

# PHILIPPINE JOURNAL OF LABOR STUDIES

ISSN 2672-3751 • VOLUME 1 NO. 1 • JULY 2019

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# Philippine Journal of Labor Studies

Volume I No. 1

July 2019

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The Philippine Journal of Labor Studies (ISSN 2672-3751) is published annually by the Institute for Labor Studies (ILS) of the Department of Labor and Employment (DOLE).

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# Philippine Journal of Labor Studies

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Volume 1 No. 1

July 2019

ISSN 2672-3751

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# Foreword

Since 2012, the Department of Labor and Employment (DOLE), through its policy research and advocacy arm, the Institute for Labor Studies (ILS), has been conducting its annual research conference as a culminating activity of the Inter-Agency Committee on Research Matters with various themes that centered on promoting decent work for all. A total of 121 studies have been presented by DOLE agencies in the areas of employment, rights at work, social protection, and social dialogue.

The researches for this year reflect the theme of the 2018 DOLE Research Conference: “Looking Inward and Thinking Forward in Achieving Decent Work for All,” and underscore the strategy of DOLE in formulating timely, appropriate, and evidence-based policies, as well as relevant and stakeholder-centered programs and activities.

Looking inward in the context of research means looking at the Department’s own policies and programs and being able to review their effectiveness, relevance, and applicability. This is evident in the papers on the review of bilateral labor agreements and on the assessments of the DOLE Integrated Livelihood Program, DOLE programs for displaced workers, employment injury benefits of the Employees’ Compensation Commission (ECC), migrant shelters of Overseas Workers Welfare Administration (OWWA), and employment of migratory sugar workers. The papers also looked at how certain advocacies are being adopted such as gender mainstreaming in trade unions, alongside issues and concerns arising from multi-employer bargaining scenarios.

Thinking forward in research enables us also to anticipate challenges and opportunities in the world of work to ensure protection of workers and enhance their employability. Significantly, researches for 2018 include exploratory studies to provide guiding principles for an ideal labor and employment governance set-up in a ‘Federal Philippines,’ and to determine the decent work prospects of workers in off-site work arrangements and fisherfolks in small-scale commercial fishing.

Part of the conscientious process of coming out with the researches in this volume included the review and approval of the proposals by the ILS Executive Director for submission to its target client. The initial research drafts were then presented in a validation forum, and were eventually subjected to a peer review guided by the provisions on providing feedback of the Research Ethics and Gender Responsive Research checklists. Prior to its publication, these researches have also been presented to the Institute’s various stakeholders during the DOLE Research Conference held in 2018.

The ILS anticipates that further researches are needed on the emerging forms of workplace arrangements, the rise of non-standard forms of employment, and the role of universal social protection in a stable and just future of work. These issues need to be tackled to help DOLE formulate its strategic actions and to take the lead in further understanding the regulatory and program management implications of the future of work.

***Ahmma Charisma Lobrin-Satumba***  
***Executive Director III***

# A Review of Bilateral Labor Agreements Concluded by the Philippines with Countries of Destination: Toward a Framework for Monitoring And Evaluation

Bernard Paul M. Mangulabnan || Carl Rookie O. Daquio

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## ABSTRACT

*The past two decades saw the Philippines actively engaging with several countries of destination on issues relating to the promotion and protection of migrant labor. This was manifested in the resurgence of concluded bilateral labor agreements (BLAs) to regulate existing flows and to open new labor migration flows. However, the diversity of contexts and political motives with which these agreements were signed bring immense challenges to the Department of Labor and Employment in terms of implementation, monitoring, evaluation, and follow-up. In this context, the study aims to collect and map out all valid BLAs concluded by the Philippines with countries of destination; assess their compatibility with international norms and national standards; and propose a monitoring and evaluation framework. The study finds that this is the first mapping exercise of Philippine BLAs based on a content analysis of 43 valid agreement texts and 18 Joint Committee Meeting records. The review finds some challenges that need to be addressed if the Philippines is to strengthen the texts of its BLAs in terms of promoting and protecting the rights of overseas Filipino workers (OFWs) and their families. Meanwhile, the proposed framework adopts a holistic interpretation of protecting OFWs as to consider the full breadth of migration cycle starting from pre-departure, then post-arrival and lastly, exit, return and re-integration. To fully operationalize the framework, it is necessary to conduct preparatory and foundational activities such as: enabling the policy environment through the creation of functioning coordination structures within DOLE; determining baseline data on internal and international migration; and lastly, establishing, processing and harmonizing administrative based data on migration from relevant agencies.*

## INTRODUCTION

The past two decades saw the Department of Labor and Employment (DOLE) of the Philippines actively engaging with several countries of destination on issues relating to the promotion and protection of migrant labor. This is evidenced by the resurgence of use of bilateral labor agreements (BLAs) to regulate existing flows and to open new labor migration flows. As demand for certain types of expertise of Overseas Filipino Workers (OFWs) continue to rise and as deployments overseas remain unabated, the forging of BLAs has become one of the enduring features of government intervention to cope up with the complexities of migration across borders. BLAs are formal agreements, in written form, entered into by the Philippines with countries of destination to govern deployment, labor cooperation on the protection and promotion of rights and welfare of OFWs, and human resources development (DOLE, 2018). In this context, BLAs provide the Philippine government with opportunities to enable migration flows to be more transparent, more predictable and more formalized as a mutually shared undertaking with destination countries.

As of October 2018, the Philippines has succeeded in entering 43 valid bilateral labor agreements with 27 key countries of destination. The importance of entering into BLAs is enunciated in Republic Act No. 10022 or the Migrant Workers and Overseas Filipinos Act, which provides that the State shall allow the deployment of OFWs only in countries where the Philippines has concluded a bilateral agreement or arrangement with the government of the receiving country on the protection of the rights of OFWs. In the international arena, the International Labour Organization (ILO) has long recognized the role of BLAs in governing labor migration. The ILO Migration for Employment Recommendation (Revised), 1949 (No. 86) contains a Model Agreement on Temporary and Permanent Migration for Employment, which member-states can use “in framing appropriate clauses for the organization of migration for employment and the regulation of the conditions of transfer and employment of migrants, including refugees and displaced persons.” Likewise, both the 1990 International Convention on the Protection of the Rights of All Migrant Workers and

Members of their Families as well as the 2017 ASEAN Consensus on migrant workers, among other relevant international instruments, highlights the usefulness of BLAs in securing minimum social protections for all migrant workers and members of their families.

It is important to note that agreements concluded by the Philippines with countries of destination vary in forms and in appellations, ranging from legally binding memorandum of agreement (MOA) to non-binding memorandum of understanding (MOU) whose enforcement depends on the good faith and political will of the two contracting parties. The diversity of contexts and political motives with which these agreements were signed bring immense challenges to DOLE in terms of implementation, monitoring, evaluation, and follow-up. In light of the high-profile reported cases of maltreatment of Filipino migrant domestic workers, there is a growing clamor from various stakeholders to review all labor agreements entered by the Philippines with countries of destination. A number of congressional inquiries were called on the first quarter of 2018 to shed light as to how the Department concludes agreements, how BLAs are actually implemented, and whether BLAs contribute to the general development outcomes of the country. These made a general review of BLAs not only topical but also urgent and imperative.

As the policy research arm of DOLE, the Institute for Labor Studies (ILS) saw the great need for a research base to meet the various information requirements concerning the effectiveness of signed BLAs in promoting and protecting the rights of migrant workers, and their role in mitigating the negative effects of overseas migration. This study has been undertaken as part of the ILS' ongoing collaboration with the Philippine Overseas Employment Administration (POEA) and the International Labor Affairs Bureau (ILAB) of DOLE to provide strategic technical support to DOLE senior officials on safe and fair labor migration issues. While the study was prepared for internal use of POEA and ILAB—the two primary DOLE agencies charged with the drafting, negotiation, implementation and follow-up of BLAs—it will be useful for tripartite and other social partners as a tool for engaging the government regarding the current state of Philippine BLAs.

## 1. RESEARCH OBJECTIVES

The study aims to: (1) collect and map out all valid BLAs concluded by the Philippines with countries of destination; (2) assess, from a country of origin perspective (i.e., the Philippines), the content and context of BLAs in light of their compatibility to international norms and standards set by the ILO as well as their adherence to current national migration policies of DOLE; (3) propose a monitoring and evaluation framework based on the findings of the mapping exercise and guided by a review of related literature; and (4) identify areas for improvement and for further collaboration.

## 2. METHODOLOGY

### 2.1 Terminologies and definitions

#### 2.1.1 MOA and MOU

For the Philippines, bilateral labor agreements either take the form of a MOA and its annexes/protocols or MOU and its annexes/protocols. For clarity, this study adopts the definitions of MOA and MOU as provided in DOLE A.O. No. 246, series of 2018:

- **Memorandum of Agreement (MOA):** is an agreement that “details the specific responsibilities of, and actions to be taken by each of the parties, with the view to the accomplishment of their goals. It creates legally binding rights and obligations” (p.2).
- **Memorandum of Understanding (MOU):** is an international instrument in which “the parties have agreements on general principles of cooperation. The MOU describes broad concepts of mutual understanding, goal and plans shared by the parties” (p.2).



MOAs, therefore, are more specific and action-oriented than softer and non-legally binding MOUs (Wickramasekara, 2015). Furthermore, protocols, cooperation frameworks, and other documents of similar appellation that are annexed to a MOA or an MOU constitute as integral parts of such memorandum, and as such may be legally binding or not depending on the instrument on which they are attached to (*see Box 1*).

**Box 1. Diversity of labor agreements included in this study**

Legally binding
<ul style="list-style-type: none"><li>• MOA</li><li>• Protocol to MOA</li></ul>
Non-legally binding
<ul style="list-style-type: none"><li>• MOU</li><li>• Protocol to MOU</li><li>• Special hiring or deployment arrangements</li><li>• Memorandum of Cooperation</li><li>• Administrative arrangements</li><li>• Declaration</li><li>• Letter of intent</li><li>• Joint communique</li><li>• Joint statement</li></ul>
Source: A.O. No. 246, series of 2018

**2.2 Research Methods**

The study employed a qualitative approach to attain the research objectives. First, a literature review was conducted to search for good practices and key thematic concerns in labor migration agreements. In particular, the study builds on the studies conducted by Wickramasekara (2015), which reviews signed BLAs at the global level using a rights-based approach, and Makulec (2014), which reviews select Philippine BLAs in the context of migration of health-care professionals.

To supplement the literature review, key informant interviews (KII) were also conducted with POEA and ILAB officials charged with, and who have first-hand experience in, the drafting, negotiations, implementation, and follow-up of BLAs. Our interviews with POEA and ILAB yielded crucial information as to the status of existing BLAs, including their validity, context of signing, and historical background. Also, the researchers of this study participated in the Workshop on the Review of BLA Guidelines organized by ILAB last 20-22 March 2018. The workshop provided an opportunity to converse with DOLE negotiators regarding the internal processes leading to the signing of BLAs and the post-signing activities, including the conduct of JCMs.

Second, mapping of all known and valid BLAs was carried out in consultation with POEA and ILAB as the custodians of full text BLAs. The mapping resulted to the retrieval of 43 valid and most recently signed bilateral labor agreements, covering countries of destination in the Middle East and Northern Africa, Asia and the Pacific, North America and Trust Territories, and Europe.

Third, a content analysis of mapped BLA texts was conducted with the objective to assess their compatibility to international norms and standards set by the ILO as well as their adherence to current national

migration policies of DOLE. For this part, the recommendatory provisions of 1949 ILO Model Agreement (representative BLA format at the international level) and the mandatory provisions of 2018 Philippine Model BLA (representative BLA format at the Philippine level) were used as criteria for assessment. Both Model BLAs proposed a set of core elements for a good bilateral labor agreement.

Following Wickramasekara (2015), the 1949 ILO Model Agreement was used because it provided a useful international yardstick with which to assess the breadth (comprehensiveness) and depth (quality) of signed Philippine BLAs. The Model Agreement, based on the Migration for Employment Convention (Revised), 1949 (No. 97) and the accompanying Migration for Employment Recommendation (Revised), 1949 (No. 86), contains 29 articles covering responsibilities of both host and destination countries at each level of the migration cycle: departure, transit, stay, and return. And while we recognize that there are some provisions in the Model that need updating in light of the changes in global migration environment (e.g., gender specificities of today's migration is not yet explicitly recognized in the Model, and the role of social partners in the crafting, implementation and monitoring and evaluation of BLAs is not specifically spelled out), many of these key provisions are still relevant: recruitment and placement, transfer of funds, information exchange and action against misleading propaganda, supervision of working and living conditions, and settlement of disputes, among others.

Meanwhile, the Philippine Model BLA, which was issued on March 2018 by ILAB, has the force of presidential directive, and backed by DOLE A.O. signed by the Secretary of Labor. The Philippine Model BLA specifies the standard template for new generation of MOAs and MOUs that would be negotiated by the DOLE with countries of destination. It allows flexibility to edit some contents depending on the context of the country that is being dealt with. However, the following core elements must be reflected in the final agreed text: pre-departure orientation, medical check-up, travel clearance, prohibition from confiscation of passports and mobile phones, provision of social insurance, and standard employment contract, among other important elements. These “non-negotiable” elements, as our key informant interviewees called it, were used in the study as guideposts to identify specific gaps between the signed BLAs and the model BLA that would need to be narrowed to ensure compliance with the aforementioned directives. The identified gaps will also help ILAB and POEA to propose appropriate amendments to previously negotiated BLAs that fall below the minimum provisions of the Philippine Model BLA.

Fourth, a content analysis of available and valid JCM Records of Discussions (ROD) were done to shed light on the common agenda items being discussed as well as the breadth and depth of discourse by both State parties on the issue of the promotion and protection of OFWs. JCM records are important primary sources of information for monitoring and evaluating the quality of implementation of BLAs. Previous reviews of BLAs have not included content analysis of JCM ROD, and thus this is a pioneering attempt at assessing the usefulness of JCM in implementing the provisions of BLAs. Indicators used for the review were primarily sourced from the thematic concerns of both Model BLAs and related literature.

The novelty of this paper is that it is the first mapping exercise of Philippine BLAs undertaken based on a content analysis of 43 valid agreement texts as well as available JCM records. The study also proposes a preliminary monitoring and evaluation framework of BLAs based on major themes drawn from the 1949 ILO Model Agreement and the Philippine Model BLA. We aim that the framework will serve as a tool to evaluate BLAs in terms of promoting and protecting the rights and welfare of Filipino migrant workers, among others, and to sustain a culture of monitoring and evaluation within implementing agencies. As an added layer of validation and to solicit comments, we shared the initial results of this mapping exercise with POEA and ILAB.

### 2.3 Limitations

Results from the content analysis do not necessarily denote actual compliance of the provisions of BLAs. Meanwhile, the proposed framework is still subject for further refinement and may need to undergo more



consultations with various stakeholders to be more robust. The intention of proposing the framework at this stage is to ensure that when tripartite discussions on BLAs have commenced already, there is a guiding document for participants to refer and wrestle with.

### 3. FINDINGS OF THE MAPPING EXERCISE OF PHILIPPINE BLAS

#### 3.1. Historical overview

The earliest recorded use of BLA by the Philippine government, as reflected in POEA and ILAB registries, dates back in 1968 with the United States of America (USA). The agreement aims to strengthen the existing friendly relations between both countries through recruitment and employment of Philippine citizens by the United States military forces and contractors of military and civilian agencies of the United States Government (see **Table 1**). This agreement harks back to the era when the Philippines played host to U.S. military bases, one in Clark and another in Subic. Specifically, the U.S. Navy recruited able-bodied Filipino men to travel overseas, and were offered the option to live in the U.S. after their tour of duty (ASEAN, 2017).

By 1970s to 1980s, large-scale labor migration of OFWs (as known today), abetted by the Marcos administration as a stop-gap measure to address domestic unemployment, began when demand for workers in the oil-rich Middle Eastern countries soared. The Middle East oil boom led to the rise of infrastructure projects among Gulf countries, paving the way for the large-scale formal recruitment of Filipino construction and maintenance workers, as well as labor subcontractors. This is reflected in the BLAs that the Philippines has signed with Libya (1979, expired), Jordan (1981 and 1988, expired), and Iraq (1982, still valid). In fact, our first generation of BLAs is dominated by agreements with countries of destination in the Middle East and Northern Africa region (with Papua New Guinea [1979, expired] as sole exception).

The period from the late 1990s to the first decade of 2000s saw the Philippine government expanding its labor market portfolio beyond the Middle East and pivoting towards new and emerging countries of destination such as Taiwan, Hong Kong, Singapore and South Korea. For instance, we saw the commencement of special hiring program with Taiwan on 1999 and now has undergone five renewals and improvements into the original BLA text within a span of 16 years. Likewise, our history of BLA negotiations with South Korea may be observed as a series of trust and confidence-building measures between State parties, leading to the establishment of a mutually agreed Employment Permit System (EPS), a government-to-government (G-to-G) recruitment arrangement of Filipino workers to South Korea.

The Philippines' first foray to BLA negotiations with Europe started off with Norway (2001, expired) and United Kingdom (2002, expired). Both related to strengthening ties through labor cooperation for the recruitment of health professionals. Up to today, a sizeable chunk of our existing BLAs in Europe remains regulation of migration flows of Filipino health professionals, as seen in our agreements with Germany (2013, still valid), Spain (2006, MOU still valid), and United Kingdom (2003, MOU still valid). Between 1968 to 2000, no bilateral labor agreement with any of the European countries was concluded.

Regarding historical trends of our BLA negotiations in North America and the Trust Territories, not many agreements were concluded in the period after 1969 up to 1993. (Only 2 agreements, one is an original MOU and the second is an amendment to the former, were found in this period, both with the Commonwealth of the Northern Mariana Islands.) It was only in the year 2006 and thereafter that a flurry of agreements came, starting with the Canadian province of Saskatchewan (2013, upgraded and renewed the original 2006) and then followed by Alberta (2008, expired), Manitoba (2008, expired), and British Columbia (2012 & 2015, still valid). It is notable that the bilateral labor negotiation process between the Philippines and Canada is being undertaken via the provincial route i.e., partnering with Canadian

provinces and presently, no BLA at the federal-wide level has been reached yet. On this matter, the Canadian side informed the Philippines that at present, the federal government can only pursue bilateral labor cooperation under the context of a free trade agreement. The provinces of Canada have entered into MOUs with the Philippines on labor cooperation because this clearly falls under the mandate of the provincial governments of Canada. Nonetheless, a BLA under the federal level is still being pursued by the Philippines given the significance of labor migration in the bilateral relations between the two countries.

Combining all bilateral labor agreements concluded by the Philippines since 1968 (including those agreements that have expired, terminated or superseded by their most recently signed), our mapping yielded 68 agreements. Out of these 68, the Middle East and Northern Africa contributed the highest (38 per cent), with the Asia and the Pacific coming in second (32 per cent). Trailing behind are North America and the Trust Territories, which registered 12 out of 68 or almost 18 per cent of the total, and Europe, which had only 8 (or 12 per cent) since 1968.

**Table 1. A historical overview of BLAs by year of signing and regions as of October 2018**

Year of Signing	Asia and the Pacific	No. of BLAs	Middle East and North- ern Africa	No. of BLAs	Europe	No. of BLAs	North America and Trust Territories	No. of BLAs	Total
2018	China	1	Kuwait, Jordan, Jordan, Israel, Israel	5		0		0	6
2017	Japan, Korea	2	Saudi Arabia, UAE, UAE	3		0		0	5
2016	Cambodia	1		0		0		0	1
2015	Taiwan, New Zealand	2		0	Italy	1	Canada, Canada (British Columbia)	2	5
2014	Korea	1		0	Switzerland	1		0	2
2013	Papua New Guinea	1	Saudi Arabia	1	Germany	1	Canada (Saskatchewan)	1	4
2012		0	Jordan, Kuwait, Lebanon, Lebanon	4		0	Canada (British Columbia)	1	5
2011	Taiwan	1		0		0		0	1
2010		0	Jordan	1		0	Canada (Manitoba)	1	2
2009	Japan, Korea, Korea	3		0		0		0	3
2008	New Zealand	1	Qatar	1		0	Canada (British Columbia), Canada (Alberta), Canada (Manitoba)	3	5
2007		0	Bahrain, UAE	2		0		0	2
2006	Korea	1	Libya	1	Spain	1	Canada (Saskatchewan)	1	4
2005	Laos, Korea	2	Saudi Arabia	1		0		0	3
2004	Korea	1		0		0		0	1

2003	Indonesia, Taiwan	2	Bahrain	1	United Kingdom	1		0	4
2002		0		0	Switzerland, United Kingdom	2		0	2
2001	Taiwan	1		0	Norway	1		0	2
2000		0		0		0	Commonwealth of the Northern Mariana Islands (CNMI)	1	1
1999	Taiwan	1		0		0		0	1
1997		0	Kuwait, Qatar	2		0		0	2
1994		0		0		0	Commonwealth of the Northern Mariana Islands (CNMI)	1	1
1988		0	Jordan	1		0		0	1
1982		0	Iraq	1		0		0	1
1981		0	Jordan	1		0		0	1
1979	Papua New Guinea	1	Libya	1		0		0	2
1968		0		0		0	United States of America	1	1

*Note: Includes expired or terminated agreements, and past agreements that were superseded, amended or improved by the most recently signed.*

*Source: Authors' analysis of POEA and ILAB BLA registries*

## 3.2. General trends in valid and most recently signed bilateral labor agreements

### 3.2.1. Type of agreements

MOUs and their annexes/protocols, and a joint communique, which are all non-legally binding instruments, constitute 65% or more than half of the Philippine BLAs that are still valid today (see **Table 2-1**). A number of reasons were proffered in the literature for this preference for concluding agreements via MOU track. Makulec (2014), citing Wickramasekara (2006), noted that the legal status of MOUs makes them easier to negotiate with and to be modified as the need arises. While this is so, the effectiveness of these bilateral mechanisms depends not so much on how legally binding they are but on how both countries actually implement the provisions of the agreement.

**Table 2-1** highlights several regional differences. Majority of these non-legally binding instruments were concluded with countries of destination in the Middle East and Northern Africa, a major region of destination, with 11 (or 26%) MOUs and their annexes/protocols. Asia and the Pacific come in second, with nine (or 21%) MOUs and their annexes, while North America and the Trust Territories have six (or 14%) MOUs including a Joint Communique (with Canada). Meanwhile, the Philippines has two remaining valid MOUs in Europe on labor cooperation for healthcare professionals with United Kingdom (2003) and Spain (2006). The MOU with United Kingdom has not been fully implemented yet since it was ratified (Makulec, 2014), while the MOU with Spain has not been followed-up by a more substantiated protocol elaborating its general provisions.

Meanwhile, among the 15 of the legally binding agreements, one-third (or 30%) are in the form of a MOA, with most of the agreements concluded in the Middle East and Northern Africa region (six or 14%), followed by Europe with 4 and Asia and the Pacific with 2. Among the 13 MOAs signed, only two have protocols further elaborating the agreements: Qatar (2008) and Israel (2018).

**Table 2-1. Valid and most recently signed BLAs by region as of October 2018**

Type of Bilateral Labor Agreement	Asia and the Pacific	Middle East and Northern Africa	Europe	North America and Trust Territories	Others (South America, Africa)	Total	%
<b>A. Legally Binding</b>	<b>2</b>	<b>8</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>15</b>	<b>35</b>
Memorandum of Agreement (MOA)	2	6	4	1	0	13	30
Protocol to MOA	0	2	0	0	0	2	5
<b>B. Non-legally binding</b>	<b>9</b>	<b>11</b>	<b>2</b>	<b>6</b>	<b>0</b>	<b>28</b>	<b>65</b>
Memorandum of Understanding (MOU)	7	8	2	5	0	22	51
Arrangement	1	0	0	0	0	1	2
Protocol to MOU	0	3	0	0	0	3	7
Memorandum of Cooperation	1	0	0	0	0	1	2
Joint Communique	0	0	0	1	0	1	2
<b>Total</b>	<b>11</b>	<b>19</b>	<b>6</b>	<b>7</b>	<b>0</b>	<b>43</b>	<b>100</b>

Source: Authors' analysis of POEA and ILAB BLA registries							
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**Table 2-2** shows the type of BLAs by period of signing. It can be noted that the earliest legally binding agreement was concluded in 1968, and it took 45 years later (in 2013) to see its peak. (Previous years were intermittently one MOA only, while MOAs signed in 2013 shoot up to 3: Papua New Guinea, Saudi Arabia and Germany.) Meanwhile, non-legally binding agreements started to peak during the 2000-2005 period. The highest number of agreements was concluded in years 2012 and 2017.

**Table 2-2. Valid and most recently signed BLAs by type and period of signing as of October 2018**

Year of signing	Legally-binding	Non-legally binding	Total	%
1968	1		1	2
1979				
1981				
1982	1		1	2
1988				
1997	1		1	2
1999				
2000		1	1	2
2001				
2002	1		1	2
2003		3	3	7
2004				
2005		2	2	5
2006		2	2	5
2007		1	1	2
2008	1	1	2	5
2009		1	1	2
2010		1	1	2
2011		1	1	2
2012		4	4	9
2013	3	1	4	9
2014	1		1	2
2015	1	3	4	9
2016	1		1	2
2017	1	4	5	12
2018	3	3	6	14
<b>Total</b>	<b>15</b>	<b>28</b>	<b>43</b>	<b>100</b>
Source: Authors' analysis of POEA and ILAB BLA registries				

### 3.2.2. Thematic concerns of BLAs

In **Table 3**, we show the major thematic concerns of valid and most recently signed BLAs per region.



Overall, there is a primary concern for curbing and preventing irregular migration between the Philippines and the countries of destination. Majority of agreements have explicit provisions relating to increased bilateral cooperation on ethical recruitment, placement, standardization of employment contracts, and involvement of Philippine Overseas Labor Office (POLO) in the verification of workers' contracts and information dissemination, among others. It can be said that most agreements are predominantly concerned with issues on pre-departure, workers' transit and stay in the destination country.

A number of agreements have also emphasized about ensuring that Filipino workers will complete the duration of their employment contracts and the responsibility of the Philippine government to encourage workers to return to the Philippines when their contracts have already expired. It is worth noting, though, that only a few agreements explicitly mention about investing on reintegration programs in the country of origin as a key incentivizing factor to discourage illegal stay. However, in order to partially address the issue of illegally extended stay, we observe that a number of the country's new generation of BLAs (2016-present) contain provisions that provide framework on what to do when a worker wants to have his or her contract renewed or would want to transfer from one employer to another.

Our BLAs with the North America and the Trust Territories may be said as belonging to 'human resource development' and 'exchange of labor market information' type of agreements in contrast to recruitment and placement and 'migration flow regulatory' type of agreements with the Middle East and other regions. Cooperation priorities of most BLAs here, which are dominated by MOUs with the three provinces of Canada, include establishing training and education programs in the Philippines that meet the requirements necessary for entry into specific occupations in the destination country; removing barriers to the certification, recognition, and skills matching; enhancing deployment processes through use of technology; and raising awareness of both employers in the destination country and Filipino professionals regarding rights of migrant workers, including occupational safety and health (OSH).

According to the International Organization for Migration (IOM), the Philippines ranks as the third largest migrant-sending country in the world, with domestic workers consistently recording first among newly-hired workers (ASEAN, 2017). As such, many of the existing bilateral labor agreements cater to the protection of this particular vulnerable type of migrant workers. Among the countries which the Philippines has both general and specific labor agreements for the deployment and protection of domestic workers are: Lebanon (2012), Saudi Arabia (2017), United Arab Emirates (2017), Kuwait (2018), and Jordan (2018). In contrast, agreements with developed and ageing countries are more focused in filling up gaps of their respective labor markets with respect to geriatric health needs, thus the recruitment of Filipino healthcare professionals. For instance, the agreement with Japan involves the recruitment and placement of Filipino nurses and careworkers to Japanese medical establishments for short-term employment; and the agreement with the Germany (and to a certain extent, Spain and the United Kingdom) aims to facilitate the orderly recruitment and smooth entry of Filipino healthcare professionals to European labor markets.

Regarding government-to-government (G-to-G) placements, the Philippines has concluded with six countries for the deployment of Filipino workers: English language teachers (China [2018]), healthcare professionals (Germany [2013]), domestic workers and workers in manufacturing, construction and oceanic fishery industries (Taiwan [2015]), nurses and careworkers (Japan [2017]), all types of foreign workers (South Korea [2017]), and careworkers (Israel [2018]). The rest of the agreements with the rest of the destination countries are coursed through POEA-regulated private recruitment agencies (PRAs), while the G-to-G scheme is being handled through the POEA's Government Placement Branch (GPB).

**Table 3. Major themes and objectives of BLAs in texts of agreements by region**

Asia and the Pacific	Middle East and Northern Africa	Europe	North America and Trust Territories
<ul style="list-style-type: none"> <li>Establishment and development of a cooperation framework on: (1) skills development and knowledge transfer to upgrade manpower skills and enhance labor productivity; and (2) smooth deployment of skilled and professional workers in mutually recognized recruitment channels, among others.</li> <li>Designation of national focal points to facilitate communication between the two Parties, and in the recruitment and selection of candidate migrants</li> </ul>	<ul style="list-style-type: none"> <li>Mostly, agreements to promote and protect the rights of domestic workers deployed in the Receiving State</li> <li>Prevention and elimination of all illegal recruitment practices through licensing and regulation of private recruitment agencies and enforcement of ethical recruitment practices</li> <li>Adoption of mutually agreed standard employment contracts and the participation of Philippine Overseas Labor Offices (POLOs) in the verification of contracts' authenticity</li> <li>Deployment only of skilled domestic workers and those that have completed the necessary pre-departure orientation seminars, including instruction in the language of the Receiving State</li> </ul>	<ul style="list-style-type: none"> <li>Regulation of exchanges of professionals and trainees to acquire relevant work experience and exposure to the language and culture of the Receiving State</li> <li>Emphasis on regularizing and streamlining documentation processes relating to pre-deployment, recruitment, selection, and placement of professionals and trainees</li> <li>Promotion of human resources development and sharing of labor market information</li> <li>Facilitate voluntary return, circular migration, and return and reintegration.</li> </ul>	<ul style="list-style-type: none"> <li>Mostly, agreements are non-legally binding in nature and rely on the good faith of both parties in the implementation of areas of cooperation</li> <li>Joint cooperation in education, training, cooperative projects on human resources development, and cultural exchange initiatives</li> <li>Exchange of labor market information between employers of the Receiving State and licensed recruitment agencies in the Philippines</li> </ul>
	<ul style="list-style-type: none"> <li>Facilitation of repatriation of domestic workers upon completion of contract or in the event of contract violation</li> </ul>		<ul style="list-style-type: none"> <li>Recruitment and selection of workers shall be coursed only through recognized channels of both the Philippines and the Receiving States</li> <li>Joint cooperation in the field of occupational safety and health</li> </ul>

*Source: Authors' analysis of POEA and ILAB BLA registries*

### 3.2.3. Bilateral labor agreements with top countries of destination

**Table 4** shows the top countries of destination of deployed OFWs, by region, where the Philippines does have and does not have valid bilateral labor agreements as of October 2018. The same table also shows which among these countries of destination either already have or no established Philippine Overseas Labor Office (POLO). Our mapping shows that, in general, the Philippines has BLAs with traditionally top countries of destination (Saudi Arabia, United Arab Emirates, Qatar, Taiwan), but still lags far behind

with especially important countries with large bulk of OFWs (Singapore, Hong Kong, Malaysia, Brunei, Oman) and several emerging countries of destination (Cyprus, Russia, Malta, Thailand, Palau). In terms of the POLOs, we note that DOLE has already established its presence in majority of the top destination countries.

The purpose for presenting this table is to highlight the future strategic BLA initiatives that will need to be prioritized if the Philippines is to fully maximize the use of BLAs in securing rights and protection for our deployed OFWs. While we recognize that there are political and budgetary considerations to be made in both having BLAs and establishing POLOs, it is still an imperative that they both are actively pursued in all countries where Filipino migrant workers are present.

**Table 4. Top twelve countries of destination of deployed overseas Filipino workers by region, 2016**

Country of destination	Number of deployed overseas Filipino workers in 2016	Valid bilateral labor agreement/s as of October 2018	Presence of Philippine Overseas Labor Office (POLO)
<b>Asia and the Pacific</b>			
1. Singapore	171,014	No BLA	POLO Singapore
2. Hong Kong	116,467	No BLA	POLO Hong Kong
3. Taiwan	65,364	MOU on special hiring program for <b>Filipino domestic helpers, household caretakers, institutional caretakers and workers in manufacturing, construction, and oceanic fishery industries</b> (since 2011)	POLO Taipei, POLO Taichung, POLO Kaohsiung
4. Malaysia	33,178	No BLA	POLO Kuala Lumpur
5. Japan	21,363	<ul style="list-style-type: none"> <li>MOU on deployment and acceptance of Filipino candidates for <b>nurses and careworkers</b>, and Filipino nurses and careworkers (since 2009)</li> <li>MOC on technical intern training program (since 2017)</li> </ul>	POLO Tokyo
6. Macau	14,088	No BLA	POLO Macau
7. South Korea	13,592	MOU on government-to-government arrangement under Employment Permit System (renewed in 2014)	POLO Seoul
8. Brunei Darussalam	10,099	No BLA	POLO Bandar Seri Begawan
9. Thailand	9,321	No BLA	No POLO
10. China	9,166	MOU on the employment of <b>Filipino teachers of English language</b> in China (since 2018)	No POLO
11. Vietnam	5,647	No BLA	No POLO
12. Indonesia	5,302	MOU concerning the promotion and protection of rights of migrant workers (since 2003)	No POLO
<b>Middle East and Northern Africa</b>			

1. Saudi Arabia	460,121	<ul style="list-style-type: none"> <li>MOA on the recruitment and deployment of <b>domestic workers</b> (since 2013)</li> <li>MOA on the recruitment and deployment of <b>general workers</b> (since 2017)</li> <li>MOU on technical-vocational education and training (since 2005)</li> </ul>	POLO Riyadh, POLO Alkhobar, POLO Jeddah
2. United Arab Emirates	276,278	MOU and Protocol on the recruitment and deployment of <b>domestic workers</b> (since 2017)	POLO Abu Dhabi, POLO Dubai
3. Qatar	141,304	<ul style="list-style-type: none"> <li>MOA on labor cooperation (since 1997)</li> <li>Protocol for the recruitment and deployment of <b>skilled OFWs</b> (since 2008)</li> </ul>	POLO Doha
4. Kuwait	109,615	<ul style="list-style-type: none"> <li>MOU on the deployment of <b>skilled workers</b> (since 2012)</li> <li>MOA on the employment of <b>domestic workers</b> (since 2018)</li> </ul>	POLO Kuwait City
5. Oman	27,579	No BLA	POLO Muscat
6. Bahrain	21,429	<ul style="list-style-type: none"> <li>MOU on human resources development (since 2003)</li> <li>MOU on ethical recruitment of <b>health workers</b> (since 2007)</li> </ul>	POLO Manama
7. Jordan	9,970	<ul style="list-style-type: none"> <li>MOU on labor cooperation (since 2010)</li> <li>Protocol on the recruitment and deployment of <b>household service workers</b> (since 2012)</li> </ul>	POLO Amman
8. Israel	6,392	MOA on the temporary employment of Filipino <b>home-based caregivers</b> (since 2018)	POLO Tel-Aviv
9. Lebanon	3,959	<ul style="list-style-type: none"> <li>MOU on labor cooperation (since 2012)</li> <li>Protocol on the recruitment and deployment of <b>household service workers</b> (since 2012)</li> </ul>	POLO Beirut
10. Algeria	1,929	No BLA	No POLO
11. Morocco	1,209	No BLA	No POLO
12. Egypt	561	No BLA	No POLO
<b>Europe</b>			
1. Italy	8,909	MOA on improvement of seasonal and circular migration mechanisms (since 2015)	POLO Rome, POLO Milan
2. United Kingdom	3,652	<ul style="list-style-type: none"> <li>Recruitment agreement of <b>Filipino health professionals</b> (terminated 2006)</li> <li>MOU on healthcare cooperation (since 2003)</li> </ul>	POLO London

3.	Cyprus	2,241	No BLA	POLO Nicosia
4.	Russia	1,951	No BLA	No POLO
5.	Spain	1,293	MOU on the orderly and systematic migration of <b>Filipino healthcare professionals</b> (since 2006)	POLO Madrid
6.	Malta	958	No BLA	POLO Malta
7.	Ireland	693	No BLA	No POLO
8.	Turkey	640	No BLA	No POLO
9.	Norway	533	No BLA	No POLO
10.	Germany	460	MOA concerning the placement and temporary employment of <b>Filipino healthcare professionals</b> (since 2013)	No POLO
11.	Greece	368	No BLA	POLO Athens
12.	Finland	360	No BLA	No POLO
<b>North America and Trust Territories</b>				
1.	Canada	7,033	Separate BLAs with 3 provinces, 1 MOU on occupational safety and health cooperation	POLO Toronto, POLO Vancouver
2.	United States of America, including Puerto Rico	2,503	MOA on the recruitment and employment of <b>Philippine citizens by the United States military forces and contractors of military and civilian agencies</b> of the United States Government (since 1968)	POLO Washington, D.C.
3.	Commonwealth of the Northern Mariana Islands	2,622	MOU on the recruitment and deployment of Filipino workers, seeks the establishment of a Filipino Workers Resource Center (since 2000)	No POLO
4.	Republic of Palau	1,387	No BLA	No POLO
5.	Melanesia	673	No BLA	No POLO
6.	Federated States of Micronesia	491	No BLA	No POLO
7.	Polynesia	328	No BLA	No POLO
8.	Republic of Marshall Islands	244	No BLA	No POLO
<b>Africa</b>				
1.	Angola	2,940	No BLA	No POLO
2.	Nigeria	1,693	No BLA	No POLO
3.	Equatorial Guinea	1,439	No BLA	No POLO
4.	Congo (Zaire)	749	No BLA	No POLO
5.	Sudan	613	No BLA	No POLO
6.	Zambia	472	No BLA	No POLO
7.	Seychelles	382	No BLA	No POLO
8.	Ghana	370	No BLA	No POLO

9. Madagascar	355	No BLA	No POLO
10. Ethiopia	341	No BLA	No POLO
11. Tanzania	331	No BLA	No POLO
12. South Africa	315	No BLA	No POLO

### 3.2.4. Transparency and publicity

Transparency and publicity of BLAs is identified by Wickramasekara (2015) as one of the good practices in implementing bilateral labor agreements and based also in the model agreement annexed to ILO Recommendation 86. We note the importance of sufficiently informing all stakeholders involved, especially migrant workers, on the texts of agreements: migrant workers' rights recognized by the country of destination, the responsibilities of both parties, and privileges afforded. After all, these agreements were negotiated in their behalf and with their interests in mind.

