



Congressional Record

PLENARY PROCEEDINGS OF THE 17th CONGRESS, FIRST REGULAR SESSION
House of Representatives

Vol. 3

Wednesday, December 7, 2016

No. 53

CALL TO ORDER

At 4:00 p.m., Deputy Speaker Fredenil “Fred” H. Castro called the session to order.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is now called to order.

NATIONAL ANTHEM

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Everybody is requested to rise for the singing of the Philippines National Anthem.

Everybody rose to sing the Philippine National Anthem.

PRAYER

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Please remain standing for a minute of silent prayer and meditation.

Everybody remained standing for the silent prayer.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Dep. Majority Leader is recognized.

REP. HOFER. Mr. Speaker, I move that we defer the calling of the roll.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. HOFER. Mr. Speaker, I move for the deferment of the approval of the Journal of the previous session.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

SUSPENSION OF SESSION

REP. HOFER. Mr. Speaker, I move that we suspend the session for a few minutes.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the session is suspended.

It was 4:02 p.m.

RESUMPTION OF SESSION

At 4:03 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is resumed.

REP. HOFER. Mr. Speaker, I move that we now proceed to the Reference of Business.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is hereby directed to read the Reference of Business.

REFERENCE OF BUSINESS

The Secretary General read the following House Bills and Resolutions on First Reading, and the Deputy Speaker made the corresponding references:

BILLS ON FIRST READING

House Bill No. 4534, entitled:

“AN ACT TO INSTITUTE REFORMS IN THE SUBDIVISION AND CONDOMINIUM BUYERS’ PROTECTIVE DECREE”

By Representative Yap (V.)

TO THE COMMITTEE ON HOUSING AND URBAN DEVELOPMENT

House Bill No. 4535, entitled:

“AN ACT CONVERTING THE A. VELEZ ST. IN CAGAYAN DE ORO CITY TO MACASANDIG – INDAHAG – BUKIDNON ROAD INTO A NATIONAL ROAD”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON PUBLIC WORKS
AND HIGHWAYS

House Bill No. 4536, entitled:

“AN ACT CONVERTING THE A. VELEZ ST. TO
MACASANDIG – INDAHAG – TAGUANAO
ROAD, CAGAYAN DE ORO CITY INTO A
NATIONAL ROAD”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON PUBLIC WORKS
AND HIGHWAYS

House Bill No. 4537, entitled:

“AN ACT CONVERTING THE OSMENA
EXTENSION STREET TO THE CDO PORT
ROAD IN CAGAYAN DE ORO CITY INTO
A NATIONAL ROAD”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON PUBLIC WORKS
AND HIGHWAYS

House Bill No. 4538, entitled:

“AN ACT CONVERTING THE JCT. BUKIDNON
CAGAYAN DE ORO ILIGAN ROAD (BCIR) –
AGUSAN – BALUBAL – SAYRE HIGHWAY
IN CAGAYAN DE ORO CITY INTO A
NATIONAL ROAD”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON PUBLIC WORKS
AND HIGHWAYS

House Bill No. 4539, entitled:

“AN ACT PROVIDING FOR EARLY VOTING
FOR THE NATIONAL AND LOCAL
ELECTIONS”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON SUFFRAGE AND
ELECTORAL REFORMS

House Bill No. 4540, entitled:

“AN ACT CONVERTING THE A. VELEZ ST.
TO CARMEN ROAD (PELAEZ BRIDGE),
CAGAYAN DE ORO CITY INTO A
NATIONAL ROAD”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON PUBLIC WORKS
AND HIGHWAYS

House Bill No. 4541, entitled:

“AN ACT EXEMPTING FROM ESTATE
TAX THE UNPAID BALANCE OF JUST
COMPENSATION DUE TO DECEDENT
OWNER OR HIS/HER LEGAL HEIRS
OR SUCCESSORS IN INTEREST OF
AGRICULTURAL LAND ACQUIRED BY THE

GOVERNMENT UNDER PRESIDENTIAL
DECREE NO. 27, EXECUTIVE ORDER
NO. 228, EXECUTIVE ORDER NO. 229,
REPUBLIC ACT NO. 6657 AND REPUBLIC
ACT NO. 9700 (COMPREHENSIVE
AGRARIAN REFORM PROGRAM),
AMENDING FOR THE PURPOSE SECTION
87 OF THE NATIONAL INTERNAL
REVENUE CODE OF 1997, AS AMENDED”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON WAYS AND
MEANS

House Bill No. 4542, entitled:

“AN ACT REGULATING THE PRODUCTION,
IMPORTATION, SALE, PROVISION, USE,
RECOVERY, COLLECTION, RECYCLING
AND DISPOSAL OF PLASTIC BAGS”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON ECOLOGY

House Bill No. 4543, entitled:

“AN ACT ESTABLISHING RESOURCE
DEVELOPMENT AND CRISIS ASSISTANCE
CENTERS FOR WOMEN AND CHILDREN
IN EVERY PROVINCE AND CITY OF THE
COUNTRY, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 8505, OTHERWISE
KNOWN AS THE RAPE VICTIM ASSISTANCE
AND PROTECTION ACT OF 1998”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON WOMEN AND
GENDER EQUALITY

House Bill No. 4544, entitled:

“AN ACT GRANTING SECURITY OF TENURE
UNDER CERTAIN CONDITIONS TO
GOVERNMENT EMPLOYEES WHOSE
NATURE OF APPOINTMENT IS EITHER
TEMPORARY OR CONTRACTUAL AND
WHO HAVE RENDERED A TOTAL OF TEN
(10) YEARS OF EFFICIENT SERVICE”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON CIVIL SERVICE
AND PROFESSIONAL REGULATION

House Bill No. 4545, entitled:

“AN ACT PROVIDING FOR A FREE AND
CULTURE-SENSITIVE SYSTEM OF
REGISTRATION CONCERNING THE CIVIL
STATUS OF INDIGENOUS PEOPLES AND
FOR OTHER PURPOSES”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON INDIGENOUS
CULTURAL COMMUNITIES AND
INDIGENOUS PEOPLES

House Bill No. 4546, entitled:

“AN ACT ESTABLISHING QUALITY STANDARDS FOR MINERAL, CARBONATED AND OTHER BOTTLED WATER”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON TRADE AND INDUSTRY

House Bill No. 4547, entitled:

“THE INVESTMENTS AND INCENTIVES CODE OF THE PHILIPPINES”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON TRADE AND INDUSTRY

House Bill No. 4548, entitled:

“AN ACT PROVIDING FOR A MAGNA CARTA FOR PROBATION AND PAROLE WORKERS, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON JUSTICE

House Bill No. 4549, entitled:

“AN ACT STRENGTHENING THE WITNESS PROTECTION, SECURITY AND BENEFIT PROGRAM, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6981, OTHERWISE KNOWN AS THE WITNESS PROTECTION, SECURITY AND BENEFIT ACT, AND PROVIDING ADDITIONAL FUNDS THEREFOR”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON JUSTICE

House Bill No. 4550, entitled:

“AN ACT ESTABLISHING A NATIONAL PREVENTIVE MECHANISM AGAINST TORTURE IN THE PHILIPPINES”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON HUMAN RIGHTS

House Bill No. 4551, entitled:

“AN ACT INSTITUTING A NATIONAL LAND USE AND MANAGEMENT POLICY, PROVIDING THE IMPLEMENTING MECHANISMS THEREFOR, AND FOR OTHER PURPOSES”

By Representative Rodriguez (M.)
TO THE SPECIAL COMMITTEE ON LAND USE

House Bill No. 4552, entitled:

“AN ACT TO UPHOLD THE RIGHTS AND PROMOTE THE WELFARE OF DAY CARE

WORKERS BY CONSIDERING THEM PART OF PUBLIC HEALTH WORKERS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7305 OTHERWISE KNOWN AS MAGNA CARTA OF PUBLIC HEALTH WORKERS”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON WELFARE OF CHILDREN

House Bill No. 4553, entitled:

“AN ACT ESTABLISHING A CIVIL SERVICE CODE OF THE PHILIPPINES AND FOR OTHER PURPOSES”

By Representative Rodriguez (M.)
TO THE COMMITTEE ON CIVIL SERVICE AND PROFESSIONAL REGULATION

House Bill No. 4554, entitled:

“AN ACT PROMOTING CULTURAL SENSITIVITY TO FILIPINO MUSLIMS ESPECIALLY FOR THE TREATMENT OF MUSLIM WOMEN BY PROHIBITING RESTRICTIONS IN THE USE OF TRADITIONAL FORMS OF ATTIRE BY MUSLIM WOMEN IN PUBLIC PLACES AND PROVIDING PENALTIES FOR VIOLATION THEREOF”

By Representatives Dimaporo (M.) and Dimaporo (A.)
TO THE COMMITTEE ON MUSLIM AFFAIRS

House Bill No. 4555, entitled:

“AN ACT GRANTING THE LANAO DEL NORTE ELECTRIC COOPERATIVE A FRANCHISE TO CONSTRUCT, OPERATE AND MAINTAIN A DISTRIBUTION SYSTEM FOR THE CONVEYANCE OF ELECTRIC POWER TO THE END-USERS IN ALL THE MUNICIPALITIES OF THE PROVINCE OF LANAO DEL NORTE”

By Representatives Dimaporo (M.) and Dimaporo (A.)
TO THE COMMITTEE ON LEGISLATIVE FRANCHISES

House Bill No. 4556, entitled:

“AN ACT REGULATING THE SALE, DISTRIBUTION, AND USE OF FIRECRACKERS AND OTHER PYROTECHNIC DEVICES, PROVIDING PENALTIES FOR VIOLATIONS THEREOF”

By Representative Gatchalian
TO THE COMMITTEE ON PUBLIC ORDER AND SAFETY

House Bill No. 4557, entitled:

“AN ACT ESTABLISHING THE VISAYAS AND MINDANAO HOSPITAL FACILITIES OF THE PHILIPPINE CHILDREN’S MEDICAL CENTER, AMENDING FOR THAT PURPOSE PRESIDENTIAL DECREE NO. 1631, PROVIDING FUNDS THEREFOR, AND OTHER PURPOSES”

By Representative Gatchalian
TO THE COMMITTEE ON HEALTH

House Bill No. 4558, entitled:

“AN ACT ESTABLISHING THE VISAYAS AND MINDANAO HOSPITAL FACILITIES OF THE LUNG CENTER OF THE PHILIPPINES, AMENDING FOR THAT PURPOSE PRESIDENTIAL DECREE NO. 1832, PROVIDING FUNDS THEREFOR, AND OTHER PURPOSES”

By Representative Gatchalian
TO THE COMMITTEE ON HEALTH

House Bill No. 4559, entitled:

“AN ACT ESTABLISHING THE VISAYAS AND MINDANAO HOSPITAL FACILITIES OF THE PHILIPPINE HEART CENTER, AMENDING FOR THAT PURPOSE PRESIDENTIAL DECREE NO. 673, PROVIDING FUNDS THEREFOR, AND OTHER PURPOSES”

By Representative Gatchalian
TO THE COMMITTEE ON HEALTH

House Bill No. 4560, entitled:

“AN ACT AMENDING PD 96 PROVIDING THEREFOR THE REGULATION OF SALE OF MODIFICATIONS TO MOTOR VEHICLES EMITTING EXCEPTIONALLY LOUD OR STARTLING SOUND”

By Representative Gatchalian
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4561, entitled:

“AN ACT INSTITUTING A NATIONAL TRAFFIC CODE AND APPROPRIATING FUNDS THEREFOR”

By Representative Batocabe
TO THE COMMITTEE ON TRANSPORTATION

House Bill No. 4562, entitled:

“AN ACT STRENGTHENING RANK-AND-FILE EMPLOYEES’ BENEFITS FROM SERVICE CHARGES, AMENDING FOR THE PURPOSE ARTICLE 96 OF PRESIDENTIAL DECREE NO. 442, AS AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES”

By Representative Laogan

TO THE COMMITTEE ON LABOR AND EMPLOYMENT

House Bill No. 4563, entitled:

“AN ACT REQUIRING ALL MICRO, SMALL, AND MEDIUM ENTERPRISES (MSMEs) TO PROVIDE CONSUMERS WITH A STANDARDIZED LIST OF THE PRICES OF THE GOODS OR SERVICES BEING SOLD IN THEIR OUTLETS”

By Representative Roman
TO THE COMMITTEE ON TRADE AND INDUSTRY

House Bill No. 4564, entitled:

“AN ACT AMENDING ARTICLE 365, TITLE XIV OF ACT 3815, OTHERWISE KNOWN AS THE REVISED PENAL CODE OF THE PHILIPPINES, AND FOR OTHER PURPOSES”

By Representative Roman
TO THE COMMITTEE ON REVISION OF LAWS

House Bill No. 4565, entitled:

“AN ACT PROVIDING FOR THE LEGAL FRAMEWORK AND MECHANISMS FOR THE CREATION, OPERATION AND ADMINISTRATION OF TRANSNATIONAL HIGHER EDUCATION IN THE PHILIPPINES, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES”

By Representatives Salo and Hofer
TO THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

House Bill No. 4566, entitled:

“AN ACT RENAMING MCARTHUR HIGHWAY/ MANILA NORTH ROAD TO GENERAL GREGORIO DEL PILAR HIGHWAY”

By Representative Sy-Alvarado
TO THE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

House Bill No. 4567, entitled:

“AN ACT GRANTING SENIOR CITIZENS ADDITIONAL EXEMPTION IN DETERMINING INCOME TAX, FURTHER AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8424, OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE”

By Representative Del Rosario
TO THE COMMITTEE ON POPULATION AND FAMILY RELATIONS

House Bill No. 4568, entitled:

“AN ACT AMENDING SECTION 393(b[5]), CHAPTER 4, TITLE ONE, BOOK III OF REPUBLIC ACT 7160”

By Representative Atienza
TO THE COMMITTEE ON LOCAL GOVERNMENT

House Bill No. 4569, entitled:

