

1970 LEGISLATION

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1970 was a fairly good year for legislation. Fifty-eight statutes, many of them lengthy, were passed in its regular and three special sessions. This count still excludes private laws and laws of local application. Some of these laws are substantial and of far-reaching impact and importance to the Filipino people. Among the most significant of these are the "1971 Constitutional Convention Law," the Export Incentives Law which grants for the first time tangible incentives to our exporters, and the Foreign Borrowing Law passed in the name of economic development about which some people expressed skepticism when they began asking questions whether a law authorizing the President to borrow more money and pledge more bonds, securities, and other evidences of indebtedness, was really for economic development.

To appreciate more fully the 1970 statutes, one has to understand the background and the crucial times during which they were passed. 1970 was a difficult year for most Filipinos. Excessive spending on the part of both the government and the private sectors heavily reduced the buying power of the peso. For 1970 alone, the deficit spending on the part of the government amounted to over ₱900 million pesos. This deficit spending is pointed out by some writers to have been precipitated by the 1969 presidential elections, the most expensive to date—most expensive, it is said, not only in terms of money spent but more so in terms of the financial burden cast on the shoulder of every Filipino, including those still unborn. Another factor in the unprecedented rise in prices is generally believed to be Circular No. 289 issued by Governor Licaros of the Central Bank, the now famous circular that is said to have "floated" the peso and sank the nation.

Many of the laws passed had to do with legislation urgently needed by the times to help check, or at least, to enable the people to cope with the spiralling high prices. Among these laws are the law creating the Price Control Council, the law regulating tuition and other fees, the Export Tax Law, the law regulating rentals, the Minimum Wage Law, and others.

Certain important areas like COURTS AND ADMINISTRATION OF JUSTICE, PUBLIC CORPORATIONS, and PUBLIC OFFICERS AND

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EMPLOYEES, yielded, however, relatively insignificant laws for 1970. These laws are found under a separate section entitled LAWS NOT DISCUSSED BUT MENTIONED ONLY BY TITLES.

The most important pieces of legislation for 1970 are discussed under proper headings. Subtitles are placed for easy reference and convenience.

I. CONSTITUTIONAL CONVENTION

CONSTITUTIONAL CONVENTION LAW (Republic Act No. 6132 approved on August 24, 1970)

Though it has by now become merely a historic item for the archives, having practically served its purpose, probably the most noteworthy achievement of Congress for 1970 was the enactment of Republic Act No. 6132 otherwise known as the "The 1971 Constitutional Convention Law." It is to be remembered that this law is the first of its kind to be passed by a Philippine Congress. The Tydings-McDuffie Law was enacted by the Congress of the United States authorizing the holding of a Convention to draft a Constitution which had to be approved by an American President before its ratification by the Filipino people. This fact is one of the vestiges of our present constitution's colonial origin and character which one of the chief sponsors of Republic Act No. 6132 urged to be purged by the holding of a convention independent of the dictates and auspices of another nation.

The first resolution on the Constitutional Convention was Resolution of Both Houses No. 2 adopted on March 16, 1967, later amended by Resolution of Both Houses No. 4 dated June 17, 1969 calling for a Constitutional Convention. Republic Act No. 6132 was passed to provide the details which could not be provided in the resolutions. It provided for specific proportional representation of 320 delegates.¹ These delegates were apportioned among the existing representative districts² according to the number of their respective inhabitants but at least two delegates represented each district and they were to have the same qualifications as those required for members of the House of Representatives. The election of the delegates was set and held on November 10, 1970 in accordance with section 3 of the Act. The canvass of votes and the proclamation of the delegates elected were undertaken by the Board of Canvassers. In the City of Manila, the Board was composed

¹ In the 1934 Constitutional Convention, only 202 delegates were elected representing all cities and provinces including the political units of the Department of Mindanao and Sulu, then existing.

² If a new province is created after the apportionment is made, the representation of the new province would be taken from the mother province in proportion to population; and if the total number of delegates to the mother province and the new province shall be less than the required minimum of two delegates for every representative district, such number of delegates as may be necessary shall be added to the total 320 so that every representative district in both provinces shall have a minimum of two delegates.

of a Comelec representative who was at least a division chief, as chairman; and the City Fiscal, City Treasurer, City Auditor and City Superintendent of Schools as members. The Provincial Board of Canvassers was composed of the Division Superintendent of Schools as chairman, the Provincial Treasurer, Provincial Fiscal, and the most senior District Engineer, as members.

The November 10, 1970 Constitutional Convention election is considered as one of the most peaceful and most successful elections ever to be held in the Philippines. While this is due to many factors, it is generally believed that this was largely due to the Constitutional Convention Law itself. What in this law accounts for its success?

The law prohibited the intervention of political parties by making it illegal for a candidate for delegate to represent or allow himself to be represented as candidate of a political party or any other organization, and providing that no political party, political group, political committee, civic, religious, or professional, or other organization or organized group of whatever nature shall intervene in the nomination of any such candidate or in the filing of his certificate of candidacy or give aid or support, directly or indirectly, material or otherwise, favorable to or against his campaign for election.³

While it is conceded that this prohibition is wise, and seemed at the time to be adequate, however, a further analysis would reveal that this prohibition was ineffective during the last elections. At this point, it is pertinent to ask: How successful was Republic Act No. 6132 in keeping politics and politicians out of the Constitutional Convention elections? Observers believe that many of the delegates elected were politicians' henchmen or relatives, if not the politicians themselves. Few delegates who won would deny that they did seek or receive political help. If we judge Republic Act No. 6132 by these standards, then it is believed, despite assertions to the contrary, that Republic Act No. 6132 was a failure. The elections were peaceful. But success is not to be gauged by that factor alone solely. One has to determine whether the most important purpose of the law which is to ensure the election of independent candidates (as contrasted to political or politically-backed candidates) has been fulfilled.

The real success, perhaps, that can be attributed to Republic Act No. 6132 is that it blazed the electoral trail to show what reforms can be instituted to minimize election expenses and election propaganda.⁴ Many of these provisions have been adopted in the New Election Code of 1971 recently enacted by Congress and designed to replace the Revised Election Code. Whereas these practices were tolerated to an exorbitant extent in the past so that only the moneyed candidates and their kin and those supported by them

³ Section 8(a) on Prohibited Acts, Rep. Act No. 6132.

⁴ See Section 12 on the Regulation of Election Spending & Propaganda.

would win in the elections, it took Republic Act No. 6132 to institute meaningful reforms along these lines.

Aside from the prohibition on intervention of political parties, Republic Act No. 6132 contains an enumeration of some prohibited acts which are in addition to, and supplementing the prohibited acts provided in the Revised Election Code.⁵ Under section 8, these acts⁶ are:

- (a) unlawful to coerce directly or indirectly subordinates, employees, tenants or followers to vote for or against any candidate. This is committed by any public officer of a government office, or any employer or officer of a commercial, industrial, economic or social enterprises, or any private person or corporation, or any head, minister, officer or authority of any religion or fraternal or civic or social organization.⁷ Coercion includes but is not limited to the following acts:
 1. To punish or threaten to punish with dismissal, expulsion, ejection, excommunication, transfer, reduction in wage, salary or compensation;
 2. To prevent, or unduly interfere with the performance of duty or work, or the exercise of the freedom of worship;
 3. Other forms of penalties or reprisal, as the case may be.
- (b) unlawful to appoint or hire any new employees, whether provisional, temporary or casual, or to create and fill any new position within 45 days before election.⁸ This offense is committed only by a head, official or appointing officer of a government office, agency or instrumentality, whether national or local, including corporations or enterprises owned or controlled by the government unlike the unlawful act in (a) which may be committed by a private employer or any private person, or corporation. There is, however, one exception, and that is: if prior written authority is given by the COMELEC after due notice and hearing.⁹ x x x

Arrest of persons committing acts of terrorism

Section 9 of the law contains a novel provision in that it allows private persons to make an arrest of "any person who publicly bears arms in violation of the Revised Administrative Code", or "publicly makes use of uniforms or insignias in violation of the Revised Penal Code," or who commits acts of terrorism. This provision is good because it encourages civic consciousness and alertness of the people in the protection and safeguarding of their sacred right to vote. But care should also be taken so that the provision is not abused so as to allow goons to make an arrest of innocent persons.

⁵ Section 8(b), (c), (d) *et. seq.*

⁶ For other prohibited acts not mentioned, see text of section 8, Rep. Act No. 6132.

⁷ Rep. Act No. 6132, sec. 8(b).

⁸ Rep. Act No. 6132, sec. 8(c).

⁹ As an exception to the prohibition to appoint, a new employee may be appointed in case of urgent need; *Provided, however*, that notice of the appointment shall be given to the Commission and to all candidates within the district within three days from the date of the appointment.

For this purpose, it is believed that the attendant circumstances provided by Rule 113 section 6 of the Rules of Court should be present in the arrest to be made by private persons.¹⁰

Regulation of election spending and propaganda

The most salient provisions on this topic are as follows:

1. To minimize election spending, the law provided for a "COMELEC billboard" to allow each candidate adequate space therein with brief statement of his qualifications and constitutional reforms, which billboard shall be located as centrally as possible in every city, municipality, municipal district, and barrio of sufficient population density.

2. "Comelec Time" on all radio broadcasting and television stations, free of charge, during the period of the campaign, at least one but not more than 2 hours of prime time at least once each week, but not oftener than everyday. Apart from COMELEC time, it shall be unlawful for any radio broadcasting or television station, moviehouse or theatre to show, display or give any advertising or propaganda to any candidate.

3. COMELEC Space—The COMELEC shall endeavor to obtain free "COMELEC space" from newspapers, magazines and periodicals to be allocated equally and impartially among all candidates within the areas in which the newspapers are circulated. Outside said COMELEC space, "it shall be unlawful to print or publish or cause to be printed, or published any advertisement, paid comment or paid article x x x unless all the names of all other candidates in the district are also mentioned with equal prominence." This provision has been criticized as being "overly restrictive."

