

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session



House Bill No. 331

Introduced by HON. ALETA C. SUAREZ

EXPLANATORY NOTE

Article 2, Section 10 of the 1987 Constitution provides that:

"The State shall promote social justice in all phases of national development."

The 2009 Global Competitiveness Report published by the World Economic Forum ranks the Philippines 98th out of 133 countries in terms of quality and quantity of infrastructure. The Philippines' ranking was the second worst in the Southeast Asian region, faring better only to Timor Leste. Even Cambodia, whose per capita is lower at \$602 in 2007 compared to the Philippines' \$1,624, ranks higher.

The link between investments in infrastructure and economic growth is well established in the literature. Various studies reveal that there is a positive correlation between infrastructure, economic growth and, ultimately, poverty reduction. Investments in infrastructure can generate positive externalities throughout an economy, leading to social returns that exceed private returns,¹ as affirmed by Asian Development Bank Institute in its study "The Benefits of Regional Infrastructure Investment in Asia: A Quantitative Exploration."

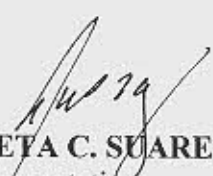
An efficient and well-maintained road system would allow a) reduced prices because of competitive transport costs, b) better access to good paying work and basic social services, c) production and marketing of higher-value cash crops and supply of cheaper agricultural inputs,

¹ www.adbi.org/working-paper/2010/06/30/3923

and d) good infrastructure also improves a country's growth prospects by strengthening its investment climate thereby making it attractive to foreign investors.²

A superhighway linking the provinces of Bicol, Quezon, Aurora, Quirino, Isabela, and Cagayan will cut transportation time and hence facilitate trade among them. Increased trade in these provinces will mean decongestion of Metro Manila because of lesser migration to find better jobs. Basic social services can be easily delivered especially in time of calamities. The Aurora and Cagayan Ecozones linked together means an attractive Pacific side international trading center. Overall, the potential positive impact of this project will not only redound to the six provinces involved but to the whole country.

In view of the foregoing, approval of this measure is earnestly sought.



ALETA C. SUAREZ
Representative
2nd District, Quezon Province

² World Bank 2005

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1 AN ACT PROVIDING FOR THE CONSTRUCTION OF THE PACIFIC PALISADES
2 SUPERHIGHWAY CONNECTING THE PROVINCES OF BICOL, QUEZON, AURORA,
3 QUIRINO, ISABELA AND CAGAYAN

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

4 Section 1. ***Title*** – This Act shall be known as the Pacific Palisades Act of 2010

5 Section 2. ***Declaration of Policy*** – It is hereby declared the policy of the State to
6 prioritize infrastructure projects intended to stimulate and catalyze economic and entrepreneurial
7 activity and development in underdeveloped rural and countryside areas in order to raise the
8 standard of living and improve the quality of life for those living in and by these provinces. It is
9 also declared the policy of the State to encourage and promote a dynamic and mutually
10 advantageous public-private sector partnership in undertaking major infrastructure projects to
11 relieve the government's fiscal burden in undertaking said projects and in order to benefit from
12 the private sector's resources, expertise, know-how and other capabilities.

13 Section 3. ***Coverage*** - This Act shall apply to the Department of Public Works and
14 Highways and the appropriate provincial, city and municipal governments.

1 Section 4. *Construction of Pacific Palisades Superhighway* – A national superhighway
2 connecting the provinces of Bicol, Quezon, Aurora, Quirino, Isabela and Cagayan shall be
3 constructed under the primary supervision of the Department of Public Works and Highways.

4 Section 5. *Effectivity* – This Act shall take effect fifteen days (15 days) after its complete
5 publication in at least two (2) newspapers of general circulation.

Approved