

## RECORD OF THE SENATE

WEDNESDAY, NOVEMBER 29, 2000

### OPENING OF THE SESSION

*At 3:10 p.m., Hon. Sergio R. Osmeña III, acting as the presiding officer, called the session to order.*

**The Presiding Officer** [Senator Osmeña III]. The 40th session of the Third Regular Session of the Eleventh Congress is hereby called to order.

Let us all stand for the opening prayer to be led by Senate President Aquilino Q. Pimentel Jr.

*Everybody rose for the prayer.*

### PRAYER

**Senator Pimentel.**

Dear Lord, You have told us You are the Way, the Truth and the Life.

In this troubled times of our country, allow us to follow the way.

Let us seek the truth and thereafter give us life everlasting.

Amen.

### SUSPENSION OF SESSION

**The Presiding Officer** [Senator Osmeña III]. The session is suspended for one minute, if there is no objection. *[There was none.]*

*It was 3:11 p.m.*

### RESUMPTION OF SESSION

*At 3:11 p.m., the session was resumed with the Honorable Senate President Aquilino Q. Pimentel Jr. presiding.*

**The President.** The session is resumed.

### ROLL CALL

**The President.** The Secretary will please call the roll.

**The Secretary, reading:**

Senator Teresa Aquino-Oreta ..... Absent  
Senator Robert Z. Barbers ..... Absent

Senator Rodolfo G. Biazon ..... Present  
Senator Renato L. *Compañero* Cayetano ... Present  
Senator Anna Dominique M.L. Coseteng ... Absent  
Senator Miriam Defensor Santiago ..... Present  
Senator Franklin M. Drilon ..... Present  
Senator Juan Ponce Enrile ..... Present  
Senator Juan M. Flavies ..... 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 ..... Present  
Senator Sergio R. Osmeña III ..... Present  
Senator Ramon B. Revilla ..... Present  
Senator Raul S. Roco ..... Present  
Senator Vicente C. Sotto III ..... Absent  
Senator Francisco S. Tatad ..... Present  
The President ..... Present

**The President.** With 16 senators present, there is a quorum.

**Senator Tatad.** Mr. President.

**The President.** The Majority Leader is recognized.

### THE JOURNAL (Consideration Deferred)

**Senator Tatad.** Mr. President, upon the request of our colleague, Senator Cayetano, who wishes to have time to read the *Journal*, I move that we defer consideration of the *Journal* of Session No. 39.

**The President.** Is there any objection? *[Silence]* There being none, consideration of the *Journal* of the previous session is hereby deferred.

**Senator Tatad.** Mr. President, 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.

### REFERENCE OF BUSINESS

### BILL ON FIRST READING

\* On official mission but arrived after the roll call  
\*\* Arrived after the roll call

However, the following provisions have been deleted: The right of the government to acquire undervalued goods. There is such a provision in the House version. We deleted this. And the reasons for our deletion are the following:

1. This proposed provision in the House version implies the withholding of shipments for reasons of value, and we believe that it is confiscatory in nature and contrary to the WTO principle of trade liberalization.

2. It runs counter to the principle that Customs must immediately release the goods upon the posting of the bond.

3. The remedy for undervaluation is not government acquisition of the imports but the payment of the right amount of taxes and duties.

4. It is a potential source of graft and corruption.

We also deleted a provision that authorized the creation of a trust fund for compulsory acquisition of undervalued imports. The provision created a trust fund which shall be solely used for the purpose of financing the compulsory acquisition of undervalued imports. We believe that this provision is rendered unnecessary with the deletion of the provision on government acquisition of undervalued imports.

Mr. President, we also deleted a provision requiring letters of credit to cover the importation of the importer concerned. The provision, in our opinion, which requires letters of credit to be produced to cover all importation entering formally is unnecessary and would entail additional burden on the part of the importer.

On the other hand, the Bangko Sentral has already issued rules and regulations authorizing importations to be covered by instruments other than letters of credit. This has been on for several years now. Therefore, this provision is unnecessary.

