

**REPORT ON THE PRESIDENT'S AGENDA ON LABOR AND EMPLOYMENT, 2010-2016
(As of September 24, 2010)**

EXECUTIVE SUMMARY

INTRODUCTION

The Department of Labor of Employment's "Package of Reforms" are crafted to respond to the current labor and employment situation. These reforms are anchored to the 22-Point Platform and Policy Pronouncements on Labor and Employment of President Benigno S. Aquino III.

There are three major considerations in the packages of reforms.

First, we put balance between introducing greater flexibility for enterprises and industries to be more competitive on the one hand, and ensuring protection for the more vulnerable groups of workers on the other.

Second, we recognize the need for the convergence and policy coherence, particularly in employment-oriented macro-economic policies, to create more impact and increase employment opportunities.

Third, these reforms encourage private sector participation so that we can maximize limited resources.

The DOLE's packages of reforms are structured into four key areas, namely: (1) employment facilitation, (2) workers welfare and protection, (3) labor relations, (4) governance.

On Employment Facilitation:

Aside from implementing the regular programs of DOLE in facilitating employment, we are broadening information campaign on occupation and skills shortages or oversupply to address the mismatch. Project Jobs Fit 2020 as a medium-term solution, identifies new and emerging industries and preferred skills as key employment generators that must be produced per region in the next ten years or until 2020. The key employment generators are:

(1) Agribusiness, (2) Cyberservices, (3) Health and Wellness, (4) Hotel Restaurant and Tourism, (5) Mining, (6) Construction, (7) Banking and Finance, (8) Manufacturing, (9) Ownership Dwellings and Real Estate, and (10) Transport and Logistics. The DOLE is also be guided by the 7 *Big Winners* of the Joint Foreign Chambers of Commerce and Industry, i.e. (1) Agribusiness, (2) BPOs, (3) Creative Industries, (4) Infrastructure, (5) Manufacturing and Logistics, (6) Mining, and (7) Tourism and Retirement.

In November 2010, the DOLE will organize and conduct a Jobs Summit that would aim to forge a Jobs Pact among government, employers, workers, and other multi-sectoral partners. The Jobs Pact, which will serve as an input to the labor and employment chapter of the MTPDP for 2011-2016, will ensure the availability of labor and skills supply per industry per region. This will be done together with NEDA, DTI, DA, DepEd, DPWH, CHED, and TESDA with the objective of placing employment at the center of economic growth. This would require coherence of all economic and social policies.

On Workers Welfare and Protection:

To protect the most vulnerable workers, the DOLE started implementing Project LEAP, or the Labor Enforcement and Action Program, to intensify labor inspection towards increased compliance with core labor standards. Some 35,000 establishments are targeted for inspection and 70% compliance rate before year-end.

A part of the inspection activities will be on subcontracting. We will be vigilant against illegal subcontracting practices and will strictly enforce the prohibition of labor-only contracting which we all know perpetuates precarious work arrangements and undermines workers' rights. We have also included in the LEAP, the incidence of child labor and social protection under SSS and PhilHealth.

The DOLE through NWPC is carefully looking at reforms on wage system. We will focus on assisting the low paid and unskilled workers, which are the more vulnerable since they are outside the protection of the minimum wage fixing. We will also focus on assisting microenterprises that employ them. As recognition of our partners' efforts in this endeavor, compliant companies will be given incentives.

We will continue to provide assistance to laid-off workers to cushion or mitigate the impact of job displacements (resulting from economic slowdown), particularly on the working poor and the vulnerable workers thru DOLE Adjustment Measures Program. We are also looking forward to tripartite consultations to come up with a possible design and features of an unemployment insurance scheme in the Philippines.

The DOLE will intensify the implementation of Anti-Trafficking, Anti-Illegal Recruitment Program and anti-Child Labor Program. More importantly, the Department will fully implement RA 10022 through redesigned pre-departure and pre-employment seminars as well as other welfare and protection programs for the OFWs, and repatriation of distressed OFWs. Full reintegration services will be provided to returning OFWs.

On Labor Relations:

The DOLE-initiated reforms in the labor arbitration and adjudication system are fully supported by the national Tripartite Industry Peace Council (TIPC). These include (1) improvement in the disposition rates for all types of cases and make case docket current through Project Speedy and Efficient Delivery of labor justice or SPeED and Case Docket Monitoring System; (2) de-judicializing the labor dispute settlement through a 30-day mandatory conciliation-mediation of all NLRC and DOLE cases in all regional offices down to the provincial level; (3) posting the status of cases at the DOLE website www.dole.gov.ph starting September 2010 for purposes of transparency; (4) restoring integrity in the people and systems through the institutionalization of Efficiency and Integrity Boards in the DOLE and all its attached agencies nationwide; and (5) formulation and adoption of tripartite industry-based dispute settlement processes and voluntary codes of conduct or good practices to supplement the establishment of plant-level dispute resolution mechanisms.

On Governance:

In support of the policy and program reforms on labor and employment, the DOLE also pursues institutional reforms that are focused on meeting the needs of our public. Apart from implementing anti-red tape measures, and further reduce the processing time of key frontline services, we will put-up online reporting and registration systems, and use technology to quicken the pace of service delivery. Our people will have a personnel development program that will espouse the highest standards of integrity in public. To ensure responsible allocation and use of government resources, the DOLE implements the zero- and performance-based budgeting system.

Part of the governance reforms of DOLE is to report to its public progress in the implementation of the policies and programs under the 22-Point Agenda. The following sections provide updated information from the various DOLE agencies/offices implementing the policy and program reforms which are integrated by the Planning Service and the Office of the Secretary.

THE INDICATORS

MAJOR FINAL OUTPUT

The Department of Budget and Management (DBM) provides budgetary language called the “Major Final Output” or MFO in assessing the outputs vis-à-vis the utilization of funds of national government agencies. The DOLE has seven (7) MFOs that also correspond to the services delivered to its clients:

- MFO 1: Jobs Search Assistance Services
- MFO 2: Capacity Building Services
- MFO 3: Social Partnership and Dispute Resolution Services
- MFO 4: Professional Regulation, Technical-Vocational Education and Productivity Services
- MFO 5: Services to Safeguard Just Terms and Conditions of Employment
- MFO 6: Social Protection and Welfare Services
- MFO 7: Work Accident, Illness Prevention and Work Compensation and Rehabilitation Services

DECENT WORK

The International Labour and Organization (ILO) define decent work “as being productive work for women and men in conditions of freedom, equity, security and human dignity. Decent work involves opportunities for work that is productive and delivers a fair income; provides security in the workplace and social protection for workers and their families; offers better prospects for personal development and encourages social integration; gives people the freedom to express their concerns, to organize and to participate in decisions that affect their lives; and guarantees equal opportunities and equal treatment for all”.²

The Decent Work Agenda is committed in pursuing the objectives of full and productive employment and decent work for all. It comprises four pillars, namely:

- Pillar 1: Rights at work;
- Pillar 2: Employment opportunities for all;
- Pillar 3: Social protection;
- Pillar 4: Social dialogue.

The Philippine Decent Work Common Agenda is now on the terminal phase of the Third Cycle. The gains of the past two Decent Work Common Agenda must be continued with the cooperation of the tripartite partners to further narrow existing gaps and realize the vision of “Decent Work for All”.

² Toolkit for Mainstreaming Employment and Decent work. International Labour Organization

WORLDWIDE GOVERNANCE INDICATORS

The Worldwide Governance Indicators (WGI) project reports aggregate and individual governance indicators for 212 countries and territories over the period 1996–2008. The WGI are based on several hundred variables produced by 25 different sources, including both public and private data providers.

The indicators are defined to correspond to what the World Bank researchers consider to be “fundamental governance concepts”. They are:

1. **Voice and accountability (VA)** – measures the extent to which a country’s citizen are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media
2. **Political stability and Absence of Violence (PV)** – measures perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including political violence or terrorism
3. **Government Effectiveness (GE)** – measures the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government’s commitment to such policies
4. **Regulatory quality (RQ)** – measures the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development
5. **Rule of Law (RL)** – measures the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, the police, the courts, as well as the likelihood of crime and violence
6. **Control of Corruption (CC)** – measures the extent to which public power is exercised for private gain, including petty and grand forms of corruption, as well as “capture” of the state by elites and private interests³

DOING BUSINESS INDEX

The indicators presented and analyzed in Doing Business measure business regulation and the protection of property rights—and their effect on businesses, especially small and medium-size domestic firms. First, the indicators document the degree of regulation, such as the number of procedures to start a business or to register and transfer commercial property. Second, they gauge regulatory outcomes, such as the time and cost to enforce a contract, go through bankruptcy or trade across borders. Third, they measure the extent of legal protections of property, for example, the protections of investors against looting by company directors or the range of assets that can be used as collateral according to secured transactions laws. Fourth, they measure the flexibility of employment regulation. Finally, a set of indicators documents the tax burden on businesses.⁴

The Philippines dropped 3 places lower from 141st place in 2009 to 144th in 2010.

³ Governance Matter VIII: Governance for Indicators for 1996-2008 by Daniel Kaufmann, Aart Kraay, and Massimo Mastruzzi

⁴ www.doingbusiness.org

GLOBAL COMPETITIVE- NESS INDEX

The Global Competitiveness Report "assesses the ability of countries to provide high levels of prosperity to their citizens. This in turn depends on how productively a country uses available resources. Therefore, the Global Competitiveness Index measures the set of institutions, policies, and factors that set the sustainable current and medium-term levels of economic prosperity."⁵

In the 2009-2010 report, 12 pillars were identified. Each of the pillars is classified under Basic Requirements, Efficiency Enhancers or Innovation and Sophistication Factors.

Basic Requirements

- Institutions
- Infrastructure
- Macroeconomic Stability
- Health and Primary Education

Innovation and Sophistication Factors

- Business Sophistication
- Innovation

Efficiency Enhancers

- Higher Education and Training
- Goods market efficiency
- *Labor market efficiency*
- Financial Market Sophistication
- Technological readiness
- Market size

All of the 12 pillars are important indicators but the value of each indicator would depend on the country's particular stage of development. The Philippines, 87th place out of 133 countries, is in the factor-driven stage of development which means that the most critical pillars are found in the basic requirements sub-index group.

