

RECORD OF THE SENATE

WEDNESDAY, AUGUST 9, 2000

OPENING OF THE SESSION

At 3:15 p.m., the Senate President, Hon. Franklin M. Drilon, called the session to order.

The President. The ninth session of the Senate in the Third Regular Session of the Eleventh Congress is hereby called to order.

We shall be led in prayer by the Minority Leader, Sen. Teofisto T. Guingona Jr.

Everybody rose for the prayer.

PRAYER

Senator Guingona.

Dear God in Heaven,

We pray for the victims of death and destruction in Mindanao;

We pray for the cessation of hostilities, for that elusive peace the people deserve;

We pray for hope, not despair; love not war; goodwill, not hatred;

We therefore ask for strength—that the nation face with fortitude the many challenges that beset us;

We ask for guidance that the government discharge its awesome duties with resolute justice for all;

We ask that You infuse into our minds and hearts the spirit of Your own Son, Jesus, Who died on the cross to set men free.

Amen.

ROLL CALL

The President. The Secretary will please call the roll.

The Secretary, reading:

Senator Teresa Aquino-Oreta	Absent**
Senator Robert Z. Barbers	Present
Senator Rodolfo G. Biazon	Present
Senator Renato L. Compañero Cayetano	Present
Senator Anna Dominique M.L. Coseteng	Present*
Senator Miriam Defensor Santiago	Present
Senator Juan Ponce Enrile	Present
Senator Juan M. Flavie	Present
Senator Teofisto T. Guingona Jr.	Present
Senator Gregorio B. Honasan	Present
Senator Robert S. Jaworski	Present
Senator Loren B. Legarda-Leviste	Present
Senator Ramon B. Magsaysay Jr.	Present
Senator Blas F. Ople	Present
Senator John Henry R. Osmeña	Absent**
Senator Sergio R. Osmeña III	Present
Senator Aquilino Q. Pimentel Jr.	Present
Senator Ramon B. Revilla	Present
Senator Raul S. Roco	Present
Senator Vicente C. Sotto III	Present
Senator Francisco S. Tatad	Present
The President	Present

The President. With 19 senators present, there is a quorum.

The Majority Leader is recognized.

THE JOURNAL

Senator Tatad. Mr. President, I move that we dispense with the reading of the *Journal* of Session No. 8, Tuesday, August 8, 2000, and consider it approved.

The President. Is there any objection? [*Silence*] There being none, the motion is approved.

Senator Tatad. I move that we proceed to the Reference of Business.

The President. Is there any objection? [*Silence*] There being none, the motion is approved.

The Secretary will read the Reference of Business.

* Arrived after the roll call

** On account of illness

The Majority Leader is recognized.

ACKNOWLEDGMENT OF OFFICIAL VISIT
OF DELEGATION FROM CANADA

Senator Tatad. Mr. President, before we proceed to the next item in the agenda, we invite attention to the presence in the Hall of a sizeable delegation from Canada. It is called the "Junior Team of Canada" led by Mr. Don Archer. They are friends of our distinguished friend, Sen. Aquilino Q. Pimentel Jr.

SUSPENSION OF SESSION

I move that we suspend the session for one minute so that we may greet our distinguished guests from Canada.

The President. The session is suspended for one minute, if there is no objection. *[There was none.]*

It was 3:25 p.m.

RESUMPTION OF SESSION

At 3:29 p.m., the session was resumed.

The President. The session is resumed.

MOTION OF SENATOR TATAD
(Composition of the Senate Panel to the Congressional
Oversight Committee on the Clean Air Act)

Senator Tatad. Mr. President, under RA No. 8749, we are supposed to create an oversight committee on the Clean Air Act. Pursuant thereto, I hereby nominate the following to constitute the Senate panel to the Congressional Oversight Committee: Sen. Robert S. Jaworski as chairman, Sen. Vicente C. Sotto III, Sen. Gregorio B. Honasan, Sen. Rodolfo G. Biazon, and Sen. Loren B. Legarda-Leviste as members.