With this, Mr. President, I move that we now consider this measure favorably in this Chamber.

**The President.** Thank you, Senator Enrile.

**Senator Tatad.** Mr. President.

**The President.** The Majority Leader is recognized.

#### SUSPENSION OF CONSIDERATION OF S. NO. 2196

**Senator Tatad.** Mr. President, we would like to thank Senator Enrile for that very extensive sponsorship speech.

In view of the importance of this measure, we would like to give our colleagues an opportunity to prepare for the interpellation.

In view thereof, I move that we suspend consideration of Senate Bill No. 2196.

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

The Majority Leader is recognized.

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

**Senator Tatad.** Mr. President, I move that we 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 is now in order.

**Senator Tatad.** Mr. President, this is the Philippine Quality Award bill. We are still in the period of amendments. I ask that the distinguished sponsor, Sen. Ramon B. Magsaysay Jr., be recognized.

**The President.** Sen. Ramon B. Magsaysay Jr. is recognized.

**Senator Magsaysay.** Thank you, Mr. President.

The committee amendments have already been...

**Senator Tatad.** We have closed the period of committee amendments. We are now in the period of individual amendments. I understand that Sen. Miriam Defensor Santiago has certain individual amendments which she has submitted to the sponsor. May I ask that these proposals now be read.

#### DEFENSOR SANTIAGO AMENDMENTS

**Senator Magsaysay.** Thank you, Mr. President.

There are four amendments given to me by the lady senator from Iloilo. May I read them because these are all accepted.

**The President.** Please proceed.

**Senator Magsaysay.** Thank you, Mr. President.

The first one is on page 3, Section 5, line 4. Delete the words "Award Manager" and in lieu thereof, add the words PHILIPPINE QUALITY AWARDS COMMITTEE.

**The President.** Is that amendment accepted by the committee?

**Senator Magsaysay.** That is accepted, Mr. President.

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

**Senator Magsaysay.** In line 6, the same page 3, we delete the words "Award Manager" and replace it with the word COMMITTEE. The amended section shall read:

"SEC. 5. *Making and Presentation of Award.* - (1) The President of the Philippines, on the basis of recommendations received from the PHILIPPINE QUALITY AWARDS COMMITTEE, shall periodically grant the award to organizations which in the judgment of the COMMITTEE have substantially benefited the economic or social well-being of the Philippines."

**The President.** Is that amendment accepted by the committee?

**Senator Magsaysay.** The committee accepts this amendment, Mr. President.

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

**Senator Magsaysay.** The second one is on page 3, Section 5, line 11. We delete the word "personally" and replace it with the phrase OR HIS DULY DELEGATED REPRESENTATIVE.

**The President.** Is that also accepted by the committee?

**Senator Magsaysay.** It is accepted, Mr. President.

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

**Senator Magsaysay.** So this means that the President or his duly-delegated representative.

On page 7, Section 12, delete lines 19 to 23 and replace it with this paragraph: MEMBER ORGANIZATIONS OF THE PQA COMMITTEE SHALL CONTRIBUTE ADDITIONAL FUNDS NECESSARY FOR THE ATTAINMENT OF THE OBJECTIVES OF THIS ACT. ASSISTANCE FROM GOVERNMENT AND THE PRIVATE SECTOR MAY 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. That is the paragraph that replaces lines 19 to 23.

**The President.** The first amendment is to delete lines 19 to 23 on page 7 and in lieu thereof, another paragraph which the distinguished sponsor read will be inserted.

**Senator Magsaysay.** That is correct, Mr. President.

**The President.** Is this acceptable to the committee?

**Senator Magsaysay.** That is acceptable, Mr. President.

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

**Senator Magsaysay.** Finally, on page 8, Mr. President, line 2, after the word "shall", delete the phrase "be deposited with the National Treasury and shall accrue to the General Fund." I move that we delete that phrase and replace it with the phrase: ACCRUE TO THE PQA COMMITTEE TO SUBSIDIZE ITS OPERATIONAL EXPENSES.