⁵ Global Competitiveness Network: Frequently Asked Questions

Agenda 1	Review existing plans and programs in accordance with the principles of “zero-based” budgeting system where budget allocations are shaped by their performance and their compliance with COA reports
DOLE’s CORE MANDATE	GENERAL ADMINISTRATION
GLOBAL COMPETITIVENESS INDICATOR	1ST PILLAR: INSTITUTIONS 3RD PILLAR: MACROECONOMIC STABILITY
WORLDWIDE GOVERNANCE INDICATOR	GOVERNMENT EFFECTIVENESS
BASIS FOR REFORMS	<p>The current administration has issued a directive to move from the traditional incremental budgeting method to zero-based budgeting. The rationale behind zero-based budgeting is to ensure that all items included in the budget can be justified and that they are in line with the organization’s priorities.</p> <p>This budgeting methodology must meet three specific requirements: (1) the items included in the budget should be aligned with the administration’s goal; (2) the implementation of the previous budget had an impact on the welfare of the people and the economy; and (3) the inclusion of items in the budget will lead to an output that will justify its continued inclusion.⁶</p>

⁶ www.manilatimes.net Budget chief Abad explains why zero-based technique necessary

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	STATUS (as of 21 September 2010)
<p>Adoption of the zero-based budgeting scheme</p>	<ul style="list-style-type: none"> • DOLE budget realigned with the 22-point labor and employment agenda - Periodic monitoring of fund utilization of projects - Enforcement of liquidation of cash advances of Individuals and Groups, i.e., Non-Governmental Organizations (NGOs), People's Organizations (POs) and Local Government Units (LGUs) 	<p>FMS</p> <p>FMS</p>		<p>July 2010-continuing</p>	<p>The DOLE 2010 Budget is P6.421B.</p> <p>For 2011, the National Expenditure Program (NEP) is P6.397B, or a decrease of P23 M or 0.4% from the 2010 GAA.</p>	<ul style="list-style-type: none"> • Prepared and presented the DOLE FY 2011 Proposed Budget in Congress. The DOLE's Budget was in accordance with the zero-and performance-based budgeting system to ensure responsible allocation and use of government resources. Existing plans and programs of the Department were reviewed and are shaped based on the performance and in compliance with COA reports. - Monitored fund utilization on a monthly basis - Posting of Status of Fund Utilization - Conducted reorientation on the COA circular as a reminder that cash advance will not be issued to implementing partners (LGUs/NGOs/Pos/) with unliquidated funds. - Issued Administrative Order (AO) No. 16, 2010 (i.e., Cost-cutting Measures) directing the liquidation of all cash advances.

	<ul style="list-style-type: none"> • Appraisal of Internal Control Systems applied in the following: <ul style="list-style-type: none"> - Refund of excess/unauthorized incentives given in CY 2008 - Cash advance granted to Disbursing Officers 	<p>IAS</p> <p>IAS</p>	<p>FMS/COA</p> <p>FMS/COA/DOLE ROs</p>			<ul style="list-style-type: none"> • Reviewed the contents and audit findings as contained in memorandum dated 29 June 2010. • Issued Memorandum dated 13 September 2010 to ROs CAR, V, VII, X, & XIII to submit status report of compliance not later than 30 October 2010. Deadline for the payment of refund/settlement of the unauthorized incentives is 31 December 2010. • FMS issued memorandum to all concerned Special Disbursing Officers to liquidate outstanding cash advances. <p>FMS to implement the policy of no additional cash advance shall be provided unless the previous cash advance has been liquidated.</p> • Requested FMS to provide IAS copies of Statement of Cash Advances as for CYs 2008 to March 2010 as basis for the conduct of management audit.
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	<ul style="list-style-type: none"> - Conduct of Operation Audit on the Project Speedy & Efficient Delivery of Labor Justice (SpeED 1) 	IAS	SpeED Committee members			<ul style="list-style-type: none"> • Conducted operations audit on the Project SpeED 1 per the DOLE Secretary's instruction dated July 10, 2010. <p>Result on the audit of the Project SpeED was already completed and submitted to the Secretary on 3 September 2010. Likewise, presentation of said project to the committee on SpeED will be on 5 October 2010.</p>
		OWWA	COA			<ul style="list-style-type: none"> • Reviewed existing plans & programs of the Agency <ul style="list-style-type: none"> - Re-design/repackage the repatriation program in accordance w/ RA 10022; membership program promotion to be part of "onsite programs"; deployment of overseas welfare personnel; and the institutional projects such as the Pamaskong Handog, Araw ng Pasasalamat, etc. to make it more responsive to the requirements of OFWs & their families - Expansion of onsite assistance, such as deployment of additional personnel in countries where there is huge concentration of OFWs & institutionalization of psycho-social counseling for repatriated workers temporarily housed at the OWWA Halfway House..

		TESDA				<ul style="list-style-type: none">• Created an Organizational Effectiveness Study Group to look into the application of the Zero-Based-Budgeting (ZBB) as a way of improving effectiveness of programs.
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Agenda 2

Address the labor mismatch problem by promoting better coordination between employers, academe, and government through strengthening both public (Public Employment Service Offices) and private sector labor market information and exchange institutions, especially at local levels

DOLE's CORE MANDATE

EMPLOYMENT FACILITATION

MAJOR FINAL OUTPUT

MFO1: JOB SEARCH ASSISTANCE SERVICES FOR WAGE EMPLOYMENT

DECENT WORK PILLAR

PILLAR 2: EMPLOYMENT OPPORTUNITIES FOR ALL

DOING BUSINESS INDICATOR

EMPLOYING WORKERS

BASIS FOR REFORMS

Unemployment in the country is largely attributed to mismatches between the demand and supply of labor as well as the limited absorptive capacity of the formal economy. Majority of the country's unemployed have been observed to possess adequate education or skills that should have been instrumental in getting into jobs. Data from 2007 to 2009 shows that as much as 45.6 percent or about 1.3 million of the unemployed have attained high school education while about 39.26 percent or about 1.1 million have reached college levels. Among the unemployed youth, high school graduates and college graduates constitute as much 46.83 percent and 41.88 percent, respectively. These numbers highlight the fact that the supply produced by both secondary and tertiary education does not correspond to the skills needs in the market.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
Strengthen labor market information systems	<ul style="list-style-type: none"> National Skills Registry System (SRS) which may be readily accessed by employers or clients and which contains skills qualifications of job applicants 	BLE, POEA/OWWA, PRC, TESDA	Partner with local government units as major player in SRS			<ul style="list-style-type: none"> Completed Trainers' training on SRS for IT component The SRS 1st wave of implementation involves 32 LGUs nationwide and will be completed on the 2nd week of September; 2nd wave of implementation involves 48 LGUs for the period May – December 2011. <ul style="list-style-type: none"> DOLE agencies which includes the Bureau of Local Employment, POEA, OWWA, PRC, and TESDA are in the process of harmonizing their manpower databases
Broaden information campaign on occupation and skills shortages or oversupply	<ul style="list-style-type: none"> Project Jobsfit 2020 which identifies new and emerging industries and preferred skills as key employment generators that must be produced per region in the next ten years or until 2010. Dissemination of the following information materials: <ul style="list-style-type: none"> Industry Career Guides for 	BLE <ul style="list-style-type: none"> Information campaigns Capacity-building of PESOs and career guidance counselors Network-building with schools and industries 	Engagement of schools, industry leaders, career guidance counselors and communications network in information campaigns			<ul style="list-style-type: none"> Identified new and emerging industries and preferred skills as key employment generators that must be produced per region in the next ten years. This includes the seven (7) Big winners of the Joint Foreign Chamber of Commerce and Industry Posted the results of Project JobsFit in the DOLE Website on 03 August 2010. <p>Hard copies and CD format were disseminated to Cabinet Secretaries, Congress,</p>

	<p>Key Employment Generators (KEGs)</p> <ul style="list-style-type: none"> - Career Pamphlets - BLE Newsbites - Labor Market Monitor - Labor Market Updates - Labor Supply-Demand Profile - Job Vacancy Bulletin <ul style="list-style-type: none"> • Setting up of “DOLE Labor Market Corner” in Leading Universities • Development and provision of Career Coaching and Advisory Modules 					<p>relevant government agencies, employers and workers groups.</p> <ul style="list-style-type: none"> • Completed the National and Regional Press briefing on the result of Project JobsFit. • Ongoing negotiations/talks with leading universities in different region for the establishment of DOLE Labor Market Corner • Ongoing consultations between DOLE, CHED, DepEd and the network of Career Guidance Counselors
		POEA				<ul style="list-style-type: none"> • Prepared profiles: age range of registered applicants, educational attainment and issued license in compendium form, currently working on the profile work experience by industry sector.
		TESDA				<ul style="list-style-type: none"> • Set up TESDA’s Industry boards on training • Forged partnership with at least 22 industry and other sectoral groups in ICT, construction, electronics, tourism/HRM, automotive, maritime, haircutting and cosmetology for Training for Work Scholarship Program (TWSP) implementation. <p>As of 31 July 2010 a total of 26,683 graduates were monitored from enterprise-based training.</p>

						<ul style="list-style-type: none"> • Held the National Directorate Conference on August 26, 2010 which resulted with the following agreements: strengthening of the apprenticeship program, revival of the Industry Board and the revival of the Recognized National Industry Bodies in Tourism, ICT, Health, and Agri-Fishery
	<ul style="list-style-type: none"> • Publication of the List of Successful Board Examinees 	PRC				<ul style="list-style-type: none"> • Continuing Website publication of the list of successful board examinees • Campus tour (Career Guidance and Counseling at the 3rd year high school level) to disseminate information on the right choice of profession especially those declining in numbers. • Continuing enhancement / undertaking of different researches related to test development of PRC and the relationship to CHED curricula and work success.
Strengthen PESOs as the frontline for jobs-skills matching	<ul style="list-style-type: none"> • Advocate for institutionalization of all PESOs in 1,700 municipalities and cities. - Recommend to LGUs to pass resolutions institutionalizing PESOs with budget and personnel for high and medium-income LGUs. 	BLE - Monitoring of PESOs	LGUs			<ul style="list-style-type: none"> • Institutionalized 49 PESOs as of date. • Continuing conduct of capacity-building and provision of technical assistance to newly installed PESO Managers. • Final stage of institutionalization kit for PESOs in progress