In **Table 5**, we show whether approved texts of BLAs are available for request through the presence of POLO in the host country and/or posted and downloadable in POEA and/or Department of Foreign Affairs (DFA) websites. Results of the mapping show that more than half of the 43 agreements are available to the public and can be downloadable for dissemination.

**Table 5. Accessibility of BLA texts to the public (as of October 2018)**

Country	Brief Description of BLA	Most Recent Year Signed	Downloadable in DOLE/POEA/DFA website? (Yes/No)	Presence of Philippine Overseas Labor Office (POLO) in host country
<b>Asia and the Pacific</b>				
1. Laos	Technical cooperation on labor and employment	2005	Yes	No POLO
2. Cambodia	Cooperation on labor and skills development	2016	Yes	No POLO
3. China	Memorandum of Understanding on the Employment of Filipino Teachers of English Language in China	2018	No	No POLO
4. Indonesia	Memorandum of Understanding concerning migrant workers	2003	Yes	No POLO



5. Japan	Memorandum of Understanding under Philippine-Japan Economic Partnership Agreement (PJEPA) on the framework of movement of natural persons	2009	Yes	POLO Tokyo
6. Japan	Memorandum of Cooperation on the Technical Intern Training Program between the DOLE of the Philippines and the Ministries of Justice, Foreign Affairs, and Health, Labor and Welfare of Japan	2017	No	
7. South Korea	Promotion of a transparent and efficient process of selecting workers under the EPS system	2017	No	POLO Seoul
8. New Zealand	Labor Cooperation promoting better understanding of each Party's labour systems	2008	Yes	No POLO
9. New Zealand	Arrangement on the principles and controls on the recruitment and protection of Filipino workers in New Zealand	2015	Yes	
10. Taiwan	Cooperation on the special hiring facility enabling employers to hire workers through government-to-government facility	2011	No	POLO Taipei, POLO Taichung, POLO Kaohsiung
11. Papua New Guinea	Labor cooperation providing access to each other's market	2013	Yes	No POLO
<b>Middle East and Northern Africa</b>				
1. Bahrain	Cooperation on Health Services providing framework on recruitment	2007	Yes	POLO Manama
2. Bahrain	Technical education cooperation	2003	No	
3. Iraq	Development of cooperation in the area of labour	1982	Yes	No POLO
4. Israel	Agreement on the temporary employment of Filipino home-based caregivers	2018	No	POLO Tel-Aviv

5.	Jordan	Labour cooperation on the rights and welfare of overseas Filipino workers	2018	No	POLO Amman
6.	Jordan	C o o p e r a t i o n framework on employment of domestic workers	2018	No	
7.	Kuwait	Labour cooperation on the deployment of skilled workers	2012	Yes	POLO Kuwait City
8.	Kuwait	A g r e e m e n t o n employment of domestic workers	2018	Yes	
9.	Lebanon	Labour cooperation to guarantee the rights and welfare of overseas Filipino workers	2012	Yes	POLO Beirut
10.	Lebanon	Protocol establishing the implementing guidelines in the recruitment and deployment of household service workers	2012	Yes	
11.	Libya	S t r e n g t h e n i n g relationship of the two countries in the area of labour, employment, and manpower development	2006	Yes	POLO Tripoli
12.	Qatar	A g r e e m e n t t o strengthen relations and areas of cooperation in the field of labour, employment, and manpower development	1997	Yes	POLO Doha
13.	Qatar	Protocol establishing the implementing guidelines in the recruitment and deployment of skilled overseas Filipino workers	2008	Yes	

14. Saudi Arabia	Instrument on promoting relations in the area of technical vocational education and training	2005	Yes	POLO Riyadh, POLO Alkhobar, POLO Jeddah
15. Saudi Arabia	Specifying the rights and responsibilities in the recruitment and deployment of Filipino domestic workers	2013	Yes	
16. Saudi Arabia	Labour cooperation on the recruitment and employment of general workers	2017	Yes	
17. United Arab Emirates	Labour cooperation on recruitment and employment of general workers	2017	No	POLO Abu Dhabi, POLO Dubai
18. United Arab Emirates	Protocol on Domestic Workers	2017	No	
<b>Europe</b>				
1. Germany	Cooperation concerning the placement of Filipino health care professionals	2013	Yes	No POLO
2. Italy	Labour cooperation in the management of migration flows	2015	Yes	POLO Rome, POLO Milan
3. Spain	Cooperation for the management of migratory flows which will provide for an orderly and systematic migration of Filipino healthcare professionals	2006	Yes	POLO Madrid
4. Switzerland	Agreement on the exchange of Swiss and Filipino citizens who will be trained and employed in their own profession	2002	Yes	POLO Geneva
5. Switzerland	Agreement on the exchange of professional and technical trainees	2014	Yes	
6. United Kingdom	Memorandum of understanding on health cooperation	2003	Yes	POLO London
<b>North America and Trust Territories</b>				

1.	Canada	Providing better working conditions to Filipino workers in Canada	2015	No	POLO Toronto, POLO Vancouver
2.	Canada (British Columbia)	Joint Communique to promote and strengthen areas of mutual benefit with respect to labour mobility	2012	No	
3.	Canada (British Columbia)	Cooperation in human resource deployment and development	2015	No	
4.	Canada (Manitoba)	Cooperation in the fields of human resource deployment and development	2010	Yes	
5.	Canada (Saskatchewan)	Cooperation in the fields of human resource deployment and development	2013	Yes	
6.	Commonwealth of the Northern Mariana Islands (CNMI)	Facilitating orderly recruitment and deployment of Filipino workers to CNMI	2000	No	No POLO
7.	United States of America	Recruitment and employment of Philippine citizens by the United States military forces and contractors of military and civilian agencies of the United States Government	1968	Yes	POLO Washington, D.C.

### 3.2.5. Textual proximity of Philippine BLAs to the 1949 ILO Model Agreement

In **Table 6**, we evaluated BLAs according to the explicit mention or specific reference of the agreement texts to the provisions of ILO Model Agreement on Temporary and Permanent Migration for Employment. Our mapping shows that the main texts of all BLAs have provisions relating to methods of cooperation, exchange of information (on policy and regulatory frameworks regarding migration, required skills profile for immigrants, local laws and customs), and final provisions (provisions relating to effective duration of the agreement), but worryingly low on explicit provisions relating to social security and remittance, equality of treatment, housing conditions and supply of food, supervision of living and working conditions, conditions of transport, travel and maintenance expenses, and return journey. These should be of particular concern as most of the aforementioned relate to the conditions of migrant workers' stay in the country of destination, where the Philippine government has no full control of the environment and where rights and freedoms afforded by the Philippine Constitution cannot be fully guaranteed. Securing portability of rights in the country of destination through BLAs, among others, should always be of paramount consideration for the Philippine negotiating side.

Speaking of social security, explicit provision of this is found in only less than 30 percent of the 43 agreements mapped, and mainly in those in Europe and Middle East and Northern Africa. Specific reference to social security is particularly low in BLAs with Asia and the Pacific (less than 10 percent) and North America and Trust Territories (nearing 15 percent only). While this study recognizes migrant workers' access to social security is often governed by separate bilateral agreements (and in the case of the Philippines, negotiated by a different government instrumentality, not DOLE), securing an enabling

provision for it within the agreement text, even if it is only in passing note, will help greatly in providing basis for future discussion and elaboration of both Parties. Meanwhile, more than 80 percent of mapped BLAs have explicit provision relating to settlement of disputes with regional differences. While almost all agreements in Asia and the Pacific, and Middle East and Northern Africa contain such a provision, less than 30 percent of 7 BLAs in North America and Trust Territories contain it.

Regarding provisions that specify the organization of recruitment, conditions for deployment, and other mechanisms that mandate an orderly and legalized pre-departure, more than 70 percent of agreements have explicit reference to these, with both Europe, and Middle East and Northern Africa placing heavy emphasis. “Ethical recruitment” figures heavily in all agreement texts of Middle East and Northern Africa—perhaps a reflection of the increased concern for curbing human trafficking and illegal recruitment in this particular migration corridor. (“Ethical recruitment” is also emphatically mentioned in BLAs with New Zealand and the provinces of Canada.) We also note that majority of, if not all, BLA main texts with the Middle East and Northern Africa region are consistent in mentioning explicitly that the foreign employer has to pay the direct costs of recruitment and placement of overseas Filipino workers *and* that there would be corresponding sanctions should they do not abide. The Philippines’ BLAs with Lebanon (2012) and Jordan (2018) are illustrative examples in this regard.

Almost 68 percent of all mapped BLAs have explicit provisions or have made explicit reference to the need for standard contracts of employment, with the Middle East and Northern Africa scoring highest. In fact, the same region has the highest number of valid and regularly reviewed employment contracts annexed to BLAs, for instance, Saudi Arabia and Jordan (for domestic workers) and Qatar (for skilled workers). (The Philippines is also actively seeking standard contracts be forged with Kuwait, Bahrain, and United Arab Emirates.) It is notable that most of the provisions of these contracts have good protection clauses (particularly in protecting wages) and one particular contract (Jordan) has even had version in Filipino, which is a rarity given that most are written in Arabic and English. Nonetheless, as Wickramasekara (2015) notes, the effectiveness of standard employment contracts as to protecting migrants from employers’ abuses or breach of contract remains to be studied in-depth.

**Table 6. Textual proximity of Philippine BLAs to the 1949 ILO Model Agreement**

Article	Description	Asia and the Pacific No. of agreements	% of total (n=11)	Middle East and Northern Africa No. of agreements	% of total (n=19)	Europe No. of agreements	% of total (n=6)	North America and Trust Territories No. of agreements	% of total (n=7)	Total No. of agreements	% of total (n=43)
1	Exchange of information	11	100%	19	100%	6	100%	7	100%	43	100%
2	Action against Misleading Propaganda	5	45%	11	58%	2	33%	0	0%	18	42%
3	Administrative Formalities	7	64%	13	68%	4	67%	4	57%	28	65%

4	Validity of Documents	7	64%	14	74%	5	83%	4	57%	30	70%
5	Conditions and Criteria of Migration	7	64%	16	84%	5	83%	5	71%	33	77%
6	Organization of Recruitment, Introduction and Placing	7	64%	16	84%	5	83%	4	57%	32	74%
7	Selection Testing	5	45%	8	42%	5	83%	1	14%	19	44%
8	Information and Assistance of Migrants	7	64%	15	79%	5	83%	6	86%	33	77%
9	Education and Vocational Training	6	55%	19	100%	4	67%	4	57%	33	77%
10	Exchange of Trainees	1	9%	3	16%	2	33%	0	0%	6	14%
11	Conditions of Transport	0	0%	1	5%	0	0%	0	0%	1	2%
12	Travel and Maintenance Expenses	4	36%	9	47%	2	33%	1	14%	16	37%
13	Transfer of Funds	1	9%	5	26%	1	17%	1	14%	8	19%
15	Supervision of Living and Working Conditions	0	0%	1	5%	0	0%	2	29%	3	7%
16	Settlement of Disputes	11	100%	19	100%	5	83%	2	29%	37	86%
17	Equality of Treatment	2	18%	8	42%	4	67%	3	43%	17	40%
19	Supply of Food	0	0%	4	21%	0	0%	0	0%	4	9%
20	Housing Conditions	0	0%	6	32%	1	17%	1	14%	8	19%
21	Social Security	1	9%	6	32%	4	67%	1	14%	12	28%
22	Contracts of Employment	6	55%	15	79%	4	67%	4	57%	29	67%



23	Change of Employment	0	0%	3	16%	2	33%	
24	Employment Stability	0	0%	0	0%	0	0%	
25	Provisions Concerning Compulsory Return	0	0%	3	16%	2	33%	
26	Return Journey	0	0%	12	63%	2	33%	
27	Double Taxation	0	0%	0	0%	0	0%	
28	Methods of Cooperation	11	100%	19	100%	6	100%	
29	Final Provisions	11	100%	19	100%	5	83%	

### 3.2.6. Adherence of valid and most recently signed MOAs to the Philippine Model BLA

We examined the adherence of valid and most recently signed MOAs with respect to the core provisions cited in the Philippine Model BLA. The Philippine model BLA for MOA provides 24 core articles divided along six thematic areas. These are areas of cooperation, implementation and duration, responsibilities of the first (country of origin) and second (country of destination) parties, settlement of disputes, and joint committee.

Of the total 15 MOAs reviewed (see **Table 7**), provisions on “implementation and duration” and “areas of cooperation” are present in all MOAs. Other mostly cited provisions are those on joint committee, settlement of disputes, adherence to relevant laws and regulations of both parties, minimum elements of an employment contract, and completion of all pre-deployment requirements.

In contrast, specific clause on the prohibition of confiscation and/or retention of passport is present in only less than 10 percent of all the 15 MOAs mapped, and practically no explicit mention in BLAs of all regions except in the Middle East and Northern Africa where the rate of mention is also worryingly low, at 13 percent. This seeming silence may be explained by the fact that almost all existing MOAs were signed before 2018 and all may need to be updated in light of the promulgation of Philippine Model BLA for MOAs. Also, it is important to note that this particular provision is one of the major highlights of the presidential directive relating to new generation of BLAs to be negotiated by the Philippines.

Further examining by region, MOAs in the Asia and the Pacific are particularly low in specifically mentioning core provisions relating to: access to legal assistance, licensed recruitment agencies, POLO verification of employment contracts, recourse to contract dispute resolution mechanisms, regulation of recruitment fees, and sanctions against erring recruitment agencies (all responsibilities of the country of origin); and disqualification of employers with records of contract violations or abuses, possession of passports by workers, provision of criminal case journal of the employer, transfer of worker from one employer to another, and use of cellular phones by workers and prohibition from confiscation (all responsibilities of the country of destination).

For MOAs with the Middle East and Northern Africa, areas for further improvement in the BLA main texts relate to explicit mentions on access to legal assistance, recourse to contract dispute resolution mechanisms, and sanctions against erring recruitment agencies (responsibilities of the country of origin);

and provision of criminal case journal of the employer, disqualification of employers with records of contract violations or abuses, possession of passports by workers, use of cellular phones by workers, and prohibition from confiscation (responsibilities of the country of destination).

3.2.7. Adherence of valid and most recently signed MOUs to the Philippine Model BLA

**Table 8** shows the adherence of valid and most recently signed MOUs with respect to the provisions cited in the Philippine Model BLA for MOU, which contains 11 core paragraphs. Of the total 28 MOUs reviewed in the study, 26 (or 98%) contain provisions on “areas of cooperation.” Other mostly cited provisions among MOUs are on “effectivity,” “validity, duration and termination,” “recruitment and deployment of human resource,” and “amendment and revision.” In contrast, the current MOUs lacks provisions on “protocols,” “work-related travel expenses,” and “employment contract.”

Perusing by region, In Asia and the Pacific Region, most MOUs are observed to having lacking provisions again on “protocols” and “work-related travel expenses.” In Middle East and Northern Africa region, there is a need to further reinforce provisions on “protocols,” “work-related travel expenses,” “workers’ rights protection,” and “employment contract.” For Europe, we observe that it is uncommon to have explicit provisions relating to “dispute settlement,” “employment contract,” “protocols,” “workers’ rights protection,” “work-related travel expenses,” and “work-related “travel expenses.” In North America and Trust Territories, there are no provisions cited for “protocols” and needs further beef up on issues relating to “dispute settlement” and “employment contract.”

Table 7. Adherence of valid and most recently signed MOAs to Philippine model BLA

Article	Description	Asia and the Pacific No. of MOAs	% of total (n=2)	Middle East and North- ern Africa No. of MOAs	% of total (n=8)	Europe No. of MOAs	% of total (n=4)	North Amer- ica and Trust Territories No. of MOA	% of total (n=1)	Total No. of MOAs	% of total (n=15)
1	Areas of Cooperation	2	100%	8	100%	4	100%	1	100%	15	100%
2	Responsibilities of the First Party										
	• P r e - departure orientation	1	50%	5	63%	2	50%	0	0%	8	53%
	• Medical check-up	1	50%	6	75%	1	25%	1	100%	9	60%
	• Travel clearance	1	50%	3	38%	4	100%	1	100%	9	60%
	• Completion of all deployment requirements	1	50%	6	75%	4	100%	1	100%	12	80%

	<ul style="list-style-type: none"> <li>Regulation of recruitment fees</li> </ul>	0	0%	3	38%	0	0%	0	0%	3	20%
	<ul style="list-style-type: none"> <li>Recourse to contract dispute resolution mechanisms</li> </ul>	0	0%	1	13%	0	0%	1	100%	2	13%
	<ul style="list-style-type: none"> <li>POLO verification of employment contracts</li> </ul>	0	0%	3	38%	0	0%	1	100%	4	27%
	<ul style="list-style-type: none"> <li>Licensed recruitment agencies</li> </ul>	0	0%	2	25%	0	0%	1	100%	3	20%
	<ul style="list-style-type: none"> <li>Access to legal assistance</li> </ul>	0	0%	1	13%	0	0%	1	100%	2	13%
	<ul style="list-style-type: none"> <li>Sanctions against erring recruitment agencies</li> </ul>	0	0%	1	13%	0	0%	0	0%	1	7%
3	Responsibilities of the Second Party										
	<ul style="list-style-type: none"> <li>Adherence to relevant laws and regulations of both Parties</li> </ul>	1	50%	7	88%	4	100%	1	100%	13	87%
	<ul style="list-style-type: none"> <li>Provision of social insurance</li> </ul>	1	50%	3	38%	3	75%	1	100%	8	53%
	<ul style="list-style-type: none"> <li>Possession of passports by workers</li> </ul>	0	0%	1	13%	0	0%	0	0%	1	7%

	<ul style="list-style-type: none"> <li>Use of cellular phones by workers and prohibition from confiscation</li> </ul>	0	0%	1	13%	0	0%	0	0%	1	7%
	<ul style="list-style-type: none"> <li>Provision of criminal case journal of the employer</li> </ul>	0	0%	0	0%	0	0%	0	0%	0	0%
	<ul style="list-style-type: none"> <li>Disqualification of employers with records of contract violations or abuses</li> </ul>	0	0%	1	13%	1	25%	0	0%	2	13%
	<ul style="list-style-type: none"> <li>Facilitate the opening of bank accounts and access to remittance channels</li> </ul>	1	50%	5	63%	0	0%	1	100%	7	47%
	<ul style="list-style-type: none"> <li>Access to dispute settlement mechanisms</li> </ul>	1	50%	3	38%	0	0%	1	100%	5	33%
	<ul style="list-style-type: none"> <li>Transfer of worker from one employer to another</li> </ul>	0	0%	2	25%	0	0%	1	100%	3	20%

	<ul style="list-style-type: none"> <li>Minimum elements of employment contract</li> </ul>	1	50%	7	88%	3	75%	1	100%	12	80%
4	Joint Committee	2	100%	8	100%	3	75%	1	100%	14	93%
5	Settlement of Disputes	2	100%	8	100%	2	50%	1	100%	13	87%
6	Implementation and Duration	2	100%	8	100%	4	100%	1	100%	15	100%

**Table 8. Adherence of valid and most recently signed MOUs to Philippine model BLA**

Paragraph	Description	Asia and the Pacific No. of MOUs	% of total (n=9)	Middle East and Northern Africa No. of MOUs	% of total (n=11)	Europe No. of MOUs	% of total (n=2)	North America and Trust Territories No. of MOUs	% of total (n=6)	Total No. of MOUs	% of total (n=28)
1	Areas of Cooperation	9	100%	9	82%	2	100%	6	100%	26	93%
2	Recruitment and deployment of human resource	8	89%	9	82%	2	100%	4	67%	23	82%
3	Workers' Rights Protection	5	56%	4	36%	0	0%	5	83%	14	50%
4	Work-related Travel Expenses	4	44%	3	27%	0	0%	3	50%	10	36%
5	Employment Contract	5	56%	5	45%	0	0%	2	33%	12	43%
6	Dispute Settlement	8	89%	9	82%	0	0%	2	33%	19	68%
7	Joint Committee	6	67%	9	82%	1	50%	4	67%	20	71%
8	Effectivity	9	100%	9	82%	1	50%	6	100%	25	89%
9	Validity, duration and termination	9	100%	9	82%	1	50%	5	83%	24	86%
10	Amendment and revision	9	100%	8	73%	1	50%	5	83%	23	82%
11	Protocols	1	11%	3	27%	0	0%	0	0%	4	14%

### 3.2.8. Joint Committee Meetings (JCMs) and involvement of social partners

Almost all of the BLAs have mentioned a Joint Committee, composed of authorized representatives of both Parties, that will implement the agreement, operationalize its provisions and settle disputes arising from the implementation. In order to address lack of information as to the functioning of such committees, this study undertaken a content analysis of available records of discussion to ascertain the breadth and depth of migration topics commonly discussed. We assess how active these Joint Committees are in terms of frequency of meetings, documentation, the outputs they generate such as crafting of protocols or modifications to main texts of BLA, and the broadness of their consultative process such as by involving social partners in the implementation, follow-up, and monitoring and evaluation.

Among noteworthy findings generated by our mapping, only a limited number of meetings have been carried out since the date of effectivity of BLAs (see **Table 9**). For instance, in the Middle East and Northern Africa, among the 10 countries which the Philippines has BLAs, only 3 countries have had frequent meetings with the Philippines: Saudi Arabia with 5 JCMs conducted, Qatar with 3, and United Arab Emirates with 1. All JCMs of these three countries were properly documented and have records of discussion. In terms of outputs, JCMs with Qatar have resulted to the crafting of a protocol; for the Saudi Arabia, amendments to the standard employment contract are regular items of discussion between the two countries. For the Asia and the Pacific, meanwhile, Japan recorded the highest number of meetings with the Philippines, numbering 15; followed by Taiwan with 7; New Zealand with 2; and China and PNG with both 1. Meanwhile, in Europe, evidence of JCMs has yet to be provided and in North America and Trust Territories, only 4.

As for the rest of the countries which we have BLAs but no convened JCMs yet, our key informant interviews suggest that there were intermittent efforts in the past to convene them upon the initiative by the Philippines but were constrained by factors outside our control such as the incessant volatility of political environment (as in the case mostly of Middle East); the stability of governments that need to be dealt with (as in the case of Libya and Iraq); or plainly the intransigence or lack of interest of foreign counterparts to enter into BLAs. Nonetheless, convening JCMs as frequently as possible need to be aggressively pursued by the Philippine side since Joint Committees form a crucial role for the successful implementation of BLAs. Joint Committee meetings were established precisely to provide a forum for both countries where they could both assess the status of implementation of BLA and thresh out any further improvements to the agreement text itself. Without such meetings, there is no formal mechanism to ensure that both parties will follow the BLA to which they agreed. (Thus far, there have been no such case that the Philippines has taken into account a particular country of destination to the International Court of Justice for clear breach of bilateral labor agreement.)

In terms of the participation of social partners in these meetings, involvement is virtually zero, except for the case of United Arab Emirates when in 2017, they held one JCM and invited select private Filipino recruiters to shed light on the issue on recruitment costs. But in general, almost no documented information is available on the role of tripartite and other social partners in the drafting, negotiating, and implementing BLAs. As of now, actual BLA meetings are predominantly participated by government agencies.

### 3.2.9. Commonly discussed agenda items in JCM Records of Discussion

Of the total 15 records of discussions this study has obtained, 9 comes from the Middle East and Northern Africa, 5 in Asia and the Pacific, and 4 in North America. These records were obtained from the POEA Labor Market Development Branch while the JCM records for those BLAs with G-to-G arrangements have yet to be obtained from POEA Government Place Branch, which handles records for these types of BLAs. (At this juncture, we wish to note that there remains no central repository within DOLE and within POEA of all BLA-related documents, including originally signed documents, records of discussion, and other relevant documentation. Some records are still in custody of ILAB and some are with POEA LMDB



and GPB. DOLE A.O. 246, series of 2018, has designated POEA as the “repository of all documents, instruments, records of discussions and proceedings relative to the forging of the BLA and “the solve agency authorized to release officially signed copies of the agreements and other documents relative hereto to the requesting agencies and other stakeholders in accordance with existing laws or guidelines.” However, as of the time of writing, this remain a work in progress.)

**Tables 10-13** examine the commonly discussed issues within JCM. We evaluated them according to four themes in the cycle of migration to check the comprehensiveness and scope of issues being discussed: pre-departure and recruitment, employment and residence at destination, return and reintegration and lastly, implementation, monitoring and follow-up. Our specific objectives here is to determine the predominant issues frequently discussed and what other important issues are commonly left out.

Among the topics concerning pre-departure and recruitment (see **Table 10**), “recruitment issues relating to curbing illegal migration, human trafficking or any unrecognized hiring arrangements; rationalization and full disclosure of recruitment costs; and the use of one-stop shops and technology to simplify processes” stands as the primary issue frequently discussed in all regions considered. This was followed by issues pertaining on “notification of job opportunities and skills needs”; however, such reference is higher in North America and Trust Territories (100 percent) than in Asia and the Pacific (80 percent) and Middle East and Northern Africa (44 percent).

“Pre-departure/pre-employment seminar/orientation” is more frequently discussed in the Asia and the Pacific region compared to Middle East and Northern Africa (44 percent) while in North America and Trust Territories, no mention.

“Entry visas, including allocation quotas, documentary requirements, and efforts to simplify the process of issuance” is a predominant concern for North America and Trust Territories. JCM records in the Asia and the Pacific frequently talk about “pre-selection and final selection of candidates” while other regions have not practically touched that issue, at least in writing.

**Table 9. Joint Committee Meetings (JCM) and involvement of social partners**

<i>Asia and the Pacific Region</i>				<i>Middle East and Northern Africa</i>			
	No. of JCM convened since date of effectivity of BLA	No. of JCM where tripartite partners, other stakeholders were involved	No. of JCM records made available for the study		No. of JCM convened since date of effectivity of BLA	No. of JCM where tripartite partners, other stakeholders were involved	No. of JCM records made available for the study
Japan	15	98	1	Saudi Arabia	5	0	5
Taiwan	7	98	1	Qatar	3	0	3
New Zealand	2	0	1	United Arab Emirates	1	1	1
China	1	0	1	Bahrain	0	0	99
Papua New Guinea	1	0	1	Iraq	0	0	99
Laos	0	0	99	Israel	0	0	99
Cambodia	0	0	99	Jordan	0	0	99
Indonesia	0	0	99	Kuwait	0	0	99
Korea	98	98	98	Lebanon	0	0	99
				Libya	0	0	99
<i>Europe Region</i>				<i>North America and Trust Territories</i>			
	No. of JCM convened since date of effectivity of BLA	No. of JCM where tripartite partners, other stakeholders were involved	No. of JCM records made available for the study		No. of JCM convened since date of effectivity of BLA	No. of JCM where tripartite partners, other stakeholders were involved	No. of JCM records made available for the study
Germany	98	98	98	Canada	4	0	4
Italy	0	0	99	Commonwealth of the Northern Mariana Islands (CNMI)	0	0	99
Spain	0	0	99	United States of America	99	99	99
Switzerland	0	0	99				
United Kingdom	0	0	99				

Note: Red in font are G-to-G arrangements  
 98 = for checking with POEA Government Placement Bureau (GPB)  
 99 = not applicable/no available documented information as of time of writing  
 Results from the content analysis do not necessarily denote actual compliance of the provisions of BLAs.  
 Source: Authors’ analysis of provided JCM documents

**Table 10. Pre-departure and recruitment in records of discussion of JCMs**

Key migration topics of BLA concern	Asia and the Pacific	Middle East and Northern Africa	North America and Trust Territories	Total
Base	5	9	4	18
Recruitment issues relating to curbing illegal migration, human trafficking or any unrecognized hiring arrangements; rationalization and full disclosure of recruitment costs; and the use of one-stop shops and technology to simplify processes	100%	89%	100%	94%
Notification of job opportunities and skills needs	80%	44%	100%	67%
Pre-departure/pre-employment seminar/orientation	60%	44%	0%	39%
Entry visas, including allocation quotas, documentary requirements, and efforts to simplify the process of issuance	20%	44%	50%	39%
Pre-selection and final selection of candidates	60%	0%	0%	17%
Medical examination	20%	22%	0%	17%
Language training	20%	0%	0%	6%
Outgoing transportation and conditions of transport	0%	11%	0%	6%
<i>Source: Authors' own analysis</i>				

With respect to topics concerning “employment and residence at destination” (see **Table 11**), JCMs with the Middle East and Northern Africa region openly discussed issues concerning “contracts of employment,” “access to dispute settlement mechanisms,” “terms of employment,” “wage protection scheme,” and other initiatives such as “establishment of a 24-hour assistance facility/customer service line,” “social security,” and “housing/accommodation.” Unfortunately, all regions are silent on issues regarding “taxation,” “supply of food,” “family reunification,” “activities of social and religious associations,” “transfer of remittances,” and “trade union rights.”

Regarding the seeming silence of JCMs on trade unions rights, the reason being is that most standing BLAs today by the Philippines are crafted for elementary or low-skilled occupations like domestic or household service workers, and are not really meant for the skilled sectors where trade unions are prominent. In addition, most of these low-skilled occupations are temporary or short-term employment in nature and thus there is a little space for stable union membership to come in. More fundamentally, union organization in countries of destination is severely constrained by legal restrictions on the fundamental freedom to form associations. Major countries of destination such as Saudi Arabia and United Arab Emirates, to name a few Gulf Cooperation Council (GCC) countries, generally frown upon the establishment of unions for political reasons. In general, nothing has been discussed so far in JCMs about trade unions, which is a recognized basic right of all workers, including migrant workers.

**Table 11. Employment and residence at destination in records of discussion of JCMs**

Key migration topics of BLA concern	Asia and the Pacific	Middle East and Northern Africa	North America and Trust Territories	Total
<b>Base</b>	<b>5</b>	<b>9</b>	<b>4</b>	<b>18</b>
Contracts of employment, including contract verification and issues addressing contract substitution	60%	89%	0%	61%
Access to dispute settlement mechanisms, translation/interpretation service for migrants in distress, and speedy resolution of cases	20%	67%	0%	39%
Terms of employment, including possibility to change or transfer employment	20%	56%	0%	33%
Wage protection system (i.e. opening of bank accounts, electronic payment)	0%	67%	0%	33%
Skills recognition	0%	22%	75%	28%
Supervision of living and working conditions, including conduct of labor inspections	0%	44%	25%	28%
Orientation upon arrival	20%	33%	0%	22%
Education and vocational training of Filipino workers	40%	22%	0%	22%
Establishment of a 24-hour assistance facility/customer service line	0%	33%	0%	17%
Social security	0%	33%	0%	17%
Housing / Accommodation	0%	33%	0%	17%
Residence and work permits, including correction period for legalization/correction of status without fees and penalties	0%	22%	0%	11%
Passport custody	0%	22%	0%	11%
Working conditions, including occupational safety and health, and rest hours/ rest days	20%	0%	0%	6%
Trade union rights	0%	0%	0%	0%
Taxation, including measures addressing double taxation	0%	0%	0%	0%
Supply of food	0%	0%	0%	0%
Family reunification	0%	0%	0%	0%
Activities of social and religious associations	0%	0%	0%	0%
Transfer of remittances	0%	0%	0%	0%
<i>Source: Authors' own analysis</i>				

With respect to topics on return, repatriation, and reintegration (see **Table 12**), these topics are almost left out in all JCMs across regions except Middle East and Northern Africa where “conditions of return, including issues relating to exit clearances” and “repatriation of workers, including return transportation and conditions of transport” are prominently discussed. (The prominence for these topics of discussion is understandable given that the freedom of OFWs to return to the Philippines without securing permission from the foreign employer as under the *kafala* system is a longstanding issue of concern between the Philippines and the members of the GCC countries.) We observe also there is lack of discussion on the “reintegration into the labor market,” which is an important facet of labor migration cycle. As have already been noted, most BLAs of the Philippines, especially with the Middle East and Northern Africa, cater to temporary work contract of 2 to 3 years’ validity for low-skilled occupations, and attention must be given as to how to reintegrate these temporary migrant workers to the local labor market. It can be said that the

non-discussion of reintegration issues here is a microcosm of the larger Philippine migration practice, which is characterized by a rather strong presence in the pre-deployment and the deployment side of the migration cycle but weak on the return and reintegration of OFWs, this despite explicit official policy that “the State does not promote overseas employment as a means to sustain economic growth and achieve national development... The State, therefore, shall continuously create local employment opportunities and promote the equitable distribution of wealth and the benefits of development” (Section 2, paragraph (c) of Republic Act No. 8042, as amended by Republic Act No. 10022). In general, return and reintegration of Filipino migrant workers remains an untapped development pathway to maximize whatever benefits we could get from outward migration.

**Table 12. Return, repatriation, and reintegration in records of discussion of JCMs**

Key migration topics of BLA concern	Asia and the Pacific	Middle East and Northern Africa	North America and Trust Territories	Total
Base	5	9	4	18
Conditions of return, including issues relating to exit clearances	0%	56%	0%	28%
Repatriation of workers, including return transportation and conditions of transport	0%	11%	0%	6%
Reintegration into the labor market	0%	0%	0%	0%

*Source: Authors' own analysis*

On implementation, monitoring, and follow-up (see **Table 13**), available JCM documents show that “pursuance, renewal or operationalization of MOA or MOU covering all or certain types of workers” are commonly discussed with countries in the Middle East and Northern Africa, and North America and Trust Territories, but not a primary agenda of concern with the region of Asia and the Pacific. Meanwhile, “establishment of sub-committees/teams to monitor the implementation of an agreement, iron out differences, and continuous exchange of information” is prominently discussed in Asia and the Pacific as compared to the other 2 regions. Lastly, issues like “suspension or blacklisting of erring recruitment agencies and abusive foreign principals,” “addressing runaway/absconding workers,” and “SMS-based system of monitoring employers’ compliance” are all uniquely discussed in the Middle East and Northern Africa.

**Table 13. Implementation, monitoring, and follow-up**

Key migration topics of BLA concern	Asia and the Pacific	Middle East and Northern Africa	North America and Trust Territories	Total
Base	5	9	4	18
Pursuance, renewal or operationalization of MOA or MOU covering all or certain types of workers	0%	89%	100%	67%

Establishment of sub-committees / teams to monitor the implementation of an agreement, iron out differences, and continuous exchange of information	60%	44%	50%	50%
Suspension or blacklisting of erring recruitment agencies and abusive foreign principals	0%	67%	0%	33%
Addressing runaway/absconding workers	0%	22%	0%	11%
SMS-based system of monitoring employers' compliance	0%	11%	0%	6%
Source: Authors' own analysis				

#### 4. PROPOSED MONITORING AND EVALUATION FRAMEWORK

The framework draws from the major recommendations of related literature. Some key lessons learned from the literature review are the following: (1) monitoring and evaluation should be driven by results, which means policy attention should shift from inputs and activities to outputs and outcomes; (2) baselines or benchmark data on the migration situation before the signing of bilateral labor agreements must be established; and (3) social dialogue is important in creating a robust monitoring and evaluation system.

The framework (see **Figure 1**) is defined along thematic outcomes identified in each phase of the migration cycle—governing pathways for regular migration to countries of destination and curbing irregular migration (pre-departure phase), promoting and safeguarding the rights and welfare of migrant workers in countries of destination (post-arrival and stay phase), and promoting human resources development (return and re-integration). These thematic outcomes are based on the goals and pertinent State policies enunciated in R.A. 10022 and DOLE A.O. No. 246, series of 2018. We discuss them in more detail in the succeeding three paragraphs.

**Governing pathways for regular migration to countries of destination and curbing irregular migration.** Symptoms of poor governance of migration flows are high costs of migration; high levels of irregular migration; and widespread recruitment malpractices, corruption and red tape (Wickramasekara, 2015). Among other notable concerns, this means addressing high recruitment costs; closely inspecting migration corridors for possible cases of human trafficking; setting up one-stop shop government centers for processing of documentary requirements for legal migration; a smoothly functioning and gender-sensitive system of vetting qualified and medically fit candidates for placement overseas; and working closely, in a timely manner, not only with the government of the country of destination but also non-state actors as well in all matters relating to safe pre-departure of migrants, including incentivizing choices of those who went through formal channels. While major responsibilities for migration policies rest with the governments of both parties, these policies are likely to be seen as legitimate and more effective when based on social dialogue (Wickramasekara, 2015).

**Promoting and safeguarding the rights of migrant workers in countries of destination.** Oftentimes, migrants leave with little or no understanding of their employment contracts as well as information on their rights and obligations, including legal remedies available to them. This lack of information inadvertently puts them at risk, which the conduct of pre-departure and post-arrival orientation seminars seek to mitigate. These seminars can provide valuable knowledge to prepare migrants for their future living and

working conditions such as basic language skills, financial management, health counseling, and human rights awareness. Recently, the Post-Arrival Orientation Seminar (PAOS) content framework, a follow-through to the Pre-Departure Orientation Seminar (PDOS), was recently revised to accommodate newly arrived OFWs in their countries of destination. DOLE A.O. No. 532, series of 2018, mandates the teaching of customs, culture, and tradition; political regulatory framework on labor and immigration; employment contract; government programs and services available to OFWs; training initiatives; social support system services; and Filipino Community (FILCOM) initiatives.

