

PDP LABAN MODEL OF FEDERALISM

SEMI-PRESIDENTIAL FEDERAL SYSTEM OF
GOVERNMENT FOR THE PHILIPPINES

MARCH 2017

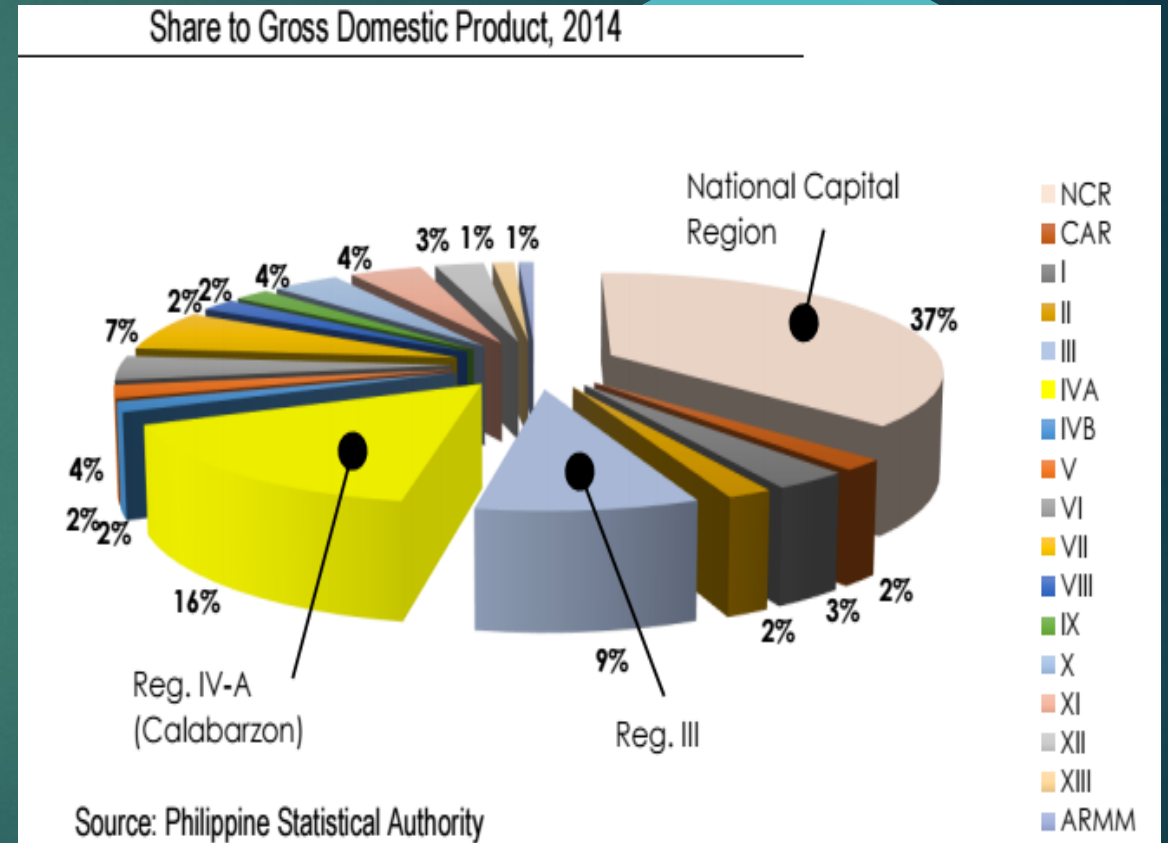


THE TWO FACES OF PHILIPPINE SOCIETY



LOPSIDED ECONOMIC DEVELOPMENT

- ▶ Metro Manila, Central Luzon, and Southern Tagalog produce 62 % of our Gross Domestic Product (GDP).



THE NEED FOR STRUCTURAL CHANGE

- ▶ PDP Laban believes in structural change.
- ▶ Since 1982, PDP Laban has proposed the Federal System of Government.
- ▶ If we do not change structures, the rich regions only become richer and the poor regions, much poorer.