						<ul style="list-style-type: none">• Advocacy campaign ongoing<ul style="list-style-type: none">- TV and radio commercial- Registry of Skills (RS) leaflets for printing• Ongoing preparations for the 10th PESO Congress
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Agenda 3	Promote not only the constitutionally protected rights of workers but also their right to participate in the policy-making process
DOLE's CORE MANDATE	EMPLOYMENT FACILITATION
DECENT WORK PILLAR	PILLAR 1: RIGHTS AT WORK PILLAR 4: SOCIAL DIALOGUE
MAJOR FINAL OUTPUT	MFO3: SOCIAL PARTNERSHIP PROMOTION AND DISPUTE RESOLUTION SERVICES
WORLDWIDE GOVERNANCE INDICATOR	VOICE AND ACCOUNTABILITY
BASIS FOR REFORMS	<p>With the changes in employment and work arrangements occurring in the country, it has been observed that existing standards ensuring workers' protection have become inadequate. Moreover, compliance with standards is seen as additional non-wage costs that adversely affect competitiveness of industries.</p> <p>These challenges in promoting and protecting the rights of workers have manifested in issues on: low wages, weak enforcement of minimum standards, weakening trade unionism and collective bargaining and limited representation of workers in policy-making.⁷</p>

⁷ Bitonio (2008). Labour Market Governance in the Philippines: Issues and Institutions.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Intensify enforcement of labor standards</p>	<ul style="list-style-type: none"> • Project LEAP with targeted 60,000 and 70% compliance rate and where inspection activities will cover subcontracting and enforcement of prohibition on labor-only contracting, the incidence of child labor and monitoring of SSS and Philhealth benefits. • Livelihood assistance, income augmentation and technical assistance through the TAV and ISTIV to micro enterprises toward upscaling capacities to comply with core labor standards and improve productivity 	<p>BWC</p> <ul style="list-style-type: none"> - Adoption of ILO Audit Findings - LEAP administration and monitoring - Annual recognition of compliant establishments <p>BLE</p> <ul style="list-style-type: none"> - Career Counseling <p>BWSC</p> <ul style="list-style-type: none"> - Provision of livelihood or income augmentation to micro enterprises <p>NWPC</p> <ul style="list-style-type: none"> - Provision of ISTIV training for micro enterprises <p>ILS</p> <ul style="list-style-type: none"> - Documentation and dissemination of best practices in industries 	<ul style="list-style-type: none"> • Tripartite Self-Assessment toward issuance of Certificates of Compliance / Restoration • Technical Assistance Visits (TAV) for micro enterprises • OSH network in all regions • Voluntary codes on self-regulation 	<p>BWC (LEAP)-29,459</p> <p>Project LEAP duration is August to November 2010.</p>		<ul style="list-style-type: none"> • On Project LEAP <ul style="list-style-type: none"> - Intensified labor inspection through the implementation of Labor Enforcement and Action Program (LEAP) to increase compliance with labor standards covering establishments employing 10-199 workers (i.e., terms and conditions of employment, safety and health, social security and contracting where only independent contracting is allowed and labor-only contracting is prohibited. - Conducted Orientation in DOLE-NCR on 02 August 2010; deployed 59 inspectors in NCR, which was augmented by inspectors from CAR, Region 1, 5 and BWC. Region 4A was augmented by Region 2 inspectors while Region 3 was augmented by Region 8. - On September 2, the TIPC approved and adopted Resolution No. 3-B supporting tripartite engagement in labor standards enforcement and the implementation of the Tripartite Certification of Labor Standards Compliance.

<p>Minimum wage fixing</p>	<p>Two-Tier Wage Setting System</p>	<p>NWPC</p>				<ul style="list-style-type: none"> • Implemented policy reforms on minimum wage fixing that centers on two-tiered wage system consisting of <u>floor or living wage</u> for the most vulnerable workers and <u>productivity-based wages</u> for wages above the floor. Through this approach which tightens the link between wages and productivity, it is envisioned that there will be minimal distortions, inflationary shocks would be reduced, the design of complementary pay structures based on performance will be encouraged and collective bargaining will flourish. • Drafted/presented Concept paper on 2 Tiered Wage System to Commission on 4 August 2010 and DOLE-MYPA on 9 Aug. 2010. Submitted to ILO proposal for Study Visit on the Flexible Wage System (Singapore) for technical/financial assistance. • Finalized/presented Resolution re Two-Tiered Wage System for signature of the Commissioners, NEDA & DTI Secretaries.
	<p>- Intensify the Establishment of Grievance Machineries (GMs)</p>	<p>NCMB</p>				<ul style="list-style-type: none"> • Operationalized 95 grievance machineries (GMs) in organized establishments, institutionalized 65 GMs in unorganized establishments, and strengthened 586 GMs from January to July 2010.

	<p>- Single Entry Approach (SENA)</p>	<p>NCMB</p>			<p>The GMs are bipartite plant-level dispute resolution mechanisms which labor and management can resort to in the adjustment of work-related complaints and grievances with minimal government intervention.</p> <ul style="list-style-type: none"> • NCMB's advocacy activities are geared towards the setting up of workplace cooperation and partnership (WCPs) mechanisms to strengthen labor-management relations, enhance productivity and promote industrial peace. As of June 30, 2010, there are 1,552 WCPs (1,149 in organized companies and 403 in unorganized establishments) nationwide that continue to benefit workers and employers with improved management practices, improved communications, stronger corporate social responsibility and higher productivity. • NCMB also continues to implement its FLAVAS program to assist walk-in workers seeking assistance. As of August 31, 2010, the Board has assisted 1,349 workers through its FLAVAS program, benefiting some 574 workers with P 10 M in restitution pay and other benefits.
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<p>Expand representation and participation of tripartite partners</p>	<ul style="list-style-type: none"> • Review representation in existing tripartite bodies toward including all stakeholders across the broad spectrum of society regardless of their ideological persuasion • Promote the establishment of more ITCs and local TIPC • Develop capacities of sectoral representatives on economic and policy analysis 	<p>BLR</p> <ul style="list-style-type: none"> • Creation of ITCs in the 7 big winners (Agribusiness, Tourism, BPO, Infrastructure, Mining, Manufacturing and Logistics, and Creative Industries) • Inclusion of other sectors in TIPC, ITCs and other tripartite policy-making bodies <p>BWC</p> <ul style="list-style-type: none"> • Tripartite engagement in LSEF 				<ul style="list-style-type: none"> • On September 2, the TIPC approved and adopted Resolution No. 3 supporting the DOLE thrust of strengthening tripartism and social dialogue. The Resolution states that tripartite partners will actively participate in the formulation of TOR for reconstituting TIPC/ITCs and defining the criteria for nomination and selection of sectoral representatives in tripartite bodies
	<ul style="list-style-type: none"> • Employees Compensation (EC) Benefits 	<p>ECC</p>				<ul style="list-style-type: none"> • Approved four (4) Board Resolutions which include the following: <ul style="list-style-type: none"> - Amending Rule IV, Section 2 of the Rules of Procedures for the Filing and Disposition of the Employees' Compensation Claims - Granting of Successive Temporary Total Disability (TTD) benefits and Permanent Partial Disability (PPD) benefits for work-related injuries that resulted to functional loss and/or physical loss of any part of the body

						<ul style="list-style-type: none">- Amending Paragraph 2, Part I of EC BR No. 90-03—0022- Amending Rule V, Section II, Paragraph of the Rules of Procedures for the Disposition of the Employees' Compensation Claims. <ul style="list-style-type: none">• Prepared and submitted the proposed Philippine Workers' Compensation Authority (PWCA) Bill and was filed at the House of Representatives by Congressman Juan Edgardo M. Angara and at the Senate by Sen. Jinggoy Estrada.• Revised the proposed resolution on EC benefits to correspond to this item agenda. These are the following:<ul style="list-style-type: none">- Granting of successive EC TTD and EC PPD benefits for work-related injuries for functional loss and/or physical loss of any part of the body- Amending Rule IV, Section 2 of the Rules of Procedures for the Filing and Disposition of EC claims (<i>prescribing a shorter period for the evaluation of EC claims at the level of both the Systems</i>)- Amending paragraph 2, part II of EC BR No. 90-030-0022- Amending Rule V, Section II, Paragraph I of the Rules of Procedure in the Disposition of the Employees' Compensation Claims.
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	<ul style="list-style-type: none"> • Zero Accident Program (ZAP) 	OSHC	OSH Network in all Region			<ul style="list-style-type: none"> • Conducted capability building on Basic Occupational Safety and Health (BOSH) Course nationwide from July 2010 to present in 8 batches with 386 participants from 2261 companies; another mandatory course for safety and health practitioners, Construction Safety Training or CST has been conducted in Cagayan de Oro with 36 participants. As of September 2010, 24 batches (133% of target) of BOSH and 9 batches (75%) for CST have been conducted. <p>All 16 regions have organized OSH networks with LGUs, industry tripartite and other partners.</p>
	<ul style="list-style-type: none"> • Technical OSH Services 					<ul style="list-style-type: none"> • Conducted 152 occupational health examinations to evaluate possible lead poisoning, work-related hearing impairment and other work-related disorders from July to September.

Agenda 4

Review current outsourcing strategies among industries toward balancing protection of workers' rights and ensuring business competitiveness

**DOLE's CORE
MANDATE**

**WORKERS WELFARE AND PROTECTION
LABOR RELATIONS**

**DECENT WORK
PILLAR**

**PILLAR 1: RIGHTS AT WORK
PILLAR 2: EMPLOYMENT OPPORTUNITIES
PILLAR 3: SOCIAL PROTECTION
PILLAR 4: SOCIAL DIALOGUE**

**MAJOR FINAL
OUTPUT**

MFO 5: SERVICES TO SAFEGUARD FAIR AND JUST TERMS CONDITION OF EMPLOYMENT

**WORLDWIDE
GOVERNANCE
INDICATOR**

REGULATORY QUALITY

**BASIS FOR
REFORMS**

Competition in global markets has pushed businesses to resort to outsourcing as a strategy to decrease labor cost and increase flexibility.⁸ This business strategy, however, raises labor issues such as the increased insecurity of jobs, lower wages, and the weakening of the influence of workers and unions.