4. Outside COMELEC billboards and COMELEC time, a candidate or other person may produce or distribute only the following forms of propaganda:

- (1) Pamphlets, leaflets, cards or other written or printed material of a size not more than 8½ inches in width by 14 inches in length.
- (2) Handwritten or printed letters.

5. It is unlawful for any candidate to avail of the franking privilege, or for any government official to use or extend such privilege.

6. All other forms of propaganda are prohibited. Accordingly, it is unlawful to erect, or float any billboard, streamer, tinslates poster, or balloon advertising the name of any candidate, unlawful to purchase, produce, request or distribute sample ballots, or electoral propaganda gadgets such as

¹⁰ Under Section 9, par. (1), the arrest could be made even in the absence of the attendant circumstances provided by Rule 113, section 6 of the Rules of Court. As to criminal liability of custodians of illegally released prisoners before and after election, see section 10 of Rep. Act No. 6132.

pens, lighters, fans, flashlights, etc. whether of domestic or foreign origin. Such prohibited propaganda materials may be confiscated or torn down by the COMELEC Supervisor upon authority of the COMELEC.

7. Election supervisors or registrars shall not be assigned to a district where they are related to any candidate within the fourth civil degree of consanguinity or affinity.

8. All candidates and all other persons making or receiving contributions or donations which exceed ₱50 must file a statement of all such expenditures and contributions with the COMELEC. The total expenditures made by a candidate, or by any other person with the knowledge and consent of the candidate shall not exceed ₱32,000.00.

It is believed that we should put more teeth to the electoral provisions on expenses. So much evil has been traced to excessive election spending. Candidates more often than not try to recoup from their office whatever they have spent in their campaign and perhaps more. It has been the sad commentary on our national character that "while we have so much money to burn during the elections, we invest little to improve our sagging economy." It is proposed that "illegal spending" be included as one of the grounds for disqualifying a candidate from assuming office, and a candidate who is found to have overspent in an electoral contest based on that ground, shall be permanently disqualified not only from holding the office to which he was elected but any elective public office. It is also proposed that we adopt a system similar to that in Great Britain whereby no expenses for the election of a candidate may be incurred by anyone other than the candidate himself and/or his agent who shall both be duly registered with the COMELEC as the only persons authorized to spend. Any other expenditure by any other person (wife, son, daughter, other relatives, friends, etc.) will be illegal. This way it will be easy to determine whether a candidate has overspent or not, and there will be definite persons who will be responsible to the public for the management or control of the expenses during the campaign.

Additional powers of the COMELEC ¹¹

In addition to the powers and functions conferred upon it by the Constitution and the Revised Election Code, the COMELEC was given the following powers:

1. To require all law-enforcement agencies and instrumentalities of the government and authorize ROTC cadets to act as deputies for the purpose of insuring a free, orderly and honest election.

¹¹ Rep. Act No. 6132, sec. 17.

2. Its directives, decisions, orders and instructions shall have precedence over those emanating from any other authority except the Supreme Court, and those issued in *habeas corpus* proceedings.

3. By unanimous vote of the members, postpone the election in any political division or subdivision when the holding of a free, orderly and honest election therein is rendered impossible by reasons of fraud, violence, terrorism, or any other serious cause.

4. To call for the holding or continuation of the election in the precinct or precincts concerned, whenever it determines, after notice and hearing, that no voting has been held or that the voting was suspended before the hour fixed by law because of *force majeure* or violence or terrorism, and the votes not cast therein are sufficient to affect the results of the election.

Controversial provisions of Republic Act No. 6132; validity and constitutionality upheld

Two interesting cases arose questioning the validity and constitutionality of certain sections of Republic Act No. 6132. In the first case,¹² sections 4 and 8(a) paragraph 2 of Republic Act No. 6132 were argued to be contrary to section 3 of Resolution No. 2 (passed by Congress in joint session assembled by a vote of three-fourths of all the members of the Senate and of the House of Representatives voting separately) which provided that "The office of Delegate shall be honorary and shall be compatible with any other public office x x x" and section 8 of Resolution No. 4 adopted by Congress in the same manner and which read as follows:

"SEC. 8. Any other details relating to the specific apportionment of delegates, election of delegates to, and the holding of the Constitutional Convention shall be embodied in an implementing legislation: *Provided*, That it shall not be inconsistent with the provisions of this Resolution."

It was argued that these resolutions which were passed by Congress as a constituent assembly could not be validly amended by Republic Act No. 6132 which was passed by Congress as a legislative body, section 4 and 8(a) paragraph 2 of which contained the following provisions:

"SEC. 4. *Persons Holding Office*.—Any person holding a public office or position, whether elective or appointive, including members of the armed forces and officers and employees of corporations or enterprises owned and/or controlled by the government, shall be considered resigned upon the filing of his certificate of candidacy: *Provided*, That any government official who resigns in order to run for delegate and who does not yet qualify for retirement under existing laws, may, if elected, add to his length of service in the government the period from the filing of his

¹² *In re* Subido, G.R. Nos. 32436-32439, September 9, 1970.

certificate of candidacy until the final adjournment of the Constitutional Convention.

SEC. 8(a) x x x Likewise, no head of any executive department, bureau or office, official or officer nominated or appointed by the President of the Philippines, head or appointing officer of any government-owned or controlled corporation, shall intervene in the nomination of any such candidate or in the filing of his certificate of candidacy or give aid or support, directly or indirectly, material or otherwise, in favor of or against his campaign for election."

The Supreme Court, after holding hearings wherein the parties and several noteworthy *amici curiae* were heard, upheld the validity of sections 4 and 8(a) of Republic Act No. 6132 for the following reasons:¹³

1. That Section 3 of the Resolution No. 2 x x x is a mere declaration which does not affect the intrinsic nature of the office of Delegate from the standpoint of its compatibility or incompatibility with any other public office within the meaning of the Constitution. x x x

2. That viewed in this light there is no inconsistency between the declaration in Section 3 of Resolution No. 2 and the provision of Section 4 of Republic Act No. 6132, and that in fact this Section, as well as Section 8(a), paragraph 2, are in accord with Section 2, Article XII of the Constitution, which prohibits officers and employees in the Civil Service, including members of the armed forces, from engaging "directly or indirectly in partisan political activities" or taking part "in any election except to vote";

3. That whatever the Congress (as a constituent assembly) might have intended by the declaration aforesaid it could not have been to allow government officials and employees, without exception, to run for or hold the office of Delegate to the Constitutional Convention without relinquishing their positions, considering that the Congress itself (as a constituent assembly), in line with the prohibition in Section 2, Article XII of the Constitution, provided in Section 2 of the same resolution No. 2 that "The Delegates to the Convention shall be elected in an election to be held on the second Tuesday in November, 1970, in accordance with the provisions of Sections 26 and 27 of the said Revised Election Code x x x."

In the second case¹⁴ the validity of the entire Republic Act No. 6132 as well as its particular sections 2, 4, 5 and par. 1 of 8(a) was assailed. The Supreme Court sustained the constitutionality of the enactment of Republic Act No. 6132 on the ground, among others, that when Congress, acting as a Constituent Assembly, omitted to provide for such implementing details after calling a constitutional convention, Congress, acting as a legislative body, could enact the necessary implementing legislation to fill in the gaps,

¹³The Court likewise upheld Rep. Act No. 6132 in that it did not constitute discriminatory legislation which offends against the equal protection clause of the Constitution, since the classification is germane to the purpose of the Act and is based on substantial differences.

¹⁴*Imbong v. Ferrer*, G.R. Nos. 32432 & 32443, September 11, 1970.

which authority was expressly recognized in Section 8 of Resolution No. 4. As to section 5 which read:

"SEC. 5. *Disqualification to Run*—Any person elected as delegate to the Constitutional Convention shall not be qualified to run for any public office in any election or to assume any appointive office or position in any branch of the Government until after the final adjournment of the Constitutional Convention."

the Court sustained it as a valid limitation on the right to public office because, among other reasons, the purpose of the challenged disqualification, temporary in nature, is to compel the elected delegates to serve in full their term as such and to devote all their time to the convention, and therefore substantial reasons existed for the disqualification to run.

Paragraph 1 of section 8(a) of Republic Act No. 6132 prohibited:

1. any candidate for delegate to the convention
 - (a) from representing, or
 - (b) allowing himself to be represented as being a candidate of any political party or any other organization; and
2. any political party, political group, political committee, civic, religious, professional or other organizations or organized group of whatever nature from
 - (a) intervening in the nomination of any such candidate or in the filing of his certificate, or
 - (b) from giving aid or support directly or indirectly, material or otherwise, favorable to or against his campaign for election.

This above-quoted provision was sustained by the Supreme Court as a valid limitation on the freedom of association because, among other things, it was "deemed by the legislative body to be part and parcel of the necessary and appropriate response not merely to a clear and present danger but to the actual existence of a grave and substantive evil of excessive partisanship, dishonesty and corruption as well as violence that of late has marred election campaigns and partisan political activities in this country." Also, to avert the clear and present danger of another substantive evil, the denial of the equal protection of the laws. "Under this provision, the poor candidate has an even chance as against the rich candidate."¹⁵

II. ECONOMIC DEVELOPMENT

There are three laws on economic development, or purportedly passed in the name of economic development, namely: The Export Incentives Law, the Export Tax Law, and Republic Act No. 6142 authorizing the President to borrow.