“AN ACT PROVIDING FOR THE CREATION OF A COUNCIL FOR THE WELFARE OF OLDER PERSONS”

By Representatives Batocabe, Garbin and Co
TO THE COMMITTEE ON POPULATION AND FAMILY RELATIONS

House Bill No. 4570, entitled:

“AN ACT TERMINATING THE COLLECTION OF TOLL FEES ALONG THE PORTION OF THE BENGUET ROAD (KENNON ROAD) FROM KLONDYKE’S SPRING TO CAMP SIX, REPEALING FOR THE PURPOSE EXECUTIVE ORDER NO. 34, SERIES OF 1954, AS AMENDED”

By Representative Dalog
TO THE SPECIAL COMMITTEE ON NORTH LUZON GROWTH QUADRANGLE

House Bill No. 4571, entitled:

“AN ACT ABOLISHING THE BAGUIO–BONTOC HALSEMA HIGHWAY NATIONAL TOLL ROAD AND TERMINATING COLLECTION OF TOLL FEES THERETO”

By Representative Dalog
TO THE SPECIAL COMMITTEE ON NORTH LUZON GROWTH QUADRANGLE

House Bill No. 4572, entitled:

“AN ACT PRESCRIBING COMPUTER SCIENCE AS PART OF THE K-12 PROGRAM, APPROPRIATING FUNDS THEREFOR, AND OTHER PURPOSES”

By Representative Garcia (J.)
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE

House Bill No. 4573, entitled:

“AN ACT PROVIDING FOR THE INCLUSION IN THE CURRICULA OF SECONDARY AND TERTIARY EDUCATION THE LIFE, WORKS, AND IDEALS OF ANDRES BONIFACIO AND APPROPRIATING FUNDS THEREFOR”

By Representative Elago
TO THE COMMITTEE ON BASIC EDUCATION AND CULTURE AND THE COMMITTEE ON HIGHER AND TECHNICAL EDUCATION

ADDITIONAL COAUTHORS

Rep. Manuel Jose “Mannix” M. Dalipe for House Bills No. 192, 426, 696, 4361 and 4390;

Rep. Gil “Kabarangay” P. Acosta for House Bills No. 3113, 3234, 3543, 3708, 3709, 4153, 4154 and 4155;

Rep. Elisa “Olga” T. Kho for House Bill No. 1301;

Reps. Jericho Jonas B. Nograles, Rogelio J. Espina, M.D., Aniceto “John” D. Bertiz III and Ron P. Salo for House Bill No. 3858;

Rep. Tom S. Villarin for House Bills No. 3858, 3943, 4117, 4174 and 4337;

Rep. Jose “Pingping” I. Tejada for House Bill No. 1948;

Reps. Aniceto “John” D. Bertiz III, Deogracias B. Ramos Jr., Maximo B. Rodriguez Jr., Allen Jesse C. Mangaoang, Richard C. Eusebio, Aileen C. Radaza and Estrellita B. Suansing for House Bill No. 4174;

Rep. Vicente “Ching” S.E. Veloso for House Bill No. 555;

Rep. Micaela S. Violago for House Bill No. 4110 and House Resolution No. 392;

Rep. Ma. Lucille L. Nava, M.D. for House Bill No. 338;

Rep. Ma. Lourdes R. Aggabao for House Bills No. 515, 516, 517, 1038, 1039, 1378, 1536, 1537, 1836, 1837, 2263, 2264, 2265 and 3435;

Rep. Maria Valentina G. Plaza for House Bills No. 2263 and 2264;

Reps. Christopher S. Co and Fernando V. Gonzalez for House Resolution No. 606;

Rep. Gerald Anthony V. Gullas for House Bill No. 4100; and

Rep. Joaquin M. Chipeco Jr. for House Bill No. 3049.

COMMUNICATION

2015 Annual Report of the Board of Investments.

TO THE COMMITTEE ON TRADE AND INDUSTRY

COMMITTEE REPORTS

Report by the Committee on Public Works and Highways (Committee Report No. 36), re H.B. No. 4602, entitled:

“AN ACT NAMING THE INTERSECTION OF JOSE ABAD SANTOS AVENUE (GAPAN – SAN FERNANDO – OLONGAPO ROAD) AND THE GUAGUA – FLORIDABLANCA PROVINCIAL ROAD LOCATED AT THE BORDER OF BARANGAY SAN ANTONIO AND BARANGAY JOSE ABAD SANTOS, BOTH IN THE MUNICIPALITY OF GUAGUA, PROVINCE OF PAMPANGA AS THE WILLIAM GOLANGCO JUNCTION ” recommending its approval in substitution of House Bill No. 3580

Sponsors: Representatives Lobregat and Macapagal-Arroyo
TO THE COMMITTEE ON RULES

Report by the Committee on Public Works and Highways (Committee Report No. 37), re H.B. No. 1425, entitled:

“AN ACT RENAMING THE ACOPI, TUBLAY, KAPANGAN – KIBUNGAN – BAKUN – SINIPSIP, BUGUIAS SECONDARY NATIONAL ROAD IN THE PROVINCE OF BENGUET TO GOV. BADO DANGWA NATIONAL ROAD”

recommending its approval without amendment

Sponsors: Representatives Lobregat and Cosalan
TO THE COMMITTEE ON RULES

Report by the Committee on Public Works and Highways (Committee Report No. 38), re H.B. No. 2656, entitled:

“AN ACT NAMING THE DIVERSION ROAD IN SORSOGON CITY, SORSOGON AS SALVADOR H. ESCUDERO III DIVERSION ROAD”

recommending its approval without amendment

Sponsors: Representatives Lobregat and Ramos
TO THE COMMITTEE ON RULES

Report by the Committee on Public Works and Highways (Committee Report No. 39), re H.B. No. 2708, entitled:

“AN ACT RENAMING THE GUREL – BOKOD – KABAYAN – ABATAN ROAD IN THE PROVINCE OF BENGUET TO CONG. ANDRES ACOPI COSALAN ROAD”

recommending its approval without amendment

Sponsors: Representatives Lobregat and Dalog
TO THE COMMITTEE ON RULES

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Dep. Majority Leader is recognized.

REP. HOFER. Mr. Speaker, I move that we recognize our Minority Leader, the Hon. Danilo E. Suarez.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Minority Leader, the distinguished Gentleman from Quezon, Rep. Danilo E. Suarez, is hereby recognized.

ELECTION OF MEMBERS TO THE OVERSIGHT COMMITTEES

REP. SUAREZ. Thank you, Mr. Speaker. It is my honor to nominate the Minority members for the following Congressional Oversight Committees:

The Minority Leader read the names of the House Minority Members elected to the various Oversight Committees, per Journal No. 53, dated December 7, 2016.

AUTOMATED ELECTION SYSTEM

Rep. H. Harry L. Roque Jr.
Rep. Delphine Gan Lee
Rep. Eugene Michael B. De Vera

OFFICIAL DEVELOPMENT ASSISTANCE LAW

Rep. Harlin Neil J. Abayon III
Rep. Orestes T. Salon

ANTI-MONEY LAUNDERING ACT

Rep. Danilo E. Suarez
Rep. Luis Jose Angel N. Campos Jr.

COMPREHENSIVE DANGEROUS DRUGS ACT

Rep. Eugene Michael B. De Vera
Rep. H. Harry L. Roque Jr.

BIOFUELS ACT

Rep. Orestes T. Salon

MICRO, SMALL, MEDIUM ENTERPRISES DEVELOPMENT

Rep. Anthony M. Bravo, Ph.D.
Rep. Anna Marie Villaraza-Suarez

DISASTER RISK REDUCTION AND MANAGEMENT ACT

Rep. Manuel Monsour T. Del Rosario III
Rep. Arlene B. Arcillas

AFP MODERNIZATION ACT

Rep. Danilo E. Suarez
Rep. Jose L. Atienza Jr.

HUMAN SECURITY ACT

Rep. Richard C. Eusebio
Rep. Anthony M. Bravo, Ph.D.

OVERSEAS ABSENTEE VOTING ACT

Rep. Aniceto “John” D. Bertiz III
Rep. Abigail Faye C. Ferriol-Pascual
Rep. Delphine Gan Lee

SPECIAL PURPOSE VEHICLE ACT

Rep. Jose L. Atienza Jr.

Rep. Alfredo A. Garbin Jr.

LABOR AND EMPLOYMENT

Rep. Aniceto John D. Bertiz III

REPRODUCTIVE HEALTH ACT

Rep. Cecilia Leonila V. Chavez

ENHANCED BASIC EDUCATIONAL PROGRAM
(K TO 12)

Rep. Julieta R. Cortuna

Rep. Cecilia Leonila V. Chavez

NATIONAL HEALTH INSURANCE ACT

Rep. Arlene B. Arcillas

Rep. Anna Marie Villaraza-Suarez

PHILIPPINE COMPETITION ACT

Rep. Alfredo A. Garbin Jr.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Dep. Majority Leader is recognized.

CONSIDERATION OF H.B. NO. 64
ON SECOND READING

PERIOD OF SPONSORSHIP AND DEBATE

REP. BONDOC. Mr. Speaker, I move that we consider House Bill No. 64, contained in Committee Report No. 30, as reported out by the Committee on Labor and Employment.

May I ask that the Secretary General be directed to read only the title of the measure.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.*

The Secretary General is directed to read only the title of the measure.

With the permission of the Body, and since copies of the measure have been previously distributed, the Secretary General read only the title thereof without prejudice to inserting its text in the Congressional Record.

THE SECRETARY GENERAL. House Bill No. 64, entitled: AN ACT STRENGTHENING COMPLIANCE WITH OCCUPATIONAL SAFETY AND HEALTH STANDARDS AND PROVIDING PENALTIES FOR VIOLATIONS THEREOF.

REP. BONDOC. Mr. Speaker, to stand as Sponsor of this measure, I move that we recognize the Chairman of the Committee on Labor and Employment, the Gentleman from the Third District of Cagayan, the Hon. Randolph S. Ting.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The distinguished Gentleman from Cagayan, the Hon. Randolph Ting, is hereby recognized.

REP. TING. Thank you, Mr. Speaker. Thank you, Mr. Dep. Majority Leader. I am asking the honorable Chair to consider the Explanatory Note as the sponsorship speech on the measure, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The manifestation of the distinguished Sponsor is noted.

REP. BONDOC. Mr. Speaker, as none of our colleagues have stood to interpellate the honorable Sponsor, I move that we close the period of sponsorship and debate on House Bill No. 64.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BONDOC. Mr. Speaker, as there are no Committee or individual amendments, I move that we close the period of amendments on House Bill No. 64.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BONDOC. Mr. Speaker, I move for the approval on Second Reading of House Bill No. 64.

VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Castro, F.H.). As many as are in favor of House Bill No. 64, please say *aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). As many as are against House Bill No. 64, please say *nay*. (*Silence*)

* See MEASURES CONSIDERED (printed separately)

APPROVAL OF H.B. NO. 64
ON SECOND READING

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The ayes have it; the motion is approved.

House Bill No. 64 is approved on Second Reading. The Floor Leader is recognized.

REFERRAL OF HOUSE RESOLUTIONS
ON INQUIRIES IN AID OF LEGISLATION

REP. PRIMICIAS-AGABAS. Mr. Speaker, in accordance with our Rules Governing Inquiries In Aid of Legislation, I move that we refer the following House Resolutions to the appropriate committees:

1. House Resolution No. 573, re accreditation given by the Land Transportation Franchising and Regulatory Board (LTFRB) to transport network companies (TNCs) and the operations of UBER, GRAB and UHOP, to the Committee on Transportation;

2. House Resolution No. 574, re amending Republic Act No. 9136, otherwise known as the Electric Power Industry Reform Act, specifically Section 38 thereof, on the powers, functions and membership of the Energy Regulatory Commission (ERC), to the Committee on Energy;

3. House Resolution No. 575, re proliferation of fake versions of five popular drugs that are being sold locally that put many people's lives in danger, to the Committee on Health;

4. House Resolution No. 576, re latest findings of the World Health Organization that there are 1.1 billion people worldwide that suffer from high blood pressure, to the Committee on Health;

5. House Resolution No. 578, re plight of women prisoners and detainees with special health needs, to the Committee on Justice; and

6. House Resolution No. 579, re alleged mismanagement and abuse of authority of the current leaders of the Philippine Olympic Committee (POC), to the Committee on Youth & Sports Development.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. PRIMICIAS-AGABAS. Mr. Speaker, with leave of the House, I move that we open the Privilege Hour.

SUSPENSION OF SESSION

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is suspended.

It was 4:16 p.m.

RESUMPTION OF SESSION

At 4:16 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is resumed.

REP. PRIMICIAS-AGABAS. Mr. Speaker, I withdraw my previous motion.

SUSPENSION OF SESSION

REP. PRIMICIAS-AGABAS. Mr. Speaker, I withdraw my previous motion. Thereafter, consequently, I move for the suspension of the session.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is suspended.

It was 4:16 p.m.

RESUMPTION OF SESSION

At 4:19 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is resumed.

The Floor Leader is recognized.

PRIVILEGE HOUR

REP. PRIMICIAS-AGABAS. Mr. Speaker, with leave of the House, I move that we open the Privilege Hour.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Chair declares a Privilege Hour.

REP. PRIMICIAS-AGABAS. Mr. Speaker, I now move that the Lady from the Party-List ACT TEACHERS, Rep. France L. Castro, be recognized to avail of the Privilege Hour.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Lady from the Party-List ACT TEACHERS is hereby recognized.

PRIVILEGE SPEECH OF REP. CASTRO (F.L.)

REP. CASTRO (F.L.). Thank you, Mr. Speaker. Thank you, Floor Leader.

Mr. Speaker, I rise today to ask each and everyone: Hanggang kailan po natin hahayaan ang pagtapak sa mga karapatang pantao ng mga bilangong pulitikal?