FEDERALISM AS SOLUTION TO AGE-OLD PROBLEMS

- ▶ Federalism is the practical solution to age-old problems of poverty, inequality and instability
- ▶ For a diverse and multi-cultural country such as ours, Federalism provides a system where national unity is maintained while protecting the diversity of our society

OBJECTIVES OF PHILIPPINE FEDERALISM

- ▶ Activate the Regions' participation in national decision making
- ▶ Accelerate the economic development of the regions
- ▶ Achieve "Peace in Mindanao"
- ▶ Allow the preservation of the culture and language of the various ethno-linguistic groups

PDP LABAN MODEL OF FEDERALISM

▶ 2 Constitutionally established orders of government primarily accountable to its respective electorates:

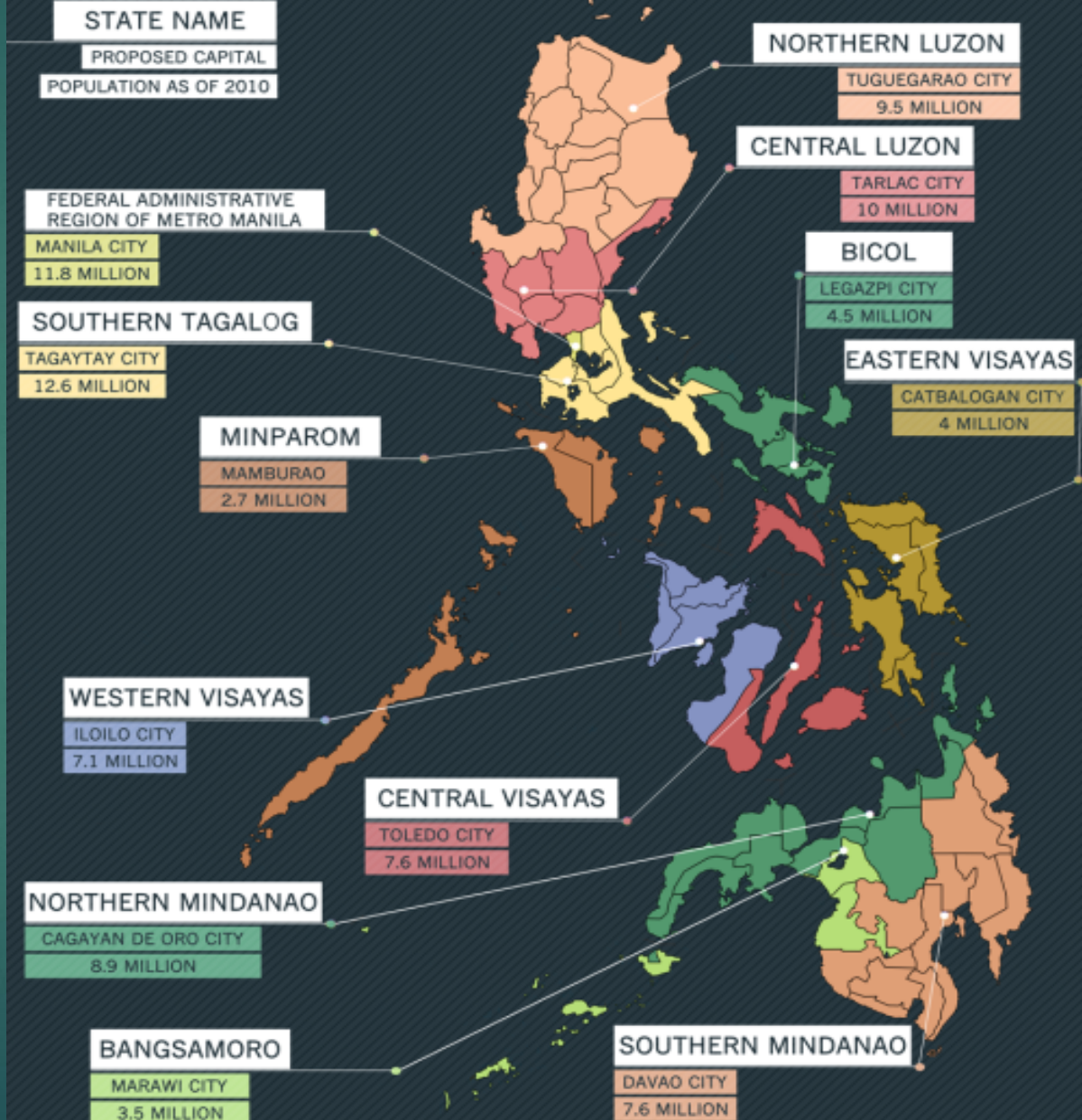
1. Federal Government
2. Regional Government (includes our current local governments)

