



REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
QUEZON CITY, METRO MANILA

Record of the House of Representatives

PROCEEDINGS AND DEBATES

R.H.R. NO. 1
Monday, July 25, 1988

OPENING OF SESSION

At 10:00 a.m., the Speaker, the Honorable Ramon V. Mitra, called the House to order.

THE SPEAKER. In accordance with Section 15, Article VI of the Constitution, I hereby call the session to order. I am greatly pleased to see all your bright faces as we begin the Second Regular Session of this Congress. Please be seated.

I sense a cautious optimism pervading this House and it seems to me well-justified. After the alarms and agitations of the last session, government has become confident in its staying power. As a result, our country has achieved a measure of political stability, and economic growth has started again. The insurgency is under control and land reform should, before too long, make itself felt in our rural areas.

Our First Session had to be devoted largely to fighting brush fires left over from the authoritarian regime. Now we can begin to lay some foundations to deliberate on longer-term legislation: Politically, to strengthen our representative institutions and to make government lean, efficient and resistant to corruption. Economically, to ensure both that growth continues and that development benefits the masses of our people; and socially, to implant the sense of nationalism and community among all Filipinos especially among our youth.

I foresee some specific tasks for this session. For one, we must explore from the perspective of 16 months' experience in what aspects the new Constitution can be improved. For another, we must do everything possible about our debt-service burden which now eats up fully 44 percent of our export income.

The government's rural development needs legislation and local government should have some measure of autonomy. The President's legislative program must get priority consideration as soon as it is submitted and the national budget certainly should be acted upon immediately after it is submitted.

These and a number of other measures are calendared for early debate and vote. We should now begin to line up the Cabinet members for the Question Hour. *(Applause)* It is time they answer the questions here in the hall of the people's elected Representatives.

By now, we are all well acquainted with one another and used to working together. I expect we will continue to have some bitter disagreements over specific bills but because we have also learned to respect one another, these differences of opinions should enhance and not detract from the quality of legislation.

Finally, let me just say how much I look forward to working with you in this new session which I am confident will build on the record of competence and probity this Congress is setting for those who will come after us.

Now, let us get back to work.

NATIONAL ANTHEM

THE SPEAKER. Everybody will please rise to sing the National Anthem.

Everybody rose to sing the National Anthem.

THE SPEAKER. The Speaker Pro Tempore, the Honorable Antonio V. Cuenco of Cebu City, will lead the Prayer.

Everybody remained standing for the Prayer.

PRAYER

MR. CUENCO. Eternal Father, today we begin our second annual session and we turn to You once again in prayer.

We thank You for the year just past, when You blessed us with success in spite of the passion and acrimony engendered by the issues that we discussed.

We beseech You that in the coming year, You will bless us once again, that we in this House will see what is best for the Filipino nation.

Allow us not to underrate the perils and uncertainties that we face. Our problems remain insuperable and the horizon is dark with forbidding clouds. But we shall survive and overcome because Your bounties and protection are also undiminished, and so are the virtues and capabilities of our people.

Forgive us for choices and infirmities which divert us from our goals. Often we will falter but if we do, let it be from error and not from distrust or fear. This we ask of You: that if debate and discord delay our advance, let it come from honest dif-

ferences of opinion and not because we would join the ranks of the timid or the fainthearted.

Perhaps our days of doubt and disillusion will outnumber our moments of achievement. But grant that regardless of either pain or gain, we shall always bear our burdens with constancy and courage.

We do not ask for unearned progress, for success without trial and tribulation, for the rank serenity of the port without the previous mastery of the storm. We ask only that by the light of Your holy grace we shall see the road ahead and move forward vigorously in strong and active faith, regardless of the odds and regardless of the dangers.

You, Lord, have made us a great nation, a striving people, a beacon light, a leading star to the democracies of mankind. Let us, therefore, brace ourselves and not be proved unworthy of our tasks and of our victories. By Your mighty hand, this country will continue to stamp itself in blazing flames in the history of freedom. Give this House of Representatives the strength and the will to play its part not only to preserve but to enhance the name of the Filipino in the scroll of honor among the nations that You have blessed. Amen.

THE SPEAKER. Everybody will please remain standing as the House Choir sings the Our Father.

Everybody remained standing as the Choir sang the Our Father.

ROLL CALL

THE SPEAKER. The Secretary will please call the roll.

THE SECRETARY. Roll Call of Members:

ABRA

First District

Rudolfo A. Bernardez Present

AGUSAN DEL NORTE

First District

Charito B. Plaza Present

Second District

Edelmiro A. Amante Present

AGUSAN DEL SUR

First District

Democrito O. Plaza Present

AKLAN

Ramon B. Legaspi Present

ALBAY (with Legazpi City)

First District

Edcel C. Lagman Present

Second District

Carlos R. Imperial Present

ANTIQUE

First District

Exequiel B. Javier Present

AURORA

Benedicto G. Miran Present

BACOLOD CITY

First District

Romeo G. Guanzon Present

BASILAN

Alvin G. Dans Present

BATAAN

First District

Felicitio C. Payumo Present

Second District

Enrique T. Garcia Present

BATANES

Florencio B. Abad Present

BATANGAS (with the Cities of Batangas and Lipa)

First District

Conrado V. Apacible Present

Second District

Hernando B. Perez Present

Third District

Lally Laurel-Trinidad Present

Fourth District

Jose E. Calingasan Present

BENGUET (with Baguio City)

First District

Honorato Y. Aquino Present

Second District

Samuel M. Dangwa Present

BOHOL (with Tagbilaran City)

First District

Venice Borja-Agana Present

Second District

David B. Tirol Present

Third District

Isidro C. Zarraga Present

BUKIDNON

First District

Socorro O. Acosta Present

Second District

Violeta T. Labaria Present

Third District

Jose Ma. R. Zubiri, Jr. Present

BULACAN

First District

Francisco B. Aniag, Jr. Present

Second District

Vicente C. Rivera, Jr. Present

Third District

Jose L. Cabochan Present

Fourth District

Rogaciano M. Mercado Present

CAGAYAN

First District

Domingo A. Tuzon Present

Second District

Leoncio M. Puzon Present

Third District

Tito M. Dupaya Present

CAGAYAN DE ORO

Benedicta B. Roa Present

CALOOCAN CITY

First District

Virgilio P. Robles Present

Second District

Gerardo P. Cabochan Present

CAMARINES NORTE

Renato M. Unico Present

CAMARINES SUR (with the Cities of Naga and Iriga)