Another important instrument for protecting migrant workers' rights is the employment contract. The Philippine government has been active and thorough in reaching agreements with countries of destination as to the form and content of such contracts, and on the procedures for settling disputes between contracting parties. At the very least, these employment contracts, which are legally-binding in nature even when the agreement in which it is attached to is in the form of MOU, set minimum requirements such as salary, working conditions, hours of works, assured rest day, legal assistance to workers should there be contract violations, and repatriation of the worker.

Settlement of disputes is also a key pillar of protecting migrant workers' rights. Effective implementation of this would require reinforcement of the labor inspection system and workplace protection, and adequate mechanisms for filing complaints and accessing justice (Wickramasekara, 2015).

**Promoting human resources development.** Another aspect of migration is the development of human capital of migrants who decided to return home. Migrant returnees are thought to have spillover benefits through the transfer of innovative ideas, skills, and knowledge to others in the home country (Ahsan, et al., 2014). As indicated in the mapping exercise, we find that few BLAs have return and reintegration provisions, and most signed BLAs refer only to return after termination of contracts, early repatriation for violation of contract, or the transfer of one employer to another to prevent migrants from illegally staying beyond their working visa periods. Under this outcome, reintegration support to returning migrants can be achieved through remittance facilitation, skills improvement through in-service training in the origin country, and funding of enterprise development upon return. Improving labor market information system to help address ineffective job matching and information gaps on job availability can significantly help OFW returnees to have a just transition back to the local labor market.

**Results-based framework.** For a results-based monitoring and evaluation, it is important that success indicators be identified. Success indicators are the basic building blocks of an effective monitoring and evaluation framework, and they determine the parameter by which a particular outcome has been achieved. A wide variety of possible indicators can be crafted per thematic outcome; indicators can be a mix of quantitative, qualitative or both, and the mandate and cross-cutting concerns of each agency should be considered in developing indicators. Thus, consultation, close coordination with relevant agencies, and agency ownership are needed to craft the best possible indicators. As a preliminary, we recommend the following criteria for shortening the list to a few, prioritized indicators: (1) availability of data collected at regular intervals; (2) resemblance or closeness of the indicator to established major final outputs of the implementing agencies in a fiscal year; and (3) representativeness of the chosen indicator as proxy for ascertaining migration patterns between the Philippines and the country of destination.

**Baseline data.** Establishing baseline data could provide a legitimate basis for the Philippines and the countries of destination to discuss improvements to the implementation of BLAs. Baseline is a data used to provide a reference point or a useful comparison of the situation before and after implementation of a BLA. Collection of baseline data has played an important role in maintaining public support for temporary migration schemes as in the case between Australia, New Zealand, and Pacific Island countries in which baseline surveys are conducted and workers are tracked year after year, which then provided credible counterfactuals of what would have happened to affected households in the absence of migration (Ahsan,

et.al, 2014). Side by side in establishing a baseline data, target values need also to identified. Targets set the envisioned change that a BLA wants to achieve given a success indicator (see examples below).

**Table 14. Illustrative examples of success indicators, baseline, and target value**

Success indicator	Baseline (2018)	Target (2021)
<i>Thematic Outcome for pre-departure: Governing pathways for regular migration to countries of destination and curbing irregular migration</i>		
Increased number of OFWs going through POEA-approved formal migration channels	2,500	5,000
<i>Thematic Outcome for post-arrival and stay: Promoting and safeguarding the rights and welfare of migrant workers in countries of destination</i>		
Decreased number of reported welfare cases	500	250
Decreased number of women migrant workers reporting welfare cases	200	100
<i>Thematic Outcome for exit, return, and reintegration: Promoting human resources development</i>		
Number of rewards (monetary and/or non-monetary) given to returning OFWs after the completion of contract	100	200

**Social dialogue.** We also highlight the importance of dialogue and cooperation especially in defining the baseline and targets on the set of objectives to properly measure the development impact of BLAs. This can be realized through consultations with tripartite and social partners to openly discuss and agree on mutually beneficial and achievable targets. This will also heighten legitimacy and have greater potential for impact when these targets are adopted and evaluated.

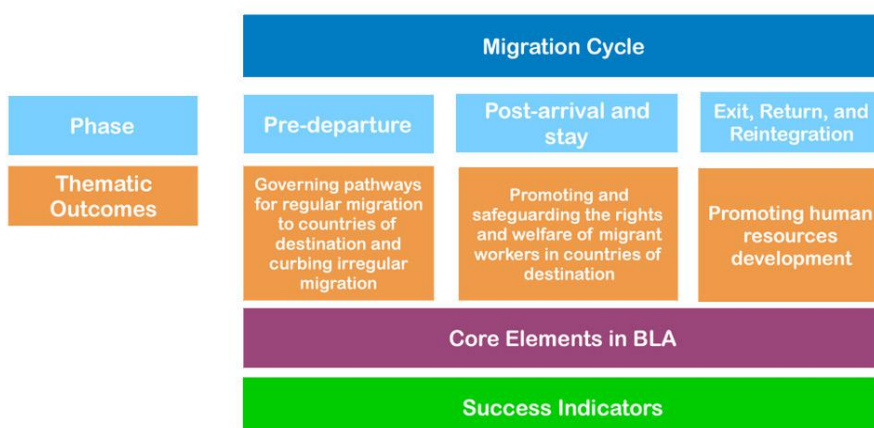
**Further preparatory and foundational steps.** To fully operationalize the framework, it is necessary to conduct some preparatory and foundational activities. We outline below what we envisioned the next interim steps toward a system of monitoring and evaluation of BLAs:

1. Enable the policy environment through the creation or activation of a functioning coordination committee within DOLE that will be tasked to monitor and evaluate results. The committee, preferably led by a senior policy official of the Department and sufficiently staffed by qualified focal persons from either ILAB or POEA, will draw up names of key DOLE agencies and tripartite and other social partners to be engaged in validating the thematic outcomes, and in setting indicators, targets and so forth.
2. Simultaneous in the creation of a DOLE committee is the need for harmonization of administrative data on migration collected by ILAB, POEA, and OWWA from POLOs and their respective Regional Offices. The harmonization will be framed in such a manner that it will be useful for building a system of monitoring and evaluation of BLAs as outlined here. The ILS can take a lead in this endeavor with support from the DOLE Planning Service and the aforementioned agencies.
3. The next step will be for the DOLE Committee, having thoroughly consulted tripartite and other social partners, to agree on the thematic outcomes as proposed. This means building consensus on the results-based monitoring and evaluation framework and the matrix (see **Table 15**).
4. Afterwards, the DOLE Committee, competently advised by tripartite and other social partners, and guided by the ILO norms on migration as well as the core, non-negotiable elements of a Philippine BLA as stipulated in DOLE A.O. 246, series of 2018, will decide on the success indicators to monitor progress with respect to inputs, activities, outputs, and outcomes. The DOLE Committee, again with advice from partners, may decide to craft context-specific indicators to account the peculiarities of a particular BLA that the Committee wishes to give



- priority.
- Once outcomes are decided, the DOLE Committee, with advice from tripartite and other social partners, will establish baseline data, which may be qualitative or quantitative or both, that can be used later for monitoring and evaluation.
  - At this point, the DOLE Committee will now be ready to set the targets, which will be calibrated by: (a) aligning with the baseline data; and (b) checking the established targets set in each agency's Office Performance & Commitment Review (OPCR).
  - As soon as both baseline and target data are set, the DOLE Committee will identify the desired timeframe of each success indicator, and establish the frequency and reportorial requirements with which they will be monitored and evaluated. The DOLE Committee will need to ensure that the timeframe and reporting system complement and/or build upon existing monitoring and evaluation system of DOLE.
  - The last significant interim steps will be for the DOLE Committee to identify appropriate DOLE agencies that will be tasked to commit in the achievement of the targets; ensure agency ownership; and demand accountability. Said action points will need further high-level support from the DOLE management to be credible and sustainable.

**Figure 1. Proposed monitoring and evaluation framework**





**Table 15. Monitoring and evaluation results matrix**

Phase of the migration cycle	Thematic Outcome	Indicator	Definition, limitations, and underlying concepts	Unit of Measurement or Analysis	Benchmark Data		Data Source*	Frequency of measurement	Lead DOLE Agency	Contributing Agencies
					Baseline and Reference Year	Target Value				
		<i>Short statement of the indicator (i.e. macro/micro, direct/indirect)</i>	<i>Brief description of the indicator and the assumptions behind it. Defines what is included and excluded. Cites the applicable provision/s in the BLA</i>	<i>Unit chosen or agreed to be assessed in respect to the result being monitored. Specifies what kind of data is required to measure the indicator and whether the indicator is qualitative or quantitative</i>				<i>Specifies how often the indicator will be measured and how often relevant agencies will report e.g., Annual, Semi-Annual, Monthly, Weekly, Daily</i>		

\* Data may be sourced from the following reports mandated by ILAB: Report to Congress (RTC), JCM Records of Discussion (ROD), Statistical Performance Reporting System (SPRS), Welfare Cases Report (WC), Repatriation Report (RR), Training Report (TR), Report on Wards (RW), Narrative Report (NR), and Labor Market Information (LMI).

## 5. CONCLUDING REMARKS AND RECOMMENDATIONS

This study finds that this is the first mapping exercise of Philippine BLAs based on a content analysis of 43 valid agreement texts and 18 JCM records. The review finds some challenges that need to be addressed if the Philippines is to strengthen the texts of its BLAs in terms of protecting the rights of OFWs and their families. The main challenges are enumerated below.

The number of BLAs concluded by the Philippines with countries of destination is steadily rising during the last two decades. Top destination countries of OFWs, dominated mostly by countries in the Middle East and Northern Africa region, appear to have forged BLAs with the Philippines. However, we observe that most are in the form of non-binding memorandum of understanding. There may be a need to actively push for legally binding BLAs and/or the operationalization of MOUs through the development of protocols and standard employment contracts, which are more concrete and specific.

Also, it appears that the Philippines has no binding BLAs with especially important countries (Singapore, Hong Kong, Malaysia, Brunei, Oman) and several emerging countries of destination (Cyprus, Russia, Malta, Thailand, Palau) that host large bulk of OFWs. Consistent with State policy on the deployment of OFWs, there is a need to forge BLAs with these countries of destination.

While there is a written provision on the conduct of JCM as a mechanism for monitoring the implementation of the BLAs, we find that only a few host countries conduct it in conjunction with the Philippines, having find it in destination countries which we currently have government-to-government arrangement (i.e., Japan, Taiwan, China) and those in the Middle East region (i.e., Saudi Arabia, United Arab Emirates, and Qatar).

This study assesses, from a country of origin perspective (i.e., the Philippines), the content and context of BLAs in light of their compatibility to international norms and standards set by the ILO as well as their adherence to the prescribed Philippine BLA format of DOLE. We find that while the main texts of all BLAs have provisions relating to methods of cooperation, exchange of information, and final provisions, it is worrying that most BLAs mapped are lacking explicit provisions relating to social security and remittance, equality of treatment, housing conditions and supply of food, supervision of living and working conditions, conditions of transport, travel and maintenance expenses, and return and reintegration.

In relation to the latter issue, we also observe that most JCMs examined in this study are either silent or prefer not to discuss this issue. It is important to note that most BLAs cater to the needs of temporary migrant workers whose contracts are valid up to 2 to 3 years only, and therefore policy attention, both in the crafting of BLA texts and in the implementation side of agreements, must be given as to the mechanisms for reintegrating OFWs to the Philippine labor market. We note that the non-inclusion of reintegration issues in both BLAs and their JCMs is a microcosm of the larger Philippine migration practice, which is characterized by a rather strong State presence in the pre-deployment and the deployment side of the migration cycle but weak on the return and reintegration phase of OFWs. Perhaps, it is now high time that the Office Performance and Commitment Review (OPCR) of DOLE be revisited and reexamined so as to give policy weight less on the deployment of OFWs but more on the number of OFWs assisted in return and reintegration phase of the migration cycle.

With respect to the participation of tripartite and other social partners in BLAs, almost all meetings remain a closed-door meeting amongst government officials and staff. While we acknowledge that there may be certain parts in the DOLE's BLA process flow that should be confidential due to sensitivity of diplomatic issues being discussed, we see that there is opening for tripartite and civil society participation in pre-negotiation phases, implementation, and monitoring and evaluation. Tripartite and other social partners, for instance, can help narrow down or validate the prioritized issues that need to be discussed by accredited Philippine negotiators with the country of destination. Specific recommendations from partners as to how agreement texts and their annexes may be improved could also be valuable inputs for the Philippine

government when it sits down with the other State Party during JCMs.

Of particular interest for Philippine negotiators is to negotiate for explicit gender-specific clauses in both the main BLA texts and their annexes to recognize specific needs of women OFWs. Some examples may be gender-specific clauses in contracts, explicit prohibition of pregnancy testing, establishment of violence against women desks in POLOs, or provision of social security for women migrant workers.

Regarding transparency and publicity of BLA texts, the availability of BLA texts in the public domain, in general, appears to be satisfactory. The website of POEA hosts a majority of BLAs mapped in this study; however, we observe that recently negotiated BLAs have not been posted yet as of the time of writing. Next steps to level-up government transparency on this matter would be to issue easy-to-read regular reports summarizing the contents of agreements and labor market information data of the country of destination, among others. More importantly, for efficient and fast handling of future Freedom of Information (FOI) requests relating to BLAs, POEA must designate an office within its organization that will act as central repository of all BLAs and their annexed documents, JCM records, exchange of notes, and other BLA-related paraphernalia.

Some ILS activities we see in the near future for further collaboration with POEA, ILAB, and non-governmental partners include: (1) Present the framework to tripartite and other social partners for stock-taking and consensus; (2) install a more specific results/ outcomes-based matrix in monitoring BLAs (2018 and beyond); (3) include the framework as annex to DOLE A.O. 246 series of 2018; (4) monitoring and evaluation should be part of POEA and ILAB office performance targets; (5) improve, streamline and automate data collection and archiving of leading/contributing agencies; and (6) apply the framework in evaluating key BLAs.

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# Is Wives' Overseas Migration a Deterrent to the Labor Supply Behavior of Non-Migrant Spouse Left-Behind? Evidence from the Philippines Temporary Migration

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## ABSTRACT

*A key feature of the Philippine overseas migration is the increasing female migrants working outside their home. It is of interest that migrant women highly dominate overseas employment for the last decade who had to leave their homes and endure long years of family separation. The aim of this research was to determine how the migration of wives impacts the labor supply behavior or motivation to work of the husbands left behind. To achieve this objective, I modeled husbands' participation in the labor market activities using nationally representative merged dataset on labor force and family income surveys and correct for the endogeneity of the migration status of wives using migrant networks. Results show that stayer husbands significantly reduce their hours of work and shift from being permanent to short-term employed persons. The reduced labor supply of the stayer husbands could be associated with an increasing proportion of men becoming less economically active due to their participation in the household or family duties due to the absent-wives.*

*JEL Classification:* F22, J16

*Keywords:* gender, international migration, household labor allocation, Heckman's two-step procedure, Philippines

## 1. INTRODUCTION

The overseas migration has been prevalent in the Philippines as a source of upward social mobility and changing lifestyles due to lack of domestic employment. At the same time, migration has become deeply embedded in people's behavior and values at the community level making it attractive as an employment aspiration especially in underdeveloped areas. Recently, Philippines has experienced a gender gap in overseas employment with females outnumbering the male workers since 2011. The annual deployment of women new hires has been increasing over the five-year period (2011-2015) which represents three-fifths of the total overseas workforce (POEA, 2016). The expansion of household services and caregiving work overseas has led to the feminization of migration in the Philippines. Since domestic work is an extension of family work, it is often the few employment opportunities available to women especially in the lower echelon of society (Garner & Cherrin 1998: 111). This trend is more likely to sustain as major labor-exporting countries in Asia are generally favorable toward labor migration to the Middle East (Arnold and Shah 1984).

Several studies have been documented measuring the impact of migration, which is heavily male-dominated, on sending communities (Rodriguez and Tiongson 2001; Hanson and Woodruff 2003; Sadiqi and Ennaji 2004; Acosta 2006; Amuedo-Dorantes and Pozo 2006; Cabegin 2006; Cox-Edwards and Rodriguez-Oreggia 2009; Lokshin and Glinskaya 2009; and Calero et. al. 2009). Conventionally, labor migration is viewed as economically beneficial through financial transfers. These remittances ease household's budget constraints and improve its long-term economic welfare by engaging in productive investments like education and health. Oftentimes, these studies also highlight the social costs attached to migration. Having a migrant member in the household shows detrimental effects on labor supply, education, health, and social status of left-behind family members.

This paper, in contrast, identifies the causal impact of wives-mothers' migration on families left-behind which remains a challenging empirical question. This paper is motivated on two reasons: First, the rise in female international migration has spurred discussions on the costs and benefits for migrant-sending communities. Its impact on the economic behavior, particularly the labor supply and consumption

patterns of workers' non-migrating household members, has remained understudied. Second, economists have underscored the growing role of married women in the labor market by treating the labor supply decisions of married couples as joint decisions (Leeds and von Allmen 2004). For married couples where their decisions are jointly made, the theoretical model assumes that migration is a mutually interdependent decision: migrants and non-migrants jointly decide about migration such that its costs and returns are shared based on an implicit contractual arrangement between the two parties (Rodriguez and Tiongson 2001).

The study will, therefore, seek to investigate if and how wives' migration impacts the labor supply behavior of the stayer husbands. The main research question is: To what extent does the migration of wives affect the labor market participation of husbands left behind in the Philippines. The impact of migration on migrant-sending communities is characterized as "complex, multi-channeled, and context-dependent" (Démurger 2015: 3). Oftentimes, it depends on the gender and age of who migrated and who is left-behind. This paper hypothesizes that the absence of wives as an economically active member of the household translates to the loss of its own time inputs to both market and household production. For instance, absent wives, being the ideal care-giver, may translate into long interrupted personal care on dependent household members especially with the presence of primary and school-aged children and the elderly. Hence, the greater burden on household and child care responsibility on the stayer husband. The opportunity cost of work and household production may be considerable and may offset the gains from migration since these two mechanisms work in opposite directions (Démurger 2015: 3). The overall economic welfare gains from wife's migration may be lesser if husbands reduced their labor market participation due to child care work.

Unlike from existing literature, the novelty of this is paper is to measure the causal impact of female migration in which female workers account for up to three-fifths of transnational labor migrants in the Philippines. This was done through examining the effect of migration empirically with estimates adjusted for sample selection bias caused by the endogeneity of the migrant status of the spouse, particularly the absence of wife-mothers, on the labor supply decisions of the husbands left-behind while moving toward samples from the Philippines. For richer analysis, there were three layers of comparison: wife's absent, husband's absent, and when both are absent given the gendered implications of migration. The study utilized merged dataset from the nationally representative Labor Force Survey (LFS) and the Family Income and Expenditures Survey (FIES). The former provides household labor supply information; and the latter provides income and expenditure patterns of the household, which includes among others, level of consumption by item as well as sources of income in cash and in kind. The results show that stayer husbands reduce their hours of work and shift from being permanent to short-term employed persons. The changes in the labor supply are also associated with the significant reduction in self-employment without any paid employee with some evidence of a shift to be an employer in own family-operated farm or business.

The paper is structured as follows: Chapter 1 provides the background, motivation, objectives, and contributions; Chapter 2 provides empirical evidence to support the theory, and how this paper will try to bridge the gaps in migration scholarship; Chapter 3 describes the methods; Chapter 4 discusses the results; and Chapter 5 concludes.

## 2. EVIDENCE OF THE IMPACTS ON LABOR SUPPLY

The international migration of one member leads to either an increase or decrease in the labor supply behavior of the non-migrant members on two related but separate outcomes (Rodriguez and Tiongson 2001, Cabegin 2006, 2013; Cox-Edwards and Rodriguez-Oreggia 2009): remittance flow and absence of the migrant<sup>1</sup>.

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1 May refer to migrant wife-mother, migrant husband-father, or both migrant parent.

## 2.1. Remittance Effect

First, financial transfers through remittances enable the remaining household members to ease financial constraints by engaging in riskier and higher-yielding income activities (Démurger 2015: 7). If the strength of the remittances and family ties are strong, then migration would result in the diversification of economic activities in the household and raises income from local activities in the long-term. Meanwhile, the increase in non-labor income, due to remittances, increases the reservation wage and reduces the opportunity cost of leisure of the non-migrant members, and hence discourage them to work in the local labor market. If this persists, this may create dependency on income from remittances in the long term.

After controlling for the endogeneity of remittances and using selection correction, such as propensity score matching, Acosta (2006) finds that remittances are negatively associated with child labor and adult female labor supply while adult male labor force participation (LFP) on average remains unchanged for the case of El Salvador. Amuedo-Dorantes and Pozo (2006) examine differences in hours of work in various types of employment of working-age men and women in Mexico in urban and rural areas while accounting for the endogeneity of remittance income. They found out that remittances in general, reduces the budget constraints of recipient households, translating to reduced labor supply. The income effect appears to dominate the women in rural households, who seem to utilize remittances to purchase more time away from informal and unpaid work. Similarly, higher remittances are associated with reduced male labor supply in the formal sector and urban self-employment. Meanwhile, Cox-Edwards and Rodriguez-Oreggia (2009) study focuses on the impact of persistent remittances rather than casual or sporadic remittances. They find that persistent remittances have no systematic variation in the labor force behavior. This is consistent with remittances having a “neutral effect” on labor participation such that persistent remittances flows are integral to the income diversification strategy of the household. Lokshin and Glinskaya (2009) examined the effect of male migration to the LFP of prime-age women in Nepal. They constructed counterfactuals where the observed rates of the labor market participation of women under migrant households were simulated simultaneously under households when migration did not take place. They found evidence of substantial heterogeneity in the labor supply of women both in observable and unobservable characteristics in the impact of male migration.

## 2.2. Migration Effect

The migration of the spouse lowers the labor supply of the stayer spouse by affecting productivity at home. In a common Filipino household headed by a couple with children, both members spend time on childcare, with wives having greater time at home than the husbands (Cabegin 2006, 2013). If the time spent for childcare between husbands and wives are likely to be substituted, then migration of the spouse would decrease the labor supply of the remaining spouse in the domestic labor market and raises its production at home, both childcare and housework, for a certain number of hours to compensate for the household tasks previously done by the migrant spouse. The effect is more pronounced if there are no other close substitutes. If parental childcare services provided in the market or other family members serve as inferior, then migration of the spouse would lead to increase childcare time value, raise reservation wage, and reduce labor market participation of the remaining spouse. Meanwhile, if the home time inputs are complements, then the opposite will hold. The net impact of the home time effects may differ considerably across different population which is influenced on the age and gender composition of the household, employment sector they belong, nature of migration (permanent or temporary), and household assets and liquidity constraints (Démurger 2015: 7). An extension of this phenomenon is the reorganization of intra-family roles and the shifting of bargaining power of the left-behind members, which affects household decision-making especially on the allocation of resources (Démurger 2015: 7).

Rodriguez and Tiongson (2001) studied the impact of temporary migration on household labor supply from the urban Philippines. They confirmed that migrants reduce the labor supply of non-



migrant relatives (their labor supply and hours of worked), which substitute income for more leisure. This benefit differs by gender of non-migrants and more significant in males. Sadiqi and Ennaji (2004) use a gendered approach in studying the impact of male migration from Morocco to Europe on women left-behind. They concluded that Moroccan women become disempowered due to the departure of male household members (their husbands, sons, fathers, etc) and oftentimes reoccurring based on the social category they belong to and the household size. Apart from the separation and lack of facilities, their suffering is aggravated due to the inherent and heavily patriarchal social conditions that exist in Morocco. Majority of these women often find themselves the burden of catering to the household, maintaining family times, and nurturing children.

Overall, the existing literature on the impact of migration and remittances intend to measure the extent to which migration can improve development, especially in the sending communities. These studies attempt to construct a no-migration or no-remittance counterfactuals by estimating the labor market of the remaining members supposing migration and remittances did not exist. However, these studies only focus on one outcome in a source country, preventing comparative analysis in any other source countries. The novelty of the paper is that it will compare the household social outcomes when wives migrate against husband migrate. Since much of the information suggests that there has been growing phenomena of female migrating abroad. Lim and Oishi (1996) argued that there has been increasing participation of women in international labor migration, which has been pronounced among Asian countries with “women moving in their own right as economic migrants”.

### 3. METHODOLOGY

The methodology will first discuss the empirical approach used to measure the causal impact of wives' migration. This is followed by the identification strategy to control for the endogeneity of the migrant's status and the set of explanatory variables controlled for. And lastly, describes the dataset used in the analysis.

#### 3.1. Empirical Approach

The focus of this analysis is to model how the labor market participation of the spouse left-behind is a function of the migration status of the spouse (parent), individual and household characteristics, and regional labor market conditions. This was determined by different outcomes of employment decisions: nature of employment (permanent job; short-term; and an employer in own farm or business); class of worker<sup>2</sup> (wage and salary workers; an employer in own family-operated farm or business; self-employed without any paid employee; and without pay), and hours of work. These outcomes are observed since these are available measures in the household survey data that determines the quality of employment. These outcomes are compared for migrant-sending households and for non-migrant sending households. For computational tractability, the labor supply decisions are defined in dichotomous states (1=presence of the outcome; 0=otherwise) estimated through linear regression with endogenous treatment effects. The endogenous treatment-regression model treats the endogenous binary migration variable as a linear potential outcome that allows for correlation between the unobservables affecting both the treatment and the outcome of interest (Heckman 1976). The following main regression equation used in this analysis was introduced by Maddala (1986):

(Equation 1) 
$$y_j = \mathbf{x}_j\beta + t_j\delta + e_j$$

where  $\mathbf{x}$  is a vector of explanatory variables that affect the labor and school decisions,  $\beta$ 's and  $\delta$ 's are the vectors of unknown parameters of interest,  $e$ s are the random error terms. The  $t_j$  is the binary-treatment variable (1=migrant spouse, 0=otherwise) which is assumed to come from a latent variable  $\mathbf{w}$ .

(Equation 2) 
$$t_j = \mathbf{w}_j\gamma + u_j$$

2 See Annex 1 for the detailed definition of the class of worker classifications.

Since not all decide to migrate, Eqn. 2 is modeled according to:

(Equation 3)

$$t_j = \begin{cases} 1, & \text{if } w_j\gamma + u_j > 0 \\ 0, & \text{otherwise} \end{cases}$$

where  $w$  are the covariates to model the treatment equation, and the error terms  $\varepsilon$  and  $u$  are assumed to follow a bivariate normal distribution.  $w$  should be uncorrelated to the error terms and exogenous. Otherwise, the violation of such conditions will lead to biased estimates using Ordinary Least Squares (OLS). This can be validated using Heckman's Two-Step procedure. This will account for the endogeneity in the selection bias of being a migrant. For this method to work, Wooldridge (2009) noted that  $x$  should be a strict subset of  $w$  and at least one element of  $w$  is not in  $x$ . This will satisfy the estimation of the treatment equation using maximum likelihood probit that uses an exclusion restriction<sup>3</sup>:

(Equation 4)

$$\Pr(t_j = 1 | w_j) = P(w_j\gamma)$$

From above, the hazard,  $h_j$ , is obtained for each  $j^{\text{th}}$  observation that describes the probability that a spouse decides to migrate following a standard normal density function,  $\phi$ , over the cumulative probability of migration decision,  $\Phi$ :

(Equation 5)

$$h_j = \frac{\phi(w_j\gamma)}{1 - \Phi(w_j\gamma)}$$

Finally, the two-step parameter estimates,  $\beta$ , are obtained by factoring the hazard  $h$  as an additional covariate in the main equation. A two-step estimate of the regression disturbance variance,  $\sigma^2$ , is computed from the residuals of the estimated main equation and the estimated hazard:

(Equation 6)

$$\hat{\sigma}^2 = \frac{e'e + \beta_h^2 \sum_{j=1}^N d_j}{N}$$

Hence, the two-step estimate of  $\rho$

(Equation 7)

$$\hat{\rho} = \frac{\beta_h}{\hat{\sigma}}$$

### 3.2. Identification Strategy

The migration status is a potential binary endogenous regressor to the labor market decision of the other partner. This is partly due to the unobserved heterogeneity that could be correlated with the observed characteristics that might complicate comparison between households with a migrant and non-migrant spouse. For many microeconomic studies on migration and remittances, different instruments were used to treat endogeneity of migration: distance of the country of destination from the origin (Cabegin 2013); presence of migration networks (Acosta 2006); historical migration rates (Hanson and Woodruff 2003; Hildebrandt and McKenzie 2005), and information on the per capita count of remittance transfer offices (Amuedo-Dorantes and Pozo 2005).

For this attempt, the study made use of the presence of migration networks to instrument the migration status of the spouse. According to the network theory, as described by Massey et al (1993), migrant networks consists of “interpersonal ties that connect migrants, former migrants, and non-migrants in origin and destination areas through ties of kinship, friendship, and shared community origin” (1993: 448). These networks, which constitutes a form of social capital, potentially increase the probability of migration flows either by lowering the costs and risks of migration or raising the expected net benefits

<sup>3</sup> Maddala (1986: 120-122) shows the derivation of the two-step estimate. Furthermore, Wooldridge (2009: 608) noted that if selection is purely a function of exogenous variables, then maximum likelihood estimation of a nonlinear model-such as logit or probit model produces consistent and asymptotic normal estimators.



to migration. In this paper, the presence of migration networks is proxied by the relative number of deployed Overseas Filipino Workers (OFWs) by regional origin in the Philippines, i.e., the absolute number of OFWs originating in the region divided by the total population in the region. To have more variation in the instrument, the relative share of women and share of men who originated from the region was used to instrument for the migration decisions of the wives and husbands, respectively. It is assumed that the higher is the concentration of OFWs in a certain region of origin, the higher is the number of prospective OFWs coming from the same region because of the presence of support system and a reliable source of information prior to migration (e.g. migration costs). At the same time, the presence of migration networks does not directly affect the labor supply behavior of the non-migrant spouse.

### 3.3. Explanatory Variables

The overseas migration status of the spouse (parent) is the main explanatory variable of interest to capture the effect of migration. The advantage of this approach is that the extent of overseas migration is analyzed as an important part of income diversification strategy of the household as proposed by the new economics of migration. In terms of individual characteristics, education and age are controls which affect own earnings of the remaining spouse. Meanwhile, household characteristics include the number and age composition of the dependents and other adult family members.<sup>4</sup> The higher the number of dependents in school and employed adult members, either for pay or profit, the higher is the time value in-house production of the remaining spouse (parent). Since migration is assumed to be a household income strategy, the remaining spouse's annual earnings for those who work in the domestic market, measured in per capita, is controlled for. The household expenditures are excluded as a covariate since household spending might have an endogenous relationship with working decisions and the unobserved heterogeneity might introduce bias (Calero et. al 2009). Since the migration and labor supply may be driven by the regional-specific labor market and economic characteristics, the LFP rate, employment rate, underemployment rate where the household is located, and the urban-rural composition are controlled for.

### 3.4. Data

To estimate the labor supply of non-migrant spouse, the analysis is drawn from the merged datasets using the 2015 LFS-FIES. Both are nationally representative surveys that provide estimates on the labor and supply characteristics of household members; family income and expenditure, including the level of consumption per expenditure item, and sources of income. For the estimation of the labor supply of non-migrant spouse, the sample was limited to those married household head who is co-heading the household with a migrant spouse. Both members of the couple are in their prime working age (i.e. 25 to 54 years old). This is to exclude couples who are in school and those who decided for an early retirement.

For this attempt, I cannot separately distinguish the effect of migration and remittances. The survey data on remittances is measured on the aggregate amount in the household and not separately identified for every migrant individual in the household. Hence, remittances received in a household where a spouse migrated cannot be determined. While it is more useful to examine the remittance contribution of the migrating spouse and how it is used in intra and inter-household decisions (i.e., higher per capita remittances may lead to the reduction of labor supply due to dependence effect), the analysis will be limited to the migration status of the spouse to determine the causal impact of migration.

**Table 1** provides the descriptive statistics of the different employment states of one spouse according to the migration status of the other spouse. In the pooled samples, only two-thirds (68.26%) of the stayer spouse having a migrant spouse decides to work compared to its counterpart (94.64%). This appears to be lower in migrant households having stayer wives (50.88%) than stayer husbands (87.22%). Meanwhile, stayer spouse with a migrant partner in the pooled samples worked for an average of 40.69

<sup>4</sup> These include the number of children less than five years old, number of children from 5-17 years old, number of employed persons for profit, and number of employed persons for pay.

(19.93) hours, which is slightly lower than stayer spouse with a non-migrant partner estimated at 43.01 (17.00) hours. Those with a migrant partner, stayer husband worked less on averaged (39.91±17.54) than stayer wives (41.931±23.18). Meanwhile, the average number of hours does not change for both stayer husbands (43.00±16.87) and wives (43.51±22.37) with a non-migrant partner.

In terms of nature of employment, there are fewer stayer husbands to work permanently with migrant partners (76.71%) than non-migrant partners (77.91%). In contrary, there are more stayer wives to work in permanent jobs with migrant partners (84.54%) than non-migrant partners (82.92%). With respect to the class of work, there is more stayer spouse in wage and salary workers with non-migrant partners (57.27%) than migrant partners (53.74%) in the pooled samples. This appears to be consistent for both stayer husbands (57.30%) and stayer wives (55.92%) with non-migrant partners. Meanwhile, there is more stayer spouse to be self-employed or those persons who operate their own business or trades that do not employ paid employees, with migrant partners (38.28%) than non-migrant partners (36.31%) in the pooled samples. Being self-employed is more glaring among stayer wives (40.38%) than stayer husbands (36.95%) with migrant partners.

Table 1. Employment of the stayer spouse, 25-54 years old

Employment Outcomes	Both Sample		Husband sample		Wife sample	
	Migrant	Non-migrant	Migrant	Non-migrant	Migrant	Non-migrant
<b>Decides to work (%)</b>						
<b>Obs</b>	1,194	19,330	571	18,791	623	539
<b>Yes</b>	68.26	94.64	87.22	95.42	50.88	67.35
<b>Total hours of work in a week</b>						
<b>Obs</b>	815	18,294	498	17,931	317	363
<b>Mean</b>	40.69	43.01	39.91	43.00	41.93	43.51
<b>Std. Dev.</b>	19.93	17.00	17.54	16.87	23.18	22.37
<b>Min</b>	0	0	0	0	0	0
<b>Max</b>	112	112	105	112	112	112
<b>Nature of employment (%)*</b>						
<b>Permanent</b>	79.75	78.01	76.71	77.91	84.54	82.92
<b>Short-term</b>	16.32	17.17	17.07	17.25	15.14	13.22
<b>Different employer</b>	3.93	4.82	6.22	4.84	0.32	3.86
<b>Class of Worker (%)*</b>						
<b>Wage and Salary Worker**</b>	53.74	57.27	54.02	57.30	53.31	55.92
<b>Employer</b>	7.98	5.81	9.04	5.84	6.31	4.41
<b>Self-employed</b>	38.28	36.31	36.95	36.27	40.38	38.29
<b>Without pay</b>	0.00	0.61	0.00	0.60	0.00	1.38

Source: Author's own calculations from LFS-FIES 2015

\*The same number of observations from Total Hours of Work in a Week

\*\* Includes: worked for the private household; for private establishment; for government and government-controlled corporation; with pay in own family-operated farm or business

**Table 2** provides the descriptive statistics for the explanatory variables. In the pooled samples, the average age of the household head for stayer spouse is 41.49 (7.01) with a migrant partner, lower than those with non-migrant partners, averaging to 42.26 (7.53). The size of family members is bigger for non-migrant households with five members on average. The average number of primary (less

than five years old) ranging from  $0.36 \pm 0.61$  to  $0.57 \pm 0.76$ ; and school-aged (5-17 years old) children ranging from  $1.68 \pm 1.17$  to  $1.89 \pm 1.44$  does not differ notably for both migrant and non-migrant households. About half of the migrant households (41.88%) resides in urban areas, slightly higher than non-migrant households (34.89%). In terms of the level of education, most of the household head completed secondary for both migrant (35.43%) and non-migrant households (27.14%).

For stayer husbands having migrant partners, the average age is 41.83 years old, have four household members, with one primary-aged child, two school-aged children, and one member working for pay. The composition of the household does not change considerably among stayer wives with migrant partners with an average age of 41.17 years old. But unlike for stayer husbands, four out of ten (42.86) stayer wives completed college.