⁸ Darty, W.A. Jr. (Ed.). (2008). *International Encyclopedia of the Social Sciences, 2nd edition*. USA: Thomson Gale

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Review application of relevant provisions of the Labor Code and its implementing rules to company decisions to outsource and the application of labor standards to outsourcing providers</p>	<ul style="list-style-type: none"> • Together with industry players, develop a guide on responsible outsourcing practices to include: <ul style="list-style-type: none"> - Compliance with labor standards - Observance of due process - Conduct of consultations with affected workers - Provision of unemployment or transition benefits including training - Mutually agreed upon dispute settlement mechanisms 	<p>BLR</p> <ul style="list-style-type: none"> - Conduct of dialogues with industries - Creation of industry tripartite councils (ITCs) <p>BWC</p> <ul style="list-style-type: none"> - Enforcement of labor standards <p>NCMB</p> <ul style="list-style-type: none"> - Dispute settlement <p>ILS</p> <ul style="list-style-type: none"> - Documentation of models or exemplars of responsible outsourcing in industries 	<ul style="list-style-type: none"> • Voluntary codes on self-regulation focused on responsible outsourcing practices • Industry or firm-based dispute settlement mechanisms 			<ul style="list-style-type: none"> • The following industry tripartite councils have been established in the regions and are tasked to formulate Codes of Good Practices <ul style="list-style-type: none"> - Broadcast , education (NCR) - Transport, electronics (RO 4A), - BPOs and Medical Tourism (RO 6) - Agri-fishing (RO 12) - Mining – CARAGA • MOA signed last September 16, 2010 with Joint Foreign Chambers of Commerce and Industries on Partnerships in Governance. • On the review of the policy on outsourcing, subcontracting, and on private recruitment agencies, and the rights and benefits of workers even under such employment arrangements should be safeguarded and enforced by the Regional Office - Conducted series of consultations, benchmarking with ILO C181.

Agenda 5

Work with private and labor sectors to strengthen tripartite cooperation and promote industrial peace.

DOLE's CORE MANDATE

LABOR RELATIONS

DECENT WORK PILLAR

PILLAR 4: SOCIAL DIALOGUE

MAJOR FINAL OUTPUT

MFO 3: SOCIAL PARTNERSHIP PROMOTION AND DISPUTE RESOLUTION SERVICES

GLOBAL COMPETITIVENESS INDICATOR

PILLAR 7: LABOR MARKET EFFICIENCY – INDICATORS ON COOPERATION IN LABOR-EMPLOYER RELATIONS

BASIS FOR REFORMS

Given the enormous challenges posed by the ever-changing social and economic environment, the Department of Labor and Employment recognizes the importance of maintaining open communication between and among the employers' groups, workers' organizations and government. Tripartism and social dialogue has always been the practice in the DOLE in arriving at policies and decisions. The present situation calls for increasing cooperation to address labor and employment issues with the end in view of incorporating social dimension alongside with the enhancement of productivity. The DOLE will reach out to engage non-traditional partners from both labor and management to ensure genuine social dialogue. This will allow for less government interference and will equip industries to practice self-regulation as it work towards implementing good labor management policies with the cooperation of labor groups and workers' organization.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Ensure inclusive tripartism and social dialogue; promote industrial peace</p>	<ul style="list-style-type: none"> • Consultation with social partners on the 22-point labor and employment agenda • Expansion of TIPC's and ITC's thru: <ul style="list-style-type: none"> - Expanding representation of sectoral representative in tripartite bodies - Tripartite engagement in LSEF (Self-Assessment) 	<p>BLR/OSEC</p> <p>BLR</p> <p>ROs</p>	<ul style="list-style-type: none"> • As a result of the consultations, aside from traditional tripartite partners of DOLE, the following groups have initiated partnership with DOLE: <ul style="list-style-type: none"> Employers <ul style="list-style-type: none"> - Joint Foreign Chambers of Commerce and Industries - IBM 			<ul style="list-style-type: none"> • Held meetings with the social partners which include the following: <ul style="list-style-type: none"> - Employer's Confederation of the Philippines (ECOP) last July 19, 2010 to strengthen tripartite cooperation - Dialogue with Labor leaders and lawyers on August 5, 2010 to discuss their issues and concerns. - Tripartite Industrial Peace Council (TIPC) on September 2, 2010 to strengthen tripartite cooperation and promote industrial peace.
<p>Gradually move towards industry self-regulation</p>	<ul style="list-style-type: none"> • Industry self-regulation thru Voluntary Codes of Good Labor Management Practices • Creation of ITCs in 7 big winners (Agri., Tourism, BPO, Infra, Mining, Mfg. & Logistics, Creative Industries) 	<p>NLRC</p>				<ul style="list-style-type: none"> • See Agenda 4 (ITCs were already established in some sectors in various regions and will develop Voluntary Codes of Good Practices) • On September 2, the TIPC approved and adopted Resolution No. 3-C supporting the creation, strengthening and/or reactivation of ITCs in priority industries and the promotion of Voluntary Code of Good Industry Practices

Agenda 6

Reform labor arbitration and adjudication systems by streamlining procedures, removing red tape, and at the same time, restore integrity and fairness in the system. Ensure that 98% of all pending labor cases are disposed of with quality decisions by April 2011

DOLE's CORE MANDATE

LABOR RELATIONS

COMPETITIVENESS INDICATOR

PILLAR 1: INSTITUTION

MAJOR FINAL OUTPUT

MFO 3: SOCIAL PARTNERSHIP PROMOTION AND DISPUTE RESOLUTION SERVICES

WORLDWIDE GOVERNANCE INDICATOR

GOVERNMENT EFFECTIVENESS

BASIS FOR REFORMS

According to the Global Competitiveness Report for 2009-2010, the two most problematic factors for doing business in the Philippines are corruption and inefficient government bureaucracy. Furthermore, the country ranks very low in the following competitiveness indicators:

- ✓ Efficiency of legal framework in settling dispute - ranking: 123
- ✓ Transparency of government policymaking – ranking: 104
- ✓ Favoritism in decisions of government officials – ranking: 128
- ✓ Ethical behavior of firms – ranking: 116

These rankings have implications in attracting investments into the country and consequently in the creation of jobs.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Increase efficiency, greatly minimize corruption, and establish accountability among DOLE officials/ employees and social partners</p>	<ul style="list-style-type: none"> • Institutionalization of a single-entry approach of 30-day mandatory conciliation-mediation for all labor cases • Institutionalization of Efficiency and Integrity Boards (EIB) in all DOLE offices and attached agencies with tripartite representation • Posting of status of labor cases in the DOLE website 	<p>All DOLE agencies</p> <p>TIPCs and all DOLE agencies to institute measures to stop corruption and investigations; recommend actions to address clogged dockets and delay in labor justice</p> <ul style="list-style-type: none"> • All DOLE offices and attached agencies down to the regional level • All DOLE agencies – to make transparent DOLE procedures, processes, and fees. 	<ul style="list-style-type: none"> • Employers and workers groups who are members of national and regional TIPCs <p>Tripartite decision-making and accountability</p>			<ul style="list-style-type: none"> • Department Order drafted and will be published in September. The single entry approach in all DOLE offices will be pilot tested in November-December 2010 and will be fully implemented in 2011. • The draft Department Order on the creation of Efficiency and Integrity Board (EIB) was disseminated for comments of DOLE offices. • Administrative Rules and Procedures that will govern the EIB being drafted. Target date of completion is September 15. • On September 2, the TIPC approved and adopted Resolution No. 3-C supporting the creation of a National EIB under the NTIPC as monitoring and oversight body over the tripartite EIBs to be established DOLE-wide. • Status of cases to be posted at www.dole.gov.ph and websites of NLRC, NCMB, ECC, BLR, BWC and ROs. Made accessible to the public on September 15, 2010 to address transparency, integrity and fairness of the system.

	<ul style="list-style-type: none"> Implementation of the Citizens' Charter in compliance with the Anti-Red Tape Act. 		<ul style="list-style-type: none"> Social partners to give feedback to DOLE on its service delivery 			<ul style="list-style-type: none"> The Charter is posted in the DOLE website and displayed in electronic billboards at the main entrances of DOLE offices to make it accessible to the people. It contains our streamlined and standardized procedures and processes, including the forms, timeframe, and fees of transacting business with DOLE
Strengthening integrity development among DOLE officials and employees	<ul style="list-style-type: none"> Conduct of Moral Renewal Seminars and Values Enhancement Trainings 	<ul style="list-style-type: none"> HRDS and HR units of ROs and AAs All DOLE offices/agencies/EIBs 	CSC			<ul style="list-style-type: none"> Conducted Moral Renewal Seminars in August and attended by more than 160 officials and employees. Four batches scheduled in September. Regional Offices and attached agencies have been requested to submit their respective reports on similar seminars and trainings that they have conducted.
	<p>Case Docketing Monitoring System (CDMS)</p> <ul style="list-style-type: none"> Involvement in implementing the Tripartite Certificate of Labor Standards Compliance under LSEF 	<p>Concerned DOLE Offices / Agencies</p> <p>BLR , other concerned DOLE offices</p>				<ul style="list-style-type: none"> Case Docketing Monitoring System (CDMS) – this is a fast-track electronic tracking system of monitoring cases and e-raffling in pursuit of transparency. CDMS Phase 1 covering BLR cases already deployed and implemented in the regions effective June 2010. While CDMS Phase 2 covering cases in other quasi-judicial bodies of DOLE incorporating the e-raffling feature will be pilot-tested in the 3rd quarter of 2010 and fully implemented in 2011. Issued TIPC Resolution No. 3-B "Recommending Pro-Active involvement in the implementation of Tripartite

	<ul style="list-style-type: none"> Industry self-regulation through Voluntary Codes of Good Practices 	<p>BLR, other concerned DOLE Offices</p>				<p>Certificate of Labor Standards Compliance under the Labor Standards Enforcement Framework”.</p> <ul style="list-style-type: none"> Issued Memorandum dated 25 August 2010, directing all DOLE Regional Offices to assess the priority needs of their respective areas and determine the appropriate industries to focus on, and to pursue industry self-regulation through the development of Voluntary Codes of Good Practices Approved TIPC Resolution No. 3-C, “Supporting the Creation, Strengthening and/or Reactivation of Industry Tripartite Councils in Priority Industries and the Promotion of Voluntary Code of Good Industry Practices. It is tabled for discussion at the TEC, TIPC and the RTIPCs for inputs/comments. Approved TIPC Resolution No. 3-D, “Providing a Criteria for Nomination and Selection of Sectoral Representatives and Procedure for nomination to Philippine Tripartite Bodies. It is for comments by the TEC, TIPC, and RTIPCs.
	<ul style="list-style-type: none"> Setting up a criteria for selection and nomination and procedures 	<p>BLR, other concerned DOLE Offices</p>				
		<p>BLR, other</p>				

	<ul style="list-style-type: none"> • Accreditation and Deputization of Union Leaders as Labor Standards Enforcement Framework (LSEF) Inspectors • Institutionalization of a single-entry approach (SENA) for all DOLE cases by implementing a 30-day mandatory conciliation-mediation in all regional offices up to the provincial level. Only unresolved issues shall be referred to the NLRC or appropriate agency or office for compulsory arbitration. 	<p>concerned DOLE Offices</p> <p>BLR, other concerned DOLE Offices</p>				<ul style="list-style-type: none"> • Approved TIPC Resolution No. 3-E, 'Accreditation and Deputization of Union Leaders as Labor Standards Enforcement Framework (LSEF) Inspectors. To be tabled for discussion at TIPC and TEC. • Has undergone extensive discussion at the TEC and TIPC levels. It has been approved in principle at the TIPC, subject to corrections/suggestions raised. Shall be tabled for one last review at the TEC on 14 September 2010.
		POEA				<ul style="list-style-type: none"> • Project Proposal for advanced training of 30 POEA conciliators prepared. Tentative schedule is on September 2010. Training Schedule for 30 conciliators- Sept. 10
Dispute Resolution and Settlement	<ul style="list-style-type: none"> • Ongoing implementation of Project SPeED 2 	NLRC/NCMB / BWC/ECC/other concerned DOLE Offices				<ul style="list-style-type: none"> • On the Disposition of Cases <ul style="list-style-type: none"> - Under Project SpeED 2, NLRC's RABs has disposed 3,199 out of 8,593 enrolled cases or a disposition rate of 36% while at the Commission Proper, 635 cases were disposed out of the 1,772 enrolled cases or a disposition rate of 37% as of September 2, 2010.