¹⁵ *Ibid.*

A. EXPORT INCENTIVES LAW (Republic Act No. 6135 approved on August 31, 1970)

Declaration of policy; provisions repealed

Exports are believed to be the saving grace in our country's ailing economy. Our policymakers obviously share this belief and have decided to give bonuses or incentives to promote Philippine exports. The Export-Incentives Law, introduced by Congressman Lorenzo S. Sarmiento of Davao del Norte in the House and by Senators Jose W. Diokno and Gil Puyat in the Senate, seeks "to actively encourage, promote, and diversify exports of services and of manufactures utilizing domestic raw materials to the fullest extent possible." It repeals the export incentives under Republic Act No. 5186¹⁶ but said Act is made to apply in a suppletory manner as far as applicable and not inconsistent with it. For this purpose, investors in enterprises that are registered as export producers, export traders, or service exporters, and Philippine nationals investing as registered export producers qualifying as pioneer enterprises shall continue to enjoy the incentives provided under Republic Act No. 5186.

a) *The incentives in a nutshell*

The law dangles several incentives. These are given away to three classes or categories of exporters all of which categories are technically defined:¹⁷ (1) registered export producer (2) registered export trader and (3) registered service exporter.

1. *Registered Export Producer*

A "registered export producer" is any person, corporation, partnership, or other entity organized and existing under Philippine laws (1) registered with the Board x x x [of Investments] (2) engaged or proposing to engage in the manufacture or processing of export products x x x (3) directly exporting its products or selling them (a) to a registered export trader that subsequently exports the said products or (b) to other export producers who utilize said products as direct inputs in products subsequently manufactured or processed by them and thereafter exported.¹⁸ Briefly, a registered export producer is given the following incentives:

a. *Tax credit* equivalent to the sales, compensating and specific taxes and duties on the supplies, raw materials and semi-manufactured products used in the manufacture, of its export products for a period of 10 years from its registration.

¹⁶ This is otherwise known as the Investment Incentives Law approved on September 16, 1967.

¹⁷ "Export products"; "export sales"; "export fees"; "production cost" and "processing" have also a technical meaning in Rep. Act No. 6135; for incentives for export enterprises in foreign trade zones, see section 12 of Rep. Act No. 6135.

¹⁸ Export Incentives Law (Rep. Act No. 6135), sec. 3(b).

b. *Reduced income tax* for the first five years from its registration.

c. *Tax exemption on imported capital equipment* — importations of machinery and equipment and spare parts shall not be subject to tariff duties and compensating tax within 5 years from registration of the export producer, subject to certain conditions.¹⁹

d. *Tax credit on domestic capital equipment* — equivalent to 100% of the value of the compensating tax and customs duties that would have been paid had the machinery, equipment and spare parts been imported; a tax credit of 50% thereof shall be given to the domestic manufacturer.²⁰

2. *Registered Export Trader*

A "registered export trader" is any person, corporation, partnership or other entity organized and existing under Philippine laws, (1) registered with the Board of Investments and (2) which derived at least 50% of its gross income for the year in which the incentives are claimed, from the sale abroad of export products bought by it from two or more registered producers or which are not owned, controlled or managed by a person or entity, or a group of persons or entities.²¹

Incentives given to a registered export trader:

a. *exemption from export tax* — same as that granted to a registered export producer.

b. *tax credit* equivalent to the amount of specific and sales taxes on the export products bought by it from registered export producers and subsequently exported.

c. *reduced income tax* equivalent to 10% of the increment of its total export sales over 75% of its total 1968 export sales, within 3 years from registration.²²

d. thereafter, and until the 5th year after registration, a *similar tax deduction* based on the increment of its annual total export sales over its average annual total export during the preceding 5 years. For a period of 5 years after registration, an additional deduction of 1% shall be allowed a registered export trader who extends financial assistance to a registered export producer equivalent to not less than 20% of the registered export trader's total export sales.

3. *Registered Service Exporter*

A "registered service exporter" is "any person, corporation, partnership or other entity organized and existing under Philippine laws, (1) registered

¹⁹ Rep. Act No. 6135, sec. 7(c).

²⁰ Rep. Act No. 6135, sec. 7(d).

²¹ Rep. Act No. 6135, sec. 3(c).

²² Sec. 8.

with the Board x x x [of Investments] and (2) engaged or proposing to engage in (a) rendering technical, professional or other services which are paid for in foreign currency, including, but not limited to, the fields of law, medicine, accounting, management, valuation and appraisals, engineering, construction, geodetics, surveying, teaching, pharmacy, nursing, cultural presentations or promotions, works of art, and entertainment; or (b) in exporting television and motion pictures and musical recordings made or produced in the Philippines, either directly or through a registered export trader.²³

Incentives under the law are as follows:

1. Reduced income tax for the first 5 years from registration, equivalent to 50% of the increment of its total export fees during the year in which the incentive is claimed over 75% of its total export fees in 1969.
2. Thereafter, and until the 10th year after registration, to a similar tax deduction based on the increment of annual total export fees over its average annual total export fees during the preceding 5 years, subject to certain conditions.²⁴

b) *Conditions for availment of incentives*

The Act makes it a condition precedent to the enjoyment of its benefits that the export producer, export trader or service exporter be registered with the Board of Investments.²⁵ To be entitled to registration, an applicant must satisfy the Board that: (1) he is a citizen of the Philippines, or in case the applicant is a corporation, partnership or other entity, at least, 60% of its capital is owned or controlled by Filipino citizens; (2) that it is engaged in manufacturing, processing or exporting export products listed in the export priorities plan or if not so listed, at least 60% of its sales are export sales; or in case of a service exporter, that it is engaged in rendering services payable in foreign currency, or in exporting television or motion pictures or musical recordings produced in the Philippines; (3) that it is not engaged in any of the activities reserved by the Constitution to Filipino citizens or corporations owned and controlled by Filipino citizens; and (4) that if the applicant is engaged in activities other than the manufacture, processing and exportation of export services, it has installed or undertakes to install an adequate accounting system to segregate the investments, profits and losses of its export operations from those of its domestic operations.

A citizen of the Philippines or a corporation, or other entity organized under Philippine laws, at least seventy per cent (70%) of the capital of

²³ Sec. 3(d).

²⁴ Sec. 10.

²⁵ Rep Act No. 6135, sec. 6.

which is owned and controlled by citizens of the Philippines, shall also be entitled to registration as an export trader if it is engaged in the exportation of export products the total F.O.B. Philippine port value of the exports of which exceeded five million dollars in United States currency in the calendar year 1968 subject to certain conditions.

c) *Suspension or cancellation of incentives*

Export incentives may be cancelled wholly or partially whenever (1) there is any violation of this Act or of any law for the protection of labor; or (2) whenever any action is threatened or taken by an international association or foreign nation which would nullify the incentive, and would impair or threaten to impair the export trade of the Philippines or its relations with other nations; or (3) when the registered export enterprise has a paid-up capital of at least five hundred thousand pesos (P500,000.00) and earns for at least two (2) years profits from its exports of products or services in excess of thirty-three and one-third per cent (33 $\frac{1}{3}$ %) of equity even without these incentives.²⁶

d) *Export priorities plan; export assistance fund*

The Export Incentives Law requires the Board of Investments to submit to the President, through the National Economic Council, an "Export priorities plan"²⁷ listing the export products which should be given support, considering:

1. The comparative advantage they enjoy or could be made to enjoy.
2. Their potential for earning foreign exchange.
3. Their profitability to the national economy.

An Export Assistance Fund is created out of one per cent (1%) of the total tax collections under this law to be deducted from the portion allocated to the Development Bank of the Philippines to be used exclusively for the following purposes such as diversification of export products and export markets; raising the quality and level of exports and assisting in the establishment of export standards; promoting effective marketing of export products abroad; establishing an Institute of Export Development which shall conduct seminars and training courses etc.²⁸

As a safeguard against improvident use of funds, our lawmakers have imposed the proviso "That no portion of this fund shall be used for travel abroad."²⁹

One export potential which the Philippines is trying to cultivate is cement. According to the Philippine Cement Industry the export potential of cement for 1971 is 60 million bags, and that domestic demand requires

²⁶ Rep. Act No. 6135, sec. 13.

²⁷ Rep. Act No. 6135, sec. 4.

²⁸ Rep. Act No. 6135, sec. 11.

²⁹ Rep. Act No. 6135, sec. 11(7).

only as low as 45 per cent of the available capacity. Faced with the problem of oversupply, the Philippines is eyeing South Vietnam as a good market for its excess production. The cement will be used for the repairs of destroyed US military infrastructures and for the public works projects of the South Vietnamese Government. Can the way be paved by the incentives provided in the Export Incentives Law? It is believed that the incentives are not enough. The domestic prices will have to be stabilized at a level high enough to cover the high fixed costs of the cement industry otherwise no matter what we do the Philippines will always be at a disadvantage in the export field. Some of the incentives provided by law may be good only on paper. Our industry leaders, for instance, believe that existing incentives granted by the Board of Investments in the form of tax credits are of little use to the cement industry which has no taxable income. For instance, in Taiwan and Korea the incentives given exporters are actual subsidies on inland and ocean freight, plus import licensing for a certain percentage of the hard currency generated.³⁰ Perhaps the same benefits can be extended to our exporters.

B. EXPORT TAX LAW (Republic Act No. 6125 approved on May 1, 1970)

It seems that our policy makers are in disagreement as to the best way out of our present economic crisis.³¹ While some will give incentives to our exports, some would rather impose an export tax. This is a strange and odd measure in our country which has been suffering a terrible imbalance of trade.³² Everybody knows that we have been importing a lot more than we have been exporting. A tax is certainly no incentive for exporters and producers. Then why are we penalizing that which we are trying to encourage?³³ This is believed to be not without presidential prodding, of course. Earlier, the President had stressed the urgency of approving the export tax bill. He said it would "remove speculation in business circles caused by the flexible value of the peso to the dollar, and also strengthen the Philippine position in negotiations with foreign financing institutions."³⁴ It was believed then that if the export tax is approved by Congress, the monetary board would likely end its experiment on the floating rate (since it was part of the administration's over-all stabilization program) and fix the new official rate of the peso.³⁵ However, the export tax has been passed for more than a year now but we are still waiting for the official rate.

³⁰ *Export Incentives and the Way to Economic Recovery*; 4 PHIL. MINING RECORD. 4 (1970); see also *Export Incentives Act of 1970*, 1 INSIGHT 10 (1970).