First District

Rolando R. Andaya Present

Second District

Raul S. Roco Present

Third District Eduardo P. Pilapil	Present	IFUGAO Gualberto B. Lumaig	Present
Fourth District Ciriaco R. Alfelor	Present	ILOCOS NORTE First District Roque R. Ablan, Jr.	Present
CAMIGUIN Pedro P. Romualdo	Present	Second District Mariano R. Nalupta, Jr.	Present
CAPIZ (with Roxas City) First District Gerardo A. Roxas, Jr.	Present	ILOCOS SUR First District Luis C. Singson	Present
Second District Cornelio T. Villareal, Sr.	Present	Second District Eric D. Singson	Present
CAVITE (with the Cities of Tagaytay, Cavite and Trece Martires) First District Leonardo L. Guerrero	Present	ILOILO First District Oscar G. Garin	Present
Second District Renato P. Dragon	Present	Second District Alberto J. Lopez	Present
Third District Jorge A. Nuñez	Present	Third District Licurgo P. Tirador	Present
CEBU (with the Cities of Danao, Lapu-Lapu, Mandaue and Toledo) First District Antonio T. Bacaltos	Present	Fourth District Narciso D. Monfort	Present
Second District Crisologo A. Abines	Present	Fifth District Niel D. Tupas	Present
Third District Pablo P. Garcia	Present	ILOILO CITY Rafael J. Lopez-Vito	Present
Fourth District Celestino E. Martinez, Jr.	Present	ISABELA First District Rodolfo B. Albano	Present
Fifth District Ramon D. Durano III	Present	Second District Simplicio B. Domingo, Jr.	Present
Sixth District Vicente L. de la Serna	Present	Third District Santiago P. Respicio	Present
CEBU CITY First District Raul V. del Mar	Present	Fourth District Antonio M. Abaya	Present
Second District Antonio V. Cuenco	Present	KALINGA-APAYAO William F. Claver	Present
DAVAO CITY First District Jesus G. Dureza	Present	LAGUNA (with San Pablo City) First District Nereo R. Joaquin	Present
Second District Cornelio P. Maskariño	Present	Second District Joaquin M. Chipeco, Jr.	Present
DAVAO DEL NORTE First District Lorenzo S. Sarmiento, Sr.	Present	Third District Florante L. Aquino	Present
Second District Baltazar A. Sator	Present	Fourth District Magdaleno M. Palacol	Present
Third District Rodolfo P. del Rosario	Present	LANAO DEL NORTE (with Iligan City) First District Mariano Ll. Badelles, Sr.	Present
DAVAO DEL SUR First District Juanito G. Camasura, Jr.	Present	Second District Abdullah D. Dimaporo	Present
Second District Benjamin V. Bautista, Sr.	Present	LANAO DEL SUR (with Marawi City) First District Omar M. Dianalan	Present
DAVAO ORIENTAL First District Enrico G. Dayanghirang	Present	Second District Mohammad Ali B. Dimaporo	Present
Second District Thelma Z. Almario	Present	LAS PIÑAS and MUNTINLUPA Filemon C. Aguilar	Present
EASTERN SAMAR Jose T. Ramirez	Present	LA UNION First District Victor F. Ortega	Present
		Second District Jose D. Aspiras	Present

LEYTE (with the Cities of Tacloban and Ormoc)

First District	
Cirilo Roy G. Montejo	Present
Second District	
Manuel L. Horca, Jr.	Present
Third District	
Alberto S. Veloso	Present
Fourth District	
Carmelo J. Locsin	Present
Fifth District	
Eriberto V. Loreto	Present

MAGUINDANAO (with Cotabato City)

First District	
Michael O. Mastura	Present
Second District	
Guimid P. Matalam	Present

MAKATI

Ma. Consuelo Puyat-Reyes	Present
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MALABON and NAVOTAS

Teresa Aquino-Oreta	Present
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MANILA

First District	
Martin B. Isidro	Present
Second District	
Jaime C. Lopez	Present
Third District	
Leonardo B. Fugoso	Present
Fourth District	
Ramon S. Bagatsing, Jr.	Present
Fifth District	
Amado S. Bagatsing	Present
Sixth District	
Pablo V. Ocampo	Present

MARIKINA

Democrito J. Angeles	Present
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MARINDUQUE

Carmencita O. Reyes	Present
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MASBATE

First District	
Tito R. Espinosa	Present
Second District	
Luz Cleta R. Bakunawa	Present
Third District	
Moises R. Espinosa	Present

MISAMIS OCCIDENTAL (with the Cities of Oroquieta, Ozamiz and Tangub)

First District	
Julio H. Ozamiz	Present
Second District	
Hilarion J. Ramiro, Jr.	Present

MISAMIS ORIENTAL (with Gingoog City)

First District	
Isacio A. Pelaez	Present
Second District	
Victorico L. Chaves	Present

MOUNTAIN PROVINCE

Victor S. Dominguez	Present
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NEGROS OCCIDENTAL (with the Cities of San Carlos, Cadiz, Bago, La Carlota and Silay)

First District	
Salvador S. Laguda	Present

Second District	
Manuel H. Puey	Present

• Third District	
Jose Carlos V. Lacson	Present

Fourth District	
Edward M. Matti	Present

Fifth District	
Mariano M. Yulo	Present

Sixth District	
Hortensia L. Starke	Present

NEGROS ORIENTAL (with the Cities of Bais, Canlaon and Dumaguete)

First District	
Jerome V. Paras	Present

Second District	
Miguel L. Romero	Present

Third District	
Margarito B. Teves	Present

NORTH COTABATO

First District	
Rodrigo B. Gutang	Present

Second District	
Gregorio A. Andolana	Present

NORTHERN SAMAR

First District	
Raul A. Daza	Present

Second District	
Jose L. Ong, Jr.	Present

NUEVA ECIJA (with the Cities of Cabanatuan, Palayan and San Jose)

