispose of these common shares as they have the right to do because they are the real owners of this common stock.

My second objection was that under the original Committee Bill, the control and management of the Veterans' Bank was placed in a Board of Directors whose members do not need to be veterans and where the members are going to be appointed by the President of the Philippines. This provision in the original Committee Bill makes the Bank a Government Bank and not a Veterans' Bank. And I am glad that during the period of debate this provision was changed and that as now amended, the bill provides that during the five-year transition period the management shall be given to veterans to be recommended by the Supreme Council of the Veterans Federation of the Philippines and then after the five-year transition period, the Board of Directors shall be elected every year by the stockholders of the Bank.

My third objection to the original Committee Bill was that the leading capacity given to the Veterans' Bank did not provide sufficient safeguards to protect not only the capital put in by the veterans but it also does not give sufficient



protection to the public who will deposit money in the bank. I am also glad that during the period of debate this provision was changed so that now the bill as amended contains sufficient safeguards to protect stockholders as well as depositors in this bank.

My other objection was that since the capital of this Veterans Bank are private funds belonging to the veterans of the Second World War under our Constitution it has to be incorporated under a general law and not by means of special legislation. However, the sponsors of the bill and other senators sustain the contrary view and since the other amendments sufficiently protect the interest of the veterans, I prefer to vote in favor of the bill and let the constitutional issue to be decided in case it should be raised by the Courts of Justice.

Therefore, subject to these comments and observations, I vote in favor of the bill.

The SECRETARY:

Senator	Lorenzo Sumulong	.....	Yes.
"	Lorenzo M. Tañada	.....	Yes.
"	Arturo M. Tolentino	.....	Yes.

The PRESIDENT. The votes of Senators Almendras, Balao and De La Rosa are not registered. Will the Secretary call the names of these Senators again please?

The SECRETARY. Senator Almendras.

Senator ALMENDRAS. Yes

The SECRETARY. Senator Balao.

Senator BALAO. Yes.

The SECRETARY. Senator De la Rosa.

Senator DE LA ROSA. Yes.

The PRESIDENT. Nineteen affirmative votes, no negative nor dissenting vote, the bill is approved on third reading.

STATEMENT OF SENATOR ALMENDRAS

Senator ALMENDRAS. Mr. President.

The PRESIDENT. The gentleman from Davao is recognized.

Senator ALMENDRAS. Mr. President and Gentlemen of the Senate. I rise on a question of personal privilege. Mr. President, on the second thought, I wanted not to take the floor any more because I do not like that my name would be in the newspapers again. But I am being forced by the circumstances, Mr. President, because of the publication in the newspapers that there are some doubts on the part of my colleagues when I vote for you, Mr. President.

I want to make it clear to our people and to my colleagues in the Nacionalista Party because I am still a Nacionalista and I want to remain a Nacionalista even if there are plans to expel me from the Party, Mr. President. But even if I will be expelled from the Party, I told my colleagues that I will still remain a Nacionalista even if they do not want me anymore — just for voting for you, Mr. President. What I want to say here, Mr. President, because there are publications in the newspapers this morning of some speculation on the part of my Nacionalista colleagues, that I am turning Liberal and that pretty soon, it is my desire to move for the reorganization of all officers in this Chamber, I want to repeat, Mr. President, and I want to make it clear that when I served notice last Friday for the reorganization of the Senate Presidency alone, that is alone. I want to repeat, it is only alone as far as that position which Your Honor holds now, Mr. President.

Now, if there is any move on the part of any Party in this Chamber, whether Liberal or Nacionalista, for the reorganization of the positions for President Pro Tempore and Majority Floor Leader and/or chairmanships of all the different



committees, I will stand pat as a Nacionalista and I will always vote as a Nacionalista. Thank you, Mr. President.

Senator PRIMICIAS. Mr. President.

The PRESIDENT. The Floor Leader is recognized.

Senator PRIMICIAS. In view of this statement of the gentleman from Davao, the Nacionalista and Nationalist-Citizens' side of the Senate would like to state that in compliance with the duty which they see plainly to discharge their responsibilities faithfully in the service of the people, they do not see any reason for resigning their respective positions in this Chamber. The statement of the gentleman from Davao plainly implies that he has no desire to change the control of the Senate and that to preserve the Senate in its *status quo* we believe that our loyalty to the people demands that we stay at our respective posts until we are driven away therefrom by a majority vote of the Senate.

Let not others speak of *delicadeza*. From our point of view there is no such thing as *delicadeza* involved. When it comes to the discharge of duties to the people, each one must do his duty well and faithfully. If we were to talk of *delicadeza*, however, as some members of the Liberal Party have spoken about it, may I say that if we are to use *delicadeza* it is they that should resign their chairmanships, because after the last election the people of this country has spoken and the Senate was composed of 12 Nacionalistas and one Nationalist-Citizens coalesced with the Nacionalistas and elected with the Nacionalistas in the same election. Therefore, at that time and until the people shall speak otherwise, the people has willed that the Nacionalistas should be in control of the Senate. And yet what do we see now? Because of certain changes not attributable to the will of the people, the presidency of the Senate is in the

hands of the Liberal Party, and now there is even a demand that the Nacionalistas should yield their chairmanships in favor of the Liberals.

I make this statement, Mr. President, in view of publications in the press to the effect that pressure has been applied to the Nacionalistas to resign their respective elective positions in the Senate. And may I state that the Nacionalistas will remain loyal to their posts, discharging their duties in loyal and faithful service to the people; and, on behalf of the people, until *force majeure* or the will of the people shall say otherwise. Thank you very much.

Senator RODRIGO. Mr. President.

The PRESIDENT. Gentleman from Bulacan.

Senator RODRIGO. After listening to the statement of our distinguished Floor Leader, my offhand impression is that he and the Nacionalistas plus the senator who belongs to the Nationalist-Citizens' Party are perfectly within their legal right not to resign from their positions. And I agree with him too that not even *delicadeza* would compel them to resign from their present positions. However, I would like to make a statement about the condition in which we find the Senate.

Senator PRIMICIAS. Mr. President, will the gentleman yield for a clarification?

The PRESIDENT. The gentleman may yield if he so desires.

Senator RODRIGO. With pleasure.

Senator PRIMICIAS. I never said that not even *delicadeza* will compel us to resign. I said there is no sense of *delicadeza* involved here. But if it is going to be mentioned, it must be used against the Liberal Party and not the Nacionalista Party.