▶ Each level of government has its particular jurisdiction

THE REGIONAL GOVERNMENTS

- ▶ Creation of more politically and economically effective administrative structure based on 11 regions with its own Regional Government

THE FEDERAL REPUBLIC OF THE PHILIPPINES

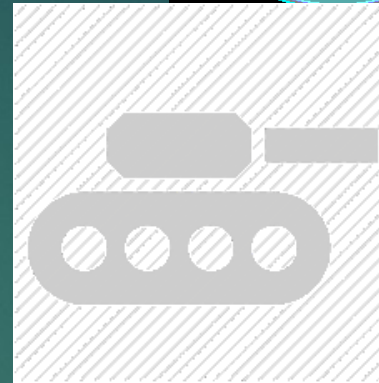


DIVISION OF POWERS

- ▶ **Federal Power** - concerns the entire nation
- ▶ **Regional Power** - basic service to the people
- ▶ **Shared Power** - basic service that is best provided under a national standard
- ▶ All residual powers are retained by the Federal Government but may be delegated to the regional governments

POWERS OF THE FEDERAL GOVERNMENT

- ▶ Defense
- ▶ National Security
- ▶ Foreign Policy
- ▶ Currency, Banking, and Monetary Policy
- ▶ Customs and national taxation
- ▶ International Trade



POWERS OF THE REGIONAL GOVERNMENT

- ▶ Responsible for the development of the region and for providing basic services to its constituents such as:

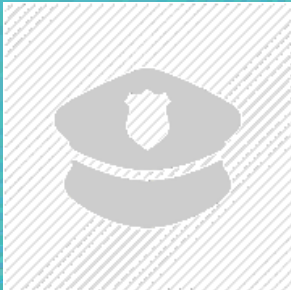
- ▶ Regional Planning, Land Use and Development
- ▶ General Supervision of Local Governments
- ▶ Housing
- ▶ Water Supply, Sanitation and Sewage
- ▶ Waste Management

- ▶ Fire Protection
- ▶ Road Traffic Management
- ▶ Irrigation
- ▶ Hospitals, Clinics and Day Care Centers
- ▶ Education Infrastructure
- ▶ And many more



CONCURRENT OR SHARED POWERS

- ▶ Law and Order, and Police
- ▶ Administration of Justice
- ▶ Education (Basic, Higher and Technical)
- ▶ Energy
- ▶ Sustainable Use and Management of Natural Resources
- ▶ Labor Relations, Benefits and Standards
- ▶ Social Security
- ▶ Health Policy and Standards
- ▶ Price Control and Product Standards
- ▶ Social Welfare and Development
- ▶ And many more



SELF RULE, SHARED RULE, SUBSIDIARITY AND SOLIDARITY

- ▶ **Principle of Subsidiarity** - addressing problems at the level of government closest to the problem
- ▶ **Principle of Solidarity** - where the welfare of each component unit (like the Region) is the business of all the other component units by making sure that the basic services rendered to the people are more or less of the same quality and standard in whatever part of the country.
- ▶ In the name of Solidarity, there shall be a program for “Fiscal Equalization”

SEMI-PRESIDENTIAL SYSTEM OF GOVERNMENT

- ▶ PDP Laban proposes a hybrid system for the Executive-Legislative Set-up
- ▶ We adopt the advantages of the parliamentary system while respecting our preference for a President at the helm
- ▶ Under this system, we will have a President and a Prime Minister

THE PRESIDENT

- ▶ Head of State
- ▶ Directly elected by the people
- ▶ Symbol of unity of the nation
- ▶ Responsible for national defense and foreign affairs
- ▶ Commander in Chief of the armed forces
- ▶ Chief Diplomat



WHY A STRONG PRESIDENT

- ▶ The President will unite the country and ensure the success of federalism
- ▶ He will deal with powerful countries like China and the US as well as to compete in a globalized economy
- ▶ He will address the many national security challenges of our country
- ▶ He will ensure no gridlock in our political system
- ▶ He will be the decisive leader in times of crisis