Table 2. Summary statistics of the covariates

Variables	Both sample						Husband sample						Wife sample					
	Migrant			Non-migrant			Migrant			Non-migrant			Migrant			Non-migrant		
	Obs	Mean	Std. Dev.	Obs	Mean	Std. Dev.	Obs	Mean	Std. Dev.	Obs	Mean	Std. Dev.	Obs	Mean	Std. Dev.	Obs	Mean	Std. Dev.
Household Head Age (AGE)	1,194	41.49	7.01	19,330	42.26	7.53	571	41.83	6.97	18,791	42.28	7.52	623	41.17	7.05	539	41.55	7.88
Total Number of Family members (MEMBERS)	1,194	4.09	1.69	19,330	5.23	1.99	571	4.07	1.75	18,791	5.24	1.99	623	4.12	1.63	539	4.86	2.06
Members with age less than 5 year old (AGELESS5)	1,074	0.36	0.61	18,331	0.57	0.76	501	0.33	0.57	17,828	0.57	0.76	573	0.38	0.65	503	0.54	0.73
Members with age 5 - 17 years old (AGE5_17)	1,162	1.68	1.17	18,986	1.89	1.44	553	1.73	1.23	18,469	1.90	1.44	609	1.63	1.11	517	1.60	1.37
Total number of family members employed for pay (EMPLOYED_PAY)	1,160	1.15	1.09	19,106	1.37	1.08	555	1.30	1.11	18,572	1.37	1.08	605	1.02	1.05	534	1.51	1.11
Total number of family members employed for profit (EMPLOYED_PROFIT)	1,095	0.49	0.60	18,595	0.82	0.78	524	0.63	0.62	18,093	0.82	0.78	571	0.37	0.55	502	0.63	0.73
Log of per capita income (LNPCINC)	1,194	11.23	0.69	19,330	10.49	0.74	571	10.94	0.62	18,791	10.47	0.74	623	11.50	0.64	539	10.92	0.77
Log of per capita remittances (LNPERCAPITAREMIT)	1,159	10.49	1.01	3,541	8.40	1.45	549	9.98	0.92	3,359	8.32	1.40	610	10.96	0.85	182	9.79	1.65
Regional labor force participation rate (RLFPR)	1,194	63.88	2.46	19,330	63.39	3.27	571	63.97	2.88	18,791	63.37	3.30	623	63.80	1.99	539	64.00	2.08
Regional employment rate (RER)	1,194	93.68	1.95	19,330	94.20	1.82	571	94.25	2.05	18,791	94.22	1.82	623	93.16	1.71	539	93.41	1.71
Regional underemployment rate (RUNDER)	1,194	17.52	5.64	19,330	19.03	6.52	571	17.49	5.37	18,791	19.06	6.52	623	17.55	5.88	539	18.18	6.51
Relative number of OFWs based on regional origin, both sexes (RMIGNET_BOTH)*	1,194	0.77	0.29	19,330	0.63	0.30	571	0.83	0.31	18,791	0.64	0.30	623	0.71	0.26	539	0.62	0.25
Relative number of Male OFWs based on regional origin (RMIGNET_MALE)*	1,194	0.69	0.26	19,330	0.57	0.29	571	0.66	0.27	18,791	0.57	0.29	623	0.71	0.24	539	0.63	0.24
Relative number of Female OFWs based on regional origin (RMIGNET_FEMALE)*	1,194	0.85	0.44	19,330	0.70	0.40	571	1.00	0.47	18,791	0.71	0.40	623	0.72	0.38	539	0.62	0.33

Source: Author's own calculations from LFS-FIES 2015

\*Computed using the absolute number of OFWs by regional origin divided by the population in the region

Variables	Both sample				Migrant	Husband sample				Migrant	Wife sample			
	Migrant	Non-migrant				Migrant	Non-migrant				Migrant	Non-migrant		
	N	%	N	%	N	%	N	%		N	%	N	%	
Urban residence														
Yes (=1)	500	41.9	6744	34.9	159	27.8	6412	34.1	341	54.7	332	61.6		
No	694	58.1	12586	65.1	412	72.2	12379	65.9	282	45.3	207	38.4		
Total	1194	100.0	19330	100.0	571	100.0	18791	100.0	623	100.0	539	100.0		
Household Head Highest Grade Completed (HGC)														
No Grade (=0)	2	0.2	447	2.3	2	0.4	446	2.4	0	0.0	1	0.2		
Pre-school	0	0.0	8	0.0	0	0.0	8	0.0	0	0.0	0	0.0		
Elementary Incomplete	41	3.4	3793	19.6	39	6.8	3765	20.0	2	0.3	28	5.2		
Elementary Complete	90	7.5	3085	16.0	68	11.9	3028	16.1	22	3.5	57	10.6		
Secondary Incomplete	111	9.3	2584	13.4	83	14.5	2522	13.4	28	4.5	62	11.5		
Secondary Complete	423	35.4	5247	27.1	236	41.3	5061	26.9	187	30.0	186	34.5		
Post-secondary	19	1.6	152	0.8	10	1.8	148	0.8	9	1.4	4	0.7		
College Incomplete	163	13.7	1574	8.1	61	10.7	1512	8.0	102	16.4	62	11.5		
College Complete	339	28.4	2361	12.2	72	12.6	2225	11.8	267	42.9	136	25.2		
Post-baccalaureate (=10)	6	0.5	79	0.4	0	0.0	76	0.4	6	1.0	3	0.6		
Total	1194	100.0	19330	100.0	571	100.0	18791	100.0	623	100.0	539	100.0		
Source: Author's own calculations from LFS-FIES 2015														

## 4. ESTIMATING THE LABOR SUPPLY BEHAVIOR

This section discusses estimates from a linear probability model with endogenous treatment effects on the LFP of the stayer spouse using pooled samples of migrant and non-migrant households. Prior to estimating the two-step procedure, a probit model without correcting for endogeneity is estimated as preliminary analysis. **Annexes 2 and 3** show the probit results for the decision to work and hours of work of the stayer spouse, respectively. Although the estimates confirmed the inputs of spouse's home time production as substitutes, having a migrant spouse does not significantly alter the decision to work or the hours of work of the stayer spouse in the labor market.

If the selection of being a migrant into the subsample is done non-randomly, then OLS on the sample employed stayer spouse will be biased and inconsistent. Hence, there is a need for the identification of the effects of migration and correcting for sample selection.

### 4.1. Migration and Decision to Work

To determine whether the selection is a problem, **Table 3** shows the estimates of the probability of being treated, i.e., being a migrant spouse, as a function of the original control variables and an additional identifying variable- in this case, the relative share of OFWs coming from the region. This variable is assumed to affect the probability of spouse's migration decision and not to influence the labor supply decisions of stayer spouse. For partners with a migrant spouse, we observe that the identifying variable in the pooled samples, RMIGNET\_BOTH, in this case, is highly significant, i.e., if the share of migrants increases from 0 to 100 percent, then the probability to migrate increases by 62.6 percentage points. The probability of migrating is higher for stayer husbands with migrant wives. A one-unit increase in the relative share of female migrants in the origin, RMIGNET\_FEMALE, increases the probability of wives to migrate by 61.3 percentage points. Meanwhile, for stayer wives, a one-unit increase in the relative share of male migrants in the origin, RMIGNET\_MALE, is associated with the probability of their husbands to migrate by 57.7 percentage points, which is slightly lower than the probability of wives' migration.

While we observed the decision to work without controlling for endogeneity is not significant, it is noteworthy to determine the impact of migration after controlling for selection bias. **Table 3** shows the probabilities of working decision in different samples. The average treatment effects (ATE) in the pooled samples show that stayer spouses in migrant households significantly reduces their probability of deciding to work by 70.7 percentage points than those in non-migrant households. Stayer wives are more likely to reduce their decision to work by 60.1 percentage points than stayer husbands (17.4 percentage points). Duleep & Sanders (1993) noted that the existence of the family investment strategy where the decision of wives to work is affected by the decision of their husband to invest in their wife's skills that are specific to the labor market and the extent of investment. Such response helps offset the low earnings of a husband who initially lacks the skills for which there is demand in the labor market.

### 4.2. Migration and Hours of Work

Since the impact of migration has a significant effect on the decision to work, we examined if the same holds true for the hours of work of the remaining spouse in the labor market. **Table 4** shows the outcomes for total hours of work in a week. The identifying variables are all positive and significant suggesting that a one-unit increase in the relative share of OFWs coming from the region increases the likelihood of spouse's migration between 58.6 to 60.9 percentage points. Meanwhile, the estimated hazard, which represents the unobserved factors between the selection and the main equation, are positively correlated except for the husband sample. In the pooled samples, ATE shows that having a migrant partner significantly decreases the hours of work of the stayer spouse by 27.3 percent. This runs intuitively to the hypothesis that the reduced market time may be associated with

the increased home time production such as housework and childcare. The reduced hours of work are largely driven by the reduction of work hours among stayer wives, but the effect is not significant (65.3 percentage points). Generally, wives take the lion's share of home production than husbands in a typical Filipino household with wives spending more time in childcare. Caring for school-aged children could be labor intensive especially for parents expected to tutor and monitor assignments and participate in activities at school. Hence, the wives' absent makes it costlier for a husband to substitute for the lost time by wives at home by purchasing highly valued skilled services.

### 4.3. Migration and Nature of Employment

While migration affects changes in the remaining spouse hours of work, extending the analysis to different employment states will determine to what extent the remaining spouse alter their labor decisions. **Table 5** shows that the ATE of having a migrant spouse in the pooled samples decreases the probability of stayer spouse to be in permanent job significantly by 15.5 percentage points, which constitutes 19.9 percent reduction of the sample mean among spouses with non-migrant partners.

In contrast, migration of the spouse increases the probability of stayer spouse in the short-term job by 22.3 percentage points. This shows evidence of a shift from being permanent to short-term employment. The coefficient of the sample-selection correction factor for permanent and short-term equations are also significant. The positive estimate on the hazard for the permanent equation suggests that the presence of unobserved characteristics relating to the increased likelihood of the migration of spouse is positively correlated to the permanent-job decision of the stayer spouse. Meanwhile, the negative estimate on the hazard for the short-term equation suggests that the unobserved factors that make migration more likely are negatively associated with short-term employment decisions.

For the husband sample, the effect remains significant for stayer husbands such that the migration of their wives discourages the likelihood to work in the permanent job by 26.5 percentage points and increases the probability to work in a short-term job by 25.4 percentage points. Since the coefficients are of opposite signs and very similar in magnitude (the equality of the estimated coefficients is not significantly different ( $Z=0.5734$ ,  $p=0.5664$ )) and the effect of migration on the third category – as employer or those persons who employ paid employees in the conduct of their business – is almost zero and insignificant, it seems that stayer husbands switch from permanent jobs to short-term jobs.

This just relates the hypothesis that stayer husbands substitute wives' absence to perform household production previously done by the absent wife. However, for stayer wives, the migration of their husbands complements their absence in the labor market by shifting from working as an employer to permanent employment. Even though the effects for stayer wives are similar in magnitude, they are not statistically significant.

### 4.4. Migration and Class of Worker

While we observed evidence of shifting in terms of nature of employment, we examined if the same holds true for the class of work as an indication of the quality of employment. **Table 6** shows the probabilities for the different class of work outcomes. In the pooled samples, stayer spouse with migrant partners is more likely than those with non-migrant partners to be in wage and salary workers by 16.8 percentage points or 29 percent relative to stayer spouse in wage and salary work with non-migrant partners. Likewise, stayer spouse in migrant households increases their probability to work as an employer in own family-operated farm or business significantly by 15.2 percentage points than non-migrant households. In contrast, migration of the other spouse reduces the likelihood of being self-employed without any paid employee by the remaining spouse by 31.7 percentage points compared when the spouse does not migrate.

It seems that the pooled samples show a shift from self-employment without any paid employee to wage and salary workers and an employer in own family-operated farm or business. However, looking at samples of husbands and wives reveals that there is a gendered pattern. For the husband sample,



the reduction in labor supply is associated with the significant reduction in self-employment without any paid employee with some evidence of a shift to be an employer in own family-operated farm or business by 27.1 percentage points. This suggests the increased participation of stayer husbands in entrepreneurial activities making them more flexible in terms of work arrangement and having more time in household duties due to available hired labor. In contrast, stayer wives with migrant husbands reduce largely the likelihood of being self-employed and switch to being wage and salary workers by 85.2 percentage points. This may suggest two things: First, stayer wives who worked purely on a commission basis like doing laundry, cleaning, babysitting, etc. and do not have regular working hours still express their desire to have additional hours of work in their current job or seek for new or additional job that requires longer hours of work. The increase in work effort among stayer wives could be associated to the temporary disruptive effect caused by the husband's migration to reciprocate the income loss used to shoulder the cost of migration (Cabegin 2013: 165). Second, absent husbands complement wives time in the labor market by emancipating them in their labor supply decisions and household income utilization. Cabegin (2013) noted that migrant households have higher utility spending than non-migrant households. Higher spending on utilities may ease the conduct of household chores and allows more free time for the stayer wives in market work who spends a disproportionate time in housework at the outset. At the same time, stayer wives have more autonomy in purchasing or outsourcing housework services, making them available to participate in the labor market.

Table 3. Endogeneity-corrected ATE of migration on Decision to Work of the Stayer Spouse, 25-54 years old

VARIABLES	Selection equation for being a migrant spouse			ATE		
	Both sample	Husband sample	Wife sample	Both sample	Husband sample	Wife sample
MIGRANT_HH				-0.707*** (0.0287)	-0.174*** (0.0436)	-0.601*** (0.195)
RMIGNET_BOTH	0.626*** (0.0610)					
RMIGNET_FEMALE		0.613*** (0.0533)				
RMIGNET_MALE			0.577*** (0.200)			
lambda				0.241*** (0.0143)	0.0407** (0.0200)	0.314*** (0.116)
Constant	-12.29*** (1.277)	-10.16*** (1.512)	-12.09 (159.5)	-0.167 (0.153)	0.351*** (0.131)	-1.599 (1.284)
Observations	18,886	17,862	1,024	18,886	17,862	1,024

Source: Author's own calculations from LFS-FIES 2015

Notes: Estimated using Heckman's Two-Step Procedure; The dependent variables is decision to work; Covariates used are Household Head Age (AGE), Total Number of Family members (MEMBERS), Members with age less than 5 year old (AGELESS5), Members with age 5 - 17 years old (AGE5\_17), Total number of family members employed for pay (EMPLOYED\_PAY), Total number of family members employed for profit (EMPLOYED\_PROFIT), Log of per capita income in the household (LNPCINC), Regional labor force participation rate (RLFPR), Regional employment rate (RER), Regional underemployment rate (RUNDER), Urban residence indicator (URB), Household Head Highest Grade Completed (HGC) with reference category 'No Grade (HGC=0)'; Instruments used are RMIGNET\_BOTH (for both sample), RMIGNET\_FEMALE (for husband sample), and RMIGNET\_MALE( for wife sample); Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1



Table 4. Endogeneity-corrected ATE of Migration on Total Hours of Work of Stayer Spouse, 25-54 years old

VARIABLES	Selection equation for being a migrant spouse			ATE		
	Both sample	Husband sample	Wife sample	Both sample	Husband sample	Wife sample
MIGRANT_HH				-0.273*** (0.0880)	-0.0642 (0.107)	-0.653 (0.439)
RMIGNET_BOTH	0.586*** (0.0682)					
RMIGNET_FEMALE		0.589*** (0.0569)				
RMIGNET_MALE			0.609** (0.263)			
lambda				0.0501 (0.0424)	-0.0326 (0.0483)	0.306 (0.263)
Constant	-13.37*** (1.418)	-10.34*** (1.608)	-16.52 (145.5)	3.732*** (0.306)	3.846*** (0.303)	4.056 (2.823)
Observations	17,487	16,896	591	17,487	16,896	591

Source: Author's own calculations from LFS-FIES 2015

Notes: Estimated using Heckman's Two-Step Procedure; The dependent variable is logarithm of hours worked; Covariates used are Household Head Age (AGE), Total Number of Family members (MEMBERS), Members with age less than 5 year old (AGELESS5), Members with age 5 - 17 years old (AGE5\_17), Total number of family members employed for pay (EMPLOYED\_PAY), Total number of family members employed for profit (EMPLOYED\_PROFIT), Log of per capita income in the household (LNPCINC), Regional labor force participation rate (RLFPR), Regional employment rate (RER), Regional underemployment rate (RUNDER), Urban residence indicator (URB), Household Head Highest Grade Completed (HGC) with reference category 'No Grade (HGC=0)'; Instruments used are RMIGNET\_BOTH (for both sample), RMIGNET\_FEMALE (for husband sample), and RMIGNET\_MALE (for wife sample); Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Table 5. Endogeneity-corrected ATE of migration on Nature of Employment of the Stayer Spouse, 25-54 years old

VARIABLES	Selection equation for being a migrant spouse			Both sample			Husband sample			Wife sample		
	Both sample		Wife sample	Permanent	Short-term	Different employer	Permanent	Short-term	Different employer	Permanent	Short-term	Different employer
	Both sample	Husband sample	Wife sample									
MIGRANT_HH				-0.155* (0.0869)	0.223*** (0.0803)	-0.0682 (0.0470)	-0.265*** (0.0984)	0.254*** (0.0912)	0.0111 (0.0540)	0.256 (0.356)	-0.0185 (0.326)	-0.238 (0.165)
RMIGNET_BOTH	0.478*** (0.0756)											
RMIGNET_FEMALE		0.513*** (0.0632)										
RMIGNET_MALE			0.476* (0.277)									
lambda				0.0875** (0.0410)	-0.113*** (0.0378)	0.0252 (0.0222)	0.136*** (0.0443)	-0.128*** (0.0411)	-0.00810 (0.0244)	-0.172 (0.216)	0.0439 (0.198)	0.128 (0.1000)
Constant	-6.384 (185.8)	-4.703 (114.3)	-5.058 (150.7)	0.655** (0.256)	1.175*** (0.238)	-0.830*** (0.138)	0.615** (0.262)	1.255*** (0.243)	-0.870*** (0.141)	0.707 (1.457)	-0.158 (1.309)	0.450 (0.693)
Observations	14,642	14,156	486	14,642	14,642	14,642	14,156	14,156	14,156	486	486	486

Source: Author's own calculations from LFS-FIES 2015

Notes: Estimated using Heckman's Two-Step Procedure; The dependent variable is nature of employment; Covariates used are Household Head Age (AGE), Total Number of Family members (MEMBERS), Members with age less than 5 year old (AGELESS5), Members with age 5 - 17 years old (AGE5\_17), Total number of family members employed for pay (EMPLOYED\_PAY), Total number of family members employed for profit (EMPLOYED\_PROFIT), Log of per capita income in the household (LNPCINC), Regional labor force participation rate (RLFPR), Regional employment rate (RER), Regional underemployment rate (RUNDER), Urban residence indicator (URB), Household Head Highest Grade Completed (HGC) with reference category 'No Grade (HGC=0)'; Instruments used are RMIGNET\_BOTH (for both sample), RMIGNET\_FEMALE (for husband sample), and RMIGNET\_MALE (for wife sample); Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Table 6. Endogeneity-corrected ATE of migration on Class of Work of the Stayer Spouse, 25-54 years old

VARIABLES	Both sample				Husband sample				Wife sample			
	Wage and Salary	Employer	Self-employed	Without pay	Wage and Salary	Employer	Self-employed	Without pay	Wage and Salary	Employer	Self-employed	Without pay
	Workers				Workers				Workers			
MIGRANT_HH	0.168** (0.0727)	0.152*** (0.0412)	-0.317*** (0.0728)	-0.00221 (0.0138)	0.0274 (0.0834)	0.271*** (0.0454)	-0.294*** (0.0832)	-0.00406 (0.0156)	0.852** (0.433)	0.214 (0.184)	-1.148** (0.533)	0.0824 (0.0798)
lambda	-0.0964*** (0.0343)	-0.0704*** (0.0194)	0.167*** (0.0342)	-0.000718 (0.00651)	-0.0240 (0.0376)	-0.119*** (0.0203)	0.143*** (0.0374)	0.000298 (0.00704)	-0.520** (0.262)	-0.132 (0.112)	0.709** (0.322)	-0.0564 (0.0484)
Constant	-0.800*** (0.215)	-0.627*** (0.123)	2.320*** (0.222)	0.108*** (0.0403)	-0.805*** (0.218)	-0.596*** (0.127)	2.284*** (0.223)	0.117*** (0.0407)	0.0217 (1.919)	-0.966 (0.769)	2.308 (2.360)	-0.365 (0.333)
Observations	14,642	14,642	14,642	14,642	14,156	14,156	14,156	14,156	486	486	486	486

Source: Author's own calculations from LFS-FIES 2015

Notes: Estimated using Heckman's Two-Step Procedure; The dependent variable is class of worker; Selection equations are similar to Table 10; Covariates used are Household Head Age (AGE), Total Number of Family members (MEMBERS), Members with age less than 5 year old (AGELESS5), Members with age 5 - 17 years old (AGE5\_17), Total number of family members employed for pay (EMPLOYED\_PAY), Total number of family members employed for profit (EMPLOYED\_PROFIT), Log of per capita income in the household (LNPCINC), Regional labor force participation rate (RLFPR), Regional employment rate (RER), Regional underemployment rate (RUNDER), Urban residence indicator (URB), Household Head Highest Grade Completed (HGC) with reference category 'No Grade (HGC=0)'; Instruments used are RMIGNET\_BOTH (for both sample), RMIGNET\_FEMALE (for husband sample), and RMIGNET\_MALE (for wife sample); Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

#### 4.5. Robustness Check

The findings above show that after treating for the endogeneity of migration, the absence of the missing spouse alters the labor supply decisions of the remaining spouse. The succeeding analysis shows the impact of adding the remittance effect as income contribution, measured in per capita remittances received by households. The potential endogeneity of the remittance income to the labor supply and human capital decision is another concern. Having two selection equations to be instrumented simultaneously, one for migration and remittance separately, would not be a viable option for treating with these sources of unobserved heterogeneity. Given also how remittances are measured on the aggregate amount received in the household and not separately for spouse remittance contribution, this could introduce potential bias to the outcome. Controlling for the household characteristics like size and composition of the household, it is likely that much of the possible bias is at least removed. Hence, in the succeeding analysis, remittances follow strict exogenous assumption.

**Table 7** shows the probabilities for the decision to work for the different sample. The identifying variables and the associated hazard estimates are all economically and statistically significant except for the wife sample. This means that the exclusion restriction does not hold in the wife sample. In the pooled samples, the ATE of spouse's migration reduces significantly the probability of the stayer spouse decision to work. But this is offset by the significant and positive remittance income effect. This means that the higher remittance income, the higher likelihood of the stayer spouse to participate in the market. An explanation could be is that stayer spouse has to stay home to take care of the household but once remittances are sent, house help can be paid for and the stayer spouse can resume working. Meanwhile, wives' migration significantly reduces the likelihood of stayer husbands to work. This is also true for the income effect, but it is not economically and statistically significant. In contrast, husbands' migration is associated with an increased probability for stayer wives to work but this is offset by the negative remittance effect. One reason being is that when the husband leaves, the stayer wife goes to work. However, if the husband sends enough remittances, she might go back to her original LFP or even decrease it.

On the other hand, **Table 8** shows the outcomes for total hours of work in a week. The identifying variables are all economically and statistically significant except for the wife sample. This means that the exclusion restriction does not hold in the wife sample. In the pooled samples, the ATE shows that migration of the spouse significantly reduces the hours of work of the stayer spouse. This also holds true for remittance effect, but it is non-significant. For the husband sample, the remittance effect significantly reduces the hours of work of the stayer husbands. If the wife migrates, then the husband is less likely to work due to a higher burden of household chores. Among those who stay at work, the higher the remittances, the fewer hours they work since their wage income is substituted for wives' remittances. Some literature suggests that reduction in market work is attributed to a moral hazard dilemma, where higher remittance income induces a sense of dependency in migrant families (Cabegin 2006). However, the assumption is only true if idleness rather than the household and childcare is substituted with market work for those spouses who migrated. Meanwhile, the remittance effect is associated with an increased likelihood of the hours of work for stayer wives, but the effect is non-significant. Under the caveat that the exclusion restriction does not hold in the wife sample when the husband migrates, the wife is more likely to work but the hours worked decrease among those who do work. This means that wives are more likely to work but in short-term jobs.

Generally, the results show that the effects of migration are comparable to including the remittance income effect. Oftentimes the sign of the migration effect goes in the opposite direction but then the remittance effect offsets it. There exists a reverse causality if households consider migration and remittances as an explicit means to increase or decrease labor supply decisions. The positive remittance income effect can be viewed largely as a "transitory income or as less permanent than domestic wages" (Cabegin 2013: 165). Such transitory income is likely invested more than permanent income and associated with increased investments in market participation and educational outcomes.

Table 7. Endogeneity-corrected ATE of migration with remittance effect on Decision to Work of the Stayer Spouse, 25-54 years old

VARIABLES	Selection equation for being a migrant spouse			ATE		
	Both sample	Husband sample	Wife sample	Both sample	Husband sample	Wife sample
MIGRANT_HH				-0.496*** (0.0377)	-0.192*** (0.0381)	0.492* (0.281)
LNPERCAPITAREMIT				0.0148** (0.00717)	-0.00408 (0.00548)	-0.210*** (0.0669)
RMIGNET_BOTH	0.187* (0.100)					
RMIGNET_FEMALE		0.366*** (0.0840)				
RMIGNET_MALE			-0.0284 (0.267)			
lambda				0.240*** (0.0225)	0.101*** (0.0225)	-0.248 (0.158)
Constant	-10.25*** (2.056)	-11.93*** (2.398)	6.509 (5.087)	-0.874** (0.401)	0.152 (0.354)	-2.988** (1.391)
Observations	4,205	3,514	691	4,205	3,514	691

Source: Author's own calculations from LFS-FIES 2015  
Notes: Estimated using Heckman's Two-Step Procedure; The dependent variable is decision to work; Covariates used are Household Head Age (AGE), Total Number of Family members (MEMBERS), Members with age less than 5 year old (AGELESS5), Members with age 5 - 17 years old (AGE5\_17), Total number of family members employed for pay (EMPLOYED\_PAY), Total number of

Table 8. Endogeneity-corrected ATE of migration with remittance effect on Hours of Work of the Stayer Spouse, 25-54 years old

VARIABLES	Selection equation for being a migrant spouse			ATE		
	Both sample	Husband sample	Wife sample	Both sample	Husband sample	Wife sample
MIGRANT_HH				-0.212*** (0.0707)	-0.0512 (0.0791)	-1.031* (0.612)
LNPERCAPITAREMIT				-0.00903 (0.0120)	-0.0228** (0.0109)	0.183 (0.151)
RMIGNET_BOTH	0.187* (0.113)					
RMIGNET_FEMALE		0.325*** (0.0895)				
RMIGNET_MALE			0.287 -0.373			
lambda				0.0983** (0.0430)	0.00955 (0.0467)	0.617* (0.345)
Constant	-12.78*** (2.298)	-12.10*** (2.529)	0.979 (6.976)	3.697*** (0.706)	3.751*** (0.706)	6.994** (3.440)
Observations	3,544	3,197	347	3,544	3,197	347

Source: Author's own calculations from LFS-FIES 2015  
Notes: Estimated using Heckman's Two-Step Procedure; The dependent variable is log hours of work; Covariates used are Household Head Age (AGE), Total Number of Family members (MEMBERS), Members with age less than 5 year old (AGELESS5), Members with age 5 - 17 years old (AGE5\_17), Total number of family members employed for pay (EMPLOYED\_PAY), Total number of family members employed for profit (EMPLOYED\_PROFIT), Log of per capita remittances in the household (LNPERCAPITAREMIT), Regional labor force participation rate (RLFPR), Regional employment rate (RER), Regional underemployment rate (RUNDER), Urban residence (URB), Household Head Highest Grade Completed (HGC) with reference category 'No Grade (HGC=0)'; Instruments used are RMIGNET\_BOTH (for both sample), RMIGNET\_FEMALE (for husband sample), and RMIGNET\_MALE(wife sample); Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

## CONCLUSION

A key feature of the Philippine overseas migration is the increasing female migrants working outside their home. Traditionally, women are task to raise the country's future workforce; and hence the time allocated to housework affects their time spent on market work (Dacuycuy & Dacuycuy 2017). It is of interest that migrant women highly dominate overseas employment for the last decade who had to leave their homes and endure long years of family separation. The expansion of household services and caregiving work overseas has led to the feminization of migration in the Philippines. But what happens to the family structures and household labor division when wives migrate, and husbands are left? The aim of this research is to determine how the migration of wives impacts the labor supply behavior or motivation to work of the husbands left behind.

To achieve this objective, the paper modeled husbands' participation in the labor market activities in response to wife's migration. This was done using nationally representative merged dataset on the labor force and family income surveys after correcting for the endogeneity of the migration status using migrant networks. The labor outcome of interests are the decision to work, hours of work, nature of employment (permanent job; short-term; and an employer), and class of worker (wage and salary workers; an employer in own family-operated farm or business; self-employed without any paid employee; and without pay). However, the research paper also acknowledges some methodological limitations. The results could still be subjected to large potential biases attributed to unobserved uncontrolled heterogeneity in migration econometric models. Since the research paper attempts to see the causal impact on labor supply of families left-behind, empirical labor supply models could control for more unobserved heterogeneity. Also, the endogeneity of the migration variable cannot be ignored. Due to data availability, the analysis is limited to using one instrument. The paper also fails to control the effect of spouse remittance contribution to explicitly determined intra and inter-household decisions. Lastly, the absence of rich longitudinal datasets in examining migrants and non-migrants simultaneously. While the estimates from cross-section datasets will not be as good as randomized treatment-control studies (Gibson et al. 2011), the outcomes will aid policy researchers about the dynamics and channels in which migration impacts families left-behind.

However, the research paper still provides good estimates in measuring migration effects to labor supply decisions. Going back to the research questions posited, the study found out that remaining husbands substitutes wives' absence and reduces his market production by working less in different employment states. There is evidence to show that stayer husbands reduce their hours of work and shift from being permanent to short-term employed. At the same time, there is evidence that stayer husbands also shift from self-employment without any paid employee with some evidence of a shift to be an employer in own family-operated farm or business and hence, having more flexible time at work. The changes in post-migration home hours of the stayer husbands could be due to the pre-migration conjugal time differences in market and home production, where the absent wives undertaking more hours in home production prior to migration (Cabegin 2013). The reduced labor supply of the stayer husbands could be associated with an increasing proportion of men who can afford to lower their labor market time due to their participation in the household or family duties. If these trends are sustained, this would indicate a break in the traditional family norms, where men assume greater housekeeping responsibilities while women entering the labor force.

On the other hand, husband's migration increases the propensity of stayer wives to participate in the labor market. There is evidence to show that stayer wives are switching to becoming wage and salary workers from being self-employed or those who worked purely on a commission basis. The complementary outcome is consistent with that of an egalitarian society with women making choices that serve well the interest of their marriage (Dacuycuy & Dacuycuy 2017). At the same time, husband's migration emancipates stayer wives to exercise greater familial control over household decisions.

The migration of women reinforces the fact that women have the agency to do productive work outside the home and able to provide the needs of their family. And these changes in the labor market outcomes are associated with the changes in old-age norms and traditions. Wives can afford to lower their housework duties due to the favorable labor market conditions that men presently enjoy both in domestic and overseas labor markets. This increases the marital gains of the couple

derived from complementarities. Moreover, husbands are placing premiums on their wives' success by promoting their participation in the labor force by equally sharing the household production activities. In this sense, marital relations are strengthened when both couples share experiences on doing housework while maintaining the balance between one's work, family, and personal concerns.

Towards the end, the result of this work should shed light on the growing issues that surround the welfare of overseas female migrant workers and their families left-behind in the Philippines. The findings above highlight the gendered dimension of the impact of female overseas migration, particularly wife-mothers, on the household welfare of the remaining household members. The effect of female migration on the work patterns of the stayer spouse has important implications on women's social status.

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## ANNEXES

### Annex 1. Class of Worker, LFS

Class of Worker	Sub-classification
Wage and Salary Workers	<p><i>Worked for private household:</i> Employed persons working in a private household, in cash or in kind. E.g., domestic helper, household cook, gardener, family driver</p> <p><i>Worked for private establishment:</i> Persons working in a private establishment for pay, in cash or in kind. Aside from persons working for a private industry, it also includes those working for a religious group, missionary, unions, and non-profit organizations. E.g., public transport drivers (on boundary basis), persons working in public works projects on private contractors, stevedores or dock hands, cargo handlers in piers, etc.</p>
	<i>Worked for government/government corporation:</i> Persons working for the government or a government corporation or any of its instrumentalities.
	<i>Worked with pay on own family-operated farm or business:</i> Members of the family who receives cash or fixed share of the produce as payment for his services in a farm or business operated by another member living in the same household.
Employer	Persons who employ one or more paid employees in the operation of their businesses or trades.
Unpaid Family Workers	Members of the family who assist another member in the operation of the family farm or business enterprise and who do not receive any wage or salary for their work.
Self-employed	Persons who operate their own businesses or trades and do not employ paid workers in the conduct of their economic activities. Those who worked purely on a commission basis and do not have regular working hours are included.

Source: PSA

### Annex 2. Marginal effects of migration on the decision to work probability of the stayer spouse, 25-54 years old

VARIABLES	Both sample	Husband sample	Wife sample
MIGRANT_HH	-0.625 (0.0607)	-0.29 (0.0960)	-0.0556 (0.120)
Constant	-6.340*** (1.272)	-5.566*** (1.376)	-5.030 (4.693)
Observations	15,590	14,890	692

Source: Author's own calculations from LFS-FIES 2015

Notes: Estimated using probit regression; Covariates used are Household Head Age (AGE), Total Number of Family members (MEMBERS), Members with age less than 5 year old (AGELESS5), Members with age 5 - 17 years old (AGE5\_17), Total number of family members employed for pay (EMPLOYED\_PAY), Total number of family members employed for profit (EMPLOYED\_PROFIT), Log of per capita income in the household (LNPCINC), Regional labor force participation rate (RLFPR), Regional employment rate (RER), Regional underemployment rate (RUNDER), Urban residence indicator (URB), Household Head Highest Grade Completed (HGC) with reference category 'No Grade (HGC=0)'; Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

### Annex 3. Marginal effects of migration on the hours of work probability of the stayer spouse, 25-54 years old

VARIABLES	Both sample	Husband sample	Wife sample
MIGRANT_HH	-0.121 (0.0274)	-0.0878 (0.0325)	-0.0940 (0.0657)
Constant	3.530*** (0.311)	3.642*** (0.313)	2.135 (2.162)
Observations	14,532	14,050	482

Source: Author's own calculations from LFS-FIES 2015

Notes: Estimated using probit regression; Covariates used are Household Head Age (AGE), Total Number of Family members (MEMBERS), Members with age less than 5 year old (AGELESS5), Members with age 5 - 17 years old (AGE5\_17), Total number of family members employed for pay (EMPLOYED\_PAY), Total number of family members employed for profit (EMPLOYED\_PROFIT), Log of per capita income in the household (LNPCINC), Regional labor force participation rate (RLFPR), Regional employment rate (RER), Regional underemployment rate (RUNDER), Urban residence indicator (URB), Household Head Highest Grade Completed (HGC) with reference category 'No Grade (HGC=0)'; Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1



Annex 4. Marginal effects of migration on the nature of employment probability of the stayer spouse, 25-54 years old

VARIABLES	Both sample			Husband sample			Wife sample		
	Permanent	Short-term	Different Employer	Permanent	Short-term	Different Employer	Permanent	Short-term	Different Employer
MIGRANT_HH	0.0851 (0.0657)	-0.0377 (0.0675)	-0.164 (0.112)	0.0977 (0.0786)	-0.0865 (0.0822)	-0.0554 (0.122)	-0.134 (0.162)	0.253 (0.164)	-1.374*** (0.529)
Constant	0.340 (0.845)	2.899*** (0.887)	-10.40*** (1.324)	0.330 (0.857)	3.024*** (0.900)	-10.64*** (1.337)	4.010 (5.339)	-5.278 (5.344)	18.96 (13.24)
Observations	14,642	14,642	14,558	14,156	14,156	14,080	478	478	242

Source: Author's own calculations from LFS-FIES 2015

Notes: Estimated using probit regression; Covariates used are Household Head Age (AGE), Total Number of Family members (MEMBERS), Members with age less than 5 year old (AGELESS5), Members with age 5 - 17 years old (AGE5\_17), Total number of family members employed for pay (EMPLOYED\_PAY), Total number of family members employed for profit (EMPLOYED\_PROFIT), Log of per capita income in the household (LNPCINC), Regional labor force participation rate (RLFPR), Regional employment rate (RER), Regional underemployment rate (RUNDER), Urban residence indicator (URB), Household Head Highest Grade Completed (HGC) with reference category 'No Grade (HGC=0)'; Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Annex 5. Marginal effects of migration on the class of worker probability of the stayer spouse, 25-54 years old

VARIABLES	Both sample				Husband sample			
	Wage and Salary Worker	Employer	Self-employed	Without pay	Wage and Salary Worker	Employer	Self-employed	Without pay
MIGRANT_HH	- 0.156** (0.0713)	0.0693 (0.102)	0.146** (0.0722)	-	-0.106 (0.0875)	0.145 (0.118)	0.0632 (0.0893)	-
Constant	- 4.211*** (0.997)	-7.741*** (1.440)	5.678*** (0.991)	5.137 (3.770)	- 4.247*** (1.017)	-7.641*** (1.463)	5.610*** (1.011)	7.344* (3.978)
Observations	14,642	14,642	14,642	14,043	14,156	14,156	14,156	13,752

Source: Author's own calculations from LFS-FIES 2015

Notes: Estimated using probit regression; Covariates used are Household Head Age (AGE), Total Number of Family members (MEMBERS), Members with age less than 5 year old (AGELESS5), Members with age 5 - 17 years old (AGE5\_17), Total number of family members employed for pay (EMPLOYED\_PAY), Members employed for profit (EMPLOYED\_PROFIT), Log of per capita income in the household (LNPCINC), Regional labor force participation rate (RER), Regional underemployment rate (RUNDER), Urban residence indicator (URB), Household Head Highest Grade Completed (HGC) with reference category 'No Grade (HGC=0)'; Standard errors in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

# Enhancing Migrant Shelters through Participatory Action Research: The Case of 'Bahay Kalinga' in Riyadh, Saudi Arabia

Ronell J. Delerio || Frances Camille G. Dumalaog

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## ABSTRACT

*Shelters represent a crucial component in the Philippine labor migration governance regime. They act not merely as places of accommodation for distressed overseas Filipino workers (OFWs), but more importantly as hubs for developmental interventions in preparation for their effective reintegration following experiences of employers' abuse and maltreatment. As of 2018, there are 20 Migrant Workers and Other Overseas Filipinos Resource Centers (MWOFRCs) in selected destination countries, and yet little has been analyzed and written of them. Utilizing an ethnographic participatory action research (EPAR) approach, this study, therefore, seeks to contribute to both the scholarship and policy discourse around the operations, conditions and services of migrant shelters, starting with the case of Bahay Kalinga (BK) in Riyadh, Saudi Arabia. Through focus group discussions (FGDs), key informant interviews, informal conversations, participant observation and document analysis, the paper lays down several key findings: (1) staffing for the management of BK is severely constrained; (2) funds for the operations of BK go inadequate at times with repercussions on shelter conditions and services; (3) the shelter is overwhelmed with the consistently high volume of distressed OFWs admitted; (4) basic necessities are barely met; and (5) much remains to be done to enhance reintegration programs in terms of quantity, quality and gender-responsiveness.*

## INTRODUCTION

Shelters certainly play an important role in the governance of labor migration. Yet, the rationale for their establishment and existence remains a contested terrain. On one hand, they are seen as an effort toward further strengthening the protection of the rights and the promotion of the welfare of migrant workers, especially those vulnerable to abuse and exploitation. On another hand, their continued existence is widely perceived as an indication of the failure of the very system that supposedly protects migrant workers, who eventually need to escape abusive and exploitative workplaces or households precisely due to lack of protection. Hence, shelters are deemed to merely serve a reactive purpose without adequately addressing underlying conditions that perpetuate the continuously growing demand for them. (MFA ,2014; Opiniano, 2004).

