

**JOURNAL NO. 65**

Monday, August 25, 1986

CALL TO ORDER

At 9:59 a.m., the President of the Constitutional Commission, the Honorable Cecilia Muñoz Palma, called the session to order.

NATIONAL ANTHEM AND PRAYER

The National Anthem was sung followed by a prayer led by Mr. Jose N. Nollado, to wit:

"Ama naming Makapangyarihan, sa panahong ito ng hidwaan at di-pagkakaunawaan ng mga inatasang bumalangkas ng Batas ng mga batas, ibaling po Ninyo ngayon din ang Inyong paningin sa aming lahat saan man naroroon ang mga iba sa amin; Inyo pong pukawin ang aming mga isipan; Inyo pong ipatong at ipadama ang Inyong kamay sa puso ng bawa't isa sa amin; at Inyo pong ibulong sa amin na ang pagkakaisa ay kailangan sa kabila ng mga masalimuot na mga pangyayari at sa kabila ng mga paniniwalang di-magkatugma.

Ang bawa't isa sa amin, Ama, ay may sariling paninindigan na handang ipaglaban nang mapayapa. Kung sakaling kami'y makalimot sa aming mga sarili at maghari ang apoy ng pagkapuot at paghihiganti, Ama, gawin po Ninyo ang nararapat na sa wakas ay manatili ang tunay na pagmamahal at matapat na pagbibigayan.

Itulot po Ninyong ang aming mga suliranin ay malutas sa pamamagitan ng paghanap ng mga binagong alituntunin na tutugon sa adhikain hangga't maaari ng lahat sa amin at kung ito'y hindi mangyari, sana, Ama, ay maging mahinahon ang bawa't isa sa amin sa pagtanggap ng mga pangyayaring hindi maiiwasan sapagkat panahon lamang ang makapagsasabi kung ang ginawa ng bawa't isa sa amin ay tumpak o tunay na makabayan.

Hinihingi po namin ang mga ito sa Ngalan ni Jesus.

Siya Nawa."

ROLL CALL

Upon direction of the Chair, the Secretary-General of the Commission called the Roll, and the following Members responded:

Abubakar, Y. R.  
Alonto, A. D.  
Aquino, F. S.  
Bacani, T. C.

Nieva, M. T. F.  
Nollado, J. N.  
Padilla, A. B.  
Muñoz Palma, C.

Bengzon, J. F. S.  
Bernas, J. G.  
Rosario Braid, F.  
Calderon, J. D.  
De Castro, C. M.  
Colayco, J. C.  
Concepcion, R. R.  
Davide, H. G.  
Foz, V. B.  
Guingona, S. V. C.  
Jamir, A. M. K.  
Monsod, C. S.

Rama, N. G.  
Regalado, F. D.  
Rigos, C. A.  
Rodrigo, F. A.  
Romulo, R. J.  
Sarmiento, R. V.  
Sumulong, L. M.  
Tan, C.  
Tingson, G. J.  
Uka, L. L.  
Villegas, B. M.

With 31 Members present, the Chair declared the presence of a quorum.

The following Members appeared after the Roll Call:

A.M.

Azcuna, A. S.  
Laurel, J. B.  
Lerum, E. R.

Maambong, R. E.  
Ople, B. F.  
De los Reyes, R. F.

P.M.

Gascon, J. L. M. C.      Garcia, E. G.

The following Members were absent:

Bennagen, P. L.  
Brocka, L. O.  
Natividad, T. C.  
Quesada, M. L. M.

Suarez, J. E.  
Tadeo, J. S. L.  
Villacorta, W. V.

Messrs. Rosales and Treñas were sick.

#### READING AND APPROVAL OF THE JOURNAL

On motion of Mr. Calderon, there being no objection, the reading of the Journal of the previous session was dispensed with and the said Journal was approved by the Body.

#### REFERENCE OF BUSINESS

On motion of Mr. Calderon, there being no objection, the Body proceeded to the Reference of Business.