The President. Is there any objection to the nomination of the Majority Leader? *[Silence]* There being none, the Senate panel to the Oversight Committee on the Clean Air Act is therefore constituted to be composed of Sen. Robert S. Jaworski as chairman; Sen. Vicente C. Sotto III, Sen. Gregorio B. Honasan, Sen. Rodolfo G. Biazon, and Sen. Loren B. Legarda-Leviste as members.

BILL ON SECOND READING
S. No. 1946 — Philippine Quality Award Act
(Continuation)

Senator Tatad. Mr. President, I move that we now resume

consideration of Senate Bill No. 1946 as reported out under Committee Report No. 197.

The President. Is there any objection? *[Silence]* There being none, resumption of consideration of Senate Bill No. 1946 under Committee Report No. 197 is now in order.

Senator Tatad. We are now in the period of interpellations. I ask that the distinguished sponsor, Sen. Ramon B. Magsaysay Jr., be recognized; and to interpellate, Sen. Juan M. Flavie.

SUSPENSION OF SESSION

Senator Magsaysay. Mr. President, I move that we suspend the session for two minutes.

The President. Is there any objection? *[Silence]* There being none, the session is suspended for two minutes.

It was 3:30 p.m.

RESUMPTION OF SESSION

At 3:34 p.m., the session was resumed.

The President. The session is resumed.

Sen. Ramon B. Magsaysay Jr., the principal sponsor of Senate Bill No. 1946, is recognized. Likewise, to avail himself of the period of interpellations, Sen. Juan M. Flavie is recognized.

Senator Flavie. Thank you, Mr. President.

Will the great son of a great president allow me to ask a few questions for my education and clarification?

Senator Magsaysay. Mr. President, certainly, to the greater senator from the Cordillera region, Northern Luzon.

Senator Flavie. I thank my fellow reelectionist.

These are seemingly very simple questions but they are meant to clarify what this bill, so-called "Philippine Quality Award" is all about.

My first question is: Why do we need a bill like this? It is my impression that a few years ago, President Ramos actually issued an executive order for purposes of such an award; and yet here, we are now asking for a bill to be enacted into law. Will the gentleman please explain?

Senator Magsaysay. Mr. President, it is true that former

President Ramos issued an executive order which covers the equivalent of the Malcolm Bullridge Award of the United States. However, we want to institutionalize the award system to be assured of continuity. The meager appropriation is also assured. Other countries already have their own quality awards through a legislative enactment, by law.

Certainly, the fact that there will be a law on this prestigious award on quality products and services means that coming from the government, it will lend more prestige to the awardees and to the whole institution.

Senator Flavier. I thank the gentleman for that reply. Will the gentleman enumerate to me what countries have adopted the quality award system or approach?

Senator Magsaysay. Certainly, Mr. President. The Malcolm Bullridge National Quality Award has been existing since 1987 in the United States of America where it originated. This is named after the late Secretary of Commerce Malcolm Bullridge who did a lot of reengineering in the bureaucracy and cut down a lot of red tape in the bureaucracy.

Australia has the Australian Quality Award of 1987, the same year that it was published in the U.S.

Japan has the Deming Prize of 1951, named after the quality control specialist who visited Japan in the early '50s and started Japan's rise of very high standard products. It has also the Japanese National Quality Award of 1995.

Europe has the European Quality Award of 1991 for the whole of Europe.

The United Kingdom has the United Kingdom National Quality Award of 1994.

Sweden has the Swedish Quality Award of 1992.

So, there are a lot more other countries in Asia like Singapore which has the Singapore Quality Award of 1993; Malaysia has the Prime Minister Quality Award of 1990; Vietnam has the Vietnam Quality Award of 1995; and India has the Rajiv Gandhi National Quality Award of 1991, and so on, Mr. President.