³¹ Gracia, *Storm over the Controversial Export Tax Bill*, 1 REPUBLIC 4 (1970).

³² Ronquillo, *Why Tax Our Exports?*, 12 PHIL. FARMERS 21 2nd quarter, (1970).

³³ *Ibid.*

³⁴ *Id.*

³⁵ *Export Tax Will Pave the Way for New Peso Parity*, WEEKLY NATION, April 13, 1970, p. 44.

The export tax is being imposed for the first time. Much storm was then raised to oppose it. But nothing happened. As usual, Juan de la Cruz has awakened to find that his already heavy burden has become heavier and he is helpless about it. If this continues, Juan de la Cruz might have few mornings left and worse, he might die in the name of economic development.

The Law in brief; Export tax guidelines laid down by the Central Bank

Republic Act No. 6125 is titled "An Act Imposing a Stabilization Tax on Consignments Abroad to Accelerate the Economic Development of the Philippines and for Other Purposes." Wisely and deceivingly, the law avoided the use of the word "Export Tax". "Stabilization" was the key word. But the tax is still there and it makes no difference if you call the tax a rose, its burdensome impositions will still be felt and will be no less real. Briefly, the export tax imposes graduated taxes on the gross F.O.B. peso proceeds of exports earning more than \$5 million within one calendar year. The tax is based on the rate of exchange prevailing at the time of the receipt of such proceeds, whether partial or total. According to the guidelines³⁶ laid down by the Central Bank for the implementation of the export tax law, "prevailing exchange rate" means "the guiding rate for the day at the Trading Center of the Banker's Association of the Philippines. The term "gross F.O.B. peso proceeds" means the full value (converted into pesos) of the merchandise exported as reflected in the pertinent shipping documents, where the terms of shipment are F.O.B. Where the terms of shipment are other than F.O.B. (i.e. CIF, C and F, etc.) the cost of freight or insurance will be deducted to arrive at the gross F.O.B. value.

The tax is imposed on the following products in accordance with the following schedule:³⁷

a. In the case of logs, copra, centrifugal sugar, and copper ore and concentrates:

1. 10% of the F.O.B. peso proceeds of exports received on or after May 1, 1970 to June 30, 1971
2. 8% of the F.O.B. peso proceeds of exports received from July 1, 1971 to June 30, 1972
3. 6% of the F.O.B. peso proceeds of exports received from July 1, 1972 to June 30, 1973
4. 4% of the F.O.B. peso proceeds of exports from July 1, 1973 to June 30, 1974.

³⁶ *Export Tax Guidelines*, THE PHILIPPINES' HERALD, May 5, 1970. These guidelines were swiftly laid down by the Central Bank on May 4, 1970 or barely three days after the approval of the law.

³⁷ Rep. Act No. 6125, sec. 1.

b. In the case of molasses, coconut oil, desiccated coconut, iron ore and concentrates, chromite ore and concentrates, copra meal or cake, unmanufactured abaca, unmanufactured tobacco, veneer core and sheets, plywood (including plywood panels faced with plastics), lumber, canned pineapples and bunker fuel oil:³⁸

1. 8% of the F.O.B. peso proceeds of exports shipped on or after May 1, 1970 to June 30, 1971.
2. 6% of the F.O.B. peso proceeds of exports shipped from July 1971 to June 30, 1972.
3. 4% of the F.O.B. peso proceeds of exports shipped from July 1, 1972 to June 30, 1973.
4. 2% of the F.O.B. peso proceeds of exports shipped from July 1, 1973 to June 30, 1974.

“Date of Shipment” refers to the date on the On Board Bill of Lading, and in the case of Received for Shipment Bill of Lading, the date of actual loading.

The law specifically provides that “the provisions of all general and special laws to the contrary notwithstanding, there shall be no exemptions from this tax.”³⁹ For this purpose, commissions, survey fees and analysis fees are not deductible to arrive at the gross F.O.B. value.⁴⁰ But customary allowances for shrinkages, shortages, quality reduction, and other price adjustments in accordance with the contract chargeable against the exporter are permissible deductions and may be the subject of adjustments against undrawn balances, if any, or subject of a claim for refund.⁴¹

When will the tax be collected? It is provided that the levy shall be assessed and collected by the Central Bank through any authorized agent bank within ten banking hours from the realization, whether partial or total, of the F.O.B. proceeds of the export. The tax will be collected upon the payment of the peso proceeds to the exporter, and as to those authorized by the Central Bank to be retained abroad as export deduction for payment of foreign obligations, these will be paid on the date on which the peso proceeds on the balance of the gross F.O.B. value of the exports are paid to the exporter.⁴²

³⁸ *Id.*

³⁹ Rep. Act No. 6125, sec. 1(b), par. 7.

⁴⁰ *Supra*, note 36.

⁴¹ *Ibid.*

⁴² *Id.*

Constitutionality challenged

Recently the Export Tax Law figured in the headlines. A petition for declaratory relief was filed by six leading mining firms challenging the legality of the Central Bank's circular imposing an export tax on gold and silver concentrates. It was urged that when the Export Tax Law (Republic Act No. 6125) enumerated the following products subject of 10% stabilization: logs, centrifugal sugar, copra, and *copper ore and concentrates*, and the Central Bank's circular imposed an export tax on gold and silver "*produced out of export shipments of copper ore or concentrates*," this resulted in the unconstitutional application of the law. The case is *sub judice*.

It is believed that much harm is being done by the export tax to our exports. Presently, there is a proposal from one of the delegates to the Constitutional Convention to put an express prohibition in our Constitution against the imposition of an export tax.

C. FOREIGN BORROWING LAW (Republic Act No. 6142, approved on Nov. 9, 1970)

This law authorizes the President of the Philippines "to contract such loans, credits or indebtedness as may be agreed upon, not inconsistent with this Act, with governments of foreign countries with whom the Philippines has diplomatic or trade relations or which are members of the United Nations, their agencies, instrumentalities or financial institutions or with reputable international organizations."⁴³ This authority of the President includes "the power to issue bonds, debentures, securities or other evidences of indebtedness for sale in the international markets the income from which shall be fully tax exempt in the Philippines."⁴⁴ It is a truism that every Filipino baby is already buried in debts long before he is born. So why increase the authority of the President to put us in hot water? Of course, the purposes⁴⁵ are very impressive on paper:

- A. undertake, through any government office, industrial, agricultural or other economic development projects. (It is to be noted that this again is in the holy name of economic development.)
- B. lend the proceeds of such loans, credit or indebtedness to government-owned or controlled corporations to finance development projects.
- C. lend the proceeds of such loans, credits or indebtedness to the Development Bank of the Philippines, provided that:
 - (1) 60% of the total proceeds for relending shall be for industrial projects which are approved by and registered with the Board of Investments
 - (2) 40% of the total proceeds for relending must be allocated to agricultural projects which are recommended by the Depart-

⁴³ Sec. 1 of Rep. Act No. 6142 amending section 1 of Rep. Act No. 4860.

⁴⁴ Rep. Act No. 6142, sec. 1(c), (2), par. 4.

⁴⁵ *Ibid*, sec. 1.

ment of Agriculture and Natural Resources and approved by the National Economic Council and which satisfy any or all of the following criteria:

- (a) New and/or export-oriented
- (b) Import-substitute-oriented
- (c) Necessary to increase agricultural production; or
- (d) Necessary to improve the quality and marketability of agricultural products.

Maximum amount of loans

The total amount of loans, credits or indebtedness excluding interests and banking charges, *shall not exceed one billion United States dollars* or its equivalent,⁴⁶ provided that 75% of such total authorized amount shall be incurred for projects of the public sector under paragraphs "A" and "B", *supra*; 25% thereof shall be utilized for projects of the private sector under paragraph "C".

"Sec. 3. The President of the Philippines is further authorized, in behalf of the Republic of the Philippines, to *guarantee* such loans, credits or indebtedness as may be necessary and upon such terms and conditions, not inconsistent with this Act, as may be agreed upon with the governments of foreign countries with which the Philippines has diplomatic or trade relations or which are members of the United Nations, their agencies, instrumentalities or financial institutions or with reputable non-governmental national or international institutions, loans, credits or indebtedness extended directly to, or bonds, debentures, securities or other evidences of indebtedness for sale in international markets issued by:

"(A) Corporations owned or controlled by the government of the Philippines x x x

"(B) Government-owned or controlled financial institutions x x x"

Maximum proceeds of bonds

The total proceeds of bonds, securities or other evidences of indebtedness floated or issued, which may be guaranteed by the President *shall not be more than five hundred million United States dollars* or its equivalent,⁴⁷ provided:

1. That *whenever necessary* part of the proceeds of such loans, credits, or indebtedness shall be used for environmental management control.⁴⁸

2. No portion of the proceeds of such loans, credits or indebtedness or of bonds, debentures, securities or other evidences of indebtedness sold in international markets, shall be channelled to, or utilized by or for subsidiaries

⁴⁶ Rep. Act No. 6142, sec. 2.

⁴⁷ Sec. 3, par. 5.

⁴⁸ This is rather broad and nowhere in the law is environmental management control defined.

of such financial institutions, which have not been created by an Act of Congress.

3. All loans made shall, within 3 days after the same have been approved pending final confirmation by the governing board of the financial institution concerned, be published in two newspapers of general circulation in the Philippines, indicating therein among other things, the names and addresses of the officers and members of the cooperative, corporation or association, the amount of loan, credit or indebtedness contracted, and the project to be financed.

Laws modified

The President may, when necessary, agree to modify the application of any law granting preferences or imposing restrictions on international competitive bidding, including, among others Act No. 4230, Commonwealth Act No. 138, Commonwealth Act No. 541, insofar as such provisions do not pertain to constructions for national defense purposes, Republic Act No. 912, and Republic Act No. 5183⁴⁹ provided:

1. That any privilege granted to any foreign bidder shall likewise be granted to the domestic bidder in order to put them on equal terms with foreign bidders.

