

# GMA to House: Prioritize tax bills

By PAOLO ROMERO and DELON PORCALLA

President Arroyo asked leaders of Congress yesterday to pass long-pending revenue measures, saying the government needs to spend more to shore up the country's defenses against the global economic crisis as well as fund new laws like the Comprehensive Agrar-

ian Reform Program and the Salary Standardization Law.

Mrs. Arroyo made the call during an off-cycle Legislative-Executive Development Advisory Council (LEDAC) meeting at Malacañang, and as House leaders were parrying accusations

Turn to Page 5

that they were more preoccupied with re-writing the Constitution than tackling urgent measures.

"It's rather unusual that the President would call for a LEDAC during recess of Congress, but this time she did, precisely to drive home the point that as soon as Congress resumes session in July, these revenue measures ought to be given top priority," presidential adviser for political affairs Gabriel Claudio told a news briefing.

"We are hoping that Congress would be focused on these in spite of certain political issues that may hang over them," Claudio said.

"There is, in fact, a sense of priority and urgency over such revenue measures," he added.

At the LEDAC meeting, leaders of Congress and economic managers also agreed to take a second look at a bill filed by Quezon Rep. Danilo Suarez imposing certain taxes on telecommunications firms due to the precarious fiscal situation of the government.

Palace and economic officials admitted that efforts to amend the Constitution may have taken away precious time from congressmen to act on the revenue bills but expressed optimism the lawmakers would come around and face up to the task.

Finance Secretary Margarito Teves, briefing lawmakers, said the need for fresh revenues has gained urgency as collections from value-added tax have declined due to a drop in consumption. He also cited the need for bigger expenditures, particularly P120 billion for CARP next year.

He pointed out the projected deficit for the year has risen to P250 billion.

"Let's say they have four hours a day in session. If they have four hours a day for Cha-cha, maybe they also have time for other revenue measures. But because there's LEDAC, I think we'll move faster," Teves, a former congressman, said.

He said Congress is also being dissuaded from approving bills that may have negative impact on revenues such as those granting more fiscal incentives.

Among the revenue measures that need to be approved are the proposed rationalization of excise taxes on cigarettes and alcohol products that can generate anywhere from P19 billion to P21 billion annually; the Simplified Net Income Taxation System, P5 billion; and the rationalization of fiscal incentives which could raise anywhere from P5 billion to P10 billion.

"We need these badly. We can use these revenues to increase spending for social services and infrastructure to generate growth," Teves said.

"Based on our projection, every P1 of investment funded by revenues can generate something like P3 in income," he said.

In Legazpi City, Senate President Juan Ponce Enrile said he believes Mrs. Arroyo is not behind the latest Cha-cha bid and that senators are ready to block it.

"With my dealings with her for a very long time, I believe that she is not behind Cha-cha as she does not show any hint that she wants to tinker with the Constitution," Enrile said at a press conference.

Albay Gov. Joey Salceda shared Enrile's opinion.

"Knowing her, I don't think she would push for Cha-cha because this is not wise economically. Protest actions against Cha-cha are hurting the economy right now," Salceda told The STAR.

"But if the President will ask my advice what to do with the rising protests against the Cha-cha issue, I would advise her to tell her allies to stop the move," Salceda said.

Meanwhile, former House speaker Jose de Venecia Jr. called on Mrs. Arroyo to "cut and cut clean" in the con-ass controversy.

"But this requires humility and bowing before the will of the people and the will of God," De Venecia said.

"They're flaunting their power against public opinion," he said referring to congressmen who approved the resolution allowing a Senate-less constituent assembly.

### 'Rally of politicians'

Mrs. Arroyo's House allies - and one opposition congressman - said the June 10 anti-Cha-cha gathering in Makati City was more of a "rally of politicians."

Parañaque Rep. Roilo Golez, spokesman for the minority bloc, said the rally became a vehicle for political grandstanding because of the presence of personalities with political ambitions for 2010.

