

## RECORD OF THE SENATE

**THURSDAY, MAY 9, 2002**

### RESUMPTION OF THE SESSION

*At 10:22 a.m., the session was resumed with the Senate President, Hon. Franklin M. Drilon, presiding.*

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

**Senator Legarda Leviste.** I move that we proceed to the Second Additional Reference of Business.

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

The Secretary will please read the Second Additional Reference of Business.

### SECOND ADDITIONAL REFERENCE OF BUSINESS

#### COMMITTEE REPORTS

**The Secretary.** Committee Report No. 42, prepared and submitted by the Committee on Foreign Relations on Proposed Senate Resolution No. 295, entitled

RESOLUTION CONCURRING IN THE RATIFICATION OF THE AGREEMENT ON SCIENTIFIC AND TECHNICAL COOPERATION BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE REPUBLIC OF PANAMA,

recommending its approval without amendments.

Sponsor: Senator Ople

**The President.** To the Calendar for Ordinary Business

**The Secretary.** Committee Report No. 43, prepared and submitted by the Committee on Foreign Relations on Proposed Senate Resolution No. 296, entitled

RESOLUTION CONCURRING IN THE RATIFICATION OF THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE REPUBLIC OF PERU ON SCIENTIFIC AND TECHNICAL COOPERATION

recommending its approval without amendments.

Sponsor: Senator Ople

**The President.** To the Calendar for Ordinary Business

**The Secretary.** Committee Report No. 44, prepared and submitted by the Committee on Foreign Relations on Proposed Senate Resolution No. 297, entitled

RESOLUTION CONCURRING IN THE ACCEPTANCE OF THE WORLD HEALTH ASSEMBLY RESOLUTION NO. 51.23 AMENDING ARTICLES 24 AND 25 OF THE WORLD HEALTH ORGANIZATION (WHO) CONSTITUTION,

recommending its approval without amendments.

Sponsor: Senator Ople

**The President.** To the Calendar for Ordinary Business.

The Majority Leader is recognized.

#### SPECIAL ORDERS

**Senator Legarda Leviste.** Mr. President, I move that we transfer from the Calendar for Ordinary Business to the Calendar for Special Orders Committee Report No. 39 on Senate Bill No. 2104, entitled

AN ACT PROVIDING FOR A SYSTEM OF ABSENTEE VOTING BY QUALIFIED FILIPINOS ABROAD, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

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

#### BILL ON SECOND READING

**S. No. 2104 — The Absentee Voting Act of 2002**

**Senator Legarda Leviste.** Mr. President, I move that we consider Senate Bill No. 2104 as reported out under Committee Report No. 39.

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

Consideration of Senate Bill No. 2104 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. 2104, entitled

AN ACT PROVIDING FOR A SYSTEM OF ABSENTEE VOTING BY QUALIFIED

Right now, our PNP rank profile, as the gentleman said, there is one authorized director general but there are three deputy director generals. I think there should only be one.

**Senator Sotto.** No. We just want the gentleman's reaction because we are looking at a possible alternative to lower the financial requirement of the proposed increase. We are only looking at that.

**Senator Magsaysay.** We are getting the help of our in-house general.

**Senator Biazon.** Mr. President.

**The President.** Sen. Rodolfo G. Biazon is recognized.

**Senator Biazon.** Mr. President, with the permission of the two gentlemen, may I interject.

Mr. President, we are not comparing here the table of organization of the Armed Forces of the Philippines with the Philippine National Police, because these two are different organizations. What we are comparing here are the levels of responsibility.

For example, it is true that we may only have one deputy director general. But how can we equate a civilian organization to a military organization?

What we are comparing here, Mr. President, are the levels of responsibility which are defined by the rank in the military.

So there is no relationship between the two organizations of the PNP and the AFP—the number of generals in the PNP and the number of generals in the AFP—because these are two different organizations. What we are comparing are the levels of responsibility here. So we have six lieutenant generals in the AFP as against only one in the PNP. But these two are different things. As I said, we should compare the levels of responsibility.

**Senator Sotto.** Thank you very much, Mr. President. I am very much enlightened. As a matter of fact, I remember that the gentleman interjecting was the former chairman of the Senate Committee on National Defense and Security. That is correct, I think, and I accept the explanation.

