

EXECUTIVE ORDER NO. 546
CREATING A MINISTRY OF PUBLIC WORKS AND A MINISTRY OF
TRANSPORTATION AND COMMUNICATIONS

WHEREAS, the accelerated pace of national development requires the effective, purposeful and unified implementation of public works projects and the effective control and supervision of transportation and communications facilities and services;

WHEREAS, the development, rehabilitation, improvement, construction, maintenance and repairs of ports, flood control and drainage systems, buildings, water supply systems; and other public works facilities involve the utilization of technologies and manpower different from those required for the control and supervision of transportation and communications facilities and services;

WHEREAS, a rational distribution of the functions of government pertaining to public works on one hand and control and supervision of facilities and services related to transportation and communications on the other would enhance the efficiency of government;

WHEREAS, in keeping with the policy of government to effect continuing reforms in the organizational structure to enhance efficiency and effectiveness, it is necessary to entrust in one ministry all functions pertaining to the construction, repair and maintenance of public works facilities and restructure the organization for the control and supervision of transportation and communications facilities and services in the country; and

WHEREAS, under Presidential Decree No. 1416, the President is given continuing authority to reorganize the National Government.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, and pursuant to the authority vested in me by Presidential Decree No. 1416, do hereby order and ordain:

A. MINISTRY OF PUBLIC WORKS

Sec. 1. Creation of a Ministry of Public Works. There is hereby created a Ministry of Public Works, hereinafter referred to as the Ministry, which shall assume the public works functions of the Ministry of Public Works, Transportation and Communications and such other functions as may be assigned to it by law.

Sec. 2. Authority and Responsibility. The authority and responsibility for the Ministry shall be vested in the Minister of Public Works who shall be assisted by one career Deputy Minister, unless otherwise determined by the President.

Sec. 3. Functions. The Ministry shall be responsible for the construction, maintenance and repair of portworks, harbor facilities, lighthouses, navigational aids, shore protection works, airport buildings and associated facilities, public buildings and school buildings, monuments and other

related structures, as well as undertaking harbor and river dredging works, reclamation of foreshore and swampland areas, water supply, and flood control and drainage works.

Sec. 4. Organization of the Ministry. The Ministry shall be composed of the ministry proper made up of the immediate Office of the Minister, a Planning Service, an Administrative Service, a Financial and Management Service, an Infrastructure Computer Center, a Project Management Information System Service, a Rural Infrastructure Project Office, and a Building Research and Development Staff; four (4) bureaus namely, Bureau of Buildings, Bureau of Ports, Harbors and Reclamation, Bureau of Water Supply, and Bureau of Flood Control and Drainage; and the regional offices.

The Planning Service, the Administrative Service, and the Financial and Management Service shall perform functions conforming with those provided for in appropriate provisions of Part II of the Integrated Reorganization Plan.

The Bureau of Buildings, the Bureau of Ports, Harbors and Reclamation, the Bureau of Water Supply, and the Bureau of Flood Control and Drainage shall correspondingly absorb the applicable functions of the divisions of the Bureau of Public Works which is hereby abolished pursuant to Section 19 of this Executive Order.

The Infrastructure Computer Center, the Building Research and Development Staff, and the Rural Infrastructure Project Office of the Ministry of Public Works, Transportation and Communications are reconstituted in the Ministry with the same functions.

The Ministry shall have regional offices in such places and of such number as may be authorized under Article I, Chapter III Part II of the Integrated Reorganization Plan, as amended.

Sec. 5. Relationship Between the Ministry Proper, the Bureaus, and the Regional Offices. The Office of the Minister shall have direct line supervision over the bureaus and regional offices. The ministry proper shall be responsible for developing the implementing programs for the Ministry.

The Bureaus shall be essentially staff in character and as such, shall exercise only functional supervision over the regional offices.

The regional offices shall constitute the operating arms of the ministry proper with responsibility for directly implementing the plans and programs of the Ministry in accordance with adopted policies, standards and guidelines.

B. MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

Sec. 6. Creation of a Ministry of Transportation and Communications. There is hereby created a Ministry of Transportation and Communications, hereinafter referred to as the Ministry, which shall be the primary policy, planning, programming, coordinating, implementing, regulating and administrative entity of the executive branch of the government in the promotion, development, and regulation of a dependable and coordinated network of transportation and communication

systems in pursuance of the following objectives:

- a. Promote the development of a dependable and coordinated network of transportation systems;
- b. Guide government and private investments in the development of the country's inter-modal transport and communication systems in a most practical, expeditious, and orderly fashion for maximum safety, service, and cost effectiveness;
- c. Impose appropriate measures so that technical, economic and other conditions for the continuing economic viability of the transport and communications entities are not jeopardized and do not encourage inefficiencies and distortion of traffic patronage;
- d. Provide, extend and operate by itself or through or together with other entities, private or government, local or national, telephone, telegraph, telex and other public telecommunications services throughout the country whenever economic, social and political development activities warrant the provision thereof: Provided, however, That the national economic viability of the entire network or components thereof is maintained at reasonable rates;
- e. Develop an integrated nationwide transmission system by itself or through or together with other entities in accordance with national and international telecommunications service standards to meet all telecommunications service requirements including, among others, radio and television broadcast relaying, leased channel services and data transmission;
- f. Establish, operate and maintain by itself or through or together with other entities an international switching system for incoming and outgoing international telecommunications services;
- g. Encourage the development of a domestic telecommunications industry in coordination with the concerned entities, particularly the manufacture of communications/electronics equipment and components to complement and support, as much as possible, the expansion, development, operation and maintenance of the nationwide telecommunications network; and
- h. Provide for a safe, fast, reliable and efficient postal system for the country.