Nonetheless, without being trapped in this existential debate on migrant shelters, governments of major origin countries like India, Indonesia and Nepal have moved to build shelters for their own distressed nationals in several destination countries and territories, including in the Gulf region, after the obvious urgent need to do so. Various civil society groups, faith-based organizations and even recruitment agencies have also put their stake in this complex issue by running shelters themselves, either independent of or attached to the governments of the origin and destination countries alike. Services provided in the shelters have historically expanded, beginning with physical spaces for temporary accommodation or lodging, and then later integrating other kinds of services that respond to the social, legal and economic needs of the migrant workers in distress (International Organization for Migration [IOM], 2010).

The case of the Philippines generally reflects these broad experiences of other labor-sending states and the surrounding issues with respect to migrant shelters. More notable, though, is the fact that the Philippine government successfully institutionalized in 1995 a sophisticated legal-policy framework to regulate the establishment and operations of shelters for overseas Filipino workers (OFWs) caught in different crisis situations abroad, within the broader purview of migrant resource centers.

Under Section 19 of the Migrant Workers and Overseas Filipinos Act (R.A. 8042) as amended by Republic Act No. 10022, there shall be so-called "Migrant Workers and Other Overseas Filipinos

Resource Centers (MWOFRCs, or also known as ‘Centers’)” in destination countries or territories where there are large concentrations of OFWs to provide for onsite services ranging from legal counselling and welfare provisions to skills development activities, orientation seminars for returnees and gender-sensitive projects. Providing temporary accommodation or lodging space for distressed OFWs, mostly women domestic workers running away from their employers, is one of the several functions of the MWOFRCs. This specific role of the Centers has been made more explicit subsequently in the 2013 Manual of Operations, Policies and Guidelines for the Philippine Overseas Labor Office (POLO) and in the 2015 Joint Manual of Operations in Providing Assistance to Migrant Workers and Other Filipinos Overseas. Together with more recent Department of Labor and Employment (DOLE) directives (i.e., Administrative Order Nos. 262 and 262-A), these policy bases further clarify the Center’s functions and enumerate the services extended to OFWS and other Filipinos overseas primarily by POLOs under the administrative jurisdiction of the Philippine embassies or consulates, as well as the duties and responsibilities of Filipino officers and staff assigned in overseas posts. More recently, in 2015, DOLE has called to public mind the image of MWOFRCs being gradually transformed into “Centers of Care and Excellence.” Measures for facilities and services improvement were identified and initial funding was provided toward its realization.

However, actual realities in several destination countries, especially in the Middle East, show stark challenges that hinder this envisioned shift of MWOFRCs from mere places of accommodation (i.e., shelters) into potential hubs of development and effective reintegration. For instance, the persistently high number of distressed OFWs being admitted to the MWOFRCs (see Table 1) not only puts pressure on the efficient and equitable allocation of resources in the POLOs but, more problematically, overshadows the other functions of the MWOFRC as coded in several official documents. It is needless to say that POLOs remaining generally understaffed makes such challenges even more daunting.

Table 1. Numbers of OFWs Admitted to MWOFRC by Gulf Country, January-June 2017

Country	No. of Distressed OFWs Admitted to MWOFRC
Saudi Arabia	13,143
Kuwait	2,978
UAE	834
Bahrain	78
Qatar	766

Source: International Labor Affairs Bureau (ILAB), various years

### RESEARCH PROBLEM AND OBJECTIVES

The way the Philippines manages overseas employment and protects its migrant labor across the migration cycle is often cited as a global model for several origin countries. The existence of MWOFRCs, including of shelters within them, is a vital component of the country’s entire labor migration policy and governance regime, which is frequently cited as a good practice. However, much remains to be seen and written about how these MWOFRCs fare relative to the manner they are envisioned, beginning with *Bahay Kalinga* in Riyadh, Saudi Arabia.

Though limited in scope, this case study generally seeks to enhance the policy and program development processes of the Department pursuant to Item No. 4 of the Labor and Employment Agenda on strengthening measures for OFW protection and welfare. In particular, it aims to:

1. Analyze the *Bahay Kalinga* operations, conditions and services vis-à-vis existing policies, guidelines and procedures;
2. Explain the factors (e.g. policy challenges, institutional constraints, culture,

etc.) which enable or constrain the transformation of *Bahay Kalinga* as they are envisioned; and

3. Determine possible interventions toward the improvement of *Bahay Kalinga* operations, conditions and services.

## METHODOLOGY

The study utilizes an ethnographic participatory action research (EPAR) design to elicit the data and insights necessary to address the identified research objectives. EPAR, which is sometimes referred to as participatory ethnographic evaluation and research (PEER), is essentially a qualitative case-study design that is based on the principle of inclusiveness in the integration of the grounded perspectives and experiences of the subjects as active participants in the study. Compared with typical case studies, though, Luton (2010) notes that the value-added component of EPAR is the conscious attempt to observe and reflect on cultural dynamics in understanding a certain phenomenon or issue, which are often accessible and comprehensible only by breaking through the hard shell of formality. Meanwhile, unlike traditional ethnographic approaches more widely used in academic studies, as emphasized by Elmusharaf et. al. (2016), EPAR does not need to be done with extensive time and resources, which renders it applicable for public policy/governance studies. Below is an illustration by Tacchi, Slater and Hearn (2003) of how EPAR was particularly used in the monitoring and evaluation of some UNESCO-funded projects in South Asia with a view to rolling them out as more relevant and appropriate interventions.

Figure 1: Project Cycle and the Role of EPAR



## Methods

As such, this study uses the following methods:

- Focus group discussions (FGDs) using semi-structured questionnaire administered for four distinct batches of OFWs;
- Unstructured informal conversations with OFWs;
- Key informant interviews or FGDs with POLO/embassy officers, and Filipino community (FilComm) leaders or migrant/OFW advocates;
- Desk review of literature and policy issuances; and
- Participant observation, with the researchers joining the daily activities in *Bahay Kalinga* and the female researcher staying in the shelter compound during the entire data gathering period.

## Ethical Considerations

Sensitivity has been thoroughly observed in the conduct of the study in view of the vulnerabilities of the subjects, especially women OFWs and irregular migrants. They, together with key informants, were fully informed of the nature and purpose of the research prior to the start of interviews. Participation was voluntary and based on free consent. Lastly, no real names of subjects are divulged in this study to ensure anonymity and guarantee confidentiality.

## Gender Relevance

The study integrates gender perspectives in the data gathering and analysis stages of its implementation given the fact that all distressed OFWs sheltered in the *Bahay Kalinga* are women and, more often than not, mothers who have children staying with them or left their families in the Philippines.

## Results and Discussion

### Management and Operations

The management of Bahay Kalinga (BK) is regulated by the Joint Manual of Operations in Providing Assistance to Migrant Workers and other Filipinos Overseas (2015) and the Manual of Operations, Policies and Guidelines for the Philippine Overseas Labor Office (2013), both recognizing the transformative role of temporary shelters for distressed OFWs in critical receiving countries. The research finds two major actors in the overall management of BK: (1) the Labor Attaché as the head of POLO, who exercises direct supervision on the level of policy, rules and regulations; and (2) the OWWA Administrative Staff serving as Center Supervisor/ Coordinator, who oversees the day-to-day general operations of BK, coordinates cases between OFWs and duly-assigned case officers in the POLO (labor and welfare cases) and in the Philippine Embassy (police and criminal cases), and prepares reports on shelter management. In addition to these two, it was observed that two more POLO officers (i.e., the Assistant Labor Attaché and one DOLE Administrative Staff), both of whom are female, stay in BK on scheduled nights per week on a rotational basis with the Center Supervisor. Nonetheless, the capacity to attend to the needs of hundreds of distressed OFWs in the shelter remains severely limited despite this arrangement, even rendering any sense of working hours futile:

*“Ang oras talaga namin dito on-call, wala siyang time talaga na 8 to 5, kasi puwedeng may emergency, kailangan mong i-attend rin, wala namang ibang mag-aattend. Unlike sa embassy, 8 to 5 talaga sila. Dito sa POLO-BK, kahit hanggang gabi, hanggang madaling araw kung kailangan.”*

– POLO officer in an interview

In terms of basic daily concerns in the shelter, the administration is hugely decentralized by room supervised by a leader, who is popularly designated by virtue of length of stay in BK, with the knowledge and passive consent of POLO officers. This style results in highly varied administrative arrangements and division of labor by room. For instance, the decision on whether an admitted OFW will sleep on the bunk or the floor (still with beds), or on how cleaning of the room's premises should be done, varies from one room leader to another. Meanwhile on food, the existing informal system assigns a room that will prepare dishes for breakfast, lunch and dinner for all OFWs; such room is also tasked to do the cleaning of common areas within the BK's premises. Overall, this way of doing things in the shelter is generally viewed in positive light by OFWs themselves as it fosters responsibility and collective action and provides spaces for deepening their relations among each other:

*“May ine-schedule naman kaming cleaners, from Monday up to Sunday. Then magtulungan kami ng paglinis dito sa labas, then tulungan din po sa pagluto. Iba-ibang room na lang ang magluto [para sa lahat]. Para sa akin, mas ok ang arrangement [ngayon], kasi noon iyong by room pa ang pagluluto, sa kusina may nag-aaway, may nag-aagawan ng gamit.”*

– Domestic worker in an FGD

On admission and discharge procedures, the study notes some key trends. First, virtually no walk-in worker seeking refuge in the shelter is denied of admission as most if not all have earlier been endorsed by POLO or embassy officers, indicating serious circumstances surrounding their need for a shelter (e.g., some were directly brought there upon being rescued from their abusive employers). Second, the BK maintains certain records about those coming in and leaving from the shelter through logbooks and case documentation forms. However, no inventory of their belongings upon admission and upon discharge is kept, which is a serious gap in the process since real cases of lost valuables were reported in the shelter. It also remains unclear how such admission and discharge records are actually processed in aid of policy and program enhancement by the POLO as well as the Home Office of DOLE. Third, while a printed copy of house rules is posted on the bulletin board just outside the door to the BK office, no orientation is conducted for newcomers. Some reported that the orientation is given by the room leader, although this informal procedure is hardly uniform across all rooms. Lastly, cases involving workers in special circumstances such as those with children are provided differential treatment given the sensitivity of their situation, and this extends to how they are assigned of rooms (a separate room is dedicated for OFWs with children).

In times of emergencies due to natural disasters or man-made crisis, the study finds a dearth of strict formal procedures for OFWs to know and follow to ensure their safety and security. Discussing about a recent missile attack on Saudi Arabia by rebels in Yemen, one simply dismissed any possibility of the shelter being affected as though there are no chances at all. In truth, in the context of a politically volatile region, the risks are too real for the OFWs and the stakes are too high for those overseeing them for such emergency procedures to be ignored. The OFWs also noted that they are clueless who to run to or what numbers to call in these fragile times and that they are unprepared to administer first-aid for anyone in the shelter who may need it:

*“Wala, wala po talagang nasabi na first step para maano mo kung ano gagawin mo kapag may mga ganoong pangyayari.”*

*“Paano kami lalabas? Saan kami ko-contact ng tulong na magsasagip sa amin, wala kamin dadaanan, wala kaming ano hotline na pwedeng tawagan.”*

*“Ayon nga ‘yung tanong eh. Saan kami pwedeng humingi ng tulong kasi hindi mo na sabihing individual safety ‘yung sarili mo eh. Diba po.... Lalo na yung may mga ano injured, paano po sila?”*

– OFWs in various FGDs

Finally, on the Center’s expenses, rental is basically charged to DOLE funds while the rest is co-shared by DOLE and OWWA, albeit the research did not delve into the specific items shouldered by one or the other. What was clear from the key informant interviews with POLO officers is that OWWA spends for the medical and hospital services and supplies particularly for OFWs in BK.

### **Physical Conditions and Social Relations**

At first glance, the migrant shelter looks like a typical three-story house in Saudi Arabia. It has eight (8) rooms, eight (8) bathrooms, receiving area, kitchen, laundry and drying area, office, multipurpose hall, and volleyball court. The whole shelter is gated and it is surrounded by high concrete fence. The key of the gate is being kept by the center supervisor. The common areas like the hallways, office and front gate are protected by CCTV cameras as guided by Administrative Order (AO) 262A-13.

### Box 1. A Day in a Ward's Life

It's six o'clock in the morning and Fatima (not her real name) woke up in the hustle and bustle of the Bahay Kalinga. While wiping the beads of sweat on her forehead, she saw her roommates minding their own businesses. Some are still sleeping while others are preparing to take a bath. She reached for a make-shift fan made from an old cardboard box and fanned herself. Last night was one of the hottest nights in her stay in the shelter. There is an air-condition in the room, but it can't make up for the 30 plus warm bodies sleeping in the same quarters. She can't help but shake her head and think that this is only temporary. Someday, hopefully soon, she'll be back to the loving arms of her family.

She turned her head to side of the room because someone is shouting and pounding on the bathroom door. If one wants to take a bath, it is important to be very quick. Everyone will not hesitate to call anyone's attention if they are hogging the restroom. Those who are staying in Rooms 3 and 4 (previously receiving quarters) are only given a maximum of five minutes to do their hygiene routines. It is only fair because around 60 people are still waiting for their turn. The bathroom situation of Rooms 3 and 4 is unique; other rooms have their dedicated rest rooms.

Fatima stood up and went out. She noticed that people from another room were busy cooking the breakfast and lunch for everyone. Others were trying to entertain themselves by dancing, singing and playing volleyball. Some were trying to exercise by walking back and forth in the open area. After a while, Fatima went back to the shelter to sleep again. She knew the weather today will not be very friendly – a sandstorm is about to come.

She woke up around lunch time because the food was already served in the room. Today's meal is Adobong Manok. As much she wants to eat immediately, she can't. Because of the scarcity of utensils, she still needs to wait for the others to finish their meal. The room leader decided to divide the lunch schedule into two batches. Unfortunately, Fatima is assigned to the second batch. The wait didn't take a while. After eating, Fatima headed out to wash the dishes. Doing chores like this makes her feel alive. After all, she can't really do much around here. Sometimes this routine may change if it is their room's assigned day to follow-up their case. Everyone hopes to see their names and flight details written on the announcement board. Nonetheless, life in the shelter is pretty sedentary – waking up every day to eat and sleep again.

Fatima and all the other OFWs in the shelter are only trying to distract themselves from missing their loved ones in the Philippines. All they want is to be with their family after being away for so long. The hope of seeing their names and their flight details on the announcement board has become their motivation to go on. Someday, the OFWs believe that they can finally leave this temporary house and stay in their real home in the Philippines.

### Bedroom

There are two (2) rooms on the first floor. The room assigned for the mothers and children can be found near the front door. Adjacent to it is the second room housing about 20 OFWs. There used to be a receiving area in the shelter, however, it was transformed and divided into two (2) sleeping quarters because of the influx of runaway OFWs. These rooms house more or less 60 people. Meanwhile, five (5) other rooms can be found on the second floor and each room caters to roughly 20 OFWs. Because of the number of people in the rooms, OFWs find it impossible to impose their personal space and privacy. If they need to change clothes, the OFWs use blankets to cover up. The last room on the third floor is the hottest among all the other rooms combined. The heat of the sun can be felt all day long in the said area. Air-condition units are provided in all rooms. But given the number of warm bodies in the area as well as the harsh weather in Saudi Arabia, the appliance barely provides breeze. To cope with this, some OFWs fall asleep while fanning themselves. Others doze off while wearing almost nothing. As one OFW remarked, "*Diyan mo mararanasan 'yong tulog na, nagpapaypay [pa]*" (see Figure 2).

Each room has about three (3) to six (6) bunk beds. Two (2) people are sleeping in one (1) bed while the others rest on floor mattress. To maximize the space, OFWs with larger built are paired up with those who have relatively smaller bodies. In terms of arrangement, the new comers sleep on the floor while those who have been staying long in the shelter are assigned in the bunkbed. Once the old-time OFWs leave, the new comers can now transfer to the bed. However, this practice may be unique to one room. The others have unstructured system for bed assignments.

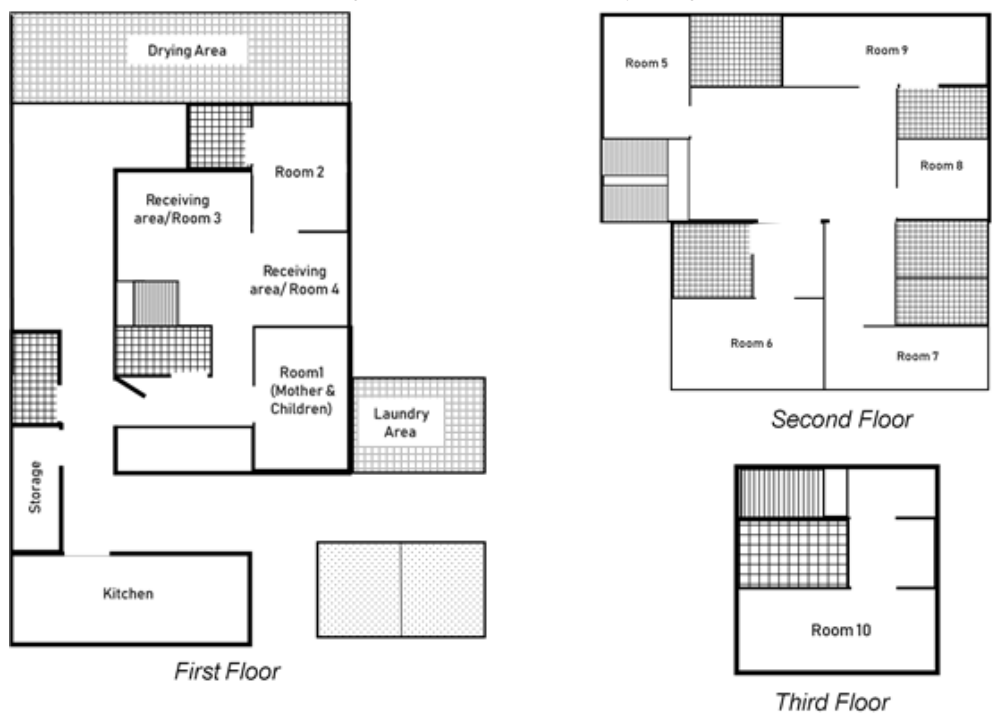


Mothers and children have better room conditions. There are approximately 15 people in their quarters including the children. Mothers feel more secure for their kids because they are not mixed up with all the other OFWs. The ventilation is also a lot better compared to the other rooms. More importantly, they feel comfortable breastfeeding the baby in their room. The OFWs noted, however, that there is no provision of cabinet for their personal things like clothes, and gadgets, among others

*Bathroom*

The lack of bathrooms is compounded by lack of continuous water supply. Water in the shelter is only open for two (2) hours in the morning, afternoon and evening. Each bedroom has its own bathroom except for the receiving area that was transformed into two (2) sleeping quarters. About 60 people in the mentioned areas are sharing one (1) bathroom. Because of this, OFWs compete for bathroom use. Everyone is given a limit of five (5) minutes to do their private business. Sometimes, several people are simultaneously using the bathroom for different purposes like taking a bath and removing bowel movement, among others. Others do extreme measures like taking a bath in the laundry area. This makes them feel embarrassed, but the OFWs are left with no other choice. One OFW remarked, “*Tapos sa CR kasi hindi puwede na isa-isa. Minsan nga pag may dumudumi, may naliligo. Sabay-sabay na doon lahat.*”

Figure 2: Illustration of the Bahay Kalinga



Source: Own illustration of the researchers

*Sanitation*

Sanitation is maintained by all OFWs in the BK. Every day, a room is assigned to clean the surroundings of the shelter. Team leaders per room also ensure the cleanliness of their respective bedroom and bathroom by assigning daily cleaners among the members.



### *Kitchen and Basic Supplies*

Previously, each room prepares food only for their own quarters. However, this set-up has been found inefficient. Similar to the maintenance of sanitation, one room is assigned every day to cook food (breakfast, lunch, and dinner) for everyone. This new arrangement aims to avoid food shortages. Food is sufficiently provided daily in general, except for a few times when supplies lack.

There is also a shortage in utensils like plates, spoon, fork and cups. Clean and safe drinking water is provided in each room. However, the water is contained in a jug, so it tends to get hot because of the weather. Cold drinking water is necessary to keep the OFWs cool and refreshed under the hot weather of Saudi Arabia.

Under AO. 262A-13, MWOFRs shall have adequate funding for basic and personal necessities of the OFWs. However, the OFWs have noted that basic personal necessities such as clothes and hygiene kits among others are not provided. This is especially needed by OFWs who ran away from their employer bringing nothing but their will to escape the abusive situation. For some OFWs, hand-me-down items from soon-to-be repatriated OFWs are their only source of personal items.

### *Health*

Generally, the OFWs are in good shape in the shelter. Their common illnesses are just cough and colds brought about by the weather. If there are cases needing medical referral, the center supervisor brings the OFW to the hospital as guided by the POLO Manual of Operations' Section 42.

Moreover, they have a sedentary lifestyle. They wake up in the morning, eat breakfast, sleep again, have lunch, take a nap, eat dinner and sleep again. Cooking food on their assigned day, cleaning the shelter, playing volleyball, and dancing and singing are the only daily activities of the OFWs. For older OFWs with cardiovascular disease and hypertension, this lifestyle makes them prone to serious health complications. It is worth noting that under the POLO Manual of Operations Section 45, the POLO together with OWWA shall develop an annual activity plan for the OFWs in the shelter which shall include continuing skills training, reintegration programs, and wellness activities. Also highlighted in this section is the need to provide gender-sensitive programs and activities to assist the particular needs of migrant workers. A.O. 262A-13 complements the Joint Manual by reiterating the need to provide activities to the OFWs toward the enhancement of their values and skills.

Aside from these, there are OFWs with mental health-related problems due to the trauma that they have experienced from their previous employers. Under the POLO Manual of Operations Section 42, welfare assistance must be provided including medical and hospitalization services. Furthermore, Section 43 recommends that the shelter may be staffed with psychologists. On the other hand, Section 37 states that POLO shall also provide medical/hospital referral for workers who are physically, mentally and emotionally ill.

### *Culture and Social Relations*

There is a diverse population in BK in terms of the people's background, religion and region of origin. However, despite these differences, the OFWs practice respect and unity among each other. If one person is practicing a cultural belief, the others are trying their best to give them a safe space. This unwritten rule maintains the peace and order in the shelter.

### **Programs and Services**

Migrant shelters also typically serve as broader migrant resource centers that are venues for broader purposes beyond providing temporary refuge for distressed workers (IOM, 2010). It can be surmised

that this is the same vision on which the name “Migrant Workers and Other Overseas Filipinos Resource Centers” is anchored, although different contexts with different circumstances may lead to different levels of appreciation and attainment of such vision. “*Bahay Kalinga*” is unique to Philippine migrant shelters in Saudi Arabia, espousing care and compassion in the way the facility should be managed and the needs of those staying in it should be addressed. Looking at the programs and services in BK through this similar lens, however, the research shows mixed and complicated results.

Wards involved in FGDs noted the prompt actions of shelter and POLO officers on their need for medical/hospital assistance. Medical supplies, especially primary care medicines, are adequately available in the BK office and those needing emergency treatment are immediately brought to nearby hospitals, even past midnight in some cases. However, it is noteworthy to mention that there are a few OFWs with grave mental health concerns, who would need specialized and immediate healthcare services but remain undiagnosed and untreated professionally. Section 43 of the POLO manual calls for designation of psychologists, social workers or competent NGO representatives to handle such sensitive cases, but staffing is still problematic both for POLO and the larger Philippine mission in the Gulf country.

As to legal assistance, services can be said to be sufficiently provided since most OFWs who enter BK face a certain type of case for which not only counselling is needed but, more notably, representation. POLO has several case officers and so does the Philippine embassy. The issue according to interviewed OFWs lies in the frequency and timeliness of case updates, especially for those with criminal implications handled by embassy case officers. During the data gathering period, a new system was put in place for case updating primarily facilitated by the Center Supervisor. A room is scheduled per day for consultation at the BK office, which usually begins at 2 p.m. and ends at 8 p.m., and involving those with labor and welfare cases irrespective of urgency. It was too early to evaluate whether this new system enables greater efficiency and impact, but it was common to hear grievances from OFWs that they felt that their cases were not given enough attention. The situation for OFWs with police/criminal cases was different to the degree that updating is dependent on the availability of embassy officers in-charge whose frequency of visits in BK was observed to be limited in the span of almost two weeks when data collection for this study was being done.

Welfare interventions included provisions of food. Shelter officers under POLO typically replenish supplies on a weekly basis. It was noted by participating OFWs that food remains adequate for everyone, but other basic necessities, including those distinct to women, are hardly provided in BK. There were occasions when those necessities were supplied through donations of FilCom and NGOs in the area. Other than this, repatriation assistance makes for a large bulk of welfare services for OFWs, including airport transfer and assistance (up to the Philippine airports where OWWA officers wait for the repatriated workers) and, when necessary, purchase of air tickets and provision of local transportation allowance and another temporary shelter upon arrival in Manila prior to travel to the provinces.

With respect to reintegration programs or services that lie at the heart of any transformative migrant center, *Bahay Kalinga* appears to lag compared with what is envisioned of MWOFRCS in existing policies. There was virtually no mechanism for information campaigns and awareness-raising on the concept of reintegration among OFWs. In one FGD, it was evident that only a few of them heard of it only once. Developmental interventions, such as training and skills upgrading during their stay in BK, were severely lacking despite self-assessed needs for certain capacity-building activities aired during the focus groups. Those training events conducted in May 2018 faced common issues of quantity, quality and relevance, aside from the observation that they are deeply feminized (e.g. cosmetology training for women). It also remains as a challenge whether developmental interventions implemented at the shelter can make a dent on expanding economic opportunities for returning OFWs when they are not complemented with proper entrepreneurial counselling and accessible financing mechanisms

back in their local communities.

## Conclusion and Recommendations

Of all MWOFRCS (there have been 20 as of 2018), it could be said that the *Bahay Kalinga* in Riyadh, Saudi Arabia is one of the most used shelters in the sense that it always gets frequented by hundreds of distressed OFWs seeking refuge from employers' abuse and maltreatment. Yet, in another sense, it could be surmised that it is among those most underutilized Centers in terms of realizing the wide array of functions and services envisioned of it, especially those relating to welfare and reintegration. Several critical factors, outlined below, may contribute to this.

Anchored on the participatory nature of its methodology, the study puts forward recommendations that are based on the suggested improvements elicited during focus groups and informant interviews. Additionally, as an action research, it lists down urgent interventions driven by very practical needs identified *and observed* during the course of the data collection.

## Administration and Operations

- POLO, in general, is severely understaffed and bugged down by the load of work given to them. In the shelter, only one person handles all the concerns of the wards. The current center supervisor acts as the link between the wards and the case officers. Case updating takes the whole day to be done, hence, welfare assistances are being left behind. Moreover, this also hinders the center supervisor from implementing the annual activity for the shelter.
- In order to address this gap, there is a need to enhance staff complement in the shelter with a duly-designated Center Coordinator solely for case updating and settlement in order for the existing Center Supervisor (i.e. OWWA AS) to focus on expanding welfare services, implementing annual activity plan, and activating reintegration-oriented developmental interventions.

In terms of task delineation, the Joint Manual's Section 5 (One Country Team Approach) can be followed. The POLO staff shall handle case updating and all matters arising out of employer-employee relationship. Meanwhile, Welfare Officers can focus on giving assistance to the OFWs and their family as well as provision of reintegration programs and services. The center supervisors will still be directly supervised by the head of the Post.

- Review existing blanket policy prohibition against volunteer work in the *Bahay Kalinga* office given limited capacity in its management and operations, with a view to creating arrangements and mechanisms that will prevent abuse of, and foster sense of mutual responsibility among, OFWs.

It is also worth noting that under the POLO Manual, individual volunteers and representatives from bonafide NGOs may be assigned in the shelter as determined by the Labor Attaché in consultation with the Chief of Mission. This may be the most feasible option given the diplomatic restrictions in the Saudi Arabia.

- Once the manpower complement in the shelter is in place, the next recommendation is to strengthen the regular feedback/dialogue mechanisms between wards and the POLO staff and officials for their issues and concerns as highlighted by A.O. 262-13 item no. 8.
- Given the volatile economic and political character of Saudi Arabia, it is important to create an emergency plan for the BK. Proactive measures to anticipate the impact of natural and man-made disasters should be included in the house rules. Furthermore, aside from posting the house rules on the bulletin board, it must be explained to the OFWs and complemented with provision of emergency equipment (e.g., fire

extinguisher). Moreover, it will be beneficial to provide a basic first-aid training to the OFWs. It is vital to recognize and anticipate future contingencies so as to avoid risks of injuries and fatalities.

- At present, a manual/standard on the proper way of managing a shelter is yet to be developed. Some of the important standards that need to be set include the absorptive capacity of rooms, the ratio of bed and persons, and other occupational safety and security details of the shelter. It must also be noted that the unique situation of Saudi Arabia must be taken into consideration in developing a more detailed manual for the shelter.

## Services

- As highlighted in the discussion, mental health intervention is badly needed in the shelter. It is important to strengthen policy provision for psychosocial intervention for distressed OFWs, including professional and immediate healthcare services for those with evident mental health concerns, in coordination with Department of Health (DOH) and Department of Social Welfare and Development (DSWD).
- Under the POLO Manual Section 44, the shelter may be used by Filipino Community Groups to conduct reintegration and other trainings and seminar for reintegration. Expanding partnerships with Filipino Community groups and non-government organizations for developmental training activities and maximize *Bahay Kalinga* as venues for the conduct of such activities can help prepare OFWs for effective return and reintegration in their local communities.
- The POLO manual also notes the need to provide gender-sensitive programs and activities to assist particular needs of migrant workers. It is important to improve the types of developmental training activities provided to OFWs to the extent that they are needs-driven and gender-responsive without reinforcing gender stereotypes.
- The length of stay of the OFWs in the shelter depends on their case. Labor cases usually last for a few months. Once amicable settlement was achieved, the OFW can go home from a few weeks to a couple of months. Criminal cases, on the other hand, take several months to years before it can be resolved. The legal system in Saudi Arabia is structured in a way that it has several hearings in the low and high court before the final verdict is given. Because of this, OFWs are stranded in the country of destination for several months up to years.

In order to assist the OFWs in tracking their cases, one recommendation is to develop brochures on the step-by-step procedure of case management. This way, the OFWs will have an idea on how to hasten the process of their case settlement. This brochure may also be complemented by informational materials on the government's reintegration programs for OFWs.

- There are children who are living in the shelter. Because of this, their formal education is put on hold. It would be very beneficial to provide tutorial services to the children living in BK in partnership with DSWD or FilCom groups. This intervention will ensure that children of migrant workers will not lag behind school while waiting for their repatriation.
- Assistance to OFWs with newly born babies, particularly in arranging the documents for live birth of the baby, may be explored.
- AO 262A-13 Item 1 states that the basic personal necessities must be adequately funded. With this, it is vital to provide the basic necessities to the OFWs upon their arrival in the shelter such as toiletries and clothes, among others. The OFWs may have run away from their employer without their personal belongings. They left only with just their will to fight and get away from the exploitative condition.

- The lives of the OFWs only revolve around the four corners of the BK. If a better location can be provided, it is the most ideal recommendation from the OFWs. But if transfer is not feasible, then the government must try to provide their small practical requests. The following are some of the practical recommendations from the OFWs:

Bedroom	Blankets Better air-condition units for ventilation Cabinets for storage of personal things Water dispenser of cold water per room Better lighting for some rooms
Bathroom	Additional bathroom for the OFWs in Rooms 3 and 4 Better ration of water
Kitchen	Utensils Other kitchen supplies like dishwashing soap

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# An Analysis of ILO Convention 121 vis-à-vis Employment Injury Insurance and Protection in the Philippines

Malorie Joy O. Mones || Frances Camille G. Dumalaog

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## ABSTRACT

*The socio-economic cost of poor occupational safety and health (OSH) practices and work-related accidents or diseases leading to death is notably immense. Considering this, the Philippines has established social safety nets, including employment injury benefits, to assist occupationally injured or ill workers. This paper analyzes the existing employment injury insurance system in the country vis-à-vis the minimum international standards on employment injury benefits as set forth in the International Labour Organization (ILO) Convention No. 121. Using both primary and secondary data, this research examines the extent to which existing Philippine laws and related measures complement the requirements of the Convention and the possible policy implications once ratified. The study notes that although the Philippines has not yet ratified the Convention, OSH policies are already in place and medical and financial assistance are provided for the protection of workers and their beneficiaries, in cases of fatalities. However, the coverage and return to work programs need to be further revisited to ensure wider and effective reach of the country's employees' compensation program.*

## INTRODUCTION

Providing workers with assistance or compensation in the case of incapacity or disability due to work-related accidents and diseases is a fundamental labor right. Its urgency is highlighted by the findings of the International Labour Organization (ILO) that roughly 2.78 million workers die annually because of occupational accidents and work-related diseases. Moreover, in 2014, approximately 374 million non-fatal injuries and illnesses have led to lost workdays. The data underscores the immense daily cost of contingencies resulting from poor occupational safety and health practices.

Recognizing that employment injury benefit system is vital for employers and workers alike and in response to the gravity of costs associated with accidents and sickness, the Philippines has established social safety nets for occupationally injured or ill workers. The Employees' Compensation Commission (ECC) was created to oversee the policy thrust and implementation of the Employees' Compensation Program (EC Program). Through the ECP, employees with work-related sickness and disabilities, as well as their dependents, are entitled to income and medical related benefits (e.g. rehabilitation services, and counselling). The ECP is complemented by the benefits provided by the Government Service Insurance System (GSIS) and Social Security System (SSS) for the public and private-sector employees, respectively.

Further, the Philippines has also ratified two (2) ILO Conventions aimed at providing social security to persons with work-related sickness and injuries. In 1925, the Philippines ratified ILO Convention No. 17 (Workmen's Compensation) ensuring adequate compensation for workers who sustain occupational injury and sickness. This has been supplemented by ILO Convention No. 159 (Vocational Rehabilitation and Employment of Disabled Persons) which the country ratified in 1999. This Convention promotes vocational training, and employment placement, among other related services to enable persons with disabilities to enter the world of work. However, based on the Report of the Committee of Experts on the Application of Conventions and Recommendations (CEACR), C17 is already an outdated instrument (ILO, 2017) and is proposed to be updated to C121 (Employment Injury Benefits) and/or C102 (Minimum Standards on Social Security). C121 is a more recent instrument for EIB than C17. The former took effect in 1964 while the latter dates back to 1925. Conversely, C121 was adopted in order to serve as "a special international instrument" on employment injury benefit. It already contains advanced EIB standards such as the list of recognized occupational diseases. On the other hand, C17 only prescribes a minimum level of benefits. Hence, the ILO promotes for the denunciation of C17 and the ratification of C121 (ILO, 2016).



Although both C121 and C102 mainstream the protection of occupationally injured and ill workers, ratifying these conventions will have policy implications. Given this, a research project was conducted to fully understand the intended and unintended impacts of ratification, as well to assess the readiness of the country in entering into said international agreements. Hence, the ECC and the Institute for Labor Studies (ILS) collaborated on a two-phased policy research on C121 and C102. This research served as the first phase of the two-part study. It focuses on analyzing C121 vis-à-vis the existing legislations pertinent to employment injury. The second phase will put emphasis on C102.

## RESEARCH OBJECTIVES

This study is intended to contribute to the policy development of the country's employment injury and sickness benefit system. This research initiative is in line with the Sustainable Development Goals (SDG), particularly Goal 8.3, on protecting labor rights and promoting safe and secure environments for all workers. It is also anchored on the DOLE 8-point Agenda which promotes employment and human resource development, as well as protection of workers' welfare.

Through the methodology described in the next section, this study aims to achieve the following specific objectives:

1. To document existing laws, programs, department orders, and other legislations pertinent to occupational injury and sickness benefit;
2. To determine the extent to which these measures complement the requirements of the ILO Convention 121; and
3. To review the policy implications of ratifying C121.

## METHODOLOGY

This research is qualitative and descriptive in nature. Both primary and secondary data were considered for the analysis. The primary data were derived from the consultations/validation workshop with core partners of DOLE and other stakeholders. As for the secondary data, these were collected through a desk review of existing related documents and literature. The data-gathering was conducted from July to November 2018.

