

Leader have no objection to postponing consideration of this bill? I was intending to ask questions, and the distinguished Chairman of the Committee on Ways and Means who reported out this bill is absent.

The PRESIDENT. What does the Majority Floor Leader say?

Senator TOLENTINO. Mr. President, I have no objection to postponing consideration of this bill. I so move, Mr. President.

#### SUSPENSION OF CONSIDERATION OF H. NO. 132

The PRESIDENT. Any objection? (*Silence.*) There being none, consideration of House Bill No. 132 is postponed.

#### CONSIDERATION AND APPROVAL ON SECOND READING OF H. NO. 16253

Senator TOLENTINO. Mr. President, I ask that we now consider House Bill No. 16253.

The PRESIDENT. Consideration of House Bill No. 16253 is now in order.

The Secretary will please read the bill.

The SECRETARY:

AN ACT CHANGING THE NAME OF THE NORTHERN MINDANAO INSTITUTE OF TECHNOLOGY TO ILAGAN INSTITUTE OF TECHNOLOGY, INTEGRATING IT AS A UNIT OF THE MINDANAO STATE UNIVERSITY, AND FOR OTHER PURPOSES.

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. The Northern Mindanao Institute of Technology shall hereafter be known as Iligan Institute of Technology and is hereby integrated as a unit of the Mindanao State University.

SEC. 2. The Iligan Institute of Technology shall provide a program for an effective man-power training urgently needed for the industrial and commercial development of the Mindanao regions.

SEC. 3. There is hereby created an Advisory Council whose function it shall be to establish and promote close coordination between the training programs of the Institute and the manpower needs of industry, business and other sectors of the eco-

nomy, particularly those which will hasten the development of the Mindanao regions.

SEC. 4. The composition of the Advisory Council, including the qualifications of members and their terms of office, shall be determined by the Board of Regents from time to time, so as to give representation to the varying, developing, expanding and emerging industry, trade and business, including the Mindanao State University: *Provided*, That the Mayor of the City of Iligan, a representative of the City Council of Iligan and the Director of Vocational Education or his representative shall be *ex-officio* members.

SEC. 5. In the formulation of policies and action on matters affecting the administration of the Iligan Institute of Technology, the Mayor of the City of Iligan, the Chairman of the Advisory Council and the President of the Iligan Chamber of Industries shall be considered *ex-officio* members of the Board of Regents of the Mindanao State University and shall be entitled to all the rights and privileges of the members of the Board of Regents: *Provided, however*, That their participation shall not extend on other matters beyond the interest and concern of the Iligan Institute of Technology.

The Secretary of the Board of Regents shall issue notification to the said members of the Board whenever the agenda of the Board meeting includes items affecting the Iligan Institute of Technology.

SEC. 6. To carry out the purposes of this Act, the sum appropriated for the operation and maintenance of Lanao Technical School (Northern Mindanao Institute of Technology) in the annual General Appropriations Act for the fiscal year 1968 shall be transferred to the Iligan Institute of Technology and utilized for its operation and maintenance. The government of the City of Iligan shall allocate annually, beginning the fiscal year 1968, as part of its regular budget a subsidy in a lump sum an amount equal to three *per centum* of its total gross income from all sources, for the support and maintenance of the Institute: *Provided*, That the sum appropriated for the Institute by the National Government, by the Mindanao State University and from other sources shall aggregate not less than twice the said subsidy allocated by the government of the City of Iligan. The said subsidy from the City of Iligan, together with the annual contribution of the National Government, incomes

from the operation of the Institute, and other funds secured from the National Government shall be disbursed by the Board of Regents of the Mindanao State University in accordance with the purposes of this Act.

**SEC. 7.** As a unit of the Mindanao State University, the Iligan Institute of Technology shall be governed by Republic Act Numbered Thirteen hundred eighty-seven, as amended, otherwise known as the Charter of Mindanao State University, and its administration shall be vested in the Board of said Regents of the University, all provisions of law to the contrary notwithstanding. The Northern Mindanao Institute of Technology is hereby abolished and all its personnel, unexpended appropriations, properties and other assets, whether in its name or that of the Lanao Technical School are hereby transferred to the Mindanao State University: Provided, That nothing in this Act shall be interpreted as to terminate the services of the said transferred personnel or demote them in rank and/or salary.

**SEC. 8.** Beginning with the fiscal year nineteen hundred sixty-eight and every fiscal year thereafter, the sum of one million pesos is hereby authorized to be appropriated, out of any funds in the National Treasury not otherwise appropriated, for the support of the Iligan Institute of Technology. This amount shall be included in the annual General Appropriations Act as a separate item in the government contribution to the Mindanao State University, and disbursed by the Board of Regents of the said University in accordance with the purposes of this Act.

**SEC. 9.** This Act shall take effect upon its approval.

**Senator TOLENTINO.** Mr. President the Lanao Technical School has been in operation in the City of Iligan under the Bureau of Vocational Education. It is a secondary school offering courses in various areas of trade. In 1965 this high school was converted into a vocational college known as the Northern Mindanao Institute of Technology by virtue of Republic Act No. 4626. But since the National Government does not have enough funds for the maintenance of this college, that Act converting the school into a college has become a dead letter. It has not been actually implemented.

The school is still operating as a high school, not as a college.

In the meantime, the industrial development of Iligan City and its environs is taking a rapid pace. With the completion of the Iligan Integrated Steel Mill in the very near future, thousands of craftsmen, technicians and engineers will be needed to run the machines there.

Now, the Mindanao State University has its campus in Marawi City, 37 kilometers south of Iligan City. The Mindanao State University is concerned primarily with technical training and is now offering courses in engineering — electrical, chemical, civil and mechanical.