Allow me to begin with the words of a colleague, Rene Boy Abiva in a teachers' movement, and I quote:

Isa akong social worker, Lunes hanggang Biyernes sa Baggao, probinsiya ng Cagayan, DSWD Field Office Number 2. Sabado't Linggo'y ginugugol ko sa pag-aaral sa Graduate School ng Cagayan State University dahil batid ko na kailangan ang paglahok ng sektor-guro sa panlipunang pagbabago. Tumutulong ako sa pagmumulat, pag-oorganisa, at pagmomobilisa ng mga pampublikong guro sa ilalim ng Alliance of Concerned Teachers, isang makabayan, militante, at progresibong organisasyon ng mga guro para sa katuparan ng kanilang nasa na maging ahente ng kamulatan.

Ang karanasan nila sa araw-araw ay karanasan din ng mga pesante at manggagawa, mga karanasang nagpapatibay sa kung anong klaseng lipunan mayroon ang Pilipinas. Mapanupil, mapang-api, at komersiyalisado ang sistema ng edukasyong kanilang kinikilusan. Disyembre 28, 2013, araw ng pag-igkas ng lahat, araw ng pag-aresto sa akin. Isa akong bilango ngayon, suot ang kamisetang dilaw. Ngayon, sa probinsiya ng Ifugao, dito sa piitang ginawang garison, kasama'y tatlo pang detenidong pulitikal na miyembro ng kilusang pesante, isinasailalim sa nakapanlulumong kalagayan.

Ito ba ang sukli sa pagsisilbi sa sambayanan? Ang kapalit sa ating kolektibong paghahanap ng tunay at batayang kabuluhan ng pagiging tao? O ganti sa paglalahad sa katotohanan na nasa likod ng mga slogang "Daang Matuwid," demokrasya, kalayaan, at kawalan ng korapsyon ay eksklusibong kagandahan, karangyaan, kapangyarihan, gara, at luho para sa iilan na pinaghaharian ang bansa?

Ako si Rene Boy Abiva, kasalukuyang nakapiit sa BJMP-Cordillera Administrative Region. Isa ako sa daan-daang detenidong pulitikal sa buong kapuluan na pinagdurusan nang matagal ang mga gawa-gawang kaso.

G. Ispiker, si Rene Boy ay isang social worker ng DSWD, organisador ng mga guro at pesanteng komunidad at aktibista pero ayon sa militar, isa siya sa responsable sa isang ambush sa mga sundalo at isang rebelde. Amidst the ongoing peace negotiations between the government and the National Democratic Front of the Philippines (NDFP), around 400 political prisoners are still suffering behind bars on the basis of malicious, fabricated charges.

This Representation maintains that they have suffered long enough behind bars. In fact, they should not have suffered in the first place. They are only activists from marginalized sectors who, in their struggle with the masses for their economic, social and political rights, are branded as rebels by past administrations, the military and the police, and the Oplan Bayanihan. We demand their immediate release so that justice is realized, so that they can return to the communities they serve.

Political prisoners from the education sector: Zara Alvarez, Rhea Pareja, Dominiciano Muya and Amelia Pond.

Si Rene Boy ay isa lamang sa mga detenidong pulitikal mula sa sektor na aking kinabibilangan. Tiyak na hindi pinaligtas ng karahasan ng Oplan Bayanihan ang sektor ng edukasyon dahil kabilang sa mga biktima nito ay mga guro at organisador ng militanteng kilusang guro na ang tanging layunin ay lumaban, kasama ang mga mamamayan, para sa isang lipunang kinikilala ang kanilang karapatan at kagalingan. Itinuturing na kriminal ang kanilang pulitikal na paniniwala at aktibidad sa pamamagitan ng pagsasampa ng mga gawa-gawa at malisyosong kaso. Dahil dito, sa torture sa kustodiya ng pulis at military at hindi makataong kalagayan sa piitan, marami sa kanila ay nagkakasakit o lumalala ang mga dati nang sakit. Gaya ng tinuran ni Rene Boy, ito po ba ang isusukli sa kanila ng pamahalaan kapalit ng paglilingkod sa kapwa Pilipino?

One of them is Rhea Pareja, a volunteer teacher for peasants in Quezon now in jail under false charges of illegal possession of firearms and explosives. She was participating in the Adult Literacy Program of ACT when she was arrested in March 2010 in Mulanay. When the military arrested Teacher Rhea, they took P70,000, a laptop, fruits, toiletries, pencils, papers and notebooks—all for the children and barangays in her care—and, of course, her freedom. What the military gave her instead—planted evidence, coined aliases, and to pin her in the charges, a red tag: she is allegedly an NPA. She developed tuberculosis after physical and psychological torture and six years of difficult and unsanitary jail conditions.

Lumad educators Dominiciano "Dioning" Muya and Amelia Pond are also ailing political prisoners. Ka Dioning was a school agriculturist and Technology and Livelihood Education (TLE) teacher in the Salugpungan Ta 'Tanu Igkanogon Community Learning Center, Incorporated (STTICLCI) in Talaingod, Davao del Norte. The military arrested him in October 2014 in Tagum City, presented the teacher as a top-ranking leader of the New People's Army (NPA), then collected a P4.8 million bounty. He now suffers from pneumonia and bronchitis in an isolated prison facility in Malaybalay, Bukidnon. He was reinfected with tuberculosis due to prison conditions.

Teacher Amy was a volunteer teacher, researcher

and curriculum developer for the Lumad schools when she was illegally arrested in August 2016 under a defective warrant in the name of one Adelfa Toledo, an alleged NPA official in Davao. The CIDG agents planted fake IDs at the very scene of her arrest, then charged her with murder and frustrated murder. This illegal arrest occurred a few months before the first round of the Oslo talks while the government was supposedly preparing for the resumption of the peace talks. Now 64 years old, she is under hospital arrest at the Southern Philippines Medical Hospital after an operation on her lumbar spine. She also has chronic renal infection, osteoporosis and hyperlipidemia.

A former political prisoner recently released on bail but still slapped with fabricated charges is Zara Alvarez, a teacher, political activist and human rights defender in Negros. Writing about her arrest on October 30, 2012 by the military in her hometown of Cadiz, she said:

Around 30 fully armed men surrounded me and pointed their gun at me. Cases of human rights violations where we documented extrajudicial killings or enforced disappearances came to my mind. I thought, maybe, this is the moment. This time it's me. At the police station, I learned that I was arrested for the murder of a first lieutenant in the Philippine Army. I did not get any other information. They just handed me the warrant. My name was written incorrectly and also my address was wrong.

Mr. Speaker, we demand the immediate and unconditional release of teachers Rhea, Dioning and Amy, and the dismissal of the fabricated charges against them, Teacher Zara, and the rest of the political prisoners this government has baselessly detained. Their health conditions prove the urgency of their release. This government should not wait for another detainee to die before fulfilling its commitment under the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law. This is not a matter of charity, Mr. Speaker. This is a matter of life and death, and one of honest compliance to commitments already agreed to or yet to be agreed to. Free them now in time for the coming International Human Rights Day. Do not let them spend another Christmas behind bars.

Mr. Speaker, I would like to underscore the government's failure to release political prisoners since President Duterte dangled the possibility of a general amnesty in May. I reiterate the demand of ACT TEACHERS Party-List for the government to release around 400 political prisoners, including 130 who are ailing and elderly, some of whom are teachers.

Hindi maaaring gawing bargaining chip ng Pangulo ang mga nakakulong na political prisoners para

masunod ang kanyang agenda sa negotiating table na magkaroon agad ng bilateral ceasefire habang wala pang mga substansiyal na repormang sosyal-ekonomiko na napagkakasunduan. Ang pagpapalaya sa mga bilanggong pulitikal ay pagtupad sa mga pinirmahang kasunduan sa pagitan ng gobyerno at ng National Democratic Front of the Philippines. The release of the political prisoners is a matter of justice and protection of human rights. It is also in compliance with the signed CARHRIHL. Their detention has no place under an administration that brands itself as one for change. It shows that, far from discontinuing the heinous Oplan Bayanihan, the government still implements it as if it were legal and democratic. It proves that political repression still remains under the Duterte administration.

Mula nang maipatupad ang Oplan Bayanihan sa ilalim ni Pangulong Aquino, lumobo ang bilang ng mga progresibo, aktibista at mga rebolusyonaryong sinampahan ng gawa-gawang kasong kriminal sa layuning sila ay patahimikin at pigilan sa pagtindig para sa mga mahihirap na mamamayan. Kinakailangang patunayan ng Pangulong Duterte ang kanyang sinseridad sa peace talks sa pamamagitan ng pagtigil ng Oplan Bayanihan at ang ibinubunsod nitong red-baiting at vilification, mga walang batayang kriminal na pagpapatang sa mga aktibista at tagapagtaguyod ng karapatang pantao at pagtukoy sa kanila bilang mga target ng mga vigilante, paramilitary at mismong Armed Forces of the Philippines.

Aming ipinapanawagan ang paggalang ng mga sundalo at pulis sa magkahiwalay na dineklarang tigil-putukan. Ang pananatili ng mga bata-batalyong mga sundalo ng AFP sa mga komunidad ng mga magsasaka at katutubo ay nagdudulot ng maraming paglabag sa karapatang pantao at nagbibigay daan para ibayong pananalasa ng malalaking dayuhang minahan at plantasyon at pagpigil sa makatarungang pamamahagi ng lupa ng mga magsasaka. Ang nangyaring panghaharass sa mga guro, estudyante at administrador ng Palimbang Lumad School ng mga elemento ng gobyerno ay mariin din naming kinokondena.

From December 3, political prisoners in detention facilities nationwide as well as human rights advocates have been staging a hunger strike that will culminate on International Human Rights Day in December 10. The hunger strike demands the immediate release of 400 political prisoners, especially the sick, elderly, and those who have been long detained. Yesterday, Rep. Antonio L. Tinio and I joined the nationwide hunger strike for all political prisoners. We fasted yesterday to protest the injustice of a government that considers service to the poor, militancy and dissent as rebellious and criminal. We call on President Duterte to free them now.

We urge the government to protect the human rights of every Filipino. The ongoing peace negotiations between the government of the Philippines and

the National Democratic Front of the Philippines will be pointless if previously signed agreements like the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law (CARHRIHL) and the Joint Agreement on Safety and Immunity Guarantees (JASIG) are ignored. The government's disregard of its duties under these agreements is what caused the criminalization of the activism of our political prisoners and the illegal arrest and detention of peace consultants.

Hinihikayat ang lahat na makiisa sa Solidarity Fast na isinasagawa ngayon ng mga bilangong pulitikal, ang kanilang mga kaanak at mga nagsusulong ng karapatang pantao. Palayain na ang lahat ng bilangong pulitikal at lansagin ang Oplan Bayanihan tungo sa pagsulong ng usapang pangkapayapaan.

Maraming salamat at magandang hapon po sa ating lahat.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Floor Leader is recognized.

REP. PRIMICIAS-AGABAS. Mr. Speaker, there being no Member who wishes to interpellate the Hon. France Castro, I move that her speech be referred to the Committee on Rules for its appropriate action.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The privilege speech of the distinguished Lady from the Party-List ACT TEACHERS is hereby referred to the Committee on Rules for appropriate action.

The Floor Leader is recognized.

REP. PRIMICIAS-AGABAS. Mr. Speaker, we would like to acknowledge the presence of the guests in the gallery of Hon. Ma. Lucille L. Nava, M.D., Representative of the Lone District of Guimaras. They are the municipal officials of the Lone District of Guimaras, namely, Sangguniang Bayan members: Hon. Grace Gaitan, Hon. Edgar Gallo, Hon. Raquel Sambas, Hon. Cheryl Fernandez; and ABC Presidents, Hon. Ofelia Jalandoni and Hon. Aster Brian Hiponia. (*Applause*)

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Welcome to the House of Representatives.

REP. PRIMICIAS-AGABAS. Mr. Speaker, we would also like to acknowledge the presence in the gallery of the guests of the Hon. Yedda Marie K. Romualdez, Representative from the First District of Leyte. They are the Sangguniang Bayan members: Hon. Edgar Morden, Hon. Ben Cale, Hon. Jake Chan and Hon. Jun Dimpas.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Welcome to the House of Representatives. (*Applause*)

REP. PRIMICIAS-AGABAS. We would like also to acknowledge the presence in the gallery of the guests of the Hon. Ramon "Red" H. Durano VI, Representative from the Fifth District of Cebu. They are local government officials of the municipality of Borbon headed by Vice Mayor Roy Melgo, together with municipal councilors: Hon. Abdon Cabahug, Hon. Moman Rivera, Hon. Aniceto Monsuller, Hon. Vicente Sepulveda Jr., Hon. Robert Vergara, Hon. Jessie Roy Melgo and Hon. Joseph Brigoli, together with ABC President, Barangay Captain Richard Antigua.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Welcome to the House of Representatives. (*Applause*)

REP. PRIMICIAS-AGABAS. Lastly, Mr. Speaker, we would like to acknowledge the presence of the guests of the Hon. Leopoldo N. Bataoil from the Second District of Pangasinan, together with the Hon. Amado T. Espino Jr. of the Fifth District of Pangasinan and yours truly, Marlyn Primicias-Agabas from the Sixth District of Pangasinan. They are the municipal councilors and Day Care workers of Mangatarem, Pangasinan.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Welcome to the House of Representatives. (*Applause*) The Floor Leader is recognized.

CONSIDERATION OF H.B. NO. 4144 *Continuation*

PERIOD OF SPONSORSHIP AND DEBATE

REP. PRIMICIAS-AGABAS. Mr. Speaker, under the Calendar of Unfinished Business, I move that we resume the consideration of House Bill No. 4144, as contained in Committee Report No. 35 submitted by the Committee on Ways and Means. For this purpose, may I ask that the Secretary General be directed to read the title of the Bill.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General is hereby directed to read the title of the Bill.

THE SECRETARY GENERAL. House Bill No. 4144, entitled: AN ACT AMENDING SECTION 145 (C) OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Floor Leader is recognized.

