

RECORD OF THE SENATE

TUESDAY, SEPTEMBER 21, 1999

OPENING OF THE SESSION

At 3:33 p.m., the Senate President, Hon. Blas F. Ople, called the session to order.

The President. The 25th session of the Second Regular Session of the Eleventh Congress is hereby called to order.

Let us all stand for the opening prayer to be led by Sen. Renato L. Compañero Cayetano.

Everybody rose for the prayer.

PRAYER

Senator Cayetano.

Almighty Father, help us remember that today, 27 years ago, martial law was imposed in our land.

Help us remember that day when Congress was closed; when the press was shut down and when the right of assembly was banned.

Help us remember that day when our freedom was lost and our individual rights were stolen in derogation of the Bill of Rights.

Help us remember those who died, those who were imprisoned and tortured, those who were raped and inflicted psychological and emotional pain, simply because they opposed the imposition of martial law.

Help us remember the many innocent men and women who were arrested and detained by the infamous ASSO and tried by the wholly, equally infamous military tribunals which the Supreme Court later declared unconstitutional.

Help us remember these days of darkness so that the eternal light of vigilance shall not be extinguished.

Help us remember these things 27 years ago, not because we ourselves have forgotten but because we want our children and our children's children not to forget.

All these we ask in the name of Your Son, Jesus Christ.

Amen.

ROLL CALL

The President. The Secretary will please call the roll.

The Secretary, reading:

- Senator Teresa Aquino-Oreta **
Senator Robert Z. Barbers Present
Senator Rodolfo G. Biazon Present*
Senator Renato L. Compañero Cayetano .. Present
Senator Anna Dominique M.L. Coseteng .. Present
Senator Franklin M. Drilon 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 John Henry R. Osmeña **
Senator Sergio R. Osmeña III Present
Senator Aquilino Q. Pimentel Jr. Present
Senator Ramon B. Revilla Present
Senator Raul S. Roco Present
Senator Miriam Defensor Santiago Absent
Senator Vicente C. Sotto III **
Senator Francisco S. Tatad Present
The President Present

The President. With 17 senators present, there is a quorum.

The Majority Leader is recognized.

THE JOURNAL

Senator Drilon. Mr. President, I move that we dispense with the reading of the Journal of the previous session and consider it approved.

Senator Roco. Mr. President.

The President. Senator Raul S. Roco is recognized.

MOTION OF SENATOR ROCO (Rewriting of the Journal)

Senator Roco. Mr. President, may we request just a rewriting of some of the portions. I leave it to the staff. The staff, I suggest, should read the TSN especially in the technical discussions where we exerted so much effort to be as technically correct as possible and to be very precise no matter how lengthy the discussions are. As reflected, the answers show uncertainty and the staff are prone to use the word "aver"—"Senator Roco averred"—

* Arrived after the roll call
** On official mission

ESTABLISHING A SPECIAL ECONOMIC ZONE

The President. Referred to the Committee on Economic Affairs

The Secretary. Proclamation No. 173, entitled

DECLARING THE MONTH OF SEPTEMBER 1999 AS Y2K CONSCIOUSNESS MONTH

The President. Referred to the Committee on Science and Technology

The Secretary. Memoranda of His Excellency, the President and Acting Executive Secretary Ramon Cardenas on the subject "REITERATION OF PREVIOUS DIRECTIVE NOT TO ENTERTAIN PERSONS WHO CLAIM CLOSENESS TO THE PRESIDENT"

The President. Referred to the Committee on Accountability of Public Officers and Investigations

ADDITIONAL REFERENCE OF BUSINESS

RESOLUTIONS

The Secretary. Proposed Senate Resolution No. 577, entitled

RESOLUTION DIRECTING THE COMMITTEES ON WAYS AND MEANS; AND BLUE RIBBON TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE REPORTED SMUGGLING OF LUXURY CARS, WITH THE END IN VIEW OF STRENGTHENING GOVERNMENT POLICY ON TAX LIABILITY-ENFORCEMENT AND ON THE PROSECUTION OF ALL PARTIES PARTICIPATING DIRECTLY OR INDIRECTLY, BY INDUCEMENT OR DIRECT PARTICIPATION, IN THIS ILLEGAL ACTIVITY, AND TO ENSURE TRANSPARENCY IN THE EXECUTION OF TAX AND CUSTOMS LAWS AND TO ONCE AND FOR ALL FIRM UP, CLARIFY AND ARTICULATE A GOVERNMENT POLICY ON THE IMPORTATION AND DISPOSITION OF VEHICLES AND OTHER OBJECTS OF COMMERCE WHICH FAIL TO COMPLY WITH PHILIPPINE TAX AND CUSTOM LAWS

Introduced by Senator Ople

The President. Referred to the Committees on Ways and Means; and Accountability of Public Officers and Investigations