	<ul style="list-style-type: none">• Zero backlog of EC appealed cases					<ul style="list-style-type: none">• Likewise, NCMB has disposed 38% of its commitments under SPeED 2 project, and 94% of its commitments has been disposed in SPeED 1 as of August 31, 2010.
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Agenda 7	Align our country's labor policies with international treaties and ILO conventions in a sound and realistic manner.
DOLE's CORE MANDATE	WORKERS WELFARE AND PROTECTION
DECENT WORK PILLAR	PILLAR 1: RIGHTS AT WORK
MAJOR FINAL OUTPUT	MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES
WORLDWIDE GOVERNANCE INDICATOR	REGULATORY QUALITY
BASIS FOR REFORMS	<p>The Philippines has been cited as one of the few countries in Asia which has ratified the 8 core ILO conventions⁹ embodying fundamental principles and rights at work. However, much effort is still required to make national laws consistent with these ratified conventions and to strengthen its application in practice. On the other hand, there are conventions to which the Philippines committed to, which may no longer be applicable in the present work environment and which have proven detrimental to business competitiveness in today's global labor market. There is thus a need to amend the country's Labor Code and to prioritize legislation on areas that would operationalize, in a sound and realistic way, the principles of social dialogue, productivity and competitiveness, and business self-regulation while at the same time prescribing policy directions on emerging employment arrangements.</p>

⁹ C-29 Forced Labour Convention, 1930; C-87 Freedom of Association and Protection of the Right to Organise Convention, 1949; C-98 Right to Organise and Collective Bargaining Convention, 1949; C-100 Equal Remuneration Convention, 1951; C-105 Abolition of Forced Labour Convention, 1957; C-111 Discrimination (Employment and Occupation) Convention, 1958; C-138 Minimum Age Convention, 1973; C-182 Worst Forms of Child Labour Convention, 1999

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
Amendments to Book V of the Labor Code	<ul style="list-style-type: none"> • Conduct of tripartite consultations on proposed amendments that cover: Arts. 234 (c), 264 (a), 269, 272 (b), 237 (a), and 270. 	BLR <ul style="list-style-type: none"> • Conduct of consultations DLLO <ul style="list-style-type: none"> • Coordination with the Committee on Labor in both Houses of Congress 	<ul style="list-style-type: none"> • Tripartite consensus on proposed amendments 			
Ratification of the Maritime Labor Convention (MLC)	<ul style="list-style-type: none"> • Conduct of tripartite consultations particularly with the stakeholders in the maritime industry towards ratification 	BLR and POEA <ul style="list-style-type: none"> • Conduct of consultations ILAB <ul style="list-style-type: none"> • Coordination for technical support from the ILO in the process of ratification ILS <ul style="list-style-type: none"> • Research on the working conditions of domestic seafarers 	<ul style="list-style-type: none"> • Tripartite consensus on proposed amendments 			<ul style="list-style-type: none"> • Presented the results of the study last September 8 at the ILS Strategic Conversation (forum on research papers)
Clarification of policies on flexible work arrangements that are not covered by the Labor Code	<ul style="list-style-type: none"> • Conduct of tripartite consultations 	BLR, BLE, BWC <ul style="list-style-type: none"> • Conduct of consultations ILS <ul style="list-style-type: none"> • Research on the prevalence of flexible work in 	<ul style="list-style-type: none"> • Tripartite consensus on proposed amendments • Cooperation in establishing voluntary codes of code practice in flexible work 			<ul style="list-style-type: none"> • Presented the results of the study on flexibility and security at work completed to DOLE and social partners last September 7.

		specific sectors of the Philippine labor market and the issues raised by workers and businesses	arrangements			
Review policy on declaring non-working holidays and its effect on productivity and competitiveness	<ul style="list-style-type: none"> • Conduct of tripartite consultations 	BLR, BWC <ul style="list-style-type: none"> • Conduct of consultations NWPC <ul style="list-style-type: none"> • Research on effect of non-working holidays on wages and productivity 	<ul style="list-style-type: none"> • Tripartite consensus on proposed amendments 			

Agenda 8

Work with relevant government agencies in enhancing social protection programs such as social security, workmen's compensation, health insurance and housing for laid off workers while strengthening the Emergency Community Employment Program (ECEP) to create jobs that provide income to families.

DOLE'S CORE MANDATE

**WORKERS WELFARE AND PROTECTION
EMPLOYMENT FACILITATION**

DECENT WORK PILLAR

PILLAR 3: SOCIAL PROTECTION

MAJOR FINAL OUTPUT

**MFO 1: JOB SEARCH ASSISTANCE SERVICES
MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES**

GLOBAL COMPETITIVE-NESS INDICATOR

PILLAR 1: INSTITUTIONS

BASIS FOR REFORMS

Under the decent work framework social protection as one of the strategic objectives, entails that safe workplaces should be ensured and workers' health, livelihoods and pensions should be safeguarded. There should be provisions for workers and their families for adequate financial and other protection in the event of health and other contingencies; it also recognizes workers' need to limit insecurity associated with the possible loss of work and livelihood. However, the Philippine Labor Index shows that there is low and declining social security coverage, as well as low public expenditure for social security. There is also an observed decline in the share of workers covered by social security schemes to total employed and self-employed. From an already meager share of 34.32 percent in 2001, the share of workers covered by social security schemes further went down to an average of 30.8 percent in 2005. It is acknowledged that wage is a form of social protection. It is aimed at protecting the working poor against vulnerabilities and sudden income shocks. However, while the policy intent of RA 6727 or the Wage Rationalization Act is to afford protection to the most vulnerable workers, independent research studies and those done by the NWPC show that there are indications that minimum wage setting is resulting to different unintended outcomes, exposing its target beneficiaries to greater risks and vulnerability. These unintended outcomes include inflation, unemployment, informality, weak collective bargaining, distortions in pay systems, widespread atypical work arrangements, involuntary non-compliance, and reduced incentive to adopt pay-for-performance schemes. All these outcomes either create new or aggravate existing labor market problems. It excludes the 700,000 establishments with less than 10 workers constitute about 1.6 million workers which the law originally intends to protect because they are actually the most vulnerable. Furthermore, there is a need to provide income augmentation schemes to reduce, if not eliminate, vulnerabilities of workers by expanding opportunities for work.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Expansion/ enhancement of social protection</p>	<ul style="list-style-type: none"> • Social security, health insurance, housing programs and unemployment insurance 	<p>SSS, PhilHealth, Pag-ibig</p> <ul style="list-style-type: none"> - Provision of expanded benefits and coverage including unemployment insurance <p>BWC</p> <ul style="list-style-type: none"> - Enforcement of standards 	<ul style="list-style-type: none"> • Employers' groups • Local and foreign chambers of commerce and industry • Labor federations/ organizations • Government financial institutions 			<ul style="list-style-type: none"> • On Enforcement Standards - Collaborative work with DENR-EMB, DTI, DOE and DOH is ongoing - Project LEAP will cover violations of employers on social welfare benefits
<p>Strengthening job generation/income augmentation schemes particularly in the rural areas</p>	<ul style="list-style-type: none"> • Implement Emergency Employment Program in partnership with other national government agencies 	<p>BLE, BWSC, PS</p>	<p>National Government Agencies, GOCCs, GFIs LGUs (PESOs)</p>			<ul style="list-style-type: none"> • Ongoing coordination of DOLE ROs with LGUs (PESOs), to look at the labor component of infrastructure projects and will ensure mandatory compliance with the provisions of RA 6685 in the implementation of infrastructure projects/community employment schemes out of at least 50% of the unskilled and 30% of the skilled requirements locally. • Created Inter-Agency Technical Working Group on Government's Emergency Employment for Infrastructure and Non-Infrastructure Programs / Projects - Held two (2) meetings and were attended by the representatives of PMS, ILO, DPWH, DILG, NEDA, DSWD, DAR, DOTC, DOLE-BLE, DOLE-PS, DOLE-ILS and TESDA.

						<p>Inter-Agency Memorandum Circular on the Guidelines and Institutional Framework of the Government's Emergency Employment Program for finalization.</p> <ul style="list-style-type: none"> • Forged MOAs with 24 medical institutions in 11 regions nationwide.
	<ul style="list-style-type: none"> - Katulong at Gabay ng Manggagawang May Kapansanan (KaGaBay) - Rehabilitation Services program 	ECC				<ul style="list-style-type: none"> • Enrolled 18 ODWs in vocational / technical and entrepreneurship skills training under the KaGaBay program. Likewise, 3 home visits were conducted to monitor the status of livelihood business of ODWs. • Rehabilitation services include the following: <ul style="list-style-type: none"> - 15 QRT visits - 77 ODWs assisted in the release of EC benefits - 15 ODWs provided with physical therapy and rehabilitation appliances
Limiting the unintended outcomes of current wage systems	<ul style="list-style-type: none"> • Two-tiered wage system (wage floor and productivity- based pay) 	<p>NWPC</p> <ul style="list-style-type: none"> • Development of conceptual framework and guidelines; conduct of technical studies; conduct of sectoral consultations <p>RTWPBs</p> <ul style="list-style-type: none"> • Implementation of new wage system 	<ul style="list-style-type: none"> • Local and foreign chambers of commerce and industry • Labor federations/ organizations 	<ul style="list-style-type: none"> • Tripartite Resolution on the two-tiered wage system drafted and is currently for technical review. 		<ul style="list-style-type: none"> • Implemented policy reforms on minimum wage fixing that centers on two-tiered wage system consisting of <u>floor or living wage</u> for the most vulnerable workers and <u>productivity-based wages</u> for wages above the floor. Through this approach which tightens the link between wages and productivity, it is envisioned that there will be minimal distortions, inflationary shocks would be reduced, the design of complementary pay structures based on performance will be encouraged and collective bargaining will flourish.