REP. PRIMICIAS-AGABAS. Mr. Speaker, the parliamentary status of the Bill is that it is in the period of sponsorship and debate.

I move that the Hon. Dakila Carlo E. Cua from the Lone District of Quirino, the Chairperson of the Committee on Ways and Means, be recognized.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The distinguished Sponsor, Chairman of the Committee on Ways and Means, Congressman Dakila Cua, is hereby recognized.

REP. CUA. Thank you, Mr. Speaker. This Representation is ready to accept questions from any interested Member.

REP. ROCAMORA. Mr. Speaker, would the good Gentleman yield?

REP. PRIMICIAS-AGABAS. Mr. Speaker. Mr. Speaker, I move that the Hon. Ramon V.A. "Rav" Rocamora from the Lone District of Siquijor be recognized for his interpellation.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The distinguished Hon. Ramon Rocamora is hereby recognized.

REP. ROCAMORA. Mr. Speaker, will the Sponsor yield to interpellation of this Representation?

REP. CUA. Yes, it will be my pleasure, Mr. Speaker.

REP. ROCAMORA. Mr. Speaker, is it not that the mandate of the Ways and Means Committee is, among others, to find ways to raise revenues and simplify tax administration? If so, would the good Sponsor be willing to still consider a unitary tax of P40 per pack of cigarettes? Number one, the revenues raised will go up to P142.69 billion versus the P125.544 billion estimated revenues from the two-tiered tax rate; and number two, a unitary excise tax rate will simplify tax collection.

Mr. Speaker, Mr. Chair, please note that with the P40 unitary excise tax, there will be a reduction in cigarette consumption by at least two million packs annually, at the same time, an increase in revenues by P20 billion more than what is proposed in House Bill No. 4144.

REP. CUA. Thank you, Mr. Speaker, for that question. Yes, this Representation is open to studying the proposal of P40 unitary tax on tobacco. We believe it may result in higher revenues for the government. We

hope to ask the relevant government agencies to submit position papers on this laudable proposal, Mr. Speaker.

REP. ROCAMORA. Is the Sponsor also willing to consider unitary tax?

REP. CUA. Yes, Mr. Speaker. On a personal level, this Representation is open to consider unitary tax. However, in the process that was conducted in the Committee, we have to again see the impact on the local farmers producing the tobacco if indeed this will contribute to better benefits for their families.

REP. ROCAMORA. You are speaking about tobacco farmers, that they will be affected by this increase, but how are the tobacco farmers going to be actually affected considering that at least 70 percent of the production is exported and therefore, not subject to sin tax? Even on the remaining 30 percent, what they will be selling are raw materials and therefore, not also subject to sin tax.

REP. CUA. Mr. Speaker, I consulted with the National Tobacco Administration, with their representative present today, and he mentioned to me that in the most current data, only 30 percent of the locally produced tobacco is exported and 70 percent are actually consumed or purchased here. Perhaps, the data by our distinguished colleague refers to the data which includes the tobacco which is imported, processed and then exported. That is why the number is different. According to the NTA, Mr. Speaker, 30 percent lang daw po ang ini-export and so, this means that more of the tobacco produced in the country is sold and consumed within the country, which means that any bias against the locally produced tobacco really will adversely affect the livelihood of tobacco farmers.

REP. ROCAMORA. Mr. Speaker, regardless of the ratio, because if it is exported, the sin tax is not applicable. If it is locally consumed, since the tobacco producers sell only raw materials, still, the sin tax is not applicable. So, in what way will the local tobacco farmers be affected by the Sin Tax Law?

REP. CUA. Sa pag-aaral po ng National Tobacco Administration, if you put a bias against the value priced cigarettes which is the main market to which the tobacco farmers sell their produce, then the shrinking of the market share of the value cigarettes will obviously redound to the shrinking of the demand for the locally produced tobacco, thereby affecting the lives of tobacco farmers.

REP. ROCAMORA. Mr. Speaker, I thank the proponent for considering the possibility of imposing the P40 per pack. In due time, Mr. Speaker, I will propose

the amendment for a unitary tax rate of P40 per pack starting January 2017 and in addition, five pesos per year to set all at P60 per pack by 2021. Thereafter, we increase it by four percent annually. On another point, Mr. Speaker, we are all aware of the glaring statistics: 10 Filipinos die every hour due to smoking-related diseases and that is 87,600 deaths per year. Then, there are actually those who are not really direct smokers but who get sick and die because of second-hand smoke, in addition. In other words, Your Honor, the negative effect of smoking is a concern to each and every one of us. As such, we should provide adequate healthcare programs and facilities to our people to respond to this.

Would the good Sponsor be willing to accept an amendment that shall equally—I repeat, equally allocate 20 percent of the incremental revenues from the cigarette tax to all legislative districts to provide for healthcare programs and provision of facilities and improvements? If he is open, then I thank you. I will introduce the proper amendment in time, but if the Committee is willing, perhaps, to incorporate it as part of the Committee amendments, then I would also thank him for that.

REP. CUA. Mr. Speaker, the objective of the Honorable Rocamora is indeed full of wisdom, I subscribe to his objective. Perhaps, it is noteworthy to know that, with the current design of the sin tax, it already remits 80 percent of its revenues to the PhilHealth program. Such program is already distributed among all provinces, municipalities and most especially, legislative districts and therefore, it already addresses the need. In fact, the revenue from the sin tax has been so well-implemented that the PhilHealth is now able to offer point-of-care services to our constituents. So, if our dear colleague will be amenable that this design already addresses his concern and it already distributes the revenues to all legislative districts, then maybe we can move forward on this matter.

REP. ROCAMORA. Mr. Speaker, we cannot say that we have provided already so much because this, as I had said, is a great concern of the Filipino people. What I propose is 20 percent of the incremental revenues from the cigarette tax.

So with that, Mr. Speaker, I end our interpellation. Thank you very much, Mr. Speaker, Mr. Sponsor.

REP. CUA. Mr. Speaker, we very much thank the Honorable Rocamora for his notable contributions in crafting this legislation.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Floor Leader is recognized.

Speaker. Mr. Speaker, the next Member who wishes to interpellate the Sponsor is the Gentleman from the Second District of Cagayan de Oro City, the Hon. Maximo B. Rodriguez Jr.

I move that we recognize him for his interpellation.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The distinguished Rep. Maximo Rodriguez is hereby recognized.

REP. RODRIGUEZ (M.). Thank you, Mr. Speaker. Would the Gentleman allow interpellation?

REP. CUA. It would be my honor, Your Honor.

REP. RODRIGUEZ (M.). As we know, we passed Republic Act No. 10351, popularly known as the Sin Tax Reform Act, in 2013. In that law, there was a provision that by the year 2017, from the two-tier system, we will be having a unitary tax scheme. Is that correct, my honorable colleague?

REP. CUA. Yes, Your Honor, that is the scheduled tax rate in 2017.

REP. RODRIGUEZ (M.). Well, I do not really want to deal with the wisdom because you have the right, all of us have the right to propose taxes. I am concerned more of the effects to the tobacco farmers who shall be affected by this proposed law, if ever it becomes a law. How would the tobacco farmers benefit from maintaining the two-tier system we now have? How would it affect the farmers?

REP. CUA. Which one, Your Honor, the two-tier or the unitary?

REP. RODRIGUEZ (M.). The proposed one, yes.

REP. CUA. The unitary.

REP. RODRIGUEZ (M.). Yes.

REP. CUA. It is the apprehension of the tobacco-producing regions and their Representatives here in Congress that a unitary tax system will put a bias against the value-priced cigarettes or the lower-tier priced cigarettes, which is the main market to which the local tobacco producers sell their produce. So, if the market shifts towards the premium cigarettes and against the value cigarettes, then the apprehension will be that the market for the locally-produced tobacco will shrink and therefore affect the price and demand for their produce.

of this proposed two-tier system, the payment scheme in the proposed measure that you have. Well, do you have any data on how the farmers were affected when the Sin Tax Reform Act, the said law, was approved and it became effective and now, I guess, is on the fifth year? Do you have any data on the actual performance of the farmers, on how many hectares were they able to till, and how much they produced in those years? I think the National Tobacco Administration would have the data on that.

The data will show that the scheme that we have now, since 2013, has adversely affected the tobacco farmers nationwide, and this proposed measure would further have a detrimental effect on the farmers in the country. I think the National Tobacco Administration, which is an agency tasked on this, would have the data concerning that.

REP. CUA. Yes, Your Honor, I was informed by the National Tobacco Administration that prior to the sin tax implementation, the volume of tobacco production in the country was approximately 72 million kilos. In the most recent data after the implementation, it was reduced to approximately 52 million kilos. So, there was already a significant reduction in production.

REP. RODRIGUEZ (M.). Yes. In addition to that, in 2015, there was a more significant adverse effect because you said it is 55,000—or 67,000 kilos in the first year, in 2013. I have here the data and in 2014, it went down to 58,000 and in 2015, it went down to 51,000 kilos already.

Would you also consider how much area was reduced as shown by this decreasing productivity of the tobacco farmers, Mr. Proponent?

REP. CUA. Your Honor, the data tells us that in 2015, there were only 4.9 million hectares dedicated to tobacco production.

REP. RODRIGUEZ (M.). As against the previous year? What was the figure for the previous year, may I know? According to my data, in 2014, the area covered was 38,000 hectares; then in 2015, the area decreased to 32,000; and then in 2016, this year, it is only 28,000 hectares, thereby reducing by several thousands of hectares the actual areas being used to produce tobacco.

REP. CUA. I would subscribe, I presume that the data is correct.

REP. RODRIGUEZ (M.). So, I was just thinking, in what way will this proposed measure benefit our farmers? As I read House Bill No. 4144, there was no specific mention on how to benefit the tobacco

farmers. As you said, now, according to the data of the National Tobacco Administration, there was a decrease in the production because there was a decrease in the areas that were planted to tobacco, owing to the Sin Tax Reform Act as embodied in Republic Act No. 10351.

REP. CUA. Your Honor, the scenario of a unitary tax system is that it will further reduce the hectareage in the area of production and probably, also reduce the value of the produce because the demand becomes smaller. Therefore, liliit na ang presyo, bababa ang presyo ng tabako na pinagbebenta ng mga tobacco farmers and at the same time, liliit din po ang demand.

So, kung ang objective natin is to exterminate the tobacco farming industry, then perhaps, that is the correct approach, Your Honor.

REP. RODRIGUEZ (M.). Well, otherwise, I am just saying out loud that what you are saying now is the complete opposite of the effects of this proposed law because in this proposed law, you intend to maintain the two-tier system of taxing to a value of P32 for a lower-quality brand and P36 for the higher-quality brand, and that is way above the programmed P30 in 2017. That is a big difference in the price of tobacco, in cigarettes, I mean.

So, if we have to interpolate the production that would be affected and the area to be planted, we would surmise that the production will have to go down as shown in the data of the National Tobacco Administration. There will be a slowdown in the production of tobacco if you go to the P32 and P36, respectively, for the cheap and the high-priced cigarettes. There will be fewer lands to be cultivated because we have shown the data already.

So, I am just saying the fact that the assumption that the proposed measure, House Bill No. 4144, will provide welfare to the farmers, the tobacco farmers in particular would not have any effect at all other than to decrease production and to decrease the area of production, meaning there will be no benefit to the poor tobacco farmers. That will be the effect of this House Bill No. 4144.

REP. CUA. Mr. Speaker, this Representation subscribes to the assumption of the Honorable Rodriguez (M.) that this Bill, perhaps, will still continue the shrinking of the area of plantation of tobacco. But it is also the assumption of this Representation that if there is a unitary tax system on tobacco and if it will be implemented, then the rate of shrinking of this area for plantation will be far faster and greater. Mas mabilis na magshi-shrink ang production, mas mabilis na liliit ang demand as compared to a two-tier tax system.

REP. RODRIGUEZ (M.). Well, I think otherwise because, you know, my honorable colleague, you have

not shown that this can really benefit our farmers. You know, in this country, these two sectors of our society, the farmers and fisherfolk, are very poor and in fact, in the many surveys that we had read, the farmers and fisherfolk are placed at the bottom of the strata or the standard of living. I believe that House Bill No. 4144 will further push them down, the farmers, instead of pushing them up because, you know, when you increase the prices, there is already a pressure in that many will not be able to buy this, that many will not be able to sell. Therefore, there is no activity of demand and supply, there is disruption and the demand for tobacco would really go down. For that, the actual hectarage will go down much further and there will be no labor to talk about and no land to till until there is no interest at all to till because there is no demand at all.

So, Mr. Speaker, my colleague, I am of the opinion that, maybe, you have to reconsider looking at the provisions of this law. That is the first angle, the subsequent problem for the farmers because this will really affect adversely the farmers. The second is the administrative angle where the Department of Finance would have a difficult time in implementing a two-tier system. The purpose of Republic Act No. 10351 or the Sin Tax Reform Act is to streamline the administrative collection of the tobacco industry, and this was achieved by the progressive increase of taxes and the smaller bracketing of this two-tier system that we have. I think the Department of Finance is on its way to a unitary scheme where there is a simple and practical approach in the administrative angle of collecting or having an efficient collection of taxes. That is the second angle, my distinguished colleague, that a unitary collection is a more efficient mode than a two-tier system because in a two-tier system, even those in the higher tier would escape the collection because it would be open to fraud and they would try have a lower tier where less collection of taxes can be had. That is the problem with it, is it not, distinguished colleague?

REP. CUA. Your Honor, Mr. Speaker, this Representation agrees with the observation and assumptions of the Honorable Rodriguez (M.). Tama po na kung dalawang tier, mas mahirap ma-administer ng ating Finance Department compared to a single tier. What the Committee strives to achieve is a balance of interests of our Members in Congress—the balance of the interests of the tobacco-producing farmers in the regions and their Representatives here in Congress; the balance between the interests of the Finance Department in raising new revenues for the government; and the balance in the interests of health insofar as generating more revenues for the PhilHealth Insurance Program and more money for the Department of Health which they can use to improve our healthcare facilities, among others.