The purpose of this bill, if approved, is to minimize the waste of government resources through unnecessary duplication and proliferation of courses, by concentrating such resources in developing an effective program of manpower training to meet the needs of the emerging and expanding industries of Iligan and its environs. To attain this end, the Northern Mindanao Institute of Technology is being changed into the Iligan Institute of Technology, its administration and operation transferred to, and vested in, the Board of Regents of the Mindanao State University. It will therefore become a unit of the Mindanao State University if this bill is approved, and it will have a budget of its own especially earmarked for its support, operation and maintenance.

Because of the good purpose of the bill, Mr. President, I will ask for its approval after certain amendments have been introduced.

If there are no questions, Mr. President, I ask that we go to the period of amendments.

**The PRESIDENT.** Any interpellations? (Silence.)

We are now in the period of amendments.

**Senator TOLENTINO.** Mr. President, on Page 3, Lines 11 and 14, change "1968" to "1969."

**The PRESIDENT.** Any objection (Silence.) There being none, the amendment is approved.

Senator TOLENTINO. Mr. President, I move for the approval of the bill as amended on second reading.

The PRESIDENT. We shall now vote on the bill as amended on second reading. As many as are in favor of the bill as amended will please say *Aye*. (*Several Senators: Aye.*) As many as are against will please say *Nay*. (*Silence.*) House Bill No. 16253 is approved on second reading as amended.

#### SUSPENSION OF THE SESSION

Senator TOLENTINO. Mr. President, I move that we suspend the session for a couple of minutes.

The PRESIDENT. Any objection? (*Silence.*) There being none, the session is suspended for a few minutes.

*It was 10:50 a.m.*

#### RESUMPTION OF THE SESSION

*At 11:00 a.m. the session was resumed with the President of the Senate, Hon. Gil J. Puyat, presiding.*

The PRESIDENT. The session is resumed.

#### CONSIDERATION OF HOUSE BILL ON. 14538

Senator TOLENTINO. Mr. President, I move that we consider House Bill No. 14538.

The PRESIDENT. Consideration of House Bill No. 14538 is now in order. The Secretary will please read the bill.

The SECRETARY:

AN ACT AMENDING CERTAIN SECTIONS OF REPUBLIC ACT NUMBERED THREE THOUSAND FOUR HUNDRED SEVENTY (re Cottage Industries Act).

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. Section eleven of Republic Act Numbered Three thousand four hundred seventy is hereby amended to read as follows:

"SEC. 11. Definition.—The term 'cottage industry' as used in this Act shall mean an economic activity

in a small scale [which is] carried on mainly in the homes or in other places for profit and [which is] mainly done with the help of the members of the family WITH CAPITALIZATION NOT EXCEEDING FIFTY THOUSAND PESOS. It shall include the following: (1) fiber crafts, such as making of abaca ropes and twines, buntal fiber extracting and buri leaf braiding; (2) woodcraft such as making of wooden shoes, wooden fans, walking sticks (canes) and wood carvings; (3) hat weaving such as Calasiao, buri, rafia, buntal and bamboo hats, salakots and helmets; (4) mat weaving such as door, sleeping, buri, pandan, balilan, and sabutan mats; (5) metal craft such as making of jewelries, knives, boloes, scissors, razors, silverwares, and brassworks; (6) ceramics such as making of potteries, hollow blocks, tiles, firebricks, clay stoves and other ceramic products; (7) shell craft such as making of sea shell buttons and coconut shell products; (8) bamboo and rattan crafts such as making of hammocks, basketry, making of sawali and other bamboo and rattan furniture and articles; (9) small agricultural hand tools such as plow points; (10) toy craft such as making of dolls and toys; (11) embroidery DRESSMAKING AND TAILORING industries; (12) needle craft (including knitting and crocheting); (13) loom weaving such as making of fishnets; making of mosquito nets, weaving of Ilocano cloth, Igorot weaving, piña 'barong Filipino,' jusi and sinamay; (14) machine parts manufacture such as wheels and stone mortars; (15) poultry including ducks raising and 'balut' making; (16) piggery; (17) home cigar making (18) food preservation and canning, including the making of vinegar wine, LAMBANOG, 'bogoong,' 'masapan,' 'pili,' 'tostado comitado de pili,' 'bucayo;' (19) small mining operations; AND (20) other related crafts such as making of brooms, nito and burl bags, 'karagomoy' bags, bead making, guitar and other musical instruments [; and '21] such other industries done in the home with the aid of electrical gadgets and/or by hand manipulation]. The cottage industries shall be owned and operated by Filipino citizens, or if BY a corporation, partnership [or cooperative,] of WHICH at least seventy-five per cent of its capital OR INVESTMENTS IS OWNED BY FILIPINO CITIZENS [and its stockholders and] All members of its Board of Directors shall be Filipino citizens.

"THE WORD CAPITALIZATION AS USED IN THIS SECTION SHALL MEAN THE TOTAL CURRENT ASSETS AND FIXED ASSETS, INCLUDING THE VALUE OF THE LAND, BUILDING, MACHINERY AND EQUIPMENT LEASED, RENTED AND] OR USED AT LEAST SIX MONTHS OF EACH YEAR LESS THE REINVESTED PROFITS. FOR PURPOSES OF THIS ACT, ANY AND ALL BRANCHES, AGENCIES, OUTLETS OR DIVISIONS OF A LICENSED COTTAGE INDUSTRY SHALL BE COLLATED TO DETERMINE THE CAPITALIZATION THEREOF.