Anyway, Mr. President, there are very few questions left that I have but some of them might have been asked already. I am looking at the watch and it is almost twelve o'clock in the afternoon. The Senate President and I were in agreement that I had to excuse myself.

**The President.** The senator may terminate his interpellation so that we can terminate the period of interpellations and

proceed to the period of amendments, without prejudice to further questions during the period of amendments.

**Senator Sotto.** Just in case, yes, Mr. President, I will agree to that. I will terminate my interpellation on this bill. May I just take this opportunity to remind the chairman of the Senate Committee on National Defense and Security about some of the resolutions and the privilege speeches that have been referred to the committee. They can be somewhat related and it can be acted upon. I will not bring it up now. Probably, we will just bring it up on Monday.

Thank you, Mr. President.

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

**Senator Legarda Leviste.** Mr. President, there are other colleagues who have reserved to interpellate for next week. They are the Minority Leader, Senator Pimentel; Senators Pangilinan and Serge Osmeña III. I would like to thank the good sponsor.

#### SUSPENSION OF CONSIDERATION OF S. NO. 2086

Mr. President, I move that we suspend consideration of Senate Bill No. 2086.

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

#### BILL ON SECOND READING

##### S. No. 2101 — Instituting a *Balikbayan* Program (Continuation)

**Senator Legarda Leviste.** Mr. President, I move that we resume consideration of Senate Bill No. 2101 as reported out under Committee Report No. 38.

**The President.** Is there any objection? *[Silence]* There being none, resumption of consideration of Senate Bill No. 2101 is now in order.

**Senator Legarda Leviste.** I ask that the sponsor, Sen. Noli De Castro, be recognized.

**The President.** Sen. Noli De Castro is recognized.

**Senator Legarda Leviste.** We are in the period of interpellations. To interpellate, I ask that Sen. Teresa Aquino-Oreta be recognized.

**The President.** Sen. Teresa Aquino-Oreta is recognized.

**Senator Aquino-Oreta.** Thank you, Mr. President. Will the gentleman, our esteemed colleague, yield for some clarificatory questions?

**Senator De Castro.** Yes, Mr. President, to the good senator from Navotas, Malabon and Tarlac.

**Senator Aquino-Oreta.** I thank the gentleman.

Mr. President, a salient feature of this bill is that it provides the *balikbayan* a *kabuhayan* shopping privilege which allows them to purchase tax-free livelihood tools. May we know what the gentleman means by livelihood tools? And we were looking for the definition of "livelihood tools" and we could not find it in the bill. Can the gentleman please tell us what the gentleman means by "livelihood tools" and how come it was not defined in the bill?

**Senator De Castro.** Well, Mr. President, kapag sinabi po nating "tools," we would refer to tools necessary in the ordinary course of business. Halimbawa po, sa automotive, sa plumbing, kung ito ang papasukin ng balikbayan especially Filipino overseas workers. Electrical or electronics, even mechanical, carpentry, beauty parlor, metal works, and fabrication shops or even rice mill. So, we need these tools para tumakbo ang isang maliit na negosyo na puwedeng pasukin ng isang balikbayan, particularly an overseas Filipino worker.

**Senator Aquino-Oreta.** Then, Mr. President, how will we define "livelihood tools" in the bill?

**Senator De Castro.** Well...

**Senator Aquino-Oreta.** All the goods being sold—

**Senator De Castro.** Yes, from the...

**Senator Aquino-Oreta.**—will be considered tools?

**Senator De Castro.** At sa duty-free shop, kapag naaprubahan ang ating bill, ilalagay nila ang mga tool na ito with the help of OWWA. Dahil may mga sulat na natatanggap ang OWWA from overseas Filipino workers kung ano ang gusto nilang pasuking hanapbuhay pagdating nila sa Pilipinas, especially iyong mga natapos na ang kontrata, let us say, after two years, at wala na silang planong bumalik uli sa kanilang trabaho o wala nang trabahong naghihintay sa kanila o dahil sa naglalakihan na ang kanilang mga anak at kailangan na ang tulong nila. Para mai-prepara ang kanilang mga sarili—na wala silang makikitang hanapbuhay pagkatapos ng kanilang kontrata. These livelihood tools ang magbibigay sa kanila ng oportunidad—with the help of course of the necessary training—para sila ay maging economically self-reliant members ng ating lipunan pagkatapos na sila ay bumalik sa ating bansa at pagkatapos na makapagtrabaho ng ilang taon sa ibang bansa.