Senator Flavier. Would the gentleman have a rough figure of, more or less, how many would these be in terms of total for the whole world?

Senator Magsaysay. There are at present 61 countries globally that are giving these quality awards or similar to such an award.

Senator Flavier. Mr. President, may I know, out of curiosity, whether there is a Canadian award since our visitors are from Canada?

Senator Magsaysay. Yes, Mr. President, we have a Canadian award.

Senator Flavier. Is the gentleman sure? Because I will ask them tonight. *[Laughter]*

Senator Magsaysay. It has the Canadian Award for Excellence.

Senator Flavier. I see. Thank you very much.

How is this different from what I have heard to be the Shell Excellence Award? Is this different; or does it have a similar concept; or is it just a different name?

Senator Magsaysay. As I understand it, the Shell awards are for the exporters, Mr. President. This information was given by the Department of Trade and Industry. The Philippine Quality Award, which was started by President Ramos in 1997, is for broader scopes of quality.

The Shell awards are basically for companies that are champions in export products, while the Philippine Quality Awards are given basically to manufacturing entities such as San Miguel Yamamura of Asia, Amcor, An-Am Filipinas, which manufactures semiconductors needed by the computer and Internet industry. Then the Data General Philippines. We also have a winner of the Philippine Quality Award in the City of Marikina. And also Yazaki-Torres Manufacturing which manufactures Warren-Harnes, with over 6,000 employees.

Senator Flavier. Yes. Thank you. Does that mean therefore, that the Shell Excellence Award and those that the gentleman has mentioned will continue to be awarded, but there will be a national, larger, bigger institutionalized government-recognized Philippine Quality Award?

Senator Magsaysay. Well, that is true, Mr. President. This will be a continuing effort for us to become globally competitive. The Shell award and also the Philippine Quality Award are complementing each other.

Senator Flavier. I would like to thank the gentleman for that reply. How will the PQA benefit the Philippines under the new regime of globalization?

Senator Magsaysay. Precisely, Mr. President, the awareness of the need for quality and excellence should make our

products more globally competitive. It is a sad fact that many of our traditional exports have been going down in terms of export receipts, like sugar, coconut and traditional exports. However, our semiconductor and electronic industries are on the upswing. These are precisely the kinds of products that have value added of at least 25 percent to 30 percent, including garments, that the Philippine Quality Award should encourage our manufacturer-exporters to be more attuned to the increasingly higher standards of the consumers of the rest of the world.

Senator Flavier. Thank you. Finally, Mr. President, it is my understanding that a trophy is going to be part of the award. My last question is: What other benefits or emoluments will the winners receive apart from the trophy?

Senator Magsaysay. There is a badge of recognition of excellence. Aside from the trophy, of course, the recognition is more important than any cash prize. There is no cash prize, Mr. President.

Senator Flavier. I see. So it is more of an honorific award which is symbolized by the trophy.

Senator Magsaysay. It is the trophy and the seal of excellence.

Senator Flavier. I see. Would the gentleman be willing, during the period of amendments, to consider some form of other incentives that would be part of the award to make it a more valued award, Mr. President?

Senator Magsaysay. We welcome the proposed amendments to attain such an objective, Mr. President. We are open to this during the period of amendments.

Senator Flavier. Thank you very much. I would like to be identified as one of those who support this bill sponsored by Sen. Ramon B. Magsaysay Jr.

Senator Tatad. Mr. President, we thank Senator Flavier for his intervention. I ask that Sen. Miriam Defensor Santiago be recognized for the next interpellation.

Senator Flavier. Mr. President, I would just like to add that this was authored by a reelectionist, Sen. Serge R. Osmeña III.

The President. Sen. Miriam Defensor Santiago is recognized.

Senator Defensor Santiago. Mr. President, may I request that the distinguished sponsor yield the floor to me because I have certain questions to raise in respect of this bill.

Senator Magsaysay. Certainly, Mr. President.

