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Economy

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Speaker wants miners to seek Congress franchise

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THE House of Representatives will push as a priority bill a requirement for miners to seek a legislative franchise, to raise the level of scrutiny on the industry and avoiding the possibility of miners avoiding sanctions by bribing lower-level bureaucrats.



A worker pushes a cart loaded with ore inside a mine in Itogon, Benguet. -- AFP

THE House of Representatives will push as a priority bill a requirement for miners to seek a legislative franchise, to raise the level of scrutiny on the industry and avoiding the possibility of miners avoiding sanctions by bribing lower-level bureaucrats.

"As for mining, we would like to see mining companies securing a legislative franchise before they are allowed to operate," said Davao del Norte Representative Pantaleon D. Alvarez in his speech on Monday upon being elected as Speaker for the 17th Congress.

Mr. Alvarez justified the proposed change, saying legislators will have the power to revoke a mining company's franchise instead of going through "a probably bribable bureaucrat in an obscure DENR office if they violate the terms and conditions thereof."

Sought for comment, Dante R. Bravo, president of Global Ferronickel Holdings, Inc., said in a mobile message that the Speaker's proposal was "creative." Mr. Bravo added that he will be awaiting more details on the proposed system of legislative franchise.

The division head of Philex Mining Corp.'s Public and Regulatory Affairs Francis G. Ballesteros, Jr. welcomed Mr. Alvarez's proposal and touted his company's compliance with government rules.

"As it is now, the activities of responsible mining companies like Philex are already subject to enough governmental scrutiny and inquiry under current law and policy, and we have always held ourselves out to be properly transparent in this regard," Mr. Ballesteros said in a text message.

Mr. Alvarez also said he wants miners to process more of their output locally instead of simply shipping ore overseas, in order to ensure the creation of local jobs.

"This is one way to give jobs to our people, instead of enriching only the stockholders of mining companies," Mr. Alvarez added.

In his State of the Nation Address on Monday, President Rodrigo R. Duterte directed Environment Secretary Regina Paz L. Lopez to strike a balance between regulation and the ability of miners to earn a proper return: "Ayusin mo, ma'am. Wag mo namang ipitin." (Fix it, but don't squeeze the miners.)

Mr. Duterte also defended Ms. Lopez's aggressive enforcement of her mandate, saying she "is just doing her job."

After assuming her post, Ms. Lopez ordered the suspension of two mines and asked a Nickel Asia subsidiary to halt the transport to China of ore stockpiles from a non-operational mine in Samar.

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