2. Where international competitive bidding shall be conducted, preference shall be granted in favor of Philippine articles, materials, equipment, supplies or manufacture, when offered by bidders who are citizens of the Philippines or corporations, or firms duly organized and registered in the Philippines at least 60% of the capital of which is owned and held by citizens of the Philippines.⁵⁰

III. COMMERCE AND TRADE

PRICE CONTROL LAW (Republic Act No. 6124, approved on April 12, 1970)

Policy of the law; articles or commodities covered

While this law is probably another item for the archives, having expired on June 30, 1971, it may be significant in the sense that it was the first price control law enacted to prevent monopoly, hoarding, injurious speculation, manipulation, and profiteering with respect to the supply, distribution, and marketing of certain articles or commodities, and that it allowed the price control council to fix the maximum prices, and also because the new price

⁴⁹ This is a new section inserted in the law which is known as section 4-a. "Whenever necessary" is a broad standard and can mean and include a lot of things.

⁵⁰ *Ibid.*

control law (approved on July 27, 1971) is virtually a copy of the 1970 price control law having enacted practically all its provisions, including its mistakes.

The articles or commodities covered are as follows: (The ones in italics are the latest and newest additions under the 1971 Price Control Law)⁵¹

1. Medicines, drugs, surgical, *optical and dental* supplies;
2. *Essential* food and foodstuffs including milk, soft drinks, and other beverages
3. *Animal and poultry feeds and veterinary supplies.* (NEW PROVISION)
4. Clothes, clothing, and sewing and weaving materials and supplies;
5. Fuels, lubricants, *crude oil, and petroleum products, without prejudice to any action which the Oil Industry Commission may take under the provisions of Republic Act No. 6173;*
6. Construction materials;
7. Educational and office supplies and equipment;
8. Fertilizers, insecticides, pesticides, and other agricultural inputs;
9. *Motor vehicles and spare parts, tires, batteries, engines and other machinery* (NEW PROVISION)
10. *Household utensils, appliances, and other household necessities.* (NEW PROVISION)
11. *Footwear, including all components.* (NEW PROVISION)

Under Republic Act No. 6173,⁵² the functions of the Price Control Council (PCC) over fuels and lubricants have been transferred to the newly-created Oil Industry Commission which has supervision and jurisdiction over "the act and business of importing, exporting, re-exporting, shipping, transporting, processing, refining, storing, distributing, marketing, and selling crude oil, gasoline, kerosene, gas and other refined petroleum products, as well as the operations and activities of natural and juridical persons, firms and entities engaged in the petroleum industry." This is so because petroleum and its products are regarded as vital to national security, and their continued supply at reasonable prices is deemed essential to the general welfare.⁵³

The Price Control Council

The council is composed of the Secretary of Commerce and Industry, the Secretary of Agriculture and Natural Resources, the Secretary of Health, the Chairman of the National Economic Council, and a representative of

⁵¹ As of the time of writing, the number of the Republic Act as well as copies of the law were still unavailable.

⁵² Oil Industry Commission Law.

⁵³ See the declaration of policy and purposes, sec. 2, Rep. Act No. 6173.

the consumers^{53a} who receives a *per diem* of ₱50.00 for every meeting attended not to exceed ₱1,000 per month, and who is appointed by the President with the consent of the Commission on Appointments. The council elects the chairman from among themselves. The Bureau of Commerce provides staff support to the council.

Despite the transfer of jurisdiction by law over fuels and lubricants to the Oil Industry Commission on April 30, 1971,⁵⁴ the Price Control Council took cognizance of a petition for a new increase filed by the gasoline companies. This led to an interesting incident on June 30, 1971 when the Price Control Law, and consequently the Price Control Council was supposed to have bowed out of existence. The PCC, at a loss at the time because it had not heard both sides, did the wise thing by refraining from deciding on the petition and forwarding all the records, papers, and studies in its possession to the Oil Industry Commission. If it made a ruling on the matter, it was believed that its ruling would be good only up to midnight of June 30. One minute after midnight, the oil companies announced a 10% increase in both premium and regular gasoline as well as other petroleum products. There was a public outrage over the oil price hike, as well as over the rise in the prices of prime commodities ranging from 5 to 23% of the existing prices then. Twelve hours later, the President announced in Cebu that he had named the chairman and three members of the Oil Industry Commission, something which he should have done much earlier. It was a good thing that the Supreme Court ordered a rollback of oil prices at the level set by the PCC on January 28, 1971 on the ground that there was "a *prima facie* showing that the Oil Industry Commission, by virtue of its creation under Republic Act No. 6173, has substituted and taken over the functions of the Price Control Council with regard to the regulation of the prices of oil products." As Justice Barredo observed in the hearing, "the law abhors a state of hiatus or vacuum."

Articles or commodities in short supply

Whenever any of the articles or commodities which are regulated by the PCC is in short supply, the Council, after notice and hearing, shall certify to the needs of local producers or manufacturers and recommend to the Monetary Board that the Central Bank make available the necessary foreign exchange to import adequate raw materials and supplies to produce or manufacture the article or commodity in the quantity required to cover the shortage.⁵⁵

^{53a} The number of representatives of the consumers has been increased from one to three under the 1971 Price Control Law.

⁵⁴ The date of approval of the Oil Industry Commission Law which is also its date of effectivity.

⁵⁵ Rep. Act No. 6142, sec. 4(a).

If the article or commodity is not locally produced or manufactured, or if the local producers or manufacturers cannot fully cover the shortage in supply, the Council shall recommend to the Monetary Board that the Central Bank make available to the importers the necessary foreign exchange to import the article or commodity in the quantity required to cover the shortage.⁵⁶

If these measures still fail, the Council, after notice and hearing, may recommend, and the President may authorize any agency of the government, including any government-owned or controlled corporation, except government financing institutions, to import directly the article or commodity in short supply for distribution in the local market through channels.

Fixing the maximum price

Whenever the PCC deems that the prevailing price should be reduced because it has risen due to monopoly, hoarding, injurious speculation, manipulation and profiteering or whenever the market price has risen by 20% or more over its price on March 1, 1969, the Council, after notice and hearing, shall establish or order such maximum price as shall be fair, just and reasonable, subject to the following condition: That the maximum price shall not exceed the production cost plus a mark-up of 10% to the manufacturer or producer, 5% to the wholesaler and 10% to the retailer if the articles or commodities are locally manufactured, or the landed cost plus a mark-up of 5% to the wholesaler, and 10% to the retailer, if the articles or commodities are imported.⁵⁷

Some comments

One wonders how effective really is the law creating the Price Control Council. Does it really serve its avowed purpose and live up to its beautiful declaration of policy? In all honesty, it seems that the price control law (Republic Act No. 6124) is a "political measure"⁵⁸ designed to please the voters. Immediately, one is attracted by its declaration to prevent monopoly, hoarding, manipulation, etc. One is made to believe that there is already an effective and immediate cure for an all-consuming evil, only to find that the law is beautiful in its declaration but lacking in its implementation. During the 15 months in which it was in force, Republic Act No. 6124 did not achieve its basic objective of reduced prices. It was observed that it hardly made any significant dent on the price spiral, or if it did, the dent was hardly felt by the suffering public. The example of evaporated milk is often cited. Its price was controlled only at the supermarket level and only

⁵⁶ Rep. Act No. 6124, sec. 4(b).

⁵⁷ Rep. Act No. 6124, sec. 3.

⁵⁸ Francis, *Price Control Law is a "political measure"*, 20 INDUSTRIAL PHIL. 31 (1970); see also Yench, *Price Control Law reflects poor quality of economic knowledge yet effective steps exist*, 1 REPUBLIC 33 (1970).

in Greater Manila. The bulk of the consumers, mostly poor, whose interest the law was supposed to protect, were left unprotected because the PCC order never covered the small or sari-sari stores. In the case of cement the price control law did more harm than good, because when the PCC set the price of cement at ₱4.30 per 94-pound bag on October 20, 1970, cement was then selling only at about ₱3.00 per bag, and what made matters worse was that the law allowed the manufacturer a profit of 1% at controlled prices, and so the cement industry was able to get away with it all. Economists even believe that the price control law may force some industries affected to close because of the provisions limiting them to make not more than 10% profit.⁵⁹

It is believed that the Price Control Law is a piece-meal approach to the critical problem of high prices. It will not solve this problem as long as we do not solve other critical problems of the country with which it is basically linked, particularly unemployment and scarce foreign exchange. These problems require a more comprehensive approach than the Price Control Law.

IV. CRIMINAL LAW

REPUBLIC ACT No. 6127 (Approved on June 17, 1970)

This law amends article 29 of the Revised Penal Code which gives only 1/2 of the period of preventive imprisonment so as to give full time credit under certain conditions.

SECTION 1. Article 29 of the Revised Penal Code is hereby amended to read as follows:

"ART. 29. *Period of preventive imprisonment deducted from term of imprisonment.*—Offenders who have undergone preventive imprisonment shall be credited in the service of their sentence consisting of deprivation of liberty, with the full time during which they have undergone preventive imprisonment, if the detention prisoner agrees voluntarily in writing to abide by the same disciplinary rules imposed upon convicted prisoners, except in the following cases:

1. When they are recidivists, or have been convicted previously twice or more times of any crime; and
2. When upon being summoned for the execution of their sentence they have failed to surrender voluntarily;

"If the detention prisoner does not agree to abide by the same disciplinary rules imposed upon convicted prisoners, he shall be credited in the service of his sentence with four-fifths of the time during which he has undergone preventive imprisonment."

It is to be noted that Republic Act No. 6127 removes the third exception under Article 19 of the Revised Penal Code which reads as follows: "When they have been convicted of robbery, theft, estafa, malversation of

⁵⁹ *Id.*

public funds, vagrancy or prostitution." It is believed, therefore, that even when the offender is convicted of any of the above-mentioned crimes, he shall nevertheless be given the full time credit if he agrees voluntarily in writing to abide by the same disciplinary rules imposed upon convicted prisoners.