Senator Defensor Santiago. Thank you very much. I will refer to page numbers in the order in which they appear. So I shall start with page 3, lines 3 to 7. This is a reference to Section 5 which I will have to read:

SEC. 5. Making and Presentation of Award. - (1)
The President of the Philippines, on the basis of recommendations received from the Award Manager, shall periodically grant the award to organizations which in the judgment of the Award Manager have substantially benefited the economic or social wellbeing of the Philippines...

This provision means that only the Award Manager, who is identified by the bill as the DTI, Department of Trade and Industry, secretary using his judgment, may recommend to the President which company shall be granted the award.

If this is the case, then the Award Manager has the sole discretion to decide and recommend who the awardee should be. This being so, why do we have to establish an entire national quality improvement system since the whole thing will fall on the shoulders of one person?

Please allow me to point out that under the existing executive order, the Award Manager is not the secretary of the Department of Trade and Industry but the Department of Trade and Industry itself. Furthermore, under the existing executive order, as Award Manager, the only responsibility of DTI is to conduct the awards process, to validate and endorse to the President the list of awardees selected by the Board of Judges. But going by the phraseology of our present bill, it will be one person alone, the secretary of Trade and Industry, who will decide as to who will win the awards and then recommend to the President the giving of the awards to the recipients.

May I please request a statement on whether there has merely been a typographical error on page 3, lines 3 to 7. Or, is it the considered judgment of the technical working group that the entire institution we are being asked to organize will, in effect, culminate in the judgment of just one person without inputs from anybody else in the entire government of our country?

Senator Magsaysay. I understand the question, Mr. President. Based on Section 3 of Executive Order No. 448, which originated in the time of President Ramos, it created a Philippine Quality Award Committee which reads as follows:

There is hereby created a Philippine Quality Award

Committee under the Philippine Council for Productivity to oversee the PQA system to assure the credibility of all aspects of the awards system.

Basically, this has been carried on to the draft measure that was approved by the committee.

So, it is not really a person but the Department of Trade and Industry which oversees and acts like a portal, and will be open to nominations from any sector of manufacturing and production, or even from the local government that the committee, under the DTI, will oversee.

Senator Defensor Santiago. I am certainly gratified to learn that the intent is not to make the secretary of Trade and Industry the sole Award Manager but, in fact, to make him simply the person responsible for the conduct of the awards process to be placed in the hands of a management committee.

But may I ask, please, where in our pending bill is the equivalent provision on a management committee such as is contained in the existing executive order?

Senator Magsaysay. On page 6, Section 9, we have the Award Manager and Award Administrators. It says:

The Secretary of the Department of Trade and Industry shall be the Award Manager with the Center for Industrial Competitiveness as its implementing agency.

Then Section 10 is the PQA Committee itself which will be appointed by the President. So, it is just that the entity is the Department of Trade and Industry.

Senator Defensor Santiago. If it is the entity, it is not the secretary, and therefore, is this indicative of a plan or an intention to amend or rectify the language of the present Section 9, which reads "The Secretary of the Department of Trade and Industry shall be the Award Manager"?

Who is the Award Manager—the Secretary or the Department of Trade and Industry?

Senator Magsaysay. If it is a person, it is, of course, the secretary of the Department of Trade and Industry.

Maybe we can solve this with the appropriate amendment when the time comes, Mr. President.

Senator Defensor Santiago. Yes, please. Thank you.

Then, would the sponsor also be open to a suggestion that the appropriate provision in the present bill should also

be amended so that the award manager, being the Department of Trade and Industry, shall be responsible for the conduct of the awards process, shall validate and endorse to the President the list of awardees selected by the board of judges instead of, as presently phrased, that the Award Manager shall exercise judgment in granting the award, which is the conclusion that can be drawn if we read Section 5 in its present phraseology?

Senator Magsaysay. We are open to any amendment from the senator from Iloilo and the Philippines to improve the present report, Mr. President.

