Alternative Report

Executive Summary
  Right to Work
  Rights of Migrant Workers
  Right to Social Security and Protection
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Concluding Observations
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1. IN DECEMBER 2006, the Philippine Government submitted a consolidated document of its second, third, and fourth periodic reports on the implementation of the United Nations International Covenant on Economic, Social, and Cultural Rights. This report, on the other hand, is a product of a Philippine NGO initiative that started in October 2007, facilitated by the Philippine Human Rights Information Center (PhilRights) and the Urban Poor Associates (UPA) for the housing section, that reflects civil society perspective on the situation of these rights and how they could be further respected, protected, and fulfilled by the State.

2. Crucial to this NGO process were the three inter-island consultations conducted from August 26 to September 10, 2008 for people’s organizations (POs) and non-government organizations (NGO) based in the National Capital Region/Luzon, Visayas, and Mindanao. 101 individuals and 72 groups and institutions validated and improved the observations, analyses, and recommendations included in the draft reports.

3. This report was also completed in solidarity and coordination with the Centre on Housing Rights and Evictions (COHRE) and Terre des Hommes-France (TdHF). COHRE also provided comments on the draft text during the writing of this information to the Committee.

4. Most of the observations and analyses on children and women in this executive summary were culled from the respective NGO
alternative reports submitted by the Philippine NGO Coalition on CRC in 2008 and by the Women’s Legal Bureau (WLB) in 2006 to appropriate UN treaty monitoring committees.

Both NGO reports on women and children were completed through a national consultative process involving more than 90 NGOs and people’s organizations for the CEDAW and 101 civil society groups for the CRC.

5. During the period (1995 to present) covered both by the government and NGO reports, the country has been saddled with deeply rooted problems of massive poverty, ballooning population partly due to inconsistent policies, widening disparity between economic classes, lack of jobs and livelihood opportunities, labor outmigration, a culture of impunity, corruption, subtle and outright suppression of democratic rights, foreign and domestic debt, and armed conflict.

The present report provides a detailed elaboration on how these interlocking factors have affected the government’s compliance with its economic, social, and cultural rights obligations and the consequent enjoyment of these rights by the Filipino people.

6. It is also worth noting the implications of the recent escalation of the war in Mindanao due to the aborted Memorandum of Agreement on Bangsamoro Juridical Entity (BJE) and its effects on the half a million people displaced and scores of civilians hurt or killed in the crossfire.

Also during the first half of 2008, the sudden global spike in the prices of food commodities (specifically rice) and fuel propelled the country’s inflation rate to a record high of 12.5.

7. This NGO report will convey to the Committee issues of concern that heavily affect ESC rights in the country.

8. In its 1995 concluding observations, the Committee already noted the status of the Covenant in the country’s judicial system and the lack of prosecution powers of the Commission on Human Rights
(CHR). Up to now, no policy reform has been adopted to provide CHR with this mandate and even the investigatory authority of the Commission is still limited to civil and political rights violations.

Also up to the present, judges in the country are still generally unfamiliar with or uninformed about the Covenant’s provisions as well as the ESC rights framework, principles, and norms as a whole, except for the legal standards for the right to work. This partly explains why despite the Constitution’s recognition of these rights, the nation has not yet established even a substantial jurisprudence on these.

Peoples’ organizations and individual victims decry the lack of effective redress mechanisms to exact accountability for human rights violations especially in the field of ESC rights, e.g., victims of forced evictions, agrarian-related violence, or abused overseas workers.

9. The Philippine Government has no clear Human Rights Agenda.

Similarly, a careful examination of government programs related to ESC rights like the Accelerated Hunger Mitigation Program (AHMP) would reveal that critical human rights-based elements as defined by the Committee in its General Comments were insufficiently or not considered at all.

10. The Committee also observed back in 1995 that debt servicing was limiting the resources for basic social services, thereby restricting the government’s capacity to fulfill its ESC rights obligations. More than a decade later, the government still insists on honoring all of its liabilities, even those believed to be illegitimate and onerous ones, and has continued to automatically appropriate a huge chunk of its budget to debt servicing.

In the 2008 budget, for example, debt servicing was allocated P624 B, more than twice the funds for education, health, agriculture and agrarian reform, environment, and the military combined. Needless to say, this has been the trend annually even before the Committee made its observations on debt servicing in 1995.
Lack of resources has been one of the main culprits why government’s socio-economic and pro-poor programs like socialized housing, micro-finance, etc. always end up as short-term, palliative, limited in scope, and inaccessible to intended beneficiaries.

11. Corollary to this, reliance on foreign loans and funding has rendered the country’s economic development strategy hostage, with top leaders and technocrats as willing accomplices, to the neoliberal impositions of the World Bank, International Monetary Fund (IMF) and the World Trade Organization (WTO).

The negative effects of major WTO treaties on women’s rights is said to be extensive. Key national legislations and policies protecting women’s rights are in danger of being revoked once they are considered not in conformity with WTO rules. Further, given a context where women’s work is largely un-valorized and their tasks and roles are usually in the realm of reproduction, it is expected that women will take the crunch in the form of extended and unpaid labor hours when the government abandons its responsibilities in services like child care.

Free trade and liberalization have cast a dark shadow over local industry and agriculture that could not compete with heavily-subsidized imported products flooding the market. Privatization, with its assumed aura of efficiency, has penetrated the social goods domain such as water, housing, education, and power, transforming these services as commodities instead of entitlements.

The government must seriously rethink its adherence to the neoliberal creed because as this NGO report shows, these policies if applied in a developing country have debilitating effects on people’s enjoyment of their ESC rights.

12. Worse, the already inadequate public funds for social services like health and education and for critical infrastructure like roads and irrigation are further reduced in value because of corruption from the highest level of government down to the local government units.

Corruption committed with impunity is so ingrained in the Philippine
bureaucracy that giving “commissions and percentages” to politicians and public personnel have become a “standard operating procedure” in most government transactions. Even more disturbing is the fact that the public, while expressing dismay over this, has become so used to this practice that they have accepted it as the norm in government.

One of the most controversial examples would be the reported overpricing of the National Broadband Network (NBN) deal with China’s ZTE Corporation by more than $100 M, as revealed by star witness Rodolfo ‘Jun’ Lozada, one of the project’s former consultants. In his testimony to the Senate, Mr. Lozada implicated former Commission on Election (COMELEC) chairperson Benjamin Abalos and First Gentleman Mike Arroyo in the aborted project, which sought to establish a government-run high-speed internet service provider.

Mr. Lozada’s credible statements forced Abalos to resign and allegations of the President’s involvement stirred public anger that almost brought down the current administration more than a year ago.

13. The government’s under-investment in social services, while automatically reserving budget for debt servicing, plus its frantic drive towards privatization, give credence to civil society perception that the State is gradually abandoning or passing its human rights obligations to other non-State entities.

In many instances this has been accomplished in the guise of “decentralization” and “empowerment” of other stakeholders. In the case of the education sector, school administrators, parents, teachers, alumni, and local governments were said to be involved in ‘school governance.’ In reality they were just being mobilized for fund generation.

14. On the other hand, the reigning culture of impunity manifested by the unresolved extra-judicial killings and enforced disappearances of activists (mostly leaders of farmers, workers, and other basic sector organizations) has further weakened and had a ‘chilling effect’ on human rights advocacy in the country.
Also, there have been instances when state and non-state actors have used violence and harassment in dealing with citizens demanding or protecting their ESC rights, such as urban poor dwellers defending their right against forced evictions, farmers fighting for agrarian reform, and teachers and unions asserting their right to better working conditions.

Just a few years ago, the military also started setting up detachments and deploying personnel in some urban areas as part of its anti-insurgency campaign. However, even the legal peoples’ and sectoral organizations and leaders became targets of investigation, “invitations for questioning,” and monitoring of these soldiers. Being vocal about one’s rights is reason enough to be in the military list of “suspicious” elements in the community.

15. Similarly, the recent enactment of an anti-terrorist law titled Human Security Act has sent fears among human rights advocates that this could be used by the government to spy on its citizens and harass lawful organizations voicing out legitimate grievances and demands.

Furthermore, the government’s anti-terrorism campaign as part of its role in the U.S.-led “coalition of the willing” has raised the degree of discrimination being experienced by Muslim Filipinos.

16. Under the auspices of the Mining Act of 1995, the government is currently fast-tracking the entry of large-scale foreign mining companies in parts of the country with considerable mineral deposits. However, what are being swept aside are the rights of the indigenous people, including their right to self-determination, on whose ancestral domain and sacred grounds rest most of the country’s natural deposits.

Being sacrificed also in exchange for foreign mining investments are the watershed areas, declared natural parks, forests, agricultural lands, and fishing grounds.

17. In terms of legislation, the country is relatively efficient in enacting ESC-related laws such as the Urban Development and
Housing Act (UDHA), agrarian reform law, Generics Act, Indigenous Peoples’ Rights Act (IPRA) and many more. But most of these laws suffer from lack of resources and promotion, limited application and implementation, monitoring and evaluation.

Another hindrance to the full implementation of these laws is the failure of the government to repeal or amend contradicting or inconsistent laws and programs (e.g., Mining Act vs. IPRA, the National Building Code and Civil Code on Nuisance vs. UDHA, and many more).

18. The government’s labor migration policy which started as a stop-gap measure has become a permanent instrument in dealing with poverty and lack of decent job opportunities in the country. The OFW’s dollar remittance has kept the nation’s economy afloat. No wonder the government, despite its inability to protect its workers abroad, continues to promote overseas employment among its citizens.

19. Based on the issues associated with the government’s compliance with its ESC rights obligations as discussed in this report, the Philippines would most likely fail to deliver its commitments under the Millenium Development Goals (MDGs) specifically on eradicating hunger, achieving universal primary education, promoting gender equality and empowerment, reducing child mortality and improving maternal health.

20. The following are highlights of each section in this report:

**On the Right to Work**

21. Statistics show an unemployment rate of 8% in April 2008. There is also a significant portion of the underemployed (6.7 M, comprising 37% of those employed). The number of self employed comprises 10.6M or 31.5% of the workforce.

Noting an increase in the labor force participation of women, the alternative report on the CEDAW posits that the “feminization of the labor force” can be largely attributed to rising demand for women’s
cheap labor and not to the actions on the part of the State.

The usual employment of women continue to be extensions of their social reproduction roles including cooks, babysitters, and educators, among others.

22. The Technical Education and Skills Development Authority (TESDA) created in 1994 to spearhead the provision of training to workers is now more focused on training Filipinos for skills that are highly desirable abroad. It has become more of an accreditation agency for workers wanting to go abroad rather than training.

23. There is a minimum wage system but the rate falls way below the daily cost of living.

24. Worse, many establishments do not pay minimum wages and get away with it because of a weak inspectorate system. Also exempted from paying minimum wages are establishments hiring apprentices, learners, differently-abled workers, workers in retail and those employing less than ten (10) regular workers.

25. Discrimination remains to be a huge problem in the workforce. Currently there are no provisions in the Constitution specifically to protect Muslims and the LGBT community. While there are provisions that protect women, they still suffer from discrimination in the form of harassment from male counterparts, being relegated to minor positions, and being deprived of opportunities for advancement and promotion.

26. A disturbing trend in the labor sector is the common practice of hiring contractual workers either directly or through employment agencies as this provides employers the legal excuse not to give permanent status with corresponding benefits to most of their workers. Most of these contractual workers are hired in big shopping malls, fastfood chains, and other service establishments.

These trends of contractualization, on-the-job trainings, and casualization exploit women’s cheap labor especially given the increasing participation of women in the labor force, both in the formal and the informal employment sectors.
27. While the Constitution clearly recognizes the right to organize, in practice, union workers suffer from discrimination and harassment. Union leaders are often pressured to comply with company regulations or be faced with legal charges. Many have also found ways to circumvent this right by the use of “kept” unions which are controlled by employers rather than workers.

28. Reforms are still needed to ensure that work conditions respect the dignity of workers, especially those vulnerable to discrimination and abuses, which the government ignores for ‘higher economic interest’. These include looking into the conditions of Special Economic Zones, where production targets often compromise workers’ welfare and the need for foreign investment jeopardize workers’ right to unionize.

Workers in designated Special Economic Zones work under an unofficial but widely acknowledged policy of “no union, no strike” implemented by SEZ authorities and local government authorities.

29. Employees must know where they can let out their grievances. Also, an efficient and impartial redress mechanism should be put in place to address abuses. Current legal procedures for this often take years, with no guarantee of fair results. Abused workers are forced to endure their situation just to keep their jobs because employers know that many unemployed are waiting to take over their position once they resign.

30. Philippine law provides for minimum conditions on occupational health and safety but no reliable numbers are available regarding compliance. Nonetheless, the occupational health and safety situation in the Philippines is far from satisfactory.

31. While the Philippines has a system of inspections to check employer compliance with labor laws, it is now government policy to routinely suspend these inspections and not allocate sufficient resources for its efficient and effective operation.
On the Rights of Migrant Workers

32. The tremendous increase in the number of Filipino workers deployed abroad in the last couple of decades manifests the worsening unemployment, underemployment, contractualization and consequent poverty in the Philippines.

The government’s labor export policy violates the right of its citizens to a freely chosen work because for many Filipinos, working abroad has become a desperate measure of survival.

33. In 1995, the Committee already called on the attention of the government regarding the situation of OFWs, especially women. But up to now, increasing number of women working abroad are still exposed to various forms of abuses.

The alternative report to the CEDAW cited 2002 labor statistics which indicate that women comprise 73% of the total migrant labor work force, a figure that excludes undocumented women OFWs. They are usually employed as domestic workers, entertainers and caregivers.

This trend exposes women to abuses including trafficking and maltreatment, given that the government has failed to extend protection to women who leave the country for employment abroad.

34. The Committee also noted the social costs of massive labor export such as family disintegration and juvenile delinquency. No significant step has been taken to address these issues.

35. While the government aggressively markets its labor force, the Department of Labor and Employment (DOLE) and the Department of Foreign Affairs (DFA) and its overseas representatives are unable to provide sufficient protection to OFWs.

36. Government education and information dissemination programs such as the Pre-Departure Orientation Seminar (PDOS) on the rights of OFWs have been proven to be ineffective and limited in scope.
37. The Overseas Workers’ Welfare Administration (OWWA), a government agency, does not receive public funding. Instead, it collects $25 from every departing OFW as membership fee and social insurance. But the agency’s board decided without consulting its members to suspend the provision of such benefits to build up OWWA’s fund.

Also, a survey conducted by the Center for Migrant Advocacy (CMA) among 400 OFW respondents revealed that there was low awareness among OFWs on OWWA programs meant to assist them and their families: only 7% of respondents have utilized these, and only 5% stated that these adequately met their needs.

38. So far the country has forged bilateral labor agreements with receiving governments but these are mostly limited to deployment arrangements for seafarers and deployment and recruitment procedures for landbased workers.

It is very important for the government to forge agreements including multilaterals that clearly recognize the rights of OFWs and to set up protection mechanisms with as many host countries that cover as many types of OFWs as possible to better protect them from abuses.

The government should persevere to dialog with host countries to make them equally committed to protect, promote and fulfill the rights of migrant workers. Effective enforcement of government policies also requires the cooperation and commitment of host countries.

**On the Right to Social Security**

39. As of now, the government provides the following forms of social security but mainly to formal workers: medical care, cash sickness benefits, maternity benefits, old-age benefits, invalidity benefits, survivors’ benefits, and employment injury benefits.

40. Informal workers, including homebased workers, vendors, small farmers and fisherfolk, and many more, enjoy very little social
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41. Housewives, domestic workers, and other working women who are mostly in the informal economy or in overseas employment also have very limited access to social insurance and other forms of social protection.

42. Only 8 million out of the 27 million members of the Social Security System (SSS) are able to sustain and pay their monthly contributions. There is also a big drop in PhilHealth payments among the ranks of individually paying members, among whom informal workers are largely categorized. These have serious implications on sustainability and continuation of benefits.

43. Government agencies and corporations providing social insurance and protection need to be democratized by including in its leadership representatives (both women and men) of workers (both formal and informal) and other relevant basic sectors accountable to their constituencies. They should also be transparent in their transactions, operations, and financial records.

44. Needless to say, social insurance and protection schemes should be expanded to extend more and better benefits and packages (unemployment, maternity, occupational, reproductive health, etc.) and include as members more women, informal workers, government volunteers such as barangay health workers, and other marginalized groups belonging to the working poor. This warrants a strong support logistically and financially from different levels of government. Such support should also be extended to indigenous and community-based social protection initiatives.

45. Social security and economic security go hand in hand. More resources should go into employment and social development programs to create sustainable jobs and an empowering environment that will enable a healthy and educated citizenry to participate in social insurance and other social protection schemes.
On Children’s Rights (from the 2008 Alternative Report of the Philippine NGO Coalition on the CRC)

46. The 1995 Concluding Observation of the Committee on Economic, Social and Cultural Rights specifically mentioned its concern on the areas of protection of children’s rights against sexual and economic exploitation, and children’s rights to education, health and housing.

47. Some of the salient findings of the alternative report on the CRC which is congruent to the present alternative report are that the macro-economic policies of the Philippine Government have negatively affected the rights of children, and the children’s sector has been largely neglected in the crafting of these policies. The much-touted economic growth does not necessarily translate to improvement in the lives of children.

48. One of these policies which adversely affect children include the reliance on overseas labor migration which has deprived them of fundamental support system without safety nets to protect them from the negative effects of parental absence. Sexual abuse, including incest between fathers and daughters has been reported as the most common form of child abuse.

Another harmful strategy is the aggressive promotion of tourism which has exposed children to the dangers of sexual exploitation.

49. The CRC alternative report noted that children from poor and impoverished regions suffer from lack of access to quality education, health and other basic services.

50. The 2003 National Nutrition Survey revealed that 18% of Filipino children from 6,683 households have reported skipping meals because there was no money to buy food.

51. Children’s right to health and quality basic education are not being prioritized. Funds allocated to health and education sectors are inadequate.
52. On the economic and sexual exploitation of Filipino Children, the 2003 Functional Literacy Education and Mass Media Survey (FLEMMS) revealed that among the top reasons why children do not attend school is that at a young age, they are already searching for employment. This has exposed them to dangerous situations including trafficking and hazardous working environment, among others.

A National Survey on Children in 2001 showed that there are 4 million economically active children belonging to the 5-17 age bracket. Of this, 60% or 2.4 million were exposed to hazardous work environments. The status of children working in the informal sector remains hidden and unknown. These are the unrecognized and unregulated small-scale economic activities, including those that expose children to hazardous environments.

53. An NSO Survey in 2000 showed that 240,000 children were employed in private households. A non-government organization working with children in domestic work, the Visayan Forum, said that there are at least 1 million Filipino children under the age of 18 who are working in domestic settings.

54. Lack of monitoring and documentation system specific to trafficking makes it difficult to determine the actual extent of child trafficking in the country. Estimates say that there are between 60,000 to 100,000 prostituted children in the country.

55. A recent development on this matter is the proliferation of cybersex which is considered as a billion-dollar underground industry. The Optical Media Board (OMD) confiscated sex video materials shot in the Philippines, with Filipino children employed as “actors”.

56. Violence also mars children’s enjoyment of their ESC rights. Children have reported experiencing corporal punishment, including humiliating and degrading treatment in the home, schools, work place, in residential care and juvenile rehabilitation centres. Corporal punishment has resulted either in death, injury, low self-esteem or aggressive behaviour. It stifles children’s initiative, creativity and critical thinking. Students lose interest in going to school out of
fear and humiliation or decide to transfer to other schools.

Children are especially vulnerable in the home because of the widespread belief that children are the ‘properties’ of their parents who can do with children as they please and that children learn when they feel and experience pain. This shows lack of respect for children’s dignity and physical integrity as human beings. There is a need for an explicit law prohibiting corporal punishment and other degrading treatment in homes, schools and other settings.

57. Some of the recommendations of the Philippine NGO Coalition on UN CRC include: provision of budget allocation for the implementation domestic legislation related to children’s rights and the enactment of protection laws including one specific to child pornography and corporal punishment. It is also calling for mechanisms to regulate operations of internet cafes and tourism institutions in relation to child trafficking and sexual exploitation.

58. On the matter of children’s exposure to hazardous work and environment, the Philippine NGO Coalition on the UN CRC coalition is calling for a deeper look into the situation of children working in the informal sector.

On the Right to Housing

59. The government in 2003-2008 made history by staging the largest eviction operations ever done in the country when it relocated approximately 40,000 families from the North and South railroad tracks. Northrail evictees were given in-town relocation while Southrail families were given distant resettlement. But only around half of all evicted railroad families from 1996 to 2008 were relocated.

Both in-town and distant resettlements were ill-prepared and inadequate.

60. Despite the various government housing financing policies and programs, the poor and the marginalized sectors in urban and urbanizing areas have either no or very limited access to adequate and decent dwellings.
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Photos by TRACY PABICO and PhilRights Photobank
61. The proliferation of slums and the large number of urban poor families without secure housing tenure call attention to the high cost of legal and formal housing and the short supply of government-subsidized or assisted housing in urban areas.

62. Most of the government’s current housing programs are aimed at providing houses to middle/high income sectors while only a small part of the housing budget goes to low-income families or households.

63. Existing legal protection mechanisms of the urban poor against forced evictions such as the Sec. 28 procedure of the Urban Development Housing Act (UDHA) and the designation of the Presidential Committee for the Urban Poor (PCUP) as clearing house for demolition operations are largely ignored by implementing agencies, especially by the Metro Manila Development Authority (MMDA). No official has been sanctioned or penalized for violating these laws or policies.

64. Nearly one-fourth of the evictions carried out were violent, with scores of urban poor settlers injured and arrested. During demolition operations, children, women, and the elderly suffer the most. Children were traumatized and many stopped attending school. There are reports of pregnant women going into premature labor or having miscarriage. The elderly were reduced to living without shelter, exposed to the elements and to inclement weather.

65. Proclaiming lands for socialized housing is good and should therefore be continued; however, post-proclamation implementation mechanisms and adequate funds should be provided for the full development of these communities.

**On the Right to Food**

66. Hunger surveys conducted by the Social Weather Station (SWS), an independent research institution, revealed that involuntary hunger was experienced in varying degrees from 1996-2008. The latest report (July 2008) stated that 2.9 million families (or 16.3% of total families) experienced involuntary hunger at least once in three months
(April-June 2008). This is 4% higher than the ten-year average of 12.1% (June 1998 – June 2008).

67. The official ESC report did not bring up the absence of an enabling law recognizing the right to food of Filipinos and the lack of or misallocation of public resources devoted to agriculture and agrarian reform that would have boosted productivity and ensured sustainability and availability of food products.

68. Thirteen years after the Committee, in its concluding observations, prompted the government to fast-track the completion of the agrarian reform program, the implementing agency is still unable to meet its target, with more than a million hectares of private land yet to be distributed to farmer beneficiaries.

In the implementation of the Comprehensive Agrarian Reform Program (CARP), women comprised only 23% of the total agrarian reform beneficiaries. Their names were included in land titles by virtue of their marriage to farmer-beneficiaries.

69. A peasant NGO documented, from 2001 to the present, a total of 415 agrarian-related human rights violations, of which 41 were cases of summary killings of farmers and their families.

70. After ten (10) years of WTO membership and twelve (12) years after the forging of the ASEAN Free Trade Agreement (AFTA), the country has not felt the promised economic prosperity of liberalization but has suffered the full impact of the downside of liberalization. The Philippines has turned from a net agricultural exporter to importer by the mid-1990s, the only ASEAN-4 with this experience.

71. In fisheries, according to Tambuyog Development Center (TDC), the export-oriented nature of the country’s industry negatively affects the Filipino’s right to food. The Philippines trade the best fishery products and import fish to supply canneries and the aquaculture sector.
On the Right to Health

72. Gaps and inequality of distribution of health services has been reflected in national statistics and studies by various non-government organizations.

73. The Filipinos’ access to health services remains poor while prices of drugs and medicines remain high.

The issue of the migration of health professionals continues to ail the nation. From 1999-2003, Philippines produced only 2,342 nurses but exported 56,000 during the same period. With the exodus of health professionals, health personnel to patient ratio only worsened: 1 doctor to 29,318; 1 nurse to 18,765; 1 dentist to 47,338.

74. Even if statistics report a significant decrease in the Infant Mortality and Under-5 Mortality Rates, the Philippine figures remain comparatively higher compared to other countries in the region. In 2003, the Philippines Infant Mortality Rate was at 29, much higher than the rates of six Asian countries such as Vietnam (19), Singapore (3), and Brunei (5).

75. The Maternal Mortality Rate (MMR) has declined, from 209 in 1993 to 162 in 2006. Still, this is far from the MDG target of 52 maternal deaths per 100,000 live births.

The 2003 maternal mortality rate of 107 deaths per 1,000 live births is deemed as unacceptably high, according to the alternative report on CEDAW, when compared to the other Southeast Asian neighbors.

76. According to the 2003 National Demographic and Health Survey (NDHS) of maternal services, women categorized under the lowest quintile receive the least health assistance during delivery. 68.9% of them are assisted by ‘hilots’ or traditional health providers. Only 8.6% of women from the lowest quintile receive assistance from doctors during delivery, compared to 73.2% from the highest quintile who are assisted by a doctor during their delivery.
77. Filipino children also continue to suffer from under-nutrition. Based on the 2003 Food and Nutrition Research Institute (FNRI) survey, 66.2 percent of infants from 6 months to less than one year are anemic. Increase in the prevalence of vitamin A deficiencies among children aged 6 months to 5 years has been reported, from 35.3 percent in 1993 to 40.1 percent in 2003.

78. The NGO report on health revealed that families in rural communities have less access to basic health services, hospital care facilities, medicines and health personnel assistance. The majority of government doctors and nurses are concentrated in the National Capital Region.

79. It has been the practice of private hospitals to ask for a cash deposit from patients even during emergency cases and to detain those who could not pay their bills. Hospitals and health practitioners threatened to hold a “holiday” when Congress passed a law banning the detention of patients. So far, no implementation report regarding the new law has been released.

80. In actual terms, the actual minimum spending per person per year for basic, life-saving services is only about 140 pesos. This falls short of the WHO estimate for health spending per person, which is around 35 dollars or 1,575 pesos.

81. A pending bill in Congress that seeks to provide information and access to both natural and artificial family planning methods to Filipino couples is currently being blocked by the powerful Catholic hierarchy in the country.

While the debate rages over this proposal, the executive branch could not intervene effectively due to its inconsistent position on the population issue in light of the political interest which could be jeopardized should political leaders go against the crusade of the Catholic clergy.

According to the alternative report to CEDAW, the government is clearly compromising and even surrendering women’s enjoyment of their rights by accommodating the Catholic church and other
conservative allies given the absence of a national legislation on reproductive rights.

The report further assessed that the government, in over-privileged natural family planning and failing to support modern contraceptives, has violated Article 16 of CEDAW.

82. Reliance on private sector financing of health services has resulted in health services becoming a commodity. Almost 50% of health spending of Filipinos is through out-of-pocket payments; only 16% is covered by the national government, and 14% by the local government.

On the Right to Water

83. In a lot of Philippine households, water services are still not available. In some areas, water flow is available only at particular hours at night, translating into a heavy burden for women upon whom the task of collecting water for the next day’s usage is often relegated.

84. Although there has been an improvement in the safety levels of water provided for public consumption since the 1990s, morbidity and mortality rates deriving from water-related diseases still leave much room for improvement. Between 1994 and 2000, 31% of illnesses in the Philippines were traced to water-related diseases.

85. Recent studies estimate the percentage of Philippine households with access to water services to be around 80% nationwide in 2006. This indicates that there has been no improvement from previous statistics which pegged the percentage of the population with access to potable water also at 80% in 2002.

86. The overlapping functions of different agencies supposedly regulating and protecting water sources and use have resulted in weak management, inefficient data collection and management, and inconsistent policies in water activities.

The absence of an independent regulatory body overseeing both resource and economic regulation of the water sector has also
hindered significant progress in the distribution and conservation of water.

87. A comprehensive assessment of the water privatization in Metro Manila must be carried out to determine whether privatization has improved service delivery or ended up doing the opposite.

Such review should also factor in the effect of privatization on the access to water of the poor and marginalized families and communities.

**On the Right to Education**

88. The current Philippine education system’s success is dramatically over-represented by the government’s UN ESCR report. It ignores or downplays glaring failures in the very structure of the education system, which is considerably underfunded, fraught with corruption, and increasingly ineffective and not responsive to the learning needs of children and youth.

89. In reality, the right to education of the Filipinos in relation to accessibility, availability, equity in access and quality continues to be violated. In fact, the state of the education sector in the country has been on a continuous and alarming decline over the last decade. This is a compounded result of neglect on the part of the Philippine government to address the issues confronting the education sector over the years.

90. Neglect of the education sector is reflected in relevant statistics including the increasing numbers of illiterates, decreasing participation and performance of boys in school, the downward trend with less school age student participating ever year; declining survival rate; and the consistent drop in the completion rate through the years.

91. For children, young adults and adults who have received no education or who have failed to complete their primary education, appropriate programs designed to educate them during later stages in their lives are almost non-existent. The limited programs being
funded by the DepEd are even threatened by fund shortage and poor monitoring and management.

92. Government resources for education including teachers, books, learning materials and classrooms could not keep up with the dramatic increase in student enrollment especially in the secondary level in public schools. This swelling of student population in government schools was mainly due to two factors: the fast-growing population and the influx of students from private to public schools because of economic reasons (i.e., declining capability of parents to finance their kids’ schooling, coupled with ballooning tuition fees). Every year, the education budget increases only by 2% while school population increases by 2.5%.

93. The fact that teachers in the Philippines have generally been under-paid and under-qualified for their role as educators is a main factor contributing to the decline in performance of the Philippine primary and secondary education system. Teachers have to pay for their own professional development; teacher development programs provided by the government are limited.

**On Resource Allocation**

94. Much of the policy constraints which prevent the government from strategically resolving poverty were due to the debt problem, which compromises both public financing for social services linked to human rights and the sovereign determination of development direction.

95. As of end-August 2007, the National Government (NG) outstanding debt was pegged at P3.871 trillion pesos or US$81.91 billion. This translates to P 43,649.57 liability per Filipino, with each individual coughing up P 7,012.12 yearly just to service the national debt.

96. The automatic debt servicing provision contained in Section 26(B), Book VI of the 1987 Revised Administrative Code (Executive Order 292) contradicts the Constitutional mandate of reserving the highest budget allocation to education.
Furthermore, this policy heavily limits public spending on other essential social services like health, housing, and agriculture.

97. An equally important aspect of the debt issue which should be looked at are the conditionalities imposed by International Financial Institutions (IFIs) and bilateral financial institutions.

98. These conditionalities are attached to loans meant to rescue the government from fiscal quagmires which lenders took advantage of to make the government swallow painful, industry-wide “reforms” acquiescent with the paradigm of neo-liberal globalization (liberalization, deregulation, and privatization).

99. The imposition of conditionalities as part of the loan violates the international precept of sovereign development. Northern countries dangle their foreign financing in order to meddle into the policy directions and strategies of developing economies. This effectively constitutes a transgression of the right to “self-determination”.

100. It is also important that the government lead the way in pressuring lender states into giving “policy space” to developing nations with which they can exercise their right to sovereign development and end their domestic misery. This can be done in the form of debt cancellation and the recognition that not all debts being paid by Southern governments are legitimate.

General Conclusion

101. Based on the information, cases, and statistics cited in this NGO report, clearly, the Philippine government has adopted policy directions and taken steps that either undermine or neglect the ESC rights of its people.

By failing to respect, protect and fulfill the ESC entitlements of its constituency, it is in breach of the ESC Covenant.

102. Social goals such as the MDGs, the Philippine Plan of Action for Nutrition, Habitat Agenda, Education for All, and many more
which the government has set or committed itself to were either already missed or would most likely remain undelivered.

103. Most of the Committee’s 1995 Concluding Observations addressed to the Philippine government were unheeded or received token compliance.

Recommendations

104. Based on these observations, this NGO report proposes the following in the interest of strengthening ESC rights recognition and realization in the country:

105. The Philippine government should adopt a policy and implement it stating its commitment to play a central and active role in terms of ESC rights fulfillment of its people.

106. It should reform the mandates of existing human rights and redress mechanisms such as the Commission on Human Rights, Ombudsman, Commission on Audit, Presidential Committee on Human Rights, and anti-graft bodies to give them appropriate powers and make them more independent and insulated from politics.

Meaningful civil society participation in the processes and activities of these bodies should also be ensured.

107. It should ensure that national programs and policies are implemented down to the barangay level (e.g., utilization of Gender and Development budget). This could be done through efficient and strict monitoring and regular assessments.

108. It should pursue an economic framework that focuses on sustainable domestic production and not solely on providing services, especially abroad.

Similarly, it should implement an economic development action plan which will create decent jobs available domestically, thus making employment abroad “a choice and not a painful decision.”
109. It should prioritize basic services and agriculture development in the national budget and reallocate chunks of the budget originally intended for debt servicing to these. Public spending for social services should be aligned with internationally and locally recommended standards such as the WHO prescription of 5% of GDP for health.

110. It should enact ESC-related legislations on reproductive health, social pension for the elderly, anti-prostitution, patients’ rights, mandatory food labeling, domestic reflection of Precautionary Principles, Magna Carta for Women, among others.

111. Conversely, it should repeal or amend existing laws, policies, local issuances that weaken, violate, and impede human rights, like the anti-terrorism law or the Human Security Act, Mining Act of 1995, National Building Code, etc.

112. It should conduct a participatory and transparent review of multi-lateral and bilateral agreements entered or to be entered into by the government, and ensure that these are in consonance with human rights standards and principles.

In the meantime, it should install temporary measures to protect the poor, migrant, IP and Muslim populations, especially children and women, from the ill effects of globalization.

113. It should adopt measures that will strengthen ESC rights justiciability and establish corresponding accessible legal venues.

The Commission on Human Rights’ (CHR) mandate should be expanded to cover ESC rights and it should deputize civil society HR defenders who will conduct monitoring, documentation, and visitation. CHR should also be given quasi-judicial powers so that it could make various actors accountable for human rights violations.

One laudable effort is the recent Access to Justice Forum convened by the Supreme Court that recommended, among others, the designation of special courts for ESC rights violations and the inclusion of ESC rights in the continuing education for legal practitioners.
114. Another important step is the massive education and information campaign on ESC rights for State officials and personnel especially those agencies whose mandates are directly linked to ESC rights.

115. There should be an extension of the Writ of Amparo to forms of ESC rights violations such as forced evictions and forced entry of mining operations in communities.

116. It should withdraw military personnel deployed in urban areas. It should strictly observe the International Humanitarian Law (IHL) provisions prohibiting establishment of military encampment and conduct of military operations amid civilian populations as these affect their enjoyment of their ESC rights.

As much as possible, the government should ensure that the effects of armed conflict on civilian residents be minimized.