Agenda 9

Review the continued deployment of workers to countries, which are high-and medium-risk areas, and the continued deployment of workers in high-risk occupations.

**DOLE'S CORE
MANDATE**

WORKERS WELFARE AND PROTECTION

**DECENT WORK
PILLAR**

**PILLAR 1: RIGHTS AT WORK
PILLAR 2: EMPLOYMENT OPPORTUNITIES**

**MAJOR FINAL
OUTPUT**

MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES

**WORLDWIDE
GOVERNANCE
INDICATOR**

REGULATORY QUALITY

**BASIS FOR
REFORMS**

Studies and reports from the POEA and overseas labor offices abroad show that low-skilled migrant workers particularly those working in private households in high risk areas are vulnerable to abuse and exploitation. In 2006 and 2007, a package of reforms was introduced to establish higher labor standards for migrant domestic workers resulting to reduction in their deployment. However, there is again an upsurge in deployment figures in 2009 making it imperative to reviews policies and programmes on deployment of workers.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
Expansion of protection measures for migrant workers thru the full implementation of RA 10022	<ul style="list-style-type: none"> Implementation of a comprehensive program of prevention, protection, and reintegration services for migrant workers. 	<ul style="list-style-type: none"> POEA – improved pre-departure services Philippine Overseas Labor Offices – expanded on-site services NLRC/POEA – faster case resolution services OWWA/NRCO – holistic reintegration services 	<ul style="list-style-type: none"> Other government agencies concerned with migrant workers – fulfill their respective tasks under RA 10022 Migrant workers associations and non-government organizations – social services including, psychosocial counseling, legal assistance, and medical services 	Repatriation of distressed and overstaying OFWs		<ul style="list-style-type: none"> OFWs staying in POLOs have been repatriated, as follows: Jeddah – 698 Kuwait – 213 Bahrain – 38 Malaysia – 51 Dubai – 89 Abu Dhabi – 38 Libya – 53 Jordan – 38
Decrease deployment of low-skilled workers in work prone to abuse and exploitation	<ul style="list-style-type: none"> Strict implementation of Reform Package for Household service workers 	<ul style="list-style-type: none"> POEA – ensure that deployment requirements are strictly complied with POLOs – expedite on-site services for HSWs OWWA/NRCO - provide reintegration (personal, 	<ul style="list-style-type: none"> DFA – facilitate immediate repatriation of returning HSWs Migrant workers associations and non-government organizations – social services including, psychosocial counseling, legal assistance, and medical services 			<ul style="list-style-type: none"> Assessment of the HSW reform package conducted by ILS POEA submitted draft action plan for harmonization with BWC Report to be submitted by September

		community, and economic) services for the HSW				
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Agenda

10

Create an efficient “one-stop” for processing applications for overseas work and seeking redress for grievances

DOLE’S CORE MANDATE

WORKERS WELFARE AND PROTECTION

DECENT WORK PILLAR

**PILLAR 2: EMPLOYMENT OPPORTUNITIES
PILLAR 3: SOCIAL PROTECTION**

MAJOR FINAL OUTPUT

MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES

WORLDWIDE GOVERNANCE INDICATOR

GOVERNMENT EFFECTIVENESS

BASIS FOR REFORMS

The Philippines is one of the world’s leading sources for skilled and unskilled workers with up to nine million people, about 10% of the population, living and working in 140 countries.¹⁰ In 2009, 1,442, 586 Filipinos left the Philippines to work overseas.¹¹ With the growing number of Filipinos being deployed to work overseas, it is important that they are provided with venues for their grievances.

¹⁰ 2009 Stock estimate of Filipinos Overseas

¹¹ www.poea.gov.ph

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
Establishment of OWWA-NRCO Reintegration Centers or PESO	<ul style="list-style-type: none"> Develop one-stop centers that can be used to help Filipinos find jobs in both the domestic and international scene 	OWWA – NRCO	<ul style="list-style-type: none"> Partnership with UN Organizations through the JP on Youth, Employment and Migration 			<ul style="list-style-type: none"> Established 559 Help Desks from 2004-2009 of which 457 are Active Help Desks; and newly-established Help Desks in 2010.
Expansion of grievance mechanisms for OFWs	<ul style="list-style-type: none"> 24/7 Hotlines for OFWs in partnership with telecommunication companies <p>Presence of migrant workers desk in different destinations</p>	OWWA, POEA, ILAB, POLO	<ul style="list-style-type: none"> Bilateral Labor Agreements with host countries 			

Agenda 11	Audit the Overseas Workers Welfare Administration to rationalize the management of its funds, in terms of the benefits provided as well as how the funds are invested
DOLE'S CORE MANDATE	GENERAL ADMINISTRATION WORKERS WELFARE AND PROTECTION
DECENT WORK PILLAR	PILLAR 3: SOCIAL PROTECTION
MAJOR FINAL OUTPUT	MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES
WORLDWIDE GOVERNANCE INDICATOR	CONTROL OF CORRUPTION
GLOBAL COMPETITIVENESS INDICATOR	PILLAR 1: INSTITUTIONS
BASIS FOR REFORMS	<p>The mandatory contribution of \$25 of foreign employers, land-based and sea-based workers needs to be subjected to internal control policies by the board of trustees and pre-audit procedures of COA to avoid repeated allegations of mismanagement and misuse. This will ensure that OWWA funds “that every centavo spent is for a purpose authorized under OWWA’s mandate.”¹²</p>

¹² www.owwa.gov.ph. Safeguards assure OWWA fund cannot be diverted for election purposes

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
Strengthening of internal control policies	<ul style="list-style-type: none"> Ensure that the board of trustees is a multi-sectoral group that will work towards the protection of the interests of their respective groups 	OWWA	COA NGOs			<ul style="list-style-type: none"> Preliminary meeting with actuary conducted
Establishing mechanisms directed at improving fund management	<ul style="list-style-type: none"> As stated in Article VI of the OMNIBUS POLICIES, OWWA shall ensure that all investments instruments are periodically inventoried, kept at a government bank under a custodianship agreement. 	OWWA	COA NGOs			

Agenda

12

Work with the DFA to transform Philippine embassies, consular offices and POLOs into centers of care and service for overseas workers by assigning more foreign service officers to posts where there are many OFWs and train them in the needs of the communities they serve

**DOLE'S CORE
MANDATE**

WORKERS WELFARE AND PROTECTION

**DECENT WORK
PILLAR**

PILLAR 3: SOCIAL PROTECTION

MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES

**GLOBAL
COMPETITIVENESS
PILLAR**

PILLAR 1: INSTITUTIONS

**WORLDWIDE
GOVERNANCE
INDICATOR**

GOVERNMENT EFFECTIVENESS

**BASIS FOR
REFORMS**

To adopt a more holistic approach in ensuring the welfare and protection for OFWs; improve quality of services to OFWs; facilitating cultural adjustments

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Strengthening/ expansion of onsite protection measures for OFWs</p>	<ul style="list-style-type: none"> Establishment of MWOFRFC per RA 10022 (<i>Rule X.D. Establishment of MWOFRFC</i>) <p>Transformation of posts into centers of care (<i>indicated by new work plans of posts which includes post-arrival seminars; financial literacy training and other core-seminars; counseling services; cultural assimilation</i>)</p>	<p>OWWA, ILAB and POLO (under country team approach)</p>	<p>DFA NGOs IOM</p>			

Agenda

13

Invest in the formal and regular skills training and upgrading of our service worker with TESDA and utilize returning OFWs to conduct trainings so that they may transfer skills learned abroad

DOLE'S CORE MANDATE

WORKERS WELFARE AND PROTECTION

DECENT WORK PILLAR

PILLAR 2: EMPLOYMENT OPPORTUNITIES

MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES

GLOBAL COMPETITIVENESS PILLAR

PILLAR 1: INSTITUTIONS

BASIS FOR REFORMS

Workers need to develop new skills or upgrade their skills as a response to the ever-changing economy. "Skills are key to a better job and a better life". However, those who need them are often times those that can't afford it. Through government intervention and industry support, skills training and upgrading for service workers will be accessible to all.

As previously mentioned, the nature of temporary migrant workers overseas employment will lead to return migration. In order to address the personal and economic concerns that return migration could create, a responsive reintegration program that would provide the skills to find decent jobs within the country, allow them the option to become entrepreneurs, or seek employment abroad, is necessary. Engaging returning migrants, as facilitators/trainers, will allow for a timely and up-to-date skills training and upgrading.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
Advocate for tech-voc education for service workers	<ul style="list-style-type: none"> Expand coverage for tech-voc trainings and scholarships particularly on skills and occupations required by seven growth areas 	TESDA with DepEd and CHED <ul style="list-style-type: none"> Integration of tech-voc in basic education up to the tertiary level 	<ul style="list-style-type: none"> Reactivation of industry boards to tighten industry and academe linkages for skills development in priority sectors 			
Strengthening reintegration of OFWs	<ul style="list-style-type: none"> Reintegration Program <ul style="list-style-type: none"> A program for the member-OFWs economic and social reintegration through business counseling, community organizing, financial literacy seminars, networking with support institutions, social preparation programs and livelihood loans. 	OWWA, NRCO	Industry partners NGOs Professional Organizations			<ul style="list-style-type: none"> Granted 2,556 scholarship to member-OFWs under the Skills-for-Employment Scholarship Program (SESP)

Agenda

14

Fully implement the Anti-Trafficking in Persons Act of 2003. Pursue and prosecute those engaging in illegal and predatory activities, including fixers, scammers and especially traffickers that target women and children.