**The President.** So, in line 2, page 8, the phrase starting from the words "be deposited..."

**Senator Magsaysay.** After the word "shall"...

**The President.** After the word "shall" all the way up to the period (.), after the word "Fund"—

**Senator Magsaysay.** Yes, Mr. President.

**The President.** —shall be deleted and shall be replaced by the phrase read by the...

**Senator Magsaysay.** The phrase ACCRUE TO THE PQA COMMITTEE TO SUBSIDIZE ITS OPERATIONAL EXPENSES.

**The President.** Is that acceptable to the committee?

**Senator Magsaysay.** That is acceptable, Mr. President.

**The President.** Is there any objection?

**Senator Tatad.** Mr. President, before we approve the amendment, may we know from the distinguished sponsor whether he has asked the chairman of the Committee on Ways and Means to comment on this particular amendment.

**Senator Magsaysay.** The chairman of the Committee on Ways and Means...

**Senator Tatad.** This involves the disposition of funds that normally accrue to the General Fund.

#### SUSPENSION OF SESSION

**Senator Magsaysay.** 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 4:27 p.m.*

#### RESUMPTION OF SESSION

*At 4:29 p.m., the session was resumed.*

**The President.** The session is resumed. Sen. Ramon B. Magsaysay Jr. is recognized.

**Senator Magsaysay.** Thank you, Mr. President. We have just gotten the agreement of the chairman of the Committee on Ways and Means. He does not interpose any objection to this particular provision that the said fees and other charges to accrue to that PQA committee are to subsidize its operational expenses.

**The President.** The committee therefore accepts the amendment.

**Senator Magsaysay.** That is correct, Mr. President.

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

**Senator Magsaysay.** That is the final amendment, Mr. President.

**Senator Tatad.** There are no other individual amendments, Mr. President. I move that the period of individual amendments be closed.

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

#### APPROVAL OF S. NO. 1946 ON SECOND READING

**Senator Tatad.** Mr. President, I move that we vote on Second Reading on Senate Bill No. 1946, as amended.

**The President.** Is there any objection? *[Silence]* There being none, we shall now vote on Second Reading on Senate Bill No. 1946, as amended.

As many as are in favor of the bill, say *aye*.

Several Members. *Aye.*

**The President.** As many as are against the bill, say *nay*. *[Silence]*

Senate Bill No. 1946, as amended, is approved on Second Reading.

#### SUSPENSION OF CONSIDERATION OF S. NO. 1946

**Senator Tatad.** Mr. President, I move that we suspend consideration of Senate Bill No. 1946.

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

#### MOTION OF SENATOR TATAD (Sen. Serge Osmeña as Additional Member to the Senate Panel on S. No. 1595)

**Senator Tatad.** Mr. President, I move that we amend the composition of the Senate panel to the Bicameral Conference Committee on the disagreeing provisions of Senate Bill No. 1595 and its House counterpart by adding the name of Sen. Sergio R. Osmeña III to the original panel.

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

**Senator Tatad.** Mr. President, there being no further business...

**The President.** Before we adjourn, what is the status of the budget from the House of Representatives? Has it been sent over to us?

**Senator Tatad.** We have not received it, Mr. President.

**Senator Drilon.** Mr. President.

**The President.** Senator Drilon is recognized.

**Senator Drilon.** My information is that they have just reorganized the Committee on Appropriations in the House by designating new vice chairmen and, therefore, they have not even approved the budget on Third Reading. They are still going through some aspects of the budget. So they do not expect to deliver to us the budget until about December 10, if I recall correctly the date.

**The President.** Is that right?

**Senator Drilon.** That is the information given to me.

**The President.** So there is not much we can do about that then.

**Senator Tatad.** Mr. President, there is an Additional Reference of Business. May I ask the Secretary to read it.