**Senator Aquino-Oreta.** Mr. President, the gentleman mentioned training.

**Senator De Castro.** Training.

**Senator Aquino-Oreta.** Training.

**Senator De Castro.** Yes, Mr. President.

**Senator Aquino-Oreta.** Is this part of the gentleman's program that he is providing in this bill? Because when we say "tools," will this be specified? Or is the gentleman assuming that the goods that will be sold are all somehow related to tools? Because, Mr. President, we had a difficult time looking for the gentleman's definition of "livelihood tools." So, we would like to know if the program, the shopping or the goods that will be sold will all be categorized as "livelihood tools."

**Senator De Castro.** As a matter of fact, Mr. President, hindi lamang tools ang kailangan kundi pati na mga equipment para makapasok sa isang hanapbuhay ang isang balikbayan. As I mentioned earlier, ang "livehood tools" may be defined as tools, like, for example, sa isang automotive ay kailangan ng mga pliers. These are considered tools.

**Senator Aquino-Oreta.** Then they will be selling pliers.

**Senator De Castro.** Yes. Isa lamang ho iyong pliers.

**Senator Aquino-Oreta.** So, in other words, the gentleman is saying that the goods that will be sold will all be categorized now as tools.

For example, if the balikbayan would want to put up a karaoke bar,—

**Senator De Castro.** Yes, Mr. President.

**Senator Aquino-Oreta.**—he can buy a karaoke machine, DVD players, sound system, amplifiers, et cetera. Are these the livelihood tools that the gentleman is mentioning in his bill?

**Senator De Castro.** Well, Mr. President, ang mga tool na ibebenta kung sakali sa duty-free shops are tools recommended by, for example, TESDA and the TLRC na sa palagay nila ay kinakailangan ng isang balikbayan. Gaya po ng binanggit ko kanina, maraming natatanggap na sulat ang OWWA na humihiling na magbenta ng tools at equipment ang mga duty-free shop na kapag sila ay pumasok na sa isang hanapbuhay upon their return after working for almost two to five years abroad.

**Senator Aquino-Oreta.** But, Mr. President, all these that the gentleman is mentioning are not in the bill. So, we do not know how to go about it now if we will have to mention all these in the period of amendments. They are not all in the basic bill.

Nevertheless, has the gentleman made a feasibility study? Have we conducted a study of what the gentleman said on the opinion of TESDA, the TLRC, and all these government agencies that are out there to help our balikbayan? Is there a study of how many of our *balikbayan* would want to enter into their own or into the business, into the mainstream that will be needing these livelihood tools from these duty-free shops?

**Senator De Castro.** At present, Mr. President, hindi po tayo aware kung ilan sa mga balikbayan natin ang gustong mag-avail nitong Kabuhayan Program sapagkat wala pa nga iyong batas. Pero ang isang pinagbatayan ng proposal na ito ay iyong kahilingan ng mga manggagawa na sila ay bigyan ng hanapbuhay or livelihood projects kapag sila po ay bumalik na sa ating bansa. For example, itong ginawa ng OWWA officials sa hearing. They reported to us their livelihood projects from January 1999 to December 2001 kung saan tumulong ang OWWA sa mga overseas Filipino worker natin na bumabalik na sa bansa sa pagtatayo, halimbawa, ng sari-sari stores, LPG retailing, hardware, aircon repair, computer services, photocopying, beauty parlor, even operating a tricycle, paggawa ng suka, figurines or ceramics, and the production of hollow blocks or fruit juices. Ito po ang napansin ng OWWA.

Pero ang ginagawa po ng OWWA ay nagpapautang ito ng assistance from P10,000 to P100,000, Ginoong Pangulo. The OWWA realizes na kulang na kulang ang ipinapautang nito sapagkat babayaran din ito ng mga overseas worker kapag umabot na sa P100,000 ang inutang nila sa OWWA.

**Senator Aquino-Oreta.** So what connection does that have with the livelihood tools that we are mentioning here in the bill when we will provide these tools and the overseas worker will buy them at a cheaper price? So it is in a different level now. What we are talking about is the duty-free shop that will provide tools so that these *balikbayan* will have a business of their own when they settle back in the country.