DOLE'S CORE MANDATE

WORKERS WELFARE AND PROTECTION

DECENT WORK PILLAR

**PILLAR 1: RIGHTS AT WORK
PILLAR 3: SOCIAL PROTECTION**

MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES

WORLDWIDE GOVERNANCE INDICATOR

RULE OF LAW

BASIS FOR REFORMS

The US DOL report classified the Philippines in the Tier 2 – Watch List category for two 2009 and 2010 now. Being in this category means that the Philippine government does not fully comply with the minimum standards for the elimination of trafficking, however, it is making significant efforts to do so. Being in Tier 2 for two consecutive years makes the Philippines a candidate to Tier 3 in the 2011 report. Countries in this tier are subject to potential non-humanitarian and non-trade sanctions. With the objective of being removed from the Tier 2 Watch List, the DOLE has formulated a comprehensive response on prevention, protection, prosecution, and reintegration for migrant workers. International organizations as well as the strong network of partners against trafficking in the country, including non-government organizations, are part of the concerted effort to prevent trafficking in persons and provide services to trafficked migrant workers.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Intensification of anti-trafficking efforts thru preventive, protection, prosecution, and reintegration strategies</p>	<ul style="list-style-type: none"> • Implementation of Rule VI of RA 10022 on <i>Anti-Illegal Recruitment</i> • Establishment of task forces on illegal recruitment in Cebu, Clark, and Zamboanga. • Strict implementation of the HSW Reform Package • Faster repatriation of trafficked migrant workers • Provision of psychosocial counseling, legal assistance, and referral to medical assistance to trafficked migrant workers (onsite and upon return) • Use of deposition of cases and interrogatories to facilitate prosecution process • Adoption of three-pronged approach to reintegration- personal, family, and community reintegration 	<p>POEA POEA POEA, POLOs OWWA, POLOs POEA, OWWA, NLRC POEA, POLOs OWWA, NRCO</p>	<ul style="list-style-type: none"> • Other government agencies to do their tasks as mandated in Rule VI of RA 110022 <p>DFA to facilitate repatriation of cases</p> <p>Migrant workers associations, non-government organizations to help government in providing these services</p> <p>Non-government organizations to help in providing shelter and reintegration services</p>			<ul style="list-style-type: none"> • OWWA is in the process of drafting the curriculum for PDOs for families of departing OFWs.

Agenda 15	Assists OFWs in achieving financial stability through training, investment and savings program.
DOLE'S CORE MANDATE	EMPLOYMENT FACILITATION
DECENT WORK PILLAR	PILLAR 3: SOCIAL PROTECTION
MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES	
WORLDWIDE GOVERNANCE INDICATOR	GOVERNMENT EFFECTIVENESS
BASIS FOR REFORMS	<p>In 2009 remittances of Overseas Filipino Workers reached USD 17,348,052, however harnessing these remittances for development remains a serious concern. In 2004 an ADB study cited that bulk of the remittances of OFWs was utilized for consumption. In 2006, the ILS study on Remittances for Investments: The Case of the Philippines stressed that remittances are being used to meet the family's basic including food, shelter, clothing, health, and education. With little surplus income, OFWs find difficulty in engaging in productive investments such as involvement in the money market, business projects and entrepreneurial undertakings. Based on the study, OFWs are willing to invest but there are certain considerations that have to be met before they do. According to the study, one of the challenges that need to be addressed is the <i>low consciousness on the importance of savings and investment</i>.</p>

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
Reintegration of returning OFWs into productive options such as entry to highly technical jobs, livelihood and entrepreneurial development, better wage employment and investment of savings	<ul style="list-style-type: none"> RA 10022 (<i>Rule X.C. Establishment of NRC</i>) 	<p>NRCO</p> <ul style="list-style-type: none"> Provide a mechanism for reintegration of returning OFWs <p>OWWA and POEA</p> <ul style="list-style-type: none"> Formulate a program to motivate migrant workers to plan for productive options <p>TESDA, TLRC and other government agencies involved in training</p> <ul style="list-style-type: none"> Give priority to returnees who had been employed as domestic helpers or entertainers. 	<ul style="list-style-type: none"> LGUs OFW Family Circles (livelihood and self-employment activities) GFIs (financial and investment portfolio) DTI (advise on investments) 			<ul style="list-style-type: none"> OWWA has conducted 84 Financial Literacy Seminars (FLS) with 3,682 participants in 17 regions nationwide <p>It likewise conducted 74 FLS with 2,640 participants in overseas posts.</p>

Agenda 16	Address the social costs of migration by working closely with communities and families of OFWs to provide effective social welfare services such as counseling and pre-departure orientation seminars. Support the creation or strengthening of community-based support groups for families of OFWs
DOLE'S CORE MANDATE	WORKERS WELFARE AND PROTECTION
DECENT WORK PILLAR	PILLAR 3: SOCIAL PROTECTION
MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES	
GLOBAL COMPETITIVENESS PILLAR	PILLAR 1: INSTITUTION
WORLDWIDE GOVERNANCE INDICATOR	GOVERNMENT EFFECTIVENESS
BASIS FOR REFORMS	According to NRCO, one of the primary reasons why the Philippine Government implements a reintegration program is to mitigate the social cost of migration. As overseas employment brings economic benefits to the Filipino family and the country, it also causes certain social strains. Economic benefits come with a steep price – the separation of family members, which in many instances, lead to estrangement among family members, or worse, to family disintegration.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Strengthen/ Expansion of protection measures for OFWs</p>	<ul style="list-style-type: none"> • Redesign PDOS • Conduct of PEOs • Faster processing time of OFW and employment related documents (POEA) • Issuance of Deployment Clearance by the POEA Governing Body on countries certified by the DFA per RA 10022 (POEA) • Creation of overseas one-stop shops at provincial levels 	<p>OOWA, POEA with DFA</p>	<p>LGUs</p> <p>NGOs</p> <p>DSWD Social Support Groups</p>			<ul style="list-style-type: none"> • OOWA has organized 2,845 OFWs Family Circles (OFCs) which are as follows: <ul style="list-style-type: none"> - 24 new OFCs in 2010 - 3 women organizations - 20 youth organizations - 69 OFCs with mixed membership

Agenda 17	Improve the seafarer's upgrading program, credit/loaning program, self-insurance coverage program, which includes life insurance, burial, disability and dismemberment benefits and reintegration program
DOLE'S CORE MANDATE	WORKERS WELFARE AND PROTECTION EMPLOYMENT FACILITATION MAINTENANCE OF INDUSTRIAL PEACE
DECENT WORK PILLAR	PILLAR 2: EMPLOYMENT OPPORTUNITIES PILLAR 3: SOCIAL PROTECTION PILLAR 4: SOCIAL DIALOGUE
MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES/MFO 1: JOB SEARCH ASSISTANCE SERVICES	
WORLDWIDE GOVERNANCE INDICATOR	GOVERNMENT EFFECTIVENESS REGULATORY QUALITY
BASIS FOR REFORMS	<p>The Philippines is considered as the biggest supplier of maritime manpower in the industry. In 2008, a total of 1,236,013 sea-based Overseas Filipino Workers were deployed. This number ballooned to 1,422,586 in 2009.¹³ Majority of Filipino seafarers opt to work abroad because of higher wages and better social protection mechanisms. Domestic seafarers often shoulder their training costs which hinder them from being promoted and entice them to find employment outside of the country. However, without these upgrading courses, the positions that they can qualify for will be limited to lower positions should they decide to work overseas.</p> <p>There is also a need to ensure that assistance will be provided to seafarers as they process monetary claims in case of death and personal injury. The availability of credit and loan programs all over the country will be beneficial as they recover from injuries or when they decide to venture into productive options upon return to the country.</p>

¹³ Current Labor Statistics. April 2010

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Advocate for subsidy for upgrading courses for seafarers</p>	<ul style="list-style-type: none"> • Seafarers' Upgrading Program <p>The program intends to provide training assistance to seafarers for upgrading and updating of knowledge and skills through sponsorships. Up to Php 7,500.00 in scholarship grants are available per seafarer.</p>	<p>OWWA</p>	<ul style="list-style-type: none"> • Industry Consensus on the benefits of subsidizing training courses 			<ul style="list-style-type: none"> • Conduct review of education programs. (OWWA) • Ongoing preparation on the development of a Training Program on Anti-Piracy (MTC). <p>Ongoing regular schedule (twice a week with 150-250 examinees per week) of walk-in examinees for seafarers in 5 test centers and an additional 2 test centers in NRC and AMOSUP.</p> <p>Coordinated with Filipino Association for Mariners Employment (FAME) who provided and shouldered 10 additional evaluators for the expeditious and efficient issuance of STCW 95 Certificates.</p>
<p>Institutionalize grievance agency/committee for seafarers for claims and insurance coverage</p>	<ul style="list-style-type: none"> • Establish an independent seafarer grievance committee for fast and accessible means of resolving seafarer claims relating to employment • Provision of Insurance Coverage per RA 10022 <ul style="list-style-type: none"> - Policy coverage/benefits cover accidental death, natural death, permanent total disablement, repatriation cost, money claims, compassionate visit, medical evacuation, medical repatriation - Certificate of insurance coverage as requirement for POEA exit clearance (OEC) 	<p>NLRC</p> <p>POEA</p> <p>BLR</p>				
<p>Strengthening</p>	<ul style="list-style-type: none"> • Establishment of NRCO per RA 	<p>OWWA</p>	<p>OFWs Family Circle</p>			

reintegration of returning Sea-based OFWs	1002 which “shall provide a mechanism for their reintegration into the Philippine society, serve as a promotion house for their local employment, and tap their skills and potentials for national development”.	NRCO TESDA POEA	LGUs DTI			
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Agenda 18	Complete a global trading master plan that aims to establish worldwide trading posts that rely on the labor, knowledge and entrepreneurial spirit of overseas Filipino workers (OFWs)
DOLE'S CORE MANDATE	EMPLOYMENT FACILITATION WORKERS WELFARE AND PROTECTION
DECENT WORK PILLAR	PILLAR 2: EMPLOYMENT OPPORTUNITIES PILLAR 3: SOCIAL PROTECTION
MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES/MFO 1: JOB SEARCH ASSISTANCE SERVICES	
WORLDWIDE GOVERNANCE INDICATOR	GOVERNMENT EFFECTIVENESS
BASIS FOR REFORMS	<p>The country's experience on facilitating the outflow of workers for overseas jobs has proven to have a substantial effect not only on the development of families left behind but also on national development. However, while OFW remittances have been credited for keeping the economy afloat in the past 10 years, sending workers abroad should not be treated as the sole option for Filipino workers to attain better lives and for the country to enhance development. The current thrust is to prepare OFWs for effective reintegration into their communities by motivating them to engage in productive activities so that overseas employment no longer becomes the only recourse but just among the options they may take. Reintegration policies and services should thus enhance the OFW's entrepreneurial spirit so that monies earned overseas may be used for productive and sustainable purposes.</p>