Sec. 7. Authority and Responsibility. Authority and responsibility for the Ministry shall be vested in the Minister of Transportation and Communications who shall be assisted by one career Deputy Minister, unless otherwise determined by the President.

Sec. 8. Functions. The Ministry shall have the following functions:

- a. Coordinate and supervise all activities of the Ministry relative to transportation and communications;
- b. Formulate and recommend national policies and guidelines for the preparation and implementation of an integrated and comprehensive transportation and communications system

at the national, regional and local levels;

c. Establish and administer comprehensive and integrated programs for transportation and communications, and for this purpose, may call on any agency, corporation, or organization, whether government or private, whose development programs include transportation and communications as an integral part to participate and assist in the preparation and implementation of such programs;

d. Regulate, whenever necessary, activities relative to transportation and communications and prescribe and collect fees in the exercise of such power;

e. Assess, review and provide direction to transportation and communications research and development programs of the government in coordination with other institutions concerned; and

f. Perform such other functions as may be necessary to carry into effect the provisions of this Executive Order.

Sec. 9. Organization of the Ministry. The Ministry shall be composed of the ministry proper made up of immediate Office of the Minister, an Administrative Service, a Financial and Management Service and a Planning Service; four (4) bureaus, namely, Bureau of Land Transportation, Bureau of Air Transportation, Bureau of Telecommunications, and Bureau of Posts; and a National Telecommunications Commission.

The Administrative Service, Financial and Management Service, and Planning Service shall perform functions conforming with those provided for in appropriate provisions of Part II of the Integrated Reorganization Plan.

The Board of Transportation created under Article III, Chapter I, Part X of the Integrated Reorganization Plan, as amended, shall be under the administrative supervision of the Ministry and shall continue to exercise the powers and functions entrusted to it by law. The Board shall have a technical staff.

Sec. 10. Bureau of Land Transportation. The Land Transportation Commission is hereby renamed Bureau of Land Transportation and shall continue to perform its regulatory and enforcement functions, including the registration of public utility vehicles and the enforcement of the decisions of the Board of Transportation with regard to public utility vehicles.

The Director of Land Transportation shall be an ex-officio member of the Land Transportation Division of the Board of Transportation.

Sec. 11. Bureau of Air Transportation. The Civil Aeronautics Administration is hereby renamed Bureau of Air Transportation and shall continue to perform its functions relating to the promotion and development of policies, plans, programs and standards for the construction and maintenance of airports and their facilities including buildings and runways. The repair and maintenance of these facilities shall be the responsibility of the Bureau: Provided, however, That the construction of runways and the terminal buildings and related structures shall be done by the

Ministry of Public Works or Ministry of Public Highways as the case may be, at the instance of the Bureau.

The Director of Air Transportation shall be an ex-officio member of the Civil Aeronautics Board.

Sec. 12. Bureau of Posts. The Bureau of Posts shall continue to be responsible for providing a safe, fast, reliable and efficient postal service in the country.

Sec. 13. Bureau of Telecommunications. The Bureau of Telecommunications shall continue to be responsible for providing telecommunications facilities, including telephone systems for government offices; providing communications services for purposes of augmenting limited or inadequate existing similar private communication services; extending communications in areas where no such services are available; and assisting the private sector engaged in telecommunications services by providing and maintaining backbone telecommunication networks.

Sec. 14. National Telecommunications Commission. The Board of Communications created under Article III, Chapter I, Part X of the Integrated Reorganization Plan, as amended, and the Telecommunications Control Bureau created under Article IX, Chapter I, Part X of the same Plan, as amended, are integrated into a single entity to be known as the National Telecommunications Commission and hereinafter referred to as the Commission.

Sec. 15. Functions of the Commission. The Commission shall exercise the following functions:

- a. Issue Certificate of Public Convenience for the operation of communications utilities and services, radio communications systems, wire or wireless telephone or telegraph systems, radio and television broadcasting system and other similar public utilities;
- b. Establish, prescribe and regulate areas of operation of particular operators of public service communications; and determine and prescribe charges or rates pertinent to the operation of such public utility facilities and services except in cases where charges or rates are established by international bodies or associations of which the Philippines is a participating member or by bodies recognized by the Philippine Government as the proper arbiter of such charges or rates;
- c. Grant permits for the use of radio frequencies for wireless telephone and telegraph systems and radio communication systems including amateur radio stations and radio and television broadcasting systems;
- d. Sub-allocate series of frequencies of bands allocated by the International Telecommunications Union to the specific services;
- e. Establish and prescribe rules, regulations, standards, specifications in all cases related to the issued Certificate of Public Convenience and administer and enforce the same;
- f. Coordinate and cooperate with government agencies and other entities concerned with any

aspect involving communications with a view to continuously improve the communications service in the country;

g. Promulgate such rules and regulations, as public safety and interest may require, to encourage a larger and more effective use of communications, radio and television broadcasting facilities, and to maintain effective competition among private entities in these activities whenever the Commission finds it reasonably feasible;

h. Supervise and inspect the operation of radio stations and telecommunications facilities;

i. Undertake the examination and licensing of radio operators;

j. Undertake, whenever necessary, the registration of radio transmitters and transceivers; and

k. Perform such other functions as may be prescribed by law.