V. EDUCATION

THE LAW REGULATING TUITION OF PRIVATE EDUCATIONAL INSTITUTIONS (Republic Act No. 6139 approved on August 31, 1970)

Realizing that many of the causes of demonstrations against private schools have been due to exorbitant and unreasonable fees, the law has expressly given the Secretary of Education the authority to regulate tuition and other school fees that each private school, college, university or any other private educational institution, including nurseries and kindergarten schools, may impose.

Procedure for raising tuition and other fees

An elaborate procedure is provided for raising tuition and other fees:

(a) At least 180 days before the school year, semester, or term in which the increase is to be effective, the private educational institution shall serve written notice thereof to the student council or in case of schools or courses below the college or university level, on the Association of Parents, or in default thereof, the Parents-Teachers Association of the school concerned.

Likewise, notice of such proposal shall be sent by personal delivery or registered mail to the Director of Private Schools, copy furnished the Regional Superintendent of the Bureau of Private Schools. Appropriate circulars containing the proposal shall be posted by the school administration in at least two conspicuous places within the premises of the school concerned.

The notice of the proposal to increase shall, among other things, state the following: (1) the current fees or charges and the amount of increase, (2) the reason or reasons for the proposed increase, (3) the semester, term or school year in which the increase is proposed to take effect, and (4) a statement that if no opposition is filed until the thirtieth day from the posting of the notice, the increase shall become effective under this Act.

(b) If after such notice is made, a formal opposition against such increase is presented to the school administration within thirty days after receipt of said notice by at least a majority of the student governing body or at least twenty per cent of the parents, in case of schools below college or university level, then the Local School Council on fees herein created shall be convened to act on the controversy. Copy of said opposition shall be served on the Director of Private Schools who shall immediately, upon receipt, transmit said opposition to the corresponding Regional Superintendent of Private Schools and direct that the Local School Council on

fees be immediately organized and convened by said Regional Superintendent.

If no opposition is filed within the period above provided, the increase shall be deemed authorized.⁶⁰

Local school council on fees

This board is charged with the function of exerting all efforts to negotiate, conciliate, and settle the increase of tuition and other fees to the satisfaction of interested parties. It is composed of representatives (1) from the school administration to be chosen by the school concerned; (2) two from the student body to be chosen by the student council, or from the PTA; (3) one from the Faculty Club or association; and (4) the Director of Private Schools or his authorized representative in the area who will act as chairman.

Under section 3(c) of the law, "unless required by extraordinary circumstances or events, no school, college or university shall increase annual tuition fees by more than 15% of the fees collected in the preceding school year".

While sitting as a Board, the Local School Council on Fees has the power to issue *subpoenas and subpoenas duces tecum*. Its decision is by majority vote and must be at least 100 days before the opening of the school year, semester or term in which the proposed increase is to be effected. Any party adversely affected may appeal within 15 days from receipt of the decision to the Secretary of Education, who shall, after notice, act upon said appeal within 60 days before the close of the school year preceding that to which it shall apply. An appeal stays the execution of the decision of the Local School Council on Fees. If no appeal is made, the decision shall be final and binding from the expiration of said period.

*Extraordinary causes*⁶¹

The periods provided by law are shortened in cases of extraordinary causes, such as fluctuations in currency, strikes, and other unforeseeable occurrences. The 180-day period is shortened to 90 days; the 30-day period to 15 days; the 100-day period to 60 days. The law even expedites cases on appeal and provides that the decision of the Secretary of Education shall be promulgated at the earliest possible time so as to give all interested parties an opportunity to adjust to the exigencies of the situation.

Conflicts in implementation

There have been conflicts in the implementation of Republic Act No. 6139. Letters of protests from parents and students have been pouring on the

⁶⁰ Rep. Act No. 6139, sec. 3(b), par. 2.

⁶¹ Sec. 7.

desk of the Director of Private Schools in connection with the 206 petitions for tuition fee increases in private schools all over the country which have been "deemed authorized". Initially, only 56 schools had complied with the requirements of Republic Act No. 6139. But because of the provision of section 7 relaxing the period from 180 days to 90 days under "extraordinary circumstances" about 156 schools more were able to raise their fees this school year. This "extraordinary circumstances", clause under section 3-c was also utilized by four medical colleges as a means to increase, through their local councils their tuition fees by as much as 60% well beyond the 15% limit provided for in Republic Act No. 6139. The Education Secretary created an appeal committee to be composed of 3 officials from the Bureau of Private Schools and 2 from the Department of Education to settle these various conflicts.

It is believed that the law is defective. Much conflict could have been avoided if our lawmakers laid down in categorial terms what is meant by "extraordinary circumstances." Nowhere in the law is this defined. As a result, politicians have interceded for the inclusion of the petitions originally found to be defective on the ground of "extraordinary circumstances." This defeats the very purpose of the law. This loophole in Republic Act No. 6139 should be plugged right away if only to show that our policymakers have always been sincere when they declared that the policy of the law is really to discourage exorbitant and unreasonable fees, and not to abet it.

Decrease in tuition ⁶²

Although this is unlikely to be availed of by private schools during these difficult times, decrease in tuition or other fees is effected simply by mere notice to interested parties unless an opposition is made by the Director of Private Schools in which case, he shall decide the matter, after giving the interested parties an opportunity to be heard and to present evidence, within 30 days before the effectivity of the school year, term or semester in which the decrease is to take effect.

Trust fund ⁶³

All fees, except tuition, shall be constituted into a trust fund. The unexpected balance of each fee annually may be used to cover deficits in other fees. Every 5 years, the unexpended balance shall be constituted into a scholarship fund for poor but deserving students. This fund shall be administered jointly by the school administration, faculty and student government.

⁶² Sec. 5.

⁶³ Sec. 9.

VI. HOUSING

LAW REGULATING RENTALS (Republic Act No. 6126 approved on June 17, 1970)

This law was another short-lived remedial measure which expired last June 17, 1971, but since the need for it is still felt by our people, it was subsequently reenacted. It was promulgated to help stabilize prices which went wild last year and which have been going out of control. The law provided that "no lessor of a dwelling unit or of land on which another's dwelling is located shall, during the period of one year, increase the monthly rental agreed upon between the lessor and the lessee x x x when said rental does not exceed three hundred pesos (P300.00) a month.⁶⁴ "It also provided that for a period of one year from June 17, 1970, no lessor may demand a deposit of any amount in excess of two months rental in advance."⁶⁵

Rentals shall mean the amount paid for the use of dwelling units or of land on which another's dwelling is located whether payment is made on a fifteen day, monthly or other basis. A *dwelling unit* refers to a house and lot used for residential purposes and shall include not only buildings, parts or units thereof used solely as dwelling places, except motels, hotels or hotel rooms; but also those used for home industries or retail stores if the owner thereof and his family actually live therein and the capital does not exceed P5,000.00.⁶⁶ *Land* refers to the lot leased by one who owns the dwelling thereof. *Lessees* shall mean the persons and/or their families renting the dwelling place, as well as sublessees. *Lessors* shall include the owners of the dwelling place and/or the residential site or the administrator or agent of such owners, as well as sublessors.

Suspension of Article 1673 of the Civil Code

The provisions of paragraph 1 of Article 1673 of the Civil Code insofar as they refer to dwelling units or land on which another's dwelling is located shall be suspended for the period of one year from June 17, 1970;⁶⁷ but other provisions of both the Civil Code and the Rules of Court on lease contracts, not inconsistent with the provisions of Republic Act No. 6126, shall apply.

VII. LABOR AND SOCIAL WELFARE

MINIMUM WAGE LAW (Republic Act No. 6129 approved on June 19, 1970)

⁶⁴ Rep. Act No. 6126, sec. 1.

⁶⁵ Rep. Act No. 6126, sec. 3. Under the 1971 Rental Law the period is two years from the date of the approval of the act.

⁶⁶ Sec. 2.

⁶⁷ Article 1673 relates to ejectment of the lessee by the lessor. The 1971 Rental Law provides a period of two years when said article shall be suspended. An exception to the suspension, however, is when the lease is for a definite period.

Because of the dipping of the value of the peso from ₱3.90 to the dollar last February, 1970 to yesterday's ₱6.43 to the dollar, the buying public had to shoulder the increased burden. The employees were the ones who felt cheated most because they woke up one morning and found out that their take home pay could buy only one half what they used to buy. Congress had no alternative but to raise the minimum wage. However, there is this dilemma: the Minimum Wage Law has aggravated the problem of unemployment because industries that could not afford such an increase especially those situated in non-metropolitan areas began laying off their workers.

The Law

"SEC. 3. *Minimum Wage.*—(a) Every employer shall pay to each of his employees who is employed by an enterprise other than in agriculture minimum wages of not less than eight pesos a day: *Provided, That* in retail or service enterprises that regularly employ not more than five employees the minimum wage shall not be less than six pesos a day from the date of approval of this amendatory Act: *Provided, further, That* the minimum wage rates prescribed in this and the next succeeding subsection shall be basic, cash wages, without deducting from the said minimum wages for industrial and agricultural workers prescribed in this Act whatever benefits or allowances which the workers now enjoy aside from their basic pay, subject to the pertinent provisions of this Act: *And, Provided, finally, That* nothing herein shall justify an employer from violating any existing minimum wage order which grants benefits more liberal than those established under this Act.

"(b) Every employer who operates a farm enterprise shall pay to each of his employees, who is engaged in agriculture, minimum wages of not less than four pesos and seventy-five centavos a day.

"(c) Effective on the first day of July, nineteen hundred seventy the minimum wage rate of employees in the government service shall be as follows: for national government and all government owned and/or controlled corporations laborers and workers the same rates as provided in paragraph (a) hereof; and for provinces, municipalities, and cities the minimum wage shall be fixed by the respective provinces, municipalities, and cities as their finances may permit, provided the same shall not be less than five pesos or the minimum wages being paid at the time of the approval of this amendatory Act, whichever be higher.