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Full implementation of Sections 14-16 of the IRR of RA 10022 on NRCO, its functions and the development of a program on motivating migrant workers to plan for productive options to overseas work</p>	<ul style="list-style-type: none"> • Establishment of a “Migrant-Entrepreneur Programme” that offers the following services for both on-site OFWs and those returning from overseas work: <ul style="list-style-type: none"> - Assessment of capacity for entrepreneurship - Trainings on basic business competencies such as accounting, sales and marketing, inventory, and branding - Training or upgrading of skills that are relevant to the business undertaking of the migrant-entrepreneur - Clustering of migrant-entrepreneurs with related products or services for better competitiveness in both the global and local market and sharing of technology or knowhow - Finance and loan facilities for business upgrading/expansion - Marketing roadshows at overseas posts 	<p>OWWA-NRCO</p> <ul style="list-style-type: none"> - Entrepreneurship capacity-building among OFWs and their families as reintegration service - Coordination with DTI for identification of industries or sectors with global market niches <p>ILAB, POLOs</p> <ul style="list-style-type: none"> - Entrepreneurship capacity-building among OFWs as on-site service - Coordination with trade attaches for setting up of trading posts <p>TESDA</p> <ul style="list-style-type: none"> • Skills training or upgrading for OFWs and their families as support to entrepreneur-rial undertakings <p>ILS</p> <ul style="list-style-type: none"> • Research toward documentation of productive use of 	<ul style="list-style-type: none"> • Coordination with local business leaders/chambers for clustering of products or services • Coordination with financial institutions • Coordination with multinational corporations under a “big brother-small brother” arrangement • Coordination migrant NGOs onsite and in local communities 			<ul style="list-style-type: none"> • Ongoing review of its rules and procedures on the accreditation and monitoring of training centers and issuance of STCW Certificates. (MTC)

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
		migrant remittances focused on entrepreneurial activities				

Agenda 19	Facilitate the reintegration of returning OFWs by favorable terms of investments, tax incentives, access to government financial institutions, and other benefits that are offered to foreign investors
DECENT WORK PILLAR	PILLAR 3: SOCIAL PROTECTION
DOING BUSINESS INDICATORS	STARTING A BUSINESS
GLOBAL COMPETITIVENESS INDICATOR	PILLAR 8: FINANCIAL MARKET SOPHISTICATION
MFO 6: SOCIAL PROTECTION AND WELFARE SERVICES	
BASIS FOR REFORMS	In 2008, the stock estimate of temporary Filipino migrant workers is 3,626,259. The temporary nature of their overseas employment status points to the inevitability of return migration, which needs to be confronted as it poses adjustment problems for both the migrant returnees and their families. Such problems could only be managed by implementing an effective reintegration program directed to address the personal and economic reintegration issues of returning migrants.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Strengthening reintegration of returning OFWs</p>	<ul style="list-style-type: none"> • Reintegration Program per RA 10022 (OWWA, NRCO, TESDA, POEA) • New work plans of Posts submitted and implemented for the 2nd half 2010 (to include post-arrival seminars; financial literacy training and other core-seminars; counseling services; cultural assimilation) 	<p>OWWA, NRCO, TESDA, POEA</p>	<ul style="list-style-type: none"> • LGUs • FWs Family Circles (livelihood and self-employment activities) • GFIs (financial and investment portfolio) • DTI (advise on investments) • Bankers' Association of the Philippines, SSS, Pag-IBIG, HUDCC 			<ul style="list-style-type: none"> • Intensified the ongoing implementation of the following programs: <ul style="list-style-type: none"> - Comprehensive Reintegration Program – redesigned the program in accordance with RA 10022 & IRR. - Anti-illegal Recruitment (AIR) campaign at the community level– redesigned the program in accordance with RA 10022 & IRR. <ul style="list-style-type: none"> ✓ Conducted 7 Anti-illegal Recruitment Campaign (AIR) seminars for PESO managers, barangay officials and law enforcers; 20 surveillance operations and established AIR Task Forces in Clark, Cebu and Zamboanga; ✓ Conducted 16 Pre Departure Orientation Seminars (PEOS) - Rights-based PEOS, PEOS on Wheels and PEOS on Air

Agenda

20

Regularly package and disseminate information on agency budgets, bidding and procurement documents and SALNs of senior government officials, to ensure transparency and accountability

DOLE'S CORE MANDATE

GENERAL ADMINISTRATION

GLOBAL COMPETITIVENESS INDICATOR

PILLAR 1: INSTITUTION

WORLDWIDE GOVERNANCE INDICATOR

CONTROL OF CORRUPTION

BASIS FOR REFORMS

The call of the current administration for increased transparency and accountability requires that government officials must periodically and honestly accomplish the SALN. This will be coupled with information about agency spending: who gets how much money, performance information about contractors, lobbying information about contractors, and audits of grant/contract recipients.

Together, this will increase the integrity and confidence of the citizens in government.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
<p>Ensure transparency through dissemination of SALNs</p> <p>Review of procurement-related activities</p>	<ul style="list-style-type: none"> • Posting of consolidated (DOLE Offices, Bureaus, ROs and AAs) Inventory of Assets, Government Bank Accounts, Fees Charged and Other Potential Sources of Funds/Income • Posting of Invitation to Bid/Supplemental Bid Bulletin including bidding results Invitation of Outside Observers – Commission on Audit (COA), Procurement Watch, Philippine Chamber of Commerce, Inc. (PCCI), and Sole and Exclusive Negotiating Agent (SENA) • Reconstitution of the Bids and Awards Committee (BAC) into a Single BAC. • Reactivation of BAC in all ROs. 	<p>AS, FMS</p> <p>BAC of CO/AS</p> <p>ROs and AAs</p> <p>FMS, AS</p> <p>FMS, ROS</p>	<p>COA</p> <p>DBM</p>			<ul style="list-style-type: none"> • Memo informing officials to post their net worth in the DOLE Website based on their SALNs was disseminated on September 3. Actual posting will start on September 6. • Continuing • Continuing • Reconstituted in August 2010 through AO No. 247-A dated August 9, 2010 issued on August 20, 2010. • Reactivation started in August 2010

Agenda

21

Ensure that the DOLE and its attached agencies are streamlined and rationalized to have clear-cut and distinct mandates and that qualification standards, especially on eligibility, will be strictly followed.

DOLE'S CORE MANDATE

GENERAL ADMINISTRATION

GLOBAL COMPETITIVENESS INDICATOR

PILLAR 1: INSTITUTION

WORLDWIDE GOVERNANCE INDICATOR

GOVERNMENT EFFECTIVENESS

BASIS FOR REFORMS

The mandate of Republic Act 9206, as reenacted, authorizing the President to direct changes in the organizational units or key positions in any agency; require the executive branch to conduct comprehensive review of its mandates, missions and operations; and implement structural and functional adjustments to improve the delivery of government services.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
Streamlining of Procedures	<ul style="list-style-type: none"> • Continuous monitoring and updating of the implementation of the Citizens Charter and its Citizens Feedback Mechanism in CO, ROs, AAs and POLOs. • Updating of Inventory of Processes (Frontline and Support Services) • Consolidating and posting of Inventory of Assets, Government Bank Accounts, Fees Charged, and Other Potential Sources of Funds • Conduct of screening process for 3rd level positions. • Strict compliance with CES eligibility requirements for non-CESOs 	<p>FMS and Anti-Red Tape Act (ARTA) Champions/ Alternates in ROs and AAs</p> <p>All offices</p> <p>HRDS</p>	CSC	<ul style="list-style-type: none"> • Consolidation of report from DOLE ROS on the status of implementation of the Citizen's Charter 		<ul style="list-style-type: none"> • Continuing issuance of Memorandum to all DOLE ROs directing the submission of implementation status. • Inventory on-going • The DOLE Search Committee conducted screening deliberation on September 8 for the existing 19 3rd level vacant positions and for positions currently occupied by Non-CESOs. • Prior to this, memo issued to all offices to have the profile and documentary requirements of 3rd level non-CESOs and those holders of Sg 24-26 interested in 3rd level positions be submitted to HRDS and clients. • HRDS conducted a refresher course on subjects that may possibly be covered in MATB (e.g., leadership and management, financial analysis, data interpretation, and reading comprehension)

Agenda

22

Work with the CSC to ensure that performances of government agencies and civil servants will be evaluated rationally and systematically through an effective and measurable performance management system to be approved by the CSC such as directly linking the CSC Performance Management System-Office Performance Evaluation System (PMS-OPES) with the DBM Organizational Performance Indicator Framework (OPIF) to ensure the accountability of government agencies and officials

DOLE'S CORE MANDATE

GENERAL ADMINISTRATION

GLOBAL COMPETITIVENESS INDICATOR

PILLAR 1: INSTITUTION

WORLDWIDE GOVERNANCE INDICATOR

GOVERNMENT EFFECTIVENESS

BASIS FOR REFORMS

The PMS-OPES will address the accountability concern in government agencies by measuring the collective performance of an office focusing on the outputs of the employees. It also uses a standard unit of measure, therefore allowing comparison across offices or function and applies to the smallest output-producing units such as divisions or sections.

The PMS-OPES addresses the demand to produce tangible results, sets uniform standards for common outputs and allows management to look at relative efficiencies of units.

ACTION AREAS

POLICY REFORMS	PROGRAM RESPONSE	INSTITUTIONAL MECHANISM	PARTNERSHIPS IN GOVERNANCE	TARGET (Jul.-Dec. 2010)	BUDGET	ACCOMPLISHMENT (as of 21 Sept. 2010)
Full Implementation of PMS - OPES	<ul style="list-style-type: none"> • Orientation on CSC's PMS – OPES • Facilitators' Training • Documentation in preparation for the 2011 full implementation 	<p>HRDS HRDS All Offices</p> <p>HRDS</p>				<ul style="list-style-type: none"> • Orientation for all officials held during the DOLE MYPA and Corplanning Exercise • Training for the HRMOs and Chief Administrative Officers of DOLE offices to be conducted during the Consultation-Workshop on PMS-OPES and HRD Programs in Support of the 22-Point Agenda on September 14-16.