REP. RODRIGUEZ (M.). I know the Sin Tax Law itself has many benefits to our country, especially to PhilHealth and others, but at this particular time in our country, we need to balance the interests of farmers with the country and the collection of taxes, and how would it affect the supply and demand in favor of the farmers? I think we should look back on the records of the NTA which showed that from 2013 to 2016, this year, there is a decrease in productivity of the farmers, meaning, there was less purchasing power, less income, and this is because there is less interest in the production, in the use of land; and then, we see the decrease in use of land up to this year. So, distinguished colleague, I would like to ask you to revisit House Bill No. 4144.

You said that the Department of Health, the BIR and the Department of Finance would seem to approve this proposed Bill, but the Department of Finance says that the collection of taxes would be simpler with a unitary tax system. They are not in favor of a two-tier system. Then, the BIR or the Bureau of Internal Revenue also said that the unitary excise tax is simpler to administer. Also, the Department of Health says that it would favor a singular unitary system because it would avoid the downshifting of the two-tier tax, the shifting to a lower tax and thus, curbing the consumption of those products.

So, all in all, distinguished colleague, I do not see any reason we should disturb the excise sin tax that we already have, the Sin Tax Reform Act, because it is reaping benefits for our Department of Health and PhilHealth, for our health centers, hospitals, medicines and everything. To change that now would have an effect on the administrative, on the farmers, the detrimental threat, and even for those collecting taxes, the Department of Finance and the BIR, because it would have a complex and thus, poor collection later on because of the system itself, which we want to change now from the two-tier system to a unitary system only.

REP. CUA. Mr. Speaker, this Representation begs to differ inasmuch as ang pangarap ng panukalang ito ay matulungan ng kaunti o mapahaba ng kaunti ang buhay ng tobacco-producing industry. Ang paniniwala ng may-akda ng panukalang ito ay kung lilipat ang ating sistema sa iisang rate of taxation sa lahat ng tobacco. Then ang mangyayari ay, it puts a bias, malalagay sa alanganin ang lower tier or value cigarettes. Iyan po ang nais nating iparating na pangamba ng ating mga kasamahan sa Kongreso na nanggagaling sa tobacco-producing regions.

On the health aspect, Mr. Speaker, ang sinasabi po ng Health Department na kung dalawang tier ay may downshifting, tama rin po sila. Tama iyong kanilang paniniwala na kung dalawa ang tax rates, iyong mga bumibili ng mas mahal na sigarilyo, kapag tinaasan natin ang buwis, ay lilipat doon sa mas mura. Totoo po

iyon pero parang hindi nila nakikita ang katotohanan na ang ipinapanukala ng ating may-akda ay P32 for the lower tier. Mas mura po iyon doon sa scheduled P30 unitary tax in 2017, so, ang ibig sabihin niyan, on a health angle, between P32 and P30, mas prohibitive po ang panukalang ito kaysa sa regular schedule ng ating current Sin Tax Law.

On the revenue side, Your Honor, Mr. Speaker, obvious naman po na lalaki ang koleksiyon ng gobyerno para mas matupad ang mga pangako ng ating Pangulo na magbigay ng mas magandang kinabukasan sa bawat Pilipino. So, we believe that this Bill is balanced.

Perhaps, it is lacking in one aspect; perhaps, tama ang ating kaibigan mula sa Cagayan de Oro na hihirap ng kaunti ang trabaho ng BIR ngunit ang katumbas naman nito ay ang paghaba ng kaunti ng buhay ng mga nasa industriya ng pagsasaka ng tabako. Iyon po ang binabalanse natin. That has always been the point of argument, Mr. Speaker, which has always been in the first sin tax legislation process, and in the current amendments, iyon naman po talaga ang pinag-uusapan dito. Should we immediately cast the death sentence on the tobacco-producing industry, or should we prolong it a little bit, protect the farmers a little bit, achieve the reduction of smoking prevalence and at the same time, generate more revenue for the government? Iyon po ang aming pananaw na kung bakit itong panukala ay sinusuportahan ng Committee on Ways and Means.

REP. RODRIGUEZ (M.). Yes, your concern is really laudable, distinguished proponent. There is only one last thing I want to stress in this proposed law—have you considered looking at how it will affect, as a whole, the tobacco industry? They say that the power to tax goes with the power to destroy. You know, from P30 unitary price, we bring it up to P32 and P36, that is a big disparity. That is a big increase in the prices. Well, we have tried it.

In 2013, a pack of cigarettes was taxed only P27 and we increased it to P30 this coming 2017, but if you put it at P32 and P36, then you destroy the tobacco industry, then we are saying, and it is now quite obvious, that the power to tax now is used with the power to destroy. I hope that it would not happen to us, that it will not happen to our tobacco industry. I am always looking at the wisdom of Congress—that we look at the different sides of the coin and discern from the wisdom we have, from what we have learned, and look at the actual conditions of our farmers who will be directly affected by this measure. I hope that does not happen. I hope that this power to tax in this instance of House Bill No. 4144 would not be a power to destroy.

REP. CUA. Thank you. We share that in that hopeful assessment of the Gentleman from Cagayan

de Oro. That is obviously not the objective, to destroy the industry. In fact, the objective is to prolong the life of the tobacco-producing industry inasmuch that there are more, or the premium line of tobacco cigarettes uses more exports or imports or imported tobacco in their products rather than the local produce and therefore, we hope that, maybe, the Gentleman from Cagayan de Oro will continue his pursuit to help us craft this legislation to be in its best version possible.

REP. RODRIGUEZ (M.). Thank you. I am with you in the clamor for a better law. I am here with you for the clamor for the benefit of the tobacco industry and farmers.

I have no further interpellation, Mr. Speaker. Thank you, my distinguished colleague.

REP. CUA. Thank you, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Floor Leader is recognized.

REP. BELARO. Mr. Speaker, Your Honor, at this juncture, I would like to acknowledge the presence of the guests of Deputy Speaker Frederick “Erick” F. Abueg, namely: Senior Deputy City Attorney Henry Abueg Empeno Jr. of the City of San Bernardino, USA; and former Deputy Administrator of the Land Registration Authority, Atty. Ofelia Abueg-Sta. Maria.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Welcome to the House of Representatives. *(Applause)*

REP. BELARO. Furthermore, Mr. Speaker, Your Honor, we would like also to acknowledge the presence of the guests of the Hon. Gabriel H. Bordado Jr. from the municipality of Magarao, Camarines Sur, namely: Mayor Philip Senar, Vice Mayor Randy P. Villaralbo, Councilor Edmund Aldrin C. Bediones, Councilor Thomas de Vera, Councilor Carlos B. Sambo, Councilor Bernadette F. Monit, Councilor Antonio Rubio, Councilor Antonio J. Antonio, Councilor Teresita Blaza and Councilor Edmundo J. Bustamante.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Welcome to the House of Representatives. *(Applause)*

REP. BELARO. At this juncture, Mr. Speaker, Your Honor, we would like honorable former Sen. Pia S. Cayetano, to be recognized for her interpellation.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The distinguished Lady from Taguig, the Hon. Pia S. Cayetano is recognized.

REP. CAYETANO. Thank you, Mr. Speaker. I just

like to put on record that my interest and concern for this measure also stems from the fact that I was the principal sponsor in the Senate of the existing Republic Act governing sin taxes. This is very close to my heart because the health and the welfare of the Filipino people, including the tobacco-producing Filipinos, are something I also care about very deeply.

I will proceed, with the indulgence of the Sponsor.

REP. CUA. Yes, it would be an honor, Mr. Speaker, to hear questions from the distinguished Deputy Speaker.

REP. CAYETANO. Thank you. Mr. Speaker, I would like to know whether under the proposed Bill which is to take effect this January, a unitary system would come into fore. Therefore, this measure that is on the floor is intended to disrupt when we start the unitary tax system. Is that clear, Mr. Speaker?

REP. CUA. Mr. Speaker, Your Honor, as to the intention, it is not within our control because it is subject to the process of the Senate. Therefore, we really have no basis of decision whether it will reach or even pass before January in the other Chamber.

Hindi po natin masabi kung ano talaga ang magiging resulta nang ating pagsusulong, ang ating ipinaglalaman to further this measure as proposed by one of our colleagues.

REP. CAYETANO. Thank you. Mr. Speaker, the proposed Bill will put into place a unitary system by January 2017. What is being proposed now is a two-tiered system which is being opposed by the Department of Finance and the Department of Health. Despite the objections of the two major agencies where the Department of Finance is the body that will implement the collection of such taxation, the Committee is of the view that a two-tiered system should be put in place and that the unitary system should not even be given a chance.

REP. CUA. That is not the view of this Representation, Mr. Speaker, Your Honor. Please note that this Congress is an institution independent from the Executive. We value their inputs. We always respect their opinions, even solicit their position papers, and we hear their arguments, but at the end of the day we, the Representatives of the people, have to decide based on our conscience and the interests of our constituents. Sa amin po, Mr. Speaker, ang aming pananaw sa panukalang ito ay nasa ayos kaya aming isinusulong ang panukala ng ating kasamahan.

REP. CAYETANO. Our President Rudy Duterte is

known for a number of things: One is his fight against crime and corruption. Another is his fight for health. He is a known advocate of reproductive health, and he is also a known anti-smoking advocate. On that note, the Department of Health has also echoed their concern that this measure for a two-tiered system, which puts a big tax rate on the more expensive brands and a lower tax rate on the cheaper brands, will make it more accessible to the most vulnerable sector of our society—the youth.

May I know from the Sponsor how they intend to address this, or if they have even considered that?

REP. CUA. Salamat po sa tanong na iyan. Pinag-aralan po namin ito at pinag-isipan nang matagal, Mr. Speaker. Ang paniniwala namin, tulad ng aking naipaliwanag kanina sa ating mga kasamahan, mas nakakabawas ng smoking o paninigarilyo ang panukalang ito. Ito ay mas makakapag-discourage sa first-time smokers dahil ang ipinapanukala natin ay di hamak na mas mataas na buwis na P32 for the lower tier and P36 for the higher tier as compared to the scheduled P30 unitary tax in 2017.

Tama po ang ating kagalang-galang na Deputy Speaker na kung two-tier ang gagamitin, maaari tayo mag-downshift. Ang ibig sabihin po ng DOH dito, ang mga gumagamit ng mas mahal na sigarilyo, dahil itinaas po natin ang buwis, maaaring lumipat sa mas murang sigarilyo, pero kung ang mas murang sigarilyo ay mas mahal pa rin sa scheduled P30 lamang na tax, then, hindi po ba mas babawas ang smoking sa panukalang ito?

REP. CAYETANO. Mr. Speaker, the honorable Sponsor has mentioned that he is after the balance, but do we not achieve both goals better if we have a unitary system with a higher tax rate altogether? Then you have your higher collection and you prevent the youth from accessing cheap cigarettes. Was that considered, Mr. Speaker?

REP. CUA. Unfortunately, Mr. Speaker, there was a proposed bill filed on this only two days ago and since it was late in filing, it did not reach the process. But we in the Committee on Ways and Means are very interested in taking it up, considering the proposal of our colleagues for a unitary P40 tax rate for tobacco when it has been referred to the Committee.

Mr. Speaker, ang balance po na sinasabi ng ating kagalang-galang na Deputy Speaker does not put into consideration those being espoused by our tobacco-producing farmers. It does not consider the sentiments of our colleagues in Congress who represent these farmers. They are the ones who are advocating this measure. They are the ones who are pushing for this in their belief that a unitary tax system will put bias against the livelihood of their tobacco-producing farmers.

REP. CAYETANO. Mr. Speaker, kindly enlighten me on that note. The Sponsor mentioned earlier, as this Representation was listening to the earlier questions propounded, that what he is trying to address is the bias against value priced cigarettes. From my understanding, the Sponsor is referring to cheaper cigarettes that, from my understanding, you are saying, are currently biased against, hence, the new measure. Is that correct, Mr. Speaker?

REP. CUA. Yes, Mr. Speaker, Your Honor.

REP. CAYETANO. Yes, and your theory being that with the unitary tax, there is a bias against the cheaper tobacco products produced by our tobacco-producing regions, is that correct?

REP. CUA. Yes, Mr. Speaker, Your Honor.

REP. CAYETANO. Kindly enlighten me, Mr. Speaker. I am of the understanding that our tobacco is used as fillers for both cheap and expensive brands and therefore, regardless of the purchase of cheap or expensive tobacco, we would still have buyers for our locally-produced tobacco. Am I wrong, Mr. Speaker?

REP. CUA. You are certainly not wrong, Mr. Speaker, but it is more complex as against that simplistic statement in the sense that there are farmers or a lot of farmers who produce the fillers, but there are also some farmers who produce the flavored tobacco.

REP. CAYETANO. Sorry, I missed that part, Mr. Speaker.

REP. CUA. The flavored tobacco which is not the filler.

REP. CAYETANO. Okay, flavored tobacco.

REP. CUA. The non-fillers tobacco. So, it is not as if everybody, all the farmers produce just one variety in the country. In fact, there are many varieties being planted in the country and therefore, we try to consider the interest of most, if not all, of the tobacco farmers.

REP. CAYETANO. The bulk are fillers, am I wrong, Mr. Speaker?

REP. CUA. Perhaps, the Lady is right, Mr. Speaker.

REP. CAYETANO. When we talk about the livelihood and the welfare of tobacco farmers, let us recognize that the majority of those who produce tobacco will be able to sell their tobacco regardless of the change of system that you are producing. It cannot be the reason for the change then.

REP. CUA. It is because the premium cigarette users, although they buy from the local industry, they buy smaller quantities and ratios than the value cigarettes. Hindi naman pareho ang blend nila. Iyon po talagang value cigarettes producers ang mas bumibili noong ating local produce.