**Senator De Castro.** Base dito sa programa ng ating pamahalaan through OWWA na reintegrasyon ng mga balikbayan natin, lalung-lalo na ang mga overseas Filipino workers, ang pangunahing problema nila pagbalik sa bansa ay iyong makakuha ng trabaho, with the help of TLRC or even TESDA na magpo-provide ng training. Sapagkat ang OWWA ngayon ay mayroon nang reintegrasyon program at livelihood program para sa ating mga overseas Filipino worker. Pero kulang na kulang din itong ibinibigay na tulong ng OWWA sa ating overseas Filipino workers.

On their part naman, ang Duty Free Philippines ay magpo-provide ng necessary tools and equipment na tax-free kaya mas mura ang mga tool at equipment na ito kung ikukumpara sa labas. Dahil masyadong mahal, baka hindi bilhin ng mga overseas Filipino workers. Pero ang isang mahalaga sa panukalang-batas na

ito ay hindi lamang sila basta bibigyan ng murang tools and equipment for their livelihood projects kundi bibigyan din sila ng special training ng TESDA. Para hindi sila basta-basta papasok sa isang hanapbuhay at pagkatapos ay walang mangyayari. Gagasta lamang sila at mauubos iyong kanilang mga inipon for so many years while working abroad.

**Senator Aquino-Oreta.** I see. We understand that very well, Mr. President. But the gentleman just mentioned earlier that TESDA and TLRC have not given yet at least a study on the matter. So we are trying to reconcile now how to put this *kabuhayan* shopping privilege with a program that the corresponding agency has not given the distinguished sponsor yet, at least, a complete study on how this will go about. Nevertheless, may I go to another question.

Where will these *Kabuhayan* tools be sourced from? From the local retailers or from imported manufacturers themselves?

**Senator De Castro.** Maybe some of the tools will be imported directly from abroad and those tools and equipment available in our country can be sourced inside the country, Mr. President.

**Senator Aquino-Oreta.** And will these tools be less expensive?

**Senator De Castro.** Yes, Mr. President. Because these are duty-free-acquired tools and equipment.

**Senator Aquino-Oreta.** I see. Does the gentleman know why duty-free shops were established? The original concept.

**Senator De Castro.** Under Executive Order No. 46 issued on September 4, 1986, the Duty Free Philippines was established, No. 1, to augment the service facilities para sa mga turistang dumarating at umaalis sa ating bansa. No. 2, to generate foreign exchange and revenue for the government. Ang net profits nito ay ibinibigay naman sa Department of Tourism for tourism development and promotions.

**Senator Aquino-Oreta.** I see. Basically, duty-free shops were established in 1986 really to generate foreign exchange and revenue for government. Am I correct, Mr. President?

**Senator De Castro.** Yes, Mr. President.

**Senator Aquino-Oreta.** If we will allow peso purchase, would it not be defeating the very purpose of our duty-free shops?

**Senator De Castro.** Tama po iyon, Ginoong Pangulo. Noong una ang pinahihintulutan lamang ay iyong maximum purchase sa dollars or other kind of currencies. Pero ngayon ay pinahihintulutan na rin ang Philippine peso and other acceptable foreign currencies dahil liberalized na ang foreign exchange natin.