Senator Defensor Santiago. I would like to thank the good senator from Zambales. I certainly appreciate this flexibility that has been exhibited by the distinguished sponsor, and with this assurance, I shall proceed.

I am still on page 3 but I will go down to lines 10 to 12. I am still on page 3 and I am still in Section 5. I am referring to paragraph (2) which reads:

The conferment of the award shall be made by the President, personally in accordance with such ceremonies as may be prescribe...

This is, I believe, a typographical error. There is probably a letter "d" after "prescribe".

...as may be prescribed by the rules and regulations to be promulgated hereinafter.

From the way this is written, it reads to me as if Congress is imposing on the President the duty to personally confer the awards. If that is so, will the President be guilty of violating the law if he will not personally confer the awards? *[Laughter]*

Senator Magsaysay. Of course not, Mr. President. This is the statement that is just stated here—followed through, coming from the executive order. But we may insert the phrase: The President or his delegated representative. And the word "prescribe" I think is really with a letter "d", which is a typographical error.

Senator Defensor Santiago. I would like to thank the distinguished sponsor for that. I shall follow this up during the amendments stage.

I will now proceed to page 4, lines 1 to 14. I am referring to the paragraph marked paragraph (b) - The Recognition Levels.

Naturally, being imperfect, contrary to my own propaganda, I might be mistaken. But it seems to me that there is

fertile source for humor in the way paragraph (b) has been written. It reads:

THE RECOGNITION LEVELS. - Three levels of recognition shall likewise be conferred annually to organizations in the private and public sectors which applied for but failed to qualify for the Philippine Quality Award while achieving some degree of superior performance, namely:

1. PQA system - Recognition for Quality Mastery...
2. PQA system - Recognition for Quality Proficiency

Then after that follows Section 7. Since this paragraph begins by stating that there are three levels of recognition but enumerates only two levels of recognition, I would like to invite his honor, the distinguished sponsor, to join me in a common search for the third system.

Senator Magsaysay. There must be an omission, Mr. President. My staff is still looking at where the third level left or went to. *[Laughter]*

Senator Defensor Santiago. May I say in a lighthearted spirit that the last time I looked, No. 3 was in Cowley Road, St. Hilda's College, Oxford University. But of course, I might be mistaken. I will leave the technical working group to their happy pursuit of the evasive paragraph No. 3.

But I will have to remain with this particular paragraph because I am afraid an even worse error has been made. Apparently, again, I might be wrong, since I already publicly confessed to a state of imperfection, a concept which I resisted with all my heart for the last 10 years, but which I have finally decided to abandon today for some reasons.

I might be wrong but it seems to me that the wrong award description has been placed under the wrong category.

Senator Magsaysay. Mr. President, the executive order, I think, is more specific on the level of the quality awards because in the level, there are four in the executive order. I do not know why my technical working group reduced it to two. Because here, it says that there is a Platinum Award which is the highest, the excellence award; then follows the Gold Award which is the mastery; and then we have the Silver Award for quality proficiency; and then finally, the Bronze Award for quality or commitment level. But somehow, these have been overlooked by my committee. But I do not mind to follow exactly the basis, the executive order, from which this measure originated.

Senator Defensor Santiago. I take it that this is a recognition of the need for rectification of the technical structure of

this paragraph. So I will leave that to the considered discretion and judgment of the committee. But still, I would like to pursue another point concerning this particular paragraph. I have said before that it seems to me that the wrong award description has been placed under the wrong category.

Our present law, Executive Order No. 448 in Section 1, provides the following; "Gold award for quality, Mastery Award." And then "Silver Award for quality, proficiency level." The existing law provides, under this level of award, "Silver Award for quality proficiency level." The organization should have demonstrated through the implementation of quality and productivity management principles significant progress in building sound and notable process. It should have a documented and solid approach to system level quality and productivity management, and has been implementing quality and productivity improvement plans and procedures.