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Participating Organizations

- Aksyon Kababaihan
- Alyansa ng Mamamayang Naghihirap (ALMANA)
- Alliance of Barangay Apas Community Association (ABACA)- Barangay Apas, Cebu City
- Alliance of Progressive Labor (APL)
- Alternate Forum for Research in Mindanao (AFRIM)
- Aniban ng Manggagawa sa Agrikultura (AMA)
- Asian South Pacific Bureau of Adult Education - ASPBAE
- ASSERT, a teachers’ organization
• Bicol Urban Poor Coordinating Council (BUPCCI)
• Brethren Inc.
• Bukluran ng Manggagawang Pilipino (BMP)
• Butuan City Urban Poor Association (BUCUPA)- Butuan City
• Center for Migrant Advocacy - Philippines (CMA)
• Civil Society Network for Education Reforms - E-Net Philippines
• CO – Multiversity (COM)
• Commission on Service, Diocese of Malolos
• Community Organizing Davao Experience (CODE)- Davao City
• Community Organizing for People's Enterprise (COPE)
• DPGEA
• DPRDI
• Democratic Socialist Women of the Philippines (DSWP)
• Economic, Social and Cultural Rights-Asia (ESCR-Asia)
• Education Network – Philippines (E-Net)
• Families and Relatives of Involuntary Disappearance (FIND)
• Federation of Lapulapu Urban Poor Associations (FEDLUPA-UP ALL)
• Fellowship of Organizing Endeavors Inc.(FORGE)
• Fellowship for Organizing Endeavors (FORGE)- Cebu City
• FIND – SCMR
• Foodfirst Information Action Network (FIAN-Phils)
• Foundation for the Development of the Urban Poor
• Freedom from Debt Coalition (FDC)
• FDC – Cebu
• FDC – Davao
• Gawasnong Pagbalay, Inc. (GPI)- Davao City
• Grassroots Institute for Education and Development, Inc. (GUIDE)
• Homenet Philippines
• Homenet Southeast Asia
• IBASMADC
• IGACOS Network of Learning Communities (PO Federation in IGACOS) Butuan City
• Iloilo People’s Habitat Foundation (IPHF)- Iloilo City
• IRDF/Task Force Food Sovereignty
• JF Ledesma (San Carlos City )
• John J. Carroll Institute on Church and Social Issues (JJCICSI)
• Kaabag sa Sugbo (KAABAG)
• Kabalikat sa Pagpapaunlad ng Baseco Compound Inc. (KABALIKAT)- Baseco, Manila
• Kahugpungan sa Mindanao (KAMI)
• Kaisa Ka
• Kaisa-ka (Gen Santos City.)
• KAISAMPALAD, A Philippine NGO Network for Food Security and Fair Trade
• Kahugpungan sa Mindanao, Inc (Davao City)
• Kapisanan ng mga Kamag-anak ng Migranteng Manggagawang Pilipino (KAKAMMPI)
• Kasama Ka
• Kasama Reflexo-therapy
• Katawhan
• Katotohanan, Pagkakaisa at Serbisyo, Inc. (KPS)- General Santos City
• Kobbler Federation of Neighborhood Association, Inc. (KOFNAI)- Davao City
• Kilusang Mangingisda (KM)
• Kilusan para sa Pambansang Demokrasya (KPD)
• KKM
• KMCG
• KMYO
• Kongreso ng Pagkakaisa ng mga Maralita sa Lungsod (KPML)
• KPML - NCR
• Lihok Pilipina Foundation Inc.
• Likhaan
• Luzon Community Mortgage Program Peoples Organization Network (LCMP – PO Network)
• Maguikay Women’s Association (Mandaue City)
• MAKABAYAN
• MAKALAYA
• MAGCAISA
• Maginhawang Pabahay Inc. (Davao City)
• MAGISSI
• Maminturan Development Foundation (MDF)
• Management and Organizational Development for Empowerment (MODE)
• Manila Estero Informal Settlers Alliance (MEISAL)
• Market 3 Fishport of Navotas Neighborhood Association (Market 3-FONNA)- Navotas City
• Medical Action Group (MAG)
- Mindanao Land Foundation Inc. (MLFI)
- MPSTA/TDC
- Moro Human Rights Center
- National Anti-Poverty Commission
- Negros Alliance of Human Rights Advocates (NAHRA)
- Nagkakaisang Kabataan para sa Kaunlaran (NKPK)
- Pagtambayayong Foundation- Cebu City
- Paknaan Neighborhood Association
- Pamaas
- PAMAKO-NUBCW
- Pambansang Koalisyon ng Kababaihan sa Kanayunan (PKKK)
- Panagtagbo
- Panaghugpong sa Yanong Grupo (PAYAG, a federation of partner PO’s in Davao City)
- Panday
- Panday - QC
- Partido Manggagawa (PM)
- Partnership of Philippine Support Agency- Quezon City
- People’s Economic Advancement and Community Empowerment (PEACE)- Davao City
- PM-Mindanao
- PILAKK
- PKKK-Bataan
- PKKK-Bulacan
- PKML – CTF
- Partnership for Rural Reform and Development Services (PARRDS)
- Partnership of Philippine Support Services Agencies, Inc.(PHILSSA)
- PATAMABA
- Philippine Alliance of Human Rights Advocates (PAHRA)
- Philippine Human Rights Information Center (PhilRights)
- Philippine Network of Rural Development Institutes, Inc. (PhilNet–RDI)
- Philnet-Visayas
- Philnet - Mindanao
- Philippine NGO Coalition for Food Sovereignty and Fair Trade (PNLC)
- Philippine Rural Reconstruction Movement (PRRM)
- Piglas-Kababaihan
- PO Federation of Panabo City
- PS LINK
Executive Summary

- PSLINK CREO
- PSLINK – PASAGURU
- PSLINK – TNHS
- RISC
- Samahan ng mga Apektadong Pamilya sa Riles (SAPAR)
- Samahan ng mga Muslim (Baclaran, Pasay City)
- Samahan ng Nagkaka-Isang Na-Demolis sa Roxas Boulevard
- Samahan ng Pinagbuklod na Pagkakaisa – R-10 (SAPIPA – R-10)
- Sancowa/Pamako
- Sanlakas
- San Lorenzo Ruiz Socio-Economic Development Foundation (SALORSED)- Davao City
- Sarilaya Inc.
- Sentro ng Alternatibong Lingap Panligal (Saligan)
- Sentro ng Maayong Magbalantay (Iligan City)
- Samahan ng Kababaihan para sa Kaunlaran (SKPK)
- Sentro ha Pagpauswag ha Panginabuhi Incorporated (SPPI)
- Sta. Teresa Village (Tagum City)
- Task Force Detainees of the Philippines (TFDP)
- Teachers, Inc
- Teachers’ Dignity Coalition
- Tricom Inc.
- TUMC
- Ugnayan Lakas ng mga Apektadong Pamilya sa Baybaying Ilog Pasig (ULAP)
- Urban Poor Alliance (Bantay Banay Federation, Cebu City)
- Urban Poor Alliance (Lapu-Lapu & Cebu City)
- Urban Poor Alliance (NCR)
- Urban Poor Associates (UPA)
- Urban Poor Organization (Talisay City)
- Urban Poor Southville Association Inc. (UPSAI)
- UWHAD – LK
- Visayas Urban Poor Colloquium (VUPC)
- Waves Davao
- Women’s Institute for Sustainable Economic Action, Inc.(WISEACT)
- Women’s Education, Development, Productivity and Research Organization (WEDPRO)
General Employment Situation

As of 2008, unemployment remains high although evidencing a decrease since 2005. At least one expert explained that this is mainly because the National Statistics Office (NSO) switched to the International Labor Organization (ILO) definition of an unemployed starting in 2005. Nevertheless, even under the new definition, underemployment has dramatically increased, indicating the failure of the government to foster an environment that will create, sustain and enhance local decent employment.

**TABLE1. Unemployment and Underemployment, 1998-2008**

<table>
<thead>
<tr>
<th>Year</th>
<th>Unemployment rate</th>
<th>Underemployment rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998:</td>
<td>13.3%</td>
<td>21.8%</td>
</tr>
<tr>
<td>1999:</td>
<td>11.8%</td>
<td>22.3%</td>
</tr>
<tr>
<td>2000:</td>
<td>13.9%</td>
<td>21.7%</td>
</tr>
<tr>
<td>2001:</td>
<td>13.3%</td>
<td>17.2%</td>
</tr>
<tr>
<td>2002:</td>
<td>13.9%</td>
<td>17%</td>
</tr>
<tr>
<td>2003:</td>
<td>12.2%</td>
<td>17%</td>
</tr>
<tr>
<td>2004:</td>
<td>11%</td>
<td>17.6%</td>
</tr>
<tr>
<td>2005:</td>
<td>11.3%</td>
<td></td>
</tr>
<tr>
<td>2006:</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>2007:</td>
<td>7.4%</td>
<td></td>
</tr>
<tr>
<td>April 2008:</td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

A private study found that the underemployed are estimated by government to be 6.7 million (37.4 percent) and the self-employed, 10.6 million (31.5 percent).
Job creation in the country has been dismal in relation to the Medium-Term Philippine Development Plan (MTPDP) target; worse, it is even declining.

### TABLE 2. Employment Status of Workers

<table>
<thead>
<tr>
<th>Status</th>
<th>Number</th>
<th>as % of Employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unpaid Workers</td>
<td>4 million</td>
<td>12%</td>
</tr>
<tr>
<td>Working less than 40 hr/week</td>
<td>12.3 million</td>
<td>35.5%</td>
</tr>
<tr>
<td>Underemployed</td>
<td>6.7 million</td>
<td>37.4%</td>
</tr>
<tr>
<td>Self-Employed</td>
<td>10.6 million</td>
<td>31.5%</td>
</tr>
</tbody>
</table>

A large part of the government’s failure to create jobs lies in its inability to address corruption, inefficiency and red tape. In the latest 2008 IFC-World Bank Doing Business Survey, the Philippines continued its decline in ranking, ending as 133rd out of 178 economies surveyed.

While a handful of local governments have shrugged off the sluggishness of the national government and have simplified the procedures for doing business, the IFC still noted the failure of the national government to formulate concrete measures to address excess bureaucracy and corruption, in particular, the government’s lack of implementation of the Anti-Red Tape Act despite its being signed into law June of 2007.

Aside from lack of jobs, the labor sector is also burdened by the fact that existing jobs are tenuous at best, leaving many workers jobless after only 6 months of employment.

Consequently, the number of workers in the informal sector has increased. According to the Department of Labor and Employment (DOLE), workers in the informal sector have gone up to 14.7 million in 2006, comprising 45 percent of the total number of employed.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
<th>As % of employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>13.5 million</td>
<td>42.8%</td>
</tr>
<tr>
<td>2005</td>
<td>14.5 million</td>
<td>44.8%</td>
</tr>
<tr>
<td>2006</td>
<td>14.7 million</td>
<td>44.6%</td>
</tr>
</tbody>
</table>

However, despite the huge number of informal workers, the government has no policy of social or economic protection for them. Instead the opposite is being done by the Metro Manila Development Authority (MMDA) led by its chairperson Bayani Fernando. Countless vendors, transport workers and similar workers in the informal sector have lost their livelihood without due process and any viable alternative as a result of the MMDA's various efforts.

In relation to the participation of women in the labor force, Prof. Myrna Feliciano observed the following:

Female labor participation rates (FLPR) have also steadily increased in the last decade but remain to be lower than the participation rates of males. In 2003, men dominated the construction, mining, quarrying, agriculture and transport industries. The women dominated the health and social work, education, and other service sectors. This has always been the pattern of work distribution in the formal sector between men and women, which can be traced to the persistence of traditional beliefs and practices about appropriate masculine and feminine roles.

With highly sex-stereotyped distribution of employment and occupations, it is easy to understand how men and women had been affected by trade liberalization and export-oriented policies of the government. The shift from industrial protection to more liberal foreign investment policies also altered the level and composition of the manufacturing sector. The decline of the agricultural and manufacturing sectors has coincided with the growth of the service industry, providing more job opportunities to both sexes, particularly women. In general, men have been absorbed by the transportation, storage, and communications sectors.
sectors, and to some extent, the wholesale and retail trade. More women, on the other hand, have entered the community, social and personal services as well as the wholesale and retail trade.

The labor force remains predominantly male. This can be attributed to the relative ease that men are absorbed into the labor force and the quality of jobs women get. The actual number of employed males has increased faster than females. This implies that in actual number, more men are being absorbed in the labor market than women. Also, while women increasingly participate in the labor market, they still comprise the majority of the country’s unpaid family workers who are usually found in home-based industries and in family-run farms and business. On the other hand, men constitute majority of the waged and salaried workers.

Another barrier that women encounter in joining the labor force is the gender typing of occupations. Apart from wholesale and retail trade, and community, social and personal services, all other industry groups are male dominated. This unbalanced composition of workforce has not changed much. Within certain industry groups, gender typing of the work to be performed still exists. In the manufacturing sector, where there is a relatively equal participation of men and women in terms of percentage employed, women tend to be concentrated on labor-intensive section such as assembly, post-assembly/finishing and administration while men are engaged in more skilled jobs. This delineation of roles results from the perception that women, compared to men, are more patient and possess a high level of concentration which enable them to carry out monotonous and repetitive tasks. These perceptions, coupled with the cultural norms that condition women into accepting subordinate positions in male-dominated society intensify the continuing existence of gender stereotyping in manufacturing industries.

The Philippine Constitution’s prohibition of slavery, as reflected in statutory law (Civil Code), means that Filipino workers have the freedom to choose employment. In addition, there are provisions in Philippine labor laws prohibiting discrimination based on sex.

However, there are prevailing conditions which effectively force Filipino workers into employment which they would not otherwise choose or stay with. Knowing that other workers are waiting to take over their job regardless of the working conditions, Filipino workers make do with their current jobs despite the absence of tenure guarantees and little protection by way of labor standards and social welfare.

Employers have also begun to demand bonds or promissory notes from employees to ensure continued employment. Although inconsistent with Philippine law, this practice is prevalent and is yet to be challenged before the courts.

There are also some reports of forced and compulsory labor, particularly by children, mainly in prostitution, drug trafficking, domestic service, and other areas of the informal sector.

Generally, enforcement of legal guarantees is hampered by: 1) restricted access to legal representation due to cost; 2) a complicated labor dispute resolution system; and 3) a legal system plagued with delay and corruption. It is common for labor cases to remain unresolved for more than 5 years. In the end, rather than demand recognition of legal rights, Filipino workers would often just endure substandard conditions of work.

**Technical/Vocational Education in the Philippines**

Technical education of Filipino workers is principally entrusted to the Technical Education and Skills Development Authority (TESDA), established through Republic Act No. 7796, the “Technical Education and Skills Development Act of 1994.”

By its own account, a major thrust of TESDA is the formulation of a comprehensive development plan for middle-level manpower based on the National Technical Education and Skills Development Plan.
which maps out a national training program that includes apprenticeship, dual training system and other similar schemes.

Overall, TESDA formulates manpower and skills plans, sets appropriate skills standards and tests, coordinates and monitors manpower policies and programs, and provides policy directions and guidelines for resource allocation for the TVET institutions in both the private and public sectors.

From its inception, however, the TESDA has yet to measure and inform stakeholders just how far it has gone to reach its goals.

It is commonly held by workers and workers’ groups that TESDA has evolved as a source of accreditation rather than training because it is now part of the government machinery presently focused on sending more Filipinos abroad as Overseas Filipino Workers (OFWs). This is reflected in the courses primarily held out by TESDA to interested workers.

Apart from the government auspices under the TESDA, technical education of Filipino workers has long been sought through the various skills development and enhancement provisions of the Labor Code which allows the employment of so-called apprentices (in highly skilled occupations) and learners (in non-skilled work).

Through tax incentives and exemptions from payment of minimum wages, employers are encouraged to engage apprentices and learners for them to develop skills needed for employment. The government has yet to monitor and report just how many secured local jobs this system has generated.

In contrast, it has been widely found that employers deliberately misclassify jobs as appropriate for apprenticeship or learners so as to avoid paying correct wages. Thus, apprentices and learners get lower wages for doing regular work. An examination of the list approved by the Department of Labor and Employment of “apprenticeable” jobs readily shows the abuse of this classification to the prejudice of workers. For instance, considered “apprenticeable” are knitters, shop tailors, etc.
One issue being raised with TESDA is its move to provide more globally marketable courses and less skill-driven ones. Currently, call center trainings are being prioritized and traditional classes like carpentry, among others, have been eradicated.

**Discrimination in the Workforce**

The Philippine Constitution and law expressly prohibit discrimination based on sex, race, or religion. This protection is carried over into administrative practices but are impeded greatly by practical relationships and prevalent social bias.

While women's rights have greatly advanced in letter and in practice, social bias still demands that Filipino women add their duties at work to their traditional duties at home as homemaker, mother and wife. While the law contains a few provisions prohibiting discrimination against women, the enforcement is largely ineffective. Women continue to be discriminated against, especially in terms of wages and tenure, and pregnancy persists to be a cause for termination among women employees.

Despite legal protection, employers can easily mask actual discrimination by claiming other bases for discriminating against women such as merit, performance, productivity, and others.

It is noted that while there is an existing policy ensuring equal pay for equal work, the government has yet to address persisting concerns over the fact that there is no clear policy that equal pay is guaranteed for work which may not be the same but is of equal value. At the same time, the government has yet to formulate the means by which work will be evaluated to determine its value for purposes of avoiding employment discrimination.

In compliance with its international obligations, the Philippines has placed in its Labor Code provisions which help address the special needs of women in the workplace which will alleviate discrimination against them in hiring and continued employment. Examples are regulation by the Labor Secretary to mandate separate restrooms for women and men, seating for women at their place of work, and child
care facilities. To date however, the Secretary of Labor has not issued any regulation on these measures. This explains why the actual availability of these facilities is rare in workplaces in the country.

Where women who experience discrimination do have cause to complain, the complicated and inefficient labor courts do not make enforcement through the courts an attractive option. By and large, women seriously consider just moving on to other employment instead of taking to task employers guilty of discrimination.

In a study, Prof. Myrna Feliciano made the following observations:

ILO Convention No. 103 guarantees maternity benefits to women employed in industrial, commercial and agricultural undertakings, including women wage earners working at home, regardless of age, nationality, need or marital status. These benefits may be in the form of cash or medical aid, maternity leave (both before and after childbirth) and permissions for interruptions during the working day to nurse the child. It also prohibit employers from terminating women who take maternity leaves.

The Labor Code is silent regarding the requirement imposed on employers by the Women and Child Labor Law of 1952 to allow their nursing women employees to nurse their children for two half-hour periods during their work hours.

To a great extent, maternity protection against discrimination has been incorporated in the Labor Code under Article 136 on the Stipulation against marriage and Article 137 on the Prohibited Acts. Such protection implicitly recognizes the gender biases that women had to face as a consequence of their childbearing capacities, and as such, provide the means for them to counter these gender biases that impede their access to employment opportunities.

In Locsin v. Court of Appeals, the Supreme Court upheld the conviction of an employer for dismissing a female employee, to prevent her, as in fact she was prevented,
from enjoying the maternity leave benefits prescribed by Republic Act 679. In the 1989 case of Reyes v. NLRC and Kong Hua School, Reyes was forced to take protracted leave of absences because of health complications due to childbirth. Instead of granting her applications for leave, the school advised her to voluntarily resign her post with the promise that they will take her back once she recuperated. When she applied for her former position, the school refused to rehire her. The High Court, in ruling for Reyes stated that:

“The school had no right to disapprove her application for an indefinite leave of absence due to illness caused by the delivery of her child and to force her to resign instead. This is contrary to Article 133(b) of the Labor Code.”


Gays and lesbians have very little protection against discrimination. Proposed legislation to introduce protection for gays and lesbians have yet to gain any traction. With regard to other groups such as Muslims and other religious groups, senior/elderly persons, and persons living with HIV/AIDS, no protection is expressly available under Philippine laws.

**Minimum Wage**

Since 1989, the Philippine government has established a system of minimum wage fixing. It has, at its core, seventeen (17) boards throughout the country, each composed of representatives from the government, employers and workers, and each authorized to set the minimum wage in a prescribed territory. The minimum wage level fixed by each board covers industrial as well as agricultural workers commonly with differentiations between them. Exemptions from payment of minimum wages are also commonly added by the Boards, even though they do not have the authority under the law to add such exemptions.
However, Philippine law also allows for exceptions to payment of minimum wages, including those given to exporters and that provided by RA 9178 or the Barangay Micro Business Enterprises (BMBE) Law which exempts businesses with a certain level of capitalization from paying minimum wages.

In practice, while the Philippines has a minimum wage regime in place, it is more felt through its non-compliance either through legal exemptions or outright illegal violations. Underpaid workers have minimal options to enforce their rights considering the government’s refusal to discharge its inspectorate functions and the labor justice system plagued with delay and corruption. Also of significance is the proliferation of tenuous and contingent employment conditions which employers use as leverage to avoid complaints from workers.

Under the law, there is already a wide range of workers who are deprived minimum wages. These include apprentices, learners, disabled workers, workers in retail and service establishments regularly employing less than 10 workers, workers in so-called BMBEs.

Minimum wages have the force of law and workers may bring cases for wage underpayment to the labor courts. However, workers are not allowed to conduct a strike on the basis of non-payment of minimum wages and complaints for underpayment take at least 6 years for the courts to resolve and enforce.

The government is at best sluggish in taking violators of the minimum wage regulation to task. Hence, the degree of compliance to labor regulation in general and to payment of minimum wage in particular, is very poor. Together with the arduous labor justice system, government inaction and precarious employment conditions contribute greatly to the widespread violation of the minimum wage law. Government is widely perceived as purposely lax in implementing labor standards (including minimum wage rates) to complement its ongoing call for investors to come to the Philippines.
Factors that Affect the Minimum Wage

By and large, only the country’s inflation rate effectively informs the level of minimum wage. Other considerations of minimum wage fixing are only paid lip service but are largely ignored. Also, the Boards which fix minimum wages, while tripartite in composition, are influenced more by politics than by economic factors and the real needs of workers. This is easily seen in the fact that Boards usually wait for a signal from the Philippine president before considering any initiative to adjust the level of minimum wage. Despite the rapid deterioration of economic conditions of the country, especially since 2006, minimum wages have only been minimally adjusted and only when perceived to be politically expedient by the President. Thus, current minimum wage levels hardly come close to what workers need to sustain decent living.

The Philippines is divided into seventeen (17) territories, called regions, each having its own Regional Tripartite Wages and Productivity Board, composed of representatives of government, employers and workers. Under the law, each board can issue a wage order fixing the minimum wage level for its respective region and this can be done no more than once a year.

Monitoring of compliance is minimal; the general attitude of government is to stand by and be ready for complaints from affected workers. Labor inspectors who are tasked with the duty of making spot inspections among Philippine establishments are not funded well by the government and as such, they are largely ignored and often corrupted by employers.

Revealing areas of inquiry on this include the number of labor inspectors supported by the government and the budget support given to the labor inspectorate system. It will also be good to examine the percentage of employers who had been inspected in relation to the total number of employers.
Economic zones have minimal government interference. According to the Philippine Economic Zone Authority, an Export Processing Zone (EPZ) should administer its own economic, financial, industrial and tourism development, with minimal government help. Designated as centers of development, these areas are focused more on the output provided by workers than the conditions of the workforce.

While the right to unionize is not officially prohibited, investors have devised their own methods to secure a well kept workforce by manipulating union factions, decertifying a certain union or keeping a union which they themselves can control.

Aside from this violation to the right to organize, EPZs also violate the rights of their workers through lowered minimum wages and inhumane working conditions. In a 2004 study commissioned by the Trade Union Congress of the Philippines (TUCP), the Solidarity Center and the United States Agency for International Development (USAID) confirmed EPZ workers received less than the mandated minimum wage.

There have also been several individual cases of work safety hazards. TUCP documented the case of South Korean company Hanjin Heavy Industries Corp. in Subic Bay Freeport Zone regarding the high mortality rate of its construction workers. This company has also been accused of serving maggot-infested and spoiled food and workers have contracted malaria due to their unsafe work conditions.

Particularly in EPZ’s, workers are forced to work longer hours to meet export deadlines. Many of these hours are unpaid.

The case of Hanjin Heavy Industries Corp. is just one of countless others. Because of workers’ fear of losing their jobs and efforts by
employers to silence grievances of employees, most cases are undocumented.

In her study entitled “Assessing the Situation of Women Working in CALABARZON (2001)” for the Philippine Apec Study Center Network, Dr. Divina M. Edralin noted the following:

The ILO report further asserts that “it is a regrettable feature of many zones that both male and female workers are trapped in low-wage, low-skill jobs. They are viewed as replaceable and their concerns do not receive sufficient attention in labour and social relations.” The workforce in EPZs worldwide is usually female in majority, and in certain activities, notably textiles, garment manufacturing and electronics assembly, women can account for 90 percent or more of the workers.

Furthermore, the ILO report notes that the shortage of appropriate human resource development strategies may well limit the potential for EPZs to improve productivity and upgrade jobs. Labour relations and human resource development remain two of the most problematic aspects of zone functioning. Mechanisms for improving labor standards are often inadequate: “The classic model of labour regulation – with a ‘floor’ or framework of minimum labour standards, and free trade unions and employers coming together to negotiate binding agreements – is extremely rare in EPZs.”

Finally, in another ILO report, trade union organizations strongly criticize special economic zones, claiming they are characterized by low wages and abuse of workers. In an ICFTU report, export processing zones are called concentration camps. In addition, the ICFTU argues that the “Asian miracle” was largely built on the rapid growth of manufacturing industries, mainly light-assembly operations producing for export, and a steady increase in agricultural productivity. According to the ICFTU, most of the region’s proliferating export processing zones have been deliberately
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created to prevent union organization as an incentive to investors. Foreign investors have been able to take advantage of the low pay and manual dexterity of workers. These industries have generated unprecedented employment opportunities for women, which are an escape route from rural poverty. However, working conditions are frequently long, arduous and dangerous. Few of the women keep these low-paid jobs much beyond their twenties, because employers fire those who marry and start a family. (ILO, 2001, cited from ICFTU: The Global Market: Trade Unionism’s Greatest Challenge)

**Labor Contracting and Flexible Arrangements**

Companies have created flexible arrangements for employees to compete with growing demand for exports and output. These include labor contracting, “consignment” hiring, agency hiring and subcontracting. According to a study conducted by ILO, as early as 1992, 72% of the companies in the Philippines engage in these practices.

Labor-only contracting, as opposed to subcontracting, is prohibited in the Constitution. Section 2 of Department Order No. 3 of DOLE states that there is labor-only contracting where the contractor or subcontractor merely recruits, supplies or places workers to perform a job, work or service for a principal, and the following elements are present:

a) The contractor or subcontractor does not have substantial capital or investment to actually perform the job, work or service under its own account and responsibility; and

b) The employees recruited, supplied or placed by such contractor or subcontractors are performing activities directly related to the main business of the principal.

Article 106 of the Labor Code allows companies to hire workers for six months or less. According to an article by Alfredo Rosario of Manila Times, labor contracting practices have generated savings
for companies since they are no longer required to pay Social Security System (SSS) and Philhealth contributions. It has also provided temporary employment to many Filipinos; most service workers in restaurants, fastfoods and hotels are hired on a contractual basis.

An article by Alexander Remollino which appeared in Bulatlat and PinoyPress discusses how contractualization weakens and discourages formation of unions. Contractual workers cannot join unions as this will result in immediate cessation of their jobs.

**The Real Picture**

*Minimum Wage*

In practice, the system of minimum wages is ignored and violated by many employers due to lack of government interest in enforcement and due to the difficulty by which workers can enforce their rights to receive minimum wage.

In addition, the country has yet to rationalize minimum wages on the national level. Currently, wage levels are set by each board with parochial considerations and the impact on the national level is largely ignored. It is thus common for employers in lucrative areas such as banks and telecommunications to be obliged to pay the low minimum wage rates more appropriate to smaller employer units.

*Occupational Health*

Philippine law provides for minimum conditions on occupational health and safety which are applicable throughout the country, but no reliable numbers are available regarding compliance. Nonetheless, the occupational health and safety situation in the Philippines is far from being admirable, to say the least. To attract foreign investments and grab a bigger share of the market, companies operating in the Philippines continue with their race to the bottom in terms of labor standards.

More and more workers are suffering from poor working conditions, with no protection whatsoever, while their wages and benefits are
driven to insanely low levels. With social service taking the last priority, proper health care and housing for workers is a big wish waiting to come true.

Labor inspectors who are tasked to do spot checks on employers are too few to be effective, and government has had to suspend inspection-related activities regularly. Needless to say, to save on cost, employers are hard pressed to provide healthful and safe working conditions.

In 2002, the Bureau of Working Conditions (BWC) stated that there were only 59 accredited workplace inspectors assigned to monitor more than 700,000 registered enterprises. Each inspector, to provide at least 80% coverage, must check 9,492 firms a year or 32/day.5

The main problem with occupational health statistics in the Philippines is the general lack of readily available and accessible data. With regard to occupational accidents, for example, the data below is the one available but only represents data in 2003.

### TABLE 5. Occupational Injuries Reported to the DOLE, 2000-2003

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Occupational Injuries</td>
<td>69208</td>
<td>57752</td>
<td>58720</td>
</tr>
<tr>
<td>Without lost workdays</td>
<td>42742</td>
<td>35973</td>
<td>35454</td>
</tr>
<tr>
<td>With lost workdays</td>
<td>26467</td>
<td>21779</td>
<td>23265</td>
</tr>
<tr>
<td>Permanent incapacity</td>
<td>179</td>
<td>321</td>
<td>131</td>
</tr>
<tr>
<td>Fatal</td>
<td>178</td>
<td>302</td>
<td>170</td>
</tr>
</tbody>
</table>

Source: Bureau of Labor and Employment Statistics, Department of Labor and Employment

<table>
<thead>
<tr>
<th>Industry Sector</th>
<th>Total</th>
<th>With Lost Workdays</th>
<th>Non-fatal</th>
<th>Without Lost Workdays</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>Fatal</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>58720</td>
<td>23265</td>
<td>170</td>
<td>23095</td>
</tr>
<tr>
<td>Mining &amp; quarrying</td>
<td>156</td>
<td>60</td>
<td>5</td>
<td>55</td>
</tr>
<tr>
<td>Manufacturing &amp; processing</td>
<td>40498</td>
<td>14403</td>
<td>24</td>
<td>14679</td>
</tr>
<tr>
<td>Electricity, gas, water &amp; sanitary service</td>
<td>1329</td>
<td>805</td>
<td>25</td>
<td>780</td>
</tr>
<tr>
<td>Construction</td>
<td>1768</td>
<td>1114</td>
<td>4</td>
<td>1110</td>
</tr>
<tr>
<td>Wholesale and retail</td>
<td>6637</td>
<td>2690</td>
<td>48</td>
<td>2642</td>
</tr>
<tr>
<td>Hotels and restaurants</td>
<td>2757</td>
<td>1195</td>
<td>10</td>
<td>1186</td>
</tr>
<tr>
<td>Transport, storage and communication</td>
<td>2335</td>
<td>1558</td>
<td>36</td>
<td>1522</td>
</tr>
<tr>
<td>Financial &amp; Insurance</td>
<td>109</td>
<td>100</td>
<td>2</td>
<td>98</td>
</tr>
<tr>
<td>Real estate</td>
<td>1022</td>
<td>566</td>
<td>14</td>
<td>552</td>
</tr>
<tr>
<td>Private education services</td>
<td>699</td>
<td>132</td>
<td>2</td>
<td>130</td>
</tr>
<tr>
<td>Health and social work</td>
<td>169</td>
<td>96</td>
<td>__</td>
<td>96</td>
</tr>
<tr>
<td>Other community, social and personal service activities</td>
<td>1243546</td>
<td>__</td>
<td>546</td>
<td>__</td>
</tr>
</tbody>
</table>

Source: BLES Integrated Survey, DEpartment of Labor and Employment, 2003-2004
In 2004, instead of increasing the number of inspectors from its current number of 59, the DOLE issued Department Order (D.O.) 5704, stipulating that companies with a workforce of more than 200 will just have to conduct self-assessment and are no longer required for inspection. Companies are expected to fill out a working condition assessment form to be submitted to the BWC. The second group of firms with 10 to 199 workers will be inspected on a “per request basis,” while those with less than 10 shall be given advise on how to improve working conditions.6

Compensation for accident victims must also be developed. The Employment Compensation Commission (ECC) provides monetary compensation for workers figuring in accidents causing permanent and temporary disabilities. The ECC has reported financial difficulties since it is merely borrowing money from the Social Security System (SSS) and monetary compensation usually are small and late. There are no programs for reintegration of workers who figure in occupational accidents.7

Rest and Recreation

Workers who are generally exempted from the relevant provisions of the Labor Code on rest and recreation include: government employees, managerial employees, field personnel, members of the family of the employer who are dependent on him for support, domestic helpers, persons in the personal service of another, and
workers who are paid by results as determined by the Secretary of Labor in appropriate regulations. Workers employed in retail and service establishments of less than 10 workers are also exempt by the law.

In addition to these formal exemptions, it is usual practice for employers to deliberately deny its employees these benefits on the false pretext that they are classified as employees who are exempt under the law. Countless workers have been victims of this deception but are helpless given (1) the government's lack of initiative to take employers to task as shown by the impoverished labor inspectorate system; (2) failure of government to improve the inefficient and slow system of labor justice; and (3) the refusal of government to encourage unions or workers’ groups who would otherwise be able to check abuses by employers.

**Freedom of Association**

Workers have to register with the Department of Labor and Employment (DOLE) and must have a minimum number of members (relative to the number of employees they wish to represent) to form a union and be recognized by the company and DOLE. Registration with the DOLE invariably exposes the identity of unionizing workers to employers who usually exert considerable efforts to dissuade and coerce them to refrain from and cease their union activities.

A classic example of employers’ application of undue pressure and violence to quell workers’ unions and their demands was the infamous Nestlé workers strike more than a decade ago as documented by Jen Schradie, an independent documentary producer and writer.

In February 1996, Nestlé bought majority shares of stock for the Magnolia ice cream and other product lines of San Miguel Corporation. Upon assumption of ownership, the company immediately cut benefits in half and began a process of making permanent positions contractual, or temporary.

Nestlé workers protested with posters, T-shirts, buttons and armbands, but the management demanded they remove these
paraphernalia. The workers resisted with a sit-down strike; two days later, the company fired eight union officers and two active members. The rest of the participants received a ten-day suspension.

On January 11, 1997, the workers decided to launch a strike. 129 workers endured intense company instigated harassment and violence throughout the duration of their unified action.

Meanwhile, public sector employees are allowed to form unions as long as these do not have the purpose of collective bargaining. This includes government owned and controlled corporations having their own charter.8

Members of the police, armed forces, jail security, and fire fighting institutions are not allowed to form unions altogether.

In the private sector, workers who are also members of cooperatives are not allowed by law to form or join unions. Managerial employees, and, by jurisprudence, confidential employees, are not eligible to join, assist or form any labor organization. Supervisory employees shall not be eligible for membership in a union of the rank-and-file employees but may join, assist or form separate labor organizations of their own.9

Aside from these formal classes of workers whose right to form and join unions are restricted, workers in designated Special Economic Zones work under an unofficial but widely acknowledged policy of “no union, no strike” implemented by SEZ authorities and local government authorities. Through threats, intimidation and violence, workers are told not to form unions or, if they do, form unions which are supported by the management of the employer.

Furthermore, nominal freedom is given to Philippine trade unions to function and exercise their rights. However, statutory guarantees are regularly flouted and enforcement of legal provisions are hampered by (1) restricted access to legal representation due to cost, (2) complicated labor dispute resolution system and (3) legal system plagued with delay and corruption. It is common for trade unions to have cases litigated for years in court while their members
are dissociated from their work due to coercion, force, harassment or some other cause.

Right to Strike

The right to strike is guaranteed by the Constitution with certain restrictions. By law, Philippine workers in the public sector are prohibited from engaging in strikes. Private sector workers may engage in strikes but the process is so complicated and fraught with technicalities as to effectively blunt their right to do so.

In fact, even if trade unions do successfully comply with legal requirements, the Secretary of Labor still retains the authority under the law to prevent the strike by exercising his power of “assumption of jurisdiction” over labor disputes affecting the national interest.

In practice, the application of this authority has been very broad. The declaration of a strike after such an “assumption of jurisdiction” or submission of the dispute to compulsory arbitration is a prohibited activity and the violation by any person of any of the provisions of section 264 is punishable by imprisonment which involves an obligation to perform labor.

The Revised Penal Code also lays down sanctions of imprisonment for participants in illegal strikes (section 146).

Under Article 264 of the Labor Code, the following are prohibited:

**ART. 264. Prohibited activities.** - (a) No labor organization or employer shall declare a strike or lockout without first having bargained collectively in accordance with Title VII of this Book or without first having filed the notice required in the preceding Article or without the necessary strike or lockout vote first having been obtained and reported to the Ministry.

No strike or lockout shall be declared after assumption of jurisdiction by the President or the Minister or after certification or submission of the dispute to compulsory or
voluntary arbitration or during the pendency of cases involving the same grounds for the strike or lockout.

Any worker whose employment has been terminated as a consequence of any unlawful lockout shall be entitled to reinstatement with full back wages. Any union officer who knowingly participates in an illegal strike and any worker or union officer who knowingly participates in the commission of illegal acts during a strike may be declared to have lost his employment status: Provided, That mere participation of a worker in a lawful strike shall not constitute sufficient ground for termination of his employment, even if a replacement had been hired by the employer during such lawful strike.

(b) No person shall obstruct, impede, or interfere with, by force, violence, coercion, threats or intimidation, any peaceful picketing by employees during any labor controversy or in the exercise of the right to self-organization or collective bargaining, or shall aid or abet such obstruction or interference.

(c) No employer shall use or employ any strike-breaker, nor shall any person be employed as a strike-breaker.

(d) No public official or employee, including officers and personnel of the New Armed Forces of the Philippines or the Integrated National Police, or armed person, shall bring in, introduce or escort in any manner, any individual who seeks to replace strikers in entering or leaving the premises of a strike area, or work in place of the strikers. The police force shall keep out of the picket lines unless actual violence or other criminal acts occur therein: Provided, That nothing herein shall be interpreted to prevent any public officer from taking any measure necessary to maintain peace and order, protect life and property, and/or enforce the law and legal order.

(e) No person engaged in picketing shall commit any act of
violence, coercion or intimidation or obstruct the free ingress to or egress from the employer's premises for lawful purposes, or obstruct public thoroughfares.

In addition to the grounds under Article 264, it is also prohibited for workers to strike in defiance of an order from the Secretary of Labor and Employment for them to return to work. Such defiance will make the strike illegal.

It is common experience for employers to file complaints for illegal strike against workers invoking any of these grounds which, if successful, would result in the dismissal of union officers and for union members responsible for the illegal conduct. The prohibitive costs of litigation, together with the delay and corruption implied by it, greatly burden the trade unions involved.
RECOMMENDATIONS

THE ALTERNATIVE report and the consultations that followed showed the need for comprehensive and long term reforms in the workplace, especially for the vulnerable and marginalized sectors. These focus on strengthening the system and empowering the workers.

1) First, labor laws and rights should be a required course in tertiary/secondary/vocational education. Future workers should be aware of their rights as future members of the workforce.

2) There should be clearer laws on labor contracting and contractualization. The law should clearly classify these as illegal, as workers are deprived of benefits.

3) The informal sector/self-employed comprise a significant chunk of the workforce; however, they are those who are most deprived of benefits. Government should ensure that the security of this sector is guaranteed.

4) A reexamination of the minimum wage is necessary as there is a huge discrepancy between the minimum wage (Php380) and the amount necessary for an average family to survive (PhP740).

5) There is a huge need for accountability. A system where grievances of employees can be heard should be ensured.