First District	
Eduardo Nonato N. Josen, Jr.	Present

Second District	
Simeon E. Garcia, Jr.	Present

Third District	
Hermogenes D. Concepcion, Jr.	Present

Fourth District	
Nicanor G. de Guzman, Jr.	Present

NUEVA VIZCAYA

Carlos M. Padilla	Present
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OCCIDENTAL MINDORO

Mario Gene J. Mendiola	Present
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ORIENTAL MINDORO

First District	
Rodolfo G. Valencia	Present

Second District	
Jesus M. Punzalan	Present

PALAWAN

First District	
David A. Ponce de Leon	Present

Second District	
Ramon V. Mitra	Present

PAMPANGA (with Angeles City)

First District	
Carmelo F. Lazatin	Present

Second District	
Emigdio L. Lingad	Present

Third District	
Oscar S. Rodriguez	Present

Fourth District	
Marciano M. Pineda	Present

PANGASINAN (with the Cities of Dagupan and San Carlos)

First District	
Oscar M. Orbos	Present
Second District	
Antonio E. Bengson III	Present
Third District	
Fabian S. Sison	Present
Fourth District	
Jose C. de Venecia, Jr.	Present
Fifth District	
Conrado B. Estrella, Jr.	Present
Sixth District	
Conrado M. Estrella III	Present

PARAÑAQUE

Freddie N. Webb	Present
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PASAY CITY

Lorna Verano-Yap	Present
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PASIG

Rufino S. Javier	Present
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PATEROS and TAGUIG

Dante O. Tinga	Present
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QUEZON (with Lucena City)

First District	
Wilfrido L. Enverga	Present
Second District	
Mario L. Tagarao	Present
Third District	
Bienvendido O. Marquez, Jr.	Present
Fourth District	
Oscar F. Santos	Present

QUEZON CITY

First District	
Renato A. Yap	Present
Second District	
Antonio L. Aquino	Present
Third District	
Anna Dominique M. L. Coseteng	Present
Fourth District	
Ismael A. Mathay, Jr.	Present

QUIRINO

Junie E. Cua	Present
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RIZAL

First District	
Francisco S. Sumulong, Sr.	Present
Second District	
Emigdio S. Tanjuatco, Jr.	Present

ROMBLON

Natalio M. Beltran, Jr.	Present
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SAMAR (with Calbayog City)

First District	
Jose A. Roño	Present
Second District	
Venancio T. Garduce	Present

SAN JUAN and MANDALUYONG

Ronaldo B. Zamora	Present
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SIQUIJOR

Orlando B. Fua	Present
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SORSOGON

First District	
Salvador H. Escudero III	Present

Second District

Bonifacio H. Gillego	Present
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SOUTH COTABATO (with General Santos City)

First District	
Adelbert W. Antonino	Present
Second District	
Hilario L. de Pedro III	Present
Third District	
James L. Chiongbian	Present

SOUTHERN LEYTE

Roger G. Mercado	Present
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SULTAN KUDARAT

Estanislao V. Valdez	Present
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SULU

First District	
Abdusakur M. Tan	Present
Second District	
Arden S. Anni	Present

SURIGAO DEL NORTE (with Surigao City)

First District	
Glenda B. Ecleo	Present
Second District	
Constantino C. Navarro, Sr.	Present

SURIGAO DEL SUR

First District	
Mario S. Ty	Present
Second District	
Ernesto T. Estrella	Present

TARLAC

First District	
Jose S. Cojuangco, Jr.	Present
Second District	
Jose V. Yap	Present
Third District	
Herminio S. Aquino	Present

TAWI-TAWI

Alawadin T. Bandon, Jr.	Present
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VALENZUELA

Antonio M. Serapio	Present
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ZAMBALES (with Olongapo City)

First District	
Katherine H. Gordon	Present
Second District	
Pacita T. Gonzalez	Present

ZAMBOANGA CITY

Maria Clara L. Lobregat	Present
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ZAMBOANGA DEL NORTE (with the Cities of Dapitan and Dipolog)

First District	
Artemio A. Adasa, Jr.	Present
Second District	
Ernesto S. Amatong	Present
Third District	
Angel M. Carloto	Present

ZAMBOANGA DEL SUR (with Pagadian City)

First District	
Isidoro E. Real, Jr.	Present
Second District	
Antonio H. Cerilles	Present
Third District	
Wilfredo G. Cainglet	Present

SECTORAL REPRESENTATIVES

PEASANT SECTOR

Romeo S. Angeles Present
 Bartolome D. Arteche Present

LABOR SECTOR

Ramon J. Jabar Present

WOMEN AND DISABLED SECTOR

Estelita G. Juco Present

VETERANS AND ELDERLY SECTOR

Dionisio S. Ojeda Present

Mr. Speaker, the roll call shows 164 Members responded to the call.

THE SPEAKER. The Chair declares the presence of a quorum.

MR. ALBANO. Parliamentary inquiry, Mr. Speaker.

THE SPEAKER. The Minority Floor Leader is recognized.

MR. ALBANO. Yes, Mr. Speaker. In my long years of experience in Congress, this is the first time we had an opening statement in the convocation of Congress from the Speaker, and we welcome it, Mr. Speaker, because it lays down the legislative agenda. However, I have noticed in the statement of the Speaker that the question of the PCGG which is pending in our Unfinished Business was not mentioned. May we know if this is included in the corruption that the Speaker has mentioned as among the priorities?

THE SPEAKER. The change in the ritual is occasioned by the continuing growth of this legislative body, which I am sure every Member here favors. As to the question on the PCGG, it is in the calendar of the priority measures which will be discussed by this Chamber and at the appropriate time the Committee on Rules of which the Gentleman from Isabela is a member will call the bill for final resolution, at which time the question of the Gentleman from Isabela will be fully answered.

MR. ALBANO. Thank you very much, Mr. Speaker.

THE SPEAKER. The Majority Floor Leader is recognized.