Then the existing law goes on, "Bronze Award for quality commitment level. The organization should have demonstrated serious commitment to the PQA as catalyst for improvement and the means of promoting competitive and managerial excellence. It should have planted the seeds of quality and productivity and is working towards reaping long-term benefits for its efforts." This is the language of the existing law.

If our present bill is based on existing law, our present bill when it states, "No. 2. PQA System - Recognition for Quality Proficiency.", seems to contain the wrong award description. The award description for the second category, I humbly submit, rightfully belongs to the missing No. 3 category, the PQA system - Recognition for Quality Commitment.

I am not asking a question. I would simply like to request the considered attention of the distinguished sponsor on what seems to me to be an area that needs some more work.

Senator Magsaysay. We will consider it as a committee amendment. Going back to the original EO and using the present law, EO No. 448, categorization of levels of quality awards, Mr. President.

Senator Defensor Santiago. Thank you, Mr. President.

Senator Magsaysay. We are very grateful that the eagle-eyed senator from Iloilo pointed this out. This is the *in toto* version that came from the Department of Trade and Industry. And we apologize that we took the whole thing without really referring to the original description of the levels that are based on EO No. 448. But the point is well-taken.

Senator Defensor Santiago. My self-esteem has just been deflated because my eyes have just been described in the minia-

ture and manner of an eagle. *[Laughter]* I had other hopes in that direction which have all been dashed as of this time, but I will not pursue this point further. I will instead go on to page 6.

Senator Magsaysay. Yes, Mr. President.

Senator Defensor Santiago. On page 6, lines 16 to 25.

Senator Magsaysay. May we correct that description of "eagle-eyed," Mr. President?

Senator Defensor Santiago. Yes, please. I am holding my breath. *[Laughter]*

Senator Magsaysay. The eyes that remind me of Demi Moore. *[Laughter]*

Senator Defensor Santiago. Demi Moore has long been abandoned by Bruce Willis, her lawfully wedded husband, and is now said to be conducting a relationship with her karate instructor. *[Laughter]*

On page 6, lines 16 to 25, going on to page 7, lines 1 to 10. This is an enumeration of the composition of the Philippine Quality Award Committee, PQA Committee.

These are my questions: Page 6, line 23 mentions the "Philippine Society for Quality" as a member of the PQA Committee. *[Laughter]* It is described—I will repeat—as the "Philippine Society for Quality." *[Laughter]*

May I please humbly submit that it seems to be that the word CONTROL was omitted and maybe the intent was to list this agency as the "Philippine Society for Quality CONTROL."

Senator Magsaysay. That is correct. It is a private organization which has been very active in identifying entities that have continuously and consistently put efforts towards improving quality. But the Philippine Society for Quality is different from the Philippine Society of Quality Control and also from Quality Management. This is basically the Philippine Society for Quality.

Senator Defensor Santiago. Then I stand corrected, although it does sound like it is hanging over a cliff—Philippine Society for Quality? Is there a Philippine Society for Quantity? *[Laughter]*

Senator Magsaysay. We will look at the existing societies which would be as close as possible. Maybe amongst these—whether it is quality control or quality management or quality excellence—we will see which amongst these should be

mentioned here. Or we will put the appropriate amendments, Mr. President.

Senator Defensor Santiago. The distinguished gentleman has occupied a position of political intimacy with me and I am sure I shall be forgiven if I announce the next topic as certainly a strong contender for the "Calabasa Award" of Oxford University because I believe that there is an incoherence in this paragraph both in terms of the syntactical structure and the grammatical structure.

Page 7, lines 5 to 7, reads:—May I request the gallery to keep absolute silence please. I am reading an important provision:

The Secretary of Trade and Industry shall serve as the Chair of the Committee while the President of the Development Academy of the Philippines and the Philippine Quality and Awards Committee as Members.

That is the provision. If the distinguished gentleman wishes, I shall read it again.