6) There is a need to enhance the health and safety protection system especially of those vulnerable to injury. These include those doing manual labor, such as carpenters, construction workers.
7) The humane treatment of workers, especially in Special Economic Zones, should be guaranteed. There should be regular inspections of conditions of the workplace. The inspection body should be strengthened in terms of number of personnel and training.

8) Labor standards/employee rights are being prioritized versus investments of private companies and the government should be ensured through regulation.

9) Company unions should be checked to ensure that these are genuine unions or employer-formed unions. Verify with labor groups on how common this phenomenon is.

10) There is also a need to push for benefits for informal workers.
Toil and Trouble

FOOTNOTES


4 Remollino, A. Contractualization Main Culprit in Decline of Unionism in the Philippines from:

5 Asian Network for the rights of Occupational Accident Victims (ANROAV), Briefing Paper, 2007

6 Asian Network for the rights of Occupational Accident Victims (ANROAV), Briefing Paper, 2007

7 Ibid

8 Labor Code, Article 244: ART. 244. Right of employees in the public service. Employees of government corporations established under the Corporation Code shall have the right to organize and to bargain collectively with their respective employers. All other employees in the civil service shall have the right to form associations for purposes not contrary to law.

9 Labor Code, Article 245: ART. 245. Ineligibility of managerial employees to join any labor organization; right of supervisory employees. Managerial employees are not eligible to join, assist or form any labor organization. Supervisory employees shall not be eligible for membership in a labor organization of the rank-and-file employees but may join, assist or form separate labor organizations of their own.
Shipping Off Labor:
A Report on the Rights of Migrant Workers

BY THE CENTER FOR MIGRANT ADVOCACY – PHILIPPINES (CMA)

THE INCREASING overseas deployment figures of Filipino workers manifests the worsening employment, unemployment, underemployment, contractualization and consequent poverty in the Philippines and proves that the government's labor export policy violates the right to work of its citizens.

While the government fell short of its annual target of 1.6 million jobs, with new jobs created declining from 700,000 in 2005 to 599,000 in 2007\(^1\), overseas deployment reached 1,077,623 in 2007, 21% more than those deployed 5 years before and 44% more than 10 years earlier.\(^2\)

In 2008, this trend continues, with Philippine Overseas Employment Administration (POEA) reporting that for the first six months of 2008, it has already met 64% of the year's 1 million target with the departure of 640,401 OFWs. This is a 33.5% increase in the deployed documented OFWs over the same period in 2007.\(^3\)

Related to this, an overview of remittance figures since 1985 indicates the scale of growth in remittances. Remittances to the Philippines (measured as those moving through formal channels) are over 18 times higher than twenty years ago. While some of this growth may be attributed to improved remittance capture by the formal financial system, the rate of growth is nonetheless impressive:
The POEA and President Arroyo have always bragged about deployment figures year in and year out as one of their significant achievements. POEA has, since 2006, also become more explicit about labor export being a government policy.

Similarly, POEA, with the shift in its thrust to concentrate more on sending professionals abroad, has proudly announced the significant increase in the deployment of skilled workers, now comprising 75% of new hires. Given this labor strategy, the critical question would be the Philippines’ capability to develop both in the short- and long-term, given the continuous outflux of its human resources, especially its nurses, IT workers, production technicians and mechanical and electrical engineers.4

**Undocumented or Irregular OFWs**

The estimated number of irregular Overseas Filipinos (OFs) was on a downtrend since 2001 but it went up by 2% in 2007. Undocumented/irregular workers are a major concern because their status in the host countries makes them vulnerable to human and workers’ rights violations.

The Commission on Filipinos Overseas (CFO) estimated irregular OFs to number 1,607,170 in 2002 but it has dropped by 44% in 2007. However, their increase in countries like Qatar, Oman, by 15,000 in United Arab Emirates (UAE) and by 18,000 in Singapore in 2007 and their sheer number in countries like Kuwait (10,000), Saudi Arabia (KSA) (20,000), UAE (35,000), Singapore (56,000) and Malaysia (128,000) are worrisome, given complaints of abuses in these countries, including the continuing deportation in Malaysia.
Undocumented OFWs are mostly women and unskilled/domestic workers and thus more vulnerable to abuses.

**Feminization of Filipino Migration**

The 1998-2002 NSO Survey of Overseas Filipinos found there were more men than women OFWs, averaging 110:100.\(^5\) While NSO reported that women OFWs grew by 15% (compared to 18% growth rate for male OFWs) from 1998 to 2005, POEA statistics still showed the growing feminization of OFW migration since the early 90s.

The total newly-hired land-based women deployed in 1997 grew by 61% to 199,423 in 2002. The ratio of women to men was 71:29 in 2003. The 1997 figure has grown to 70% by 2004. By 2004-2007, women OFWs have outpaced the men in terms of numbers.

From a total of 209,372 women in 2004, deployment of female OFWs went down to 145,549 in 2007. This decline came about when Japan tightened its immigration policy, affecting overseas performing artists (OPAs) starting 2005. Likewise, the POEA’s implementation of the Household Service Workers (HSW, a new term coined by the POEA for domestic workers) policy reform starting 2007 also cut down by 56.6% the newly-hired domestic workers (DWs) deployed in 2007, to almost 40,000.

From 1998-2002, the biggest proportion of these women OFWs worked abroad at a younger age (25-29 years old) compared with their male counterparts (45 years old and above), raising their vulnerability to abuses given the jobs they held. They continued to be generally younger up until 2007; the biggest proportion working abroad still younger at 25-29 age range, the next big proportion is the 30-34 range. In 2005, the next big proportion to the 25-29 age range was 15-24 years old, most likely overseas performing artists.

In terms of skills or job category, during the 1998-2002 period, most of the women went to Hongkong (HK) and had lower paying jobs as laborers and unskilled workers (including DWs, cleaners and manufacturing laborers); while most male OFWs were in trades and related work in Saudi Arabia (KSA).
What makes the feminization of Philippine migration a problem is that more and more women OFWs have been going into domestic work. In 1997, DWs totaled 62,000, and increased to 91,412 in 2006. Currently, 98% of domestic workers are women.

Meanwhile, caregivers who are thinly separated from domestic workers in terms of status averaged 17,000 from 2003 to 2006 but increased to 20,394 in 2004. The requirement of their job to stay in their employers’ homes (caregivers sleep in the room of the person they are caring after) expose them to pressures to also perform uncompensated domestic chores. This work arrangement also makes them vulnerable to abuses such as sexual harassment and rape.

Of the 130 cases of women OFWs documented by CMA in 2008, three complained of sexual advances, rape attempt, and actual rape. The US military also announced in late February that they were investigating the alleged rape of a woman OFW by a member of the US Army on Okinawa just three (3) days after she arrived there. In Kuwait, the embassy reported that 7 women complained of sexual harassment and 6 more complained of rape by the end of 2006.

**Lack of Job Opportunities**

Obviously, the lack of quality jobs in the Philippines has been the main reason why Filipinos are forced to work away from their families. Even if there are government mechanisms to facilitate local employment (like the Public Employment Service Office [PESO] at the LGU level) and job fairs, local job availability is very limited and what is being promoted are mostly jobs abroad.

Due to this situation, current OFWs and returnees tend not to bother to look for local jobs and usually opt to seek for other overseas jobs instead. So a significant proportion of those being deployed are rehires; two thirds (2/3) of land-based overseas workers from 2001-2005 are ‘veteran’ OFWs.

The bleak job prospect at home also pressures OFWs to renew their contracts for as long as possible until the time they can afford to retire or in the case of the undocumented, until they are forced to
return when they are caught and deported.

For those who opt to return home and take their chances, the bad news is that there is no serious government reintegration program awaiting them. There was high-profile launch of the government’s reintegration center in 2007 but no sufficient budget was allocated to it.

Even when the Japanese government implemented its stringent rules against OPAs and POEA implemented its HSW reform policy, despite the expected plunge in both OPA and domestic worker deployment, there were no jobs and alternative livelihood provided for those displaced. To accommodate those deported from Malaysia, screening for domestic workers was loosened up instead.7 Nor were there plans to absorb Filipino nurses who may be displaced from abroad by reduced or closed quotas as in the United Kingdom.8 Domestic workers were forced to overstay or recruitment agencies circumvented the policy reform by contract substitution, not declaring that women will be working as domestic workers in their destination but rather as beauticians, etc.

“Protectors” of OFWs

Under the government’s labor export policy, instead of providing sufficient protection to OFWs, there are Philippine posts abroad that focus more on human resource marketing.

Labor attachés identify and assess labor market opportunities abroad and together with the POEA go on intensive marketing campaigns and conduct labor marketing missions (e.g., “with the intensive marketing campaigns conducted by the DOLE and POEA, job orders identified increased by 211.83% from CY 2004’s 21,744 to 80,735 in CY 2005…227,179 OFWs benefited or will stand to benefit…”9)

“With the Secretary of Labor at the helm, we dispatched marketing missions to expand employment opportunities for Filipinos in these countries…” In addition, the POEA “facilitated and supervised 364 job fairs…that registered 38,208 jobseekers…1,678 were hired for overseas jobs.”10
And while the Philippine Overseas Labor Offices at the embassy or consulate verify job orders and contracts, there continue to be cases of contract substitution victimizing OFWs. For example, a Filipina caregiver will arrive in Israel with contract and visa but the employer will tell her that he has found somebody else or after a few days of work, that he does not like her so she has to find another employer.

A more serious case documented by CMA was that of Teresita Santos, a gang rape victim in Saudi Arabia. When she sought the help of consulate personnel, she was not given immediate assistance and was not properly instructed on what to do to get justice. Worse, the consulate translator appeared to be more sympathetic to her tormentors. As a result, her case dragged on for two years, before she finally got redress.

**The human rights situation of OFWs**

**Right to information**

All deployed OFWs are required to undergo a Pre-Deployment Orientation Seminar (PDOS). First-timers go through an entire day of orientation, while rehires have half-day or less. But CMA’s evaluation study found that providers conduct PDOS in various manners that did not have clear and standardized learning objectives, topics, assessment features and qualifications of trainers.

CMA respondents and discussants admitted that the PDOS should be improved. For it to be more valid and relevant, the orientation conducted should be made country- and job-specific. Materials should also be supplemented by appropriate and adequate explanations. The needs of rehires and those approaching reintegration should likewise be considered.

A similar Scalabrini Migration Center evaluation in 1992 and 1997 concluded that the “OFWs’ frame of mind at the time of completing the seminar was already set on their imminent departure...[which] appeared as competing with their pre-departure concerns and forfeited the purpose of being a pre-orientation.”
In 2001 and 2003, the Kanlungan Centre Foundation also came up with a study that described PDOS as “particularly not being helpful in teaching them basic information and how to cope with their work abroad” (e.g. rights of OFWs, dos and don’ts, where to file cases, etc.).

On the other hand, the Pre-Employment Orientation Seminar (PEOS), meant to orient prospective migrants about legal application processes and to help them against illegal recruiters, was seen to be more timely and relevant. However, unlike the PDOS, it is not institutionalized.11

POEA conducted 543 PEOS in 2007 with 50,467 participants. 66% of these were conducted outside Metro Manila. The POEA also signed Memoranda of Understanding with 22 local government units to regularly conduct PEOS with anti-illegal recruitment components.12 But compared to the 1 million annual OFW deployment, PEOS reach was very minimal.

In addition, OWWA also conducts country-specific language and culture courses to departing OFWs. However, agencies still require applicants, mostly domestic workers and caregivers, to undergo expensive private training elsewhere prior to attending the OWWA courses.

Executive agencies have just started consulting stakeholders in relation to the legislated Shared Government Information System on OFWs. But this early, the system has bogged down due to hardware and software problems. While the posts are submitting semestral reports on the situation of overseas Filipinos to the Department of Foreign Affairs (which in turn submits them to Congress), these information need to be systematized and summarized for easy retrieval and reference for policy studies and recommendations.
Protection against illegal recruitment/excessive placement fees

STATUS OF ILLEGAL RECRUITMENT CASES HANDLED BY POEA IN 2006 AND 2007\textsuperscript{13}

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complainants assisted in filing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>complaints against recruitment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>agencies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cases handled</td>
<td>1,504</td>
<td>1,624</td>
</tr>
<tr>
<td>Pending cases at the beginning</td>
<td>992</td>
<td>1,154</td>
</tr>
<tr>
<td>Cases received</td>
<td>512</td>
<td>470</td>
</tr>
<tr>
<td>Number of complainants involved</td>
<td>1,135</td>
<td>1,057</td>
</tr>
<tr>
<td>Cases acted upon/disposed</td>
<td>350</td>
<td>339</td>
</tr>
<tr>
<td>Cases pending at the end</td>
<td>1,154</td>
<td>1,285</td>
</tr>
<tr>
<td>Facilitated arrest of suspected</td>
<td></td>
<td></td>
</tr>
<tr>
<td>illegal recruiters</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishments closed</td>
<td>12</td>
<td>9</td>
</tr>
</tbody>
</table>

The number of complainants shows the prevalence of illegal recruitment, including collection of excessive placement fees. Many victims do not report these illegal practices and just continue looking for other opportunities to work abroad.

Of the 301 cases involving 805 victims endorsed by POEA to different local prosecution offices for preliminary investigation, 20 were simple illegal recruitment (IR), 166 were simple IR and estafa, 35 were large scale IR and Estafa, 41 were syndicated IR and estafa while 34 were large scale/syndicated IR and estafa.\textsuperscript{14} Meanwhile, recruitment violation cases were reported to have declined from 3,811 in 2006 to 3,316 in 2007. In relation to this, recruitment and disciplinary action cases received in 2007 were 3,642 plus the previously pending 2,375 cases. Of these, POEA reported that 3,087 have been resolved.

Desperation drives Filipinos to pay excessive fees to recruitment agencies and brokers despite the law that limits placement fees to an amount equivalent to a month’s salary. So far, POEA has not
exerted enough effort to strictly control the collection of placement fees and penalize erring agencies. Another major stumbling block to this is the refusal of victims to file a case or even report an incident.

**Women’s rights**

In addition to their food, housing, education and health requirements, women have particular needs because of their gender. In particular, domestic workers and caregivers are more vulnerable to sexual violence, from harassment to rape. However, Filipinas tend not to complain or file cases regarding this. Usually, it takes a sensitive investigation of their situation before gender-related problems surface.\(^\text{15}\)

Data would show that female OFWs are more prone to abuses in ASEAN and Middle Eastern countries like Kuwait as can be seen in the table below:

**PROBLEMS OF FILIPINA DOMESTIC WORKERS IN KUWAIT\(^\text{16}\)**

<table>
<thead>
<tr>
<th>Problem</th>
<th>Number of complainants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Verbal abuse</td>
<td>239</td>
</tr>
<tr>
<td>Overwork</td>
<td>230</td>
</tr>
<tr>
<td>Inhuman treatment</td>
<td>165</td>
</tr>
<tr>
<td>Lack of food</td>
<td>159</td>
</tr>
<tr>
<td>Physical maltreatment/maltreatment</td>
<td>116</td>
</tr>
<tr>
<td>Unpaid salaries</td>
<td>89</td>
</tr>
<tr>
<td>No rest days/lack of rest</td>
<td>72</td>
</tr>
<tr>
<td>Finished contract/not provided exit ticket</td>
<td>12</td>
</tr>
<tr>
<td>Misunderstanding with employer</td>
<td>10</td>
</tr>
<tr>
<td>Sexual harassment</td>
<td>7</td>
</tr>
<tr>
<td>Rape</td>
<td>6</td>
</tr>
<tr>
<td>Others</td>
<td>143</td>
</tr>
</tbody>
</table>

However, OFWs still flock to these countries, even as irregular workers because of the relatively lower airfares and the ease of travel in ASEAN that do not require visa for Filipinos and the possibility of “buying” a visit visa to countries like the UAE.
Many women OFWs work for long hours. Six (6) restaurant workers in Cyprus complained of working for 33 days without salary and overtime pay despite a 1 day-off per 1-2 weeks proviso in their contracts. When one of them voiced out their grievance, she was locked up in an isolated room, tortured and abused by the police in connivance with her employer.\textsuperscript{17}

Added to the woes of women OFWs are poor accommodations, absence of a working contract or non-provision of a copy of a signed contract, no overtime pay and no day-off policies. In Saudi Arabia, 10 nurses of Thadiq General Hospital in KSA were housed in cramped quarters that had poor air-conditioning and no water heater from September 2007 up to the time they finally went home in February 2008.

It is important to note the continuing abuses and vulnerabilities of Filipina OFWs, given a steady trend of deployment of younger female OFWs. Hongkong, Saudi Arabia, and Japan were the top three countries of destination for female OFWs. 54.9 percent of the total female OFWs were laborers and unskilled workers, almost the same estimate in 2004 at 55.0 percent.\textsuperscript{18}

Rights of detainees and deportees

In Malaysia, undocumented Filipino workers are still being arrested, detained, and deported. The embassy reported to the Office of the Undersecretary for Migrant Workers Affairs (OUMWA) that by the end of 2006, there were 1,600 Filipinos in three detention centers and regular prisons in Kota Kinabalu, Tawau and Sandakan, mostly on immigration-related problems. Out of the 9,277 Filipinos deported, over 98% were from Sabah, with an average of 762 deportees a month.\textsuperscript{19}

The deportation of Filipinos continues. According to the DSWD, 11,729 were deported in 2007 and another 8,205 as of August 2008.\textsuperscript{20} From 2007 to April 15, 2008, RELA\textsuperscript{21} was reported to have conducted 7,213 raid operations and arrested 42,946 undocumented migrant workers (Home Affairs Minister, answer to YB Khalid Abdul Samad on May 5, 2008).\textsuperscript{22}
Shipping Off Labor

Photos by CENTER FOR MIGRANT AFFAIRS (CMA)
Shipping
OF Labor

Photos by CENTER FOR MIGRANT AFFAIRS (CMA)

TRACY PABICO
In addition, human trafficking was monitored, mostly in Labuan, Sabah, and Sarawak where victimized Filipinos could not seek shelter and protection from the Philippine Embassy in faraway Kuala Lumpur. The embassy reported 46 cases of human trafficking, 78% of which were in Sabah.

**Right to family life**

Unicef deputy country representative Colin Davis said that around 56% of migrants are married (based on 2000 data). If there are 2 million OFWs who are married (and assuming an average of three children per household), then there are six million children left behind who are at risk from the social costs of migration.23

The HSW reform policy has prevented many women OFWs from visiting their families because many of them do not want to go home and risk losing their jobs despite the reduced salary. In addition, many countries, especially in the west (e.g., Israel), discourage – if not disallow – family reunification, contributing to the break up of many families.

Of the 130 cases of women OFWs documented by CMA in 2008, six Filipinas reported abandonment by their respective husbands or child custody disputes.

Another major concern are the children of undocumented OFWs in Sabah whose right to nationality is violated by the long-standing problem of civil registration in faraway Kuala Lumpur and who risk continuing raids, arrests, detention in subhuman conditions and deportation.24 As of January 2007, records of the Immigration Department Enforcement Unit in Putrajaya showed that of 1,943 Filipinos in detention, 231 were children, for whom there are no special provisions in the detention cells.

A related disturbing development is the adoption of a legislative text of the European Return Directive that allows undocumented migrants, including children, to be held in custody between six months and 18 months.25
Recent research also found out that Filipino adolescents could become “worse off” in life because of overseas parents. The same study, presented at the United Nations Children’s Fund (Unicef)-Philippine Institute for Development Studies (PIDS) Seminar Series on Public Policies and the Rights of Children, showed that OFWs give less time and money to their children aged 13 to 16, making them “susceptible to being engaged in unwarranted acts, such as premarital sex that results in teenage pregnancies.” Other related problems are abuse, whether sexual or physical, and drug abuse.  

**Right to protection**

While Republic Act 8042 has anti-illegal recruitment provisions, the government fails in implementing some crucial provisions of the law regarding monitoring and oversight. There has been an ongoing anti-illegal recruitment and anti-trafficking campaign, but no “big fish” has been arrested. Thousands continue to fall prey to illegal recruitment.

While the government aggressively markets OFWs, the Department of Foreign Affairs (DFA), particularly its foreign posts, is unable to provide sufficient protection to them, especially onsite and where they are concentrated. There are only 85 foreign posts, including MECO in Taiwan; 34 labor offices (POLOs) in 24 countries; and Filipino Workers’ Resource Centers (FWRCs)/shelters in 20 countries even as OFWs are scattered in more than 197 countries and territories worldwide.

Filipino welfare and resource centers are overstretched and underfunded – resulting in dire situation for runaways as well as case neglect. In some instances, OFWs avoid the posts known for being inefficient. Even when they need help, OFWs opt to steer clear of diplomatic posts where they are looked down and treated as second-class citizens.

The P100-million Legal Assistance Fund of the OUMWA under DFA was not exhausted in the years 2005 to 2007. The Emergency Repatriation Fund of P100 million cannot suffice for the number of distressed OFWs needing repatriation; thus, there have been
instances when some OFWs languish in crowded FWRCs while waiting for plane tickets or were forced to work irregularly outside the shelter just to raise airfare money.²⁸

Among CMA’s documented cases, 89 troubled OFWs experienced neglect of embassy/consulate, were given poor advice, or were simply ignored and not assisted.

The worst case was that of a diplomatic staff (of the Philippine permanent mission to the UN in Geneva) who was charged with abusing her domestic worker (who happened to be her own cousin). The Geneva court ordered her to pay damages as far back as January 2000, but she has not done so to date. Despite a warrant of arrest, the DFA continues to employ her in the home office.²⁹

A major concern too is that OFWs do not want to file cases against their abusers for lack of trust in the justice system. Some OFWs complain that those who win their cases in the National Labor Relations Commission (NLRC) in fact win only “paper victories.” They could not get actual redress because the errant agency has closed or has disappeared.

**Right to social security**

In general, workers’ and social benefits, if any, are very limited in the Philippines; thus, the strong push for people to work abroad.

OFWs or at least those who pass through the POEA are required to “voluntarily” join OWWA and pay $25 per contract up to the maximum of 2 years. They cannot board their plane or ship without the Overseas Employment Certificate that they get upon paying the $25 fee. Those who did not pass through POEA, including the undocumented, may also contribute to OWWA onsite.

As stated in OWWA’s Omnibus Policy, OFWs may benefit from employment injury benefits if they religiously pay their membership dues. The family may also benefit from accident and life insurance, limited scholarships and loans from OWWA.
However, most of the OWWA life- and work-related accident insurance and its other services have been suspended. OWWA is prioritizing the growth of its core $10 billion welfare fund to keep it “stable.” Its benefits have been limited to the contract period. 90% of OWWA’s annual budget (charged to the interest of the fund principal amounting to some $10 B) go to staff salaries. What is left of the interest is allocated for the benefit of contributing OFWs and their families.

This Omnibus Policy was passed by the OWWA board without sufficient consultation with the fund contributors – the OFWs – or any legislative review. It should be noted that its board is composed mainly of non-OFWs, except for one land-based and one sea-based representative. The government does not contribute a centavo to the fund.

In June 2008, CMA conducted an online survey on OWWA among 400 respondents and found that the welfare agency has failed to sufficiently inform its members and target constituency regarding its nature, services, benefits, requirements and processes and limitations. Many lose their right to claim benefits through no fault of theirs. They are denied social security protection without being given the necessary information to remain in good OWWA standing, which is a violation of due process.

Only 7% of the online respondents have availed of OWWA’s programs and only 5% stated that the program successfully met their welfare needs. To date, OFWs’ demands for OWWA reform, accountability and transparency have fallen on deaf ears. Likewise, the call by various NGOs to suspend and review the Omnibus Policy has been ignored by OWWA.

In addition, OFWs are also required to pay membership to Philhealth for medical benefits (undocumented OFWs may also join Philhealth in select countries). The contribution is quite affordable but very insufficient vis-a-vis the poor health situation of Filipinos, the sorry state of the public health system and the expensive, privatized health care.

OFWs may also access old-age benefits if they volunteer to contribute to the Social Security System (SSS), but the pension is insufficient
given lack of social safety nets.

Meanwhile, undocumented OFWs do not enjoy the right to social security and have to compete for the limited Legal Assistance Fund and Emergency Repatriation Fund of the DFA's Office of the Undersecretary for Migrant Workers Affairs (OUMWA).

Right to food

Many OFWs, especially domestic workers and caregivers, complain of insufficient or unsuitable food which they cannot eat because of cultural preferences. Worse, their employers even charge them for the food they eat. OFWs who are detained, especially the undocumented, likewise complain of the same problem.

Right to shelter/housing

Many OFWs, especially domestic workers and caregivers, suffer from inadequate housing abroad. Those who flee from abusive employers and seek shelter in the embassy or consulate also encounter accommodation problems. There are just too many runaways and victims of abuses that the Filipino Workers' Resource Centers/shelters cannot humanely house them due to lack of space and other resources.

Right to education

Many OFWs suffer from de-skilling because they take up jobs that do not match their educational background (e.g., teachers working as domestic workers, doctors shifting to nursing, architects working as draftspersons, nurses working as caregivers, etc.).

Filipinos working abroad also do not have time for continuing education opportunities or adult education (e.g., domestic workers and caregivers are usually overworked, with only one day off, if they are lucky). The only day off usually is not even sufficient for themselves (rest, relaxation, stress management) and for communicating with their families.
The Technical Education and Skills Development Administration’s (TESDA) PGMA-Training for Work Scholarship Program and Employment Skills Training Program cater to potential migrant workers, with modules such as housekeeping (for domestic workers) and gas metal arc welding (for construction workers). The training centers TESDA has accredited nationwide, largely private ones, offer expensive courses on Information Technology (IT), caregiving (a 6-month course), housekeeping, seafaring, call center services and medical transcription, etc.\textsuperscript{30}

On the other hand, another social cost of migration is the tendency of children of migrant parents, particularly domestic workers and caregivers, not to finish their studies since they just want to follow their parents’ footsteps and be domestic workers and caregivers themselves. Without parents to monitor their studies, children of OFWs usually exhibit poor study attitudes and habits and eventually drop out of school.

\textbf{Right to health}

Long hours of work, lack of rest days and overwork (usually without compensation), especially in the case of domestic workers and caregivers, put a heavy strain on OFWs physically as well as emotionally and mentally. Human rights abuses, including physical maltreatment, emotional violence, psychological torture and violence against women (from sexual harassment to rape) add to their burdens and wear their health down. Unfavorable work and living conditions, including lack of sufficient nutrition and proper accommodations, as well as worries over those they left behind and insufficient social support all contribute to ill health. Undocumented OFWs are particularly vulnerable to illnesses because they are more prone to abusive work and living conditions. They are without access to health services because of their immigration status, and abusive employers can easily withhold their benefits. These OFWs, afraid that they will lose their job, are unwilling to fight for their right to health.

Employers of some OFWs do not provide for health insurance. Access of marginalized OFWs to health services is limited because health insurance and private health services are very expensive. If
the employer does not provide this, the OFWs will have to pay a lot of money for health services which they cannot afford.

**Discrimination**

No significant steps have been taken to eliminate discrimination against domestic workers, caregivers, overseas performing artists and women.

Domestic work abroad is attractive to housewives who are not remunerated for their housework. They continue to flock to restrictive societies like Saudi Arabia, Jordan and Lebanon despite media reports of abuses, runaways and repatriations. Entertainment work is attractive due to the lure of potential high earnings.

One should note that domestic workers in the Philippines are not recognized as workers, thus eroding the right of Filipinas working abroad to assert their rights. There is a bill (The *Kasambahay Law*) that seeks recognition for domestic work and provides for rights and benefits for domestic workers, but this has been pending for years in Congress.

Another form of gender discrimination is the recent POEA policy discouraging unskilled jobs such as domestic work, on the assumption that skills and a higher age requirement will protect OFWs from abuses.

The government has been sending mixed signals regarding domestic work. Official pronouncements signify that it wants to end the predicament of hundreds of abused domestic workers temporarily housed in the Filipino Workers’ Resource Centers abroad, but on the other hand, the President is encouraging *Supermaids* and TESDA has *supermaid* training programs promoting domestic work abroad.

**Bilateral labor agreements**

The country has forged bilateral labor agreements with receiving governments, but these are mostly limited to deployment arrangements for seafarers and deployment and recruitment
procedures for land-based workers.

It is very important for the government to forge agreements, including multilateral agreements, that clearly recognize the rights of OFWs and to set up protection mechanisms with as many host countries, covering as many types of OFWs as possible to better protect them from abuses.

The government should persevere to dialogue with host countries to make them equally committed to protect, promote and fulfill the rights of migrant workers. Effective enforcement of government policies also requires the cooperation and commitment of host countries.

The need for such agreements was recently underscored when the POEA came up with its POEA’s Household Service Workers policy, increasing the minimum wage of domestic workers to $400 from the prevalent US$200 and requiring assessment or training in housework, supposedly to promote their rights. A higher wage is definitely desirable, but the domestic workers and host governments were not consulted before this policy was imposed. As a result, the said reform was ineffective; the Philippine government could not impose the policy on host countries which are more decisive on-site in the absence of bilateral labor agreements.

It is disheartening to note, however, that government officials are pushing for treaties that are perceived to be disadvantageous to the country and its workers, like the Japan-Philippines Economic Partnership Agreement (JPEPA) which only affirms the commodification of migrant workers and places them under unfair labor and social conditions (under JPEPA, Filipino nurses and caregivers would not be treated as professionals in Japan).
RECOMMENDATIONS

IN VARIOUS public forums and consultations on the problems that OFWs and their families face, the following recommendations have been forwarded:

1. The government should review its labor export policy while seriously addressing the labor situation in the country to prevent more outflow of its human resources.

2. There should be a comprehensive and coherent reintegration program for returning OFWs, to include incentives that will attract them to invest in the local economy. Such program should address the social costs of migration and release them from the trap of the cycle of out-migration.

3. There should be an evaluation and improvement of TESDA and PESO, to improve their capacity to also target workers who have gone abroad for retooling and adult education. Until most Filipinos can find work and earn decent wages locally, push factors will drive them abroad in droves, even as undocumented workers.

4. There should be strict regulation of recruitment agencies and imposition of penalties against those collecting excessive placement fees. The POEA standard of one-month salary as maximum equivalent of the placement fee should be enforced.

5. Government agencies should seriously ensure that the rights of OFWs are promoted and protected. They should also be gender-sensitive and responsive. Filipino women tend not to complain or file cases, even as a sensitive investigation of their situation usually surfaces gender-related problems.31
Deceitful practices and abuses like switching and unjust cancellation of contracts should be closely monitored and penalized.

A policy environment that would encourage victimized OFWs to file cases like provision of legal assistance and witness protection, etc. should be created.

6. Capacity and resources for counseling, stress debriefing and management and other assistance for both distressed OFWs and families/children negatively affected by migration should be provided.

Victims of illegal recruitment must also be documented and given post-trauma counseling.

7. The government should also evaluate the performance of all OFW-related agencies to improve their attitudes and services towards OFWs, to increase their capacity and to weed out undesirable personnel. The OWWA should be overhauled to better serve and benefit OFWs.

8. Funds of and for OFWs should be strictly monitored and audited.

9. Local government units (LGUs) should also be trained so that they could help address the needs of OFWs and their families.

10. Bilateral relations, especially with countries where OFWs are concentrated, should be worked out, while existing Memorandum of Understanding should be monitored and maximized.

11. The implementation of the Magna Carta for Overseas Filipinos and their Families (Republic Act 8042) should be evaluated, and sections that fall short of its intent to promote and protect the rights of OFWs should be
amended. Congress, with its oversight function, should regularly hold hearings and investigations regarding the situation of OFWs.

12. The government should improve its information and education work and regulate agencies providing PDOS and PEOS. Curricula relevant to first timers, rehires and those approaching reintegration should be developed. The pre-employment orientation seminar (PEOS) should enable citizens considering overseas work to make an informed decision so that they could prepare adequately. They should know their rights as migrant workers and should know what to do when these rights are violated.

13. Labor code and migration issues in tertiary and vocational education curriculum should be included as part of basic human rights education.

14. The government, as the host of the Global Forum on Migration and Development (in October 2008), should take this opportunity to come together with other governments to seriously address migrant workers and their families’ concerns.

15. OFW organizations and other CSOs should be supported in their continuing efforts to inform, educate, organize and mobilize OFWs and their families.
FOOTNOTES

1 Research paper coordinated by Focus on the Global South and presented during the July 13 Development Round Table Series forum at SOLAIR, UP Diliman, Quezon City

2 Ibid.

3 Doris C. Dumlao. Remittances surged to $1.5 B in June. Philippine Daily Inquirer, August 18, 2008

4 The 2007 POEA Annual Report

5 The 2007 POEA Annual Report


7 Powerpoint presentation on Proposed mandatory psychiatric testing for HSWs distributed during the August 6, 2008 consultation called by Poe Gratela of the POEA Governing Board.


9 The 2005 POLO Annual Report

10 The 2007 POEA Annual Report

11 Dr. Erlyn Sana and Dr. Melflor Atienza. Evaluation of the Pre-Employment and Pre-Departure Orientation Seminars. CMA. December 2007

12 The 2007 POEA Annual Report

13 Ibid

14 The 2007 POEA Annual Report


16 Semi-annual report to Congress of foreign service posts on assistance to nationals July-Dec 2006

17 CMA case file 2008
18 latest official statistics on womn migrants from the National Commission on
the Role of Filipino Women (NCRFW) based on NSO statistics

19 Semi-annual report of foreign service posts on assistance to nationals July-
Dec. 2006

20 DSWD service delivery report sent to CMA in August 2008

21 Rela is a civil volunteer corps formed by the Malaysian government whose
main duty is to check the travel documents and immigration permits of
foreigners in Malaysia to reduce the illegal immigrants. It is authorized to
deal with situations like policemen e.g. raiding suspected places e.g. streets,
factories, restaurants and even hotels, interrogating and even detaining
people who forgot to bring their passports and/or working permits. Wikipedia


23 United Nations Children’s Fund (Unicef)-Philippine Institute for Development

24 CMA and Mujeres. A report on irregular migration and human trafficking.
2007

25 Veronica Uy. New EU rules may affect 94,000 irregular OFWs in Europe.
Inquirer.net 6/20/08 http://globalnation.inquirer.net/news/breakingnews/
view/20080620-143800/NewEUrules-may-affect-94000-irregular-OFWs-in-
Europe

Left Behind”

27 Ellene Sana report to pinoy-abroad egroup on the House Committee on
Overseas Workers Affairs meeting on bills to amend RA 8042. Feb 28,
2008

28 Jean Pundar. AJG Forum September 2008

29 ibid.

30 Open courses as of June 2008. Technical education and skills development

31 Anat Kidron, Adv. Kav LaOved. CMA forum on Responding to the situation of
caregivers and domestic workers in Israel. September 12, 2008
HIS YEAR marks the 60th anniversary of the Universal Declaration of Human Rights (UDHR). Article 23 of this historic document states that:

(1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.

(2) Everyone, without any discrimination, has the right to equal pay for equal work.

(3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.

(4) Everyone has the right to form and to join trade unions for the protection of his interests.
Supporting the provisions on social protection mentioned above is Article 9 of the International Covenant on Economic, Social and Cultural Rights (ICESCR) which provides that “The States Parties to the present Covenant recognize the right of everyone to social security, including social insurance.”

**International Labor Organization (ILO) Conventions on Social Security Not Ratified**

The Philippines has not ratified the following ILO Conventions having to do with social security and protection:

1. C 102 Social Security (Minimum Standards) Convention, 1952
2. C 121 Benefits in Case of Employment Injury Convention
3. C 128 Invalidity, Old Age, and Survivors Benefits Convention, 1967
4. C 132 Medical Care and Sickness Benefits Convention, 1969
5. C 168 Employment Promotion and Protection Against Unemployment Convention, 1983

The fact that the Philippines is not a signatory to ILC 102 underscores the reality that it is not officially committed to complying even with the minimum standards on social security.

As of now, it provides the following forms of social security but mainly to formal workers: medical care, cash sickness benefits, maternity benefits, old-age benefits, invalidity benefits, survivors’ benefits, and employment injury benefits.¹

However, only permanent state employees get unemployment benefits (in extremely limited form), and only if their office or position is abolished due to government reorganization. Otherwise, there is no unemployment benefit to speak of.

There are also no family benefits in terms of allowances to meet the needs of children, except for minor dependents of retired, disabled or deceased members of the Social Security System. Some of the benefits being provided in the Philippines fall below the minimum
standard set by C102; for example, maternity leave is limited to eight weeks but the international norm is at least 12 weeks.

**The Need for Inclusive Social Protection**

Based on its historical origins, social security was originally meant to cover industrial worker-breadwinners, mostly men, against risks. The traditional ILO definition of social security read as follows: “…the protection which society provides its members … against the economic and social distress that otherwise would be caused by the stoppage or substantial reduction of earnings resulting from sickness, maternity, employment injury, unemployment, invalidity, old age and death; the provision of medical care, and the provision of subsidies for families with children.” (Amante, in Ofreneo and Serrano, 1999:4).

But as the ILO itself emphasized in recent years, “Only one in five people in the world has adequate social security coverage.” Furthermore, “lack of social security coverage is largely concentrated in the informal economies of the developing world, which are generally a larger source of employment for women than for men.” (ILO website, Facts on Social Security).