The Secretary. Proposed Senate Resolution No. 578, entitled

RESOLUTION DIRECTING THE COMMITTEE ON PUBLIC ORDER AND ILLEGAL DRUGS TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, INTO THE NEAR SHOOTOUT ALLEGEDLY BETWEEN OPERATIVES OF TASK FORCE JERICO OF THE PNP-SPECIAL ACTION FORCE AND MEMBERS OF THE PNP-WESTERN POLICE DISTRICT MOBILE UNIT WITH THE END IN VIEW OF ENACTING REMEDIAL MEASURES TO ADDRESS THE SAME

Introduced by Senator Barbers

The President. Referred to the Committee on Public Order and Illegal Drugs

The Majority Leader is recognized.

SUSPENSION OF SESSION

Senator Drilon. 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 3:46 p.m.

RESUMPTION OF SESSION

At 3:47 p.m., the session was resumed.

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

SPECIAL ORDERS

Senator Drilon. Mr. President, I move that we transfer from the Calendar for Ordinary Business to the Calendar for Special Orders Committee Report No. 66 on Senate Bill No. 468, entitled

AN ACT INSTITUTIONALIZING A NATIONAL FACILITATION SERVICE NETWORK THROUGH THE ESTABLISHMENT OF A

PUBLIC EMPLOYMENT SERVICE OFFICE IN EVERY PROVINCE, KEY CITIES AND OTHER STRATEGIC AREAS THROUGHOUT THE COUNTRY.

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

**BILL ON SECOND READING
S. No. 468--Public Employment Service
Office Act of 1998**

Senator Drilon. Mr. President, I move that we consider Committee Report No. 66 on Senate Bill No. 468.

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

Consideration of Senate Bill No. 468 is now in order. With the permission of the Body, the Secretary will read only the title of the bill without prejudice to inserting in the *Record* the whole text thereof.

The Secretary. Senate Bill No. 468, entitled

AN ACT INSTITUTIONALIZING A NATIONAL FACILITATION SERVICE NETWORK THROUGH THE ESTABLISHMENT OF A PUBLIC EMPLOYMENT SERVICE OFFICE IN EVERY (PESO) PROVINCE, KEY CITIES AND OTHER STRATEGIC AREAS THROUGHOUT THE COUNTRY

The following is the whole text of the bill:

Senate Bill No. 468

AN ACT INSTITUTIONALIZING A NATIONAL FACILITATION SERVICE NETWORK THROUGH THE ESTABLISHMENT OF A PUBLIC EMPLOYMENT SERVICE OFFICE IN EVERY (PESO) PROVINCE, KEY CITIES AND OTHER STRATEGIC AREAS THROUGHOUT THE COUNTRY

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

SECTION 1. Title. - This Act shall be known as the "Public Employment Service Office Act of 1998".

SEC. 2. Declaration of Policy. - It is a declared policy of the State to promote full employment and equality of employment opportunities for all, and for this purpose, to strengthen and expand the existing employment facilitation service machinery of the government particularly at the local levels.

SEC. 3. Establishment of Public Employment Service Office. - To carry out the above-declared policy, there shall be established in all capital towns of provinces, key cities and other strategic areas, a Public Employment Service Office, hereinafter referred to as "PESO", which shall be community-based and maintained largely by local government units and a number of non-governmental organizations. The PESOs shall be linked to the regional offices of the Department of Labor and Employment (DOLE) for coordination and technical supervision, and to the DOLE central office, to constitute the national employment services network.

SEC. 4. Objectives of the PESO. - In general, the PESO shall ensure the prompt, timely and efficient delivery of employment service and provision of information on the other DOLE programs.

Specifically, the PESO shall:

(a) Provide a venue where people could explore simultaneously various employment options and actually seek assistance they prefer;

(b) Serve as referral and information center for the various services and programs of DOLE and other government agencies present in the province/area;

(c) Provide clients with adequate information on employment and labor market situation in the area, and;

(d) Network with other PESOs within the region on employment for job exchange purposes.

SEC. 5. Functions of the PESO. - The PESO shall have the following functions:

(a) Facilitate the exchange of labor market information between job seekers and employers by providing employment information services to job seeker, both for local overseas employment and recruitment assistance to employers;

(b) Develop and administer testing and evaluation instruments for effective job and training and counselling;

(c) Establish a national manpower registry of skills to facilitate the provision and packaging of employment assistance to PESO clients and the setting-up of intra and inter regional job clearance system as part of the overall employment network;

(d) Provide persons with entrepreneurship qualities access to the various livelihood and self-employment programs offered by both government and non-governmental organizations at the provincial/city/municipal levels;

(e) Undertake employability enhancement trainings/seminars for job seekers, as well as those who would like to change career or enhance their employability;

(f) Provide occupational counselling and mass motivation and values development activities; and

(g) Conduct pre-employment counselling and orientation to prospective local and overseas workers;

(h) Provide reintegration assistance services to returning Filipino migrant workers; and

(i) Perform such functions as will fully carry out the objectives of this Act.

