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SENATE

P. S. Res. No. 767

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

RESOLUTION
DIRECTING THE SENATE COMMITTEE ON SOCIAL JUSTICE,
WELFARE AND RURAL DEVELOPMENT TO CONDUCT AN INQUIRY,
IN AID OF LEGISLATION, ON THE UNEXPLAINED DELAYS BY THE
IMPLEMENTING GOVERNMENT AGENCIES ON THE DISTRIBUTION
OF THE SOCIAL WELFARE AND BENEFITS PROGRAM
MANDATED BY REPUBLIC ACT NO. 10963 OTHERWISE KNOWN AS
THE TRAIN ACT

1 WHEREAS, Article II, Section 9 of the Constitution states that, “[t]he State shall
2 promote a just and dynamic social order that will ensure the prosperity and
3 independence of the nation and free the people from poverty through policies that
4 provide adequate social services, promote full employment, a rising standard of living,
5 and an improved quality of life for all”;

6 WHEREAS, Section 10 of the same Article likewise emphasizes that, “[t]he
7 State shall promote social justice in all phases of national development”;

8 WHEREAS, Article XIII, Section 1 of the Constitution requires Congress to
9 “give highest priority to the enactment of measures that protect and enhance the right
10 of all the people to human dignity, reduce social, economic, and political inequalities,
11 and remove cultural inequities by equitably diffusing wealth and political power for
12 the common good”;

13 WHEREAS, Congress enacted Republic Act No. 10963, otherwise known as the
14 Tax Reform for Acceleration and Inclusion (TRAIN) Act, “to enhance the progressivity
15 of the tax system, to provide an equitable relief to a greater number of taxpayers, and
16 to ensure that the government is able to provide for the needs of those under its
17 jurisdiction and care”;

1 WHEREAS, to cushion the effect of tax increases imposed by TRAIN, Section
2 82 of the law appropriated a portion of the yearly incremental revenues for social
3 welfare and benefits program including, but not limited to, unconditional cash
4 transfers, fuel vouchers, fare and NFA rice discounts, and other social benefits
5 programs to be developed and implemented by the government;

6 WHEREAS, since the implementation of TRAIN, average year-to-date headline
7 inflation has already breached the upper limit of the Bangko Sentral ng Pilipinas target
8 of 2-4 percent for the year 2018 and hit a 5-year high of 4.6 percent as early as the
9 month of May 2018;¹

10 WHEREAS, headline inflation has been forecast to further surge during the rest
11 of the year with the second-round effects of TRAIN such as the anticipated approval
12 of fare and wage hike petitions further contributing to inflationary pressures;

13 WHEREAS, in an earlier Senate inquiry, it was revealed that less than half of
14 the targeted 10 million family-beneficiaries of the unconditional cash transfer have
15 received the assistance from the government and the rest only expected to receive
16 theirs later this year;²

17 WHEREAS, with fuel prices reaching multi-year highs, the Department of
18 Transportation has admitted that it has yet to implement the fuel voucher program for
19 public utility vehicles five (5) months since the TRAIN Act took effect;³

20 WHEREAS, the lack of supply of cheaper rice in the market due to
21 mismanagement in the National Food Authority is further exacerbating the already

¹ Bangko Sentral ng Pilipinas. "May Inflation at 4.6 Percent". 5 June 2018. Retrieved from <http://www.bsp.gov.ph/publications/media.asp?id=4695>.

² Legaspi, Amita. "6M beneficiaries of cash transfers to cope with TRAIN law yet to receive funds". 9 May 2018. GMA News Online. Retrieved from <http://www.gmanetwork.com/news/news/nation/652847/6m-beneficiaries-of-cash-transfers-to-cope-with-train-law-yet-to-receive-funds/story/>.

³ Cigaral, Ian Nicolas. "DOTr wants to restrict TRAIN fuel vouchers to modern PUVs". 23 May 2018. Philstar.com. Retrieved from <https://www.philstar.com/headlines/2018/05/23/1817932/dotr-wants-restrict-train-fuel-vouchers-modern-puvs>.

1 difficult situation of consumers as prices of the staple have steadily increased since the
2 start of the year;⁴

3 WHEREAS, with the rising costs of basic goods and commodities particularly
4 those consumed by the poor, there is a need for the Senate, in the exercise of its
5 oversight powers, to look into how the Executive Department is addressing the
6 problem of the decreasing purchasing power of our consumers with the end view of
7 enacting measures for the provision of additional and targeted social safety nets to
8 lessen the burden of those who have less in life;

9 WHEREAS, no less than administration Rep. Dakila Cua of the House of
10 Representatives Committee on Ways and Means said that the TRAIN Law was
11 allegedly marred with delays;⁵

12 WHEREAS, Rep. Cua further added that the distribution of social benefits cards
13 to unemployed minimum wage earners and the poorest 50 percent of the population
14 lacked a definite timeframe, which prevented the target beneficiaries from availing
15 themselves of discounts on transportation and rice, and free skills training;⁶

16 WHEREAS, the unexpected surge in inflation should have triggered immediate
17 action on the part of our implementing agencies to fast track the distribution of the
18 social benefits provisions under the TRAIN Act;

19 WHEREAS, the unexplained delays in the implementation of the social benefits
20 mechanisms in TRAIN Act has led to the poorest of the poor taking the full brunt of
21 the inflation without any support system in sight to ease its impact;

22 WHEREAS, there is need to determine the cause of this unconscionable delay
23 and propose measures to ensure that the government assistance mandated by law

⁴ Simeon, Louise Maureen. "Rice prices up for 6th straight month". 9 June 2018. Philippine Star. Retrieved from <https://www.philstar.com/headlines/2018/06/09/1823012/rice-prices-6th-straight-month>.

⁵ Panti, Llanesca and Bernadette Tamayo. Delays hound gov't subsidies for poor under tax reform law. The Manila Times (17 June 2018). Retrieved from <http://www.manilatimes.net/delays-hound-govt-subsidies-for-poor-under-tax-reform-law/409253/>

⁶ *Ibid.*

1 reach our fellow Filipinos who have been the most adversely affected by the TRAIN
2 Act;

3 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE, to direct the Senate
4 Committee on Social Justice, Welfare and Rural Development to conduct an inquiry,
5 in aid of legislation, on the unexplained delays by the implementing government
6 agencies on the distribution of the social welfare and benefits program mandated by
7 Republic Act No. 10963, otherwise known as the TRAIN Act.

Adopted,


LEILA M. DE LIMA