Thus, the Geneva Consensus forged by the International Alliance for the extension of social protection and ‘fair globalization’ on September 7, 2005 aims for universal coverage of the whole population of the world based on the following shared principles and values: 1) Social security is a fundamental and universal human right; 2) it is a global public good; 3) it is a core instrument of redistribution for reducing inequality; and 4) it plays a key role in stimulating economic and social development by fostering growth and social cohesion.

The concerns highlighted by the ILO and the Geneva Consensus Alliance are magnified if recent employment data from the Philippines are considered.

The table below shows the expanding number of informal workers in the Philippines, who at the latest count already comprised 26...
million or 76 percent of total employed population. Among them are homebased workers, vendors, small farmers and fisherfolk, non-corporate construction workers, small transport operators, barangay health workers, waste collectors and other service workers.

In contrast, the ranks of formal workers, who comprise the bulk of those covered by social security mechanisms, are progressively decreasing. This has serious implications on the inclusivity (or exclusivity) of current schemes which will be seen later in this report.

### TABLE 1: COMPARATIVE SIZES OF FORMAL AND INFORMAL SECTORS: 1999 and 2005

<table>
<thead>
<tr>
<th></th>
<th>1999</th>
<th>2005</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Workers</td>
<td>% to total</td>
<td>No. of Workers</td>
</tr>
<tr>
<td>Labor Force</td>
<td>30,758,000</td>
<td>90.19%*</td>
<td>**</td>
</tr>
<tr>
<td>Total Employed</td>
<td>27,742,000</td>
<td></td>
<td>32,313,000</td>
</tr>
<tr>
<td>Formal Sector</td>
<td>6,013,688</td>
<td>21.68</td>
<td>5,322,320</td>
</tr>
<tr>
<td>Informal Sector</td>
<td>20,492,312</td>
<td>65.13</td>
<td>24,666,680</td>
</tr>
<tr>
<td>Wage and Salary</td>
<td>4,156,312</td>
<td>14.98</td>
<td>7,068,680</td>
</tr>
<tr>
<td>Own-account</td>
<td>10,792,000</td>
<td>38.90</td>
<td>12,104,000</td>
</tr>
<tr>
<td>Domestic Helpers</td>
<td>1,498,000</td>
<td>5.40</td>
<td>1,473,000</td>
</tr>
<tr>
<td>Unpaid workers</td>
<td>4,046,000</td>
<td>14.58</td>
<td>3,893,000</td>
</tr>
</tbody>
</table>

* Per cent unemployed

** Cannot be computed due to the adoption of the revised unemployment definition starting April, 2005.

Source: NSO Labor Force Surveys; Annual Surveys of Philippine Business and Industry as analyzed by the Employers’ Confederation of the Philippines (ECOP) in its position papers and website.

In keeping with the new discourse on social security, supplemented by other discourses from the World Bank and the Asian Development Bank viewing social protection as integrated risk management and poverty reduction instrument, the National Economic Development Authority (NEDA) came up with an expanded definition of social protection.

According to NEDA Board SDC Resolution No. 1 s.2007, social
The Right to Social Security and Protection are “policies and programs that seek to reduce poverty and vulnerability to risks and enhance the social status and rights of the marginalized by promoting and protecting livelihood and employment, protecting against hazards and sudden loss of income, and improving people’s capacity to manage risks.” This is a perspective that takes into consideration the interests of the poor, vulnerable, and marginalized, expanding what is traditionally meant by “social security” which usually refers mainly to formal mechanisms of social insurance.3

The components of social protection under this definition include the following:

1. **Labor market programs** - measures aimed at enhancing employment opportunities and protection of the rights and welfare of workers (Champion agencies are the Department of Labor and Employment, Department of Agriculture, and Department of Agrarian Reform)

2. **Social insurance** – programs that seek to mitigate income risks by pooling resources and spreading risks across time and classes (Champion agencies are the Department of Health and PhilHealth)

3. **Social welfare** – preventive and developmental interventions that seek to support the minimum basic requirements of the poor, and reduce risks associated with unemployment, resettlement, marginalization, illness, disability, old age and family care (Champion agency is the Department of Social Welfare and Development-DSWD)

4. **Safety nets** – stop-gap mechanisms or urgent responses that address effects of economic shocks, disasters, and calamities on specific vulnerable groups (Champion agency is the DSWD)4
Existing Social Insurance Mechanisms

The Social Security System (SSS): Coverage and Accountability Issues

TABLE 2. SSS MEMBERSHIP

<table>
<thead>
<tr>
<th>Type of Member</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee</td>
<td>21,527</td>
</tr>
<tr>
<td>Regular</td>
<td>21,413</td>
</tr>
<tr>
<td>Househelper</td>
<td>114</td>
</tr>
<tr>
<td>Self-employed</td>
<td>5,159</td>
</tr>
<tr>
<td>Regular</td>
<td>1,270</td>
</tr>
<tr>
<td>Expanded</td>
<td>3,373</td>
</tr>
<tr>
<td>Farmers &amp; Fisherman</td>
<td>517</td>
</tr>
<tr>
<td>Voluntary</td>
<td>694</td>
</tr>
<tr>
<td>Overseas Worker</td>
<td>688</td>
</tr>
<tr>
<td>Non-working Spouse</td>
<td>6</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>27,380</strong></td>
</tr>
</tbody>
</table>

Source: Nora Mercado, Head of the SSS Membership Program Management Department

SSS benefits cover the following contingencies for employees and workers in the private sector: old age, disability, work-related injury, death, sickness, and maternity.

The total SSS membership of 27.38 million as of March 2008 as reflected above comprise 80 percent of the labor force and has been progressively rising from 23.5 million in 2001.

An analysis of current figures, however, will show the predominance (79 percent) of workers in formal employment; yet they comprise only 14 percent of the total employed population (based on 2005 figures). The self-employed sector, to which most of the informal workers belong, constitutes only 19 percent of SSS membership, but the share of informal sector workers in total employment was already 76 percent in 2005.

Women as a group are also disadvantaged in terms of SSS coverage considering that majority of employed women are in the informal sector. They also comprise the overwhelming majority (two-thirds to
three fourths) of newly hired Overseas Filipino Workers (OFWs) and also of domestic workers. SSS Commissioner Jose Matula reported that there are less women (11,871,770) than men (17,670,345) in the membership roster.

Similarly, here are some disturbing membership figures: Only 680,000 of the millions of OFWs are SSS members; 114,000 out of the 1.473 million domestic workers; and only 6,000 out of millions of Filipino housewives (almost half of all Filipino women) who could be classified as “non-working spouse.”

Worse, Nora Mercado, head of the SSS Membership Program Management Department revealed that only eight million of the more than 27 million SSS members are actually continuing their payments. Paying members comprise just one-third (1/3) of the total membership and one-fifth (1/5) of the self-employed membership.

Non-continuation of payments have implications on benefits that may accrue, particularly retirement benefits which require at least 10 years of continuous payment, and even maternity benefits which assume that at least three monthly contributions during the 12-month period prior to the semester of delivery have been paid. Again, women who are less covered, who live longer, and who face sex-specific contingencies such as maternity, are more disadvantaged.

In response to pressure from informal workers and other groups, and to enhance its own viability, the SSS in recent years has expanded its payment channels in order to provide more access to informal workers, overseas workers, and other underserved groups. It now has 117 accredited banks that accept payments; eight accredited banks for the Automatic Debit Arrangement (ADA) program; and 18 banks for internet-based payments. In addition, beginning in 2002, there has been an SSS nationwide tellering program for SSS offices, and the target is 87 by end of 2008. The SSS has also accredited non-bank collection agents such as the CIS Bayad Centers, SM malls, I-Remit and Ventaja International Corporation.

However, despite its efforts to expand its payment channels, SSS still has a long way to go in terms of reaching out to informal workers.
and other vulnerable groups. The ADA program, by which informal workers can open a savings account for one hundred pesos, and later on have their SSS contributions automatically debited, has not been that successful on the ground. SSS leaders admit that just over a thousand ADA members remain active.8

ADA members complain about unfriendly bank tellers who do not give them the courteous attention they deserve when they come to pay. Reports from the field also show that SSS and bank tellers tend not to accept monthly payment contributions below P364, when the minimum contribution should only be P104. Payments of P300 and above are already prohibitive for most informal and other vulnerable groups, thereby preventing them from sustaining their contributions.

Lastly, credibility and transparency need to be brought to the fore, given the recent appointment of a controversial political figure very close to the President to the SSS leadership, and the past scandals involving questionable investments and expenditures which hounded the SSS in the past.

**Government Service Insurance System: Membership Exclusion and Other Questions**

GSIS covers all government employees (some 1.36 million) who enjoy a monthly compensation regardless of employment status. It provides social insurance to meet contingencies such as death, disability, separation from service, unemployment due to involuntary retrenchment, and retirement. GSIS now has 140,119 pensioners and 68,099 receiving survivorship benefits. It provides life insurance, various kinds of loans, and hospital support.9

Unfortunately, GSIS does not cover barangay health workers, barangay nutrition scholars, and other workers in the government service who are considered part of the informal sector and who do community work in exchange for small honorarium or allowance. There should be ways by which GSIS can develop programs for this group of workers to ensure their coverage.10

GSIS members have also articulated a number of issues during the
NGO-PO consultations convened by PhilRights for this ESC alternative report. Teachers present during the consultation for NCR on September 4 complained that their contributions (automatically deducted from their salaries) have not been remitted by their offices, through no fault of their own, yet they are the ones being penalized through surcharges for non-remittance of payments.\textsuperscript{11} Even retirees are being charged interest for these non-remitted payments.\textsuperscript{12}

GSIS, like SSS, has also been under fire for alleged corruption and mismanagement, again highlighting the need for transparency in operations.

**PHILHEALTH : Weaknesses and Limitations**

PhilHealth, established in 1995, is mandated to provide health insurance coverage to all Filipinos within 15 years from the year of establishment. It provides subsidy for room and board, drugs and medicines, laboratory fees, operating room and professional fees for in-patient members. It also covers day surgeries, dialysis and cancer treatment procedures for out-patients.

In addition, it has the newborn care, maternity care, tuberculosis, and SARS special benefit packages. These services and packages can be obtained from accredited medical facilities.

**TABLE 3. MEMBERSHIP PER SECTOR AS OF DECEMBER 2007**

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>MEMBERS (in millions)</th>
<th>BENEFICIARIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government – Employed</td>
<td>1.78</td>
<td>7.42</td>
</tr>
<tr>
<td>Private-Employed</td>
<td>7.00</td>
<td>24.86</td>
</tr>
<tr>
<td>Sponsored Program – Active</td>
<td>2.72</td>
<td>13.64</td>
</tr>
<tr>
<td>Individually Paying Program (IPP)</td>
<td>2.94</td>
<td>11.07</td>
</tr>
<tr>
<td>Non-Paying (registered)</td>
<td>0.34</td>
<td>0.57</td>
</tr>
<tr>
<td>OWP (registered)</td>
<td>1.59</td>
<td>6.91</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>16.37</strong></td>
<td><strong>64.47</strong></td>
</tr>
</tbody>
</table>
Membership figures from PhilHealth also have the same lopsided proportion just like those of SSS.

As of December 2007, there were 16.37 million members and an estimated 64.47 million beneficiaries (the members’ next of kin). However, majority of the members (53 percent) belong to the formal sector of which 7 million are privately employed and 1.78 million are public employees, for a total of 8.78 million.

The individually paying members, to which informal workers are categorized, comprised only 2.94 million or a little less than 18 percent of the total PhilHealth membership. The sponsored program which used to be the indigent program covered 2.72 members or 16.6 percent of total. But the number of sponsored members fluctuates from year to year because it is dependent on whether politicians – especially those wishing to influence the outcome of elections, local government units, or private corporations agree to defray membership cost just for a year.

Again, there are less women members among the formally employed and the sponsored (indigent program) but more under the individually paying program. Overall, there are more benefit claims filed by female beneficiaries (56 percent) than male beneficiaries (44 percent). This may be due to the childbirth/maternity care that only women can claim. Nonetheless, this maternity care is limited to only three normal spontaneous deliveries (inconsistent with the SSS provision allowing maternity leave benefits of up to four pregnancies).

Overseas workers have 1.59 million members in PhilHealth. In 2005, PhilHealth assumed the administration of the Medicare Program of the Overseas Workers Welfare Administration (OWWA). The Medicare funds of the OFWs were thus transferred to PhilHealth.

Migrant workers’ groups during the NCR ESCR consultation voiced out concerns about how these funds have been actually used for the benefit of their contributors. Again, the need for transparency and information dissemination regarding these matters was underscored.
In decision-making, the PhilHealth Board has members representing workers, the self-employed, and the National Anti-Poverty Commission (NAPC). Pressure from within the Board as well as from forces outside pushing for faster inclusion of marginalized sectors has helped accelerate efforts to develop partnerships with organized groups.

PhilHealth now has the KASAPI (Kalusugang Sigurado at Abot-Kaya sa PhilHealth Insurance) program in partnership with large organizations such as microfinance institutions (MFIs), cooperatives, NGOs, and rural banks having more than 1000 members and strong operational, management, and financial capacities. It is supposed to be a triple-win for the three actors in the program: a) informal economy workers receive protection for financial implications of illness; payment flexibility; lower premium; more benefits; and time and hassle savings; b) PhilHealth benefits from increased, sustained coverage, and improved financial stability of the program for informal sector workers; and c) the partner institution is able to fulfill its social mission, gain additional membership, and reduce risk.

But PhilHealth’s KASAPI program still has a very limited reach and has very stringent requirements.

Likewise, many individually paying members (including informal economy workers) are unable to sustain their contributions, endangering both their access to benefits as well as the overall sustainability of PhilHealth. This highlights the “major gap” in terms of widespread and sustained coverage identified in many social health insurance programs – the working poor who are “neither poor enough to qualify as indigents nor well-off enough to pay regular PhilHealth premium contributions” (Gonzalez, 2007:4). The problem is further magnified by PhilHealth policies which require fairly consistent contributions in order to access benefits when the need arises.14

Moreover, since the focus of PhilHealth packages is on hospital care, it is claimed that it tends to benefit health care providers more. This has been inviting unscrupulous Health Maintenance Organizations (HMOs) to make fraudulent claims which have built
up to a staggering sum of P4 billion since 1995, involving “unnecessary operations, overpriced medicine, and even ghost patients” (Gonzalez, 2007:3). At least two sources (Gonzalez and former Health Secretary Alberto Romualdez Jr) say that in PhilHealth, the poor subsidize the rich or the “relatively well-off employees who have a higher incidence of catastrophic illnesses requiring more expensive treatments.”

**Private, Community-Based and Other Civil Society Initiatives**

A survey of 1,000 respondents conducted by PATAMABA in 2004 among home-based and other informal workers revealed that 63 percent had never had any form of social protection.

This is indicative of a large unmet need. Since existing social insurance mechanisms such as the SSS and PhilHealth are often inaccessible, unaffordable, and/or inadequate for many Filipinos, especially the marginalized, there are many other arrangements that have been devised to fill the gap.

At the community level, there is the indigenous scheme called *damayan*, whereby neighbors come to each other’s aid during times of death and burial. In some instances, such a scheme is complemented by medical assistance in times of illness. The *damayan* concept is also integrated in homegrown microfinance schemes, as exemplified by the PATAMABA Region VI initiative covering some 500 women in Iloilo, Antique, and Capiz.

Large cooperatives such as NOVADECI, ACDECO, and ORT have also built in community-based health micro-insurance and other social protection packages within their programs, with varying success. There are mutual benefit associations (MBAs) and health maintenance organizations (HMOs) which cater to employees and other groups which seek to access, enhance, or supplement their health benefits.
The Right to Social Security and Protection

JAY AZUCENA

TRACY PABICO
The Right to Social Security and Protection
The Right to Social Security and Protection
OTHER SOCIAL PROTECTION SCHEMES

Labor Market Programs and Decent Work

The Department of Labor and Employment provided capacity building and livelihood assistance services to 61,698 women through its WEED program (2004-07), 40,006 jobs through its PRESEED program (2001-07), and microfinance worth P88.7 million to 8,804 workers. It also engaged in a campaign to enroll workers in social protection mechanisms, with 260,444 becoming members in the period 2003-07.

It provided maternity benefits worth P71.9 million to women sugar workers. It gives learning sessions on workers’ safety and health and provides visibility and voice to informal economy workers through designated desks in local government units.20

However, the labor market program of the DOLE is too under-financed and has very limited coverage, compared to actual need. It accounts for only .1 percent of total social protection expenditures of the country, which is very miniscule at a time when livelihood and economic security is truly an essential ingredient in accessing and maintaining social security.

Occupational safety and health for informal workers is also very important, but currently most of the programs as mandated and internally financed cover only formal workers. There is merit in the advocacy to localize occupational health and safety programs through their integration in the health development plans of local government units.

The ILO has been working closely with the DOLE, trade unions, and employers’ groups in crafting and implementing a National Program of Action for Decent Work which includes the concerns of workers in the informal economy and integrates social protection as an essential component. This can be a venue for fleshing out a comprehensive and integrated approach to social security and protection for all workers and for foregrounding the resource implications of this approach.
SOCIAL WELFARE AND SAFETY NETS: THE NEED TO GO BEYOND DOLE-OUTS

In response to the rice and fuel crisis which hit the country in the first half of 2008, the Department of Social Welfare and Development (DSWD) implemented safety nets to cushion their impact on the poor. These include the *Pantawid Kuryente: Katas ng VAT Project* and the Family Access Card (FAC). The former is a one-time cash subsidy of P500 for the lifeline consumers utilizing 100 kilowatt hours or less electricity per month (for the billing period ending in May 2008).

FAC for NFA Rice is a “card bearing the *BIGAS access number* issued to eligible poor families to let them purchase NFA rice at P18.25/kilo sold at *Tindahan Natin* outlets and *Bigasan sa Parokya*.” Targeted beneficiaries are 30 percent of the bottom poor families in 911 barangays of the 16 cities and one (1) municipality in Metro Manila.

As of 13 August 2008, a total of 3,359,074 lifeline electricity users have been provided credit memos by the Land Bank of the Philippines, NEA and PEPOA nationwide utilizing P1.68B; while 270,480 families in 668 barangays have been issued the Family Access Cards (FACs). But critics, especially NGOs and peoples’ organizations, view these safety net programs as mere dole-outs which again benefit only a fraction of those in need and cover limited areas, principally Metro Manila. They also violate the sense of dignity and self-worth of the poor who, for example, have to stand in line for hours, just to avail of cheap rice.

On the other hand, the *Pantawid Pamilyang Pilipino* Program (4Ps) is “a program that provides cash grant to poor families to enable them to invest in human capital by sending their children to school and taking them to the health center for preventive health check-ups and immunizations.” Eligible households receive P500 a month for health and nutrition, and P300 a month per child for education, for a total of P1,400 a
month for a family with three children in school.

Under this scheme, parents are obliged to make sure that their children get regular health check-ups and vaccines, attend day-care, pre-school or regular school, and to participate in mother’s classes and other sessions on responsible parenthood. Mothers are organized into small groups and are mobilized at the municipal level.

Target beneficiaries for the next five years are 320,000 of the poorest households nationwide, “a mere drop in the bucket considering the latest official poverty figures, which estimated that there were 27.5 million poor Filipinos in 2006.”

These conditional cash transfer programs are perceived to be more empowering and sustainable, although DSWD Secretary Esperanza Cabral admitted that “there are risks, including political manipulation, problems with selection of beneficiaries and misuse of funds.” However, she says these can be mitigated by good design and implementation strategies. (DSWD website).

In addition, cash transfers have been proven to have positive outcomes in Mexico and other parts of the world.

Where is the Money for Social Security and Protection?

According to the recent ADB study entitled “Social Protection Index for Committed Poverty Reduction (2008),” Philippine social protection expenditure as percent of GDP is only 2.2 percent. Just how low this percentage is can be gauged by the fact that in Europe, social security expenditure is nearly 25 percent of GDP; in North America, 16.6 percent, and Africa, 4.3 percent. (ILO website, Facts on Social Security).

In the same study, the Philippines came out with a Social Protection Index (SPI) of .28, which is below the Asian average of .36. It was ranked no. 22 out of 31 countries studied, and fared poorly because of low expenditures on social protection (80 percent went to social insurance vs. .1 percent to labor market programs), low coverage
of, distribution of benefits to, and impact on the poor.

The challenge, therefore is political will in allocating and actually spending resources for the universal right to social security and protection. In this endeavor, the state must take the lead role, being the only institution with the financial clout, either through tax-based financing or the mixed model (tax subsidy to finance lower premia for informal economy workers).
RECOMMENDATIONS

This NGO report on the right to social security recommends the following:

On the Social Security System

1.) Social security should be provided to all workers, including the working poor who mostly belong to the informal economy, in cases of death, illness, disability, maternity, and old age.

   The NGO-PO consultations also highlighted the need for the SSS to be more inclusive, to reach out to underserved sectors of the working poor such as tricycle drivers, fisher folk, vendors, domestic workers, seasonal workers, and housewives, and to devise more programs to ensure equality of access to benefits among people of different socio-economic classes.

2.) The same consultations on ESC alternative report also underscored the need to provide unemployment insurance and to include the youth in the scope of coverage.

3.) Sponsorships and subsidies from the national and local governments should be extended to those who cannot afford to pay the full SSS premiums particularly for those who enroll as self-employed and therefore pay for both the employer and the employee's share.26

   Local government units where various organizations are registered for accreditation as well as permits to operate can also provide subsidies to fully or partially cover SSS payments of their constituents.
4.) Informal workers, in addition to formal labor, should be represented in the SSS Commission, where gender balance should also be observed. Since SSS contributions come from workers, workers’ representatives should decide how best to use them based on the principles of democratic control, transparency, and accountability. 27

5.) In order to facilitate universal membership, cooperatives, women’s and people’s organizations should be accredited as collecting agents of premiums.

6.) Other collection mechanisms (through cellphones, couriers, etc.) should also be developed.

7.) Membership campaigns should be directed particularly at housewives or spouses, domestic workers, overseas workers, and informal workers among whose ranks women are concentrated.

8.) Funds should be set aside to meet the immediate needs of SSS pensioners.

9.) Monitoring of compliance by employers, especially in the provinces, needs to be improved and if possible be conducted by an independent body.

**On the Government Service Insurance System (GSIS)**

10.) GSIS should develop programs to ensure coverage for barangay health workers, barangay nutrition scholars, and other workers in the government service who are not yet its members.

11.) Complaints regarding non-remittance of members’ contributions by their offices should be addressed quickly and equitably.
12.) Entitlements of GSIS pensioners should be immediately provided.

13.) Transparency and accountability should govern GSIS operations.

**On PhilHealth**

14.) The National Health Insurance Corporation or PhilHealth should move towards the provision of universal coverage with state subsidy and sponsorship programs from various sectors for those who cannot afford to pay the full premiums.

15.) Government subsidies for sponsorship programs should be better targeted and expanded to fully or partially cover the working poor and the ultra poor against illness and other contingencies.

16.) PhilHealth’s presence should also be extended further to rural areas which are still underserved both in terms of membership and access to accredited hospitals.

17.) All micro finance institutions (MFIs) should be required to integrate micro-insurance into their lending operations.

18.) In the meantime, the KASAPI and other PhilHealth programs for indigents and the working poor should be expanded and improved in order to develop effective partnerships with organized groups, especially those composed and led by women, senior citizens, persons with disabilities, ethnic communities and other marginalized sectors, to better serve increasing numbers of those in need.

Organized groups with less than one thousand
members should be allowed to be collecting agents benefiting from certain incentives.

19.) Maternal, occupational and other health concerns of women should be integrated in the PhilHealth package of programs and benefits.

Maternity benefits should cover at least four pregnancies (not just three) to make these consistent with SSS coverage.

It is recommended that family planning services based in hospitals should be fully covered by PhilHealth, especially in the case of patients who cannot afford to pay. 29

To emphasize the preventive aspect further, it is also recommended that annual physical medical check-ups of members be covered by PhilHealth. 30

On Other Social Protection Components

20.) Labor market programs to create employment and alternative livelihood following decent work standards to prevent or mitigate the effects of sudden loss of income should be sustained with adequate resources to enable the citizenry, particularly women, to attain economic security and to continue their access to social insurance and other forms of social protection.

21.) State-sponsored social welfare and safety net programs should respect the rights and dignity of the recipients by veering away from dole-outs and moving towards food for work and similar initiatives whereby the recipients are able to exchange their labor or any other resource for the social assistance received.
Other forms of such transfers, such as pensions for senior citizens, especially older women, should be seriously considered. The SEA-K program of the DSWD for women’s livelihood should also be strengthened. 31

22.) Mutual benefit associations, community-based health insurance and indigenous schemes such as the *damayan* should be supported through technical assistance, subsidies, and other means by national and local bodies so that they can be of better service to their members who cannot access or who need to supplement benefits provided by formal social protection mechanisms such as PhilHealth and SSS32.
REFERENCES


PROCEEDINGS


MAGCAISA dialogue with Philhealth representative Lolita Tuliao and SSS Commissioner for Labor Jose Matula on July 23, 2008 at Adarna Restaurant, Quezon City

Symposium on “The State of Social Insecurity of Workers, the Informal Sector, Urban and Rural Poor: Structure, Benefits, Funding and Universal Coverage for the SSS and GSIS,” University of the Philippines College of Social Work and Community Development 5 August 2008 sponsored by the Felixberto Olalia Foundation, Peace Foundation, Inc. and Fair Trade Alliance-Labor

MAGCAISA dialogue with SSS officials led by Vice President for Public Affairs Marissu Bugante, SSS Gallery, 12 August 2008

Multi-Stakeholder Forum on Social Protection for Women in Informal Economy, 14-15 August, Bayview Park Hotel, sponsored by the National Commission on
The Right to Social Security and Protection

NGO-PO Consultations on Economic, Social, and Cultural Rights Alternative Report conducted by PHILRIGHTS for the NCR-Luzon (Sept. 4, 2008).

FOOTNOTES

1 For a detailed description of these benefits, please see the official Philippine government report prepared by the Coordinating Committee on Human Rights.

2 This Alliance is composed of ILO, ISSA (Intl Social Security Association), AIM (Association Internationale de la Mutualite), ICA (Intl Cooperative Alliance), ICMIF (Intl Cooperative and Mutual Insurance Federation), IHCO (International Health Cooperative Organization), WIEGO (Women in Informal Employment Globalizing and Organizing

3 There is however a critique that gender should be integrated into such a definition. One possible alternative is the following proposed by Rosalinda Pineda Ofreneo during the NCRFW Multi-Stakeholder Forum on Social Protection for Women in Informal Economy (August 14, 2008, Bayview Park Hotel), based on definitions from other sources: “All interventions from public, private and voluntary organization and informal networks to support communities, households and individuals, both women and men, in their efforts to prevent, manage and overcome risks and vulnerabilities throughout their life cycle, and to realize their rights as citizens participating fully and equally in all decision making which affects their access to and control over resources necessary to maintain and sustain a decent and secure life.”

4 As presented by NEDA Director for Social Development Erlinda Capones during the NCRFW Multi-Stakeholder Forum on Social Protection for Women in Informal Economy.

5 Symposium on “The State of Social Insecurity of Workers, the Informal Sector, Urban and Rural Poor: Structure, Benefits, Funding and Universal Coverage of the SSS and GSIS,” 5 August 2008, College of Social Work and Community Development, University of the Philippines

6 Presentation during the Multi-Stakeholder Forum on Social Protection for Women in Informal Economy, 14-15 August 2008, Bayview Park Hotel, sponsored by the National Commission on the Role of Filipino Women (NCRFW) and CIDA.

7 This even assumes that there are no male “non-working spouses” who are members.

8 MAGCAISA dialogue with SSS officials led by Vice President for Public Affairs Marissu Bugante, SSS Gallery, 12 August 2008.
Presentation by the GSIS representative during the August 5, 2008 forum at the U.P.CSWCD.

In House Bill 1955 for Magna Carta for Workers in the Informal Economy, it is proposed that barangay health workers and similar categories of workers be covered by the GSIS.

It was further suggested by teacher representatives that the matter of too many deductions from their salaries be looked into since very little is left for their daily survival needs.

In the NCR consultation, the need to clarify how interest is computed for loans and other transactions with GSIS was brought up.

For example, there was a proposal to build a hospital for OFWs but it is unclear as to how the OFW contributions still lodged in OWWA or already transferred to PhilHealth could be used for this purpose. Virginia Pasalo of the OWWA Board explained in an interview on 26 September that the hospital proposal was not approved by OWWA because the alternative of improving and expanding health services for OFWs in health facilities near their areas of origin was deemed more practical than to have a hospital just in one place.

For example, failure to make payments during the last quarter before needed hospitalization disqualifies the member concerned from enjoying in-patient benefits, except when it is clear that contributions for at least nine months during the last year were made, in which case the member can be given a grace period to make full payments.

In his University of the Philippines Centennial Lecture, former Health Secretary Romualdez showed a chart of 10 hospitals leading in PhilHealth reimbursements, of which only one was public. This suggests that private patients (who are better off) use PhilHealth more. The Romualdez lecture was featured by Michael Tan, in his column “Health for All,” Philippine Daily Inquirer, 12 September 2008. (Gonzalez, 2007)


An example of this is the Damayan in San Francisco, Bulacan, Bulacan, with more than 200 members, and which has an agreement with a nearby clinic entitling its members to immediate medical attention. (Homenet Southeast Asia, 2006:42-43).

For an extended discussion, see Homenet Southeast Asia, 2006:48-49/

The ORT Health Plus Scheme in La Union, for example, floundered due to weak collections after many years of success and being hailed as a model by the ILO.

Presentation of Director Chita Cilindro of the DOLE Bureau of Women and Young Workers, NCRFW Multi-Stakeholder Forum
Data source for this is the DSWD representative (Asst. Secretary Vilma Cabrera) who made a presentation during the NCRFW Multi-Stakeholder Forum on Social Protection for Women in Informal Economy, 14 August 2008, Bayview Park Hotel.

Presentation by Undersecretary Pablo of the DSWD, forum on conditional cash transfers, University of the Philippines College of Social Work and Community Development, August 2008.


This is the main conclusion of Gonzales in his 2007 Social Watch Report.


In House Bill 1955 for Magna Carta for Workers in the Informal Economy, it is proposed that the share of the employer for the self-employed members will be paid by government.

From the results of the workshop on national policies and programs, NCRFW Multi-Stakeholder Forum on Social Protection for Women in Informal Economy, 14-15 August 2008, Bayview Park Hotel. (Currently, formal labor is already represented in the SSS Board. There is also one woman member.) Previous recommendations go as far as workers and their organizations participating directly in choosing their representatives to the SSS Board, instead of the latter being appointed by the President of the Republic. (Serrano, 2006).

It was also suggested during the NCR consultation that these MFIs should be more tightly monitored by government for policies that actually worsen rather than alleviate poverty.

Results of the workshop on national policies and programs, NCRFW Multi-Stakeholder Forum on Social Protection for Women in the Informal Economy, 15 August 2008, Bayview Park Hotel.

NGO-PO Consultation in Davao, 10 September 2008.

Results of the workshop on national policies and programs, NCRFW Multi-Stakeholder Forum on Social Protection for Women in the Informal Economy, 15 August 2008, Bayview Park Hotel.

See for example, the provisions on social protection in the proposed bill for Magna Carta for Workers in the Informal Economy.
The Bitter Bread of Banishment: A Report on the Right to Adequate Housing

As a way of assessing the years since the last NGO and State Party reports back in 1995, it may be useful to review the recommendations made by the Committee that year in their Concluding Observations and determine to what extent they have been attended to.

The following paragraphs are from the 1995 Concluding Observations that refer to housing issues:

No. 10: The Committee said it was unable to see the precise status of the Covenant in terms of its practical relevance within the judicial system of the Philippines. This is still a concern here. The Commission on Human Rights gives great importance to the Covenant in matters of evictions and resettlement, but it cannot be said that the government executive agencies or the courts do so. The Supreme Court accepts arguments based on the Covenant, but it isn’t clear how they assess the cogency of the arguments (See “Housing Laws and Issuances for the Poor”).

No. 15: The Committee was concerned about the practice of criminalizing squatters. It singled out PD 772. This decree was repealed in 1997 but there are legislative efforts to restore its essence and intent. (These would be discussed in the “Housing Laws and Issuances” section of this report.)
No. 16: The Committee noted more families were scheduled for eviction than the relocation resources of the government could handle. Unfortunately, this is still true (See the chapter on “Evictions”).

No. 17: The Philippine Government used to argue that the ECOSOC Covenant provides no protection from forced evictions, the Committee stated. Some important state actors, such as the Metro Manila Development Authority (MMDA), still hold that opinion. Most agencies, with the exception of the Commission on Human Rights, would not publicly agree with MMDA, though they might not also follow the Covenant provisions (See “Housing Laws and Issuances” section).

No. 18: The Committee asked that a “fair share of the housing resources available be utilized for making low-cost housing available to the poor.” The government has not yet complied with this. At present, only 0.5% of the national budget goes to housing, though 2% would be closer to the amount really needed. Of the total budget allocation for housing, only 20% goes to social housing while the remainder goes to housing for higher income groups (See “Housing Finance for the Poor” section).

No. 21: The Committee noted more government money is spent on the military than on housing, health and agriculture combined. This is still true. The government is planning to raise military spending because of the recent (August 2008) outbreak of armed conflict between the military and Muslim rebels in Mindanao.

No. 23: The Committee suggests more money in the budget be used for slum upgrading and the Community Mortgage Program. This is an important suggestion that the government has yet to take fully to heart. The CMP budget has remained at the same meager level for years, while funding for slum upgrading has been very scarce. More public money goes to resettlement than to slum upgrading and CMP combined.

Resettlement houses are included in the Social Housing category every time government housing statistics are drawn up. What is not
divulged is the fact that for every resettlement house built, a house was first demolished somewhere else to make way for infrastructure or for other purposes. Never has the government presented the number of demolished homes and evicted families, though the figures are very large and still growing. Housing agencies should be required to monitor, keep account of and publish eviction and demolition comprehensive data.

No. 24: The Committee suggests ODA money be used for the two programs, upgrading and the CMP. Presently, there are no ODA funds for CMP while development assistance for slum upgrading is limited and hard to access.

No. 31: The Committee urged the Government to:

- Treat evictions only as a last resort.
- Extend a moratorium that was in force in 1995.
- Promote security of land tenure.
- Prosecute those who violate housing laws.
- Make sure there are hospitals, schools and transport facilities in relocation sites.

1. Eviction, often without relocation, seems to be the government’s only way of dealing with urban poor people occupying areas earmarked for infrastructure or living in “danger zones” (along canals, railroad tracks, etc.). It seems that there is no effort to plan infrastructure in such a way that the number of families affected is minimized. Likewise, the government is not interested in upgrading “danger zones”, so that people can live there decently, for example, by building embankments.

2. There is no moratorium on evictions now despite repeated calls from people’s organizations and NGOs for the government to stop demolishing houses until the laws and official practices are in line with the Constitution and international human rights instruments. On September 2, 2008, around 500 urban poor people marched to the office of the Commission on Human Rights to ask for its
cooperation in securing the said moratorium.

3. During the first three years of President Gloria Macapagal-Arroyo’s term (2001-2004), there was a spike in the number of CMP take-outs and land proclamations that benefited 195,000 urban poor families. But since 2005, there have been very few proclamations. She announced last January 31, 2008 that she would no longer proclaim land but would upgrade the lands already declared for the urban poor.

4. No official has been prosecuted for violating housing laws especially the Urban Development and Housing Act of 1992.

5. Most of the time, as relocatees arrive in their new housing sites, they would not find basic services and infrastructure like hospitals, schools, water, electricity, drainage, etc. because it usually takes years before these could be set up in these areas. Worse, practically nothing is being done to provide affordable transport facilities to and from relocation sites despite the obvious importance of job accessibility to resettled families.

No. 32: The Committee suggested creating an independent body that is legally responsible for preventing illegal, forced evictions.

The role of an independent body for preventing forced evictions was not accepted by the Housing and Urban Development Coordinating Council (HUDCC) and the Presidential Commission for the Urban Poor (PCUP). Instead, Executive Order (EO) 152 assigned and gave PCUP the power to monitor and control evictions. This proved unsatisfactory to different stakeholders; for example, some government agencies found this policy troublesome and ignored it.

PCUP should be given a stronger mandate to protect the rights of urban poor dwellers and to collect reliable information and statistics on evictions.

In 2008, Malacañang issued EO 708 transferring the monitoring
task and the power to certify evictions to local government units (LGUs). The LGUs are often the ones evicting the urban poor, so how could they monitor their actions objectively?

Some aspects of land and housing matters arising since 1995 should be mentioned.

- Proclamations for a few years, from 2001 to 2005, became a major program.

- There has been a recent deterioration in the implementation of the Urban Development and Housing Act, especially in matters of evictions and relocation. In the first half of 2008, for example, there were 2,000 families evicted in Metro Manila excluding those demolished along the railroad, but only 190 families or less than 10% were relocated. Important government agencies such as the Department of Public Works and Highways (DPWH), MMDA, and local executives regularly evict families without relocation. Sometimes they offer monetary compensation but some evictions are also done violently. The people are pressured and harassed to agree to relocation even if they are not prepared to move. Distant relocation has a new meaning: in the past, the farthest NHA resettlement sites were 40 to 50 kms. away, but now it is 82 kms. away. The pressure of finding more and more relocation in the face of new infrastructure leads to abuses since adequate relocation is expensive and time-consuming (See “Evictions and Resettlement”).