REP. CAYETANO. Noted. On that matter, however, in previous Congresses, we passed laws that precisely addressed this. There are tax collections that go precisely to tobacco-producing regions, and based on DBM Local Budget Memorandum Circular Nos. 72 and 73, the tobacco farmers should have received a significant increase from these earmarked revenues, specifically P5.6 billion in 2014 and P10.7 billion in 2015. Did we not do our job in the previous Congresses by addressing the specific needs of these farmers? I will say later on the health repercussions of cigarette smoking will affect all Filipinos from wherever regions or whatever industry they are in. This was earmarked specifically to address their need. Is it not sufficient, Mr. Speaker?

REP. CUA. It is not that it is not sufficient, Your Honor, Mr. Speaker. During our hearing in the Committee on Ways and Means, the tobacco farmers articulated a few problems with the current law. Ang sabi nila, although mayroon nga pong pondo, hindi naman lahat nagta-translate to the improvement of their lives. Tama po, some of it go to livelihood programs, alternative livelihood programs for the farmers, some also go to farm-to-market roads that they benefit from, but perhaps not as directly as if they made their living from the sale of their produce, from their blood and sweat in the produce of their crops.

REP. CAYETANO. Why would this measure directly affect them, why this measure versus the current measure that will come into play in January?

REP. CUA. As stated previously, our colleagues from the tobacco-producing regions are of the apprehension that such measure for the implementation of a unitary tax system puts a bias against the value cigarettes, the producers of which are the main buyers of the tobacco produce. Siyempre po, kapag lumiit ang demand for the local tobacco produce, bababa din ang presyo. Mas mabilis pong mamamatay ang industriya ng pagtatanim ng tabako.

REP. CAYETANO. May I just reiterate that the Sponsor agreed with the information I gave that the majority of the tobacco are producing fillers and therefore, they will not be affected. Be that as it may, I will move on to my next point.

In the health component, the Sponsor said, Mr. Speaker, that this is something that they also took into

consideration. If we look at the projected revenues from this tax measure, if I am not mistaken, it is P125.5 billion for projected excise tax revenues, and the projected allocation for farmers is P9.4 billion to P11.3 billion. Is this correct, Mr. Speaker? I just want to be sure that I am reading the right numbers into the record. Or the Sponsor may give his figures. What are the projected revenues in the proposal, Mr. Speaker?

REP. CUA. I will take your word for it, Mr. Speaker. I presume it is correct.

REP. CAYETANO. Yes, it is around P125 billion. To put on record, the health cost to our nation specifically attributed to cigarette smoking is P188 billion, a far-cry from the P125 billion that will come in as revenues. This is broken down into the following: lung cancer, chronic pulmonary disease, coronary artery disease and vascular disease. There is also productivity loss because they cannot go to work and then, there is also premature death, so this affects families when somebody prematurely dies.

All over the world, they are putting up a cost on health, the health cost when we try to calculate the effect of a program. When we look at our revenue generation, if the revenue generation is lower than the projected health risk, the health cost, then it is really something that I feel we should all be conscious about because no collection can come up with that amount of money, considering that these are figures given to us by our scientists and health professionals. They may have given them to the Committee. May I know how the Sponsor intends to address this. I know because I was listening to his responses that there is a PhilHealth contribution, et cetera, but those are remedial measures.

We need to approach health care from a preventive measure. We cannot just pour funds into the healthcare system to address the diseases that we ourselves created. By creating an atmosphere, an environment of smoking, we are just putting money in one end and paying it through another and still, it is not enough. May we hear a response from the Sponsor.

REP. CUA. Mr. Speaker, Your Honor, when I mentioned that we are considering the health angle on this proposed measure, ang ibig po naming sabihin is that, gusto rin naming ipagpatuloy ang layunin na mabawasan ang prevalence of smoking. Be that as it may, I share the wisdom and the statement of our Deputy Speaker na dapat talagang ma-address. Iyan ay nasa administrative side na po, nasa executive function na. We are trying to generate as much revenue as possible to be remitted to the coffers of the national government and hopefully, we can work hand in hand with the Deputy Speaker, and address the Secretary of Health to put more

bias towards preventive measures as against remedial or curative measures. Sang-ayon po ako diyan, alam ko na an ounce of prevention is much better than a pound of remedy. Hindi po kami nagkakaiba ng pananaw.

REP. CAYETANO. Mr. Speaker, I disagree with the honorable Sponsor in casting that burden on the Department of Health alone. Every effective health promotion program has been shown to include not just an education and awareness program, not just funding for the health programs and the health facilities, but also responsive taxation. That is very basic in any health promotion program. It is our burden, Members of Congress, to decide when we approve a tax measure. The balance, the difficulties should include that responsibility on our shoulders regarding the health effect on our nation, not just those from the South, not just those from Metro Manila, but also those from the North.

As I am one with our colleagues in improving the lives of our tobacco-producing regions, I supported the laws in the past that put more funding into these tobacco-producing regions. I am also one with the health advocates and those who believe that this particular tax measure is moving in the wrong direction. That a multi-tiered system, a double-tiered system will create a structure that is, number one, difficult for our DOF to implement and collect; and number two, make health care to Filipinos very difficult, a burden. With all due respect, I am going to vote against this measure. I fully support the objective to raise more funds but it should be done in a responsible way.

Thank you very much, Mr. Speaker. Thank you, distinguished Sponsor for your time.

REP. CUA. Thank you, distinguished Deputy Speaker, for such an insightful interpellation.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Floor Leader is recognized.

REP. BELARO. Mr. Speaker, I move that we recognize the Gentleman from the First District of Albay, the Hon. Edcel C. Lagman, for his interpellation.

THE DEPUTY SPEAKER (Rep. Castro, F. H.). The distinguished Gentleman from the First District of Albay, Cong. Edcel Lagman, is hereby recognized.

REP. LAGMAN. Thank you, Mr. Speaker. May I first thank the distinguished Chairman of the Committee on Ways and Means for giving to this Representation, through Dep. Majority Leader Bondoc, some of the documents I requested yesterday. For the record, I received the transcripts of stenographic notes of the two Committee meetings.

Unfortunately, I have no time to go over the voluminous transcripts because they were given to me only at about 4:30 p.m. Also, what were given to me was the letter of the National Tobacco Administration and the position paper of the Department of Health. I have not received the copies of the position papers of the tobacco farmers as well as that of the civil society organizations, and also the BIR position paper. I was informed by the technical staff that the BIR did not submit any position paper but that a representative testified before the Committee, objecting to the passage of this measure and reiterated its advocacy for the retention of the one-tier regime starting 2017.

Mr. Speaker, distinguished Sponsor, may I get the confirmation of the distinguished Chairman that the Bureau of Internal Revenue did not submit its position paper.

REP. CUA. Yes, Mr. Speaker, distinguished colleague, there was no submission from the Bureau of Internal Revenue.

REP. LAGMAN. The testimony of its representative was that they oppose the Bill, they declared that a unitary excise tax regime is simpler to administer. Is that correct?

REP. CUA. That is correct, Mr. Speaker.

REP. LAGMAN. I have not also received the position paper of the Department of Finance. Did the Department of Finance submit its position paper?

REP. CUA. No, Mr. Speaker, it did not submit.

REP. LAGMAN. It was reported to me that the Department of Finance opposes House Bill No. 4144. It is in favor of a unitary tax structure under the current law, Republic Act No. 10351, and under the existing law, farmers benefit from the funds earmarked amounting to about 15 percent of the total incremental revenue on an annual basis. Is that report to me on the opposition of the Department of Finance correct?

REP. CUA. Yes, Mr. Speaker.

REP. LAGMAN. How many government agencies were invited to give their inputs for or against this House Bill?

REP. CUA. I believe, Mr. Speaker, we had the Department of Finance, the Health Department, the Bureau of Internal Revenue. We had as well the National Tax Research Center, the DTI was also invited. We had the National Tobacco Administration, we had a representative from the League of Provinces of the

Philippines. Those were the ones invited. I may have overlooked one or two.

REP. LAGMAN. Okay. So, let me just recap: of those agencies invited, the Department of Finance opposed House Bill No. 4144; the Bureau of Internal Revenue likewise opposed the passage of House Bill No. 4144; the Department of Health also opposed the enactment of House Bill No. 4144. In fact, the National Tax Research Center, NTRC, was not in favor of House Bill No. 4144 and recommended maintaining the current law with the eventual unitary system in 2017. So, all of the government agencies invited were against House Bill No. 4144 except the National Tobacco Administration. Is that correct?

REP. CUA. I believe you are correct, Your Honor.

REP. LAGMAN. In other words, we have a situation where all of the government agencies were opposed to this Bill and only one favored the enactment of the Bill. With respect to the concerned tobacco manufacturers, all were against except one, the Mighty Corporation. Is that correct?

REP. CUA. We recall that Anglo-American was not opposed.

REP. LAGMAN. Was not?

REP. CUA. Opposed, and was in favor of the measure.

REP. LAGMAN. Was not opposed ...

REP. CUA. But had ...

REP. LAGMAN. ... or was in favor?

REP. CUA. In favor with the request to widen the gap between the two-tier rates.

REP. LAGMAN. Now, did Anglo-American submit its position paper?

REP. CUA. Yes, Your Honor.

REP. LAGMAN. That was not part of the submissions given to me, Your Honor.

REP. CUA. We will hand it to you at the moment if you wish, Your Honor. We were not informed of the request on that.

REP. LAGMAN. I was requesting for all the position papers submitted to the Committee on Ways

and Means.

REP. CUA. We apologize for that oversight, Your Honor.

REP. LAGMAN. If that is available, I would appreciate having a copy so that I get to peruse that position paper.

REP. CUA. Yes, Your Honor.

REP. LAGMAN. What about the NGOs, the civil society, were they also invited to appear?

REP. CUA. Yes, they were, Your Honor.

REP. LAGMAN. What was the position of the NGOs? I understand all of the NGOs were against the Bill.

REP. CUA. Yes, Your Honor.

REP. LAGMAN. Mr. Speaker, distinguished Sponsor, I submit that House Bill No. 4144 runs counter to the spirit of the Sin Tax Reform Law. A unitary system is designed to maximize health results by decreasing significantly the number of smokers because there is no more shifting to lower priced cigarettes. It optimizes revenue collection because there is only one tier where tax evasion is minimized, and it also eases tax administration because there is only one tier or a unitary system. With all of these laudable objectives of the present Sin Tax Reform Law, I see no reason for us to change the system.

Let me go back to the position of the Department of Health. According to the Department of Health, a position paper signed by no less than the Secretary of Health, Dr. Paulyn Jean B. Rosell-Ubial, it presented five reasons in objecting to House Bill No. 4144: number one, retaining a two-tier structure goes against the best practices in taxing tobacco products. Will the distinguished Sponsor recall such position?

REP. CUA. Yes, Your Honor.

REP. LAGMAN. Let me, just for the record, read its submission under number one:

Tobacco is the single biggest cause of cancer in the world, and is the cause of one of every three deaths from cardiovascular diseases. The health consequence of smoking a cheap cigarette and a more expensive premium cigarettes are the same.

That is the reason Republic Act No. 10351, mandates a uniform excise tax for all cigarettes by 2017, whether unrolled, machine-made premium or

low-cost cigarettes. Indeed the global best practice in tobacco taxation policy is uniform specific taxation for the following reasons: first, a uniform tax structure is easier to administer compared to a tiered system; second, a uniform system enhances the public health impact of tobacco taxation as it eliminates the price gaps between a premium and lower-priced cigarettes and therefore, minimizes opportunities to switch to less expensive cigarette brands; and third, the concern over safeguards for farmers were already considered in the implementing rules and regulations of Republic Act No. 10351, Rule V on Utilization of Local Government Share, where 15 percent of the incremental revenues are earmarked for programs and projects responsive to tobacco farmers' needs.

Would the distinguished Chairman recall the submission to this effect by the Department of Health?

REP. CUA. Yes, Your Honor.

REP. LAGMAN. In this submission, it says that the global practice is the adoption of a regime of a unitary or one-tier system, and I am informed that so many countries have adopted the unitary system among which are Australia, Japan, Ireland and Thailand, among others. I can also enumerate other countries which have adopted the system like Albania, Australia, Azerbaijan, Barbados, Botswana, Brunei, Canada, Cook Islands, Cuba, Ecuador, Haiti, Honduras, Ivory Coast, Jamaica, Japan, Lesotho, Macau, Malawi, Mauritius, Namibia, Nicaragua, Norway, Panama, Peru, Singapore, South Africa, South Korea, Suriname, Taiwan, Trinidad and Tobago, the United States, among many others.

Would the distinguished Gentleman, the Sponsor of this measure, tell us the experience in these countries which had adopted the unitary system?

REP. CUA. I regret, Mr. Speaker, I am not competent to answer the question as to the experience of the other countries.

REP. LAGMAN. Well, was there any research conducted by the technical staff of the Committee on Ways and Means on a comparative study on the experience of countries which had adopted the unitary or one-tier system so that the Committee could properly be informed of such experience to guide it in making a decision whether or not to propose the adoption of this measure?

REP. CUA. Your Honor, this Representation is of the belief that the experience on a tax measure or a system of taxation would differ for each country. Not all countries have tobacco-producing communities, not

all countries have different values or prices of tobacco products as well. All of them, probably, have different prices. We believe that there is no wisdom in copying the practice of other countries because the Philippines is in fact a country heralded for its efforts on the Sin Tax Law, which measure the distinguished Gentleman from Albay has very much a big part in its crafting. It was also lauded, even in its phase when it was still two-tier, in the sense that it was still effective in curbing the prevalence of smoking and in funding the initiatives of the Health Department inasmuch as providing health care for most, if not, all of the Filipinos.

So, Mr. Speaker, hindi naman po siguro kailangang kopyahin ang experience ng ibang bansa. Ang mahalaga naman po ay ang experience ng Pilipinas.