The study has the following components:

- a. Gap Analysis was used to determine the extent to which the national legislations, rules and regulations, and other mechanisms in the Philippines adhere with the ILO Convention No. 121. This method exemplified the present conditions in providing employment injury benefits to workers in the Philippines and how it differed from the international standard as indicated in the C121, the reasons for such, and the suggested solutions. In coordination with ECC, an analysis matrix was prepared to guide data collection activities.
- b. Consultations and validation workshops were conducted with concerned social partners to solicit inputs on the readiness of the Philippines in ratifying C121 and the perceived challenges that should be considered. The validation workshop provided a venue for the stakeholders to comment on the findings of the research and on the subject matter.
- c. Focused group discussions with then beneficiaries of the ECC's *Katulong at Gabay sa Manggagawang may Kapansanan (KaGabay)* Program were also conducted to better understand their appreciation of the country's current employees' compensation insurance.

## Ethical considerations

Ethical considerations were observed in the conduct of the study. All participants were made aware of the nature and purpose of the consultation meetings and interviews that were conducted. In cases where conversations were to be audio recorded, permission from the participants was sought. Concerned offices and organizations were also invited during the stakeholders' validation forum where initial results of the study were presented.

## Background and Contextual Information

### *International Standards on Employment Injury Schemes*

Employment injury (EI) schemes are the most widespread in the world and oldest form of social security coverage that can provide medical care, vocational rehabilitation and benefits to workers who are injured on the job or who contract occupational diseases, as well as survivors' benefits for families of victims of occupational fatalities (ILO, 2013). While preventive measures are irreplaceable in reducing safety and health risks, EI schemes are a vital safety net for workers who are injured and disabled through their work. The 2030 Agenda for Sustainable Development reinforces the promotion of a healthy working life to reduce poverty contributing to Sustainable Development Goal (SDG) 1 and promotes health and well-being (SDG 3). Having a healthy workforce stimulates economic growth which supports the attainment of decent work under SDG 8.

Among the conventions that the country has ratified in relation to protection and promotion of the rights and welfare of persons with disabilities are C17 (Workmen's Compensation); C111 (Discrimination-Employment and Occupation); and C159 (Vocational Rehabilitation and Employment of Disabled Persons). It was in 1960 when C17 was put into force in the Philippines. The C17 enumerates the basic compensation for workers who met accident in the workplace. In the same year, C111 was ratified by the country which led to the adoption of a national policy designed to promote equality of opportunities and treatment, with a view to eliminate work-related discrimination. Finally, in 1991, C159 was put into force to promote vocational guidance and training, placement, and other related services in order to enable persons with disabilities to secure, retain and advance in employment.

In May 2008, the country ratified United Nations Convention on the Right of Persons with Disabilities (UNCRPD). Through its ratification, the protection of the rights of differently abled persons were translated into national legislations in the Philippines. The country has recognized the need to protect the dignity and reinforce the human rights of persons with disabilities.

With ILO reviewing the relevance and coverage of Conventions such that of the C17 adopted in 1925, up-to-date and more robust Conventions concerning employees' compensation have been adopted. Based on the ILO 47<sup>th</sup> Session in 1963, most of the pre-war social security Conventions have not yet incorporated the new types of employment injury and sickness benefits being introduced in various countries. Given this, it was deemed necessary to create a specialized international instrument that meets the advance legislation of several countries, and two of these instruments are C102 and C121. ILO recommends that the country ratifies up-to-date instruments on the concerned subject area such as C102 and/or C121, which were adopted in 1952 and 1964, respectively, which (ILO, 2017). Part VI of C102 or the Social Security (Minimum Standards) Convention prescribes that workers who incur accidents and diseases in the workplace shall be provided with compensation or benefits such as medical treatment, income augmentation for loss of earning capacity, and survivor benefit in case of death, among others.

On the other hand, the Employment Injury Benefits Convention (No. 121) and its accompanying Recommendation, No. 121, set higher standards, primarily in terms of population coverage and level of benefits to be provided. C121 also recognizes the importance of an integrated approach for improving

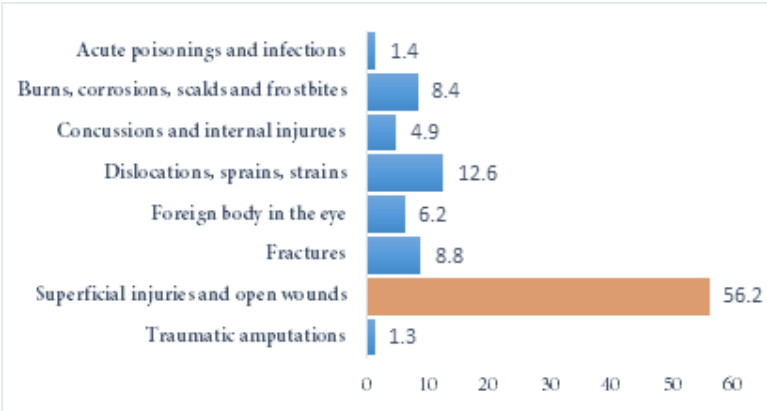


working conditions, limiting the impact of employment injuries and facilitating the reintegration of persons with disabilities in the labor market and society. The C121 likewise requires the ratifying member states to take measures to prevent employment injuries, provide rehabilitation services, and ensure that displaced workers find suitable re-employment. Both the Conventions provide for a review of benefits based on changes in the cost of living. As to date, the Philippines has not ratified either Convention No. 102 or 121.

*Employment Injury Insurance in the Philippines*

Based on the 2015 Integrated Survey on Labor and Employment (ISLE) in the Philippines, there are roughly 17,859 occupational accidents that resulted in permanent and temporary disability of workers (ISLE, 2017). The top three agents are machines and equipment (26.9%), materials and objects (25.7%), and hand tools (19.5%) (PSA, 2018a). Figure 1 shows that superficial and open wounds is the topmost reported case of occupational injuries with workdays lost in 2015.

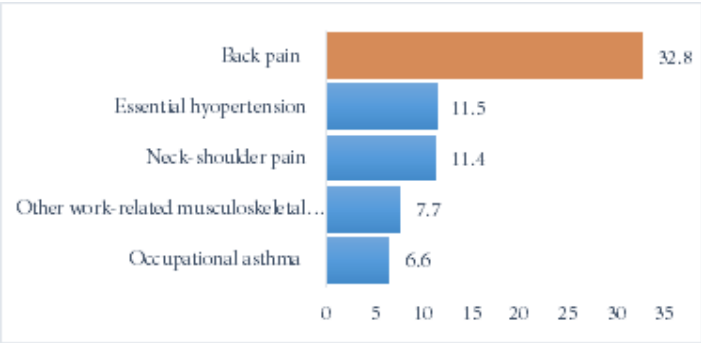
**Figure 1. Cases of Occupational Injuries with Workdays Lost in Establishments Employing 20 or More Workers by Industry and Type of Injury, Philippines: 2015 (percentage)**



Source: Philippine Statistics Authority, Integrated Survey on Labor and Employment, 2018a

On the other hand, administrative and support service activities (34.3% or 43,183) and manufacturing industry (31.1% or 39,143) jointly comprised almost two-thirds (65.4%) of the distribution of occupational diseases across sectors over the same period (PSA, 2018b). Back pain was recorded to be the one of the top three (3) cases of occupational diseases along with essential hypertension and neck-shoulder pain (Figure 2).

**Figure 2. Cases of Occupational Diseases in Establishments Employing 20 or More Workers by Type of Disease, Philippines: 2015 (percentage)**



Source: Philippine Statistics Authority, Integrated Survey on Labor and Employment, 2018b

Indeed, this burdens workers with economic costs for hospitalization, medicine and rehabilitation services (Lebeau and Duguay, 2013). More importantly, costs such as pain and social exclusion brought about by work-related disability are intangible and unmeasurable (ESCAP, 2015). Occupational accidents and diseases not only bring about costs and harm to the employees who met accident or acquired diseases, but also to their families, enterprises, and communities. The loss of productive time, retraining of staff, and loss of sales are unnoticed costs that can be many times higher than the direct costs (ILO, 2010).

Recognizing the need for policies to support practical action to prevent occupational accidents, injuries and diseases and at the same time, improve the lives of workers who suffer from such incidents, the following national policies have been enacted by the Philippine government through the years:

➤ *The Philippine Labor Code (1974)*

Under Book Four of the Philippine Labor Code (Health, Safety and Social Welfare Benefits), it has become the policy of the state to “promote and develop a tax-exempt employees’ compensation program whereby employees and their dependents, in the event of work-connected disability or death, may promptly secure adequate income benefit and medical related benefits.”

➤ *Presidential Decree No. 626 (1975)*

The country’s State Insurance Fund (PD 626), on the other hand, protects the welfare of members “who suffer partial or total permanent disability, with at least one (1) monthly contribution paid to the SSS prior to the semester of contingency.” The State Insurance Fund highlights that all employers and their employees under sixty years of age shall be entitled to benefits such as rehabilitation services, physical restoration, and skills and entrepreneurial trainings.

➤ *Batas Pambansa 344 (1983)*

This Act aims to enhance the mobility of disabled persons by outlining the minimum standards and requirements to make infrastructures accessible to differently abled persons.

➤ *Magna Carta for Persons with Disabilities (1991)*

The Philippines committed to translate the aforementioned international instrumentalities into national laws and practices. Hence, in 1991, RA 7277 or the “Magna Carta for Persons with Disabilities” was passed into legislation. This law mandates the public sector to allot at least one (1) percent of its total workforce for PWDs. The private sector, on the other hand, is being encouraged to employ more PWDs among their ranks. In 2006, this legislation was amended by RA 9422 which grants PWDs with additional benefits like value-added tax (VAT) exemptions, and discounts to public transportation fees, among others.

### *Institutions Providing Employment Injury Insurance and Protection in the Philippines*

The task of managing the employment injury insurance in the Philippines is distributed among various government agencies. The social security benefit for the public sector workers is governed by the Government Service Insurance System (GSIS). Under RA 8291 or the Government Insurance Act of 1977, a member who suffers permanent disability shall be entitled to disability pension and survivor benefits, among other assistances. Meanwhile, the disability insurance of the private sector employees falls under the jurisdiction of the Social Security System (SSS). A member who experiences disability shall receive pension while their dependents shall be given survivor’s benefit in case of the member’s death. However, it is worth noting that contribution of the member is a prerequisite for receiving benefits.

The Employees' Compensation Commission (ECC) oversees the coordination of the policies toward the implementation of the programs and activities prescribed under PD 626. The delivery of this benefit is coursed through the SSS for the private sector and GSIS for the public sector employees. Aside from GSIS, SSS, and ECC, Table 1 below highlights the functions of other government agencies with mandate related to employees' injury insurance benefit:

**Table 1. Key National Government Agencies and their Respective Mandates in Relation to Employment Injury Insurance Benefit**

Agency	Mandate
GSIS	Provision of disability benefit to public sector employees
SSS	Provision of disability benefit to private sector employees
ECC	Compulsory coverage on medical, rehabilitation, income, funeral, and survivor benefit for workers below sixty years old.
Department of Labor and Employment (DOLE)	The various Bureaus and Attached Agencies of DOLE work hand in hand in implementing the general labor standards and the occupational safety and health of workers.
Department of Social Welfare and Development (DSWD)	The DSWD spearheads the formulation and implementation of social and development policies and programs.
Department of Health (DOH)	The DOH ensures that the country has national plans and guidelines on health which will be followed by all health care service providers. This includes technical standards on occupational safety and health.
National Council for Disability Affairs (NCDA)	It is the national government agency spearheading programs for persons with disabilities. NCDA is also mandated to monitor the country's implementation of local laws and international conventions on PWDs (e.g., RA 7277, Batas Pambansa Blg. 344, and ILO Convention 159).
PhilHealth	The national government agency that oversees the health insurance coverage of all citizens in the Philippines.

*Sources: GSIS, SSS, ECC, DOLE, DSWD, DOH, NCDA, PhilHealth*

## RESULTS

Employment injury insurance varies per country. Nevertheless, such is generally aimed at prevention, rehabilitation, compensation, and return to work of affected workers. This section provides a discussion on how existing Philippine policies complement the requirements of Convention No. 121, referred to as the Convention from this section onwards, and its accompanying Recommendation in the following areas: a) definition; b) coverage; c) benefits; d) suspension and appeal, and e) occupational safety and health, rehabilitation, and return to work.

### A. Definition of Terms

The Convention recommends to define industrial accidents and diseases in the country's national legislation. This way, ratifying countries will be able to differentiate work-related contingencies from more general forms of sickness and injury. Further, according to the Report V of the International Labor Conference 48<sup>th</sup> Session in 1964, the intent of this provision is to officially stipulate in legislations the circumstances which makes a contingency work-related in nature. In the Philippines, PD 626 provides definitions for sickness<sup>1</sup> and injury<sup>2</sup>. Apart from this, PD626 has also operationalized the different types of work-related disability as shown in the table below. Other legislations like the SSS and GSIS law have adopted the definitions used by the ECC.

1 "Sickness means any illness definitely accepted as an occupational disease listed by the ECC, or any illness caused by employment, subject to proof that the risk of contracting the same is increased by working conditions. For this purpose, the ECC is empowered to determine and approve occupational diseases and work-related illness that may be considered compensable based on peculiar hazards of employment. (As amended by Sec. I, P.D. 1368).  
2 "Injury means any harmful change in the human organism from any accident arising out of and in the course of employment." (As amended by Sec. I, P.D. 1921).

**Table 2. Technical Definition of Permanent Total Disability (PTD), Permanent Partial Disability (PPD) and Temporary**

Total Disability as Defined by GSIS, SSS and ECC			
Type of Disability	GSIS	SSS	ECC
Permanent Total Disability (PTD)	<ul style="list-style-type: none"><li>• Complete loss of sight and both eyes;</li><li>• Loss of two limbs at or above the ankle or wrist;</li><li>• Permanent complete paralysis of two limbs; and</li><li>• Brain injury resulting in incurable imbecility or insanity</li></ul>		
	<ul style="list-style-type: none"><li>• Such other cases as may be determined by the GSIS</li></ul>	<ul style="list-style-type: none"><li>• Such other cases as may be determined by the SSS</li></ul>	<ul style="list-style-type: none"><li>• Temporary total disability lasting continuously for more than 120 days;</li></ul>
Permanent Partial Disability (PPD)	<ul style="list-style-type: none"><li>• Arises due to the complete and permanent loss or use of any of the following resulting in disability to work for a limited period of time:<ul style="list-style-type: none"><li>- any finger</li><li>- one arm</li><li>- one foot</li><li>- any toe</li><li>- one hand</li><li>- one leg</li><li>- one or both ears</li><li>- hearing of one or both ears</li><li>- sight of one eye</li></ul></li></ul>	<ul style="list-style-type: none"><li>• A complete and permanent loss or use of any of the following body parts:<ul style="list-style-type: none"><li>- one thumb</li><li>- one big toe</li><li>- one index finger</li><li>- one hand</li><li>- one middle finger</li><li>- one arm</li><li>- one ring finger</li><li>- one foot</li><li>- one little finger</li><li>- one leg</li><li>- hearing of one ear</li><li>- one ear</li><li>- hearing of both ears</li><li>- both ears</li><li>- sight of one eye</li></ul></li></ul>	
Temporary Total Disability	<ul style="list-style-type: none"><li>• Accrues or arises when the impaired physical and/or mental faculties can be rehabilitated and/or restored to their normal functions</li></ul>		<ul style="list-style-type: none"><li>• Arises when a worker sustains an injury or contracts sickness resulting in temporary total disability</li></ul>

Sources: SSS Disability Benefit Guidebook, RA 8291, and PD 626

Furthermore, the Convention also highlights the need to consider commuting accidents as work-related contingencies. The ECC has already released a Board Resolution in 1988 which includes commuting accidents among its case decisions. This move stemmed from the Supreme Court decision in the same year of *Generoso Alano vs the Employees Compensation Commission (ECC)*. *Dedicacion de Vera*, the deceased sister of *Generoso Alano*, was the principal of *Salinap Community School* in *Pangasinan* during that time. While going to her workplace, she was hit by a speeding vehicle and it caused her untimely demise. This left her five children motherless. *Generoso Alano* filed for benefit claim under the GSIS which was initially denied. *Generoso* elevated the case to the Supreme Court and the high court ruled in favor of the petitioner. Several cases followed after which prompted the ECC to release a Board Resolution recognizing commuting accidents as work-related contingency. It is also worth noting that the Board Resolution forms part of PD 626. Thus, the Philippines is compliant in this section.

**B. Coverage**

The coverage cited in the Convention may be classified in terms of the type of worker, by impact of employment injury, and occupational diseases.

### By type of worker

The types of workers covered are presented in Article 4 of C121 and in Item No. 3 of its accompanying Recommendation. The C121 states that the “national legislation concerning employment injury benefits shall protect all employees, including apprentices<sup>3</sup>, in the public and private sectors, including co-operatives, and, in respect of the death of the breadwinner”. Additionally, in the Recommendation, it was indicated that “each member country should, subject to prescribed conditions, secure the provision of employment injury or analogous benefits, for the following workers:

- (a) members of co-operatives who are engaged in the production of goods or the provision of services;
- (b) prescribed categories of self-employed persons, in particular persons owning and actively engaged in the operation of small-scale businesses or farms; and
- (c) certain categories of persons working without pay, which should include:
  - persons in training,
  - undergoing an occupational or trade test or otherwise preparing for their future employment, including pupils and students,
  - members of volunteer bodies charged with combating natural disasters, with saving lives and property or with maintaining law and order,
  - other categories of persons who are active in the public interest or engaged in civic or benevolent pursuits, and
  - prisoners and other detained persons doing work which has been required or approved by the competent authorities”.

In the Philippines, PD 626 provides for compulsory coverage of all employers and their employees not over sixty years of age in the State Insurance Fund. This include all employees compulsorily covered by the Government Service Insurance System (GSIS) under Commonwealth Act 186, as amended, and persons compulsorily covered by the Social Security System under R.A. 1181, as amended.

In the Philippine setting, the Labor Code differentiates apprenticeship from learnership. According to the Art 58 and 73 of the Labor Code, apprentices are defined as “workers who are covered by a written apprenticeship agreement with an individual employer or any of the entities” while learners are “persons hired as trainees in semi-skilled and other industrial occupations which are non-apprenticeable and which may be learned through practical training on the job in a relatively short period of time which shall not exceed three (3) months.” In terms of compensation, apprentice and learners are entitled to at least 75% of the minimum wage. It is worth noting, however, that they are not entitled to receive social protection coverage unless they are absorbed into regular employment.

Moreover, at present, self-employed persons are not covered by an employees’ compensation, and there are no employment injury benefits provided for in the policy governing working persons deprived of liberty (PDL). In case the Board Resolution of the ECC approves the inclusion of the self-employed, clear guidelines should be established across sectors. Moreover, since workers with employer-employee relationship that are registered in GSIS or SSS are the only ones entitled to EC claims, the following are not covered if no such relationship is established: (a) persons in training, undergoing an occupational or trade test or otherwise preparing for their future employment; and (b) members of volunteer bodies tasked with combating natural disasters, with saving lives and property or with maintaining law and order.

### By impact of employment injury

Article 6 of the Convention states that the “country provides compensation for incapacity for work, suspension of earnings, total or partial loss of earning capacity, and the loss of support as result of the death of the breadwinner due to a work-related injury or sickness”. The country’s policy on employees’ compensation is consistent with the foregoing statement.

<sup>3</sup> According to the Vocational Training Recommendation (No. 117), apprenticeship is “systematic long-term training for a recognized occupation taking place substantially within an undertaking or under an independent craftsman and should be governed by a written contract of apprenticeship and be subject to established standards.”

### By occupational diseases

With respect to occupational diseases, the Convention indicates that each ratifying member country shall prescribe a list of diseases, comprising at least the ones enumerated in Convention. The Convention has included a total of 29 occupational diseases but the number was increased to 106 through the ILO Recommendation No. 194 in 2002.

As shown in Table 3 below, the Employees Compensation Program (ECP) covers only 32 compensable occupational/work-related diseases. In case the Philippines adopts the list of occupational diseases as reflected in Recommendation No. 194, the availability of facilities and medical professionals must be ensured. This also entails a need to change in the reporting of accidents and diseases to the Philippine Statistics Authority (PSA) that conducts periodic survey of the work-related sickness or diseases. Moreover, it is also vital to consider the mental health needs of the workers. Post-traumatic stress may arise out of extreme events in the workplace such as accidents leading to dismemberment of a person.

In hindsight, the country may simply include in its legislation a general definition that is broad enough to cover the relevant occupational diseases enumerated in the Convention. Regardless, the country should still consider the points raised above.

**Table 3. ECC Compensable Diseases versus ILO Recommendation 194**

ECC Compensable Diseases	General Themes of ILO Recommendation 194
<ol style="list-style-type: none"><li>1. Cancer of the epithelial lining of the bladder;</li><li>2. Cancer, epitheliomas or ulceration of the skin or of the corneal surface of the eye due to tar, pitch, bitumen, mineral oil or paraffin, or any compound product or residue of any of these substances.</li><li>3. Cataract produced by exposure to the glare of, or rays from molten glass or molten or red hot metal.</li><li>4. Deafness</li><li>5. Decompression sickness</li><li>6. Dermatitis due to irritants and sensitizers</li><li>7. Infections</li><li>8. Ionizing radiation disease, inflammation, ulceration or malignant disease of skin or subcutaneous tissues of the bones or leukemia, or anemia of the aplastic type due to x-rays, ionizing particle, radium or other radioactive</li><li>9. Poisoning and its sequelae caused by ammonia, arsenic or its toxic compound Benzene or its toxic homologues, nitro and aminotoxic derivatives of benzene or its homologue</li><li>10. Pneumoconioses caused by fibrogenic mineral dust such as but not limited to Silicosis, Coal worker's pneumoconiosis and Asbestosis</li><li>11. Diseases caused by abnormalities in temperature and humidity such as heat stroke/cramps/exhaustion, Chilblain/frostbite/freezing and Immersion foot/general hypothermia</li><li>12. Vascular disturbance in the upper extremities due to continuous vibration from pneumatic tools or power drills, riveting machines or hammers</li><li>13. Viral Hepatitis</li><li>14. Poisoning by cadmium</li><li>15. Leukemia and lymphoma</li><li>16. Cancer of stomach and other lymphatic and blood forming vessels; nasal cavity and sinuses</li><li>17. Cancer of the lungs, liver and brain</li><li>18. Cardiovascular diseases</li><li>19. Cerebro-vascular accidents</li><li>20. Malaria and Schistosomiasis</li><li>21. Pneumonia</li><li>22. Hernia</li><li>23. Occupational Asthma</li><li>24. Osteoarthritis</li><li>25. Viral Encephalitis</li></ol>	<ol style="list-style-type: none"><li>1. Occupational diseases caused by exposure to biological, chemical, and physical agents arising from work activities</li><li>2. Occupational diseases by target organs (e.g. respiratory, skin, musculoskeletal, and mental and behavioral)</li><li>3. Occupational cancer</li><li>4. Miners' nystagmus</li><li>5. Other specific diseases caused by occupations or processes not mentioned in this list where a direct link is established scientifically, or determined by methods appropriate to national conditions and practice, between the exposure arising from work activities and the disease(s) contracted by the worker</li></ol>

ECC Compensable Diseases	General Themes of ILO Recommendation 194
26. Peptic Ulcer 27. Tuberculosis 28. Viral Hepatitis 29. Essential Hypertension 30. Asbestos-Related Diseases 31. Hypersensitivity Pneumonitis 32. Byssinosis	

Sources: ECC and ILO R194

C. Exclusion

The Convention states that the ratifying country may exclude certain sectors and types of workers. In terms of sector, public-sector employees and seafarers may be excluded. In cases of availment of temporary exemptions of the Convention, the country may also exclude the following types of workers as provided for under Article 4:

1. “Persons whose employment is of casual nature and who are employed otherwise than for the purpose of the employer’s trade or business;
2. Out-workers<sup>4</sup>. Based on the definition provided for by the ILO, a home-based worker in the garment industry can be considered as an example of out-worker;
3. Members of the employer’s family living in his house, in respect of their work for him;
4. Other categories of employees; However, these categories of worker shall not exceed 10 percent of all employees in the country”.

Currently, the country’s employment injury and sickness benefit covers both public-sector employees and seafarers. As mentioned in the earlier section, the country covers all workers with employer-employee relationship, which is not present in the types of workers specified above. Hence, these workers are not covered by the employment injury and sickness benefit of the Philippines.

By looking at the percentage of coverage, GSIS membership is at 1.799 Million as of August 2018 while SSS membership is at 26.137 Million as of December 2017 (figures are derived from the consultation meetings with national government agencies). The number of workers covered by GSIS and SSS is almost parallel to the current number of workers in the country. The PSA estimates that there are roughly 41.329 million workers as of October 2018 (PSA, 2018c). Of this number, 26.616 million (64.4%) are waged and salaried workers.

D. Benefits

Eligibility

With respect to eligibility, under Article 9 of the Convention, “benefits may not be made subject to the length of employment, to the duration of insurance or to the payment of contributions, provided that a period of exposure may be prescribed for occupational diseases”. Consistent with the Convention, Chapter 2 of PD 626 specifies that the coverage of the State Insurance Fund shall be compulsory upon all employees on the date of their employment and coverage and liability of the employer shall take effect on the first day of operation.

4 Based on the resolution concerning statistics of employment in the informal sector, adopted by the 15th International Conference of Labour Statisticians in January 1993, out worker is defined as a “person who agrees to work for a particular enterprise, or to supply a certain quantity of goods or services to a particular enterprise, by prior arrangement or contract with that enterprise, but whose place of work is not within any of the establishments which make up that enterprise.” For example, out workers may include the home workers in the garment industry.



Private sector workers who are compulsory members of the SSS, including sea-based OFWs and “kasambahay”, and public-sector employees who are compulsory members of GSIS are covered under the Employees’ Compensation Program (ECP) starting the first day of employment and no length of employment is required to be eligible for benefits. It is worth noting, however, that the length of service and credited contributions are factors that determine the amount of benefit that a worker may receive. Nonetheless, the Philippines is compliant in this section.

### Medical benefits

Article 10 of the Convention indicates that medical care and allied benefits with regard to a morbid condition shall comprise of the following: “(a) general practitioner and specialist in-patient and out-patient care, including domiciliary visiting; (b) dental care; (c) nursing care at home or in hospital or other medical institutions; (d) maintenance in hospitals, convalescent homes, sanatoria or other medical institutions; (e) dental, pharmaceutical and other medical or surgical supplies, including prosthetic appliances kept in repair and renewed as necessary, and eyeglasses; (f) the care furnished by members of such other professions as may at any time be legally recognized as allied to the medical profession, under the supervision of a medical or dental practitioner; and (g) the treatment at the place of work such as emergency treatment of persons sustaining a serious accident and follow-up treatment of those whose injury is slight and does not entail discontinuance of work.” In the Philippines, medical services are provided to employees immediately after an employee contracts sickness or sustains an injury.

As mandated under Article 191 of PD 626, the GSIS or SSS shall provide the employee with such medical services and appliances during the subsequent period of disability as the nature of sickness or injury and progress of recovery may require, subject to the expense limitation prescribed by the ECC.

Rehabilitation services are also provided for under the ECP including physical restoration services, necessary appliances, psychosocial counselling, psychiatric evaluation, skills training, etc. Moreover, physical therapy sessions reimbursement is also provided for both private and public sector employees. As per E.O. 54, s. 2018, PhP500.00 per session for private sector employees is provided while the same rate is being proposed for the public-sector employees. Additionally, doctor’s professional fees are also provided for EC medical benefit claims.

Nevertheless, it was noted that for private sector employees who are given a health maintenance organization (HMO) plan by their company, medical services are usually provided first through accredited hospitals and doctors as covered in their HMO. Some have noted that the human resource personnel assists in the processing of the EC benefits afterwards. Thus far, there are also those who are neither assisted nor were made aware by their respective companies of the EC benefits that they can claim.

With respect to emergency cases, initial treatment in workplaces is also stated in the DOLE Department Order No. 198-18 or the Implementing Rules and Regulations (IRR) of the recently enacted Occupational Safety and Health Standards (OSHS) Law. As highlighted in Section 15 of the said IRR, “covered workplaces of the OSHS Law shall adhere to the availability of qualified financial occupational health personnel such as certified first-aiders, nurses, dentists, and physicians, among others”.

Hence, just as the Convention requires ratifying countries to provide medical and allied benefits to affected workers, the Philippines also has existing policies on such conditions or minimum international requirements. However, at present, reimbursement of medical expenses is being practiced by the ECC. One consideration for reimbursement, as raised during the consultation meetings, is for workers who cannot afford to pay the medical expenses. Thus, it was suggested that there needs to be a way for workers to be given medical assistance and services other than in the from reimbursement.



Moreover, the lack of medical practitioners remains to be a challenge in hospitals because many choose to leave the country and work abroad. Hence, more attractive incentives and compensation should be provided for medical practitioners, nurses and other medical professionals for them to stay. Moreover, the passage of the Universal Health Care Law last 20 February 2019 will be of great help in providing adequate health care services and facilities for all Filipinos. Chapter VI of the law mentions the creation of a National Human Resource Master Plan to resolve the manpower challenge in the health sector.

### Financial benefits

Aside from medical and allied benefits, the Convention also provides for cash benefits with respect to temporary or initial incapacity for work. Such may take the form of a periodical or lumpsum payment.

#### *Periodical payment*

The supplementary Recommendation of Convention 121 stipulates two options for the cash rates in periodical payments. The first of the two options states that a member country should, at the very minimum, provide for cash benefits to be not less than two-thirds of the injured person's earnings on the condition that a maximum limit may be determined by or in virtue of a national legislation. The maximum limit may be prescribed in the calculation of benefits when the previous earnings of the beneficiary are equal to or lower than the wage of a skilled manual male employee. The second of the two options is cash benefits provided at flat rates. With this option, the benefits to be provided should not be less than two-thirds of the average earnings of persons employed in the major group of economic activities with the largest number of economically active male persons.

The Philippines is coherent in the provision of financial benefits in such a way that the country's ECP provides income benefits in cases of disability and death of an employee due to work-related injuries or diseases. The income benefits depend on the type under which the affected employee falls (i.e. total temporary disability, partial total disability or permanent partial disability).

Hence, if the Philippines adopts the first of the two options, the cash rate should not be less than two-thirds of the affected employee's earning, it may have to consider in its policies the changing minimum wage rate or the general level of earnings in its baseline computation. Also, because a maximum limit can be prescribed, the country may need to determine the ceiling it can provide as cash benefits to ensure sustainability of the ECP.

On the other hand, if the country opts to provide a flat rate, it should consider the average amount earned of employed male persons where they are largely economically active. Based on the Labor Force Survey (LFS) in April 2018, the highest concentration of employed male persons is in the services sector. The average daily basic pay in this economic activity of male worker is Php 515.00 or Php 11,335.00 in a month (22 days) as shown in Table 4. In the event that the Philippines adopts a flat rate policy, such amount or the significant changes thereafter in the earnings where workers are largely concentrated, must be both taken into account when computing for the cash benefits.

Table 4. Average Daily and Monthly Basic Pay per Employed Male Persons by Sector

	Number of employed male persons (in thousands)	Average daily basic pay per employed male person (in Php)	Average monthly basic pay per employed male person (in Php)
<b>AGRICULTURE</b>	<b>2,135</b>	<b>235</b>	<b>5,165</b>
Agriculture and Forestry	1,974	233	5,125
Fishing and Aquaculture	161	257	5,655
<b>INDUSTRY</b>	<b>5,977</b>	<b>403</b>	<b>8,861</b>
Mining and Quarrying	156	387	8,515
Manufacturing	1,825	423	9,302
Electricity Gas Steam and Air-conditioning Supply	85	589	12,965
Water Supply; Sewerage Waste Management and Remediation Activities	53	420	9,239
Construction	3,858	390	8,571
<b>SERVICES</b>	<b>6,893</b>	<b>515</b>	<b>11,335</b>
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	1,531	392	8,617
Transportation and Storage	951	472	10,383
Accommodation and Food Service Activities	609	432	9,494
Information and Communication	253	677	14,883
Financial and Insurance Activities	224	726	15,965
Real Estate Activities	52	734	16,144
Professional Scientific and Technical Activities	125	786	17,285
Administrative and Support Service Activities	955	530	11,669
Public Administration and Defense; Compulsory Social Security	1,118	659	14,495
Education	301	733	16,131
Human Health and Social Work Activities	179	554	12,189
Arts Entertainment and Recreation	126	398	8,754
Other Service Activities	469	335	7,360
Activities of Extraterritorial Organizations and Bodies	***	579	12,739
<b>TOTAL</b>	<b>15,005</b>	<b>431</b>	<b>9,472</b>

\*\*\*Less than one thousand

Source: Philippine Statistics Authority, 2018

April 2018 Labor Force Survey Round

Nonetheless, in both computation of rates of cash benefits, one implication of the minimum percentage on the amount of benefits is for cash benefits to be increased each time the prescribed minimum wage increases. Thus, this entails a periodic review of the EC benefits in terms of the amount of benefits to be provided.

At present, the private sector employees are provided compensation from the ECC and SSS. Meanwhile, public-sector employees enjoy the benefit that is higher between ECC and GSIS benefits. While the Convention states that the manner of delivery of benefits must be

done in order to avoid hardships. However, in the current setup, some workers shell out money and then it will be reimbursed by the ECC.

### *Lump sum payment*

Article 15 of Convention 121 also provides for lump sum payment in exceptional circumstances, and with the agreement of the injured person. The periodical payment may be converted into a lump sum corresponding to the actuarial equivalent when the competent authority of the ratifying country has reason to believe that a lump sum payment will be utilized in a manner which is advantageous for the injured person. Moreover, Article 18 of the said Convention also stipulates that if a member country lacks the necessary administrative facilities for periodical payment, the benefits may also be converted into a lump sum corresponding to the actuarial equivalent thereof, as computed on the basis of available data.

In the Philippines, certain provisions of PD 626 (2016 Edition) allows for the payment in lump sum such as in the following cases: a) payment of permanent partial disability if the period covered does not exceed one year, under regulations as approve by the Commission (Art. 199); b) payment of the liabilities when the employer is delinquent in his contributions (Art. 202); c) payment in cases where the employee's injury or death was due to the failure of the employer to comply with any law or take other precautions for the prevention of injury (Art. 206); d) payment in cases when the employer fail to record and report actual sickness, injury or death (Art. 211).

### *Supplementary benefits*

Article 16 of the Convention states that increments in periodical payments or other supplementary or special benefits, as prescribed, shall be provided for disabled persons requiring the constant help or attendance of another person. Under the ECP, carer's allowance, considered as a supplementary pension, is provided to an employee who suffers permanent partial or permanent total disability as a result of work-related contingency. By virtue of EO. 54 series of 2018, the ECC provides carer's allowance of the private- and public-sector employees in the amount of P1,000.

### *Benefits in cases of death*

Articles 18-20 of the Convention provide for benefits in case of death of the affected employees' dependent children and spouse. In addition to this, a funeral benefit shall be provided at a prescribed rate which shall not be less than the normal cost of a funeral. Philippine policies adhere to this as both cash assistance for the beneficiaries with respect to the death of the employee and funeral assistance are provided. Article 200 of PD 626 states that the SSS shall pay the primary beneficiaries upon the death of the covered employee an amount equivalent to his monthly income benefit, plus ten percent thereof for each dependent child, but not exceeding five, beginning with the youngest and without substitution.

As to the funeral benefit, this shall be paid upon the death of a covered employee or permanently totally disabled pensioner. At present, an increase from Php 20,000.00 to Php 30,000.00 amount of financial assistance for both public and private sectors is pending for approval by the Office of the President of the Philippines.

### *Suspension of benefits and Appeal Process*

The Convention gives the claimants the right to appeal or have complaint in case of refusal of benefits. The Convention also stated that a benefit may be suspended because of the following conditions:

1. “As long as the person concerned is absent from the territory of the Member;
2. As long as the person concerned is maintained at public expense or at the expense of a social security institution or service;
3. Where the person concerned has made a fraudulent claim;
4. Where the employment injury has been caused by a criminal offence;
5. Where the employment injury has been caused by voluntary intoxication or by the serious and willful misconduct of the person;
6. Where the person concerned, without good cause, neglects to make use of the medical care and allied benefits or the rehabilitation services placed at his disposal, or fails to comply with rules prescribed for verifying the occurrence or continuance of the contingency or for the conduct of beneficiaries; and
7. As long as the surviving spouse is living with another person as spouse.”

In the Philippines, employment injury and sickness benefits may be suspended based on items 1, and 3 to 7. Although PD626 doesn't specifically mention that fraudulent claim can become grounds for suspension of benefit, the law penalizes it through fine and imprisonment.

The second ground for suspension of benefits pertains to the deferral of the employment injury benefit if the person is already a recipient of another benefit from a different social security institution. This is in contrast with the double recovery of benefit that is being practiced in the country. Currently, private sector employees can claim both from the SSS and ECC for their employment injury and sickness benefit. This is because providing only one benefit is not enough to support the injured and ill employees.

In terms of the appeal process under PD626, the ECC has exclusive jurisdiction to settle any disputes. If the claim is denied at the level of the GSIS and SSS, the claimant may file an appeal before the ECC all the way to the Supreme Court.

### *Occupational Safety, Rehabilitation and Return to Work*

The final theme found in the Convention is the provision for occupational safety and health, rehabilitation services, and return to work programs. The Convention prescribes the following for ratifying countries:

1. “Take measures to prevent industrial accidents and occupational diseases;
2. Provide rehabilitation services which are designed to prepare a disabled person wherever possible for the resumption of his previous activity, or, if this is not possible, the most suitable alternative gainful activity, having regard to his aptitudes and capacity; and
3. Take measures to further the placement of disabled persons in suitable employment.”

In terms of occupational safety and health, the country legislated in 2017 the OSH Law which compels employers to keep their workplace free from hazards that may cause injury, sickness, disability and death of its employees.