- The government in 2003-2008 made history by staging the largest eviction operations ever done in the country when it relocated approximately 40,000 families from the North and South railroad tracks. In the beginning, it seemed that the government was aware of what adequate relocation should be because in the NorthRail, it provided in-town relocation but in the SouthRail, it reverted to distant relocation.

- Largely upon the urging of NGOs and people’s organizations, the government constituted the Socialized Housing Finance
Corporation (SHFC) but traditional bureaucracy has prevented it from offering various forms of assistance to poor families. Currently, it needs to come up with more innovative programs for vulnerable groups.

In sum, more than a decade since the Committee issued the Concluding Observations, the situation has hardly improved. For example, illegal demolitions continue, relocation is still not provided in most cases of evictions, and funding for housing is still inadequate. In some of the matters discussed by the Committee, there has been some improvement; in some matters, the situation has worsened, while in others it is about the same as in 1995.

**OVERVIEW**

By Anna Marie Karaos and Gerald Nicolas

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Urbanization, or the rise in the proportion of a country’s total population living in urban areas, is a double-edged phenomenon. While it is generally acknowledged that there exists a positive and natural relationship between economic growth and the rate of urbanization, in the Philippines, the latter has proceeded at a fast pace even as economic development for the vast majority has been slow. High population growth and political and governance issues are often identified as reasons for the seeming gap between the rates of urbanization and economic growth.

In 2007, the Philippine population stood at 88.57 million at an annual growth of 2.04 percent since 2000. The National Statistics Office (NSO) placed the urban population at 48.03 percent, which is quite a conservative estimate given the evidently rapid urbanization and the growing number of cities (136 as of 2008). A United Nations report placed the urbanization level in the country at a rough and higher figure of 64 percent, which translates to 57 million of the entire population (or more than 10 million households). More than 20 percent of this proportion is estimated to be in the National Capital Region (NCR) or Metro Manila.
This large urban population is the cumulative aftermath of sustained high rates of natural population growth and a substantial rural-to-urban migration. Both are organic phenomena in urban areas where growth is mainly concentrated, but policy makers deem these trends as threatening to the sustainability of cities. These phenomena are not false but often misunderstood. As a result, efforts to slow down urban growth—curbing birth rates and discouraging migration—continue to be part of the government’s response to the attendant circumstances of rapid urbanization such as urban poverty and housing shortage. Yet, millions of Filipino households lack basic assets required to live a decent quality of life, and are confronted with the constant threat of demolition and eviction.

In terms of income, households in urban areas fare better than their rural counterparts. However, while poverty incidence is more severe in rural areas, the officially determined poverty threshold (or the minimum income required for a person to be able to afford food and non-food necessities) is higher in urban areas. Those who cannot meet this high cost of living in urban areas constitute the urban income-poor. There is also reason to believe that more Filipino families in urban areas fall below the poverty line given the recent increases in food and energy prices. The situation is worse for those receiving minimal wages from short-term employment, raising bigger families, and belonging to the so-called informal sector of the economy.

Experts, however, say that the poverty situation in the country may be worse than what government data indicate. Questions on the methodology used in generating official poverty statistics cloud the reliability of government data on the extent of poverty. For one, official urban poverty statistics exclude families without official and permanent residence such as the ambulant poor living under bridges, road islands and along the streets. The officially used minimum survival standards also only include those who are desperately poor and do not consider as poor those who fail to meet decent living standards.

The lack of income and employment gives rise to a host of other forms of deprivation that afflict the urban poor such as poor health and lack of proper education. Another asset that continues to be
elusive to the urban poor due to small incomes is housing—or more specifically, secure tenure. The absence of security of tenure is another defining characteristic of the urban poor; it renders them vulnerable to forced eviction and displacement, events which push them to further impoverishment.

The proliferation of slums and the large number of urban poor families without secure housing tenure underscore the high cost of legal and formal housing and the short supply of government-subsidized or assisted housing in urban areas. The continuing and rapid pace of urbanization has increased the demand for housing to a level that is far beyond the current capacity of the government to address alone. Despite lower poverty incidence in urban areas, 30 percent of the country’s urban population (or 3 million families) are said to be illegally occupying government-owned lands, privately-owned properties and danger zones such as riverbanks and railroad tracks, living in blighted communities and poor housing conditions and are under constant threat of eviction. The present housing situation also reflects the extralegal and informal arrangements that the urban poor employ to be able to survive and cope with their limited options for land ownership. While the government seeks to remove and prevent the formation of informal settlements, the urban poor seem to have no other choice but to resort to such living arrangements because it is in urban areas where jobs and basic services are most accessible.

Suffering from scarce budget allocation, achievements of the housing programs of the government have been modest and fraught with problems. While thousands have benefited from these programs, a significant number of these beneficiaries can still be considered potentially displaceable because of the slow disposition of tenure security instruments such as land titles. Given the scale of these programs and limited resources, full ownership is indeed too high a target to aim for. Hence an intermediate instrument would allow social housing beneficiaries to enjoy the benefits of secure land tenure without a title.

Further hurting the informal urban poor sector are inhumane evictions carried out by some government agencies, a blatant violation of
housing rights with economic and social repercussions to affected families. Despite the law, no violators have been sanctioned by the government. The failure of the government, from the national to local levels, to effectively implement laws protecting the rights of the poor undermines its commitment to provide decent, adequate and sustainable human settlements. Instead of forcefully removing informal settlers, the government should provide them spaces for opportunities in order for them to increase their household incomes.

Addressing the housing situation in the country and fulfilling the government’s obligation in the realization of the right to shelter of its people go beyond relocating slum dwellers or awarding land titles to the homeless. The government should also look at and understand how other critical factors, such as migration, rural underdevelopment and population growth among others, contribute to urban growth and the challenges it brings about. With these factors in mind, the government should find ways to enable cities and urban areas to accommodate the needs of their constituents, especially of the poor and homeless.

**HOUSING FINANCE FOR THE POOR IN THE PHILIPPINES**

By Ana Oliveros

Foundation for the Development of the Urban Poor (FDUP)

A look at the different programs and projects on housing or shelter finance of various agencies and corporations of the Philippine government will show that despite the passing of laws, executive orders and other proclamations, a key issue of concern is that the poor and marginalized sectors in urban and urbanizing areas in the country either have very limited or have no access to adequate and decent dwellings.

The role of housing as a catalyst for economic growth and development is fully recognized by both the Senate and House of Representatives of the Philippines, when these legislative bodies jointly passed in December 1994 Republic Act 7835 (RA 7835) or the “Comprehensive and Integrated Shelter Financing Act (CISFA)
of 1994”. However, almost 14 years since CISFA’s enactment, various programs on social housing, including provision of shelter finance for the poor, remain problematic due to unclear targets, limited funds, and problems in implementation.

Fund support for Resettlement Programs are incorporated in the CISFA budget appropriations but even committed funds from 1995-2004 amounting to PhP6.8 million (US$ 151,111) have not been released on time for the program.

For the Community Mortgage Program, total funds appropriated from 1994-2005 was PhP11.1 billion (US$ 246.67 million). However, actual releases from the Department of Budget and Management was only PhP6.7 billion (US$148.89 million) and actual utilization was about PhP5 billion (US$111.1 million). The total accumulated backlog for CMP projects is about PhP3.7 billion for 638 projects as of October 2007.

The Abot-Kaya Pabahay Program Fund which would provide amortization support, development financing and guarantee system to low-income families has been suspended since 2000.

Most of the government’s current housing programs are aimed at providing houses to middle/high income and low-income families or households with financing assistance geared at eventually recovering costs in the long term. The homeless poor or marginalized families especially in war-torn areas in Mindanao are left out.

Programs facilitating land tenure security for the poor, i.e., lands classified as resettlement sites under Presidential Proclamations, CMP and Resettlement Programs performed poorly, with 52% accomplishment rate partly due to lack of government funding support. Weak financial assistance has also hampered post-proclamation activities. Currently, the government has suspended land proclamations for new social housing sites.

Except for CMP, pricing of social housing projects including those for resettlement projects remain unaffordable to most of the homeless poor due to the spiraling cost of land and construction materials.
RECOMMENDATIONS

A. Prioritize and provide more financial and technical assistance for housing programs aimed at low-income households and poor homeless families as mandated by law.

Specifically, we call on the government to:

1. Increase housing budget to 2% of the total budget with an 80-20 ratio in favor of social housing
2. Increase the CMP budget
3. Support slum upgrading
4. Support Presidential Proclamations of lands as social housing sites
5. Resume the Abot Kaya Pabahay Program
6. Resume the Group Land Acquisition and Development Program
7. Provide safe and decent shelter and other housing interventions to poor families, including Muslim communities displaced by the ongoing conflict in Mindanao

B. Innovate pro-poor housing finance programs that will support other modes of tenure aside from ownership.

We call on the government to:

1. Provide grants (technical assistance) and subsidies (below market interest rates for housing loans) to low income families with low affordability
2. Provide grants (free and decent housing) to homeless or marginalized families
3. Seek the active participation of target beneficiaries in all levels of program planning and implementation of social housing programs
4. Ensure that policies, programs and projects continue to directly improve the people’s quality of life through
the provision of basic social services even after the provision of shelter has been accomplished.

C. Policies and guidelines for social housing programs should fit into the realities of its target sector, the informal settlers and marginalized poor.

We call on the government to:

1. Streamline the procedures and policies of the Social Housing Finance Corporation to enable more poor communities to access CMP loans.

D. Strengthen the capacity of Local Government Units to deliver basic services and manage local housing programs and projects like the localized CMP

We call on the government to:

1. Give more responsibility to LGUs to implement initiatives on shelter provision and other basic social services at the local level
2. Provide funds to LGUs to ensure full implementation of the programs of the local housing boards
3. Invest more in improving capacities of LGUs through problem-solving, involving and strengthening local participation, managerial know-how and transparent mechanisms in utilizing local resources
4. LGUs should also set aside funds for social housing including the development of resettlement sites.
Housing Laws and Issuances for the Poor in the Philippines
By Atty. Michael Vincent Gaddi
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As a basic human right, housing is best seen on the ground rather than read on paper. However, it also pays to scrutinize and delve into the intangibles of a right associated so much with tangibility. This report seeks to flesh out recent developments in the legal field as far as the right to housing is concerned. It highlights the vital components of the right to housing and the particular laws and issuances which give them life.

This report outlines several selected laws and issuances by first laying down the General State Policies adopted by the Philippines on the right to housing. International treaties and covenants such as the UN Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights are cited as bases for Philippine compliance with its right to housing obligations.

Pursuant to the Doctrine of Incorporation, these international agreements are written into the fundamental laws of each state party. Such incorporation can be found in Article XIII, sections 9 and 10 of the 1987 Philippine Constitution, which provisions basically dissect the right to housing into two sub-rights: the right against forced evictions and demolitions and the right to adequate and affordable housing.

The said sub-rights are further fleshed out in the Urban Development and Housing Act (UDHA) or Republic Act No. 7279. As far as the right against forced evictions and demolitions is concerned, the UDHA lays down a strict protocol in Section 28, where basic guidelines on how to conduct a just and humane eviction and demolition are listed. To further this mandate, the executive department issued Executive Order No. 152 (2002), which designates the Presidential Commission for the Urban Poor (PCUP) as the sole clearing house when it comes to evictions and demolitions. According to EO 152, certificates of compliance (COCs) must first be issued by the PCUP before any demolition can be carried out by a proponent. Just recently, EO 152 was superseded
by Executive Order No. 708 (2008), where the clearing house function was delegated to cities and municipalities through their respective local housing boards. The effects of said measure still remain to be seen.

Further fleshing out the right against forced evictions and demolitions is Republic Act No. 8368, which repealed Presidential Decree No. 772 – a law which criminalized the act of squatting. Despite the repeal of PD 772 by RA 8368, a pending bill in the House of Representatives, House Bill No. 1087, is trying to revive PD 772. However, through the efforts of various NGOs and POs which expressed their outright opposition to HB 1087, the said measure was sidetracked and a Substitute Bill focusing on strengthening efforts against professional squatters and squatting syndicates resulted in its stead.

Despite these legal safeguards, rampant violations abound as far as implementation of these laws are concerned. The case of the Metro Manila Development Authority’s (MMDA) clearing operations is a glaring example.

As far as the sub-right to adequate and affordable housing is concerned, recent legal developments turn to executive issuances pertaining to presidential proclamations. Basically, presidential proclamations identify specific idle government lands which can be proclaimed and distributed for socialized housing purposes. For said purposes, the executive branch issued Executive Order No. 131 (2002) and Memorandum Order No. 74 (2002).

To further buttress the provision of adequate housing, another executive issuance, Executive Order No. 272 (2004), aims to strengthen a veritable and viable government program when it comes to socialized housing – the Community Mortgage Program (CMP). Prior to EO 272, the government agency in charge of implementing the CMP was the National Home Mortgage Finance Corporation (NHMFC). However, pursuant to its mandate, CMP implementation is not really part of the NHMFC’s functions. Thus to provide focus and stability to the CMP, EO 272 constituted the Social Housing Finance Corporation (SHFC), which aims to specialize exclusively on CMP provision.
RECOMMENDATIONS

The major recommendation would be on the proper implementation of the said laws and issuances. If one were just to focus on this portion on laws and issuances, one would have the impression that the Philippine Government has surpassed its target compliance with flying colors. However, after a cursory examination of the other sections of this report on housing right (i.e. Evictions and Demolitions, Housing Finance, Proclamations etc.), one can see that the Philippine Government’s compliance is not exactly on a par with international standards set by the Covenant to which the country is a signatory.

Failure to properly distribute proclaimed government lands, for instance, manifests the government’s failure on housing provision. More so, the blatant human rights violations committed by the MMDA in the conduct of their clearing operations leave very much to be desired. If these laws and issuances could not be properly implemented and hence give protection and redress to the people in whose behalf these were enacted, then these laws and issuances do not really serve a purpose.
The Bitter Bread of Banishment
The Bitter Bread of Banishment

Photos by TRACY PABICO and PhilRights Photobank
The Bitter Bread of Banishment
The Bitter Bread of Banishment
EVICTIONS
By Teodoro Añana
Urban Poor Associates (UPA)

From 1996 to June 2008, the Philippine government has failed to stop forced evictions committed by third parties. Instead, it has itself conducted forced evictions which is a gross violation of human rights, in particular the right to adequate housing, based on the 1987 Constitution, UDHA of 1992, and the Committee’s General Comment No. 7.

In most of these forced eviction incidents, whether committed by the government or by a third party, adequate protection and due process were not observed, advance or prior notice was largely not complied with, and consultations with the affected families and communities were not conducted.

Nearly fifty percent (50%) of those evicted were not provided with relocation. Thousands of families were rendered homeless and were made vulnerable to other human rights violations, such as the rights to work, education, health, food and water, and the right to be protected against “arbitrary or unlawful interference” in one’s home. Moreover, the government and the courts have not provided compensation to the evicted families.

Nearly one-fourth of the evictions carried out were violent, leaving scores of urban poor dwellers injured. Some of them were even arrested. During demolition operations, children, women, and the elderly suffer the most. Children were traumatized and many were forced to stop attending school; there were cases of pregnant women who gave premature births or lost their babies. The elderly were reduced to living without shelter, exposed to the sun, rain and cold, thus endangering their health.

The Government’s attempt to correct this situation was a failure. Executive Order No. 152, which empowers the PCUP as a clearing house of evictions, was largely ignored by government agencies especially the MMDA and some LGUs. In February 2008, the clearing house function was transferred to LGUs. The Implementing Rules
and Regulations (IRR) has not been issued yet; this means no monitoring mechanism practically exists at present.

The State ignored and even tolerated national government agencies and LGUs which used other laws in evicting poor families, such as the Civil Code on nuisance and the National Building Code or PD 1096 that contravenes domestic and international legal instruments recognizing the people’s right to housing.

Despite these obvious violations and neglect, no court decision at the Court of Appeals or Supreme Court has been rendered recognizing the right to adequate housing of poor families, providing them with legal protection against forced evictions, and penalizing those violating their rights. Lower courts continue to issue judgments based solely on property rights, either of the government or private entities, ignoring or rejecting arguments protecting the housing rights of the affected families.

The legislative branch, on the other hand, has not exercised its oversight function. It has not conducted a comprehensive inquiry or investigation on how government agencies have been implementing and complying with UDHA provisions. Neither has it initiated efforts to plug loopholes in the UDHA.
RECOMMENDATIONS

1. Prosecute all those who commit forced evictions either through the courts, ombudsman, the Commission on Human Rights, or administrative bodies.

2. Establish an independent body with the power to ensure compliance with domestic and international laws against forced evictions, including the power to suspend or stop forced evictions.

3. All government bodies should comply with just one law, UDHA, specifically Section 28 of UDHA when carrying out demolitions/evictions, and not use any other laws and regulations, such as the National Building Code or PD 1096, the law on nuisance, including ordinances such as the MMDA Ordinances No. 03-96 and No. 02-28. All government agencies and units, moreover, should be aware of the fact that there is no cut-off date in the UDHA.

4. Undertake the following judicial and legal steps:
   a) establish special courts on housing rights at the lower levels as well as within the Court of Appeals;
   b) require the Philippine Judicial Academy to include a course on housing rights in its curriculum for judges and a similar course in the Mandatory Continuing Legal Education (MCLE) for lawyers;
   c) lower or remove court fees in housing rights cases involving the urban poor;
   d) process expeditiously court cases involving forced eviction and similar cases; and
   e) extend the Writs of Amparo and Habeas Data protection to economic, social and cultural rights violations, such as illegal demolitions.
5. Hold twice-a-year oversight hearings, separately or jointly by the two houses of Congress, on government agencies and units’ compliance with UDHA, particularly Section 28.

6. Amend certain provisions of UDHA, such as providing stiffer penalties against those who commit forced evictions.

7. Monitor, document, and maintain a database on evictions which should be made available to the public.

For the UN CESCR:

1. Get commitments from the Philippine government that it will invite fact finding missions from UN Rapporteurs, including the UN Rapporteur on the Right to Adequate Housing.

2. Send letters of inquiry or concern to the Philippine government regarding reports and complaints from civil society organizations regarding forced evictions, like what the former CESCR chairperson Philip Alston did on the report of massive forced evictions because of the 1996 APEC Summit.

3. Persuade officials of the legislative, executive and judicial branches of government to undergo seminars on housing rights and forced evictions to be conducted by UN housing rights experts.

4. Send letters of inquiry and concern to ODA donors and foreign investors on their obligation to prohibit forced evictions in their projects in the Philippines.
PROCLAMATIONS AND RESETTLEMENT

By Denis Murphy
Urban Poor Associates (UPA)

PROCLAMATIONS

Taking into account both the positive and negative aspects, we believe that:

In her first State of the Nation Address (2001), President Arroyo promised to implement a land proclamation program that would benefit 150,000 urban poor families per year. Over the next few years she made a strong effort to carry out this promise: she issued 102 proclamations (called variously, Presidential Proclamations, Executive Orders, Memorandum Orders, Administrative Orders and Deeds of Conveyance), covering a total land area of 26,300 hectares and benefiting 195,475 families.

The peak years were 2001-2004, when 83 proclamations (80% of all proclamations) were issued, covering 160,200 families (82% of all beneficiary families).

1. The proclamations are inexpensive; they help all the poor in an area, not only those with resources and skills, and provide land tenure security even if the sites are never upgraded and titled. No families have been evicted from proclaimed land. The proclamations, therefore, should be continued despite the President’s statement on January 31, 2008 that she would no longer proclaim more land. For example, government lands which are idle for 10 years should still be proclaimed. (See UDHA, Article IV, Sec.8)

2. None of the 90 proclaimed sites have been fully upgraded and titled, though the people and often the local authorities have done all that might be expected of them. But the problem is that the program is over-centralized. Also, authorities must find alternative ways to upgrade these areas inexpensively. A budget of P10,000-P15,000 per family should be enough to provide light, water, drainage, straight
roads and alleys, and open space.

3. The binding power of the proclamations must be clarified and, if necessary, strengthened in the light of plans to convert the 56-hectare proclaimed site in Baseco, Manila into a commercial area. Other proclaimed areas, including some in the Visayas, are also in danger of reverting to their former status.

4. The final price of proclaimed land must be affordable to all. Many families cannot pay without taking money from their food, education and health budgets.

Land proclamation is a very good program and should be continued. It is a good way of doing a little for many families rather than a lot for a few. It was not mentioned in the NGO 1995 Report so President Arroyo deserves credit for implementing the said program.
The Bitter Bread of Banishment

RECOMMENDATIONS

1. Continue proclaiming government lands for the urban poor. A consistent program benefiting approximately 50,000-60,000 a year for 10 years is recommended.

2. The government should commit to upgrading the sites already proclaimed and should be done pari passu with new proclamations. A specific goal should be set, approximately 20,000-30,000 families for 20 years which would ensure that the poorest areas in the entire country would benefit.

3. The government should take steps to ensure that proclamations are binding and cannot be changed except in extreme cases.

4. Land should be given at as little cost as possible. The cost must be affordable so that families could also improve their homes and communities. Some families cannot pay anything while some can pay a little but those with more income should pay more.

5. The proclamation program should be managed by only one agency led by a competent and resourceful person.

The government must work closely with local government units, NGOs and people’s groups to streamline the proclamation process as has been attempted in the Community Mortgage Program.

More power must be given to local governments.

6. All families and persons within proclaimed areas should benefit, including renters and sharers.
RESETTLEMENT

From the end of World War II to the present, an estimated 200,000 families have been evicted and relocated in Metro Manila. The National Housing Authority (NHA) says 130,000 families have been evicted and relocated since 1994 in the National Capital Region.

Major relocation trends since the end of World War II to the present:

1. The relocation distance, including the distance from jobs, is the most crucial element in resettling poor people. The remoteness of a relocation site could nullify other services provided to the resettled families because family income will be severely cut.

2. People's resistance and negotiating capability could help persuade the government to modify its relocation plans, e.g., choose sites near the city, and it can mobilize government to prepare the sites adequately.

3. The country is heading for a policy showdown. Relocation is becoming increasingly expensive regardless of the site while planned infrastructure requires the eviction of hundreds of thousands of families in the near future (60,000-70,000 thousand families still on the railroad tracks; 30,000-40,000 families for Circumferential Road 5 or C-5; 70,000 along canals and waterways, and other areas). There will come a time the government will be forced to choose between implementing the law on housing and providing adequate relocation or missing the chance to build useful infrastructure unless compromise solutions could be found.

One such possible remedy is for the government to ask for relocation funds as part of loan packages from abroad.

4. It is absolutely necessary to persuade the government to adhere to and enforce the principle that all evicted families deserve relocation. Currently, government agencies just
leave many evicted families in the streets to fend for themselves.

(5) Officials who violate eviction and relocation laws should be severely punished; so far, no one has been prosecuted.

(6) Relocation areas must be adequately prepared before people are asked to move in.
RECOMMENDATIONS

1. Since great distances, the lack of work in such areas, and the high cost of commuting to work are among the most serious obstacles to good relocation, the government should discontinue distant relocation as a practice.

2. The government must be open to and encourage people’s participation in planning relocations. Their advice has proven to be very useful in many instances. People’s participation can begin with the consultation prescribed by law; this should be a dialogue that has room for people’s alternate relocation suggestions and full discussion of resettlement matters.

3. The government should ask that the cost of relocation be added to loans for infrastructure projects from foreign sources. There is no other practical way to provide good relocation, especially since infrastructure-related evictions will continue to grow.

4. All evicted families must be relocated.

5. The government should fully prepare sites before evicted people arrive and the latter should not be harassed or pressured to move until this requirement has been fulfilled.

6. The government should look for sites and routes for infrastructure projects that would not entail evicting large numbers of people. For example, roads should pass through golf courses and not in slum areas.

7. The rights of the people should be the first priority of the government, so in cases that it could not provide adequate relocation, then it should not evict people.
8. Families in resettlement sites are expected to pay back the total cost of land, house and other expenses without considering the evicted families’ loss of income and the original homes destroyed when they were asked to leave their former communities. A fair proportion of these costs should be written off as compensation.

This report on Housing was prepared by the Sentro ng Alternatibong Lingap Panligal (Saligan), John J. Carroll Institute on Church and Social Issues (ICSI), Foundation for the Development of the Urban Poor (FDUP), and the Urban Poor Associates (UPA).

Three (3) consultations with 45 housing NGOs were held to finalize this report; one each in Metro Manila for Luzon and Bicol; in Cebu City for the Visayas; and in Davao City for Mindanao.

The NGOs involved in this report include research groups, church offices, grassroots organizers, women’s and environment groups, social housing developers and policy advocates. Most are linked with the Philippine Partnership of Support Service Agencies (PHILSSA).
Hungrier than Ever:  
A Report on the Right to Food

A right to food report prepared by the People’s NGO Coalition on Food Sovereignty and Fair Trade (PNLC), a network of organizations that promotes the right to adequate food.

PERHAPS THE best image that captures how the right to food has been realized in the Philippines is the now-familiar scene in many areas of the country – the long queues of people, mostly mothers and children, waiting to buy government rice at P18.25 ($0.43) per kilo because they could not afford commercial rice now selling at P46.00 ($1.09) per kilo.

Since the spike of world food prices in early 2008, followed by skyrocketing fuel costs that jacked up inflation rate to 12.5\\% in August, securing adequate food on the table of impoverished and hungry Filipino families has become a tooth and nail struggle.

A survey by the research institution Social Weather Station (SWS) revealed that involuntary hunger was experienced in varying degrees from 1996 to 2008. In its July 2008 survey, 2.9 million (or 16.3\\% of families) reported having experienced involuntary hunger at least once in three months (April-June 2008). This is 4\\% higher than the ten-year average of 12.1\\% (June 1998 – June 2008).

Government nutritional studies reveal the same problem. Findings of the 2006 National Nutrition Council (NNC) research using the Food Insecurity and Vulnerability Information and Mapping Systems
Hungrier than Ever

(FIVIMS) show 49 provinces (63.6%) in the Philippines were experiencing food insecurity in varying degrees.\(^3\) In 2003, the Food and Nutrition Research Institute (FNRI) reported, 7 out of 10 Filipino households in the country are food insecure.\(^4\)

Currently the minimum wage in the National Capital Region (NCR) is pegged at P382,\(^5\) with even lower minimum wages in the provinces. But according to the National Wages and Productivity Commission (NWPC), a family of six, with two members working, needs P768 per day to survive in Metro Manila.\(^6\)

The government has reported that one of the major reasons for this hunger problem is the lack of income to buy food. What it failed to mention however is the absence of an enabling law that recognizes the right to food of Filipinos and institutes clear cut policies and mechanisms to fulfill this right.

Likewise, the official report did not bring up the lack of or misallocation of public resources devoted to agriculture and agrarian reform that would have boosted productivity and ensured sustainability and availability of food products.

It should also be noted that government agriculture agencies prioritize and promote agri-business, hybrid varieties and aquaculture which are not sustainable and environment-friendly. This despite constant appeals of farmers’ groups to the government to support sustainable and organic farming, as well as repeated warnings from various sectors and actual experience showing that prioritization of cash and bio-fuel crops and the export-oriented nature of our fishing industry could jeopardize the country’s food self-sufficiency.

On the consumer side, the government has the Accelerated Hunger Mitigation Program (AHMP). Its main components are the Food for School Program (FSP) which provides rice rations to grade school students and the “Tindahan Natin,” mobile community stores where poor residents could buy cheap rice and noodles.

However, the government failed to consult major food stakeholders, especially the vulnerable sectors, during the framing of AHMP. The
program is mainly a hodge-podge of existing food and agriculture programs. The inter-agency task force that was supposed to implement this is yet to be consolidated and coordinated; and resources have yet to be poured where they are most needed. To date, the government has yet to come up with an impact assessment of these programs.

The official report on food also enumerated some headway in the free trade negotiations with other countries such as China and Japan and within the World Trade Organization (WTO). What is not mentioned is the fact that these arrangements hurt local food producers, because they could not compete with highly subsidized imported food products.

**Vulnerable and Disadvantaged Groups Experiencing Hunger and Malnutrition**

The 2006 Philippine report did not highlight the situation of hunger and malnutrition of vulnerable and disadvantaged groups.

The National Nutrition Council admitted that households headed by subsistence fisherfolk, *kaingeros*, hired laborers, the unemployed, urban poor, families in remote areas, families with poorly educated mothers and large-sized poor families are malnourished.7

Vulnerable groups suffer more, they are the rural women, indigenous peoples, landless peasants, farmers and fisherfolk.

Rural women are deprived of their access to productive resources, making access to food even more difficult. The Pambansang Koalisyon ng Kababaihan sa Kanayunan (PKKK), a national alliance of rural women, said in their study among women farmers, fishers and indigenous peoples, that rural poverty is characterized by low income, lack of entitlements, lack of access to market and the negative effect of trade liberalization.8

One study of 150 Manobo families in Don Carlos, Bukidnon illustrates the horrors of hunger: “They are lucky to eat at least once a day. Children don’t go to school now. They are not strong enough to
walk to school. Mothers are being afflicted with tuberculosis since they are the last people to eat in the household.9

Media reports show how urban poor families cope with lack of food: they would recycle food collected from the garbage bins of fastfoods and restaurants. This food from garbage cans is called “pagpag”.

**Measures to Guarantee Access to Food**

In its official report, the government cited various credit facilities and micro-finance programs such as the **SEA-Kaunlaran (SEA-K) Integrated Program and Enhancing the Role and Status of Filipino Women in Social Development Program** to help vulnerable sectors improve their livelihood and increase their purchasing power.

In reality, microfinance programs were barely effective in augmenting income of women and other marginalized groups to enable them to buy more food. The programs were centered on entrepreneurial poor in urban centers, but excluded workers in the informal sector, the disabled, the elderly, disaster victims, farmers and fisherfolks.10

Teresita Quintos Deles of the National Anti-Poverty Commission (NAPC) mentioned that micro-finance institutions (MFIs) served the non-agricultural entrepreneur poor. Only 25% to 28% of the 4.3 million households living in poverty were covered in 2002 for the government’s microfinance project.11 The SEAK project, targeting the very poor, was effective only in remote areas with capacity-building as a critical input. Today, SEAK is facing problems of sustainability.

In 2006 and 2007, the Department of Social Welfare and Development (DSWD) claimed to have served NCR, Region III and Region IV through SEAK.12 But what about areas in the Visayas and Mindanao which have more food insecure and vulnerable families?

Likewise, the DSWD also reported accomplishments of FSP, Tindahan Natin, and breastfeeding programs only in the National Capital Region, Regions III and IV in 2006 and 2007.

Such reports only fuel public perception that most of the
government’s food programs are being utilized as political gimmicks meant to sweeten the image of the Chief Executive who has become unpopular due to charges of election manipulation and corruption.

**Measures to Improve Methods of Food Production**

Enacted into law in 1997, Republic Act 8435 (the Agriculture and Fisheries Modernization Act) aimed to “strengthen the support services for modernizing agriculture and fisheries while at the same time empowering people, particularly the small-holders, engaged in sustainable agricultural development.”

However, allocations for AFMA did not reach the mandated PhP20 billion for its first year of implementation nor did it reach the PhP17 billion mandated for the succeeding years. Based on the GAA, AFMA allocations peaked at PhP16 billion in 2000. The lowest allocation was PhP9 billion in 2004 and the funds were inclusive of the Department of Agriculture (DA) budget.

No wonder irrigation of farmlands did not improve much, from 40.57 percent to 44.66 percent, within 9 years of AFMA implementation.

To add insult to farmers’ injury, the already insufficient agricultural fund intended as subsidies and support services has time and again fallen prey to graft and corrupt practices of government officials.

In 2005, the Philippine Center for Investigative Journalism (PCIJ) reported that DA released nearly P3 billion during the 2004 presidential elections campaign, and these funds were diverted to the political allies of President Arroyo.\(^{13}\)

Similarly, a Commission on Audit report revealed that P419 million of the Comprehensive Agrarian Reform Program (CARP) funds from the sequestered Marcos wealth was used for phones, food, and travel of government agencies implementing CARP. These agencies include the Departments of Agriculture, Agrarian Reform, Environment and Natural Resources, and Public Works and Highways, the National Irrigation Administration, and the Land Registration Authority.\(^{14}\)
Measures to Disseminate Knowledge and Principles of Nutrition

According to the government report, nutrition education continues to be a “strong pillar” in its program to improve the nutritional status of its people. However, less priority is now given to nutrition education; in the past there used to be a separate subject devoted to it but now it is only part of a bigger subject called “Makabayan.”

In 1999, the National Nutrition Congress identified the weaknesses of the country’s nutrition education as follows: low and inadequate financial support; inadequate knowledge, attitude and skills of program implementers; inadequate participation or parents; inadequate education materials for both clientele and frontline workers; messages are conflicting, misleading, inappropriate and not user friendly; lack of baseline data about the clientele; non-utilization of monitoring data for decision making or program design; and negative influence of media.

Agrarian Reform in the Philippines

Based on the 2006 Philippine report, 85% of the agricultural lands has been distributed to agrarian reform beneficiaries by the Department of Agrarian Reform (DAR) as of 2005, with a remaining balance of 630,280 hectares (of which 79% were private agricultural lands).

However, this figure has been questioned because of “recycling” of accomplishments and arbitrary removal of landholdings from the target, according to a study done by three peasant organizations. These organizations, the Philippine Ecumenical Action for Community Empowerment Foundation Network (PEACE), Partnership for Agrarian Reform and Rural Development Services (PARRDS), and Pambansang Ugnayan ng Nagsasariling Lokal ng mga Samahang Mamamayan sa Kanayunan (UNORKA) estimated the agrarian reform accomplishment at 40% of the target hectares of agricultural land.

More recently, DAR reported that as of December 2007, it has distributed 3.96 million out of the target 5.16 million hectares. The remaining 1.023 million that are yet to be distributed are sugarlands,
Hungrier than Ever
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coconut areas and commercial plantations owned by powerful families and corporations.\textsuperscript{18}

In its 1995 Concluding Observations, the Committee already noted the failure of the government to achieve its CARP target due to “major loopholes, lack of funding and the lack of implementation measures” and the “lack of political will to redress the situation.”\textsuperscript{19} Back then, the Committee even prompted the government to implement an emergency plan including the identification of benchmarks to expedite agrarian reform process and institute mechanisms for faster resolution of grievances.\textsuperscript{20}

Thirteen years hence, DAR is still unable to complete the transfer of land ownership to rightful agrarian reform beneficiaries. The same problems as enumerated by the Committee still persist; the government was not able to carry out reforms and appropriate steps for the program to succeed.

Worse, CARP implementation has been tainted with deceit, harassment, and violence at the expense of farmers’ lives and limbs. PARRDS noted that in the course of the peasants’ struggle for their rights to land, subsistence and food, there have been 41 cases of summary execution and killings.

PARRDS also documented (from 2001 to the present) a total of 415 agrarian-related human rights violations. From July 2006 to September 2007, there have been 33 cases affecting 614 people reported, one of which was the Alang-alang case in which the court reversed an earlier decision and ruled in favor of the landowner.\textsuperscript{21}

**Inequitable Distribution, Production and Trade**

The State’s adherence to free trade and neo-liberalization policies especially in agriculture has not yielded benefits for farmers and fishers. The influx of imported sensitive products like rice and vegetables (due to the World Trade Orgnization Agreement on Agriculture) resulted in the decline of income of small farmers.\textsuperscript{22} The US Public Law 480 also reinforces the dumping of US agricultural supply within Philippine markets.
After ten years of WTO membership and twelve years after the forging of the ASEAN Free Trade Agreement (AFTA), the country has not felt the promised economic prosperity of liberalization. Instead, it has suffered the dire consequences of trade liberalization. The country has turned from a net agricultural exporter to importer by the mid-1990s, the only ASEAN-4 country with this ignoble reputation.23

Even the recently concluded agreement with Japan (the Japan-Philippines Economic Partnership Agreement or JPEPA) would eventually make the country a dumping ground of toxic wastes. It included waste products in the preferential trading (zero tariff) between the two countries.24

Meanwhile, the RP-China Agreement threatens to convert 1.2 million hectares of agricultural land to serve the priority development needs of China, mainly bio-fuel, to the detriment of the country’s food security.25

In fisheries, according to Tambuyog Development Center (TDC), the export-oriented nature of the country’s industry negatively affects Filipino’s right to food. The country trades the best fishery products and imports fish to supply canneries and the aquaculture sector.26

**Conclusion and Recommendations**

The persistence of hunger in the lives of millions of individuals and families over the years, as shown by the SWS time series survey and other official studies, clearly indicates that the right to food of Filipinos has been violated or at the very least neglected by the government.

Filipino farmers continue to be denied of their right to land; many of them are harassed and killed in their struggle to own the land they and their forefathers have been tilling for generations.

Farmers and fishers remain in the fringes of government priority in terms of subsidies and support services and infrastructure. Funds allocated for them have become milking cows of greedy politicians.
The country’s compliance with international free trade and neoliberalization regimes has failed to live up to its promise of development and instead brought more woes to Filipino food producers.

Meanwhile, hunger mitigation and poverty alleviation programs also continue to suffer from lack of resources, politicking and corruption, minimizing their impact and hardly reducing the hunger and misery of the people.