"That is precisely why I said politicians should be invisible in the rally. It should be a rally of the people, not a rally of politicians," the deputy minority leader said.

Presidential warnabes Senators Manuel

Roxas II and Loren Legarda were at the rally last Wednesday.

Speaker Prospero Nograles said Roxas was "trying hard" to use the occasion to campaign. The senator distributed garlic during the rally to ward off "con-asswang" or ghouls in Filipino folklore.

Manila Rep. Bienvenido Abante said politicians who joined the rally "used it for their own political agenda."

"I am really dismayed. Now the people are asking are they really for the people or their own interests. Let the people judge," he said.

"People are smarter and more aware about issues. They are tired of political gimmicks as these do not address the country's problem," Zambales Rep. Ma. Milagros Magaysay said.

"If I can be candid about it, these rallies are funded by presidentialties, the opposition and the (usual) anti-government forces," Manila Rep. Amado Bagatsing told reporters.

"We're just asking. And I will repeat it, we're just asking. We have not even made specific proposals in the Constitution. What term extension? What martial law? They are just diverting it. That's farthest from the truth!" he said.

Quezon City Mayor Feliciano "Sonny" Belmonte downplayed insinuations of a looming martial law. "Martial law is out of the question. The President cannot unilaterally declare martial law," he told newsmen.

The former congressman and one-time Speaker likewise assuaged fears of a no-election scenario. "I'm convinced that there will be elections by 2010. The con-ass, they did that just to have a justiciable issue. And I hope the Supreme Court puts it to rest."

Former Surigao del Sur Rep. Prospero Pichay, one of the spokesmen for Lakas-Kampi-CMD, said the opposition would always make use of the Charter change issue to get media mileage.

"This (Cha-cha) is the dance that never gets out of tune. Believe me, it (rally) is not about con-ass. It's all about 2010. It's nothing more than a political exercise where these presidentialties get free publicity," he said.

Another administration stalwart, Quezon Rep. Danilo Suarez, said the rally was the handiwork of people who are out to protect, not the country's welfare, but their own personal interests.

"It is an early campaign for presidentialties. It is an opportunity for them to address a huge crowd with very little expense," the chairman of the House committee on oversight said.

"With that rally, they will hit the headlines, be in the news at the expense of attacking us, that we are so bad because we want to perpetuate President Arroyo," he said.

"Our resolution on con-ass was just a vehicle for amendments. There are no actual amendments so why are they harping about term extension, GMA will run and perpetuation of power?" Suarez asked.

"There is no move like that in the resolution," Suarez reiterated. "We're only asking the Senate to join us."

"Don't the demonstrators know that one of the duties of a congressman once elected is to amend laws? They do not want us to perform our duties, that's the effect," Camiguin Rep. Pedro Romualdo said.

Romualdo, chairman of the House committee on good government and public accountability, said the Makati Business Club is against Charter change because they don't want economic reforms.

"They want to control business in the Philippines. Most likely it's the clamor for economic provisions to be opened up they do not want," Romualdo added.

"All of them, they are not looking for the interest of the country but their personal interest, their hidden interests."

Militant groups, meanwhile, said the administration's brazenness in pushing for Cha-cha showed that the country has yet to be truly independent 111 years after the end of Spanish colonization.

"Our forefathers would cringe at the kind of puppetry being displayed by the Arroyo regime. It has been one sell-out after another. There is the Visiting Forces Agreement (VFA), and now there is Charter change," Renato Reyes Jr., secretary-general of Bayan, said.

For his part, Rep. Raymond Palatino of the Kabataan party-list said youth groups will begin a signature drive against con-ass beginning Monday.

"We expect to gather one million signatures until the State of the Nation Address in July. Let this be a testament of how youth and students everywhere despise con-ass and attempts of the Arroyo administration to extend her term," Palatino said.

- With Eva Visperas, Cet Dematera, Rainier Allan Ronda