"(d) This Act shall not apply to farm tenancy, household service, and persons working in their respective houses in needle-work or in any cottage industry registered under the provisions of Republic Act Numbered Three thousand four hundred seventy."

Wage studies, industry wage agreements

A Wage Commission in the Department of Labor was created to conduct a continuing study of wage rates all over the country for the purpose of ascertaining whether at least 10% of the employees in a given industry are receiving wages which, although complying with the minimum provided

in the Law, are less than sufficient to maintain them in health, efficiency and general well-being taking into account the peculiar circumstances of the industry and geographical location, among others.⁶⁸ The Commission is authorized to recommend to the industry concerned the fixing of a minimum wage for such industry through voluntary collective bargaining agreements between representatives of the employers and the employees. But these employers and employees and their representatives can, on their own initiative and even without the recommendation of the Commission, enter into collective bargaining agreements for the purpose of fixing the minimum wage. Any wage agreement arrived at shall be submitted to the Wage Commission which shall issue a wage order within 15 days from the date of submission of the wage agreement and which wage order shall have the force of law. However, if the representatives of employers and employees fail to arrive at a wage agreement within 45 days after the date of recommendation by the Commission, or if a substantial majority of the parties express their preference for the Commission to fix the appropriate minimum wages, the Commission shall fix the same after notice and hearing within 60 days from the date it assumes authority, and it shall among other relevant factors,⁶⁹ consider the following:

- “(1) The cost of living;
- “(2) The wages established for work of like or comparable character by collective agreements or wage orders;
- “(3) The wages paid for work of like or comparable character by employers who voluntarily maintain reasonable standards;
- “(4) Fair return of the capital invested; and
- “(5) The size, location, and fertility of the agricultural farms.

A wage order takes effect 15 days after publication in two newspapers of general circulation.

The Commission is prohibited from disturbing, on its own initiative an existing wage order within two years from the date of its effectivity.⁷⁰ Within such period, however, the Commission may decide to incorporate in a wage order new wage rates arrived at in a subsequent industry wage agreement resulting from voluntary negotiations or collective bargaining.

Appeal from wage order

Any party aggrieved by a wage order may appeal to the Court of Appeals within 15 days from the last publication of the wage order. If the appellant is an employee, wage earner, farmer, or laborer, he shall be exempted from filing an appeal bond and docketing fee and he is allowed to file typewritten pleadings. The appeal shall not stay the wage order

⁶⁸ Sec. 2 of Rep. Act No. 6129 amending sections 4-8 of Rep. Act No. 680.

⁶⁹ Sec. 5(c) of Rep. Act No. 680 as amended by Rep. Act No. 6129, sec. 2.

⁷⁰ Sec. 5(g) as amended by Rep. Act No. 6129, sec. 2.

unless specifically ordered by the appellate court. No appeal shall stay the wage order and no injunction may be issued to restrain any proceeding before the Wage Commission or to render ineffective a wage order except upon the filing of a bond to answer for the payment to the employees affected by the wage order of the difference between the amount under the order and the compensation actually received by them while such stay was in effect.

Composition of the Wage Commission; tenure of office

The Wage Commission is composed of five members, three representing the public from whom shall be appointed the Chairman, and who must be neither employees nor employers, nor in any manner connected with or have any pecuniary interest in any private business or industrial enterprise. The Chairman and members are appointed by the President with the consent of the Commission on Appointments. The Chairman shall have the qualifications of a judge of the Court of First Instance, and the other members shall be members of the bar for at least 5 years or holders of a bachelor's degree in public or business administration, economics or political science, who have qualified in a competitive examination required for first grade civil service eligibles. None of the members may hold any other public office. The Chairman shall receive the annual salary of ₱23,000 and the members ₱22,000. Their term of office is six years, provided that of the first three members representing the public, the Chairman shall hold office for six years, the other one for two years and the other one for four years, but their successors shall be appointed for a full term of six years from the date of such expiration.

Three members of the Commission shall constitute a *quorum* and its decisions and recommendations shall require the affirmative vote of not less than three members.

Powers and Duties of the Commission

They are briefly summarized as follows:

1. To call upon the assistance of any national, provincial, or local government agency; summon witnesses to secure additional information to aid it in its deliberations.
2. To disseminate information as a continuing activity essential to the effective administration of the law including information on wage practices, cost of living, etc.
3. To hold public hearings in the region in which minimum wage is to be fixed. Any member of the Commission may receive testimony or deposition or other evidence but his findings shall be subject to ratification by the Commission.
4. To administer oaths, take depositions, issue *subpoenas and subpoenas duces tecum*.

5. To promulgate rules and regulations to implement the Minimum Wage Law; adopt its own rules of procedure consonant with due process. These rules shall take effect 10 days after publication in 2 newspapers of general national circulation.
6. To submit an annual report to the Senate and the House of Representatives which shall include, among others, the results of the wage studies and the wage orders it has issued.

Jurisdiction of the CIR and the CFI

The CIR shall have jurisdiction over claims for payment of minimum wages where there still exists between the parties an employer-employee relationship or where the claimant seeks reinstatement.⁷¹ In the absence of these circumstances, such claim shall come under the jurisdiction of the regular courts.

The fixing of the minimum wages on an industry-wide basis above those fixed by the MWL shall be within the jurisdiction of the Wage Commission.⁷² In particular firms or enterprises, however, the fixing of these wages shall fall under the jurisdiction of the Court of Industrial Relations.

Comments

How effective is this law in helping our poor laborers cope with the rising prices? It is believed that the Minimum Wage Law suffers from certain basic defects. One, if and when the minimum wage is given it is given too late or long after the prices have risen and have become intolerable, or when the proverbial horse is already dead or dying. Another defect is that the amount of the minimum wage is too small and that the relief that it is supposed to provide can hardly be felt. The amount should be more substantial. Again, much more is desired from its implementation. It may well be asked: What good is the minimum wage in certain establishments if it is good only on paper and is not actually paid to our laborers? The law and its good purposes are defeated, and the law itself becomes useless as an instrument for social amelioration.

VIII. MUNICIPAL CORPORATIONS

SETTLEMENT OF MUNICIPAL OR BARRIO BOUNDARY DISPUTES (Republic Act No. 6128 approved on June 17, 1970)

SECTION 1. Section Two thousand one hundred sixty-seven of the Revised Administrative Code, as amended, is hereby further amended to read as follows:

"SEC. 2167. *Municipal Boundary Disputes.*—Disputes as to jurisdiction of municipal governments over places, or barrios shall be heard and

⁷¹Sec. 16(b) of Rep. Act No. 680 as amended by Rep. Act No. 6129, sec. 3.

⁷²*Id.* at paragraph 2.

decided by the Court of First Instance of the Province where the municipalities concerned are situated. When the places or barrios in dispute are claimed by municipalities situated in different provinces, the Court of First Instance of the province first taking cognizance of the dispute shall be deemed to have acquired exclusive jurisdiction thereof: *Provided*, That after joinder of issues, the Court shall suspend proceedings and shall refer the dispute to the Provincial Board or Boards concerned for the purpose of affording the parties an opportunity to reach an amicable settlement with the intervention and assistance of the said Provincial Board or Boards: *Provided, further*, That in case no amicable settlement is reached within sixty days from the date the dispute was referred to the Provincial Board or Boards concerned, the court proceedings shall be resumed. The case shall be decided by the said Court of First Instance within one year from resumption of the court proceedings, and appeal may be taken from the said decision within the time and in the manner prescribed in Rule 41 or Rule 42, as the case may be, of the Rules of Court.⁷⁸

The Revised Barrio Charter (Republic Act No. 3590) is amended to read as follows:

Boundary disputes between barrios within the same municipality shall be heard and decided by the Court of First Instance of the province where they are situated: *Provided*, That after joinder of issues, the Court shall suspend proceedings and shall refer the dispute to the city or municipal council concerned for the purpose of affording the parties an opportunity to reach an amicable settlement with the intervention and assistance of the said city or municipal council: *Provided, further*, That in case no amicable settlement is reached within sixty days from the date the dispute was referred to the City or Municipal Council concerned, the court proceedings shall be resumed. The case shall be decided by the said Court of First Instance within one year from resumption of the Court proceedings, and appeal may be taken from the said decision within the time and in the manner prescribed in Rule 41 or Rule 42, as the case may be, of the Rules of Court."

IX. PEACE AND ORDER

PEACE AND ORDER SPECIAL ACCOUNT IN THE GENERAL FUND (Republic Act No. 6141 approved on Nov. 4, 1970)

This account is created to finance the activities, functions and program of the Police Commission and certain police activities of the NBI. It shall be constituted out of all the revenues collected from the following sources:

(a) percentage tax on stock transactions—2% of the gross selling price of the share or shares of stock sold, or of the gross value in money

⁷⁸ For purposes of this section, a City may be regarded as a Province or Municipality, as the case may be.

of the share or shares of stock, exchanged or transferred, which shall be paid by the seller or transferor.⁷⁴

(b) additional tax on travel—three hundred pesos (P300.00) for first class passage fares; two hundred pesos (P200.00) for all others to be collected from citizens of the Philippines or permanent resident aliens.⁷⁶

I. PERCENTAGE TAX ON STOCK TRANSACTIONS

A. Exemptions⁷⁶

"The tax herein imposed shall not apply to:

"(1) The issuance by a corporation of shares of stock, whether original or additional issues;

"(2) The donation of any share or shares of stock made to any educational or charitable corporation, institution, foundation, trust or philanthropic organization or research institution or organization x x x

"(3) The exchange of any share or shares of stock effected pursuant to the plan for merger or consolidation x x x

"(4) The transfer of shares of stock by testate or intestate succession; and

"(5) The sale, exchange or transfer of shares acquired before the effectivity of this Act, x x x

"For a period of five years from the effectivity of this Act, any capital gain arising from a stock transaction on which the tax herein imposed has been paid shall not be taken into account in computing net capital gain or loss under Section thirty-four of the National Internal Revenue Code if (1) both the acquisition and the disposition of said stock by the taxpayer are effected after the effectivity of this Act and (2) the sale, exchange, and transfer is *bona fide* and the consideration for the transaction represents the substantial fair market value of the stock: *Provided*, That, in case of gain not arising from, but realized out of the said stock transaction, the pertinent provisions of this Code shall apply. However, any capital loss arising from such transaction shall be taken into account in computing net capital gain in accordance with the provisions of this Code: *Provided*, That there shall be no capital loss carry-over."