REP. LAGMAN. Hindi naman panukala ng Representasyong ito na kopyahin natin ang experience ng ibang bansa. Sinasabi ko lang na mas mabuting pag-aralan natin ang experience ng ibang bansa upang mabigyan tayo ng sapat na impormasyon tungkol sa ginagawa nila. It is a practice of all parliaments or legislatures that we try to find out the state of the law of other countries for our guidance, not for us to copy but to be guided accordingly.

How can the distinguished Gentleman say that the distinctions or the identities are not relevant, considering that there has been no study made by the distinguished Chairman or the technical staff on the experience of other countries which have adopted the unitary or one-tier system? So, there is no basis for that statement except the opinion of the distinguished Chairman, which may be valid but it is not empirically based.

Let me go to the second objection of the Department of Health. The proposed increase in excise taxes is welcome but this should not come at the expense of retaining a two-tiered structure. A two-tiered structure will encourage downward shifting to lower brands, thereby defeating the goal of public health in reducing tobacco use. Could the distinguish Chairman recall this second objection of the Department of Health?

REP. CUA. Yes, Mr. Speaker.

REP. LAGMAN. To amplify such objection, the Department of Health said survey results show a marked decrease in the prevalence of tobacco consumption among adults. The National Nutrition and Health Survey showed a decrease in tobacco smokers from 31 percent in 2008 to 23.3 percent in 2015. The Global Adult Tobacco Survey showed the same decreasing results from 28.3 percent in 2009 to 22.7 percent in 2015 among tobacco smokers, and from 27 percent in 2009 to 21.5 percent in 2015 among cigarette smokers.

However, further analysis of the behavior of current smokers shows that 71 percent of current smokers changed brands due to the price increase of the previous brand or decrease in the price of the current brand. This finding implies that the availability of cheaper options for smokers will be sustained by a two-tiered tax structure defeating the goal of reducing deaths and disease by reducing tobacco use.

Will the distinguish Sponsor recall the statement I just read from the Department of Health?

REP. CUA. Yes, Mr. Speaker, I have a copy of the position paper.

REP. LAGMAN. This coughing is not due to smoking, I assure you.

Number three, retaining a two-tiered structure potentially exposes the Philippines to a WTO challenge. Will the distinguished Sponsor confirm this statement from the Department of Health?

REP. CUA. Well, Mr. Speaker, yes. I am just curious to note that the Health Department is delving into World Trade Organization issues when, in fact, it would be more proper to stay on the health issues.

REP. LAGMAN. Well, the World Trade Organization issues would impact on health issues, and that is why the Department of Health invoked the World Trade Organization issues. Let me read the justification for the third reason. It says:

The Philippines lost the WTO case in the case of distilled spirits because there was de facto discrimination when the excise taxes applied on locally-manufactured distilled spirits were much lower than imported ones. It was determined by the WTO that the excise tax system discriminated against foreign manufacturers since most of the locally-produced distilled spirits use alcohol that was fermented from locally-produced sugar and had a lower tax rate. The intention of this Bill in proposing the two-tiered structural proposal is to protect local farmers, a lower excise tax for tobacco produced locally. This is not only a de facto discrimination ex post, but de facto discrimination ex ante.

Would the distinguished Gentleman recall such statement of the Department of Health?

REP. CUA. Yes, Mr. Speaker.

REP. LAGMAN. In number four, it says that "The impact on tobacco farmers was debated at length during

sin tax deliberations and safeguards were instituted to mitigate any potential negative impact.” Would the distinguished Sponsor recall that statement?

REP. CUA. May we ask our colleague to please restate his statement.

REP. LAGMAN. The number four reason for objecting says that, “The impact on tobacco farmers was debated at length during the sin tax deliberations and safeguards were instituted to mitigate any potential negative impact.”

REP. CUA. Yes, Mr. Speaker, it was mentioned.

REP. LAGMAN. It was mentioned, and the justification for that objection said:

The impact on tobacco farmers was one of the reasons often cited as a reason not to pass the Sin Tax bill. Evidence at that time, however, showed that about 80 percent of tobacco produced in the Philippines was exported. In addition, local manufacturers were importing a lot of their tobacco requirements and using higher proportion of imported tobacco in their production. Furthermore, areas planted with tobacco have been declining for years, even without tobacco tax increases. Nonetheless, to address farmers’ concerns, the practice of allocating 15 percent of incremental revenues to tobacco farmers was still continued with the additional provision that some of this be used to help farmers shift to alternative crops.

Would the distinguished Sponsor recall such justification?

REP. CUA. Yes, Mr. Speaker.

REP. LAGMAN. Number five in the list of objections is this: “Protection of the farmers is best addressed through expenditure policy and better implementation of the 15 percent earmarked for tobacco-producing LGUs.” Will the distinguished Gentleman confirm such statement from the Department of Health?

REP. CUA. Yes, Mr. Speaker.

REP. LAGMAN. Then, it proceeded to say:

It should focus its efforts on measures on how tobacco farmers can shift to alternative crops or alternative livelihoods. It should look into how incremental funds meant for tobacco farmers under Republic Act No. 7171 and

Republic Act No. 8240 are being spent and utilized for the benefit of farmers. It should also consider that the annual economic cost of smoking to the country is P188 billion, a figure much bigger than the total tobacco excise tax collected annually.

Will the distinguished Sponsor confirm that this statement was reflected in the position paper of the Department of Health?

REP. CUA. Yes, Mr. Speaker.

REP. LAGMAN. Now, what was the reason for the Committee on Ways and Means in not adopting or refusing to acknowledge the verity of these objections of the Department of Health?

REP. CUA. Mr. Speaker, they were very much acknowledged, received and deliberated upon during the Committee hearings.

REP. LAGMAN. The Committees invite resource persons so that they could give their inputs for or against a pending measure, do they not?

REP. CUA. Yes, Mr. Speaker. We do that as prudence in understanding that wisdom comes from the private sector, the civil society organizations as well as the Executive Department.

REP. LAGMAN. So, it is incumbent on the particular Committee concerned, which have invited resource persons to, at least, discuss in its Committee Report the submissions and why they are not being followed by the particular Committee. Is that correct?

REP. CUA. Mr. Speaker, the Committee Report reflects the action taken by the Committee as approved by the members of such Committee.

REP. LAGMAN. I do not see any discussion or the Committee having synthesized the positions submitted by the resource persons. All the Committee did was to attach the Bill as they had approved. There was no discussion whatsoever on what they received as inputs from the resource persons.

REP. CUA. Mr. Speaker, the Committee acted on the motion of one of our members to adopt the proposed Bill as a representative of the Committee Report, Mr. Speaker. As there was no objection, it was unanimously approved, and such was the result.

REP. LAGMAN. Under our Rules, if I recall

correctly Section 39 of Rule IX, the Committee should submit a Committee Report for the discussion and approval of the members. So, a Committee Report is indeed important so that the members of the Committee would know how to vote on a particular measure. No such Committee Report has been rendered by the Committee on Ways and Means.

REP. CUA. Mr. Speaker, the interpretation of our distinguished colleague from Albay may very well be correct and accurate, but it is not reflected in my copy of the Rules of the House of Representatives under Section 39.

REP. LAGMAN. I do not have a copy now of the Rules of the House, but I am certain this is under Rule IX and possibly, under Section 39 on Committee Reports and Orders.

REP. CUA. Indeed, Mr. Speaker, tama po ang ating kasamahan mula sa Albay, Rule IX, Section 39, pero ang seksyon po ay walang prescribed format or formula for the essential contents of a Committee Report, and only describes that such Committee Report shall be approved by the said committee.

REP. LAGMAN. Well, it is important that a Committee Report be on hand for purposes of discussion by the members of the Committee so that they will be guided accordingly. As a matter of fact, the reason a Committee Report should contain the salient features is found under Section 35, Rule IX, with respect to the purpose of having a TWG go over the proposed measure. It is there. The Gentleman could see the reason a Committee Report is important and what a Committee report should do.

REP. CUA. Mr. Speaker, we have no objection to the statement of our distinguished colleague. The Committee diligently attached, fast-tracked a shorter version of the minutes of the meeting which may have guided our members into forming their own decisions on this very important matter.

REP. LAGMAN. The attachment of a Fact Sheet, which is a bare summary, would not be compliant with the requirement that a committee report be rendered and the purpose as to why a committee report is required. Be that as it may, there was no committee report compliant with the rules in this particular case.

REP. CUA. May we request the honorable Gentleman to please restate the question.

REP. LAGMAN. No, I was not making any—I did not ask any question. I just made a commentary ...

REP. CUA. Thank you, Mr. Speaker.

REP. LAGMAN. ... with respect to the need to comply with the Rules of the House.

REP. CUA. Yes, Mr. Speaker, we fully subscribe to that statement. Rest assured, the Committee members or leaders and the Secretariat are doing their best to comply with all the requirements of this Chamber.

REP. LAGMAN. Now, the ostensible purpose of House Bill No. 4144 is to protect the tobacco farmers. In a concrete way, how will House Bill No. 4144 protect the Filipino tobacco farmers?

REP. CUA. In a very concrete way, Mr. Speaker, ang paniniwala natin ay ang measure na ito will maintain the demand for the produce of the tobacco farmers, and therefore allowing them to earn a living from the practice that they have learned for decades and which has been passed on from generation to generation.

REP. LAGMAN. I do not see the concreteness of the measure supporting the tobacco farmers. I do not see any concrete assistance from the answer of the distinguished Gentleman.

REP. CUA. Another assistance and benefit for the farmers, Mr. Speaker, is that since this measure is proposed to raise revenues, therefore, it will also raise the share of the tobacco communities in the excise tax on cigarettes and tobacco products.

REP. LAGMAN. Well, that is being taken care of by the safeguard of 15 percent of the total incremental revenues from the sin tax...

REP. CUA. Yes, Mr. Speaker.

REP. LAGMAN. ... which should be earmarked for the farmers, including those who would like to shift to other agricultural products.

REP. CUA. Tama po. Ang aming pananaw ay kung madadagdagan ang revenue ng government, then it also increases or madadagdagan din po ang share ng tobacco farmers.

REP. LAGMAN. Most probably, that would also increase the share of the tobacco-producing localities under Republic Act No. 7171. Is that correct, Mr. Speaker?

REP. CUA. Yes, Mr. Speaker.

REP. LAGMAN. Well, I have heard several times the distinguished Chairman as saying that the one-tier

regime would constitute a bias against value cigarettes or the lower-priced cigarettes.

Is my understanding correct? You have said that several times?

REP. CUA. Yes, Mr. Speaker, Your Honor, I mentioned that as a representation of the sentiments of our colleagues as well.

REP. LAGMAN. Or will the enactment of House Bill No. 4144 be biased in favor of a particular cigarette manufacturer who manufactures solely value cigarettes?

REP. CUA. Mr. Speaker, Your Honor, that assertion is irresponsible in a sense that many, if not all, of the players in the premium cigarettes industry also have products in the value cigarette industry and therefore, there is no truth to that. This Committee and this Representation resent any insinuations of favoring any single or group of players in any industry. Any corporation which wants to involve itself in the trade of tobacco is welcome. This law does not distinguish between any players in the industry.

REP. LAGMAN. Well, I really object to such labeling of my statements as being irresponsible. I have never been impolite or improper in my questions to the distinguished Chairman. I move, Mr. Chairman, Mr. Speaker, that that label “irresponsible” be stricken off the Record.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Majority Leader is recognized.

You may respond to the motion of the distinguished Edcel Lagman.

REP. FARIÑAS. Yes, Mr. Speaker, ...

REP. BELARO. May we ...

REP. FARIÑAS. ... we move for the deletion of that portion.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. LAGMAN. Well, I understand that there are Members of the House who are going to have their Christmas Party. I understand from the Majority Leader that we will not have a deadly Christmas because we are going to vote on the imposition of the Death Penalty Bill next year. In order to allow the Members of the House to have their Christmas Party, I will suspend my interpellation and have it reset for next week. (*Laughter and applause*) Marami pa akong tanong e.

SUSPENSION OF SESSION

REP. BELARO. Mr. Speaker, I move to suspend the session.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is suspended.

It was 6:23 p.m.

RESUMPTION OF SESSION

At 6:25 p.m., the session was resumed.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The session is resumed.

SUSPENSION OF CONSIDERATION OF H.B. NO. 4144

REP. BELARO. May I restate my motion, Mr. Speaker. Mr. Speaker, I move to suspend the consideration of House Bill No. 4144.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The consideration of House Bill No. 4144 is suspended.

ROLL CALL

REP. BELARO. Mr. Speaker, I move that we call the roll.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

The Secretary General will please call the roll.

The Secretary General called the roll, and the result as follows, per Journal No. 53, dated December 7, 2016:

PRESENT

Abayon	Arenas
Abu	Atienza
Acop	Aumentado
Acosta-Alba	Bagatsing
Adiong	Bataoil
Aggabao	Bautista-Bandigan
Alonte-Naguiat	Belaro
Alvarez (P.)	Bertiz
Angara-Castillo	Biron
Arcillas	Bolilia

Bondoc	Herrera-Dy	Suansing (H.)	Vargas
Bordado	Hofer	Suarez	Vargas-Alfonso
Bravo (A.)	Kho	Sy-Alvarado	Velasco
Bravo (M.V.)	Labadlabad	Teves	Velasco-Catera
Brosas	Lagman	Tinio	Vergara
Calixto-Rubiano	Lanete	Tugna	Villaraza-Suarez
Caminero	Laogan	Turabin-Hataman	Villarica
Campos	Lazatin	Ty	Villarin
Casilao	Limkaichong	Unabia	Violago
Castelo	Lobregat	Ungab	Yu
Castro (F.H.)	Lopez (B.)	Unico	Zarate
Catamco	Lopez (M.L.)	Uy (J.)	Zubiri
Cayetano	Maceda	Uy (R.)	
Cerilles	Malapitan		
Chavez	Manalo		
Chipeco	Mangaoang		
Cosalan	Martinez		
Crisologo	Mending		
Cua	Mirasol		
Cuaresma	Montoro		
Cueva	Nava		
Dalipe	Nieto		
Dalog	Noel		
Daza	Nolasco		
De Venecia	Nuñez-Malanyaon		
De Vera	Ong (E.)		
Defensor	Ortega (P.)		
Del Mar	Ortega (V.N.)		
Deloso-Montalla	Pacquiao		
Dimaporo (M.K.)	Palma		
Duavit	Panganiban		
Durano	Papandayan		
Dy	Pichay		
Elago	Pimentel		
Eriguel	Plaza		
Ermita-Buhain	Primicias-Agabas		
Escudero	Quimbo		
Espina	Ramos		
Espino	Roa-Puno		
Eusebio	Robes		
Fariñas	Rocamora		
Fortun	Rodriguez (M.)		
Fortuno	Romero		
Fuentebella	Romualdez		
Garbin	Roque (H.)		
Garcia (J.E.)	Sacdalan		
Garin (R.)	Sahali		
Garin (S.)	Salon		
Geron	Sambar		
Go (A.C.)	Sandoval		
Go (M.)	Sarmiento (E.M.)		
Gonzaga	Savellano		
Gonzales (A.D.)	Siao		
Gonzalez	Silverio		
Gullas	Singson		
Hernandez	Suansing (E.)		