THE PRIME MINISTER

- ▶ Head of Government
- ▶ Elected by the House of Reps/National Assembly and formally appointed by the President
- ▶ He “runs the government” and is responsible for domestic and economic policy
- ▶ Appoints the members of the Cabinet and all other officials not within the powers of the President

THE (OPTIONAL) VICE PRESIDENT

- ▶ There is no need for the position of Vice President but the position can be retained if this is the wish of the Filipino people
- ▶ If the position of VP is retained, the following is proposed:
 - ▶ The vote for the President is also a vote for his VP
 - ▶ The VP shall have real work, as Presiding Officer of the Senate



CHANGES IN THE LEGISLATURE

- ▶ PDP Laban formula: if Unitary, then Parliamentary; if Federal, then Bicameral
- ▶ We propose a bicameral legislature with a Senate and a House of Representatives/National Assembly
- ▶ The Senate shall represent the Regions while the lower house represents the population
- ▶ The number of senators per region can be from 3 to 7



POWERS OF THE NEW SENATE

- ▶ Propose legislation, or concur in legislation from the lower House, that will have impact on the Regional Governments' powers and/or operations like tax, revenue sharing, and expenditure measures like the National Budget; administrative and organizational measures which affect the Regions; National Defense; Foreign Policy
- ▶ Concur in treaties and international agreements and share with the President the responsibility of conducting our Foreign Affairs
- ▶ Confirm appointments made by the President and by the Prime Minister which under the Constitution or the laws need confirmation
- ▶ Act as an impeachment court for impeachable officials
- ▶ Propose amendments to the Federal Constitution

PRINCIPLES OF FISCAL FEDERALISM

- ▶ The tax system shall follow widely held principles of an efficient tax system
- ▶ The taxing powers of the national and local governments will not change
- ▶ Regional Governments should get a constitutionally guaranteed allocation of budgets that allows them to fund their responsibilities
- ▶ Increased powers and resources to the Regional and Local Governments should be balanced by greater accountability
- ▶ Federalism requires credible fiscal controls
- ▶ Each level of government shall be vested within sufficient revenue powers that will enable them to perform their respective responsibilities

REVENUE REFORMS

- ▶ Increase the revenue share of the regional/local governments from 17% to 60% and decrease that of the National Government from 83% to 40%
- ▶ The Federal Government shall allocate 20% of the total public budget to the “Equalization Program” to fund:
 - ▶ Unconditional General Purpose Grants (IRA);
 - ▶ Conditional and Matching Grants tied to national priorities
- ▶ Increase local share of revenues from the national wealth from the current 40% to 50%

FEDERALISM AS THE GRAND BARGAIN

- ▶ The Package of Reforms to make Federalism succeed:
 - ▶ Make the anti-dynasty provision in the Constitution self-executing
 - ▶ Support the development of strong and cohesive political parties by penalizing political butterflies
 - ▶ Provide budget support to political parties just like in mature democracies
 - ▶ Institute a system of proportional representation
 - ▶ Lift the cap on the number of seats a political party can hold
 - ▶ Raise the qualification requirements for presidential candidates
 - ▶ Strengthen the powers of the COMELEC, CSC, COA, Ombudsman and Sandiganbayan and ensure their strong presence in every region

WE ARE STILL ONE COUNTRY UNDER FEDERALISM

- ▶ one Constitution
- ▶ one Flag
- ▶ one National Anthem
- ▶ one Foreign Policy
- ▶ one Armed Forces
- ▶ one National Police Force
- ▶ one Public Education System
- ▶ one Central Bank and Monetary System

The secession of any group of people or any Region would not be allowed and will be treated as treason.



VISION OF PHILIPPINE SOCIETY

Through Federalism, the **PDP LABAN** foresees the achievement of a Philippine society which is:

- ▶ **JUST** and **FAIR**
 - ▶ **SAVES** and **SHARES**
 - ▶ **SCIENTIFIC** and **OBJECTIVE**
 - ▶ **PEACEFUL** and **DEMOCRATIC**
 - ▶ **EDUCATED** and **HEALTHY**
 - ▶ **HAPPY** and **FREE**
- with overflowing **LOVE OF GOD AND COUNTRY.**

THANK YOU FOR YOUR ATTENTION!