CONSIDERATION OF H. RES. NO. 783 (Presence of Quorum in the House)

PERIOD OF SPONSORSHIP

MR. SUMULONG. Mr. Speaker, may I now move that we consider House Resolution No. 783 and may we request the Secretary to read the title and text of the resolution?

THE SPEAKER. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

With the permission of the House, the Secretary will please read the title and text of the resolution.

THE SECRETARY. House Resolution No. 783, entitled: RESOLUTION INFORMING THE SENATE THAT A QUORUM IS PRESENT IN THE HOUSE OF REPRESENTATIVES AND THAT THE HOUSE IS READY TO ENTER UPON THE EXERCISE OF ITS FUNCTIONS

Resolved, by the House of Representatives, That a message be sent to the Senate informing said Body that there is a quorum present in the House of Representatives and that the House is ready to enter upon the exercise of its functions.

MR. SUMULONG. Mr. Speaker.

THE SPEAKER. The Majority Floor Leader is recognized.

ADOPTION OF H. RES. NO. 783 (Presence of Quorum in the House)

MR. SUMULONG. I move that we adopt unanimously House Resolution No. 783.

THE SPEAKER. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.
 House Resolution No. 783 is adopted.

MR. SUMULONG. Mr. Speaker.

THE SPEAKER. The Majority Floor Leader is recognized.

MR. SUMULONG. May I now move and propose the appointment of the following Members of this Chamber to inform the Senate that the House has entered upon the exercise of its functions: for the majority, the Honorable Raul Daza and Victorico Chaves; and in behalf of the minority, the Honorable Antonio Serapio.

THE SPEAKER. Is there any objection to the motion? *(Silence)* The Chair hears none; the motion is approved.

MR. SUMULONG. Mr. Speaker.

THE SPEAKER. The Majority Floor Leader is recognized.

CONSIDERATION OF H. CT. RES. NO. 19 (Joint Session of Congress)

PERIOD OF SPONSORSHIP

MR. SUMULONG. I now move for the consideration of House Concurrent Resolution No. 19 and may we request the Secretary to read the title and text of the concurrent resolution.

THE SPEAKER. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

The Secretary is directed to read House Concurrent Resolution No. 19.

THE SECRETARY. House Concurrent Resolution No. 19, entitled: CONCURRENT RESOLUTION PROVIDING FOR THE SENATE AND THE HOUSE OF REPRESENTATIVES TO HOLD A JOINT SESSION TO HEAR THE MESSAGE OF THE PRESIDENT OF THE PHILIPPINES

Resolved, by the House of Representatives, the Senate concurring, That both Houses of the Congress of the Philippines hold a joint session on July twenty-five, nineteen hundred and eighty-eight, at four o'clock in the afternoon in the Session Hall of the House of Representatives, to hear the message of the President of the Philippines.

ADOPTION OF H. CT. RES. NO. 19 (Joint Session of Congress)

MR. SUMULONG. Mr. Speaker, I move for the unanimous adoption of House Concurrent Resolution No. 19.

THE SPEAKER. Is there any objection? *(Silence)* The Chair hears none; the motion is approved.

House Concurrent Resolution No. 19 is adopted.

MR. SUMULONG. Mr. Speaker, I now move that we ask the Secretary to read the Messages from the Senate.

THE SPEAKER. Is there any objection from the floor? *(Silence)* The Chair hears none; the motion is approved.

The Secretary is directed to read the Messages from the Senate.

THE SECRETARY, *reading:*

Republic of the Philippines
S e n a t e
Manila

July 25, 1988

Mr. Speaker:

I have been directed to inform the House of Representatives that the Senate on July 25, 1988 adopted Resolution No. 32 (34) (P.S. Res. No. 216), entitled:

RESOLUTION INFORMING THE HOUSE OF REPRESENTATIVES THAT A QUORUM IS PRESENT IN THE SENATE AND THAT THIS BODY HAS ENTERED UPON THE EXERCISE OF ITS FUNCTIONS.

THE SPEAKER. To the Archives.

THE SECRETARY, *reading*:

Republic of the Philippines
S e n a t e
Manila

July 25, 1988

Mr. Speaker:

I have been directed to inform the House of Representatives that the Senate on July 25, 1988 adopted without amendment House Concurrent Resolution No. 19, entitled:

CONCURRENT RESOLUTION PROVIDING THAT THE SENATE AND THE HOUSE OF REPRESENTATIVES HOLD A JOINT SESSION TO HEAR THE MESSAGE OF THE PRESIDENT OF THE PHILIPPINES.

THE SPEAKER. To the Committee on Rules.

THE SECRETARY, *reading*:

Republic of the Philippines
S e n a t e
Manila

July 25, 1988

Mr. Speaker:

I have been directed to inform the House of Representatives that the Senate on July 25, 1988 adopted Senate Concurrent Resolution No. 18, entitled:

CONCURRENT RESOLUTION AUTHORIZING THE APPOINTMENT OF A JOINT COMMITTEE OF BOTH HOUSES TO NOTIFY THE PRESIDENT OF THE PHILIPPINES THAT THE CONGRESS NOW CONVENED IN REGULAR SESSION IS READY TO RECEIVE HER MESSAGE IN A JOINT SESSION, in which it requests the concurrence of the House.

Pursuant thereto, and in anticipation of the concurrence of the House, the following Senators were appointed as Members of the Joint Committee on the part of the Senate:

1. Hon. Victor S. Ziga
2. Hon. Leticia R. Shahani
3. Hon. Alberto G. Romulo

4. Hon. Mamintal Tamano

5. Hon. Joseph E. Estrada

THE SPEAKER. To the Archives.

CONSIDERATION OF S. CT. RES. NO. 18
(Joint committee to notify the President)

PERIOD OF SPONSORSHIP

MR. SUMULONG. Mr. Speaker, I now move that we consider Senate Concurrent Resolution No. 18.

THE SPEAKER. Is there any objection? (*Silence*) The Chair hears none; the motion is approved. With the permission of the House, the Secretary is directed to read the text of the resolution.