B. Fair market value

"Fair market value" of shares of stock subject of any transaction in a stock exchange on any particular date will be determined by the actual

⁷⁴ This is a new section which is to be inserted in the National Internal Revenue Code to be known as section 195-B.

⁷⁵ It is believed that this is discriminatory against citizens of the Philippines. Tourists do not pay this tax. This tax is also in addition to the tax imposed under section 3 of Rep. Act No. 1478 as amended. Filipino Muslim pilgrims going to Mecca for the first time and crew members on duty aboard ships and airplanes plying international routes are, however, exempt.

⁷⁶ Rep. Act No. 6141, sec. 4.

selling price of the stock as certified by the stock exchange which handled the transaction. In the case of shares of stock not traded through a stock exchange but listed in one or more stock exchanges the highest closing price of the day on which the shares are transferred shall be the fair market value of the shares. In the absence of any sale, the highest closing price of the day nearest to that day on which the shares are transferred shall be the fair market value of the shares. In all other cases, the fair market value shall be determined by considering the nature and history of the business, book value of the stock, earning and dividend paying capacity of the company, goodwill, and sales of both the stock to be valued and that of companies similarly situated.

II. ADDITIONAL TAX ON TRAVEL

a. *Proceeds*

Out of the total proceeds from the additional tax on travel, two million pesos shall accrue annually to the funds of the Board of Travel and Tourist Industry to be spent exclusively for the development and maintenance of the Rizal Park. But not more than 10% thereof shall be used for salaries and wages. The excess shall be used for the development and maintenance of other public parks. The balance shall form part of the Account.

b. *Turnover of the collection*

SEC. 7. Turnover of the collection, release of the Account is ministerial.—The Commissioner of Tourism and the Commissioner of Internal Revenue shall turn over their collections of the taxes mentioned in the preceding sections to the Treasurer of the Philippines within ten days of every succeeding month. The Treasurer of the Philippines shall credit the collections to the Account which shall not be debited except for withdrawals pursuant to appropriations made by law for the Police Commission and the National Bureau of Investigation. The credit balance, if any, of this Account at the end of each fiscal year shall be available for appropriation for the following: (1) a grant to every barrio not to exceed six hundred pesos each annually to be spent in accordance with the Barrio Charter for the promotion and maintenance of peace and order and (2) to cover the deficiencies in the Special Education Fund provided for in Section 1(c) of Republic Act Numbered five thousand four hundred forty seven.

It shall be the ministerial duty of the Budget Commissioner to release the quarterly allotments from the appropriations of the Police Commission at least ten days before each quarter as requested by its Chairman provided that the same is covered by the corresponding estimated revenues. x x x

c. *Purposes for which the taxes will be used*

The proceeds of the above-mentioned taxes accruing to the Account for the period from November 4, 1970 to June 30, 1971 shall be used to

finance the appropriations of the Police Commission authorized under existing laws and the additional sum of ₱60 million pesos is appropriated for expenditures of the Police Commission to be used for the following purposes:⁷⁷

1. For the payment of salary subsidy to cities, municipalities and municipal districts which shall not be less than ₱2,880 *per annum* each and shall be based on the minimum number of policemen specified in the Police Act of 1966, unless the actual strength of the police force of the city or municipality on June 30, 1970 exceeded the said minimum number, in which case the subsidy shall be based on the actual strength on June 30, 1970 subject to certain conditions.

2. for the payment of hospitalization, death and disability benefits.

3. for training of local police forces, extension of scholarship training or study grants to deserving police officers and for conducting crime research.

4. for the purchase of firearms, ammunition, communications equipment, motor vehicles, investigation kits and other basic police equipments to be given as aid to local police agencies.

5. for aid to the National Bureau of Investigation in the setting up of a modern central records filing system.

d. Suit to enforce Republic Act No. 6141

Any Filipino citizen of age and not suffering from any legal disqualification shall be considered a real party in interest in civil actions or proceedings to enforce the law and any rule or regulation issued pursuant to it.⁷⁸ The suit shall not be dismissed on mere technical grounds.

X. T A X A T I O N

Republic Act No. 6125 (Export Tax Law) also called Stabilization Tax Law is discussed under the topic on Economic Development; see also Republic Act No. 6141 creating the Peace and Order Special Account in the General Fund to finance the activities of the Police Commission just discussed under the topic on Peace and Order. Two taxes are imposed under this law: (1). Percentage tax on stock transactions and (2) . Additional tax on travel.

XI. TRADES, OCCUPATIONS, AND PROFESSIONS

REPUBLIC ACT NO. 6136 (Approved on August 31, 1970)

Section 17, of the Philippine Nursing Law (Republic Act No. 877) is amended to read as follows:

⁷⁷ Rep. Act No. 6141, sec 8.

⁷⁸ Sec. 11.

(7) The application and execution of legal orders in writing of physicians concerning treatments and medication, including the application of hypodermic and intra-muscular injections: *Provided*, That intravenous and other injections may be administered under the direction and in the presence of a physician: *Provided, further*, That the previous order in writing of a physician shall not be necessary if the application and execution of such order is made in the presence of said physician.

This section shall not apply to students in schools and colleges of nursing who perform nursing services under supervision of their instructors and professors of nursing and to exchange professors of nursing.

REPUBLIC ACT No. 6138 (Approved on August 31, 1970)

Sections 16, 21 and 22 of the Philippine Medical Technology Act of 1969 (Republic Act No. 5527) are amended to read as follows:

"SEC. 15. *Qualification for Examination.* — Every applicant for examination under this Act, shall, prior to the date thereof, furnish the Board satisfactory proof that he or she:

"(a) Is in good health and is of good moral character;

"(b) Has completed a course of at least four years leading to the degree of Bachelor of Science in Medical Technology or Bachelor of Science in Hygiene conferred by a recognized school, college or university in accordance with this Act or having graduated from some other paramedical profession has been actually performing medical technology for the last five years prior to the date of the examination, if such performance began prior to the enactment of this Act."

"SEC. 21. *Issuance of Certificate of Registration.* — Every applicant who has satisfactorily passed the required examination, shall be issued a certificate of registration as Medical Technologist: *Provided*, That no such certificate shall be issued to any successful applicant who has not attained the age of twenty-one years. All certificates shall be signed by all the members of the Board and attested by its Secretary. The duly registered medical technologists shall be required to display his certificate of registration in the place where he works. Upon application filed after the approval of this Act not later than ninety days after the Board shall have been fully constituted, the Board shall issue a certificate of registration without examination to persons who have been graduated with a Bachelor of Science in Hygiene and/or Bachelor of Science in Medical Technology in duly recognized schools of medical technology in the Philippines or foreign countries who have been in the practice of medical technology for at least three years prior to the filing of the application, in laboratories in the Philippines or in foreign countries duly accredited by the Bureau of Research and Laboratories, Department of Health, and also to all other persons who having graduated from other paramedical professions are already civil service eligible by authority of the other Boards of profession and who have been actually performing medical technology practice for the last five years prior to the filing of the application."

OTHER LAWS NOT DISCUSSED BUT MENTIONED BY TITLES

A. Appropriations

Republic Act No. 6130. An act appropriating funds for the operations of the Government of the Republic of the Philippines during the period from July 1, 1970 to June 30, 1971 and for other purposes. (Approved, July 29, 1970).

B. Courts and administration of justice

1. Republic Act No. 6157. An act transferring the station of one of the judges of the Court of First Instance of Laguna from the Municipality of Sta. Cruz, Province of Laguna, to the Municipality of Siniloan, same province, amending for the purpose Section 52 of the Judiciary Act of 1948⁷⁹ (Approved, November 9, 1970).

2. Republic Act No. 6159. An Act transferring the station of the judge of the Court of First Instance of Ifugao from the Municipality of Kiangang, Province of Ifugao to the Municipality of Lagawe, same province, amending for the purpose section 52 of the Judiciary Act of 1948.⁸⁰ (Approved, November 9, 1970).

C. Municipal corporations

1. Republic Act No. 6134. An act creating the City of Surigao. (Approved, August 31, 1970).

2. Republic Act No. 6137. An Act amending section 82 of Republic Act No. 5518, creating the City of Oroquieta. (Approved, August 31, 1970).

3. Republic Act No. 6128 prescribing the procedure for the settlement of municipal or barrio boundary disputes has been discussed.

D. Parks, Wildlife and Fisheries

1. Republic Act No. 6145. An act amending sections 1 and 2 of Republic Act No. 5474 (re: prohibition to catch fish called "ipon" during certain months of the year, etc. (Approved, November 9, 1970).

2. Republic Act No. 6147. An act declaring the Pithecophaga Jefferyi commonly known as monkey-eating eagle as a protected bird in the Philippines, providing for the preservation of the same and authorizing the appropriation of funds for the purposes. (Approved, November 9, 1970).

⁷⁹ Section 52 of the Judiciary Act of 1948 refers to the "Permanent stations of district judges." What is sought to be amended is the 8th Judicial District.

⁸⁰ The district sought to be amended here is the Second Judicial District.

3. Republic Act No. 6148. An act declaring Mount Iglit, Mount Baco and the adjoining areas situated in Sablayan, Occidental Mindoro and Bongabon, Oriental Mindoro as a national park, authorizing the appropriation of funds necessary for the development thereof and for other purposes. (Approved, November 9, 1970).

E. Public Officers and employees

Republic Act No. 6133. An act amending Republic Act No. 5205, entitled "An act fixing the salaries of certain positions in the Veterans Memorial Hospital." (Approved, August 31, 1970).