Senator Magsaysay. Please read.

Senator Defensor Santiago.

The Secretary of Trade and Industry shall serve as the Chair of the Committee while the President of the Development Academy of the Philippines and the Philippine Quality and Awards Committee as Members. *[Laughter]*

That is the way the present provision is worded. And may I please humbly submit that perhaps the intent was to word it this way: "The Secretary of Trade and Industry shall serve as the Chair of the Committee while the Presidents of the Development Academy of the Philippines and the Philippine Quality and PRODUCTIVITY MOVEMENT SHALL SERVE AS CO-VICE CHAIR."

I wonder if I am correct in this speculation.

Senator Magsaysay. Or maybe "The Secretary of Trade and Industry shall serve as the Chair of the Committee WITH the President of the Development Academy of the Philippines as Member."

Senator Defensor Santiago. Subject to style, Mr. President.

I would like to request permission to move on to page 7.

Senator Magsaysay. Thank you, Mr. President.

Senator Defensor Santiago. On page 7, lines 19 to 23. I am referring to Section 12:

The Committee may receive grants, subsidies, donations or contributions, bequest or gifts, in cash or in kind, from corporations, trusts, foundations, associations and other sources from any private office, agency or corporations in the Philippines or abroad. The cash receipts and sale of donated commodities shall be deemed automatically appropriated for purposes specified by the donor.

If we are giving this committee the authority to receive grants, subsidies, donations or contributions, bequest or gifts, in cash or in kind, from corporations, trusts, foundations, associations and other sources from any private office, agency or corporations in the Philippines or abroad, may I humbly submit that it may be prudent for us to include certain measures to protect the integrity of the awards.

Would the distinguished sponsor be open during the amendments stage for a proposal of this nature or, perhaps, may I suggest: Would it not be a better idea if we remove this provision altogether since we already have a provision that states: "The amount necessary for the implementation of this Act shall be included in the budget of the Department of Trade and Industry..." And it even has in this present bill another provision which reads: "The Committee may impose fees and other charges upon the organizations applying for the award..."

My point is, if it is just a question of raising money for what, after all, are certainly laudable awards, since we have already made provision for this money to be sourced from the DTI budget and from the fees and other charges that the PQA is authorized to impose, we might be jeopardizing the integrity of our awards if we authorize the committee to receive grants unless we are able to include, at the same time, certain provisions that will protect that integrity.

Senator Magsaysay. I think the lady senator is right in the sense that it might jeopardize the funding. It would be good to mention this existing provision but adding that there should be a way wherein the tax exemption of the donation or grant will be made legally. One way is through a foundation or through an entity that is under the Department of Trade and Industry that will receive this and the grantee, the person putting the grant, will have it as a tax deduction.

Senator Defensor Santiago. Yes, please. Personally, I would be very happy to see something of that nature in the next version of the bill.

I am still on page 7. I am now in lines 24 to 25 and I will go on to page 8, lines 1 to 3. This is with reference to Section 13:

Fees and Charges. - The Committee may impose fees and other charges upon the organizations applying for the award in amounts sufficient to cover the costs of examinations under Section 7 hereof: *PROVIDED*, That, said fees and other charges shall be deposited with the National Treasury and shall accrue to the General Fund.

This is the "Kiss of Death." If we include this proviso that the fees and charges shall be deposited with the National Treasury and shall accrue to the General Fund, then we shall need legislation to get it out from the General Fund.

May I ask: Would it not be better to delete this provision? Or if not, then would it not be better for the committee itself if this provision is amended so as to provide that all fees and other charges imposed by the committee upon the organizations applying for the award must accrue to the PQA Committee to subsidize its operational expenses instead of the committee receiving grants, subsidies, et cetera, from outside sources?

In any event, the request really is to study more closely the proviso because it might be counterproductive in that it might distance the committee from the fees that are meant by this bill to be accruing to it.