THE SECRETARY. Senate Concurrent Resolution No. 18, entitled: CONCURRENT RESOLUTION AUTHORIZING THE APPOINTMENT OF A JOINT COMMITTEE OF BOTH HOUSES TO NOTIFY THE PRESIDENT OF THE PHILIPPINES THAT THE CONGRESS, NOW CONVENED IN REGULAR SESSION, IS READY TO RECEIVE HER MESSAGE IN A JOINT SESSION.

Resolved by the Senate, the House of Representatives concurring, To authorize, as it hereby authorizes, the appointment of a Joint Committee of both Houses of Congress to be composed of ten Members, five to be appointed by the President of the Senate, and five by the Speaker of the House of Representatives, to notify the President of the Philippines that the Congress, now convened in regular session, is ready to receive her message to the Congress for its Second Regular Session in a Joint Session for the purpose.

ADOPTION OF S. CT. RES. NO. 18
(Joint Committee to notify the President)

MR. SUMULONG. Mr. Speaker, I move that we unanimously adopt Senate Concurrent Resolution No. 18.

THE SPEAKER. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

Senate Concurrent Resolution No. 18 is unanimously adopted.

MR. SUMULONG. Mr. Speaker, I now move and propose the appointment of the following Members of the House to the joint committee to notify the President of the joint session at four o'clock in the afternoon today, namely: the Honorable Maria Consuelo Puyat-Reyes; the Honorable Exequiel Javier; the Honorable Luis C. Singson; the Honorable Jesus Dureza; and for the Minority, the Honorable Victor Ortega.

THE SPEAKER. Is there any objection? (*Silence*) The Chair hears none; the motion is approved.

MR. SUMULONG. Mr. Speaker.

THE SPEAKER. The Majority Floor Leader is recognized.

SUSPENSION OF SESSION

MR. SUMULONG. I move that we suspend the session for a few minutes, Mr. Speaker.

THE SPEAKER. The session is suspended.

It was 10:33 a.m.

RESUMPTION OF SESSION

At 11:31 a.m., the session was resumed.

THE SPEAKER. The session is resumed.

MR. SUMULONG. Mr. Speaker.

THE SPEAKER. The Majority Floor Leader is recognized.

MR. SUMULONG. The chairman of the committee on the part of the House to notify the President of the joint session this afternoon has already made a report which he desires to be conveyed to the Chamber. The members of the committee have met with Her Excellency, the President, and according to them, the President was in high spirits, she looks absolutely and perfectly healthy and ready and willing to deliver her state-of-the-nation message this afternoon. So, Mr. Speaker, that is the report of the committee which we would like the Members of this Chamber to be informed of.

I now move that we adjourn up to four o'clock this afternoon, for the purpose of giving way to the joint session of the Senate and the House of Representatives for the state-of-the-nation message of the President.

SUSPENSION OF SESSION

THE SPEAKER. Before we act on that, the session is suspended.

It was 11:32 a.m.

RESUMPTION OF SESSION

At 11:34 a.m., the session was resumed.

THE SPEAKER. The session is resumed.
The Majority Floor Leader is recognized.

MR. SUMULONG. Mr. Speaker, I would like to modify my motion to the effect that instead of a motion for adjournment of the session up to four o'clock this afternoon for the joint session of the two Houses to hear the delivery of the state-of-the-nation message of the President, I move instead that we suspend the session up to four o'clock this afternoon for that purpose.

SUSPENSION OF SESSION

THE SPEAKER. The motion is to suspend the session until four o'clock this afternoon for the joint session to hear the message of the President.

Is there any objection? (*Silence*) The Chair hears none; the session is suspended until four o'clock this afternoon.

It was 11:34 a.m.

OPENING OF THE SECOND JOINT REGULAR SESSION

At 4:02 p.m., the Speaker, the Honorable Ramon V. Mitra, and the Senate President, the Honorable Jovito R. Salonga, opened the joint session.

THE SPEAKER. On the part of the House, the Second Joint Regular Session is called to order.

THE SENATE PRESIDENT. On the part of the Senate, the Second Joint Regular Session is called to order.

NATIONAL ANTHEM

Everybody rose to sing the National Anthem.

The House of Representatives Choir led the singing of the National Anthem.

Everybody remained standing for the Nation's Prayer, led by Bishop Admirador Tederis, Monsignor Francisco Tantoco, Sr., and Minister Adriel O. Meimban.

PANALANGIN NG BAYAN

Panginoon
Sa araw na ito
Ay muli kaming nagtitipon

Upang ang utos Mo
At ang atas ng bayan
Ay lubos naming maisakatuparan.

Pagdakila rin ito at pasasalamat
Sa pagpapadama Mo
Na Ikaw ay aming kapiling
Noon, ngayon
At sa darating pang mga araw.

Ang tinig ng bayan
Ay tinig Mo rin
Kaya't kami ay lubos na nagagalak,
Kaming mga kinatawan ng bayan
Na sa kabila ng mga hiras
At pag-aalinlangan,
Ay sinikap namin
Sa maliit naming kaparaanan,
Na maging marapat sa tao
At sa Iyong pangalan.

Muli kaming nagsusumamo,
Na muli mong ipadama,
Ang Iyong patnubay
Sa harap ng hamon ng panahon.

Panatilihin Mong bukas
Ang bulwagang ito
Sa taongbayan at sa Iyo
Nang sa gayon,
Ito ay magsilbing altar
Na tatanglaw sa amin
Sa paghahanap ng lipunan
Na may katarungan,
Kalayaan, pag-iibigan
At tunay na kapayapaan.

Sa pangalan po
Ng Panginoong Hesukristo
Siya Nawa.

THE SPEAKER. Ladies and Gentlemen, Her Excellency, the President of the Philippines, Corazon Cojuangco Aquino. (*Applause*)

STATE-OF-THE-NATION ADDRESS OF PRESIDENT AQUINO

THE PRESIDENT. Thank you. Please be seated.

