REMARKS BEFORE HOUSE OF REPRESENTATIVES WAYS AND MEANS COMMITTEE



CARLOS G. DOMINGUEZ III SECRETARY OF FINANCE, REPUBLIC OF THE PHILIPPINES MARCH 6, 2017

Benign global interest rates Prolonged period of reasonably priced oil

Strong macroeconomic fundamentals A robust fiscal position

We could easily achieve a growth rate of

and sustain that well into the medium term

The Philippine economy's "Cinderella moment"

A large number of young Filipinos are preparing to enter the work force



We need to invest in education and public health care to prepare our young for the future

We need to close the infrastructure gap



Bring down personal and income tax rates to be competitive for investments

Tra



Introduce new revenue instruments that will bring up aggregate revenue

The comprehensive tax reform package seeks to increase:

P800 BILLON

Additional revenues to fund an urgent infrastructure program, expand programs of social inclusiveness and bring down poverty rates to more civilized levels

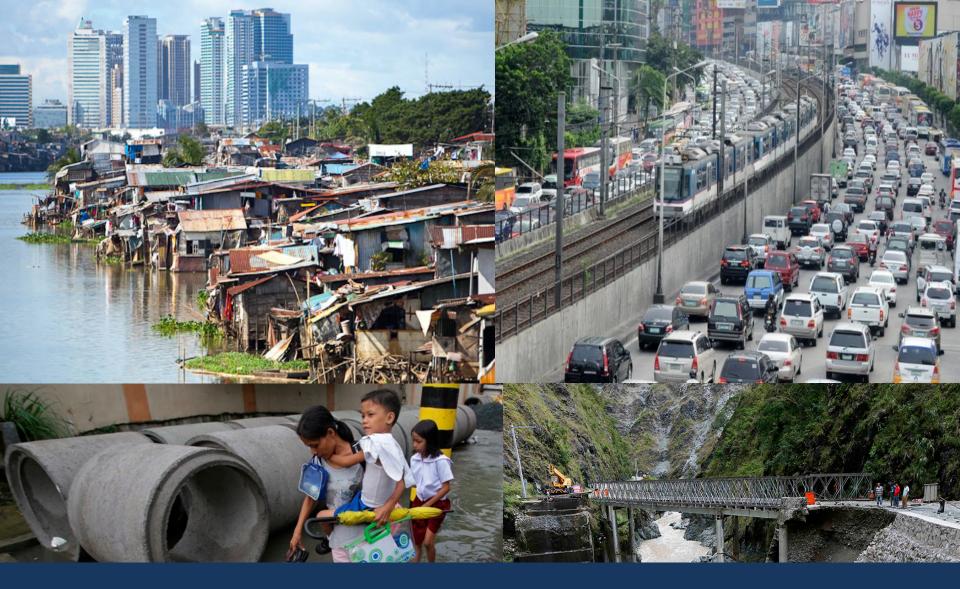
Projected annual expenditure for infrastructure:



Seizing the economy's Cinderella moment

Using the demographic sweet spot to propel our economy forward

If we fail to raise the volume of revenues required for our economy to break out over the next few years, we will fail in everything else



We will fail to close the infra gap



We will fail to make the investments in our young

We will fail to catch up with our neighbors in the region

We will fail to bring down the level of poverty afflicting our people

Business Community Foreign chambers of commerce

Multilateral development partners Former secretaries and undersecretaries of finance



The tax package that will enable us to reshape our economic growth to make it more inclusive



Bring down our poverty rate to a mere 14% by 2022



Agents of the BOC, in separate operations, seized over P2.2 Billion-worth of smuggled and counterfeit tobacco products, shoes and clothes, among others



In the BIR, around 300 personnel have filed their resignation or retirement after Comm Dulay instructed BIR officials involved in corruption to resign







If we choose to do only what is popular, that is reducing tax rates alone without passing the revenue-offsetting measures, the scenario will be dire

There will be hundreds of billions less in what is available for classrooms, barangay health centers, and rural road networks

If we fail to pass the revenue enhancement measures, we will lose the growth momentum that took us years to build



This is our economy's golden moment

We cannot afford to lose because of indecision or because we failed to act boldly

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