THE SECRETARY GENERAL. The roll call shows that 157 Members responded to the call.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). With 157 Members present, the Chair declares the presence of a quorum.

The Floor Leader is recognized.

CONSIDERATION OF H.B. NO. 4144

Continuation

PERIOD OF SPONSORSHIP AND DEBATE

REP. BELARO. Mr. Speaker, I move that we resume the consideration of House Bill No. 4144.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BELARO. Mr. Speaker, the parliamentary status of the Bill is that it is in the period of sponsorship and debate.

I move that we recognize the Chairman, the Sponsor, the Hon. Dakila Cua of the Lone District of Quirino, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The distinguished Sponsor is hereby recognized.

REP. BELARO. Mr. Speaker, I move that we recognize the Hon. Edcel C. Lagman for the resumption of his interpellation.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The distinguished Gentleman from Albay, Congressman Edcel Lagman, is hereby recognized.

REP. LAGMAN. Thank you, Mr. Speaker. As I had committed to the distinguished Floor Leader, I have reduced my additional 50 questions to only five. But let me preface this resumption with a statement that

I just received a note from the PhilTobacco Growers Association and the Philippine Aromatic Tobacco Development Association, which are potent groups of tobacco farmers across the Philippines, that they are in opposition to House Bill No. 4144, and they were not given the opportunity to present their sentiments and position on this issue.

Let me go to my questions, my last five remaining questions as reduced. Does the distinguished Gentleman know the study entitled “The Economics of Tobacco Farming in the Philippines”?

REP. CUA. No, Mr. Speaker.

REP. LAGMAN. This was a study by the American Cancer Society and the Action for Economic Reforms, and it confirmed other studies that the income of tobacco contract farmers has remained steady. The average income per hectare has slightly increased compared to the period before the implementation of the Sin Tax Law.

May we know from the distinguished Sponsor the annual income of tobacco farmers per hectare before and after the implementation of the Sin Tax Law.

REP. CUA. Mr. Speaker, distinguished colleague, the data are not available at the moment but we will try to secure the data requested by our colleague from Albay.

REP. LAGMAN. That data may come after this honorable Chamber has approved this Bill on Second Reading and we need the data now, not after its approval. If these are not available, then let it be of record that the data I am asking for are not available.

Let me go on another point. From 2012 to 2015, an average of 70 percent of local tobacco production was for the export of unmanufactured tobacco. I do not know whether these data are with the Committee on Ways and Means.

REP. CUA. Yes, Your Honor, we have a copy of the same data.

REP. LAGMAN. You confirm that these are true.

REP. CUA. Your Honor, the data we have indicated that as of 2015, only 30 percent of the locally-produced tobacco was exported.

REP. LAGMAN. Can we be furnished a copy of that study which contradicts completely all studies that 70 percent of the tobacco production is for the export of unmanufactured tobacco. Tatagal tayo dito if your data are not accurate.

REP. CUA. Your Honor, I believe that the data

that the Gentleman from Albay is referring to, when he mentioned 70 percent, they include tobacco that are locally produced and also tobacco that are raw materials which are imported and as a result, the total exports amounted to 70 percent.

REP. LAGMAN. Well, I am culling this data from “The Economics of Tobacco Farming in the Philippines,” which the distinguished Gentleman is not aware of, and it stated that 70 percent of local tobacco production is exported as unmanufactured tobacco. The essence of this is that a unitary tax by 2017 will not factor in the drop in local production. Now, I am sure the distinguished Gentleman is aware of Republic Act No. 9211.

REP. CUA. I would be happy to be enlightened by the Gentleman from Albay, Mr. Speaker.

REP. LAGMAN. Well, it is the Tobacco Regulation Act of 2002. Is the distinguished Gentleman aware of the World Health Organization Framework Convention on Tobacco Control, the FCTC, which the Philippines ratified in 2005?

REP. CUA. Yes, your Honor, I have encountered that document.

REP. LAGMAN. What is the thrust of these two pieces of documents, Mr. Speaker, distinguished Gentleman?

REP. CUA. Your Honor, I have no copy of those documents at this point, but I am sure the Gentleman from Albay is well-informed on their subject.

REP. LAGMAN. Both these documents mandate that the government has to assist and encourage Filipino tobacco farmers to cultivate alternative agricultural crops to prevent economic dislocation consequent to legislation which would discourage cigarette smoking. That is why we have the 15 percent of total incremental revenues from the sin taxes as an assistance to tobacco producers, including their shift to alternative agricultural products or industries. I do not know whether the Committee on Ways and Means, in the exercise of its oversight function, conducted any study or investigation on how these two pieces of documents are being complied with by the government, or is there any such oversight investigation?

REP. CUA. Your Honor, the Oversight Committee is yet to be convened to, perhaps, pursue the proposal of the Gentleman from Albay to conduct such study.

REP. LAGMAN. Let me wind up, Mr. Speaker,

distinguished Chairman, this abbreviated interpellation with this statement. Class legislation is prohibited under our Constitution and jurisprudence, thus, with more reason that individual legislation or one favoring principally a particular individual or corporate entity which produces lower-priced cigarettes, or what the distinguished Chairman calls “value cigarettes,” should likewise be prohibited. We should not engage ourselves in such discriminatory legislation.

With that, Mr. Speaker, I end this shortened interpellation in deference to the request of the House leadership represented by the distinguished Floor Leader.

REP. CUA. Mr. Speaker, I would like to assure our distinguished colleague that there is no such violation or class legislation favoring any single corporation.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Floor Leader is recognized.

REP. BELARO. Mr. Speaker, there being no Member who registered an intent to interpellate, I move that we close the period of sponsorship and debate.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BELARO. Mr. Speaker, I move that we open the period of amendments.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BELARO. Mr. Speaker, this Representation not having received any Committee Report, I move that we proceed to individual amendments, Your Honor.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Committee amendment or Committee Report?

REP. BELARO. Committee Report, I am sorry.

REP. FARIÑAS. Mr. Speaker, I move that we now close the period of amendments, there being no Committee or individual amendments.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. FARIÑAS. Mr. Speaker, I now move that we approve on Second Reading House Bill No. 4144 as contained in Committee Report No. 35.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

VIVA VOCE VOTING

THE DEPUTY SPEAKER (Rep. Castro, F.H.). As many as are in favor of House Bill No. 4144, say *aye*.

SEVERAL MEMBERS. *Aye*.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). As many as are against, say *no*.

FEW MEMBERS. *No*.

APPROVAL OF H.B. NO. 4144 ON SECOND READING

THE DEPUTY SPEAKER (Rep. Castro, F.H.) The *ayes* have it; the motion is approved.

House Bill No. 4144 is approved on Second Reading.

REP. BELARO. Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Floor Leader is recognized.

REP. BELARO. Mr. Speaker, I move for the change of referral of the following measures:

House Bill No. 658, from the Committees on Basic Education and Culture, and Higher and Technical Education, to the Committee on Higher and Technical Education;

House Bill No. 659, from the Committees on Basic Education and Culture, and Higher and Technical Education, to the Committee on Higher and Technical Education;

House Bill No. 906, from the Committees on Basic Education and Culture, and Higher and Technical Education, to the Committee on Higher and Technical Education;

House Bill No. 2886, from the Committee on Health, to the Committee on Indigenous Cultural Communities and Indigenous Peoples;

House Bill No. 3101, from the Committee on Health, to the Committee on Local Government;

House Bill No. 2973, from the Committee on Health, to the Committee on Science and Technology;

House Bill No. 3334, from the Committee on Health, to the Committee on Local Government;

House Bill No. 245, from the Committee on Basic Education and Culture, to the Committees on Higher and Technical Education, and Basic Education and Culture;

House Bill No. 2315, from the Committee on Basic Education and Culture, to the Committees on Higher and Technical Education, and Basic Education and Culture;

House Bill No. 2539, from the Committee on Basic Education and Culture, to the Committees on Higher and Technical Education, and Basic Education and Culture; and finally,

House Bill No. 3104, from the Committee on Basic Education and Culture, to the Committee on Higher and Technical Education.

I so move, Mr. Speaker.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

REP. BELARO. Mr. Speaker, I move that we proceed to the Additional Reference of Business.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

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

ADDITIONAL REFERENCE OF BUSINESS

The Secretary General read the following Committee Reports, and the Deputy Speaker made the corresponding references:

COMMITTEE REPORTS

Report by the Committee on Legislative Franchises (Committee Report No. 40), re H.B. No. 4631, entitled: "AN ACT RENEWING FOR ANOTHER TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO GMA NETWORK, INC. (FORMERLY REPUBLIC BROADCASTING SYSTEM, INC.) UNDER REPUBLIC ACT NO. 7252 ENTITLED AN ACT GRANTING THE REPUBLIC BROADCASTING SYSTEM, INC. A FRANCHISE TO CONSTRUCT, INSTALL, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES [FOR TWENTY-FIVE (25) YEARS FROM THE EFFECTIVITY OF THIS ACT]"

recommending its approval in substitution of House Bill No. 3946

Sponsors: Representatives Alvarez (F.), Energa, Revilla, Caminero, Maceda, Romualdo, Marcoleta, Madrona, Belmonte (R.), Quimbo, Cortes, Atienza, Chipeco, Chavez, Gullas, Abu, Vargas-Alfonso, Alvarez (M.), Violago, Durano, Pancho, Acosta, Pimentel, Villafuerte,

Savellano, Abayon, Tugna, Gonzales (A.D.), Aggabao, Martinez, Bravo (M.), Gatchalian, Fariñas, Velarde and Rodriguez (I.)

TO THE COMMITTEE ON RULES

Report by the Committee on Government Enterprises and Privatization (Committee Report No. 41), re H.J.R. No. 10, entitled:

"JONT RESOLUTION INCREASING THE MONTHLY PENSION OF THE SOCIAL SECURITY SYSTEM PENSIONERS UNDER THE SOCIAL SECURITY ACT OF 1997"

recommending its adoption in substitution of House Bills Numbered 18, 71, 208, 405, 414, 475, 481, 1036, 1323, 1552, 1836, 1853, 1856, 1947, 2277, 3120, 3257, 3904, 4008, 4049, 4128 and 4157

Sponsors: Representatives Sacdalan, Biazon, Vargas, Violago, Abellanosa, Tiangco, Zarate, Tinio, Tan (A.), Pimentel, Abayon, Herrera-Dy, Go (M.), Aragonés, Santos-Recto, Tambunting, Fortunio, Aglipay-Villar, Velasco, Castelo, Panganiban, Batocabe, Garbin and Cuaresma

TO THE COMMITTEE ON RULES

Report by the Committee on Legislative Franchises (Committee Report No. 42), re H.B. No. 4636, entitled:

"AN ACT GRANTING THE ILOILO BAPTIST CHURCH, INC. A FRANCHISE TO CONSTRUCT, INSTALL, ESTABLISH, OPERATE AND MAINTAIN RADIO AND TELEVISION BROADCASTING STATIONS IN THE PHILIPPINES"

recommending its approval in substitution of House Bill No. 4110

Sponsors: Representatives Alvarez (F.), Treñas, Tugna, Bertiz, Aggabao and Montoro

TO THE COMMITTEE ON RULES

Report by the Committee on Legislative Franchises (Committee Report No. 43), re H.B. No. 4637, entitled:

"AN ACT EXTENDING FOR TWENTY-FIVE (25) YEARS THE FRANCHISE GRANTED TO SMART COMMUNICATIONS, INC. (FORMERLY SMART INFORMATION TECHNOLOGIES, INC.) AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7294 ENTITLED AN ACT GRANTING SMART INFORMATION TECHNOLOGIES, INC. (SMART) A FRANCHISE TO ESTABLISH, INSTALL, MAINTAIN, LEASE AND OPERATE INTEGRATED TELECOMMUNICATIONS/ COMPUTER/ELECTRONIC SERVICES AND STATIONS THROUGHOUT THE

PHILIPPINES FOR PUBLIC DOMESTIC AND INTERNATIONAL TELECOMMUNICATIONS, AND FOR OTHER PURPOSES”

recommending its approval in substitution of House Bill No. 2930

Sponsors: Representatives Alvarez (F.), Umali (R.), Bertiz, Aggabao and Montoro
TO THE COMMITTEE ON RULES

THE DEPUTY SPEAKER (Rep. Castro, F.H.). The Floor Leader is recognized.

APPROVAL OF THE JOURNAL

REP. BELARO. Mr. Speaker, I move for the approval of Journal No. 52, dated December 6, 2016.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

ADJOURNMENT OF SESSION

REP. BELARO. Mr. Speaker, I move for the adjournment of today’s session to December 12, 2016 at 4:00 p.m.

THE DEPUTY SPEAKER (Rep. Castro, F.H.). Is there any objection? (*Silence*) The Chair hears none; the session is adjourned and to resume on December 12 at four o’clock in the afternoon.

It was 6:58 p.m.