IN THIS context, the Philippine civil society proposes the following:

1. Extend and fully fund CARP. More than 1 million private agricultural lands should be distributed through compulsory acquisition.
2. Lease-back arrangements, joint venture agreements, and stock distribution options in commercial plantations should be cancelled to allow farm workers effective control.
3. Re-evaluate import-oriented trade policy especially in the fisheries sector.
4. Increased government investment in the agricultural sector in the form of capability-building, subsidies, support services, and infrastructure.
5. Review multi-lateral and bilateral trade agreements from a human rights perspective.
6. Participatory formulation of food security plans in every municipality and city.
7. Government promotion and support to sustainable agriculture and organic farming.
8. Protect and conserve land and aquatic resources devoted to food production, as well as watershed areas.
10. Limit the power of the local government units (LGUs) to convert land use.
11. Provide incentives to farmers for them to continue producing food and not cash- or bio-fuel crops.
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FOOTNOTES


4. Ibid


9. Asian NGO Coalition for Agrarian Reform and Rural Development (ANGOC) with inputs from the Philippine Association for Inter-cultural Development (PAFID) August 1, 2008.


12. www.dswd.gov.ph


17. Philippine Human Rights Information Center. “Just How Hungry are the Filipinos: A Right to Food Situationer.” In Focus: A Semestral Human Rights Situationer. January to June 2007, p. 41


20 Ibid, par.30

21 Gilbert -MODE Data. Documented under the joint paralegal program of KAMAO (Ormoc City), BRAMO (Ormoc City), RDILEYTE (Ormoc City), and KAISAHAH-PESANTEch.

22 Regalado, Aurora. “Trade Liberalization in the Philippines” April 10, 2005

23 Ibid

24 http://www.pcij.org/blog/?p=1264

25 http://fairtradealliance.org/?p=261

26 Cesar Allan and Malou Vera. Fisheries Trade Liberalization and Food Insecurity. (TAMBUYOG, 2003).
Dispensing with the Doctors: A Report on the Right to Health

BY THE MEDICAL ACTION GROUP, INC. (MAG)

The Filipinos’ access to health services remains poor even as prices of drugs and medicines remain high. The migration of health professionals continues to deprive the country of much-needed health personnel. Maternal mortality and infant mortality rates remain unsatisfactory.

Public health expenditure is still below the World Health Organization’s ideal percentage of health spending. Inadequate government funding resulted in privatization of health services and out-of-pocket payments of patients, making life more miserable for many Filipinos already burdened by high prices of basic commodities.

This report aims to reflect gaps in the healthcare delivery across the nation, providing emphasis on the vulnerable sectors of society.

In the hopes of improving health service delivery and fulfilling the right to health of Filipinos, this report will present recommendations to ensure that existing health policies are maximized to the fullest potential and that the results of these policies will bring change and improve the health situation of the country.
Health care in the Philippines

Infant Mortality Rate

In 2006, under-5 mortality rate was reported at 32 per 1000 live births, decreasing from the 1995 figure of 67 per 1000 live births. Infant mortality rate has also decreased, from 49 per 1000 live births in 1995 to only 24 in 2006.¹

While statistics show a significant decrease in the infant mortality and under-5 mortality rates, the Philippine record remains higher compared to other countries in the region.

In 2003, the country’s infant mortality rate was at 29 for every 1,000 live births, compared to lower rates from six Asian countries such as Vietnam with only a rate of 19, Singapore with only a rate of 3, and Brunei with a rate of 5.²

<table>
<thead>
<tr>
<th>Country</th>
<th>Infant Mortality Rate (per 1,000 live birth) 1990</th>
<th>Infant Mortality Rate (per 1,000 live births) 2003</th>
<th>Under Five Mortality Rate (per 1,000 live births) 1990</th>
<th>Under Five Mortality Rate (per 1,000 live births) 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vietnam</td>
<td>36</td>
<td>19</td>
<td>51</td>
<td>23</td>
</tr>
<tr>
<td>Singapore</td>
<td>7</td>
<td>3</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>Thailand</td>
<td>34</td>
<td>23</td>
<td>40</td>
<td>26</td>
</tr>
<tr>
<td>Malaysia</td>
<td>16</td>
<td>7</td>
<td>21</td>
<td>7</td>
</tr>
<tr>
<td>Brunei</td>
<td>10</td>
<td>5</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>Philippines</td>
<td>34</td>
<td>29</td>
<td>66</td>
<td>40</td>
</tr>
</tbody>
</table>

Infant mortality rates for under 1 year of age in urban areas was reported at 24 for every 1,000 live births in 2003, while the rate in the rural areas was reported at 36 for every 1,000 live births.³
(infants under one year of age per 1,000 live births)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippines</td>
<td>55</td>
<td>50</td>
<td>36.0</td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>30.9</td>
<td>24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural</td>
<td>40.2</td>
<td>36</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes: 1998 data is based on the 1998 National Demographic and Health Survey. 
2003 data is based on the 1998 National Demographic and Health Survey.

Immunization

In 2006, fully-immunized children ages 9-11 months was reported at 82.9%. The Cordillera Administrative Region (CAR) had 70.2% while Region 3 reported the highest with 94.1%.

TABLE 3: Fully-immunized children, 2006

<table>
<thead>
<tr>
<th>Area/Region</th>
<th>Fully-Immunized Children (9-11 months) %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippines</td>
<td>82.9</td>
</tr>
<tr>
<td>National Capital Region</td>
<td>81.3</td>
</tr>
<tr>
<td>CAR</td>
<td>70.2</td>
</tr>
<tr>
<td>Region 1</td>
<td>82.4</td>
</tr>
<tr>
<td>Region 2</td>
<td>83.4</td>
</tr>
<tr>
<td>Region 3</td>
<td>94.1</td>
</tr>
<tr>
<td>Region 4A</td>
<td>88.3</td>
</tr>
<tr>
<td>Region 4B</td>
<td>80.7</td>
</tr>
<tr>
<td>Region 5</td>
<td>80.8</td>
</tr>
<tr>
<td>Region 6</td>
<td>76.9</td>
</tr>
<tr>
<td>Region 7</td>
<td>87.0</td>
</tr>
<tr>
<td>Region 8</td>
<td>76.5</td>
</tr>
<tr>
<td>Region 9</td>
<td>82.7</td>
</tr>
<tr>
<td>Region 10</td>
<td>82.0</td>
</tr>
<tr>
<td>Region 11</td>
<td>77.4</td>
</tr>
<tr>
<td>Region 12</td>
<td>75.9</td>
</tr>
<tr>
<td>ARMM</td>
<td>86.0</td>
</tr>
<tr>
<td>CARAGA</td>
<td>77.1</td>
</tr>
</tbody>
</table>

Source: Department of Health (DOH), FHSIS 2006
Maternal Mortality Rate

Maternal death comprises 14 percent of the total deaths of women aged 15-49 years old.

### TABLE 4: Maternal mortality rate

<table>
<thead>
<tr>
<th>Country</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Philippines</td>
<td>170</td>
</tr>
<tr>
<td>2. Thailand</td>
<td>44</td>
</tr>
<tr>
<td>3. Malaysia</td>
<td>41</td>
</tr>
<tr>
<td>4. South Korea</td>
<td>20</td>
</tr>
<tr>
<td>5. Japan</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: Dr. Manuel Dayrit’s presentation on the International Conference on Population and Development at 10 (4 October 2004 at the Heritage Hotel)

Maternal mortality rate (MMR) has declined; from 1993’s 209, it decreased to 162 in 2006. The MMR however is still far from the Millennium Development Goal target of 52 maternal deaths per 100,000 live births.5

Maternal death rate is highest in ARMM with 1.3%, followed by CARAGA (1.2%) and Region 4B and Region 11 (1%). Infant death rate meanwhile is highest in the National Capital Region with 21.7%, followed by Region 11 at 12.9% and 11.5% in Region 4B. 6
TABLE 5: Maternal and infant death rate, 2006

<table>
<thead>
<tr>
<th>By Region/Province</th>
<th>Maternal Death Rate</th>
<th>Infant Death Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Capital Region</td>
<td>0.4</td>
<td>21.7</td>
</tr>
<tr>
<td>CAR</td>
<td>0.6</td>
<td>10.1</td>
</tr>
<tr>
<td>Region 1</td>
<td>0.4</td>
<td>10.6</td>
</tr>
<tr>
<td>Region 2</td>
<td>0.6</td>
<td>6.5</td>
</tr>
<tr>
<td>Region 3</td>
<td>0.2</td>
<td>5.1</td>
</tr>
<tr>
<td>Region 4A</td>
<td>0.3</td>
<td>7.5</td>
</tr>
<tr>
<td>Region 4B</td>
<td>1</td>
<td>11.5</td>
</tr>
<tr>
<td>Region 5</td>
<td>1.2</td>
<td>10.6</td>
</tr>
<tr>
<td>Region 6</td>
<td>0.9</td>
<td>11.2</td>
</tr>
<tr>
<td>Region 7</td>
<td>0.5</td>
<td>6.7</td>
</tr>
<tr>
<td>Region 8</td>
<td>0.9</td>
<td>11.5</td>
</tr>
<tr>
<td>Region 9</td>
<td>0.7</td>
<td>8.9</td>
</tr>
<tr>
<td>Region 10</td>
<td>0.7</td>
<td>8.2</td>
</tr>
<tr>
<td>Region 11</td>
<td>1</td>
<td>12.9</td>
</tr>
<tr>
<td>Region 12</td>
<td>0.6</td>
<td>5.2</td>
</tr>
<tr>
<td>ARMM</td>
<td>1.3</td>
<td>4.4</td>
</tr>
<tr>
<td>CARAGA</td>
<td>1.2</td>
<td>7.4</td>
</tr>
</tbody>
</table>

Source: Department of Health, FHSIS 2006, NEC

Over half of the cases of maternal deaths remain unreported. In 2002, 56 percent of recorded maternal deaths in the civil registry were unaccounted for. 7

Percent of Live Births Delivery Assistance by Birth Attendants

The percent of live births delivery assistance by health professionals has increased from 52.8% in 1993 to 59.8% in 2003. Births specifically delivered by doctors were at 26% in 1993; increasing to 33.6% in 2003. Those delivered by nurses and midwives were at 26.8% in 1993, slightly going down to 25.5% in 1998 but increasing to 26.2% in 2003. With the increase of birth delivered by health professionals, the number of births assisted by traditional birth attendants was reduced from 45.3% in 1993 to 37.1% in 2003. 8
### TABLE 6: Percentage of live birth delivery assistance of health professionals

<table>
<thead>
<tr>
<th></th>
<th>1993</th>
<th>1998</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Professionals</td>
<td>52.8</td>
<td>56.4</td>
<td>59.8</td>
</tr>
<tr>
<td>Doctor</td>
<td>26.0</td>
<td>30.9</td>
<td>33.6</td>
</tr>
<tr>
<td>Nurse/Midwife</td>
<td>26.8</td>
<td>25.5</td>
<td>26.2</td>
</tr>
<tr>
<td>Traditional birth attendant</td>
<td>45.3</td>
<td>41.3</td>
<td>37.1</td>
</tr>
</tbody>
</table>

Source: NDHS cited in 2007 DOH paper

### TABLE 7: Live births by attendance of different health personnel, 2006

<table>
<thead>
<tr>
<th>Area</th>
<th>Total Deliveries</th>
<th>Doctors (%)</th>
<th>Nurses (%)</th>
<th>Midwives (%)</th>
<th>Trained Hilots (%)</th>
<th>Untrained Hilots</th>
<th>Others/Unknown</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippines</td>
<td>1,770,735</td>
<td>29.4</td>
<td>1.2</td>
<td>39.8</td>
<td>25</td>
<td>3.2</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Source: Department of Health

### TABLE 8: Proportion of births attended by skilled health personnel per year

<table>
<thead>
<tr>
<th>Year</th>
<th>Proportion of births attended by skilled health personnel</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>60.0</td>
</tr>
<tr>
<td>1994</td>
<td>60.9</td>
</tr>
<tr>
<td>1995</td>
<td>62.7</td>
</tr>
<tr>
<td>1996</td>
<td>64.1</td>
</tr>
<tr>
<td>1997</td>
<td>65.0</td>
</tr>
<tr>
<td>1998</td>
<td>69.2</td>
</tr>
<tr>
<td>1999</td>
<td>69.5</td>
</tr>
<tr>
<td>2000</td>
<td>69.0</td>
</tr>
<tr>
<td>2001</td>
<td>69.1</td>
</tr>
<tr>
<td>2002</td>
<td>67.0</td>
</tr>
<tr>
<td>2003</td>
<td>60.0</td>
</tr>
</tbody>
</table>

TABLE 9: Maternal services by wealth index, 2003 NDHS

<table>
<thead>
<tr>
<th>Assistance during delivery</th>
<th>Lowest</th>
<th>Second</th>
<th>Middle</th>
<th>Fourth</th>
<th>Highest</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Doctor</td>
<td>8.6</td>
<td>21.0</td>
<td>37.4</td>
<td>52.6</td>
<td>73.2</td>
</tr>
<tr>
<td>2. Nurse</td>
<td>0.5</td>
<td>1.7</td>
<td>1.8</td>
<td>0.6</td>
<td>1.2</td>
</tr>
<tr>
<td>3. Midwife</td>
<td>16.0</td>
<td>28.7</td>
<td>33.2</td>
<td>31.2</td>
<td>18.0</td>
</tr>
<tr>
<td>4. Hilot</td>
<td>68.9</td>
<td>45.4</td>
<td>26.3</td>
<td>13.3</td>
<td>7.0</td>
</tr>
<tr>
<td>5. Relatives, friends, others</td>
<td>0.4</td>
<td>0.2</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PLACE OF DELIVERY</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Government hospitals</td>
<td>8.7</td>
<td>19.6</td>
<td>30.4</td>
<td>34.6</td>
<td>29.9</td>
</tr>
<tr>
<td>2. Government health center</td>
<td>0.5</td>
<td>0.8</td>
<td>1.8</td>
<td>3.0</td>
<td>1.6</td>
</tr>
<tr>
<td>3. Private facility</td>
<td>1.2</td>
<td>4.4</td>
<td>11.1</td>
<td>22.2</td>
<td>45.5</td>
</tr>
<tr>
<td>4. Home</td>
<td>88.7</td>
<td>74.3</td>
<td>56.2</td>
<td>39.0</td>
<td>22.6</td>
</tr>
<tr>
<td>5. Other</td>
<td>0.1</td>
<td>0.3</td>
<td>0.2</td>
<td>0.3</td>
<td>0.1</td>
</tr>
</tbody>
</table>

| 3. Delivered by C-section | 1.7 | 3.4 | 6.8 | 10.8 | 20.3 |
| 4. Number of births      | 1,858 | 1,590 | 1,352 | 1,162 | 993  |
| 5. Current use of contraceptives (any method) | 37.4 | 48.8 | 52.7 | 54.4 | 50.6 |

As expected, poor women (those who belong to the lowest quintile) have the least access to professional assistance during birth delivery. As noted by a World Bank-commissioned study, “The disparity of health status among different socio-economic and regional groups is evident: the Infant Mortality Rate (IMR) among the poorest quintile of the population is more than twice the level of the richest quintile, and more than thrice for the under five mortality.” (Gwatkin, et al., 2007).

Inequities in health status also result from geographical factors. For example, the richest quintile in rural areas has an IMR that is twice that in urban areas. Geographically, there were regions where IMRs exceeded the national average of 24 deaths (2006 figures). These were Cordillera (29), Mimaropa (32), Bicol (26), Eastern Visayas (29), Zamboanga (38), Davao (28), Caraga (28) and the ARMM (31).
Water and Sanitation

The portion of the country’s population using improved water source decreased from 87% in 1990 to 85% in 2004. In 2002, households with access to safe water supply was reported at 83%, with Region 6 at 95.3% and the Autonomous Region of Muslim Mindanao as the lowest with 55.3%.

75.4% of households have sanitary toilets, with Region 1 having the highest percentage at 93.8% and ARMM still having the lowest with 34.4%.

**TABLE 11: Proportion of households with access to safe water and sanitary toilet facility, 2002**

<table>
<thead>
<tr>
<th>Area</th>
<th>Household with Access to Safe Water Supply (%) (a)</th>
<th>Households with Sanitary Toilet (%) (b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippines</td>
<td>83.0</td>
<td>75.4</td>
</tr>
<tr>
<td>National Capital Region</td>
<td>82.6</td>
<td>79.0</td>
</tr>
<tr>
<td>C.A.R.</td>
<td>92.1</td>
<td>77.2</td>
</tr>
<tr>
<td>Region 1</td>
<td>91.3</td>
<td>93.8</td>
</tr>
<tr>
<td>Region 2</td>
<td>84.3</td>
<td>86.0</td>
</tr>
<tr>
<td>Region 3</td>
<td>72.8</td>
<td>71.7</td>
</tr>
<tr>
<td>Region 4A</td>
<td>80.0</td>
<td>76.3</td>
</tr>
<tr>
<td>Region 4B</td>
<td>78.4</td>
<td>63.2</td>
</tr>
<tr>
<td>Region 5</td>
<td>82.6</td>
<td>64.3</td>
</tr>
<tr>
<td>Region 6</td>
<td>95.3</td>
<td>88.2</td>
</tr>
<tr>
<td>Region 7</td>
<td>87.4</td>
<td>75.2</td>
</tr>
<tr>
<td>Region 8</td>
<td>81.2</td>
<td>72.0</td>
</tr>
<tr>
<td>Region 9</td>
<td>80.5</td>
<td>77.0</td>
</tr>
<tr>
<td>Region 10</td>
<td>91.3</td>
<td>74.5</td>
</tr>
<tr>
<td>Region 11</td>
<td>91.6</td>
<td>76.6</td>
</tr>
<tr>
<td>Region 12</td>
<td>84.4</td>
<td>72.4</td>
</tr>
<tr>
<td>ARMM</td>
<td>55.3</td>
<td>34.4</td>
</tr>
<tr>
<td>CARAGA</td>
<td>85.0</td>
<td>81.2</td>
</tr>
</tbody>
</table>

Note: One DOH report classifies Batanes under NCR while NSO survey classifies Batanes under Region 2
Health personnel

Department of Health (DOH) statistics show that in 2006, there are 2,955 doctors in the local government units (LGUs), 1,930 nurses, 16,857 midwives, 601 nutritionists, and 1,700 barangay health workers. The highest concentration of doctors and nurses is in the National Capital Region, with 650 doctors and 683 nurses.

### TABLE 12: Number of BHS and selected health workers in LGUs, 2006

<table>
<thead>
<tr>
<th>Area</th>
<th>Total population</th>
<th>No. of Brgys</th>
<th>No. of BHS</th>
<th>Doctors</th>
<th>Nurses</th>
<th>Midwives</th>
<th>Nutritionist</th>
<th>Engr’s/Sanitary</th>
<th>Active BHWs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Philippines</td>
<td>85,822,854</td>
<td>41,793</td>
<td>16,191</td>
<td>2,955</td>
<td>1,930</td>
<td>16,857</td>
<td>601</td>
<td>3,429</td>
<td>1,700</td>
</tr>
<tr>
<td>NCR</td>
<td>11,394,158</td>
<td>1,697</td>
<td>20</td>
<td>650</td>
<td>683</td>
<td>1,065</td>
<td>86</td>
<td>261</td>
<td>4,005</td>
</tr>
<tr>
<td>CAR</td>
<td>1,591,963</td>
<td>1,186</td>
<td>564</td>
<td>83</td>
<td>151</td>
<td>599</td>
<td>5</td>
<td>106</td>
<td>5,502</td>
</tr>
<tr>
<td>Region 1</td>
<td>4,562,030</td>
<td>3,265</td>
<td>978</td>
<td>154</td>
<td>232</td>
<td>1,019</td>
<td>11</td>
<td>436</td>
<td>20,125</td>
</tr>
<tr>
<td>Region 2</td>
<td>3,121,351</td>
<td>2,242</td>
<td>939</td>
<td>95</td>
<td>176</td>
<td>816</td>
<td>7</td>
<td>262</td>
<td>6,186</td>
</tr>
<tr>
<td>Region 3</td>
<td>8,793,618</td>
<td>3,057</td>
<td>1,866</td>
<td>284</td>
<td>384</td>
<td>1,630</td>
<td>40</td>
<td>242</td>
<td>14,331</td>
</tr>
<tr>
<td>Region 4A</td>
<td>10,457,286</td>
<td>3,966</td>
<td>2,112</td>
<td>247</td>
<td>459</td>
<td>1,802</td>
<td>38</td>
<td>332</td>
<td>18,472</td>
</tr>
<tr>
<td>Region 4B</td>
<td>2,521,970</td>
<td>1,456</td>
<td>686</td>
<td>83</td>
<td>124</td>
<td>527</td>
<td>10</td>
<td>104</td>
<td>10,109</td>
</tr>
<tr>
<td>Region 5</td>
<td>5,245,066</td>
<td>3,471</td>
<td>1,115</td>
<td>179</td>
<td>271</td>
<td>1,072</td>
<td>27</td>
<td>184</td>
<td>15,023</td>
</tr>
<tr>
<td>Region 6</td>
<td>7,001,978</td>
<td>4,050</td>
<td>1,604</td>
<td>263</td>
<td>485</td>
<td>1,689</td>
<td>31</td>
<td>307</td>
<td>23,996</td>
</tr>
<tr>
<td>Region 7</td>
<td>6,182,821</td>
<td>3,081</td>
<td>1,381</td>
<td>215</td>
<td>305</td>
<td>1,495</td>
<td>14</td>
<td>287</td>
<td>19,235</td>
</tr>
<tr>
<td>Region 8</td>
<td>4,219,261</td>
<td>4,363</td>
<td>813</td>
<td>152</td>
<td>208</td>
<td>880</td>
<td>5</td>
<td>215</td>
<td>16,542</td>
</tr>
<tr>
<td>Region 9</td>
<td>3,325,682</td>
<td>1,904</td>
<td>642</td>
<td>94</td>
<td>167</td>
<td>541</td>
<td>3</td>
<td>125</td>
<td>7,020</td>
</tr>
<tr>
<td>Region 10</td>
<td>4,053,020</td>
<td>2,022</td>
<td>949</td>
<td>116</td>
<td>203</td>
<td>956</td>
<td>13</td>
<td>154</td>
<td>13,333</td>
</tr>
<tr>
<td>Region 11</td>
<td>4,164,728</td>
<td>1,158</td>
<td>656</td>
<td>69</td>
<td>110</td>
<td>859</td>
<td>277</td>
<td>85</td>
<td>7,991</td>
</tr>
<tr>
<td>Region 12</td>
<td>3,848,885</td>
<td>1,173</td>
<td>911</td>
<td>108</td>
<td>186</td>
<td>817</td>
<td>17</td>
<td>88</td>
<td>6,698</td>
</tr>
<tr>
<td>ARMM</td>
<td>2,817</td>
<td>2,390</td>
<td>408</td>
<td>78</td>
<td>114</td>
<td>459</td>
<td>5</td>
<td>122</td>
<td>2,754</td>
</tr>
<tr>
<td>CARAGA</td>
<td>2,503,254</td>
<td>1,312</td>
<td>547</td>
<td>85</td>
<td>116</td>
<td>631</td>
<td>12</td>
<td>119</td>
<td>10,575</td>
</tr>
</tbody>
</table>

Note: BRGY: Barangay (villages)
BHS: Barangay Health Stations
BHW: Barangay Health Workers (Village Health Workers)
Source: Department of Health_FHSIS, 2006
The State’s Fulfillment of its Right to Health Obligations

Amidst attempts by the government to ensure the right to health of Filipinos, issues on healthcare delivery remain unresolved.

1. Inadequate and inequitable access to healthcare delivery, hospital care and drugs and medicines, especially in remote provinces.

1.1. The 2002 Annual Poverty Indicator Survey (APIS) of the National Statistics Office shows that Filipino families have relatively low access to health facilities: the highest recorded is in Oriental Mindoro (61.62% of families), followed by Albay (58.22%) and Ilocos Norte (55.47%). At the bottom of the rung is Batanes, at #77, with only 14.03% of families who have access to health facilities.12

Under the DOH’s health facilities development program, local health facilities were rationalized to include facility mapping for the Basic Emergency Maternal Obstetric Care (BEMOC) and the Comprehensive Emergency Maternal Obstetric Care (CEMOC). To be able to maximize the financial and human resources of every health unit, district health units were closed down to be able to strengthen the Rural Health Units (RHUs). RHUs are now restructured to focus on BEMOC services while provincial hospitals have been further strengthened to provide CEMOC services.

The consequences of the restructuring of the health units, however, were the inequitable and inaccessible delivery of health services in the districts. According to a study by Dr. Nymia Pimentel-Simbulan, accessibility in the Philippine setting is identified to be a maximum of 4 kilometers from an individual’s residence. With the closure of District Health Units, the residents will need to travel beyond the ideal accessible distance of 4 kilometers to avail of health services in the Rural Health Units.

Aside from the distance, other difficulties were experienced by residents who have availed of the services of health units. Based on a study conducted by PhilRights in thirty (30) barangays in Metro
Manila, the common and consistent problems in health centers include impolite and unapproachable personnel, solicitation of “donations,” absence of health workers, slow service and lack of medicines. In some barangays, health workers are accused of using the supplies of the center for personal use.

In 2007, Congress enacted a law to check the practice of detaining patients who are unable to pay their hospital bills. But the Hospital Detention Law, while seeking to serve the poor Filipino patients, merely transfers the state’s obligation to provide for the health care services to the private sector.

1.2. Previously cited data show that the number of government health personnel is not sufficient to address the health care needs of the public. The worst shortage is in rural health units of Region 11, with only 69 doctors and 110 nurses. Only slightly better off are the rural health units in the ARMM, with 78 doctors and 114 nurses. The highest distribution of government doctors and nurses remains in the NCR, with 650 doctors and 683 nurses.13

1.3. Sales of medicines were highest in the Metro Manila, which accounts for some 47% of total receipts. Reports by the Philippine Trading Corporation (based on IMS findings in 2006) show that the percentage of regional sales of drugs and medicines gradually decreased for areas beyond Metro Manila. Luzon captured 30% of medicine sales; Visayas, 15%; and Mindanao only 12%.

1.4. According to the 2003 National Demographic and Health Survey (NDHS) of maternal services, women categorized under the lowest quintile receive the least health assistance during delivery: 68.9% are assisted by ‘hilots’ or traditional health workers; and only 8.6% receive assistance from doctors during their delivery. In contrast, 73.2% of the women from the highest quintile are assisted by doctors during child birth.

Based on the same study by the NDHS, 88.7% of the women from the lowest quintile give birth in their homes. Women who are able to deliver in private hospitals belong to the highest quintile; 45.5% of them give birth in private facilities. The poorest women cannot avail
Dispensing with the Doctors

of life saving C-Sections (only a mere 1.7 percent of them can afford so, compared to 20.3 percent of the rich women who can access the service).

**TABLE 13: Maternal services by wealth index, 2003 NDHS**

<table>
<thead>
<tr>
<th>Assistance during delivery</th>
<th>QUINTILES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lowest</td>
</tr>
<tr>
<td>1. Doctor</td>
<td>8.6</td>
</tr>
<tr>
<td>2. Nurse</td>
<td>0.5</td>
</tr>
<tr>
<td>3. Midwife</td>
<td>16.0</td>
</tr>
<tr>
<td>4. Hilot</td>
<td>68.9</td>
</tr>
<tr>
<td>5. Relatives, friends, others</td>
<td>0.4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PLACE OF DELIVERY</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Government hospitals</td>
<td>8.7</td>
</tr>
<tr>
<td>2. Government health center</td>
<td>0.5</td>
</tr>
<tr>
<td>3. Private facility</td>
<td>1.2</td>
</tr>
<tr>
<td>4. Home</td>
<td>88.7</td>
</tr>
<tr>
<td>5. Other</td>
<td>0.1</td>
</tr>
<tr>
<td>3. Delivered by C–section</td>
<td>1.7</td>
</tr>
<tr>
<td>4. Number of births</td>
<td>1,858</td>
</tr>
<tr>
<td>5. Current use of contraceptives (any method)</td>
<td>37.4</td>
</tr>
</tbody>
</table>

Gaps in the delivery of healthcare in children are also manifested. Infant Mortality Rate (IMR) in some regions has exceeded the national average of 24 deaths. These regions include Cordillera (29), Mimaropa (32), Bicol (26), Eastern Visayas (29), Zamboanga (38), Davao (28), Caraga (28) and the ARMM (31).14

The government continues its immunization program; but the number of children receiving full immunization has been declining, from 71.5 percent in 1993, 72.8 percent in 1998, to 69 percent in 2003.15 Filipino children continue to suffer from undernutrition. 2003 figures provided by the Food and Nutrition Research Institute (FNRI) show a 66.2% prevalence rate for anemia among infants from 6 months to less than one year. Meanwhile, increase in the prevalence of vitamin A deficiencies of children (aged 6 months to 5 years) were reported: from 35.3% in 1993 to 40.1% in 2003.16
2. Privatization of healthcare in the Philippines

The country’s healthcare system has relied on the private sector to augment the inadequate health services provided by the government. Patients being refused treatment and admittance in private hospitals for lack of deposit has become a practice among hospitals in the country. Admitted patients who are unable to pay medical bills are detained in the hospitals.

2.1. Legislations to address these practices have been enacted. Republic Act No. 9439 or the Hospital Detention Law seeks to prevent hospitals from detaining patients in the charity ward. Instead, the patient will be asked to sign a promissory note covering the hospital expenses, guaranteed by a mortgage or a co-maker who will similarly be liable for the unpaid hospital dues.

Failure to adhere to the Hospital Detention Law would entail fines amounting to not less than twenty thousand pesos (P20,000.00), but not more than fifty thousand pesos (P50,000.00). The violating party may also be imprisoned by not less than one month, but not more than six months. Both fine and imprisonment may also be applied depending on the discretion of the proper court.

Republic Act No. 8344 (or the Act Prohibiting the Demand of Deposits or Advance Payments for the Confinement or Treatment of Patients) aims to prevent private hospitals from asking for advance payments and deposits before providing appropriate medical treatment. The law declares the said practice as illegal and violating parties will be subject to corresponding penalties.

2.2. Due to the privatization of healthcare services in the nation, the private healthcare providers have become a powerful sector in the country. The Private Hospitals Association of the Philippines (PHAP) has time and again threatened to stage hospital holidays to protest and block the enactment of the Hospital Detention Law, arguing that without patients’ payments, hospital funds will not suffice for medicine and equipment expenses as well as employees’ salaries.

The group added that hospitals’ lack of fund sources will lead to
Dispensing with the Doctors
closures and will further drive health professionals to work abroad where better compensation and benefit packages await.19

Another hospital holiday was planned and announced to the public to during the deliberations on the Cheaper Medicines Bill which was later passed as Republic Act 9502. 20 The health professionals’ protest stemmed from a provision in the said bill requiring doctors to exclusively prescribe generics medicine.

3. Migration of health personnel

3.1. Health professionals are continuously flocking to other countries for better compensation and benefit packages. Figures from the POEA, CFQ records and ILO data indicate the extent of the deployment of health workers abroad.

In 1995, there were 69 doctors who went abroad; 27 in 2000, 129 in 2002 and 112 in 2003.

Nurses’ deployment in 1995 was already high with 7,584. It dropped to 5,413 in 1999 but increased to 11,867 nurses the following year. In 2003, the data slightly decreased with 8,968 nurses working abroad. While the number of caregivers leaving has also dramatically increased from 465 in 2001 to 5,382 in 2002; the number has tripled since then.21

3.2. Aside from migration, health workers are shifting careers to those that would grant more compensation, particularly within the nursing profession. According to former DOH Secretary Dr. Jaime Galvez-Tan, at a rate of 1,200 per year, at least 9,000 doctors are now “nursing medics.” At least 6,000 Filipino doctors are in the USA working as nurses.

Dr. Galvez-Tan further reported that the continuing health migration has led to the closure of 200 hospitals within the past two years. In November 2005, PHAP reported that there were ‘no more doctors and nurses’ in these facilities. Recently, 800 hospitals have partially closed (with one to two wards closed) for lack of doctors and nurses.22
Meanwhile, the percentage of enrolment in hospital residency specialty training programs has been reduced to 30 percent in the last three years. On the other hand, the number of nursing schools has increased from only 140 in 1999 to 470 institutions to date.

3.3. The Philippines produced only 27,342 licensed nurses from 1999-2003 but exported 56,000 during the same period.

Without healthcare personnel to attend to the needs of the people, the doctor and patient ratio has continuously widened: doctors, 1: 29,318; nurses, 1 : 18,765; dentists, 1 : 47,338.23

4. Public health spending

4.1. Healthcare spending consists of 50% out-of-pocket payments; 14% and 16% are shouldered by the national and local governments, respectively. 24

Public Health spending did not reach the World Health Organization (WHO)-mandated 5% of the Gross Domestic Product (GDP) for developing countries.

In 2000 prices, the real per capita DOH spending is from PhP172 in 1998 to PhP81 in 2006. This also falls short of the WHO estimate for health spending per person, which is around 35 dollars or PhP1,575.

50% of the DOH budget goes to hospital services; less than 15% goes to health service delivery. This explains the minimal impact of many health and anti-disease programs of the government.

4.2. To improve Filipinos’ access to health care services and fulfill the right to health of its citizens, the government has undertaken various programs and policy measures, foremost of which is the FOURmula ONE for Health framework that seeks reform within the health sector.

One of the goals of FOURmula ONE is to increase the membership in the National Health Insurance Policy (NHIP) or PhilHealth and expand its benefits.
Presently, the Philippine Health Insurance Company (PhilHealth) has 15.9 million members nationwide. It has paid PhP17.68 billion in reimbursements, of which 13.56 billion went to facilities, while 4.11 billion went to professional fees. PhilHealth has an estimated fund reserve of PhP80 billion.25

It is important to note, however, that the funds circulating among PhilHealth members and patients also came from them and not from the budget provided by the government.

To date, PhilHealth only covers expenses incurred during patients’ confinement in the hospital. It does not cover out-patient reimbursements. As of February 21, 2005, PhilHealth benefits were limited to ambulatory surgeries and procedures including dialysis, radiotherapy and chemotherapy and the Directly Observed Treatment Short Course (TB-DOTS).26

There have been reports about politicians using PhilHealth to boost their campaigns. President Arroyo herself distributed PhilHealth cards with paid membership (up to at least one year) weeks before the 2004 presidential elections. Politicians have also appointed personnel in positions within the agency to facilitate the allocation of free insurance cards.27

5. Reproductive health rights: Contraceptive ban in the City of Manila and the contested Reproductive Health Bill

5.1. In 2000, Mayor Jose “Lito” Atienza issued Executive Order No. 003 declaring that the city of Manila upholds natural family planning and discourages the use of artificial methods of contraception such as condoms, pills, intrauterine devices, surgical sterilization and others.

Since then, artificial family planning methods have been gradually pulled out from the city health facilities. Contraceptives that were once freely provided by the government were no longer available for the low-income women in Manila. Health service providers have reportedly refused to give instructions on how to use contraceptives because of Atienza’s pro-life stance.28
The imposition of the contraceptive ban has had a negative impact on the women in Manila. Likhaan, a women’s NGO, reported in “Imposing Misery: The Impact of Manila’s Contraceptive Ban on Women and Families” that women’s financial burden was aggravated by the pull-out of contraceptive devices and medicines from public health centers.

Women have also reported that lack of contraceptive supplies have taken its toll on their physical and mental health because of anxiety over getting pregnant. Family relationships were also strained; some women have reported domestic violence because of their refusal to have sexual intercourse without contraceptives.  

Women interviewed for the Likhaan report shared the effect of the contraceptive ban on their lives:

I feel anxious and fearful of the possibility of getting pregnant if I don’t have money to buy pills, unlike before when I used to get injectables for free, which were very convenient to use and effective for months.

I want to use family planning to limit the number of my children. The mother is the one to search for food, school allowance and everything, on top of doing the household chores. All these are brain-racking. I feel sorry for my kids. I’m full of pity and can’t help crying when one of my children is sick and I can’t buy medicine.

Sometimes when there’s no money to buy condoms and I don’t want to have sex with my husband, he gets angry and forces me. I tell him, “Aren’t you ashamed of yourself? You’ve got so many kids already and we don’t have privacy.” Our house is very small; we sleep together with the kids. Only a thin wall separates us from the neighbors. I don’t want them to hear us arguing so I just give in to what my husband wants.

When the contraceptive ban was imposed, no proper information campaign was done. EO 003 was inconsistently implemented and was subject to various interpretations by city health personnel.
Non-government health service providers also reported harassments and intimations whenever contraceptives were provided or even discussed. An NGO Clinic in Baseco which provided family planning services closed down because of the said order. In spite of its compliance with the requirements of the Manila City Hall, the clinic was denied a renewal of its license to operate. The NGO later on received a cease-and-desist order from the city government.32

Also during this time, availability of contraceptive supplies in commercial outlets diminished. Mercury Drug, the leading drug store in the country, stopped selling injectables in its outlets across Manila.33

5.2. In Quezon City, councilors have passed an ordinance (the “Population and Reproductive Health Management Policy”) which sets a comprehensive population and reproductive health management policy and emphasizes the use of condoms and other contraceptives. The said ordinance also mandates the inclusion of reproductive health and sex education in the curriculum of students, from the 5th elementary grade to high school.

The ordinance was reportedly contested by a Bishop from Cubao because of its alleged abortion and anti-life provisions. The councillors clarified that the said policy was consistent with the position of the church and gave an assurance that the city government remains anti-abortion, as categorically stated in the policy.34

5.3. On a national scale, the debate on reproductive rights was reignited by a proposed bill in Congress.

House Bill No. 5043 (the Reproductive Health [RH] Bill) seeks to provide information on and access to both natural and modern family planning methods to Filipinos. The RH bill further envisions an enabling environment where women and couples have the freedom of informed choice in the form of family planning they wish to adopt.