#### REFERRAL TO COMMITTEES OF COMMUNICATIONS

Upon direction of the Chair, the Secretary-General read the titles of the following Communications which were, in turn, referred by the Chair to the Committees hereunder indicated:

Communication No. 626 — Constitutional Commission of 1986

Communication from Mr. Marlowe O. Camello of 2323 West Beverly Blvd., Suite 204A, Los Angeles, California, U.S.A., proposing an Article in the new Constitution that barangay governments be transformed into Citizens' Investigative Bodies

TO THE COMMITTEE ON LOCAL GOVERNMENTS

Communication No. 627 — Constitutional Commission of 1986

Letter from Mr. Arturo N. Abeando, Sr. of Pioneer Insurance and Surety Corporation, seeking inclusion in the Constitution of a provision obliging the State to protect the life of the unborn from the moment of conception

TO THE COMMITTEE ON PREAMBLE, NATIONAL TERRITORY AND DECLARATION OF PRINCIPLES

Communication No. 628 — Constitutional Commission of 1986

Letter from Mr. Gene C. Sibayan of 48443 Spokane Place, Fremont, California, 94539, U.S.A., urging the retention of the United States Military Bases in the Philippines beyond 1991

TO THE COMMITTEE ON PREAMBLE, NATIONAL TERRITORY AND DECLARATION OF PRINCIPLES

Thereafter, Mr. Calderon sought recognition to speak on a question of collective privilege, to which the Chair replied that the Body would first consider the Unfinished Business before allowing its Members to rise on questions of privilege.

UNFINISHED BUSINESS: CONTINUATION OF CONSIDERATION OF COMMITTEE REPORT NO. 24 ON RESOLUTION NO. 496

Thereupon, on motion of Mr. Rama, there being no objection, the Body resumed consideration, on Second Reading, of Committee Report No. 24 on Resolution No. 496, entitled:

Resolution to incorporate in the new Constitution an Article on National Economy and Patrimony.

The Chair recognized Mr. Villegas, Chairman of the Committee on the National Economy and Patrimony, and the members thereof for further individual amendments.

AMENDMENT OF MR. DE CASTRO JOINTLY WITH MESSRS. AZCUNA, CONCEPCION, RIGOS, JAMIR, MS. TAN, MESSRS. TREÑAS, TINGSON, FOZ, MAAMBONG AND DE LOS REYES

After Section 15, Mr. de Castro, jointly with Messrs. Azcuna, Concepcion, Rigos, Jamir, Ms. Tan, Messrs. Treñas, Tingson, Foz, Maambong and de los Reyes, proposed to add a new Section, to read:

SECTION \_\_\_\_.

THE STATE SHALL PROMOTE THE PREFERENTIAL  
USE OF FILIPINO LABOR AND LOCALLY-PRODUCED GOODS AND  
MATERIALS.

He explained that his proposal would enshrine in the Constitution the Filipino First Policy which was enunciated in Commonwealth Act No. 138, Republic Act No. 912 and Republic Act No. 5183. He stated that it would give impetus to the production and use of Philippine products, especially in the manufacture of fertilizers, feeds, garments, and meat production. He stressed that it would lower the cost of importation and eventually increase the viability of local industries with Filipino labor.

Mr. Monsod stated that the Committee would be agreeable to the sentiment behind the proposal but suggested to amend it to read:

SECTION \_\_\_\_.

THE STATE SHALL PROMOTE THE PREFERENTIAL  
USE OF FILIPINO LABOR, MATERIALS AND PRODUCTS WITH MEASURES  
THAT HELP MAKE THEM COMPETITIVE IN THE MARKET.