Senator Magsaysay. I understand the concern of the lady senator. Putting the fees and the funds to the National Treasury might make it difficult for the committee and the DTI to access to it because of some bureaucracies or some difficulties in interpretation. So I welcome the amendments that will make this more seamless and more convenient for the DTI and the quality committee to be able to have access to the funds that will all, at any rate, be given to make the awards a more effective way of giving recognition to those who are performing quality practices.

Senator Defensor Santiago. Thank you. My last question does not have to do with the instant bill, but with the existing law, EO No. 448, Section 10. I am requesting information.

The present law, EO No. 448, provides:

SEC. 10. Funding - A seed money of P1 million shall be charged to the budget of the DTI. Member organizations of the PQA Committee shall contribute additional funds necessary for the attainment of the objectives of this issuance. Assistance from

government and the private sectors shall be solicited to establish an endowment fund for the PQA system. The PQA Committee shall be responsible for creating a foundation which shall manage the endowment fund.

This is the provision of the existing law. As chairman of the PQA Committee under this existing executive order, the DTI secretary is responsible for creating a foundation which will manage this endowment fund. My question is: During the committee hearings on this bill, was it ever established whether the foundation was organized pursuant to this executive order? And what happened to the PQA endowment fund? In other words, I really want to find out where the provisions of the existing executive order were carried out.

Senator Magsaysay. I am afraid that the foundation was not established. If we will recall, Mr. President, this executive order was promulgated in 1997, October 3rd, towards the end of the term of the former President. It was only the PQA that was functioning, but there was no foundation established and there was no funding that followed this Section 10 particularly. That is why with this new measure, we do not mind again putting the equivalent of Section 10 in order to empower the PQA to put up a foundation as a recipient of any support for these efforts.

Senator Defensor Santiago. That was just a bare question on information and now that my apprehensions have been laid to rest, I thank the distinguished sponsor for his kindness and patience in answering my questions. And hereafter, we turn the floor to him.

Senator Magsaysay. Thank you, Mr. President.

Senator Tatad. Mr. President.

The President. The Majority Leader is recognized.

Senator Tatad. We would like to thank Senator Defensor Santiago for her excellent intervention.

SUSPENSION OF CONSIDERATION OF S. NO. 1946

In the meantime, I ask that we suspend consideration of Senate Bill No. 1946.

The President. Is there any objection? *[Silence]* There being none, the motion is approved.

SUSPENSION OF SESSION

Senator Tatad. Mr. President, I move that we suspend the session for one minute.

The President. The session is suspended for one minute, if there is no objection. *[There was none.]*

It was 4:13 p.m.

RESUMPTION OF SESSION

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

The President. The session is resumed. The Majority Leader is recognized.

BILL ON SECOND READING S. No. 2038—Anti-Injunction Act of 2000 (Continuation)

Senator Tatad. Mr. President, I move that we resume consideration of Senate Bill No. 2038 as reported out under Committee Report No. 239.

The President. Is there any objection? *[Silence]* There being none, resumption of consideration of Senate Bill No. 2038 is now in order.

Senator Tatad. We are now in the period of amendments. Yesterday the sponsor was allowed to introduce certain individual amendments into the *Record*. These amendments are now on record but they have not been acted upon.

May I ask that the sponsor, Senator Cayetano, be recognized so that we may act on the proposed amendments.

The President. Sen. Renato L. Cayetano is recognized.

Senator Cayetano. Thank you, Mr. President.

As the Majority Leader has indicated, the individual amendments are contained in the *Journal* of Tuesday, August 8, 2000, subject to our colleagues' comments and/or amendments, if any.

The President. The Chair would like to propose that we proceed section by section.

Senator Tatad. May I make sure that each member has a copy of the version.

Senator Cayetano. Mr. President, for the record, the revised copy of this bill as of August 8, 2000 was distributed yesterday.

Senator Tatad. I just want to make sure that each senator has in his folder a copy of the same because I do not have one.