Sec. 16. Organization of the Commission. The Commission shall be composed of a Commissioner and two Deputy Commissioners, preferably one of whom shall be a lawyer and another an economist. The Commissioner and Deputy Commissioners shall be of unquestioned integrity, proven competence, and recognized as experts in their fields, related, as much as possible, to communications.

The Commission shall determine its organization structure and personnel subject to the approval of the Ministry and other authorities concerned.

The Commission shall be under the supervision and control of the Ministry, except that with respect to its quasi-judicial functions, its decisions shall be appealable in the same manner as the decisions of the Board of Communications had been appealed.

The Commission may have regional offices in places and of such number as may be authorized under Article I, Chapter III, Part II of the Integrated Reorganization Plan, as amended.

Sec. 17. Telecommunication Stations Operated by the Armed Forces of the Philippines. Telecommunication stations owned and operated by the Armed Forces of the Philippines shall not be subject to the provisions of this Executive Order except that all such stations shall use frequencies as may be allowed/assigned by the Commission.

Sec. 18. International Treaties, Conventions and Agreements. International treaties, conventions and agreements on telecommunications to which the Philippine Government is a signatory shall form part of this Executive Order insofar as they are applicable to the Philippines.

C. OTHER PROVISIONS

Sec. 19. Abolished/Transferred Agencies.

a. The ministry proper of the Ministry of Public Works, Transportation and Communications

composed of its services, divisions and units is abolished and its functions are correspondingly transferred to the appropriate services, divisions and units of the Ministry of Public Works and/or the Ministry of Transportation and Communications as may be necessary and appropriate.

b. The Bureau of Public Works is abolished and its functions are correspondingly transferred to the appropriate bureaus, divisions, units or regional offices of the Ministry of Public Works: Provided, That the functions of the Water Resources Division of the Bureau of Public Works pertaining to hydrologic surveys and data collections shall be absorbed by the National Water Resources Council.

c. The Bureau of Transportation created under Article VI, Chapter I, Part X of the Integrated Reorganization Plan, as amended but not implemented, is hereby abolished.

d. The Board of Communications and the Telecommunications Control Bureau are abolished and their functions are transferred to the National Telecommunications Commission.

e. The common technical staff of the Specialized Regulatory Boards created under Article III, Chapter I, Part X of the Integrated Reorganization Plan, as amended, is abolished and its functions are transferred as appropriate to the Board of Transportation and the National Telecommunications Commission.

The foregoing transfers of functions shall include applicable funds and appropriations, records, equipment, property, and such personnel as may be necessary.

Sec. 20. Attached Agencies.

(a) The following agencies are attached to the Ministry of Public Works: Communications and Electricity Development Authority, Philippine Ports Authority, Central Luzon-Cagayan Valley Authority, National Irrigation Administration, Metropolitan Waterworks and Sewerage System, Farm Systems Development Corporation, Local Water Utilities Administration, and Metropolitan Manila Flood Control and Drainage Council.

The National Water Resources Council and the Pasig River Development Council shall be under the administrative supervision of the Ministry.

(b) The following agencies are attached to the Ministry of Transportation and Communications: Philippine National Railways, Maritime Industry Authority, Philippine Aerospace Development Corporation, and Metro Manila Transit Corporation.

Sec. 21. The Minister of Public Works and the Minister of Transportation and Communications shall respectively assume as appropriate the positions of Chairman or member of all bodies and agencies previously occupied in an ex-officio capacity by the Minister of Public Works, Transportation and Communications.

In case of conflict, however, as to which Minister shall sit in any particular board or body, the

same shall be decided by the President.

Sec. 22. The Minister of Public Works and the Minister of Transportation and Communications shall promulgate the necessary implementing details to carry out the organization of their respective Ministries which shall include the internal organization of units involved and the corresponding initial staffing patterns thereof, as well as such other transitory measures that need to be taken to assure the orderly implementation of this Executive Order, subject to the approval of the Ministry of the Budget in consultation, whenever necessary with the Presidential Commission on Reorganization.

Sec. 23. Repealing Clause. All laws, decrees, charters, executive orders, administrative orders, proclamations, rules and regulations or parts thereof that are in conflict with this Executive Order are hereby repealed or modified accordingly.

Sec. 24. Effectivity. This Executive Order shall take effect immediately.

DONE in the City of Manila, this 23rd day of July, in the year of Our Lord, nineteen hundred and Seventy-Nine.