SEC. 6. Other Services of the PESO. - In addition to the functions enumerated in the preceding section, every PESO shall also undertake the following programs and activities:

(a) Job Fairs - these shall be conducted periodically all over the country to bring together in one venue job seekers and employers for immediate matching;

(b) Livelihood and Self-employment Bazaars - these will give clients information on the wide array of livelihood programs they choose to avail of, particularly in the rural areas;

(c) Special credit assistance for placed overseas workers - this type of assistance will enable poor but qualified applicants to avail of opportunities for overseas employment;

(d) Special Program for Employment of Students (SPES) - under this program, deserving students coming from poor families can pursue their education by encouraging their employment during summer and/or

Christmas vacations as provided for under Republic Act No. 7323 and its implementing rules;

(e) Summer Work Appreciation Program (SWAP) - this program aims to develop the values of work appreciation and ethics by exposing the young to actual work situations; and

(f) Workers Hiring for Infrastructure Projects (WHIP) - this program is in pursuance to Republic Act No. 6685 which requires construction companies to hire thirty percent of skilled and fifty percent of unskilled labor requirements in areas where the project is constructed/located.

SEC. 7. Role of Local Government Units and Non-Governmental Organizations. - The establishment, operation and maintenance of PESOs shall be undertaken by local government units or LGUs, subject to the technical supervision and coordination by the DOLE. For this purpose, the DOLE shall enter into memoranda of agreements with governors and city/municipal mayors for the setting-up and operation of PESOs in the respective areas of jurisdiction of said LGUs.

It shall be the responsibility of the LGU concerned to:

(a) Provide office space, equipment and/or supplies, as well as the necessary personnel complement to manage, operate and maintain the PESO;

(b) Furnish the DOLE with periodic accomplishment reports; and

(c) Extend such assistance and services as may be necessary in the promotion of employment within the area of jurisdiction;

For its part, the DOLE shall be responsible for:

(a) Providing technical assistance and allied support services to the PESO;

(b) Training PESO personnel in the various aspects of employment facilitation functions; and

(c) Extending/facilitating such other package of employment services to the provision of employment assistance to clients of the LGU concerned, including the conduct of job fairs and other activities.

The DOLE shall also encourage and promote the establishment and operation of PESOs by non-governmental organizations under similar arrangements established by DOLE with LGUs.

SEC. 8. Administration of the PESO Program. - The DOLE shall be primarily responsible for the administration of the PESO Program through its Bureau of Local Employment, as well as its regional offices throughout the country. The Secretary of DOLE shall accordingly promulgate the necessary rules and regulations for the effective implementation of the Program.

SEC. 9. Funding. - The amount necessary for the initial implementation of this Act shall be charged against the existing appropriation of the DOLE and its other operating agencies. Thereafter, the amounts needed for the full implementation of this Act shall be included in the budget of the DOLE in the succeeding General Appropriations Act.

SEC. 10. Repealing Clause. - All laws, decrees, executive orders, rules and regulations or any part thereof which are inconsistent herewith are hereby deemed repealed or modified accordingly.

SEC. 11. Separability Clause. - If for any reason, any section or provision of this Act or any part thereof, or the application of such section, provision or portion is declared invalid or unconstitutional, the remainder thereof shall not be affected by such declaration.

SEC. 12. Effectivity. - This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,

Senator Drilon. May I ask the Chair to recognize Sen. Francisco S. Tatad for the sponsorship speech.

The President. Sen. Francisco S. Tatad is recognized.

SPONSORSHIP SPEECH OF SENATOR TATAD

Senator Tatad. Thank you very much, Mr. President.

Mr. President, distinguished colleagues of the Senate:

It gives me great pleasure to commend to the Senate at this

time, Committee Report No. 66 recommending immediate passage of Senate Bill No. 468, entitled "An Act Institutionalizing a National Facilitation Service Network through the Establishment of a Public Employment Service Office in Every Province, Key City and Other Strategic Areas throughout the Country."

This measure, authored by the Senate President, is straightforward enough. It is intended to institutionalize the public employment service offices that have been set up all over the country in the last seven years, and make it easier for such offices to be established in provinces, key cities and other strategic areas where they do not yet exist.

The Public Employment Service Office—PESO for short—is a community-based office, maintained largely by local government units and nongovernmental organizations under the technical supervision of the Department of Labor and Employment, for the purpose of extending assistance to job seekers, employers in search of qualified employees, entrepreneurs and self-employed individuals in search of new opportunities.

