

Senate report on PCGG 'mismanagement' upheld

BY JOMAR CANLAS REPORTER

BARELY a month after it suffered a defeat in the ill-gotten wealth case against tycoon Lucio Tan, the Presidential Commission on Good Government (PCGG) is at a losing end again, this time after the Supreme Court (SC) upheld a Senate report on the commission's "mismanagement" of several government agencies.

In a full court ruling, the SC dismissed a petition assailing Senate Committee Report No. 312 over the shares of the government in the Philippine Overseas Telecommunications Corporation (POTC) and the Philippine Communications Satellite Corporation (Philcomsat) from the PCGG to the Privatization Management Office under the Department of Finance and the replacement of the PCGG government nominees as directors of POTC and Philcomsat.

The High Court agreed to a recommendation to privatize and transfer the jurisdiction over the shares of the government in the said agencies.

Sen. Miriam Defensor Santiago introduced Proposed Senate Resolution (PSR) No. 455 directing the conduct of the inquiry in aid of legislation in view of the losses incurred by POTC, Philcomsat, and Philcomsat Holdings Corp. (PHC).

The report was submitted to the Senate on June 7, 2007 by the Senate committees on government, corporations and public enterprises and on public services after finding in "overwhelming mismanagement" by the PCGG and its nominees over POTC, Philcomsat, and PHC, and that PCGG was negligent in performing its mandate

to preserve the government's interests in the said corporations."

The report was approved by the Senate that same day.

The High Court held that the Senate did not commit any grave abuse of discretion amounting to lack or excess of jurisdiction for approving the committee report.

The eight-page decision penned by Justice Estela Perlas-Bernabe noted that in the consolidated cases of *In the Matter of the Petition for Habeas Corpus of Camilo Sabio*, it had already upheld the respondent Senate committees' power of inquiry in relation to PSR No. 455.

It had ruled that the legislative power to conduct inquiries in aid of legislation must carry with it all powers necessary and proper for its

effective discharge.

Because of this, it held that the Senate cannot be said to have acted with grave abuse of discretion amounting to lack or in excess of jurisdiction when it submitted Committee Report No. 312.

According to the tribunal, the Senate has the constitutional mandate to conduct legislative inquiries and should not be faulted for approving the report on the very same day that it was submitted.

Petitioners Enrique L. Locsin and Manuel B. Andal, both directors and corporate officers of PHC as well as nominees of the government to the board of directors of both POTC and Philcomsat, argued that their right to be assisted by counsel was violated.

However, the SC pointed out that this right can only be invoked by a person under custodial investigation and not in a situation where one is merely invited to public hearings as resource persons.

Earlier this month, the Sandiganbayan ruled that the assets of Tan are not part of the ill-gotten wealth of former President Ferdinand Marcos and threw out the petition filed by the government, represented by the PCGG, to forfeit Tan's assets for lack of evidence.

The court said that the PCGG failed to show proof that Tan's vast wealth came from the government. It pointed out that the evidence presented by the PCGG were hearsay and the documents submitted were merely photocopies, not original documents as required under the Best Evidence Rule.