Rehabilitation, on the other hand, is part of the services offered under the PD626. The ECC has the mandate to establish a rehabilitation program for the occupationally injured and handicapped employees which shall include restorative services (e.g. medical, surgical or hospital treatment) as well as assistive devices in order to help workers gain back physical independent. This program shall also include vocational rehabilitation programs to restore the employability of differently abled workers. Apart from this, under the letter of Instruction 856 from then former President Ferdinand Marcos, the ECC is also directed to establish an industrial rehabilitation complex for occupationally disabled persons. In establishing a rehabilitation center/facilities, the area/s to be chosen should be situated where workers are mostly concentrated.

The efforts of the ECC are complemented by the programs and innovations of companies. Some employers shoulder the costs of rehabilitation services and they provide also assistive devices to their occupationally injured or disabled employees. They usually lodge the payment under the HMO. Some companies forge Memorandum of Agreement (MOA) with hospitals so their employees can go to certain hospitals without incurring out-of-pocket expenditure.

It is worth noting, however, that there is no national legislation on return to work of persons with work-related disabilities. Their chance of getting back to the workforce depends on the decision of the management. Some companies facilitate the return to work of persons with work-related disabilities by giving lighter duties and allowing horizontal occupational transfer. Other companies also train the employees with new skills to better facilitate their work transfer. Few companies have engraved this practice in their company policy or through a Collective Bargaining Agreement (CBA).

The closest national legislation that assists in the return to work of occupationally injured and disabled workers is the Batas Pambansa 344. This law is enacted to enhance the mobility of differently abled persons. By encouraging companies to make their workplace more PWD-friendly, there is a better chance for return to work.

## CONCLUSION

Based on the analysis of C121 vis-à-vis the existing policies and mechanisms on employment injury in the country, it can be concluded that while the Philippines has yet to ratify the Convention, it has indeed come up with measures for the protection and safety net of workers who have suffered from work-related accidents, injuries or diseases. However, it can also be noted that some areas need to be revisited not just to meet the international standards, but more importantly, for better OSH programs to be effectively implemented and to likewise provide better services to affected workers and assistance for employers to have the latter get back to their productive state.

Table 5 presents the main points from the discussion of the themes as covered in ILO C121.

**Table 5. Summary of findings**

Themes	Provisions under C121	Remarks
A. Definition of Terms or Terminologies (Articles 6, 7 and 8)	Each Member shall prescribe a definition of “industrial accident” and “industrial diseases” including the conditions under which a commuting accident is considered to be an industrial accident.	PD626 has definition for sickness and injury. ECC has also released a board resolution which considers commuting accident as work-related contingency.
B. Coverage (Articles 3, 4, 5, 6 and 8 Recommendation 121)	<p>National legislation concerning employment injury benefits shall protect all employees, including apprentices, in the public and private sectors, including co-operatives.</p> <p>A. Type of worker:</p> <ul style="list-style-type: none"> <li>• self-employed (SE)</li> <li>• People undergoing trainings for future employment including pupils and students;</li> <li>• Volunteers; and</li> <li>• Persons Deprived of Liberty.</li> </ul> <p>B. Impact of Employment Injury</p> <ul style="list-style-type: none"> <li>• morbid conditions;</li> <li>• incapacity for work;</li> <li>• total or partial loss of earning capacity, likely to be permanent, or corresponding loss of faculty; and</li> <li>• loss of support suffered from the death of the breadwinner</li> </ul> <p>C. 106 Occupational diseases</p>	The ECP covers all workers with employee-employer relationship. Certain types of workers (e.g., apprentices, volunteers, and PDL) cited in the Convention are not yet explicitly stated in the Philippine policies with respect to provision of compensation for work-related injury, sickness or disease. However, there is an ongoing effort to finally include the self-employed in the ECP. The guidelines for this new provision must be discussed thoroughly.
C. Exclusion (Articles 3 and 4)	<p>A. Sector</p> <ul style="list-style-type: none"> <li>• Public sector</li> <li>• Seafarers</li> </ul> <p>B. Type of worker (if temporary exception is availed)</p> <ul style="list-style-type: none"> <li>• casual employees;</li> <li>• out-workers;</li> <li>• family workers;</li> <li>• other categories of employees, which shall not exceed in 10 percent of the total number of employees</li> </ul>	The country covers both public-sector employees and seafarers even if the Convention allows for these sectors to be excluded.
D. Benefits (Articles 9, 10, 12, 13, 14, 16, 18, and 19)	<p>A. List of Benefits</p> <ul style="list-style-type: none"> <li>• Medical Benefits</li> <li>• Cash benefits in respect of loss of earning capacity</li> <li>• Supplementary benefits</li> <li>• Benefit in cases of death</li> <li>• Emergency treatment in the workplace</li> </ul> <p>B. Amount of Benefit</p> <ul style="list-style-type: none"> <li>• For incapacity for work: Periodical payment: not less than two thirds of former earnings with prescribed ceiling; Flat-rate benefit: not less than two-thirds of the average earnings of persons employed in the major group of economic activities with the largest number of economically active male persons.</li> <li>• For death of breadwinner: 50% of former earnings</li> </ul>	The country has provisions for providing medical services, financial benefits, and accessory benefits that include carer's allowance and financial assistance to beneficiaries in case of death of the affected worker. As regards cash benefit, a periodic review must be conducted to cope with the changing minimum wage rate or the general level of earnings in its baseline computation.

Themes	Provisions under C121	Remarks
	C. Manner of Payment <ul style="list-style-type: none"> <li>• Periodic</li> <li>• Lumpsum</li> </ul> D. Other Provisions <ul style="list-style-type: none"> <li>• The rate of payment for incapacity of work may vary per region</li> </ul>	
E. Suspension and Appeal Process (Article 22 and 23)	Every claimant shall have a right of appeal in the case of refusal of the benefit or complaint as to its quality or quantity.	Consistent with the Convention, the country has provisions and practices on suspension of benefits and also upholds the right to appeal of workers denied of claims.
F. Occupational Safety, Rehabilitation and Return to Work (Article 26)	Each Member shall, under prescribed conditions, provide or take measures to: (1) Prevent industrial accidents and occupational diseases; (2) Provide rehabilitation services which are designed to prepare a disabled person wherever possible for the resumption of his previous activity, or, if this is not possible, the most suitable alternative gainful activity, having regard to his aptitudes and capacity; and (3) Further the placement of disabled persons in suitable employment.	There are existing occupational safety and health-related legislations in the country. Measures are also present at the company level. Rehabilitation services are also provided for by the ECC and this is complemented by companies through HMOs. However, a national legislation on return to work is not yet in place.

Source: Authors' own interpretation

## RECOMMENDATION

Based on the forgoing discussions, this paper proposes the creation of an inter-agency Technical Working Group (TWG) to discuss the following policy implications:

### Coverage

- Working PDLs, volunteers engaged in civic or benevolent pursuits, apprentices, persons in training or undergoing an occupational or trade test or otherwise preparing for their future employment are not covered unless there is an employer-employee relationship. To address this, the TWG may formulate specific guidelines in providing an employment injury insurance for the abovementioned groups.
- Not all occupational diseases in C121 are covered by ECP. Thus, it is imperative to review the applicability of the recommended diseases based on the Philippine context. Another important matter that needs to be addressed is the availability of medical practitioners, nurses and other medical professionals, as well as the preparedness of facilities to diagnose and treat such diseases. In this case, it would be beneficial to clarify the extent to which mental illness can be considered as a work-related condition. Finally, by updating the list of occupational diseases, there will also be a change in the reporting system of the PSA. The country's statistics agency is using the list provided by the ECC.

A second option is given to the ratifying country. Instead of adopting the prescribed diseases in the Convention, the country may develop a definition that is broad enough to cover the ones in the Recommendation.

### Benefits

- Reimbursement of medical expenses is one of ECC's modes of payment. The Convention states that the manner of delivery of benefits must be done in order to avoid hardships. However, in the current setup, some workers will need to shoulder expenses first and will be reimbursed by the ECC afterwards. In order to address this gap, the TWG may come up with strategic actions toward exploring alternative options other than reimbursement.
- In terms of cash benefit, the country was given an option to follow either percentage of previous earnings with prescribed ceiling or fixed rate. In order to accurately assess the level of the country's benefit vis-à-vis the two options, it is pertinent to conduct a separate study with a special focus on this matter.
- With the recent passage of the Universal Health Care Law, every Filipino is now registered with the National Health Care Insurance (PhilHealth). Thus, all citizens entitled to receive the full breadth of preventive, curative, rehabilitative, and palliative health care services. Also included in the law is the role of PhilHealth in developing a comprehensive outpatient benefit for the people. Correspondingly, the ECC may coordinate with PhilHealth to ensure complementation of the new legislation with the existing programs and services of the former.

### Rehabilitation and Return to Work

- There is no national law requiring or incentivizing employers for their return to work policies and programs for workers. This is the time to explore the possibility of having a national legislation on return to work to ensure that employees who were injured or who have contracted diseases at work will be provided with another chance to get back to work.



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# An Analysis of Practices and Policies in the Employment of Migratory Sugarcane Workers (MSWs)

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## ABSTRACT

*Migratory sugarcane workers (MSWs) are among the most vulnerable sectors in the Philippine society. They have to face a number of risks, including precarious working conditions, limited access to social protection mechanisms, and seasonality of employment. Cognizant of their vulnerabilities, the Department of Labor and Employment (DOLE) regulates the employment of MSWs by virtue of Department Order (DO) No. 159-16, which intends to strengthen protection of MSWs. In this paper, the authors seek to analyze the patterns involved in recruiting MSWs, their living and working conditions, as well as their coping strategies and aspirations. The analyses are based on data gathered from focus group discussions (FGDs) with MSWs and their families, key informant interviews with planters, their authorized representatives, and employees of DOLE and other concerned government offices, and participant observation. The findings indicate that deeply entrenched social inequalities cause and aggravate the vulnerable situation of MSWs. Given that sugarcane harvesting affords meager pay for sheer hard work, MSWs are usually sourced from areas where there are limited employment opportunities. Without alternative sources of income, 'anticipo' or cash advances have been used as a tool to recruit MSWs, which in turn make them heavily reliant on planters and recruiters. It is therefore recommended for government interventions to target underlying mechanisms which perpetuate the social inequalities besetting the sector. Moreover, these development-orientated actions must be complemented with regulatory measures to ascertain that MSWs would actually receive the benefits mandated by law.*

## INTRODUCTION

Agriculture-related occupations have always been associated with being income-poor. Among the agriculture sub-sectors, sugarcane growing has one of the highest poverty incidence at 53% largely because of low productivity and deeply entrenched structural inequalities found in the sector (Billig, 1992; Reyes, et. al, 2012). Other than receiving low pay, sugarcane workers have to contend with multiple vulnerabilities such as informal work arrangements, limited access to social protection mechanisms, and precarious working conditions among others.

As it is a known fact that harvesting sugarcane requires tedious and sheer hard work, recruitment of local workers has been challenging in some areas where there are better alternative employment opportunities. Thus, the shortage of local labor supply has given rise to the practice of hiring migratory workers to meet the intensive labor needs of the sugarcane industry particularly during harvesting season. Moreover, migratory sugarcane workers tend to be sourced from areas where there are limited livelihood prospects, thereby the abundant labor supply are easily recruited to work in sugarcane fields (Deduro, 2005).

Cognizant of the inherent risks faced by migratory sugarcane workers (MSWs), the Department of Labor and Employment (DOLE) issued D.O. No. 159-16 which provides the guidelines on the employment of MSWs to ensure protection of their rights and welfare. The said DO establishes the modes and requirements in the recruitment of MSWs, including the responsibilities of DOLE offices in both the receiving and sending areas. Moreover, it highlights the strict enforcement of general labor standards and other benefits mandated by law (DOLE, 2016).

While the DO is well-intentioned, a cursory review of its provisions would tell that it could still be enhanced to account for the high degree of informality involved in the recruitment of MSWs. This

study therefore seeks to make an important contribution to understanding the different practices undertaken in the employment of MSWs, and the vulnerabilities which they constantly experience due to the nature of their work and socio-economic status. A solid grasp of the patterns of recruitment of MSWs and the mechanisms through which their vulnerabilities persist would enable DOLE to develop more responsive regulatory measures and other appropriate interventions for the protection of MSWs.

The paper first presents the research objectives and the overview of relevant laws and policies. Section 2 focuses on the methodology where the authors outline the ways the research was undertaken. This section also includes the limitations of the research and ethical considerations. Section 3 highlights the results and discussion. Findings are summarized in Section 4. In Chapter 5, the authors provide recommendations for policy and program enhancement.

## RESEARCH OBJECTIVES

This research generally intends to contribute to DOLE's understanding of the decent work situation of migratory sugarcane workers (MSWs) in order assist policymakers in developing necessary and appropriate interventions for the former. Moreover, through the methodology described in the next section, this study seeks to achieve the following specific objectives:

- a) To describe and analyze the patterns of recruitment in the employment of MSWs;
- b) To document the risks faced by MSWs in the course of their employment in sugarcane fields;
- c) To describe and analyze the strategies of MSWs and their families in coping with the risks and vulnerabilities, including those during '*tiempo muerto*' or off-season; and
- d) To determine gaps between practices and policies relative to the employment of MSWs.

## Policy Context

Pursuant to the provisions under Republic Act No. 6982 or the Social Amelioration Act of 1991, DO 159-16 prescribes the process in the recruitment of MSWs, the benefits of MSWs, and the obligations of employers. The guidelines likewise outline the specific roles of concerned offices in every stage of the recruitment process. Below is a summary of the provisions stipulated in the said DO.

### Modes of Employment

Based on existing guidelines, there are three allowable modes in the employment of migratory sugarcane workers (MSWs). First, hiring may be done directly by the planter or his/her authorized representative. Second, MSWs may be recruited by a legitimate contractor who meets the requirements set out in DO No. 174-17. Third, recruitment of MSWs may also be undertaken by a Private Employment Agency (PEA) as provided for under DO 141-14.

Whatever the mode of employment is, the following are the prescribed processes relative to the recruitment of MSWs: a) submission of documentary requirements; b) verification, validation and assessment of documentary requirements by concerned DOLE Regional Office/Field Office; c) Issuance of *Authority to Hire* by the DOLE Receiving Office (RO); d) Conduct of Pre-Employment Orientation Seminar (PEOS) by the DOLE Sending Office (SO); e) Issuance of *Authority to Transport* by the DOLE SO; f) Maintenance of a database of hired MSWs and planters or his/her authorized representative; g) Conduct of worksite inspection by the DOLE RO to ensure employer's compliance with general labor standards; and h) Coordination of both receiving and sending offices with other concerned government offices, including local government units (LGUs), to further strengthen implementation of policies and regulations.

For him/her to be issued an *Authority to Hire*, the planter will have to prove compliance with pertinent labor laws and distribution of cash bonus fund as mandated by RA 6982. Moreover, he/she will have to guarantee that adequate temporary dwelling will be provided to MSWs during the period of the latter's employment.

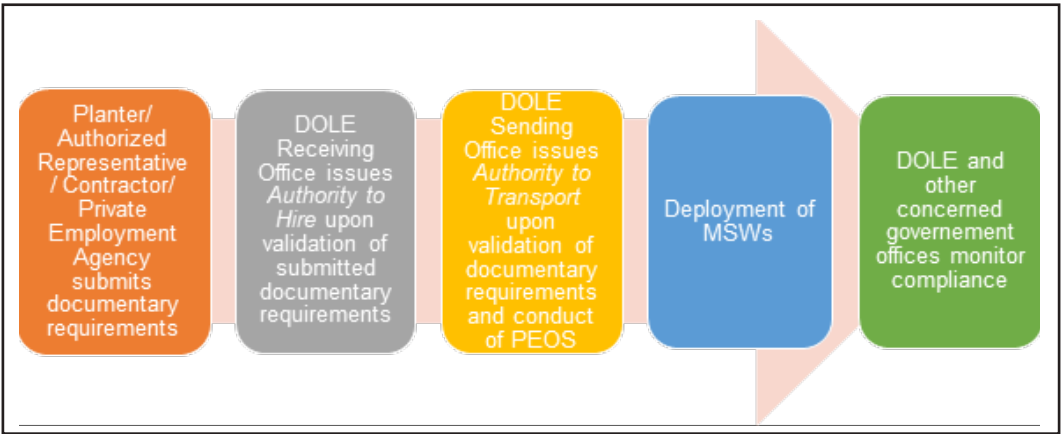
A number of documentary requirements must be submitted during the application for *Authority to Hire*. In the case of direct hiring through an authorized representative, the planter will have to issue a Special Power of Attorney (SPA) authorizing the representative to recruit MSWs on his/her behalf. Should recruitment be done through a legitimate Contractor, a Certified True Copy of the Certificate of Registration issued by the DOLE will have to be presented as part of the documentary requirements. In compliance with the provisions of DO No. 174-17, the Contractor will likewise have to secure a bond certificate and the coverage of which shall be equal to the total estimated wages and benefits to be received by the MSWs during the period of their employment.

In the case of hiring by PEA, a Certified True Copy of License issued by DOLE must be submitted. If hiring is done by a third party, i.e., legitimate Contractor or PEA, it is required to have a Service Agreement (SA) signed by concerned parties including the MSWs. The SA outlines the terms and conditions of employment such as wages and benefits among others.

As for the documentary requirements that have to be presented prior to the issuance of *Authority to Transport* by the DOLE SO, these include the following: a) list of MSWs to be hired indicating full names, ages and addresses; b) birth certificates of MSWs issued by the Local Civil Registrar or Philippine Statistics Authority (PSA); c) pre-employment medical certificate issued by a government physician or a reputable private medical practitioner certifying that the MSW is fit to work. In the absence of a birth certificate, an Affidavit of Two (2) Disinterested Persons to prove the age of the MSW will be acceptable.

The information included in the *Authority to Transport* are the name of planter/name of contractor/ name of PEA, period of employment of MSWs, number of workers hired and to be transported, areas of deployment/place of work. As the *Authority to Transport* specifically indicates the place of work, deployment of MSWs to worksites other than what is stipulated is strictly prohibited.

Figure 1. Process of Employing Migratory Sugarcane Workers (MSWs)



Source: Authors' own illustration

Terms and Conditions of Employment

Consistent with existing labor laws, DO No. 159-16 mandates the strict implementation of general labor standards. According to the said DO, MSWs shall be paid directly not less than the minimum wage rate for the agriculture sector at the place of work or the piece rate approved by the Regional Tripartite Wage and Productivity Board (RTWPB). Intervals of payment of wages shall not exceed 16 days. Moreover, no deduction shall be made from the wages except those that are allowed by law. However, in cases the MSW has cash advances, deductions must be made every payday but not more

than 20% of the wages earned for a certain period. MSWs are likewise entitled to receive mandated monetary benefits such as 13<sup>th</sup> month pay, legal holiday pay, and the cash bonus. The latter is part of the Social Amelioration Program, which is funded by the lien collected based on the gross production of sugar (Pacete, 2014). In case of hiring by third parties, it will be the duty of the principal, i.e., the planter, to prepare the cash bonus payroll subject to verification and audit by the DOLE RO.

Aside from the monetary remuneration, the employer shall provide MSWs with social protection benefits such as SSS, PhilHealth and Pag-IBIG. Moreover, occupational safety and health protection mechanisms, in the form of personal protective equipment (PPE), safe drinking water and first aid kits among others, shall be afforded to MSWs by the employer. Free and adequate dwelling facilities shall likewise be available to them. Transportation costs from the point of residence of MSWs to the work site and vice-versa are to be shouldered by the employer.

In compliance with fundamental international labor conventions, MSWs have the inherent right to self-organization and to form unions or association for mutual aid and protection or for other legitimate purposes. Moreover, they shall enjoy security of tenure for the duration of the employment contract and they cannot be terminated except for just cause and only after due process.

It may be noted that the terms and conditions of employment stated above must be discussed during the Pre-Employment Orientation Seminar (PEOS), which is conducted by the DOLE Sending Office prior to issuance of *Authority to Transport*.

## METHODOLOGY

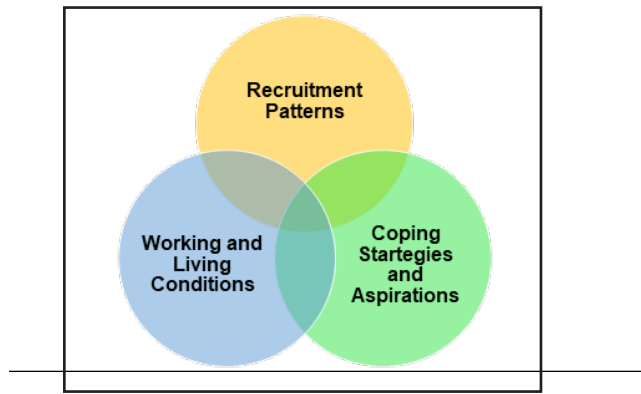
### Analytical Framework

DO 159-16 sets out the guidelines on the hiring of migratory sugarcane workers and outlines the terms and conditions of employment, including the responsibilities of the employer. As such, this paper looks into the recruitment practices and the working and living conditions of MSWs vis-à-vis the standards prescribed in pertinent policies.

Public policy is virtually inclined to focus on addressing external constraints, where the constraints include education, health, and infrastructure among others (Lybbert and Wydick, 2018). Although in recent years, the role of “internal constraints” in perpetuating poverty has been increasingly examined (ibid.) A number of scholars (Banjee and Duflo, 2011) argue that poor people suffer from hopelessness and have low aspirations due to chronic poverty, which may have been transmitted through generations. As Appadurai (2004) has pointed out, an individual’s capacity to aspire is bounded by his or her resources.

Drawing on the growing literature on the relationship between poverty and aspirations, this paper likewise includes the aspirations of MSWs in the analysis. Thus, as illustrated in Figure 2 below, data gathered for this study are analyzed in the following aspects: a) recruitment patterns; b) working and living conditions; and c) coping mechanisms and aspirations of MSWs.

Figure 2. Analytical Framework



Source: Authors' own illustration

### Data collection and limitations

To achieve its objectives, the study analyzes qualitative data obtained using the following methods: key informant interviews with officials and employees of concerned government offices, including DOLE, the Philippine National Police (PNP), and local government units (LGUs); interviews with planters and/or their authorized representatives and *cabos*<sup>1</sup>; and focus group discussions (FGDs) with migratory sugarcane workers (MSWs). The research team sought the assistance of DOLE Regional/Field Office (FO/RO) in identifying fieldwork sites and respondents; hence, the study by and large captures recruitment practices, which are to some extent adherent to existing guidelines. However, while a notable portion of the research participants, i.e., planters and/or authorized representatives and MSWs, have gone through the prescribed recruitment process, some deviations from the guidelines have been observed. In some FGDs, there was good mix of MSWs who went through the DOLE process and those who were recruited via irregular channels.

To be able to have a full picture of the recruitment and employment of MSWs, the research team conducted data-gathering activities involving MSWs and planters and/or their authorized representatives, and recruiters, in both sending provinces (i.e., Antique, Aklan, and Saranggani) and receiving areas (i.e., Negros Occidental, Tarlac and Batangas). It may be noted though that only planters and/or their authorized representatives were interviewed in Tarlac since fieldwork was undertaken during off-season. As for Batangas, former MSWs, who have already settled in the area, participated in the FGDs. In sending areas, particularly Antique, Aklan and Quezon, interviews were arranged with the assistance of LGUs. FGDs were either held in municipal or barangay halls. In Saranggani, MSWs were interviewed in their communities. On the other hand, FGDs and interviews with planters' authorized representatives in Negros Occidental were done within the hacienda premises, particularly in living quarters, during break-time to minimize work disruption caused by the data-gathering activities.

To further enrich analysis, the research team adopted a triangulation approach combining desk research with examination of qualitative interviews and field observations. The latter was particularly useful in understanding actual working and living conditions of MSWs.

<sup>1</sup> These are individuals who do the ground recruitment of migratory sugarcane workers. It may be noted that, during the focus group discussions (FGDs) and interviews, not only MSWs colloquially called these recruiters as *cabos* but the latter also identified themselves as such. In some cases, they would be referred to as *kapatas* or *runner*.



### Characteristics of the sample

Since sugarcane harvesting entails hard labor, the industry is dominated by men. This is largely evident in our sample, which are all male workers. MSWs, who participated in the FGDs were mostly of productive age, i.e., 18-45 years old. A notable number of them have been working in sugarcane fields for five (5) years or more. However, the research team also encountered some who were first-timers. Generally, the highest education attainment of the MSWs would be elementary undergraduate. None of the MSW-respondents were able to reach college. Almost all of them have dependents who are either their wives, children, parents or siblings.

### Ethical considerations

Cognizant of the vulnerable situation of the MSWs, the research team made sure to fully explain to the FGD participants the nature and purpose of the research prior to their engagement. Informed consent was likewise sought. Lastly, it was reiterated among the FGD participants that their names would not be divulged in the paper. The researchers tried to conduct the FGDs without the presence of the planter and/or his/her authorized representatives to ensure that the MSW's responses would not be influenced. However, given that some of the interviews were conducted in hacienda premises, the presence of planters' representatives was inevitable. Thus, the research team was mindful to allay possible feelings of coercion by injecting light topics into the conversations. The MSWs were likewise encouraged to speak in their local language if they found difficulty in expressing themselves in Filipino.

## **RESULTS AND DISCUSSIONS**

As pointed out in the methodology above, the qualitative data obtained from the FGDs and key informant interviews were analyzed based on three (3) main themes: a) recruitment patterns; b) working and living conditions; and c) coping strategies and aspirations of MSWs.

### **Recruitment patterns**

The mode of employment commonly used is direct hiring by the planter or his/her authorized representative. However, it has been observed that the process would vary depending on the type of planter. Multi-layered processes involving different actors are usual among 'big' planters.<sup>2</sup> Moreover, although employment by a legitimate Contractor who meets the requirements listed under DO 174-2017 is allowed, there is anecdotal evidence that former contractors registered under DO 18-A series of 2011 have already shifted to become planters' authorized representatives due to the increased capitalization from Php3 million to Php5 million.

Normally before the current milling season ends, the authorized representative would submit a budget proposal to the planter indicating the possible expenses to be incurred in recruiting MSWs for the next season. Big plantations usually require approximately 60 or more workers. Based on the determined labor requirements of the planter, the proposal prepared by his/her authorized representative would include budget for securing documentary requirements of MSWs, transportation from the sending area to the hacienda, and meals of MSWs during travel to the hacienda. A huge portion of the budget would be allocated for 'anticipo' or cash advances given to MSWs in exchange of their documentary requirements. Considering that the planter gives a huge amount of money to his/her authorized representative to be used in recruiting workers, the former would usually require a bond or collateral from the latter such as land titles or any property of equivalent value and this is usually accompanied by a service agreement between the two parties. It is noteworthy that such document is also mandated to be submitted to DOLE along with other requirements for the issuance of *Authority to Hire* if employment is done through a Contractor as underscored in DO 174-17. It appears then that the direct hiring mode is used to actually circumvent the existing rules governing contracting and subcontracting arrangements.

2 In this study, small planters are those who have 5-hectare or less sugarcane fields. On the other hand, those who own beyond 5 hectares are categorized as big planters.



While submission of job orders to DOLE would usually start in September to October, which is a month before milling season, it may be noted that actual recruitment is done way earlier, i.e., no later than June. Otherwise, it would be extremely difficult to employ people as workers are likely to have already taken 'anticipo' from other recruiters. Given that that authorized representative is tasked to look for workers, the planter usually chooses someone from the sending area since it is assumed that he/she better knows people who could possibly be recruited. In most instances, MSWs are familiar with the recruiters or *cabos* in their areas, hence, they know who to approach in case they would need to loan money. Since MSWs do not have stable employment or other sources of income during *tiempo muerto* or the off-season, the use of 'anticipo' as a leveraging tool for recruiting workers has been an aged-old industry practice in all sites covered in this study. In fact, while it is an unwritten rule, the industry seems to have informally set a standard rate of PhP10,000.00 to PhP15,000.00 per person for initial 'anticipo' to be given upon submission of documentary requirements which are later submitted to DOLE as part of the process for securing *Authority to Transport*. Once the MSW accepts the 'anticipo', he is already tied to the recruiter which means that he commits himself to work for the latter's principal, i.e., the planter. A number of MSWs even mentioned that recruiters would reiterate legal liabilities for not honoring work commitment. Sometimes, distribution of 'anticipo' is done in the presence of barangay officials, who serve as witnesses to this agreement. It is also common knowledge among MSWs that backing out from their commitment is not possible even if they have the money to pay for the loan. They would be required to look for a replacement-usually a relative - in case they would not be able to work due to physical incapacity. On the other hand, recruiters complain that it is a prevalent practice among MSWs to get 'anticipo' from different recruiters. Some recruiters would pay the cash advance obtained by the MSW from other recruiters just to ensure that the worker goes with him/her. Since labor supply is becoming scarce, it has been also pointed out during interviews that unscrupulous recruiters would pirate MSWs who have already committed to another recruiter by offering them additional or higher 'anticipo'.

As stated earlier, big planters involve more actors other than his/her authorized representative, whom he directly transacts with. The authorized representative of big planters usually hires another person to do the ground recruitment. The latter is commonly referred to as *cabo* or *runner* by the respondents. This set-up adds another layer; which could in turn make the MSW worse off since more people get a share from his earnings. While he knows him/her by name, it is not typical for MSWs to personally meet the big planter and only deals with the *cabo*, who directly recruited him, or at most the planter's authorized representative. The case is not the same for small planters, who are commonly found in Batangas. These small planters have direct personal encounters with the MSWs since they directly supervise work at the field. However, small planters would still hire recruiters or *cabos* whom in some instances, are also hired to work in the plantation. It may be noted though that *cabos* would be slightly better off compared to other MSWs since they receive commission for every person they recruit. Some MSWs interviewed shared that *cabos* would usually take cuts from their earnings.

Based on key informant interviews and FGDs, it appears that the recruitment practices in Region VI somehow follow the existing guidelines- from securing *Authority to Hire* and *Authority to Transport*. For Aklan and Antique, concerned government offices have established inter-agency partnerships to strengthen regulation of MSW recruitment. Moreover, proactive LGU involvement is evident in Antique, wherein *Sacada* desks have been put up in order to address the needs of MSWs. Local policies and programs aimed at uplifting the conditions of MSWs have also been developed. Notably, some municipalities in Antique issue a separate permit for planters' authorized representatives, which intends to prevent illegal recruitment. While the planters and their authorized representatives, who participated in the study, generally conveyed their willingness to comply with existing guidelines, they also raised that some of the documentary requirements are onerous. It has been particularly pointed out that a significant number of MSWs have no birth certificate as they reside in remote areas where government services are virtually non-existent.

However, this should not be misconstrued that there is perfect compliance with DO159-2016 in the said areas. As set out earlier, one of the limitations of this study is that it will not be able to provide insights on the extent of non-compliance with existing guidelines since most of the participants in Region VI, including MSWs, planters and their authorized representatives, have been referred by DOLE. To begin with, DOLE has established communication lines with these planters and/or their authorized representatives because they went through the regular process.

As for the case of Quezon, which supplies labor for Batangas sugar plantations, it seems that most MSWs are recruited through informal channels. The MSWs who participated in the FGDs claimed that they never knew that legal processes even exist. However, stakeholders including DOLE, LGU, and PNP among others, have recently made efforts toward establishing inter-agency mechanisms to ensure protection of MSWs.

While concerned government offices in all areas strive to implement the guidelines set forth in DO159-16, what is strikingly apparent is the lack or fragmented coordination between the implementers in the sending and receiving areas. If there is some sort of linkage, it is usually prompted by complaints from MSWs and/or their families rather than being pro-active and sustained.

Based on our interviews with planters and/or their authorized representatives, recruitment costs covering documentary requirements, medical certification, transportation and other incidental expenses are generally borne by planters. A number of MSWs we interviewed in Negros Occidental, Antique, and Aklan, validated this claim. However, when further probed as to whether these are being deducted from their salaries at the end of the milling season, some were not completely sure. They say that they trust what the planter/recruiter said. On the other hand, MSW-respondents in Quezon asserted that they shouldered all the costs including transportation. MSWs who are illiterate become more vulnerable to deception because they would not be able to personally check the deductions.

### **Working and living conditions**

While many of the respondents claimed to have attended the Pre-Employment Seminar (PEOS) conducted by DOLE prior to deployment, none of them could fully recall what they learned from the session. Some MSWs reported that they did not understand anything from the PEOS as they were seated at the back, thus they couldn't hear the discussion. PEOS is done either in DOLE Field Office in San Jose or in the municipality/barangay where the MSWs come from (e.g., sometimes house of the contractor). Instead of following the entire training manual, the DOLE FO usually delivers a shortened version of the PEOS considering time and logistics constraints. It is also quite challenging to hold the attention of MSWs especially if it is a large group. The findings on working and living conditions discussed below validate the inappropriate design and delivery of the PEOS. By and large, working and living conditions of MSWs are below standards provided in pertinent rules and regulations. Moreover, they do not complain to authorities indicating their lack of awareness of their rights.

#### *On wages and other monetary benefits*

Conditions at work in the sugarcane farms are heavily shaped by the 'pakyawan' system prevalent in the agriculture and manufacturing sectors, in which workers are paid for what they actually produce or deliver in quantity irrespective of working hours. While offering flexibility on the part of workers and cost-efficiency on the part of employers, this arrangement, nonetheless, creates the factors that put workers' health, safety and wellbeing at serious risk for higher earnings (Rhee K.Y., et al., 2015). Existing policy sets a minimum rate per ton. While almost all MSWs, that were interviewed across sites, indicated a pay range above the minimum (Php 180.00-Php 280.00), real earnings tend to still fall below what can be considered as a "living wage" with all factors (deductions) accounted for. As one

MSW bluntly said, “*Walang libre.*” From the planter’s perspective, earnings are commonly provided to the workers by the end of their contract, spanning 3-6 months, ostensibly for them to save it for their families. In practice, this pay schedule may inadvertently create conditions for bondage on the part of MSWs. They end up without any choice but to endure their work and finish their contract so as to receive their withheld wages, despite extremely difficult circumstances. By the time they completed work of cutting and loading canes over several months, their earnings would even shrink owing to deductions from the ‘*anticipo*’ or cash advances initially given to them and from the expenses they incurred onsite using borrowed money (“*bale*”). As a result, most of their earnings go to pay off their loan. The value of their work invariably becomes greater than the original sum of money borrowed

MSWs, who were interviewed, were asked of their knowledge of cash bonuses (“*ameliorasyon*”). Seemingly, there were those who claimed to have received a prescribed amount, but others said they did not receive it. Unfortunately, there are some MSWs, who did not have an idea whether they actually received it. As regards social security benefits, a similar trend surfaces as still many MSWs noted of not having it, even though they view its long-term worth. A key factor for this was the absence of a birth certificate for many sugar workers, which is required in processing Social Security System (SSS) applications. A notable number of respondents were beneficiaries of the *Pantawid Pamilyang Pilipino Program* (4Ps), where coverage to the Philippine Health Insurance Corporation (PhilHealth) is part of the universal healthcare program.

#### On occupational safety and health

Work at sugarcane farms (and any other farm, for that matter) is hardly safe and secure. For one, work is being done in open fields, which exposed them to extreme weather conditions. When rain falls, only lightning would stop MSWs (or prompt ‘*cabos*’ to stop MSWs) from working. When asked, what they do when there is rain, “*Sumisilong sa ilalim ng trak.*” Some still continue their work, because if they stop, “*ikaw ay lalamigin*” (“*You’ll feel cold.*”). Typical working clothes are consisting of maong pants, long sleeves, t-shirt to cover their face and slippers. The lack of proper gear only exacerbates such occupational risks and hazards facing the workers. Hence, it is not surprising to learn of various common illnesses (i.e., fever, headache) among interviewed MSWs in the course of their work in the sugarcane farms. While some planters, contractors and MSWs that were interviewed find it infeasible (“*hindi naman sinusuot*”) or an obstruction (“*sagabal*”) to wear protective gears in field such as gloves or boots, this is for the safety of the workers. The distinct characteristics of sugarcane farms (or agricultural farms in general) entails appropriateness of protective gears (ex. raincoats) to address sector-specific risks and hazards.

#### On adequate dwelling facilities

As to dwelling facilities, these differ from one site to another and from one planter to another. For larger haciendas found in Negros Occidental and Tarlac, MSWs are commonly accommodated in rowhouses or barracks, where lodgings were primarily provided by the planter. For smaller ones, makeshift ‘*kubu-kubu*’ (nipa huts) is typical, and the materials for building these are usually brought by MSWs themselves from their origin provinces as in the case of Quezon-based workers employed in Batangas. Both the housing types were inspected by DOLE (receiving area) field offices by mandatory standards before the issuance of *Authority to Hire*. While some appeared problematic during the data gathering phase amidst a non-milling season, planters noted that these facilities get refurbished once the MSWs arrive during milling season. Inspections occur during milling season if DOLE received complaints on working conditions of MSWs. Moreover, lack of periodic inspections, may inadvertently set aside the welfare and adequacy of these dwelling facilities.

Sanitation facilities tend to be outnumbered by the size of MSWs present in the barracks at a given milling season (e.g., there were only 6 toilets for 200 workers in Isabela according to interviewed MSWs, or 2 toilets for 50 workers in Negros). The workers coped by looking for other sanitation areas, but more important aspect to consider given this situation is the greater likelihood of communicable diseases being easily spread simply due to difficulty in maintaining the cleanliness of the facilities.

*On food provision*

Food is practically provided in the housing areas. Either the MSWs prepare meals for themselves or a person is assigned per barracks to do the cooking in particular. Notwithstanding these arrangements, food always comes with a cost for MSWs (e.g., PhP150.00 in one site per day), usually deducted from their earnings.