The PESO was first launched by the Department of Labor and Employment in 1992, in an effort to expand its employment service network, which it was providing at the time through its 12 regional offices. It did this by entering into Memoranda of Agreement with LGUs and NGOs which then established the office.

Since then, 1,827 PESOs have been established. Of this number, 1,419 are said to be operational. But only 10 have so far been institutionalized. These include the city PESOs in Pasig, Valenzuela, Angeles, Metro Naga, Cebu, Cagayan de Oro, Cotabato, and Iligan, and the provincial PESOs in Pangasinan and Bataan.

These were institutionalized by action of the sanggunians concerned, which created the plantilla positions needed and provided for the corresponding budget, with the approval of the Civil Service Commission and the Department of Budget and Management respectively. Full institutionalization of the PESO would mean regular official status and budgetary support for all the PESOs operating and to be established henceforth all over the Philippines.

What will the PESO do?

As provided for in the bill, the PESO shall provide a venue where people could explore various employment options and seek the assistance desired; serve as referral and information center for the various services and programs of DOLE and other government agencies; provide clients with adequate information on the employment market; and network with other PESOs for job exchange and related purposes.

In more concrete terms, the PESO shall facilitate the exchange of labor market information between job seekers and employers by providing employment information services to job seekers, both for overseas and local employment, and recruitment assistance to employers; develop and administer testing and evaluation instruments for effective job training and counseling; establish a national manpower registry of skills to facilitate the provision and packaging of employment assistance to PESO clients and the setting up of intra- and inter-regional job clearance system as part of the government's overall employment network; provide access to various livelihood and self-employment programs to those in need; undertake training/seminars for job seekers to enhance their competence and skills; and provide assistance to returning migrant workers so that they could be reintegrated into the domestic labor market.

The PESO shall hold periodic job fairs to bring together job seekers and employers for immediate matching, and livelihood and self-employment bazaars to provide a wide array of information on jobs and livelihood opportunities. It shall also extend special credit assistance to overseas workers, and undertake a special program for the employment of unskilled labor in construction work, as well as other disadvantaged groups, and students during summer, Christmastime and other long holidays.

The establishment, operation and maintenance of PESOs shall be undertaken by LGUs and NGOs, subject to the technical supervision and coordination by DOLE which shall provide technical training and allied support for all PESO personnel. The entire PESO program shall be administered by DOLE through its Bureau of Local Employment and its regional offices throughout the country.

Funding shall come initially from the existing appropriations of DOLE and its other operating agencies. Thereafter, the amounts needed to operate the PESOs on a yearly basis shall be included in the annual appropriations for DOLE.

From 1993 to June 1999, a total of 2,962,622 job applicants registered with the various PESOs; 2,392,837 job vacancies were solicited by PESOs; and 1,848,214 job applicants were placed or assisted by PESOs.

Given the objective of the economy, which is also a constitutional mandate, on full employment, head to head with the imperfections of the labor market, the lack of information about demand and supply, and the basic difficulty in creating new jobs, labor and industry are agreed that the PESO is doing an outstanding job in the areas where it has been institutionalized, and that its intervention is needed in all parts of the country to bring the economy reasonably closer to its objective.

It is above all for this reason, Mr. President, distinguished colleagues, that we appeal to this Chamber to support with some enthusiasm the immediate passage of Senate Bill No. 468.

Thank you very much, Mr. President.

**MANIFESTATION OF SENATOR TATAD
(Senators Osmeña III, Cayetano and Drilon as
Coauthors of S. No. 468)**

Before I go, may I just manifest the desire of the distinguished gentleman from Cebu, Sen. Sergio R. Osmeña III, to be made a coauthor of this bill, as well as our distinguished colleague from all parts, Sen. Renato L. *Compañero* Cayetano, and of course, the former Minister of Labor, the Majority Leader.

Thank you very much.

The President. The Chair thanks Senator Tatad for his excellent sponsorship speech.

The Majority Leader is recognized.

SUSPENSION OF CONSIDERATION OF S. NO. 468

Senator Drilon. Mr. President, the principal author of the measure, the Senate President, has manifested his desire to cosponsor the measure. We therefore move to suspend consideration of Senate Bill No. 468 as reported out under Committee Report No. 66.

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

BILL ON SECOND READING

**S. No. 153--Retail Trade Liberalization Act of 1998
(Continuation)**

Senator Drilon. Mr. President, I move that we resume consideration of Senate Bill No. 153 as reported out under Committee Report No. 41.

The President. Is there any objection? [*Silence*] There being none, the motion is approved. Resumption of consideration of Senate Bill No. 153 is now in order.

Senator Drilon. Mr. President, this is the proposed amendment to the Retail Trade Act. We are in the period of interpellations. May I ask the Chair to recognize Sen. Sergio R. Osmeña III.

The President. Sen. Sergio R. Osmeña III is recognized.

Senator S. Osmeña. Thank you, Mr. President.