He explained that in line with the philosophy of Section 1 of the Article, Filipino products and materials should be made competitive by helping Filipino entrepreneurs design their own products both in substance and appearance, like what the Design Center of the Philippines is encouraging. He also stated that the results of products' standard tests of Filipino products should be publicized so that the people would know that they are as good, if not better, than imported ones. He suggested that like Korea, which spends 2% of its gross national product for research, the Philippines should also increase the budget for the National Science and Technology Authority to make Filipino products and materials more competitive with applied research.

He opined that trade fairs and trade caravans would inform the people on the quality of Filipino products which need advertisement of their appearance, packaging, content and quality especially in the international market.

Finally, he underscored that all efforts of government in trade negotiations and bilateral agreements should be able to lift protectionism in other countries so that Filipino products can fairly compete in the international markets. He stressed that Filipino products and producers could not be more competitive if the market were shut off or protected too much.

In reply, Mr. de Castro agreed with Mr. Monsod's amendment and explanation, but suggested that the phrase "locally-produced goods" be retained, to which Mr. Monsod replied that it would mean the same as "Filipino products".

Mr. Monsod, however, accepted the use of the phrase "locally-produced goods".

#### INQUIRY OF MR. FOZ

In reply to Mr. Foz' query, Mr. Monsod affirmed that "preferential use" has reference to the government as well as to the private sector. He pointed out that the existing Flag Law provides that Filipino contractors would have a 15% advantage in government contracts.

Mr. Monsod also affirmed that the word "Filipino" describes "materials", and one of the measures that would make Filipino products more competitive would be to ensure that the right technology is used in processing the materials. He added that vocational courses and seminars to upgrade skills should be encouraged so that the labor sector would have better skills in the market.

On whether Filipino materials would also refer to those locally-produced by foreign companies, Mr. Monsod stated that foreign companies could help in adding some value to Filipino products so that they could be more competitive in the market.

On whether Mr. de Castro's proposal would also include the award of contracts to Filipino contractors, Mr. Monsod reiterated that the Flag Law would give Filipino contractors a 15% advantage because of the disadvantage that the Filipinos have for reasons beyond their control. He pointed out, however, that Congress may still increase the 15% advantage for Filipinos as other factors arise.

On Mr. Foz' suggestion to change "promote" to "encourage", Mr. Monsod explained that the former would be more definitive of all aspects of the duty of the State to help make Filipino products more competitive, while recognizing the importance of the initiative of the private sector. He opined that too much dependence on the government would not make local industries strong.

Thereupon, Mr. de Castro restated his proposed amendment, as amended by Mr. Monsod, to wit:

SECTION \_\_\_\_.

THE STATE SHALL PROMOTE THE PREFERENTIAL USE OF FILIPINO LABOR MATERIALS AND LOCALLY-PRODUCED GOODS WITH MEASURES THAT WILL MAKE THEM COMPETITIVE IN THE MARKET.

MR. DAVIDE'S AMENDMENT TO THE AMENDMENT

Thereafter, Mr. Davide proposed to amend the proposal to read:

SECTION \_\_\_\_.

IN ALL ECONOMIC ENDEAVORS THE STATE SHALL PROMOTE THE PREFERENTIAL USE OF FILIPINO LABOR, DOMESTIC RAW MATERIALS, AND LOCALLY-MADE PRODUCTS AND GOODS AND ADOPT MEASURES TO MAKE THEM COMPETITIVE.

Mr. Monsod opined that the first part of the proposal is a surplusage in the Article.

Mr. Davide agreed but he insisted that "with measures" should be substituted with AND ADOPT MEASURES TO.

Mr. Villegas accepted the amendment.

Thereupon, Mr. Villegas read the amendment as follows: THE STATE SHALL PROMOTE THE PREFERENTIAL USE OF FILIPINO LABOR, DOMESTIC MATERIALS AND LOCALLY-PRODUCED GOODS AND ADOPT MEASURES THAT HELP MAKE THEM COMPETITIVE.

At this juncture, Mr. Tingson manifested that he would be glad to cosponsor the proposal with Mr. de Castro because it would strengthen the overriding philosophy