The pending legislation also contains measures to strengthen the Population Commission’s (Popcom) mandate to promote natural and modern family planning methods and to serve as the central body
Dispensing with the Doctors

Increasing the capacity of community-based health volunteers through updated training on reproductive healthcare service delivery was also included in the proposed bill, as well as the employment of a number of midwives and other skilled attendants.

Also included in the bill was the establishment of emergency obstetrics care with adequate and qualified personnel in every city and province, as well as the role of local government officials in achieving this.

Other provisions are the classification of contraceptives as essential medicines (and therefore should be included in the National Drug Formulary) and mandatory reproductive health education to students from Grade 5 to 4th year high school. Among others, the bill also encourages an ideal family size of two children for every Filipino family, without any sanction for those couples with more than two children.

The proposed legislation was strongly denounced by the Catholic Church and other pro-life advocates, thereby reducing the issue to a pro-life vs. anti-life debate. The Catholic Church is unyielding in its crusade to stop the passage of this legislation because of its alleged anti-life provisions and the threat to the “sanctity of life.” In the past, CBCP has formulated a policy that will deny communion, baptism, confirmation, wedding and burial rites to those who support the use of birth control devices or artificial methods of family planning.

6. Access to medicines and the Cheaper Medicines Law

6.1. Republic Act No. 9502 (the Cheaper Medicines Law of 2008) effectively amended the Intellectual Property Code of the Philippines, Generics Act, Pharmacy Law, and provisions on Drug Price Regulation, Non-Discriminatory Clause. It also sought to strengthen the Bureau of Food and Drugs to achieve its ultimate objective of providing affordable medicine to Filipinos.
The Intellectual Property amendments incorporate flexibilities provided under the World Trade Organization – Trade Related Aspects of Intellectual Property Rights (WTO-TRIPS), including the application of parallel importation, stricter patentability criteria, early working provision (Bolar Exemptions), Government Use and Compulsory Licensing, among others.

The Generics Act amendments strengthen previous provisions on the posting and publication of generic names and corresponding brand names of a drug and medicines, required production of unbranded generic drugs for every branded drugs manufactured, imported and distributed in the country. Penalty provisions were also increased for violating parties.

Under the Drug Price Regulation, the President of the Philippines may now issue maximum retail prices for drugs and medicines based on recommendations by the DOH.

Drugs and medicines that are subject to drug price regulation include those indicated for treatment of chronic illnesses and life-threatening conditions, pregnancy and prevention of diseases, anesthetic agents, and intravenous fluids. Drugs and medicines listed in the Philippine National Drug Formulary’s Essential Drug List and other medicines that the DOH deems necessary to subject to price regulation are also covered.

With the amendment of the Pharmacy law, over-the-counter drugs will now be available in supermarkets, convenience stores, and other retail establishments. The law also prevents discrimination among drugs and medicines. Under the non-discriminatory clause, it will be illegal for any drug retail outlet to refuse to carry, either by sale or by consignment, any parallel imported drugs and medicines.

In order to strengthen the capacity of the Bureau of Food and Drugs (BFAD), Section 31 of RA 9502 seeks to allow retaining fees, fines, royalties and other charges incurred from its services. Such retained fees will be used in the agency’s operations, such as upgrading of facilities, equipment outlay, human resource development, and expansion, among others.
6.2. The Implementing Rules and Regulations of RA 9502 is currently being formulated by the concerned agencies – the DOH and the Intellectual Property Office. It is hoped that the state will ensure the strict implementation of RA 9502 to be able to truly improve the Filipinos’ access to medicines.

**The FOURmula One (F1) Program**

The national health policy of the Philippine government is embodied in the National Objectives for Health 2005-2010, otherwise known as the FOURmula One (F1) program or the Health Sector Reform Agenda under the Medium Term Development Program of President Arroyo.

This program discusses the implementation framework for health sector reforms in the Philippines, and its objective is to implement critical health interventions as a single package, backed by effective management infrastructure and financing arrangements.

The program seeks to generate resources for health financing; assure access to quality and affordable health products, devices, facilities and services, especially those commonly used by the poor; improve the accessibility and availability of basic and essential health care for all, particularly the poor; and improve health systems performance at the national and local levels.38

Although the F1 Program managed to incorporate WHO’s building blocks for health care, three years since its implementation, the health situation in the Philippines has remained dismal.

The F1 program also stresses the role of local government units in delivering health services at the community level. However, lack of budget and prioritization has resulted in the dwindling number of personnel, infrastructure and health services at the local level.

At the onset of the F1 Program, the budget allocated for DOH was P9.2 billion. In 2007, the appropriated DOH budget reached P10.9 billion, marking an increase over a span of two years.
Despite this budget increase, there is still no change in the pattern of DOH spending. Hospital services still consistently eat up more than 50% of the agency’s budget proper, while public health service delivery remained at a measly 15%. Because of this, there was no significant improvement in vital public health programs such as the prevention and control program of major diseases like TB, malaria and other vaccine-preventable diseases.

Inadequate government health services has forced many Filipinos to rely on the private sector for their health needs, thus making these services more of a commodity rather than entitlements.

The privatization of health services, in the light of the growing poverty of the majority of the population, has led to lesser spending for health care. According to the 2006 Family Income and Expenditure Survey (FIES), family expenditure of poor families on health is only 1.7%, compared to 2.9% in 2003.
RECOMMENDATIONS

1. Prevent health disparities through the strengthened implementation of primary health care in national health policies. Incorporate community-based health care in the primary health care implementation.

2. Increase the government’s public health spending, so that the access gap between the rich and the marginalized sectors will be decreased, if not eliminated.

3. Strictly enforce government policies and legislations on the right to health, particularly the following legislations:
   a. Republic Act No. 7305, the Magna Carta of Public Health Workers
   b. Republic Act No. 8344, the Act Prohibiting the Demand of Deposits or Advance Payments for the Confinement or Treatment of Patients,
   c. Republic Act No. 9502, the Universally Accessible Cheaper and Quality Medicines Act of 2008

4. Enact legislations that will uphold the right to health of Filipinos, in particular on the following:
   a. Patients Rights
   b. Reproductive Health

5. Ensure that no public health center would be allowed to collect whatever form of fees.


7. Increase PhilHealth package of benefits and expand programs covering outpatient members.

8. Adequately address the health needs of those persons in prisons and other detention centers and those confined in mental institutions.
FOOTNOTES


2 Ibid, p. 31.


4 Department of Health (DOH), FHSIS 2006


6 Department of Health, FHSIS 2006, NEC


8 NDHS cited in 2007 DOH paper


11 Department of Health (DOH), FHSIS 2006


15 Ibid, p. 31.


22 Galvez-Tan, Jaime, Skilled Migration and the Effects on the Philippines: The Filipino Health Care Professions, powerpoint presentation, presented in October 8-12, 2007 at the 12th International Metropolis Conference 2007 Theme: Migration, Economic Growth & Social Cohesion Melbourne, Australia; Based on PHA, November 2005 data

23 Ibid.


25 Valera, Madeleine, Medicines Transparency Alliance launching of the Good Governance Awards in Medicines powerpoint presentation, August 2008


29 Ibid., pp. 17-23.


31 Ibid., p. 23.

32 Ibid., pp. 27-28.

33 Ibid, p. 31.

34 Andrade, Jeanette, Philippine Daily Inquirer, Reproductive health policy for Quezon City not Pro-Abortion, February 19, 2008


38 Department of Health (DOH) website, http://www.doh.gov.ph/fourmulaone
IN THE PHILIPPINES, large portions of the population, particularly among the marginalized sectors of both the urban and rural poor, continue to be deprived of their right to water. In degrees that vary from region to region, the right to water is being discriminatorily withheld from those with the least economic means. None of the three factors of availability, quality and accessibility\(^1\) which combine to define this right has been satisfactorily fulfilled. In some instances, the numbers have even gone down to levels lower than those in the previous decade, thereby indicating a crucial need to step up state and civil society efforts in reasserting water as a social and cultural good for all.

Current state of water services in the Philippines

Availability

Continuity and availability of water services still evade many Philippine households. Many communities and households that have actual connections to water services still experience service interruptions that last for hours in a day. In some areas, water flow is available only at particular hours at night, translating into a heavy burden for women upon whom the task of collecting water for the next day’s usage requirements is often relegated.
In the case of Metro Manila, the persistent failure of the two private concessionaires to raise water pressure to desired levels through necessary infrastructure and pipe work has resulted in the need to purposely shut off services in certain areas at certain hours so as to service another area. Service disconnections resulting from non-payment also continue unabated across the archipelago, exacerbated by high water rates, thereby allowing for constant violations against the right to water.

Quality

Although there has been an improvement in the safety levels of water provided for public consumption since the 1990s, morbidity and mortality rates deriving from water-related diseases still leave much room for improvement. Between 1994 and 2000, 31% of illnesses in the Philippines were traced to water-related diseases. In the year 2000 alone, the Department of Health (DOH) reported more than 500,000 morbidity and 4,000 mortality cases attributed to water-related diseases. In the same year, a total of 303 cholera cases were reported, with most cases in the NCR (131 cases) followed by Western Mindanao (80 cases).

In 2003, a cholera outbreak in several communities in Manila’s Tondo district and in Malabon victimized more than 800 individuals, eight of whom succumbed to the disease.²

Practically the same pattern persists today. Earlier this year, two villages in the southern province of Sultan Kudarat suffered from a cholera outbreak that claimed 21 lives.³ A report submitted by the National Statistics Office in August of this year also reiterates the prevalence of water-related diseases, with three of the ten leading causes of morbidity in the years 2004-2006 belonging to the range of water-related diseases,⁴ as shown in the table below.
TABLE 1. Leading causes of morbidity, 2004-2006

<table>
<thead>
<tr>
<th>Cause</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pneumonia</td>
<td>776,562</td>
<td>690,566</td>
<td>670,231</td>
</tr>
<tr>
<td>Diarrheal diseases</td>
<td>577,118</td>
<td>603,287</td>
<td>572,259</td>
</tr>
<tr>
<td>Bronchitis</td>
<td>719,982</td>
<td>616,041</td>
<td>538,990</td>
</tr>
<tr>
<td>Hypertension</td>
<td>342,284</td>
<td>382,662</td>
<td>408,460</td>
</tr>
<tr>
<td>Influenza</td>
<td>379,910</td>
<td>406,237</td>
<td>339,881</td>
</tr>
<tr>
<td>Tuberculosis (all forms)</td>
<td>103,214</td>
<td>114,360</td>
<td>132,729</td>
</tr>
<tr>
<td>Diseases of the heart</td>
<td>37,092</td>
<td>43,898</td>
<td>38,482</td>
</tr>
<tr>
<td>Malaria</td>
<td>19,894</td>
<td>36,090</td>
<td>22,284</td>
</tr>
<tr>
<td>Chickenpox</td>
<td>46,779</td>
<td>30,063</td>
<td>18,326</td>
</tr>
<tr>
<td>Dengue fever</td>
<td>15,838</td>
<td>20,107</td>
<td>15,279</td>
</tr>
</tbody>
</table>


Accessibility

Recent studies estimate the percentage of Philippine households with access to water services to be at around 80% nationwide in 2006, thereby indicating no improvement from previous statistics which pegged the percentage of the population with access to potable water also at 80% in 2002.

This national rate is significantly 7% less from where it stood in 1990, thereby illustrating a failure to keep up with the country’s rapid population growth. Although access to water was provided to an additional 23.04 million Filipinos between the years 1990 to 2005, a population increase of 24.5 million over the same period rendered the additional connections insufficient. With an estimated 2.36% annual population growth, the Philippine population is expected to double up to 145.4 million in 2033.

Unless new strategies are employed, the current rate of new service connections will not be able to prevent further decline in the percentage of households with access to water. Metro Cebu, which has an annual population growth of 2.2%, is estimated to require around 342 m3/year by 2025. At this point, the city has a water providing capacity of 60 m3/year. Another major city, Metro Davao, has an annual population growth pegged at 2.83% and is estimated to have water demand more than twice its present water capacity by 2025.
In a survey released by the National Economic Development Authority in 2006, waterless communities (where less than 50% of the total households have access to piped water) were identified by region. The number of communities without access to safe water calls attention to deep-seated problems related to inefficient distribution of water supply with high wastage from pilfering and under-maintained pipes and prohibitive water connection costs that prevent poorer households from subscribing for their own connection. In Metro Manila, for example, where a residential connection is pegged at more than half the minimum wage for one month, only 55% of water consumers have household connections. Many resort to connection-sharing with as many as six households sharing a single connection, thereby rendering useless the progressive rate scheme that charges higher rates for water use in excess of 30 cu. meters.

### Specific challenges in the promotion of the Right to Water

#### Financing

Providing non-discriminatory and continuous access to safe quality water for all households and consumers entails tremendous costs. NEDA has estimated this cost at around PhP255 billion for the period 2006-2010 alone. With government spending held captive by an automatic debt appropriation law that gnaws away more than 60% of the annual government budget, financing for necessary infrastructure investments cannot be shouldered by the state.

In the case of Metro Manila, the problem of financing was relinquished

#### TABLE 2. Waterless communities

<table>
<thead>
<tr>
<th>Region</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro Manila</td>
<td>212</td>
</tr>
<tr>
<td>Region I</td>
<td>12</td>
</tr>
<tr>
<td>Region II</td>
<td>29</td>
</tr>
<tr>
<td>Region III</td>
<td>7</td>
</tr>
<tr>
<td>Region IV</td>
<td>51</td>
</tr>
<tr>
<td>Region V</td>
<td>28</td>
</tr>
<tr>
<td>Region VI</td>
<td>64</td>
</tr>
<tr>
<td>Region VII</td>
<td>41</td>
</tr>
<tr>
<td>Region VIII</td>
<td>22</td>
</tr>
<tr>
<td>Region IX</td>
<td>72</td>
</tr>
<tr>
<td>Region X</td>
<td>39</td>
</tr>
<tr>
<td>Region XI</td>
<td>26</td>
</tr>
<tr>
<td>Region XII</td>
<td>50</td>
</tr>
<tr>
<td>Region XIII</td>
<td>51</td>
</tr>
<tr>
<td>ARMM</td>
<td>95</td>
</tr>
<tr>
<td>CAR</td>
<td>77</td>
</tr>
</tbody>
</table>

Source: NEDA, 2006
by the government to the private sector through the privatization of
the large Metropolitan Waterworks and Sewerage System, as
endorsed by IFIs such as ADB and the World Bank. Theoretically,
the infusion of private capital into the water sector would free the
state from bearing the annual subsidies and equity capital extended
to the MWSS; at the same time providing much needed capital for
service expansion and more efficient distribution of water supply.
Ten years into the privatization of MWSS water distribution service
has shown no marked improvement in the promotion of water as a
human right, especially as regards the element of accessibility,
thereby thrusting us back to the drawing board and readdressing
the question of financing upon de-privatization.

Conflicting Business Interests in Privatization

Measures employed by private groups handling water distribution in
the country prioritize risk aversion over equal access and have ended
up further marginalizing those in the lower economic strata. Whereas
state involvement in the water sector is hinged on the concept of
state obligation, private sector involvement is hinged on profit. As
such, varying mechanisms are being employed in furtherance of
profit to the detriment of the state’s avowed obligation to protect
and provide for the right to water.

In Cebu, for instance, a cunning way of minimizing business risk
has been introduced through a pre-paid water service mechanism
in the municipality of Ronda. Full cost recovery is ensured with the
local residents being bound to pay for water via a debit card. Water
distribution machines do not dispense water unless there is sufficient
balance still available in the debit card, thereby amounting to a “no
pay, no water” scheme. The case of other privatized water services
such as that of the MWSS concessionaire scheme and the Subic
Freeport’s water services follow parallel paths characterized by
non-fulfillment of obligations undertaken in the bidding process
particularly in regard to the curtailment of non-revenue water,
phenomenal increases in water prices, gross fiscal inefficiency which
translate into higher capital expenditures and higher water prices,
and failure to mobilize independent capital without state guaranty.
Inefficiencies in Distribution

The 24-hour availability of water flow in the areas which already avail of some degree of access to water services is hampered by insufficiency in the water volume that are distributed to the end-consumers. Whereas surveys have shown watershed volume to be more than sufficient to meet projected demands from population growth, inefficiencies in water distribution amounting to high levels of non-revenue water contribute largely to the insufficiency of the distributed water volume.\(^\text{13}\)

In Metro Manila, the MWSS has already begun to reduce the water supply for households and businesses due to huge volume losses from under-maintained pipes. The reduction of non-revenue water levels was one of the obligations undertaken by MWSS' private concessionaires in the 1997 bidding process. Not only have their projected decreases in NRW been adjusted to cater to their underperformance in the first five years, but actual capital expenditure that was proposed to be directed to the repair of Manila's pipe networks have been sorely unfulfilled with most capital investments being sourced instead to the costly development of new water sources. Maynilad, for one, promised to infuse a total of PhP23.8B from 1997 to 2001 for the repair, rehabilitation and maintenance of old pipes.\(^\text{14}\) In actuality, it set aside only a third of the pledged amount, thereby failing to fully address the problem of volume losses from non-revenue water.

Regulation

A survey of the existing regulatory mechanisms and laws related to water service and distribution in the Philippines showcases existing difficulties in the task of regulating and protecting the right to water. While some agencies may have regulatory and management functions, the National Water Resources Board is the chief government agency responsible for the regulation of water usage. It is mandated through Presidential Decree 424 to regulate and control the utilization, exploitation, development, conservation and protection of water resources. It is also tasked to formulate policies and guidelines on water resources related development and management\(^\text{15}\).
There are, however, many overlapping functions between the different agencies, resulting in a lengthy and confusing bureaucratic process. The absence of an independent regulatory body overseeing both resource and economic regulation of the water sector has also hindered significant progress in the distribution and conservation of water.\textsuperscript{16} Furthermore, the roles and responsibilities of many of these agencies are provided in a fragmented and inconsistent manner through separate decrees that were passed through the years. There is no single entity that can be a central agency for all water-related activities.

PD 424, for example, which created the National Water Resources Board with the mandate of coordinating and regulating water resources management and development needs to be taken in consideration with EO 192 of 1987, which directed the reorganization of the Department of Environment and Natural Resources as the lead agency in promulgating the rules and regulations for the control of water and ambient and effluent standards for water and air quality, among others.\textsuperscript{17}

It was only 5 years later when this apparent inconsistency was addressed by EO 123, which transferred the National Water Resources Board to the Office of the President and eventually to the Department of Environment and Natural Resources, directing both bodies to rationalize their organizational structures, and streamline systems and procedures and/or decentralization of functions to render faster services.\textsuperscript{18}

Control over water systems is also inconsistently laid out in several laws. While PD 198 or the Provincial Water Utilities Act of 1973 expressly declares a national policy favoring local operation and control of water systems,\textsuperscript{19} RA 8041 or the National Water Crisis Act of 1995 mandated the MWSS to enter into contractual arrangements with the private sector for the operations, maintenance, and investments on water services and sewerage.\textsuperscript{20} Shortcomings in the current institutional make-up of the water service sector is related to the oft-cited issues and concerns such as weak management, inefficient data collection and management, and inconsistent policies in water activities. Streamlining the
Not a Drop in the Bucket
applicable laws related to the use of water must be pursued in order to properly establish an effective regulatory mechanism that would address various failures in the promotion of water as a human right in the face of constant violations committed against it.

**State recalcitrance in the face of apparent failures and mounting crises**

While much remains to be assessed in regard to the failure of the state to ensure right to water for all, changes in the state’s approach in addressing water service have been practically nil since it began the thrust towards private sector involvement. State response to persistent deprivation of the said right remain only in the level of stop-gap measures such as the President’s Priority Program on Water (P3W) and EO 688.

The P3W, under the National Anti-Poverty Commission, was engineered to provide alternative assistance for water supply and sanitation projects in waterless communities across the archipelago, and requires from the local community a degree of sustainability of the water operation as well as corresponding funds that the state only intends to supplement or match. Executive Order 688, on the other hand, allows for MWSS takeovers in the water systems of waterless private subdivisions in Metro Manila. Both developments, however fail to mention or address the state’s role in the long run, particularly in regard to sustainable financing.

Apart from these two stop-gap measures, recent developments and actions of the state continue to proceed in the same privatization line which it initiated a decade ago. These developments are progressing without undertaking sufficient measures to assess the impact of privatization in the water sector, especially in the case of Metro Manila, despite the voiced concerns of civil groups and certain members in the legislative branch.

A lower house resolution in 2007 directing a comprehensive review and investigation into the MWSS privatization contract, for instance, has not yet produced any results. In spite of its inability to assess the failures of the privatization schemes that have been employed in
several localities, the state continues to promote further private sector involvement especially in the operation of local water districts without forwarding any concrete schemes to prevent such involvement from going down the same path as current privatization schemes.

**Conclusion**

The Committee in its General Comment #15 stated that “the human right to water is indispensable for leading a life in dignity.” It further asserted that everyone is entitled to sufficient, safe, acceptable, physically accessible, and affordable water.

This NGO report on ESC fully agrees with the Committee and wishes to remind the Philippine government that protecting and realizing the right to water of Filipinos still rest primarily on its shoulders. Given this, it should seriously rethink and review its water privatization policy based on the initial experience already gained with the two private concessionaires in Metro Manila and other privatized water facilities in the country.

There is a pressing need to review and assess the concrete outcome of water sector privatization, particularly in the MWSS experience. A concentrated and thorough examination of the MWSS experience beyond general improvements in water delivery must be carried out to determine whether or not privatization may indeed be credited for any improvements in service delivery or if privatization has in fact ended in limiting such improvements.

The government should resume a central and active role in ensuring that water is treated as a public good and a basic right and not simply a commodity. For this reason, it is vital for the government to pursue the strict regulation of water delivery and water usage not only in terms of resource allocation but also in terms of tariffs in order to ensure that the basic right to water is sufficiently protected especially in the current scenario wherein the private sector has been permitted to involve itself in water delivery services.
RECOMMENDATIONS

To ensure that the basic elements of water as a human right are being adhered to, this report proposes the following:

1. Enact and implement policies that would ensure sustainability of water supply (e.g., proper resource management and protection of water sources and watershed areas).

2. Set up a multi-sectoral and independent body that will monitor safety and quality of water (including bottled water), regulate water use (resolve conflicting interests) and water pricing, and check profits of private concessionaires.

3. Enforce strict regulation of groundwater extraction and overexploitation. Government must improve efforts to monitor water-level declines and comprehensive assessments of the (negative) effects of groundwater depletion.

4. Enforce stricter rules and regulations for water companies, water stations, and companies contributing to water pollution.

5. Provide equipment and proper training to LGUs to enable them to monitor and test water quality in their respective localities.

6. Facilitate access to water of people in remote communities and provide subsidies to vulnerable groups who could not afford to have physically accessible water connection.

7. Provide relocated urban poor families immediate access to safe and affordable water regardless of the status of their amortization payment.
8. Provide indigenous peoples with sufficient State support to ensure the conservation and sustainability of watersheds within their ancestral domains.

9. Support the initiatives of people's organizations, cooperatives, and community associations to set-up water facilities in waterless areas.

10. Proper and adequate consultation with all stakeholders in the water issue, especially the consumers. Consumers should be empowered to have greater influence in decision-making.
REFERENCES


Freedom from Debt Coalition, 2006. Profiting from People’s Lives: Metro Manila's Water Privatization Saga


NWRB 2005 Strategic Planning and Management of Integrated Water Resources Management in the Philippines


FOOTNOTES

1. See par. 12 General Comment No. 15 (2002) on the right to water


15. NWRB 2005 Strategic Planning and Management of Integrated Water Resources Management in the Philippines

16. Ibid.

17. Executive Order 192 providing for the Reorganization of the department of Environment, Energy, and natural resources, renaming it as the Department of Environment and Natural resources, and for other purposes

18. Section 3. The NWRB shall immediately initiate review of the Implementing Rules and Regulations (IRR) of the Water Code of the Philippines, and shall amend the same as may be necessary to effectively implement and enforce the provisions of the Code. The NWRB shall likewise formulate a new/revised
organization structure for its Secretariat to effectively and efficiently carry out its mandate under PDs 424 and 1067, subject to approval by the President, through the Department of Budget and Management (DBM), and the Civil Service Commission.

19 **Presidential Decree 198** declaring a national policy favoring local operation and control of water systems, authorizing the formation of local water districts and providing for the government and administration of such districts, chartering a national administration to facilitate improvement of local water utilities, granting said administration such powers as are necessary to optimize public service from water utility operations, and for other purposes.

20 **Republic Act 8041** relevant provisions

**Sec 2. Declaration of Policy (second paragraph)** Pursuant thereto the government shall address the issues relevant to the water crisis including, but not limited to, supply, distribution, finance, privatization of state-run water facilities..

**Sec 6. Negotiated Contracts** For projects to be implemented under Build-Operate-Transfer (BOT) and/or related schemes, the President of the Republic may, for a period of one (1) year after the effectivity of this Act, enter into negotiated contracts for the financing, construction, repair, rehabilitation, improvement and operation of water facilities and projects related to increasing water supply, its treatment and its distribution to industrial and household consumers: Provided, That there is no government financing or financing guarantee for the contracts, except for the acquisition of right-of-way.

The contracts shall be awarded only to contractors with proven competence and experience in similar projects, competent key personnel, efficient and reliable equipment, and sound financial capacity.

21 Article 6 of the Implementing Guidelines Of The President’s Priority Program On Water (P3W) states:

**Article 6. Implementation Strategy.** Taking into consideration the internal factors (strengths and weaknesses) and external factors (opportunities and threats) that may affect the attainment of the objectives of the program, the following strategic directions shall be pursued:

A. Leverage DPWH Funds through Grant Matching. – Grant Money for the Program from DPWH shall be used to match local counterpart contributions from program partners (Municipal LGUs, Water Districts, NGOs, corporations, etc.) and beneficiaries. This approach shall be used to establish sense of co-ownership of the project with project proponents and beneficiaries.

Disabling Learning:
A Report on the Right to Education

Prepared by Arash Vedaie, a Suffolk University law student in Boston, USA and intern for PhilRights from July-August, 2008. He was assisted by the Education Network-Phils. and ASSERT in finalizing this report.

Primary School

The 1987 Philippine Constitution expressly states that the State shall establish and maintain a system of free public education throughout the elementary and high school levels, which will be compulsory in the elementary level. The Constitution further mandates that the State should assign the highest budgetary allocation to education.

Despite the high ideals enshrined in the Constitution, the government has failed to invest the level necessary to match the increasing demand on the public education system, which has led to a majority of students receiving a substandard quality of education and has also led to a significant percentage of children, both primary and secondary school age, having practically no access to complete basic education.

The Philippines has one of the shortest basic education systems in the Asia-Pacific region, with six years of elementary education and four years of secondary education. Though the government states that the average age at which a Filipino child should start formal
education is the age of six, nearly 64% (1.4 million) 6-year olds have never set foot into a classroom.\textsuperscript{1}

Though the government often touts its long history of universal access to elementary education, the elementary participation rate is currently under 85% and falling annually.\textsuperscript{2} In addition, there are currently 267 barangays, mostly in remote regions, which are without any public education facility.\textsuperscript{3}

**Secondary School**

The Philippine Constitution requires that the government make available to all interested students free high school education. According to a Department of Education (DepEd) report, all but four municipalities contain a public high school; however, the quality and accessibility of these institutions remain in question.

The main issues are the overcrowding of classrooms and the high cost of attending these public schools. The Constitution and the Free Secondary Education act require the State to provide free public education, but the government expects students to pay “other fees associated with school.”

The government also dramatically under-funds the amount required to run high school facilities. As a result of these funding shortfalls, the fees and peripheral costs have been rising dramatically and school administrators have been forced to pursue alternative funding sources to finance the schools’ expenses.

A recent study estimated that parents on average must contribute PhP1,700 a month to cover the incidental cost of education.\textsuperscript{4} In a case study of two high schools in Central Luzon, a rough estimate indicated that the government’s share of the total cost of public secondary education accounted for less than 1/3 of the total expenditure. The remaining 2/3 were paid by parents, non-governmental organizations, foreign funding organizations, and private corporations.\textsuperscript{5}
The government was initially taking steps to make secondary school more accessible with programs such as GASTPE which subsidize tuition fees of students who had to enroll in private schools because they could no longer be accommodated in public facilities. However, it took a step backward when it increased the financial burden of students in public schools by phasing out the Tuition Fee Supplement (TFS) in 2003, which helped finance the secondary education of over 166,000 students.6

Ultimately, though secondary education facilities are indeed widely available, public education is not provided solely – and often not even primarily – by the government and the cost of pursuing a public education can often be prohibitive.

**Higher Education**

Tertiary education in the Philippines is provided by both public and private institutions. A large majority of the centers for higher education are privately funded, with only 182 out of the 1,647 institutions publicly funded. The average enrollment as of school year 2005-2006 was 2,404,649. Based on these figures and the estimated national population of 88 million, approximately 2.8% of the population is attending an institute of higher education.7

Higher education is not managed by DepEd but by the Commission on Higher Education (CHED), which receives 13.4% of all government allotment for education.8 Much of this budget is utilized to support public educational institutions. There are currently 111 State Universities and Colleges, 56 Local Universities, 1 CHED-supervised institution, 5 Special Higher Education Institutions, and 9 other government schools.

The main issues facing the tertiary education system in the Philippines is that tuition fees in both public and private institutions have increased substantially over the last four decades. The costs of higher education vary substantially, depending on the quality of education available from different institutions. The costs are commonly calculated on a per unit or credit basis, with a course traditionally being made up of 2 to 4 credits and students commonly
taking 10 to 20 classes a year. Again the cost per unit varies depending on the institution, but the national average is approximately Php300. As a result of the expenses associated with higher education, access to tertiary education can often be cost prohibitive.

**Alternative education**

Though the government has recently put into place programs designed to increase cohort survival rates and keep students in school, for those that have received no education or who have failed to complete their primary education, there are little to no programs designed to educate them during later stages in their lives.

E-Net Philippines in its policy brief for an alternative budget for education cited that the Bureau of Alternative Learning System (BALS) updated the 2003 FLEMMS figures on the out-of-school and placed the number of those not attending school at 1.84 million for the 6-11 age group and another 3.94 million for the 12-15 age group. The BALS figures are closer to the estimates of the study done by the UNESCO Institute for Statistics (UIS) in their global monitoring of the out-of-school children. For the Philippines, the UIS placed the number at 2.072 million out-of-school among children of primary school age. Given this figure, the Philippines has one of the biggest number of out-of-school children in Southeast Asia – higher even than Vietnam and Indonesia in both absolute number and percentage.

The DepEd’s alternative learning programs reach only 200,000 every year. Many of these learners eventually do not finish the program as indicated by a mere 20,000 test takers of the Accreditation and Equivalency programs (based on BALS report).

At the same time, there are very few appropriate learning programs for adults who did not finish schooling. Few programs are being done by the local government units (LGUs), mostly not sustained and undermined by other priority programs of incumbent officials.
Difficulties

The quality of basic education in the Philippines has been on a continuous and alarming decline over the last decade. The main issues the education system is facing are under-funding and extreme classroom overcrowding, as a result of dramatic increases in enrollment.

The current growth rate in Philippine public school enrolment is 2.35% annually, and as much as 5% in secondary schools.\(^{11}\) Severe budget constraints have led to under-investment in basic education, as evidenced by the decline in real spending per student.\(^ {12}\) This under-investment has not only had a detrimental effect on the children who have been denied access to schools but has also dramatically reduced the quality of the education received by most students.

In a research conducted by PhilRights in thirty (30) barangays in the National Capital Region, it was found out that the majority of public elementary and secondary schools suffer from under-funding, which then results in inadequate personnel, facilities and services. The setting of public school institutions is not conducive for learning.

Primary School

While the Constitution requires the State to provide free public education, the government has dramatically under-funded the amount required to properly educate the constantly growing student population. As a result of these funding shortfalls the financial burden of educating children has fallen on school administrators, who have been compelled to look for alternative resources that could help bridge the gap in school finances.

Many school administrators have utilized Parent-Teacher and Community Associations (PTCA) to address the financial constraints public schools are facing. Due to the decentralized nature of the Philippine education system, the school administrators and associations have a great deal of decision making power. In the main, what was passed on was the difficult decisions needed to finance expenses that cannot be covered by the meager MOOE.
Thus, in this scenario, the PTCA shoulders a great deal of the daily school expense like payment for school janitors, school utility costs, and even the salary of some contractual teachers. These costs are mostly borne by the parents of students.

In the PhilRights study, an average student pays fees amounting to more than PhP100. These often include payment for test papers, PTA fees, Red Cross fees, Boy Scout/Girl Scout fees and others. Schools have also been forced to develop canteens, which are small food businesses run by teachers, to raise money to cover expenses. Finally, many administrators have been forced to reach out to private corporations to get the necessary funds which are not coming from the government.

The main problem with this kind of decentralized school managerial structure and privatization of the school house is that it has a direct detrimental impact on student learning. Many of the parents cannot afford the high cost of participation which may account for the falling cohort survival rate and the general reduction in participation.

Also, the impact of privatization on learning is very detrimental. The procurement of much of the funds requires the commercialization of the classroom which disrupts and distracts schools from pedagogical pursuits.

Finally, many teachers are forced to divide their time between educating students and fund-raising projects such as working the canteen and perusing non-governmental funding options. This is especially detrimental considering the already high average teacher to student ratio of 1 to 40-50 students. Some schools in the urban areas even have as high as 1:100 teacher-pupil ratio.

This overcrowding and lack of resources have led to high failure rates on the fourth grade National Achievement Test and relatively high drop-out rates. The current passing rate for public school students taking the NAT is less than 60%. As a result, many of these students are not prepared for high school, which explains why so many students fail to participate in secondary education.
In addition to shortage of teachers, there is shortage of classrooms and course materials. In 2006 the text book shortage reached 67.3 million books. The Philippines would need to build more than 6,000 new classrooms a year at PhP450,000 each for four years to close the gap required for the traditional education system, while still filling each classroom with at least 50 students.

Rather than invest the nearly PhP3 billion for facility development and school construction, the government implemented the double shift system as a patch solution.

The double shift system

Prior to the double shift system student would attend classes from 7 a.m. till 6 p.m. with one hour break for lunch. Though this appears to be a very long school day but considering the condense number of years that student receive public education, 6 for elementary and 4 for high school, such a long school day is not unreasonable.

However, under the current class schedule, students attend classes in two shifts. The first batch will start at 6 a.m. and end at noon, then the second from running noon to 6 p.m. This is a massive reduction in the hours spent in school for students that are already underperforming. In addition to the fewer hours of instructions, there are also many logistical issues involved.

First, many studies have shown that early morning and late afternoon are not the best times for a majority of students to learn. Second, despite the move to the double shift system the Philippines still has a classroom shortfall of over 1,500. Also, the savings for non-construction is not a permanent solution because the increased use places a heightened burden on the facilities, many of which were already in dismal conditions and in need of costly maintenance.

Finally, the largest portion of the government appropriated money for education goes to teachers’ salaries, so the double shift method will not only further increase this portion of the expenses but will also require many teachers to work exhausting double shift which
reduces the quality of the education they can provide. The double shift system is only a short-term remedy to the problem and should not be viewed as a solution to the Philippines’ educational crisis.

**Secondary Education**

Many of the same problems that plague primary education are only further amplified in the high school system.

Due in part to the annual increase in enrollment of nearly 5%, currently the average teacher to pupil rate is 1 to 40.\textsuperscript{18} In addition to other factors, under-investment in secondary education coupled with overpopulation has led to dismal performances in the National Achievement Test and rapidly increasing drop-out rates.

Less than 45% of high school students are able to pass the National Achievement Test, which tests basic education skills. In addition, less then 1% of students obtained grades of 75% or more and at least half actually scored less than 30%.\textsuperscript{19}

The failure of the students is not surprising, considering the poor performance of the teachers, who on average scored only slightly better than their students on the same exams. So even if the government is often quick to tout the universal access of its secondary education system, that system is failing to provide meaningful education to well over half the student body.

Unfortunately, despite the incredibly low performance of secondary students, the government's proposed budget allocation for education during the last three years actually represents an annual decline of over 2% in real terms.\textsuperscript{20} If the government sincerely appreciates the vital importance of education in attaining social development and economic growth, it must reverse the decline of the Philippine education system by making a serious financial and budgetary commitment to improving the quality of faculty, investing in the infrastructure of education, and by truly making affordable education universally available.
Unconducive setting for Primary and Secondary Education

Under-funding manifests in the public schools located in the thirty (30) barangays in Metro Manila that PhilRights studied. About a third of the barangays surveyed are lacking in teachers, books and basic facilities. Majority of the schools have no medical or dental services, and only two barangays report having a feeding program in their school. Most schools also lack multimedia equipment, computers and sports equipment.

The classroom setting typically contains thirty-eighty students. Most elementary and high schools exceed the ideal classroom size promoted by DepED, which is thirty five students to one teacher. Only two barangays out of the thirty (30) areas studied have a classroom size of thirty to forty students. This large ratio of students to teachers contributes to a low quality of education and to low motivation of students to keep coming to school.