Mr. President of the Senate, Mr. Speaker of the House of Representatives, Members of both Houses of Congress, the Vice-President and Members of the Cabinet, the Chief Justice and the Associate Justices of the Supreme Court, Your Excellencies of the Diplomatic Corps, Distinguished Guests, minamahal kong mga kababayan:

In fulfillment of my pledge to uphold and defend the Constitution, I stood here last year and divested myself of the power and authority to govern this nation single-handedly. The act seemed premature to many. We had only finished laying the groundwork for recovery. The objectives of our policies had yet to be achieved; their real consequences could not be known. We had done more clearing of the rubble than building on the ruins.

We had freed the spirit of enterprise which has accounted, far more than the directions of government, for the progress of our neighbors.

We had laid with speed and care the foundations for a stronger and broader-based democracy. We had applied the first measures for the resurrection of a virtually dead economy.

Memory will bring more vividly to mind than a recitation of

statistics the devastation of our country then, the deep and sweeping poverty of the great mass of the people, the trauma of a wounded nation.

Many said it was not the time for divided counsel and shared government. It was too soon to venture into the world without the protection of the extraordinary powers I had inherited, and which I had sparingly used to steer the nation to that first day of full democracy: the inauguration of the Congress of the Philippines.

I ignored these counsels of fear.

It could never be too soon for democracy. I was almost proved wrong.

One month after I stood here and sounded a call for unity, the right made its boldest and bloodiest move against the new democracy. With characteristic treachery, it lunged in the middle of the night at the heart of the Republic. While the attack was repulsed, the August 28 coup attempt almost wiped out the hard-won gains of a whole year and revived the nagging doubt that this country could have any future other than turmoil.

I called on the people to gather the scattered stones of the edifice and build anew.

Despite the great losses sustained, I felt no regret that we had completely restored democracy. For I had not been called to power to achieve economic progress at the cost of the ideals of the Revolution that swept me into office.

My mandate was not just to make a country rich, but to make democracy work: To make it work as a system of genuine popular participation. To make it meaningful to the lives of the common people by giving them jobs and justice, work with dignity, health and education, and reason to hope that the future will be better for themselves and their children.

I believed that nowhere could you find more effective cures for the ills of our country — such as the habit of oppression, the inclination to corruption, betrayal of the public interest — than in the blessing of democracy, freedom, rights, transparent dealings, and a government of the people by the people themselves.

Despite the difficulties of democracy, we would bring to the prosperous state we sought the freedom and dignity with which we had started on February 25, 1986.

How well we have succeeded, it is my distinct pleasure and pride to report. How far we have fallen short of our needs, it is our unavoidable duty to acknowledge and rectify.

No one can deny the obvious: the economy has taken off. The economic indicators show it; the general feeling confirms it. The economy is on the move, not fitfully anymore but in firm strides on the path of sustainable growth.

GNP grew by 5.7 percent in 1987; by 7.6 percent in the first quarter of 1988. The source of this growth, on the supply side, was increased industrial activity; on the demand side, by vastly increased consumer spending. The industrial sector grew by 8 percent in 1987; by another 9.7 percent in the first quarter of 1988. Manufacturing posted the highest growth since 1981, mainly in electronics and garments. The steep rise in primary energy consumption confirms the dramatic increase in economic activities. Oil consumption grew by 15.8 percent, and by additional 9.2 percent this year. Our energy capabilities have begun to feel the strain — a sure sign of increased economic energy.

Unemployment dropped from 11.1 percent in the fourth quarter of 1986 to 9.5 percent in one year. One million six hundred thousand jobs had been created in 1987, well over a million of them generated by the private economy.

We have tracked this growth and found it accounted for mainly by small and medium businesses and by Filipino-

Chinese entrepreneurs, sectors that made few demands on the public sector, other than to be left alone to work in the democratic economic space we have created. We are seeing people-powered capitalism in action.

Unavoidably, growth exacted the price of inflation, which grew from 6.9 percent in 1986 to 7.4 percent at the end of 1987. But even these figures compare quite favorably with a peak of 64 percent inflation in the last years of the dictatorship, when workers' real wages plunged. In sharp contrast, improvements in real wages in the past two years have enabled the working classes to cope with it. In manufacturing, workers' compensation increased by 21 percent; minimum wages of non-plantation workers — the poorest — by 23.2 percent. Real wages of government employees increased by 11.2 percent.

We do not gloss over the fact that the number of unemployed who do not partake of these gains remains significant. Still, the improvement has been marked enough to explain the drop in the number of strikes since October last year. This confirms our belief that only economic progress can produce enduring harmony in the workplace. The relative self-restraint exercised by the labor sector in allowing the economic recovery to proceed with a minimum of disruption underscores the maturity, wisdom and patriotism of the working classes and their leaders.

We lowered the duty on crude, and revised taxes on petroleum products. We rolled back prices four times and there are at present on-going studies which we hope will result in a future reduction of the prices of petroleum products, particularly of kerosene, diesel, and LPG, on which the greater mass of our people depend.

To keep energy supply in step with the demands of economic growth, we have put energy development among our highest priorities. I shall set up an energy coordinating council, composed of the Executive Secretary and the heads of the National Power Corporation, the Office of Energy Affairs, the National Electrification Administration, and the Philippine National Oil Company, to keep track of developments in this area. This should allay fears that we may outgrow our energy capabilities and choke the economic takeoff.

The 1986 Tax Reform Program has apparently worked. The increase of revenues from 10.6 percent to 12.2 percent of GNP reflects this.

To cut overhead and inject energy into the bureaucracy, I have directed the Department of Budget and Management to trim excess personnel from the head offices of the departments; at the very least to put a lid on new hires for overhead items.

The Privatization Program has generated ₱11.2 billion in gross revenues. The program has proceeded less swiftly than interested parties may desire, but due care must be exercised in the disposition of assets that belong to the people. We must get the most we can for the people in as fair and transparent a manner as possible, leaving no room for the smallest doubt about the integrity of the procedure and the people involved.

In spite of the clear guidelines I have set of transparency and open bidding, and against the urgent deadline for the privatization of certain major assets, some people still try to gain undue advantages. Let no one delude himself on that score. Those who fought with us in the campaign and revolution must remember that we fought to stop corruption of public officials and privileges to special friends. Let us not cash in on our patriotism in 1986. Let us rather be grateful to the nation and to the historical moment for the privilege we had of being heroes.