Ang isa pang dahilan ay nagreklamo ang mga overseas Filipino worker. Karaniwan ay hindi naman nire-remit lahat ng mga overseas Filipino worker ang kanilang kinikita dahil 30% of that ay natitira sa kanila at 70% ang nire-remit nila. Kaya iyong 30% ang talagang isa sa mga tina-target ng ating pamahalaan na huwag nang maiwan ng overseas Filipino workers sa bansang pinagtrabahuhan nila sa pamamagitan ng pagbili ng electronics at ilan pang pasalubong sa kanilang mga mahal sa buhay. Kaya pagdating nila rito, karaniwan ay may dala pa silang dolyar. Ipagpapalit nila iyong dolyar into peso, mamimili sila pagkatapos magpahinga ng ilang oras o pagkatapos mapuntahan ang kanilang bahay at ma-meet iyong kanilang mga mahal sa buhay. Babalik sila sa Duty Free Philippines para bumili ng duty-free products. Ang problema, kung hindi tatanggap ng peso ang Duty Free Philippines, ipagpapalit nila iyong hawak-hawak nilang dollar into peso. Isa iyan sa mga reklamo nila na ipararating sa OWWA. Bukod diyan, tayo lamang ang bansa sa buong daigdig na hindi tumatanggap ng ating sariling currency. Kaya sasabihin natin, "Papaano iyong dolyar na hinahabol nating makarating sa ating bansa?" Naririto pa rin ang dolyar sa ating bansa, sapagkat dala-dala nga ito ng mga overseas Filipino worker. Dahil alam nila na may pagkakataon na silang bumili ng mga duty-free product sa Duty Free Philippines, at kung idadagdag pa natin iyong kabuhasan tools and equipment na puwede nilang mabili sa Pilipinas, dito na rin nila mabibili, instead of buying these products abroad na maiwan iyong dolyar doon o hindi na mapapakinabangan ng mga Pilipino.

**Senator Aquino-Oreta.** I see. Earlier, the gentleman mentioned that... Again, I would like to go back to the gentleman's livelihood tools which I would like to think that maybe, in some future time, the livelihood tools will be defined as the goods being sold at the duty-free shops. Will I be correct in that concept?

**Senator De Castro.** Not only goods, sapagkat may mga goods pa rin na binibenta sa duty-free...

**Senator Aquino-Oreta.** Na hindi pang-livelihood.

**Senator De Castro.** Opo, Ginoong Pangulo.

**Senator Aquino-Oreta.** Mr. President, since we will be using that term here, we were hoping that the definition of that term will be very clearly stated in the bill. Unfortunately, we do not have the definition of the term "livelihood tools," so we are just putting a concept of some goods that will be used for livelihood. As we mentioned earlier, if the *balikbayan* would want to put up a karaoke bar, I would like to think that he will have to buy karaokes and DVDs from the duty-free shops. But, anyhow...

**Senator De Castro.** Mr. President, if the lady senator from Navotas and Malabon can help us enhance our bill by clearly

defining what the term "livelihood tools" would mean na kinakailangan ng ating overseas Filipino workers, we can discuss that during the individual amendments.

**Senator Aquino-Oreta.** Yes, correct. So we were trying to deduce that from a study that the committee, I am sure, has done, or a study given, let us say, by the OWWA or the TLRC or the TESDA on this aspect.

**Senator De Castro.** Mr. President, during our hearings—dalawang hearings po iyan—nagbigay ang OWWA officials ng kanilang mga report sapagkat matagal na silang may livelihood projects para sa reintegration ng ating mga overseas Filipino worker. Iyon na rin po ang ating pinagbatayan, and even the definition of "livelihood tools," from the hearings na ginawa ng Committee on Tourism, Ginoong Pangulo.

**Senator Aquino-Oreta.** I see. Maybe at the proper time, Mr. President, we can give some amendments to the bill.

**Senator De Castro.** Yes, Mr. President.

#### SUSPENSION OF SESSION

**Senator Aquino-Oreta.** Mr. President, I move that we suspend the session for one minute.

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

*It was 12:22 p.m.*

#### RESUMPTION OF SESSION

*At 12:23 p.m., the session was resumed.*

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

**Senator Legarda Leviste.** Mr. President, Sen. Teresa Aquino-Oreta has still a lot of questions for interpellations. It is lunch-time. I move that we suspend consideration of the measure until Monday, May 13, 2002, as requested by Senator Aquino-Oreta. We would like to thank the good sponsor.

I move that we adjourn today's session until Monday, Mr. President.

**The President.** Let us take it up one by one.

**Senator Legarda Leviste.** I am hungry.

**SUSPENSION OF CONSIDERATION OF S. NO. 2101**

**The President.** We suspend consideration of Senate Bill No. 2101 under Committee Report No. 38. We will resume consideration of the bill on Monday, with Senator Aquino-Oreta continuing her interpellation.

Is there any objection? *[Silence]* There being no objection, the motion is approved.

**ADJOURNMENT OF SESSION**

There is a motion to adjourn the session until Monday. Is there any objection? *[Silence]* There being none, today's session is adjourned until three o'clock in the afternoon, Monday, May 13, 2002.

*It was 12:23 p.m.*