Higher Education

Many of the problems of secondary education translate into deficiencies in the higher education system. Colleges and university students are disproportionately concentrated in private and urban school systems. In addition, as the costs of higher education continue to rise, access to higher education is limited to the most qualified of applicants. This is in part due to the dramatic reduction of over 10% in governmental subsidies, grants, and scholarships for students pursuing higher education.21

Other issues faced by the higher education system are lack of proficient professors and lack of funding for teacher research. Due to unsatisfactory compensation and lack of facilities, many of the most proficient educators and researchers accept positions overseas, causing in effect a brain drain.

In addition, there is an oversupply of courses in business and teacher education, so that the market is saturated with graduates for these professions. Inversely, there is a dramatic lack of classes designed to educate professions related to the national development needs,
such as agricultural modernization and engineering. Finally, there are few institutions that reach a sufficiently high level of accreditation, which would make them eligible for grants and autonomy from government supervision.22

The government has started to recognize these issues and tried to rectify the problems by granting scholarship to students who pursue studies in science or math, but many of these grants come at the expense of other educational subsidies. If the government is sincere in its efforts to improve the overall quality of education and increase the wealth of knowledge within the country, it must invest more fully in its highest caliber students, by improving the quality and affordability of tertiary education through regulation and investment.

Statistics

Literacy

The current functional literacy rate has largely remained constant over the last 10 years at approximately 84.1%. However, the literacy disparity between boys and girls is significant with literacy among girls at 86.3% and literacy among boys at only 81.9% (a disparity of nearly 4.5%).23 In addition, the basic literacy rate has been overstated by the Philippine Implementation Report on ICESCR, with the actual rate being closer to 88.6% rather than the 93.9% quoted. Across regions, the NCR posted the highest functional literacy rate at 94.6%, while ARMM registered the lowest with 62.9%.24 On a national level, the functional literacy rate has remained unchanged since the 1994 rate of 84%.25

Elementary Education

There are currently 37,352 public elementary schools in the Philippines, with a total enrolment of over 12 million students.26 Based on school-age population of 6-11 years old, the participation rate at the elementary level is under 85% as of 2006. This has been on a downward trend with less school age students participating every year.
The elementary cohort survival rate is on a similar annual decline with a 2.4% rate reduction between 2002 and 2005. The completion rate is also sadly in jeopardy; the rate dropping from 71.5% in 2002 to nearly 68.1% in 2005.  

Secondary Education  

There are currently 5,078 public high schools in the Philippines, with a total enrollment of over 5 million students. The current enrolment growth rate for secondary education is over 5% annually, with nearly all additional students enrolling in the public school system. The high school cohort survival rate is on an annual decline of nearly 10% from the 77% rate in 2002 to the 67.3% rate in 2005. In addition, the completion rate is also falling dramatically, from 74.8% in 2002 to a rate of 61.6% in 2005. Finally, drop-out rates have increased from 8.45% to 12.5% over the same time period. Such negative trend in these important indicators are certainly reason for concern and should resound as a call to action.

Higher Education  

Based on the country’s estimated population of 88 million, 2.8% of the population are currently attending a school of higher education. The average cohort survival rate is 21% in public or state universities and significantly less in private institutions.

Broad Policies Taken to Promote Education  

The government has taken several steps to implement policies designed to reduce the costs and improve the effectiveness of the Philippine education system. It has divided the duties of the Department of Education and restructured the bureaucracy in hopes of creating autonomous focused divisions that better understand the needs of their respective fields. Though the DepEd still runs primary and secondary education, higher education now falls under the Commission on Higher Education which is attached to the Office of the President. Though the creation of the Commission is sure to create more of a voice for the needs of higher education, the funding still flows from the education budget and is inadequate considering
the scope and demands of the division.

The Local Government Code of 1991 is one of the most important moves the government has made in line with restructuring the education system. The Code in effect significantly increases the autonomy of local schools to decide how to raise and spend funds. Though this policy has often been said to generate innovative teaching and managerial styles, the Code is also cited as a cause of corruption and educational system failure in some cases.

Though the government argues that increased local involvement allows communities to have a great positive impact on the education system, the Code in effect shifts much of the burden of running and financing public education from the national government to local governments and communities. To cope with the inadequate education budget, many schools and communities have been forced to privatize some aspects of their education or facilities, often at the expense of students, as there are currently no regulation on the means and scope of this privatization.

In addition, the Code implements a 1% real property tax for the creation of a local Special Education Fund managed by the local school board to help maintain, construct, and repair school buildings.

Overall, the Philippines has committed targets for attainment of functional literacy for all, as articulated in the Philippine Education for All Plan 2015 that was signed by President Arroyo in February 2006 and submitted to the UNESCO. The four goals under the EFA Plan are:

1. Universal adult functional literacy
2. Universal completion of the full cycle of basic education schooling with satisfactory achievement levels by all at every grade or year
3. Universal school participation and elimination of drop-outs and repetition in the first three grades
4. Total community commitment to basic education competencies for all
Policies Taken to Promote Primary Education

On the whole, the government’s solution to many of the problems that plague primary education has been the Double Shift System. Unfortunately, such a solution is not only a short-term patch, but it also fails to address the glaring problems of incompetent teachers, failing tests scores, and a decrease in participation. Though the government has recently started to address these issues by providing teachers with further training, these trainings are commonly optional and are only offered on a small scale. In addition, though the government has made claims to the contrary, it is still resistant to implement stringent testing on teachers to ensure that they are capable of fulfilling their duty to educate students.

One government program that has a great deal of potential for improving the quality of education and student performance is the Preschool Contracting Program and the Early Childhood Development Project in which the government provides or helps to subsidize the cost of preschool education for children prior to first grade. Though the current systems are under-funded and the means of implementation (whether through privatized contracts or as public service) have not been fully vetted, such a move towards pre-elementary education could be an effective step towards improving student performance.

Policies Taken to Promote Secondary Education

To combat the academic failures of the current high school education system, Philippine public schools have recently undergone a restructuring of the curriculum with the introduction of the Basic Education Curriculum (BEC). The program is designed to instill in students a more relevant educational base to respond to the needs and demands of a global society. The main issue with the BEC is that the means by which it is currently being applied does not effectively develop reflexive thinking skills, partially because teachers have not been trained in this method effectively and have difficulty instructing students.
In addition, the Department of Education is implementing programs, such as the High School Bridge Program, to help prepare students who were not allowed to graduate by their primary schools and are not prepared to matriculate into secondary school, through up to five years of additional English, Math, and Science education. Though the enrollment in such an optional program remains low, its availability helps students that have been improperly educated continue on to secondary education and such programs should be expanded.

Policies taken to promote Higher Education

The Commission on Higher Education has attempted to resolve many of the most pressing problems in Philippine higher education and has tried to foster increased access, quality, and effectiveness of tertiary institutions through increased regulation, supervision, and investment. Though projects like the Higher Education Development Fund are useful tools in restructuring and eliminating some of the most corrosive aspects of Philippine higher education, such minimally funded projects are currently insufficient to address the systemic issues faced by the Commission. Furthermore, the government should take further steps to increase access to higher education of qualified students, while remaining vigilant that the quality of the education does not further deteriorate.

BUDGET

The Philippine expenditure on education is less than 3% of its national GDP. International benchmarks set the desirable level of education expenditure at 6% of GDP and 20% of total public expenditure. After debt allocation, the education sector enjoys the largest budget allocation at nearly 12.1%. Though in nominal terms government spending on education has generally increased at an average rate of 4.5% annually, in real terms the budget has on average been shrinking by an annual rate of 2%. Of the DepEd’s PhP146 billion budget for 2008, 89% percent goes to the payment of salaries and other personal benefits, while maintenance and other operating expenses (as well as expenditures on development) make up only 7% of the budget, with only 4% left for classroom and instructional materials (textbooks and computers).
Disabling Learning
Disabling Learning
The Philippines has one of the lowest amounts annually spent per child ratio in the Southeast Asia at approximately PhP6,450. Much of this spending goes towards basic education, with secondary and higher education enduring repeated budgetary cuts. The DepEd allocates 1.9% for preschool education, 48% for elementary education, and 45% for secondary education. The budget of the BALS to implement alternative learning programs to reach out to marginalized children, youth and adults who cannot afford to go to school is very minimal, amounting to less than 0.68% of the basic education budget.

Indeed, the current level of expenditure is low and falls short of the requirements for quality education. It places the Philippines among the lowest spenders on education in Asia and the rest of the world. Thailand spends over six times what the Philippine government spends for educating its citizens, while Malaysia spends over ten times more. India spends nearly 4% of GDP on education while Sri Lanka allots about 3% of GDP (E-Net Philippines policy brief for Alternative Budget for Education 2009).

**Building of New Schools**

The burden and responsibility for the costs of school construction is divided between the DepEd and the Department of Public Works and Highways (DPWH). The DepEd is particularly responsible for the construction of schools in remote regions or in areas with an acute classroom shortage.

Under the 1991 Local Government Code, local governments are responsible for the building and maintenance of schools located within their jurisdiction. Much of this is funded by the 1% tax on real property which goes to the Local Board. But in depressed regions, where property values are low, the revenue received from the tax is insufficient to finance the necessary construction or maintenance, leading to a growing inequality in facilities and education among regions.

In such cases, the DepEd under the Third-Elementary Education Project (TEEP) is expected to provide both technical and financial
Disabling Learning assistance for construction and rehabilitation of school buildings. Though the TEEP has constructed over 5,230 new classrooms and repaired nearly 15,000, there remains a great need for further construction.35

The Philippines has been perennially suffering from classroom shortage. In 2003, there remained a shortage of over 57,000 classrooms.36 The shortage is so acute that despite the implementation of the double shift system, to achieve the government’s quota of 50 students per classroom, 1,500 new rooms are still required.37 Though the government has recently increased classroom construction, they have not yet resolved the shortage, due partly to the surprisingly high growth in student enrolment.

Equal Access

Ratio of Men and Women in Different Levels of Education

Women in the Philippine education system have much higher participation and completion rate than similar aged boys. Among elementary students, 83.4% of girls were enrolled in school, as compared to 81.8% of their male counterpart. On the secondary school level, statistics show a participation rate for girls of 63%, compared to 51.8% for the boys.38

In addition, girls are found to consistently outperform boys in gross and net primary enrolment rates, elementary cohort survival, repetition, drop-out rates, and learning achievement.39 This has been observed for the past two decades and can be said to be generally true for both urban and rural areas. Statistics show that the completion rate among girls in elementary education is 66.7%, as against that of boys which is at 57.7%. In secondary school the disparity between completion rates is even higher: 63.7% for girls and 48.7% for boys.40

As a result of the higher secondary school completion rate among girls, higher education is increasingly female dominated, with women comprising nearly 57% of total enrollees.41 Though many have applauded government’s actions to increase equal access for
women, recent data has shown a further increase in disparity, which has led to growing concern for the lack of participation among male students, which must be addressed before parity is threatened.

**Vulnerable and Disadvantaged Groups**

In terms of access to educational services, the most disadvantaged groups are the indigenous cultural communities, communities within the ARMM, and the urban and rural poor. The highest levels of basic and functional illiteracy are found within ARMM and among the indigenous communities. 42 The lowest levels of participation and access to primary education are found among indigenous communities and the rural poor, as many communities suffer from a scarcity of school facilities.

**Government Steps to Ensure Equal Access**

The government has taken several steps to increase the access to primary education, particularly in remote areas and among indigenous peoples through Distance Learning Programs and the Mobile Teacher Project. Distance Learning Programs have repeatedly been criticized because the lessons are only designed to educate until Grade Four and because it places much of the burden of educating students on parents and their communities. As a result, distance learning programs have a high failure rate and remote communities have low literacy levels.

The government has implemented the Basic Education Assistance for Mindanao to address the educational failures in the ARMM. The project is a training program that included the instruction of over 560 educators and nearly 1,800 school managers in the region. Despite these actions the literacy and performance rates of students in the region remain the lowest in the country, partially due to a shortage of schools. More must be done by both local and national government to improve the quality of the education for children in the region.

Finally, the government has taken steps to help the children of indigenous communities by making educational assistance grants
more available and by restructuring the curriculum to be more culturally specific and relevant to the needs of their community.

**Access to Higher Education**

Though the government has many potential subsidies and grants for qualified underprivileged students, the supply of funds is insufficient to satisfy the demand. To meet the needs of qualified students seeking higher education, the government should increase the quantity and resources of scholarship pools to match the increase in the cost of higher education.

**Teachers**

The fact that teachers in the Philippines have, on average, been under-paid and under-qualified for their role as educators is a main factor contributing to the decline in performance of the Philippine primary and secondary education system. Elementary teachers are expected to earn at least a bachelor’s degree in elementary education. Secondary school teachers are expected to earn a bachelor’s degree in education with a specialization in a secondary school subject. Unfortunately, due to failures in regulation and accreditation of institutions of higher education, many of these teachers are not qualified to begin instruction and require further education.

In addition, the poor performance of students is directly related to the competency of instructors in handling the subjects they teach. Nearly 60% of all science classes are taught by teachers without a major or focus in that respective science. Nearly a quarter of all math classes are taught by teachers who are not mathematics majors. This is often due to shortages in certain areas of qualified teachers as a result of restrictions on the re-assignment of teachers under the teacher’s Magna Carta, which binds the hands of administrators who need to transfer teachers to an environment where their specific training is needed or where they could have a larger impact.
Finally, low salaries and lack of appreciation for teachers remain serious issues which drive many of the Philippines’ most qualified educators out of teaching. Though the government claims that the minimum monthly salary of a public school teacher is PhP11,000, this figure fails to take into consideration the salaries of contractual teachers.

Due to financial shortage, many schools are forced to hire qualified teachers on an annual temporary basis for a small portion of the minimum monthly salary. Many of these teachers are committed, qualified, and central members of the faculty. In some cases, contractual teachers have worked up to five years under these conditions, with the assurance that they would be hired once a position opens.

In addition, many teachers are forced to purchase supply and instructional materials for students out of their own pockets. Furthermore, over and above their duties as educators, teachers are often pressured to accept duties such as fund raising and canteen monitoring to help raise money for the school. Clearly, the demands on public school teachers are incredibly high and numerous, all of which distract them from their duty of educating their pupils.

Ultimately, the key to any meaningful effort to reform and improve the Philippine education system must address the qualifications and conditions of teachers.

**Portion of schools privately owned and administered**

As of school year 2006-2007, there were 42,152 schools in the Philippines, of which 37,352 were public and 4,800 were privately owned. During the same period, there were 8,455 high schools, of which 5,078 were public and 3,377 were privately owned and operated. In addition there were 1,647 institutions of higher education, of which 182 were public and 1,465 were privately owned and administered.
Extent of corruption in the educational system

A World Bank study estimates that 48 billion pesos are lost annually to corruption in the education sector because it is not insulated from corruption and mismanagement of funds by politicians and officials. The lack of accountability and transparency in government policies and activities has even made it difficult to determine how money is being used.

The education sector has been rife with accusations of scams and corruptions. In late 2007, some politicians called for the abolition of the Cyber Education project which was supposed to boost the educational system by providing satellite-based educational services to public elementary and high schools. However, the huge costs of the project made its sustainability highly questionable and the lack of transparency on how it was negotiated raised doubts on its integrity.

In 2006, controversy arose when politicians complained about the unfair procurement and monopoly of a certain textbook company leading to low quality of books provided to schoolchildren. Allegations of hidden government transactions like these have shown the lack of transparency in practices that have dire consequences on the quality of information being taught.

Corruption is evident from the national to the local level. Bureaucracy and nepotism is widespread in local educational systems, from the hiring of top positions in the education bureaucracy to the hiring of teachers in schools.

International assistance

A great deal of the development of the Philippine education system is a result of international assistance, financed through international loans, contracts, or grants. For example, much of the construction and rehabilitation of classrooms are being facilitated through Official Development Programs such as the World Bank’s Third Elementary Education Project and the Asian Development Bank’s assistance on Secondary Education Development and Improvement Project.
In addition, international investment in education from organizations in Korea and Japan are also a large source of funding for school development and pre-elementary programs. Private investment from multinational organizations are also a large source of international assistance for the Philippine education system with initiatives such as Coca-Cola’s Little Red Schoolhouse project which builds and improves schools in isolated communities.

**Conclusion and Recommendations**

The current Philippine education system’s success is dramatically over-represented by the government’s UN ESCR report, either ignoring or downplaying glaring failures in the very structure of the education, which is considerably under-funded, fraught with corruption, and increasingly ineffective.

The government has to instill reforms which will have a long term effect on the educational system.

1) Foremost is compliance with the Constitution’s mandate to provide free primary and elementary education. Automatic appropriation should be applied to basic education, rather than to debt servicing. Six percent of the GNP should be allocated to education.

2) Access to education should be improved through programs for indigenous people, the differently-abled and dropouts. This can be achieved through prioritizing these programs in the local sector.

3) Focus should be on improving the quality of education and adopting it to develop the individual, rather than to meet the demands of the global market.

This warrants adopting a rights-based, nationalist, scientific, culture-sensitive, development-oriented curriculum for primary and secondary education. The curriculum should also be developed to make sure they fulfill the needs of indigenous peoples.
Children should be taught to take care of themselves, through a class on human rights/reproductive rights and others.

4) Reforms must be enforced to remove discrimination and abuse happening in schools, to children and teachers. There is a need to look at the plight of the differently-abled and special children in school settings.

5) Teachers’ right to self organization must be respected.

6) The increased budget for education should be allocated to fix classrooms and book shortages, augment salaries of teachers and personnel, provide more grants and scholarships. Much can be done to ensure quality of education starting from the improvement of facilities, such as adopting technological materials, investing in teachers through teacher trainings to regularly scrutinizing textbook material for errors.

7) The education sector can also benefit from addressing external factors that inhibit educational progress among Filipinos. These include poverty which leads to high dropout rates, lack of schools and institutions in remote areas, and armed conflicts which often cause displacement and disruption of education activities.

8) The repeal of Batas Pambansa 232, also known as Republic Act 7722 or Education Act of 1982, that instituted the policy of deregulation of private education. Since its implementation, tuition fees have increased 370% according to a study of Senator Madrigal. To make higher education more accessible, the government has to put a cap in the yearly tuition fee increases of private education institutions. Likewise, teachers’ rights and welfare need to be protected by ensuring the strict implementation of the Magna Carta for Teachers.
FOOTNOTES

1. The Philippine Center for Investigative Journalism
2. DepEd Basic Education Statistics Fact Sheet
3. Ibid
4. Teachers Center of the Philippines (TCP), Privatizing Public Basic Education in the Philippines, commissioned by E-Net Philippines for SouthEast Asia Real World Strategies conference on EFA and Privatization of Education 2005
5. Ibid
6. 2004 DepEd Assessment; Annex-B
7. Commission on Higher Education, Statistics
8. UNESCO Global Education Digest 2006
11. DepEd Basic Education Statistics
12. Teachers Center of the Philippines (TCP), Privatizing Public Basic Education in the Philippines, commissioned by E-Net Philippines for SouthEast Asia Real World Strategies conference on EFA and Privatization of Education in 2005
15. Medium-Term Philippine Development Plan 2004-2010, Chapter 18
17. Medium-Term Philippine Development Plan 2004-2010, Chapter 18
18. DepEd Basic Education Statistics Fact Sheet
Disabling Learning

20 Philippine Department of Budget Management compared to Philippine National Statistics Office, inflation statistics.

21 Commission on Higher Education, Statistics: Student Financial Aid Programs


23 2003 Functional Literacy Education and Mass Media Survey (FLEMMS)

24 Ibid

25 1994 Functional Literacy Education and Mass Media Survey (FLEMMS)

26 DepEd Basic Education Statistics Fact Sheet

27 Ibid

28 Ibid

29 DepEd Basic Education Statistics Fact Sheet

30 Commission on Higher Education, Statistics

31 Philippine Department of Budget Management

32 Philippine Department of Budget Management compared to Philippine National Statistics Office, inflation statistics.

33 Medium-Term Philippine Development Plan 2004-2010, Chapter 18

34 Ibid

35 Medium-Term Philippine Development Plan 2004-2010

36 2004 DepEd Assessment; Annex-B

37 Medium-Term Philippine Development Plan 2004-2010

38 2003 Functional Literacy, Education and Mass Media Survey (FLEMMS)

39 2005 Philippine Social Watch Report

40 2005 Basic Education Information Services (BEIS) of the Department of Education

41 Commission on Higher Education, Statistics: Basic Fact Sheet

42 2003 Functional Literacy, Education and Mass Media Survey (FLEMMS)
Disabling Learning

43 DepEd, FY 2006 Budget Proposal, October 2005
44 DepEd Basic Education Statistics Fact Sheet
45 DepEd Basic Education Statistics Fact Sheet
46 Philippine Implementation Report on ICESCR, 2006
With Debt We Should Part: Debt-driven Development Strategy, Public Financing Quagmires, and ESC Rights in the Philippines

BY THE FREEDOM FROM DEBT COALITION (FDC)

The country is currently facing the worst of its economic woes in recent history. The Bangko Sentral ng Pilipinas (BSP) warned that inflation might have reached more than 12% percent in June 2008 because of rapidly rising food, oil, and energy prices – the highest in 17 years. The crisis is so severe that the Arroyo administration was compelled to resort to desperate measures such as subsidies and cash dole-outs.

The Freedom from Debt Coalition (FDC) believes that much of the policy constraints which prevent the Philippine government from strategically resolving poverty are due to the debt problem, which, as will be discussed at length later, compromises both public financing to social services linked to human rights and the sovereign determination of development direction.

This report looks into how the debt-driven development strategy and the “debt first” public financing policy of the government violate the rights of the people as mandated by its own constitution and by accepted international laws. Moreover, the international and domestic financial systems, which are supposed to be instrumentalities towards equitable development, instead serve as tools with which the poverty and misery of the people are perpetuated.
Debt and the Public Financing Quagmire

To better understand how the debt problem is intricately linked with these fundamental socio-economic quagmires, we have to see first the magnitude of the debts claimed from the government. As of end-August 2007, the National Government (NG) outstanding debt was pegged at P3.871 trillion pesos or US$81.91 billion. This translates to a National Government debt per Filipino pegged at P43,649.57, with each individual coughing P7,012.12 yearly just for debt servicing. Our situation is rendered even more precarious with National Government contingent liabilities\(^1\) reported to have reached P537 billion by 2007, much of which is foreign currency denominated.

What is the impact of such a problem? If we look at this year’s budget, it becomes clear that the government’s top priority is debt servicing. This budget includes earmarked P295.75 billion for Interest Payments of National Government (NG) debts and an additional P328.34 billion off-budget expenditure for Principal Amortization of these NG debts. All in all, the government will be allocating P624.09 billion for debt servicing.

### Government Spending for 2008 (in billion pesos)

<table>
<thead>
<tr>
<th>Spending Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Service</td>
<td>624.09</td>
</tr>
<tr>
<td>Interest Payments</td>
<td>295.75</td>
</tr>
<tr>
<td>Principal Amortization</td>
<td>328.34</td>
</tr>
<tr>
<td>Education</td>
<td>181.86</td>
</tr>
<tr>
<td>Health</td>
<td>22.90</td>
</tr>
<tr>
<td>Agriculture and Agrarian Reform</td>
<td>41.18</td>
</tr>
<tr>
<td>Environment</td>
<td>10.06</td>
</tr>
<tr>
<td>Military</td>
<td>61.42</td>
</tr>
</tbody>
</table>

**Note: Breakdown of totals may not sum up due to rounding off of digits.**

Table 1. Proposed 2008 National Budget. Source: Budget of Expenditures and Sources of Financing (BESF) Fiscal Year 2008. Department of Budget and Management (DBM).
The total proposed spending on education, health, agriculture, agrarian reform and the environment will still be less than interest payments alone by as much as PhP39.75 billion.

But this year is not an isolated case. Historically, while debt expenditures remain high, other expenses remain low. Social services did not experience much growth in terms of share in the national government spending.

### Sectoral Shares of National Government Spending (in percentage)

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<tr>
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<tbody>
<tr>
<td>Economic Services</td>
<td>36.2</td>
<td>23.1</td>
<td>25.5</td>
<td>24.2</td>
<td>20.6</td>
</tr>
<tr>
<td>Social Services</td>
<td>21.9</td>
<td>22.2</td>
<td>28.0</td>
<td>32.2</td>
<td>29.8</td>
</tr>
<tr>
<td>Defense</td>
<td>9.9</td>
<td>7.1</td>
<td>6.8</td>
<td>5.5</td>
<td>5.5</td>
</tr>
<tr>
<td>General Public</td>
<td>16.1</td>
<td>13.7</td>
<td>18.3</td>
<td>18.1</td>
<td>17.1</td>
</tr>
<tr>
<td>Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Lending</td>
<td>4.3</td>
<td>4.4</td>
<td>0.5</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Debt Service</td>
<td>11.6</td>
<td>29.5</td>
<td>20.7</td>
<td>19.5</td>
<td>26.8</td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td></td>
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<td></td>
</tr>
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</table>

Table 2. Sectoral distribution of national government spending. Source: Prof. Benjamin Diokno’s data on per capita spending, titled “Two Decades of Suffering”, used in his presentation “The Real State of the Nation”.

The reason for this, as FDC has always expressed in its 20 years of existence, is the automatic debt servicing provision contained in Section 26(B), Book VI of the 1987 Revised Administrative Code (Executive Order 292). This provision was actually copied exactly from a law during the dictatorship of former President Marcos, Section 31 (B) of Presidential Decree 1177. The provision states:

*Automatic Appropriations. — All expenditures for ... (b) principal and interest on public debt, ... are automatically appropriated.*

The government, pushed by its own self-imposed administrative constraints, specifically the automatic appropriations provision, continues to have an austere spending program which scrimps on
With Debt We Should Part

social spending. This policy may satisfy standards of lenders, but it has serious developmental ramifications due to lack of government investment in the social infrastructures. Such kind of policy violates the United Nations’ International Covenant on Economic, Social and Cultural Rights (UN-ICESCR):

\[ \text{Article 1.1. All peoples may, for their own ends, freely dispose of their natural wealth and resources without prejudice to any obligations arising out of international economic co-operation, based upon the principle of mutual benefit, and international law. In no case may a people be deprived of its own means of subsistence.} \]

This is echoed by the Declaration on the Right to Development as adopted by United Nations’ General Assembly in 1986, which states:

\[ \text{Article 1.1. The right to development is an inalienable human right by virtue of which every human person and all peoples are entitled to participate in, contribute to, and enjoy economic, social, cultural and political development, in which all human rights and fundamental freedoms can be fully realized.} \]

Let us elaborate on the case of education and healthcare services.

**Violating ESC Rights, Denying Essential Services**

The Case of Education and Health

Education and healthcare stands to be the “public goods” that are universally recognized, not so much because investing in these services will have immense positive externalities, but because these are prerequisites in a human and civilized society as part and parcel of the requirements of a life with dignity. According to the UN-ICESCR:

\[ \text{Article 12.1. The States Parties to the present Covenant recognize the right of everyone to the enjoyment of the highest attainable standard of physical and mental health.} \]
Article 13.1. The States Parties to the present Covenant recognize the right of everyone to education. They agree that education shall be directed to the full development of the human personality and the sense of its dignity, and shall strengthen the respect for human rights and fundamental freedoms. They further agree that education shall enable all persons to participate effectively in a free society, promote understanding, tolerance and friendship among all nations and all racial, ethnic or religious groups, and further the activities of the United Nations for the maintenance of peace.

The Declaration on the Right to Development affirms this:

The General Assembly,

Recalling the provisions of the International Covenant on Economic, Social and Cultural Rights and of the International Covenant on Civil and Political Rights,

Proclaims…:

Article 8.1. States should undertake, at the national level, all necessary measures for the realization of the right to development and shall ensure, inter alia, equality of opportunity for all in their access to basic resources, education, health services, food, housing, employment and the fair distribution of income. Effective measures should be undertaken to ensure that women have an active role in the development process. Appropriate economic and social reforms should be carried out with a view to eradicating all social injustices.

The Philippine law itself enshrines education and health. In terms of public financing, it puts primacy on education above all spending. According to Article XIV, Section 5.5 of the Philippine Constitution, education is supposed to receive the highest budgetary allocation:

Section 5.5. The State shall assign the highest budgetary priority to education and ensure that teaching will attract
and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment.

In this year’s budget (see Table 1) however, the education budget is merely a third of what the government will be spending on debt (P181.86 billion compared to P624.09 billion). This kind of policy is a flagrant violation of the spirit of Article XIV, Section 5.5.

Moreover, even if it is already receiving less than debt service as it is, education spending is still progressively dipping. Per pupil spending actually dropped from President Estrada’s P5,830 to Mrs. Arroyo’s P5,467.


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<tbody>
<tr>
<td>Per pupil spending, 2000 prices</td>
<td>3,027</td>
<td>4,478</td>
<td>4,959</td>
<td>5,830</td>
<td>5,467</td>
</tr>
</tbody>
</table>

Table 3. Average National Government Spending for Basic Education. Source: Prof. Benjamin Diokno’s data on per capita spending, titled “Two Decades of Suffering”, used in his presentation “The Real State of the Nation”.

As for healthcare service, the Constitution also provides for overall government policy, but this is not realized. Article XIII, Section 11 of the Philippine Constitution states:

Section 11. The State shall adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health, and other social services available to all the people at affordable cost...

The situation for health is much more horrendous – it is only 4% of what we will be spending on debt (or P22.9 billion, see Table 1). Historically, we can also see a continuous drop in healthcare
spending. From Estrada’s P201.00, per capita spending on health dropped to P184.00.

**Consolidated per Capita Health Spending, by Administration 1981-2004**

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<tbody>
<tr>
<td>National Government</td>
<td>240</td>
<td>278</td>
<td>321</td>
<td>360</td>
<td>303</td>
</tr>
<tr>
<td>Local Government</td>
<td>203</td>
<td>247</td>
<td>160</td>
<td>159</td>
<td>119</td>
</tr>
<tr>
<td>Total (in 2000 prices)</td>
<td>37</td>
<td>31</td>
<td>161</td>
<td>201</td>
<td>184</td>
</tr>
</tbody>
</table>

Table 4. Consolidated per capita health spending in 2000 prices. Source: Prof. Benjamin Diokno’s data on per capita spending, titled “Two Decades of Suffering”, used in his presentation “The Real State of the Nation”.

Even in real (1985) prices, debt service surpasses health and education spending. In 2006, the gap between education spending and debt service in real terms reached a peak of P8,226, with debt service per capita pegged at a two-decade high of P9,896.

Table 5. Debt per capita vs. Health, Education per capita, 1985 prices. Sources: NSO for population, DBM for expenditures in healthcare, education, and debt service (principal and interest), NSCB for GDP deflator.
With Debt We Should Part
Conditionalities and the Debt-driven Strategy:

A Violation of the Right to Sovereign Development

The debt problem and how it leads to the violation of human rights does not end on the impact of huge debt service requirements. An equally important aspect of the debt issue which should be looked at are the conditionalities imposed by International Financial Institutions (IFIs) and bilateral financial institutions on southern countries like the Philippines.

These conditionalities were attached from loans meant to rescue the government from fiscal quagmires which lenders took advantage of to make the government swallow painful, industry-wide “reforms” acquiescent with the paradigm of neo-liberal globalization – that of liberalization, deregulation, and privatization.

While some of these conditionalities might actually have “good” intentions, we believe that in principle, the imposition of conditionalities through loans violates the principle of self-determination of nations. The UN-ICESCR puts such rights as:

*Article 1.1. All peoples have the right of self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development.*

*Article 1.3. The States Parties to the present Covenant, including those having responsibility for the administration of Non-Self-Governing and Trust Territories, shall promote the realization of the right of self-determination, and shall respect that right, in conformity with the provisions of the Charter of the United Nations.*

The Declaration on the Right to Development further states:

*The General Assembly,*

*Recalling the right of peoples to self-determination, by virtue*
of which they have the right freely to determine their political status and to pursue their economic, social and cultural development,

Recalling also the right of peoples to exercise, subject to the relevant provisions of both International Covenants on Human Rights, full and complete sovereignty over all their natural wealth and resources,

Confirming that the right to development is an inalienable human right and that equality of opportunity for development is a prerogative both of nations and of individuals who make up nations,

Proclaims...

Article 2.3. States have the right and the duty to formulate appropriate national development policies that aim at the constant improvement of the well-being of the entire population and of all individuals, on the basis of their active, free and meaningful participation in development and in the fair distribution of the benefits resulting therefrom.

Thus, the imposition of conditionalities as part of the loan violates the international precept of sovereign development. Northern countries dangle their foreign financing in order to meddle into the policy directions and strategies of Southern nations. This effectively constitutes a transgression on the right to “self-determination”.

The acceptance of conditionality impositions are also not in line with the Philippine Constitution:

Article 2. Section 7. … In its relation with other states, the paramount consideration shall be national sovereignty… and the right to self-determination.

Furthermore, FDC believes these conditionalities have little – if anything – to prove that they helped the Southern countries. In the case of the Philippines, we believe that the oil, power, and energy
crises the county is currently experiencing are a direct result of these damaging conditionalities. Each of these crises can more or less be matched with previously transacted project and program loans. The oil, power, and food crises the country is experiencing are “debt-induced”, and had been the consequences of the “policy reforms” attached to loans lent by foreign bilateral and multilateral financial institutions.

Let us recall, for instance, the International Monetary Fund’s (IMF) 1994 Extended Arrangement calling for the full deregulation of the country’s downstream oil industry in exchange for a $650 million loan. The Ramos administration passed in 1996 Republic Act (RA) 8180 and RA 8479 in compliance with the IMF arrangement. RA 8479 is mostly to blame for the increasing prices of oil. The deregulation of the oil prices resulted in skyrocketing increases in the price of consumer petroleum – from P7.03 for diesel in April 1996, when RA 8180 was passed, to a staggering P50-60 this year.

The same thing happened in the case of the EPIRA (Electric Power Industry Reform Act) or RA 9136, which was the main culprit behind the staggering costs of electricity. It was passed in order to satisfy the conditionalities of the Power Sector Restructuring Program (PSRP) financed by a $600 million loan from Asian Development Bank (ADB) and Japan Bank for International Cooperation (JBIC). After seven years of implementation, EPIRA has brought about a transition from government monopoly to an enhanced private monopoly—and a hundred percent increase in power rates. EPIRA, for example, allows MERALCO to purchase at most half of its electricity requirements from its sister companies or IPPs. EPIRA removed cross-subsidies which it believes distort the “real” price of electricity. Under EPIRA, we ended up having the second highest electricity rates in Asia.

In addition, the $175 million Grain Sector Development Project (GSDP) also funded by JBIC redefined towards emasculation the National Food Authority (NFA), the agency which would have been at the forefront in addressing the food crisis. Another damaging arrangement would be the Community-Managed Agrarian Reform
and Poverty Reduction Project (CMARPRP) loan by Japan Social Development Fund (JSDF), an affiliate of the World Bank, which introduced Market-Assisted Land Reform (MALR) and emasculated the government’s inherent expropriatory powers. Because of the CMARPRP, peasants further became indebted to land credit (which is supposed to be used to buy back their land) and agencies and landowners were compelled to hasten land conversion (in order to avoid high land taxes).

**Deficit in Public Financing = Deficit in Human Rights**

The Philippine government, despite its record in under-spending on important social services, continues to uphold its commitment on financing human rights. In its bid for membership with the UN Human Rights Council, the Philippines pledged to

> *Continue the Philippine Government’s pioneering efforts in instilling a human rights-based approach in the realization of UN Millennium Development Goals, the right to development and economic, social and cultural rights, as embodied in national development policies, plans and programs.*

Thus, it is fundamental that we pressure the government into spending more in order to finance the goals and rights it committed itself to realize, like the MDGs, the UN-ICESCR, and the right to development. Without adequate finances, these goals will not be realized, and such will be a huge step backward for the Philippines in terms of human rights.

It is also important that the government lead the way in pressuring lender states into giving “policy space” to Southern governments with which they can exercise their right to sovereign development and end their domestic misery. This can be done in the form of debt cancellation and the recognition that not all debts being claimed to and paid by Southern governments are legitimate.

This is in line with the provisions in the UN-ICESCR:
Article 2.1. Each State Party to the present Covenant undertakes to take steps, individually and through international assistance and co-operation, especially economic and technical, to the maximum of its available resources, with a view to achieving progressively the full realization of the rights recognized in the present Covenant by all appropriate means, including particularly the adoption of legislative measures.

Article 11.1. The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. The States Parties will take appropriate steps to ensure the international co-operation based on free consent.

Only through national and sovereign will and international solidarity shall the right to development be achieved by the peoples of the world, and one of the first ways to exercise this is the strategic resolution of the economic crisis brought about by the debt problem.
RECOMMENDATIONS

1. Repeal of Section 26(B), Book VI of the 1987 Revised Administrative Code (Executive Order 292) or the automatic appropriations provision.

2. An official comprehensive and transparent audit of all public debt and contingent liabilities.

3. The options that could be proposed regarding foreign debts range from cancellation to moratorium on payments.

4. Repudiation of onerous and illegitimate debts.

5. Identification and reallocation of chunks of the national budget originally intended for debt servicing.

6. Reduction in military budget and reallocating the amount to health services.

7. Participatory and multi-sectoral monitoring and auditing of government agencies' budget and expenditures.
FOOTNOTES

1 Contingent liabilities are commitments by the national government, expressed or implied, to directly assume the liability of another entity should it be unable to honor its obligations. Thus, contingent liabilities are potential debts.