Let me return to the measures taken to spur the growth of the economy.

The dramatic improvement in rural purchasing power was accounted for by the Community Employment and Development Program or the CEDP, and, of course, by the unexpected improvement in copra prices.

The regions are forging ahead. Three of them — Region IV or Southern Tagalog; Region VII, the Central Visayas; and Region XI, Southern Mindanao — grew faster than Metro Manila. Their great potential is only waiting to be tapped by capital investments, such as roads and communications, and by the devolution of decision-making to the local level.

Thus, we have decentralized the operations of the 16 major government departments, and increased private sector representation in regional and local development councils to one fourth. Budgets are now released directly to local governments and budget priorities are now determined in the first instance on the provincial level. An increase of revenue allotments and repeal of mandatory contributions by local units to the national government will place more resources at the disposal of the local governments.

We have given them, for the first time in history, the principal initiative in the development of their communities.

We have marked out certain pilot provinces — at present, Davao del Norte, Laguna, Negros Occidental and Tarlac — to which greater development efforts will be directed. The idea is to see what can be accomplished by an integrated and intensive approach in a specified area, and apply the lessons learned to other provinces.

Great as our gains have been, we could have gone twice as fast and twice as far if we did not have one foot manacled to the debt.

Our external debt burden must be dramatically reduced. On this I believe all Filipinos are united. It should be understood that we cannot indefinitely give more than 40 percent of the budget for total debt service. We estimate a net payment to creditors of around \$12 billion over the next five years. This is intolerable for a country whose basic needs are as acute as ours. I hope that message is clearly heard.

Yet we understand the realities of power, the vulnerabilities of the underdeveloped, and the ways of international finance. Debtors with shorter tempers who had stormed out of negotiations have been forced to return to the table, their economies having cracked under the pressure of isolation from the international system.

We must grow, yet maintain access to the international financial system. We must find ways of funding our growth without being held hostage to our debt. If we are to meet our commitments to our creditors, the bankers must first meet our financing needs.

Our debt strategy will be rooted in the recent recognition of industrial democracies that the management of the debt crisis is too important to be left to bankers. At the Toronto Summit, they singled out the Philippines as a country which needed support in its debt reduction efforts. Japanese Prime Minister Takeshita and US President Reagan argued strongly for the extension of such support.

The world economy is held back by the debt that countries such as ours carry. In 1987 there was a negative outflow of \$2.2 billion to our foreign creditors. It was blood from the veins of our economy, and took a heavy toll in missed output and lost employment. We need a transfusion to maintain our growth.

The international initiative for a consortium of donor countries to support Philippine development plans could give us that transfusion. I welcome the support of world leaders for the economic development assistance program for the Philippines. We see innovative and far-reaching debt reduction as a vital

component of this international initiative.

Few countries, if any, have hewed as faithfully to the conditionalities of debt restructuring as the Philippines has. Our people have endured the most rigorous austerities, yet received no better treatment than those of countries that resisted. Yet, even as the realities of power force us to seek a just solution to the debt problem within the international financial system, those same realities may urge us someday to find that solution anywhere we can.

This has been a year of action on the foreign policy front. In addition to hosting both the ASEAN Summit and the Newly Restored Democracies Conference, we have made state visits to China, Switzerland, Italy and the Vatican. These trips have been part of an active process of strengthening and extending our international friendships. Our foreign policy should promote our assets in a way that strengthens us politically, economically, and in terms of our security. Through the two conferences held here, we furthered our goal of broadening our friendships and making common cause with those who share similar circumstances to ourselves. We are even now engaged in the periodic review of one of our oldest foreign policy commitments, our hosting of the US military facilities on Philippine soil.

This may be remembered as the year the insurgency was broken. For the armed left, it has been a year of defeats and retreats; a year of propaganda by terror rather than the strategic initiative of which it had boasted. The rejection of our peace efforts restored to government the moral basis for war.

I wish we could still pursue the path of peace. Yet until the NPA and their friends come to trust their doctrines to the ballot box rather than the armalite, government has no choice except to defend our people with the gun.

Five members of the CPP central committee have been captured, eight regional leaders, 19 staff officers and 397 NPA regulars. More than 7,000 regulars and tens of thousands of mass activists and supporters surrendered earlier to the National Reconciliation and Development Program (NRDP) and AFP special operations teams. About 2,000 of the CPP/NPA were killed in action over the last year.

To all of you in this Chamber today who are here because you won at the ballot box, democracy is beating back the challenge of the totalitarian left. We are winning because we have given back to the people control of their lives and faith in the future. To that renewed hope we add the fresh vigor of a new army for democracy. Above all, we now have a future.

With the victories come responsibilities. The first is to keep open the door of reconciliation. These are our brothers and sisters but as long as fratricide must be a national policy, this nation cannot be whole.

The second responsibility is to ensure an adequate level of security to our people. This means our Armed Forces must be supplemented by unarmed Civilian Volunteer Organizations or Bantay-Bayan and Armed Forces Geographical Units. Our armies cannot be everywhere and be expected to achieve decisive victories. We need civilians to assist in defending their communities.

Yet they must do this with the same respect for human lives and disciplined restraint we expect of our soldiers in dealing with non-combatants. Let us not lose the moral edge in this conflict.

This morning I instructed the Chief of Staff to begin the process of disbanding all so-called vigilante groups in line with the constitutional injunction against paramilitary groups. Every measure must be taken to protect the people's security against communist terrorism while the CVO or Bantay-Bayan

and the CAGU systems are put in place.

Of equal importance as security against insurgent violence is protection against common criminality. From armed robbery to carjacking, our citizens live in intolerable uncertainty about the safety of their families and their properties. I expect the military and police to arrest, not abet, this slide into criminal anarchy taking place right under our noses. Targets will be set and I shall relieve those who fail to meet our people's expectations of peace and order.

I am conscious that history will judge the achievements of this government and the usefulness of democracy not through the narrow perspective of the business centers in Manila, but by our success in making a better future for all Filipinos. It is in the fields and barrios, in the slums of our cities, that we will ultimately be judged. It is our duty as elected leaders of this nation to describe a vision of the future that lifts up the lives of this, the great mass of Filipinos: those whose voices are not raised in business councils, social happenings, and in the opinion pages of the newspapers.

For them we must build a future that is based not solely on issues of foreign affairs or the volatility of business confidence, however important. What is the good of international harmony if it does not put food in the mouths of hungry children? Of what value is a business confidence that is built on the suppression of the legitimate aspirations of the poor? Rather, we must have an action agenda that meets their urgent needs in a simple and direct way.

That agenda is straightforward:

- * education
- * jobs
- * alleviation of poverty
- * and an economy that can sustain these goals.

Ours is renowned as the people-powered democracy. As we must live by the decisions of the people, we must ensure the quality of those decisions. Provision for education in the 1989 budget is increased by more than a third — an essential investment in the future. Free high school education led to a record enrollment of 2.3 million students. Yet, we have far from achieved a universal education. Only 70 percent of our children attend elementary school; of these, only 60 percent complete it. Unless we act decisively now, we face a future of rampant functional illiteracy. Then we shall have "People Without Power."

This is the real national emergency, for what is involved here is not underutilized manufacturing capacity or insufficient incentives for the rich, but the very quality of the Filipino who symbolizes the great Asian miracle: a revolution without blood, democratic restoration without tears.

The second priority is jobs. For this we must accelerate economic growth. We expect GNP to grow by 6.4 percent, and investments to pick up at a strong rate. The industrial sector is likely to grow 9 percent this year.

Central to our strategy for improving rural incomes is the Comprehensive Agrarian Reform Program whose highest aim, I must stress again, is not mere land distribution but higher productivity from the land and a higher standard of living for the farming communities that are the backbone of our nation.

I signed into law the fruit of your long efforts, the Comprehensive Agrarian Reform Bill, reflecting your wide knowledge and experience of conditions in the countryside.

We are increasing the expenditure for infrastructure by 50 percent, most of it to be poured into the countryside. We expect to double our spending on water supply. ₱1.3 billion has been budgeted for school houses.

By 1992 we intend that:

* three-fourths of the entire road network will be all-weather compared to less than 50 percent at the beginning of this year.

* 92 percent of the rural population will have clean water compared to 62 percent this year.

* there will be enough classrooms for all children of school age.

* a multi-purpose concrete road in each of the 46,000 barangays in the country, serving not only as a road but as a grain-drying surface; a recreation area; as the first solid evidence in these difficult-to-reach places that here finally is a government truly their own.

Our fight against poverty includes meeting basic needs like health care. We will intensify public health programs and pursue the various drug policies that will make essential drugs more accessible and affordable.

We must achieve a viable consensus on an authentic family welfare program that is responsive both to the constitutional mandate and the challenge of a growing population.

The provision of basic services also includes making telephones available to all communities. For a country separated by geography but driven by market forces, the social and economic cost of poor communications is too high.

With your congressional leadership I have agreed on certain legislative priorities that reflect the national agenda I outlined today.

On the economic front, we must provide long-delayed incentives to the sectors that have powered our recovery, particularly the small and medium enterprises.

On the peace and order front, the urgency of a national civilian police force is obvious and is high on our agenda as well, along with measures enhancing protection of human rights. Our other priorities are improved civil service effectiveness, education, population, social justice, the environment, the establishment of an independent central monetary authority, and the issue of a metropolitan commission to assure basic services in the hub of economic activity in our country: Metro Manila.

A more detailed list will be submitted. A common agenda should be easy to arrive at. What is more important is implementation of policy. The time for planning is over; the time for action is now. A lot has been done but it has barely scratched the surface of the problems.

At the end of the year in which the middle class has become better off, I now say this to my department heads: Bring more of the new prosperity to the common people, produce concrete results on your department programs — or you are out. (*Applause*) Ours was a revolution for all Filipinos. Our poor have waited long enough. No sluggard will be allowed to stall the economic takeoff.

Let me sum up.

It is liberty that has brought us progress, freedom that has generated growth. It is democratic space that has brought the insurgents down. But there is another side to freedom, where abuse displaces responsibility.

We have too often descended to mutual abuse, suspicion and recrimination in our political life. Far from respecting each other's positions, we have been quick to question each other's motives. We are losing the trust that held us together and gave us the strength to prevail. We are forgetting that we stood together to win this freedom that is now too often demeaned. We must find again that trust and that strength, for the task is far from complete.

That trust comes from expecting the best of each other, and equally from giving our best. (*Applause*) Across our country,

millions of Filipinos are doing that everyday: giving the sweat of their brows and the strength of their arm, above all their ingenuity and energy, to make a better future for us all. Those who stand on the pinnacles of power should be shamed by the more earnest commitments of those who labor anonymously below.

We complain of a lack of national purpose, but if we are big enough in ourselves and in our dealings with each other, we will rediscover it in ourselves and our countrymen.

It was a year when we faltered in this search; when losing faith in ourselves we listened to others, whether to those who say our nationalism is flawed or those who take it upon themselves to instruct us that our future confidence as a nation rests entirely on whether we do, or do not, keep the American facilities after 1991.

Our nationalism should stand upon a larger ground than the hectarage of the bases; it should turn on something higher than the insults of short-time journalists.

Do not let anyone dictate to us where our national pride should be. We know where it lies: In a sense of our past and a

sense of our destiny; in the confidence of what we can make of this nation when we are united again by trust.

We saw what can be. A vision was born in EDSA. A vision of the future, of a people standing together, not just for four days on a highway, but on and on as a nation.

Nakita natin kung ano ang maaaring maganap. Isang larawang diwa ang isinilang sa EDSA. Isang larawang diwa ng sambayanang nagkabuklod-buklod na nanindigan, hindi lamang sa loob ng apat na araw sa isang karaniwang lansangan . . . kundi isang bansa . . . magpakailanman. Maraming salamat. *(Applause)*

ADJOURNMENT OF JOINT SESSION

THE SENATE PRESIDENT. On the part of the Senate, the joint session of Congress is adjourned.

THE SPEAKER. On the part of the House, the joint session is adjourned. *(Applause)*

It was 4:43 p.m.