*On collective work*

The social relations among MSWs can be characterized generally in positive terms. They have close relationships especially with those coming from the same provinces, and they tend to bring this closeness from cramped spaces in the barracks to the open grounds of sugarcane fields leading to increased productivity and greater sense of collective work. There are stories shared that they show concern (“malasakit”) among MSWs (e.g., monetary contribution for fare going home when a fellow MSW could no longer work.). Nonetheless, few tensions were also reported by the interviewed MSWs, resulting in conflict and, worse, violence. Despite the apparent sense of collectivism among MSWs, none of those whom we interviewed formally belong to any union or workers’ association.

**Table 1. Comparative Matrix of the Working and Living Conditions of MSWs vis-à-vis Prescribed Terms of Employment**

Benefits/ Entitlements	Mandated by law	Actual Practices
a) Wages	MSWs shall be paid directly not less than the minimum wage rate for the agriculture sector at the place of work or the piece rate approved by the Regional Tripartite Wage and Productivity Board (RTWPB). Intervals of payment of wages shall not exceed 16 days. Moreover, no deduction shall be made from the wages except those that are allowed by law. However, in cases the MSW has cash advances, deductions must be made every payday but should not exceed 20 percent of the wages earned for a certain period.	The pay rates received by MSWs interviewed are within the prescribed levels but earnings are given by end of contract.
b) 13 <sup>th</sup> month and legal holiday pay	MSWs shall be entitled to receive 13 <sup>th</sup> month pay and legal holiday pay.	As conditions at work in the sugarcane farms are heavily shaped by ‘pakyawan’ system, MSWs are paid for what they actually produce or deliver in quantity irrespective of working hours. However, it may be noted that a significant number of MSWs interviewed, especially those who were recruited through formal channels, reported that they had received 13 <sup>th</sup> month pay.

Benefits/ Entitlements	Mandated by law	Actual Practices
c) Cash bonus and other benefits provided under RA 6982 (e.g., maternity and death benefit, socio-economic projects)	As provided for under RA 6982, all sugar workers, including MSWs shall receive cash bonus, which would come from 80 percent of the total lien collected. Distribution is based on production. Moreover, women sugar workers can avail of maternity benefit while dependents of deceased sugar workers are entitled to death benefit.	MSWs, who were interviewed, claimed to have received cash bonus, but others said, they did not receive it. Unfortunately, there are some MSWs, who did not have an idea as whether they actually received it. None of those interviewed had knowledge of maternity and/or death benefit.
d) Occupational safety and health	It is the duty of the employer to afford occupational safety and health protection to MSWs. These include personal protective equipment (PPE), safe drinking water, first aid kit, etc.	MSWs do not wear any protective gear as they and employers both claim that the prescribed PPE, e.g., boots, only restrict movement. Those interviewed mentioned that medicine for common illnesses such as fever and headache are available for free at their living quarters. They just need to request from the contractor or <i>cabo</i> .
e) Adequate temporary dwelling facility	Adequate temporary dwelling facility must be provided by the employer.	As to dwelling facilities, these differ from one site to another and from one planter to another. It would range from makeshift huts to row houses made of cement. In the case of MSWs recruited from Quezon province, the materials for building their dwelling are usually brought by MSWs themselves from their place of origin.
f) Social protections benefits	MSWs shall be entitled to SSS, PhilHealth, and PAG-IBIG benefits.	It is common among MSWs to be non-SSS members. A key factor for this was the absence of a birth certificate for many of them, which is required in processing SSS applications. A notable number of respondents were 4Ps beneficiary, where coverage to PhilHealth is part of the universal healthcare program.
g) Transportation and food costs	Transportation costs from the point of residence of MSWs to the work site and vice-versa shall be shouldered by the employer.	MSWs interviewed reported that the employer shoulders transportation expenses. However, some authorized representatives claimed that planters only cover the costs from the municipality center to the place of employment vice-versa and not from the point of residence. Given that MSWs mostly live in remote areas, authorized representatives pointed out that transportation costs from point of residence of the MSW to the center, which they shoulder, can be expensive.

Benefits/ Entitlements	Mandated by law	Actual Practices
h) Security and right to self-organization	MSWs shall enjoy security of tenure in the duration of the employment contract. They shall also be afforded the right to self-organization.	None of the MSWs interviewed said that they ever experienced illegal dismissal. On the other hand, given that MSWs have cash advances, they are compelled to finish their contracts. As to whether MSWs are able to exercise their right to self-organization, it has been observed that while it is natural for them to work in groups, they don't form associations for their protection and mutual aid.
i) Costs of documentary requirements including pre-employment medical certificate	DO No. 159-16 is silent on who should shoulder costs related to securing documentary requirements such as birth certificate, NBI clearance, police clearance, and medical certificate.	MSWs interviewed said that the planter or his/her authorized representative shoulder the costs of documentary requirements. However, when probed as to whether these are deducted from their wages, they could not ascertain given that they would receive their earning by end of contract. Moreover, some would find it difficult to counter check all the deduction given the amount of cash advances and their level of literacy.
j) Food provision	This is not mentioned in DO No. 159-16.	Food is practically provided in the housing areas, however, costs are deducted from earnings of MSWs.

### Box 1. The Case of Sarangani

Sarangani is an odd case in the employment of MSWs. Located in the southernmost part of mainland Mindanao, the province became an instant source of MSWs for a sugarcane farm in one of the northernmost provinces in Luzon. While being part of the SOCKSARGEN region that has been “one of the country’s fastest growing development clusters,” Sarangani continues to lack in sustained local economic activities that can produce sustainable jobs and livelihoods for its own people. Worse, it remains one of the country’s poorest provinces with a poverty incidence rate on population at 55.2%.

This interplay of factors could be said to push around 20 men (including two minors) from Malapatan and Madalag towns to travel to Isabela province to become MSWs in hopes of better earnings for their families. Most used to be tricycle drivers while some had been laborers or traders in farms not of their own. Promised with a daily wage of PhP500.00-PhP1,000.00, the local folks easily fell to the scheme by a supposedly anti-corruption organization that had no legal basis to conduct recruitment. An offer of PhP6,000.00 as ‘*anticipo*’ (cash advance) further lured them into the sugarcane farms thousands of kilometers away even if only a few of them had experience on what the work entails. They submitted usual personal documents at their own costs, including a medical certificate they reportedly signed without undergoing actual medical examination. After roughly a week of land and sea travel with food provisions, they reached their separate barracks where they had two days to rest and prepare for their toil.

In the fields, things became more real for the two groups of MSWs from Sarangani. They had to wake up at 2:00 am or 3:00 am to start their work promptly following two hours of drive from their lodging site. In one truck, they recounted, there were about 25 MSWs that included those who came from other areas. This same truck was where they said their fortune lain: cut and load of sugarcane stacks in the ‘pakyawan’ system would bring them PhP280.00 per ton, or around PhP3,360.00 per truck with 12-ton capacity. Although they had no idea how many tons they exactly labored in a day since they did not witness when the stacks were weighed, they could not miss out on the fact that what they received was way below what had been offered them by the unscrupulous group, and even less than what they used to earn as tricycle drivers. The MSWs also complained of lack of basic protective gear that they recalled was also promised to them.

Back to their barracks, the situation was just as dismal: “parang kulungan” was how they characterized their dwellings with other 180 MSWs, who together would share for less than 10 often-dysfunctional toilets. They would prepare and eat instant noodles or canned sardines almost daily since these were the cheapest ones they could afford to buy by wage deductions (‘bale’). In instances when they had no money to buy their food or they had no work in the fields, they said they went out of the barracks to take on “sideline” jobs. Some even sold materials they used in the fields and told their employer they got lost in desperate attempts at making money for subsistence.

All these things, however, happened and ended very quickly. The MSWs from Malapatan escaped their barracks after almost a week by plotting a plan in which they would make it appear that they intended to merely visit a local mosque in a nearby town on a Friday. With them were some of their personal valuables sneaked out through an opening on one side of the walled compound with the help of other MSWs. They executed the plan successfully, and were able to go back to their town, immediately reporting the incident and the situation in Isabela. Eventually, this led to the rescue of the other group of MSWs from Madalag after a few weeks.

This experience clearly had traumatic impact on the MSWs that one of them quipped, “Ang tagal naming naka-move on pag-uwi dito [sa Sarangani].” Overall, nonetheless, many appeared to have reeled back and begun reliving the lives they left before becoming, even for a short time, migratory sugarcane workers. Like most MSWs in other sending areas, all they aspire for—now as before—is education and a good life for their children. Perhaps being MSWs will not come across an option for them at present in achieving this aspiration, but the sheer lack of alternative opportunities at home may again one day force them and their fellow Mindanaoans to take similar difficult chances.



## Coping strategies and aspirations

A sense of helplessness and lack of aspirations are evident among MSWs especially for those who have been working in sugarcane plantations for many years. When asked of their aspirations or “*pangarap*,” statements such as, “*Naubos na ang mga pangarap ko*,” “*Mahirap mangarap kung di rin naman matutupad*,” and “*Hindi masarap ang pangarap sa Negros. Dugo nalang ang di lumalabas sa amin dito*,” were few of the striking answers, which are profoundly affected by their social conditions. However, they would also point out that they wouldn’t want their children to follow in their footsteps. Some would aspire for their children to become teachers, which is consistent with the findings of the tracer study for the Educational Assistance Program (EDAP). Some would want their kids to be policemen. This popular narrative is shaped by popular culture propagated in “*Ang Probinsyano*.” Watching this tv series is the primary if not the only socialization activity available to MSWs, hence, it is not surprising that it has largely influenced their aspirations.

As earlier pointed out, many of the respondents were lured to work in sugar plantations because of the limited livelihood opportunities in their locality or barangay. If they were to be given the power to decide the intervention for them to quit from being MSW, they expressed to be provided with livelihood assistance particularly livestock (i.e., cattle or swine raising), sari-sari store, or additional capital to their existing source of income (i.e., banca for fishing, copra or bamboo farming). As one respondent from Aklan have said, “*Sapat na mairaos ang pamilya sa bawat araw*.” Obviously, their aspirations are short-term and largely dependent on their day-to-day food requirements or daily survival of their family. This individual (“kanya-kanya”) approach to livelihood constrains them to engage in activities that contribute to a collective livelihood strategy.

MSWs are motivated by the opportunity to receive “quick cash” through cash advances or ‘*antipico*’, which enable them to provide basic needs of the family or have money to spend during emergency situations. While some of them would either make their way to try and get temporary work such as construction jobs, farming or fishing, income would still be insufficient. Unfortunately, many end up being heavily indebted to the recruiter and the cycle of indebtedness persists.

Some MSWs, who were interviewed signified interest in taking up Tech-Voc Education and Training (TVET) courses. Since some of them have existing knowledge of carpentry, welding and industrial sewing, they want to improve or enhance their skills for better employment and livelihood opportunities. However, there are factors that hinder them from availing of these trainings. While MSWs can access TVET programs for free in state-run colleges and institutions, they still need to pay for other miscellaneous costs. The opportunity cost of attending a TVET program is quite high, especially if he is the breadwinner/chief earner for the family.

## CONCLUSION

As gathered from our findings, structural inequalities are deeply embedded in the sugarcane industry. This has caused transmission of inter-generational poverty among MSWs and their families. Sugarcane farming tends to flourish in areas where abundant labor could be lured to do sheer hard work for low wages. Hence, the industry has been characterized by extreme social relations between the very poor MSWs and affluent land owners.

This extreme inequality stifles social mobility and thwarts poverty reduction efforts. The pervasive patronage system within the sugarcane industry likewise intensifies the exploitation of MSWs. ‘*Antipico*’ has become a tool for recruiting MSWs, who have no alternative sources of income. This practice makes them heavily reliant on planters and recruiters. The long list of debts is deducted from their earnings leaving them penniless after toiling in in sugar plantations for months. Quite often, debts are passed on to children thereby creating a new generation of MSWs.

While the abovementioned inequalities are difficult to tackle as these problems even date back to the colonial period, they are not inevitable but are actually caused or perpetuated by policy choices. As such, inequality can also be reversed through deliberate actions. The ‘*antipico*’ culture, which is the primary vehicle for maintaining social inequalities, should be gradually abolished by reducing mechanisms perpetuating this system.

Deeply entrenched social inequalities cannot be reversed overnight. However, there are low-hanging fruits that may be obtained in the short-term. Government interventions should focus on protection for MSWs, including ensuring that they receive the benefits mandated by law. Regulatory measures must also be complemented by development-oriented interventions.

## RECOMMENDATIONS

It is inarguable that migratory sugarcane workers contend with a lot of vulnerabilities and risks. Thus, it is imperative for the state to afford them protection. To promote protection of MSWs, the following actions are recommended:

*First*, routine inspections must be frequently conducted. Inspections are usually done during the application for *Authority to Hire*, which is before the milling season. Since there are no MSWs in the worksite yet when these inspections are undertaken, the actual working and living conditions of MSWs are not monitored. The remote location of sugar plantations also makes MSWs more prone to vulnerabilities. Considering the manpower and logistics constraints, DOLE may consider conducting inspections in composite teams, which may be jointly done with other concerned government offices including LGUs.

*Second*, studies to determine the appropriate protective gear for MSWs must be conducted. While it is acknowledged that the standard PPE might be restrictive, this should not be used as a convenient excuse to not provide protective gears at all especially that sugarcane harvesting involves numerous hazards.

*Third*, the design and delivery of the Pre-Employment Orientation Seminar (PEOS) should be revisited in order to enhance its responsiveness. It can be redesigned to focus on simple rule-of-thumb or things-to-remember. Alternative mediums such as *komiks* may also be developed. For a longer version of PEOS, this may be conducted during barangay assemblies. This will also strengthen the LGU's role in the protection of MSWs.

As previously mentioned, regulatory measures must be complemented with other interventions geared at addressing social inequalities. These should specially target the underlying mechanisms, including the '*anticipo*' culture, which continually perpetuate the unequal social relations within the sector. In connection with this, the following actions are recommended:

*First*, the guidelines may be revised in such a way that it explicitly mentions the expenses to be shouldered by the planters in order to address arbitrary deductions from the earnings of MSWs. Recruitment costs including documentary requirements should be borne by employers. Not only that this affirms the internationally accepted employer-pays principle, reiterating this in the guidelines would also codify existing practices, which were also raised during the interviews.

*Second*, fair and inclusive financial services must be made accessible to MSWs to reduce their motivation to seek or accept '*anticipo*'. The debt bondage brought by '*anticipo*' could be overturned if they have access to financial services as this could help them become financially independent and resilient especially in times of economic difficulties. To ensure responsible handling of loans, financial literacy is a vital aspect. This may be done in partnership with other government agencies and civil society organizations.

*Third*, alternative livelihoods tailored fit to the needs of the MSWs should be developed. The Socio-Economic Program-Related Funds (SEPF) from the Social Amelioration Program (SAP) may be tapped to finance these interventions. Spaces to enable MSWs to organize should be created. As highlighted in the findings, MSWs have a sense of collective work. This can be harnessed in assisting them to formally organize for the purpose of mutual aid and protection.

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# Bringing Sustainable Livelihood Framework to Life: A Study on the Possible Determinants of Sustainability of the DOLE Integrated Livelihood Program (DILP)

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## ABSTRACT

*To contribute to the realization of the national goal of poverty reduction and inclusive development, the Department of Labor and Employment (DOLE) implements the DOLE Integrated Livelihood Program (DILP) or Kabuhayan. DILP specifically seeks to assist vulnerable workers such as the self-employed, landless farmers, unpaid family workers, displaced workers, parents of child laborers, and low-wage seasonal workers among others. Selected beneficiaries are provided with livelihood opportunities, as well as training support, to help them augment their incomes and consequently reduce their vulnerability. Although regular monitoring is done in terms of output, not much is known as to whether the DILP has achieved its intended outcomes. This study therefore seeks to make an important contribution to DOLE's understanding of how livelihood projects are shaped, sustained or constrained. A solid grasp of these factors would later assist DOLE in determining which outcomes to measure in order to evaluate the responsiveness and sustainability of livelihood projects. To achieve its objectives, the research employs a mixed method approach comprising of qualitative interviews with program implementers and survey of DILP beneficiaries. The findings show that the program has created positive effects, particularly on the beneficiaries' self-esteem. Moreover, positive effects on beneficiaries' income were detected, albeit minimal, as evidenced by their desire to have additional job/hours of work. Factors such as rigidities in government processes and fragmented government support were observed to be constraining livelihood expansion. It is therefore recommended to revisit the process and documentary requirements, that may actually be difficult to comply for the target beneficiaries. Livelihood projects, that are complementary with the long-term development plans of local government units (LGUs), must also be pursued to ensure consistency in the priorities of the national and local governments. Given the limited personnel complement of DOLE, the beneficiaries themselves may be tapped to assist in project monitoring efforts and initiatives aimed at expanding market access for DILP-assisted projects. Lastly, the issue of understaffed offices, especially at the DOLE Regional/Field Offices, must be addressed as livelihood interventions require a multitude of processes.*

## INTRODUCTION

In recent years, the Philippines has been one of the most dynamic economies in Asia, sustaining an average Gross Domestic Product (GDP) growth rate of 6.3 percent for the period 2011-2016 (National Economic and Development Authority [NEDA], 2017). However, increases in GDP have not been exactly translated into massive generation of decent employment, thus, inclusive development continues to be elusive. The lack of quality employment opportunities is evident in the high proportion of self-employed and unpaid family workers in total employment, which was at 35.1% in 2016. Along with the prevalence of vulnerable employment (i.e., self-employment and unpaid family work), high underemployment rates and levels also persist. For the period 2014-2016, the underemployment rate remains stagnant between 18.3% and 18.5%, which means nearly one in every five employed persons express desire to have additional hours of work because of low-paid employment (Philippine Statistics Authority [PSA], 2016).

Cognizant of the abovementioned constraints to the attainment of inclusive development, various government agencies have carried out livelihood programs with the view of providing economic opportunities and improving the quality of life of disadvantaged sectors. In several provinces in the Philippines, livelihood is in fact becoming a primary alternative income source for marginalized families (Bacud, et al, 2014).

The Department of Labor and Employment (DOLE) recognizes quality employment as a mark of inclusive development and has been working toward reducing the vulnerabilities of the working poor through the promotion of entrepreneurship and community enterprises. By virtue of Department Order (DO) No. 173-2017, the Department implements the DOLE Integrated Livelihood Program (DILP) or *Kabuhayan*, which is a grant-assistance for livelihood undertakings intended to augment the income of the poor, vulnerable, and marginalized workers. Moreover, in 2016, the DOLE adopted the Sustainable Livelihood Framework (SLF) as a strategic approach toward the effective and efficient implementation of its livelihood programs. The SLF outlines the necessary interventions which have to be provided according to the stages of implementation in order to help program participants sustain their projects and facilitate their transformation to enterprise level.

The *Kabuhayan* is one of the flagship programs of the DOLE as evidenced by the huge amount being allocated to the program annually. Although regular monitoring is done in terms of output, not much is known as to whether the DILP has achieved its intended outcomes. In line with the Program Expenditure Classification (PREXC), government programs should be evaluated against outcomes and not just outputs. This study therefore seeks to make an important contribution to DOLE's understanding of which outcomes to measure in order to determine the responsiveness and sustainability of livelihood programs.

This paper first discusses the research objectives and provides an overview of relevant laws and policies. Section 2 focuses on the methodology, where the authors outline the ways the research was undertaken. This section also includes the limitations of the research and ethical considerations. Section 3 presents the results and discussion. Findings are summarized in Section 4. In Chapter 5, the authors provide recommendations for policy making and program development.

## RESEARCH OBJECTIVES

This research generally aims to contribute to understanding the responsiveness of the DOLE Livelihood Programs (DILP) or *Kabuhayan*. It will fill in knowledge gaps on the factors enabling or hampering the sustainability of livelihood programs toward making them more relevant to the needs of intended participants pursuant to the Item No. 5 of the Labor and Employment Agenda, which focuses on ensuring access, adequacy, and sustainability of social protection programs.

Through the methodology described in the succeeding section, this study seeks to achieve the following specific objectives:

- a) To analyze how livelihood projects are identified from the perspective of participants;
- b) To explain the contexts and other factors (e.g., policy, resources, culture, etc.) within which the livelihoods are shaped, sustained or constrained;
- c) To examine the outcomes or benefits of livelihood programs from the perspective of the implementers and partner beneficiaries; and
- d) To document the good practices and issues in the implementation of the DILP.

## Overview of the *DOLE Integrated Livelihood and Emergency Employment Program (DILEEP) and the Sustainable Livelihood Framework (SLF)*

### Program objective and components

In support of the government's agenda of inclusive development, DOLE implements the DOLE Integrated Livelihood and Emergency Employment Program (DILEEP). It comprises two components, which are the *Kabuhayan* or DOLE Integrated Livelihood Program (DILP) and the *Tulong*

*Panghanapbuhay sa Ating Disadvantaged/Displaced Workers (TUPAD)* or Emergency Employment Program. This paper only provides an overview of the *Kabuhayan* or DILP since it is the focus of the study.

The *Kabuhayan* program is a package of assistance consisting of trainings and a monetary grant solely intended for the purchase of equipment, tools, and raw materials to be used in the livelihood undertakings of the eligible beneficiaries. Other than trainings and raw materials, the program likewise extends other services to beneficiaries such as enrolment in group micro-insurance scheme and continuing technical and business advisory services. It has three components: a) *Kabuhayan* Formation, which is meant to assist beneficiaries in starting individual or group livelihood projects; b) *Kabuhayan* Enhancement, which targets existing livelihood undertakings to enable the same to grow into sustainable businesses; and c) *Kabuhayan* Restoration, which provides assistance for the re-establishment of lost or damaged livelihoods due to natural hazards.

Given its objectives, the *Kabuhayan* program specifically targets vulnerable sectors, such as the self-employed earning insufficient incomes, landless farmers, unpaid family workers, parents of child laborers, low-wage seasonal workers, workers displaced by disasters or economic downturns, persons with disability (PWD), women and youth, marginalized fisherfolks, senior citizens, indigenous peoples, and victims of armed conflicts. However, as provided for under DO No. 173-17, the program explicitly excludes beneficiaries of the Pantawid Pamilyang Pilipino Program (4Ps), except for parents of child laborers, in order to avoid duplication with livelihood programs implemented by the Department of Social Welfare and Development (DSWD). Public sector employees, including those at the local government units (LGUs), are also precluded from participating in the program.

#### Categories of livelihood undertakings and eligible projects

The *Kabuhayan* program may be availed by individual beneficiaries in the form of starter kits (e.g., plumbing, cosmetology, welding, etc.) or Negosyo sa Kariton (Nego-Kart). Assistance for individual livelihood projects should not exceed PhP20,000.00. On the other hand, grants for group undertaking would range between PhP250,000.00 to PhP1 million depending on the number of member-beneficiaries. Organizations with 15-25 members, i.e., micro-livelihood, may receive a maximum financial assistance of PhP250,000.00. Those with 26 to 50 members, i.e., small livelihood, are eligible to avail of a maximum of PhP500,000 while those having 50 members or more, i.e., medium livelihood, can apply for livelihood assistance amounting up to PhP1 million.

While DILP is demand-driven (i.e., projects are proposed by Accredited Co-Partners), DOLE has identified priority sectors. These include sectors, which are supposedly key employment generators such as agri-business, manufacturing, health and wellness, eco-tourism, wholesale retail and trade, and other industries included in local development plans. DTI-priority products like coffee, coco-coir, cacao and rubber are also promoted. On the other hand, micro-lending projects, construction work, and those requiring the purchase of motorized vehicles<sup>1</sup> are not allowed under the *Kabuhayan* program.

#### Phases of implementation of DILP

The DILP is carried out in three phases, which are the pre-implementation phase, implementation phase, and post-implementation phase. Trainings on how to set-up and operate the proposed livelihood are given during the pre-implementation phase. Trainings may cover business planning, business entrepreneurship, business ethics, production skills, records keeping, and values formation among others. Once the beneficiaries are provided with relevant trainings, they are granted with start-up capital in the form of raw materials and other support services during the implementation stage. The post-implementation phase involves carrying out continuing technical and business advisory services for beneficiaries to ensure sustainability of livelihood undertakings.

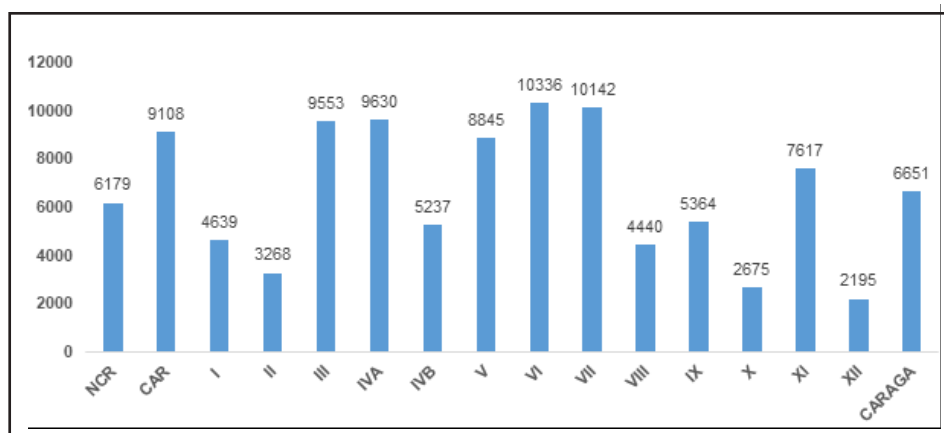
<sup>1</sup> Only tractors, trailers, and traction engines that are to be used exclusively for agricultural purposes are eligible for funding under the *Kabuhayan* program.

### Program expenditure and coverage

As one of the flagship programs of the Department, DILP receives huge budget allocation annually. In 2017, around Php1.02 billion had been appropriated for its implementation of the DILP, which is around 2% of the DOLE's total budget.

In terms of coverage, DILP was able to provide assistance to 113,000 individuals in 2016. Of the 17 regions, Region VI had the highest number of beneficiaries (10,336), followed by Region VII (10,142), and Region IV-A (9,630) (see Figure 1). It may be noted that these regions have large urban centers, which provide employment opportunities in the industry and services sectors. However, a notable portion of these areas are still agricultural.

Figure 1. Number of DILP Beneficiaries by Region, 2016



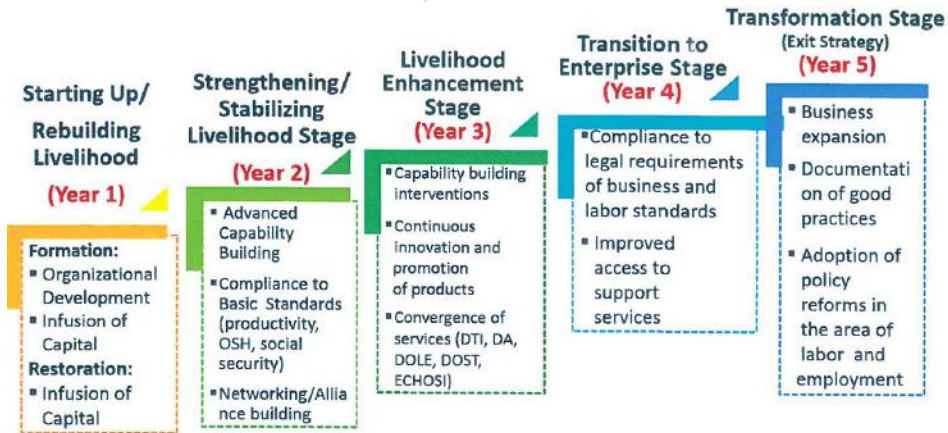
Source: Bureau of Workers with Special Concerns (BWSC), 2017

### Sustainable Livelihood Framework

As DOLE seeks to ensure value of public funds, it has set out the Sustainable Livelihood Framework (SLF), which lays down the appropriate interventions for each stage of the implementation of the livelihood projects. The interventions to be delivered in a ladderized manner are intended to contribute to the achievement of the following outcomes: organizational maturity, enterprise development, increased access to resources, increased income, and development of entrepreneur champions.



Figure 2. Stages of Implementation Under the Sustainable Livelihood Framework (SLF)



Source: Department of Labor and Employment (DOLE), 2018

Demonstration projects to be enrolled under the SLF are selected by DOLE ROs/FOs through profiling. The results of which will then be utilized to determine the appropriate interventions to be carried out by concerned government agencies toward ensuring sustainability of the identified projects. The DOLE RO/FO shall also lead the conduct of the Business and Training Needs Analysis (BTNA) and environmental scanning, which would later serve as inputs to the development of an action plan by the beneficiaries themselves. The Action Plans, which are tailored fit to the needs of each demonstration project, will then be presented to the Regional Development Councils (RDCs) to solicit their support in the implementation of the strategic actions highlighted in the plan.

## METHODOLOGY

The research utilizes a mixed method approach: a) qualitative for the process evaluation, which looks into implementation issues and good practices; and b) survey of program participants, which investigates program outcomes. The process evaluation involves program implementers, including DILP focal persons, Accredited Co-Partners (ACPs), other relevant organizations engaged in carrying out the livelihood programs. The survey seeks to explain the characteristics of program participants, which allow or constraint them to sustain their respective livelihood undertakings. The survey likewise includes questions on program perception and economic outcomes.

### Survey sampling

Due to budget and time constraints, probability sampling, which also requires a good sampling frame, was not employed for this research. Instead, the study made use of non-probability sampling method, particularly quota sampling. Considering that the total number of DILP beneficiaries in 2016 is 113,222 (see Figure 1), the total sample of 350 *Kabuhayan* program participants was set. While non-probability sampling was used for this research, it may be noted that the determined sample size approximates a probability sampling size (see Table 1).

Table 1. Probability sample size determination

Confidence Level = 95%	
Margin of Error= 5.0%	
Population Size	Sample Size
<b>113,220</b>	<b>383</b>

Note: Author's own calculations.

In order to account for geographical distribution, the region with the highest number of DILP beneficiaries from each of the three island groups in the Philippines was selected as target sites. This would permit drawing a sample of areas where DILP beneficiaries are concentrated. Given its unique economic structure, the National Capital Regional (NCR) was automatically included. Therefore, the regions covered in this study are NCR, IV-A, VI, and XI. In order to distribute the sample across the selected regions, the sample was proportionally allocated based on the region's population size using the following formula:

$$n_h = \left( \frac{N_h}{N} \right) n$$

Where:

$n_h$  = regional sample size

$N_h$  = regional population size

$N$  = total population size

$n$  = sample size required

Using the abovementioned formula, Table 2 below presents the regional allocation of the sample size as calculated by the authors.

Table 2. Regional Sample Size

Region	No. of DILP Beneficiaries in 2016	% of total number of beneficiaries in 2016	Determined regional sample
NCR	6,179	18.4%	64
IVA	9,360	28.0%	98
VI	10,336	30.9%	108
XI	7,617	22.7%	79
<b>Total</b>	<b>33,492</b>	<b>100.0%</b>	<b>350</b>

Note: Authors' own calculations

### Data gathering

The DOLE RO/FOs identified 5 to 10 livelihood projects, which received assistance between 2014-2016. Then, it was the ACPs which selected the actual research participants. Each ACP provided 5 to 10 survey respondents. The survey was administered using computer assisted personal interview (CAPI) technology in order to expedite data collection and to minimize encoding errors.

As illustrated in Table 3 below, a total of 297 *Kabuhayan* beneficiaries participated in the survey, which represents an 85% response rate.

**Table 3. Number of survey respondents**

Region	No. of DILP beneficiaries (2016)	% of total	Desired sample Size	Number of actual respondents
NCR	6,179	18.4%	64	57
IVA	9,360	28.0%	98	73
VI	10,336	30.9%	108	101
XI	7,617	22.7%	79	66
Total	33,492	100.0%	350	297

### Ethical considerations

Cognizant of the unequal power relations between the respondents and research interviewers, the research team made sure to fully explain to FGD and survey participants the nature and purpose of the study prior to the latter's engagement. Informed consent was likewise sought. Lastly, it was reiterated that their names and other individual information would not be divulged in the paper. The respondents were also encouraged to speak in their local language if they found difficulty in expressing themselves in Filipino.

### Gender relevance

While the research does not specifically focus on gender, it provides a gender lens by including a good mix of men and women respondents. This was communicated to the DOLE ROs/FOs at the onset. Moreover, the survey instrument incorporates gender-oriented questions.

### Selection bias and limitations

While the method may be vulnerable to selection bias, non-probability sampling has its uses and advantages. There is a difference between “modellers” and “describers”. The former is interested in determining relationship between variables while the latter is more concerned about describing the target population (Groves, 2010). Considering this, results of non-probability sample can still be used to describe the selected population. As Cooper and Greenaway (2015) pointed out, non-probability sampling does not necessarily equate to lack of quality.

While not exactly representative of all DILP beneficiaries, the survey results present a snapshot of the selected population, hence may still be useful for policy development and program enhancement. In order to strengthen the analysis, qualitative data obtained from FGDs and key informant interviews are also utilized to triangulate the survey results.

## **Results and Discussion**

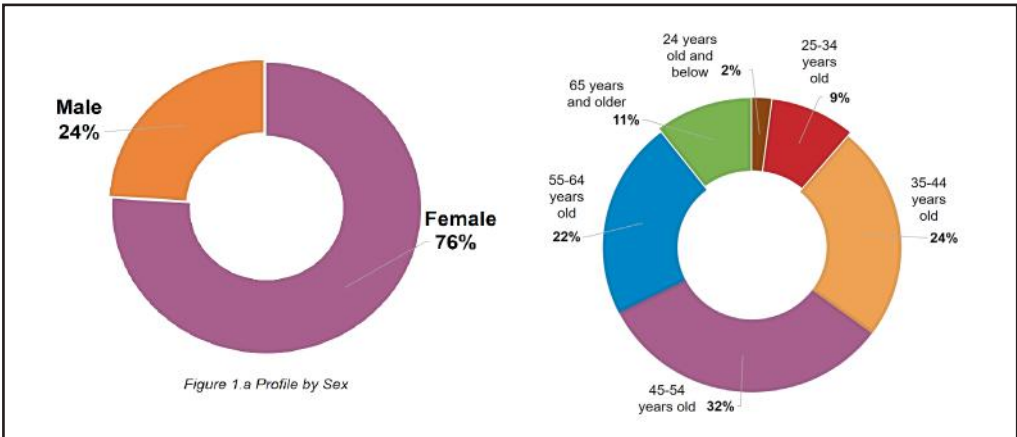
### Profile of the survey respondents

A total of 297 DILP beneficiaries were successfully interviewed in four (4) regions including NCR, Region IV-A, Region VI and Region XI. Of the total number of respondents, 76% are female and 24% are male (see Figure 3.a). The results show that DILP offers viable employment opportunities for women, who previously didn't have a job and were not looking for work due gender-related constraints. In fact, 52% of those who did not have a job or work prior to receiving livelihood assistance expressed that they were bounded by household and caring responsibilities.

In terms of age, the majority of beneficiaries are between the ages 45 and 54 years old (32%), with 20 years old as the youngest and 88 years old as the oldest respondent (Figure 3.b). The average age is

49 years old. It may be gleaned from these results that DILP offers opportunities to earn incomes for middle-aged individuals, who might have difficulty in getting a wage and salary employment.

Figure 3. Profile of survey respondents



Source: Authors’ own calculations

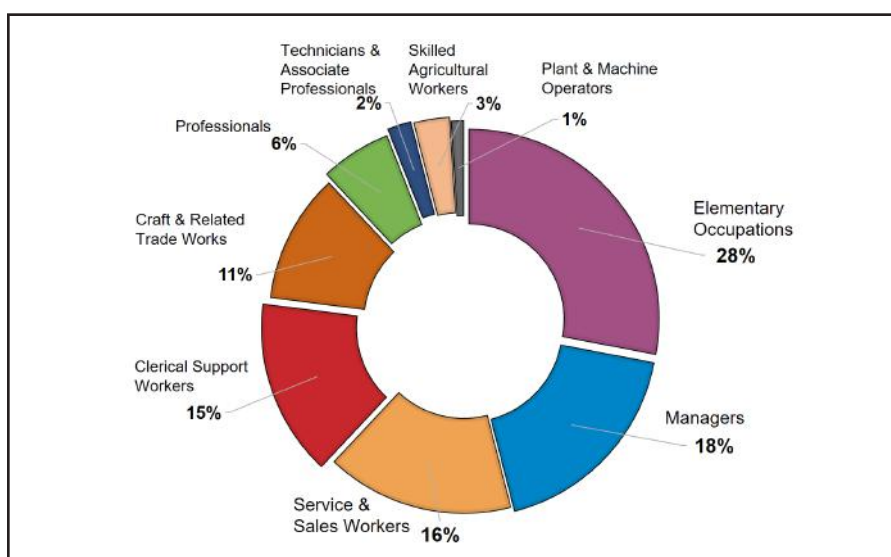
Most of the beneficiaries interviewed (79%) were employed before they were granted livelihood assistance. However, as shown in Figure 4 below, a notable portion of those previously employed were in elementary occupations<sup>2</sup> (28%), followed by managers (18%)- mostly store and farm owners- and service and sales workers (16%) who worked as cashiers, street vendors, and promodizers.

Despite being employed, more than half of the interviewed beneficiaries (58%) said that their incomes before receiving DILP were insufficient to cover their household expenses. Moreover, 23% of the respondents expressed that they experienced hunger prior to being DILP beneficiaries.

This implies low targeting leakage as the program actually captures the working poor. As set out in DO 173-17, among the eligible beneficiaries of DILP are the poor, vulnerable and marginalized workers, including farmers, fisher folks, low/minimum wage earners, and seasonal workers.

Of the 297 respondents, 19% indicated that they are 4Ps beneficiaries. While the existing guidelines preclude 4Ps beneficiaries from participating in DILP, parents of child laborers are allowed to be beneficiaries. Moreover, it may be noted that the study covers 2014-2016 DILP participants. Thus, this should not be misconstrued as program leakage.

<sup>2</sup> Based on the Philippine Standard for Occupational Classification (PSOC), domestic helpers or workers, farm helpers and laborers and laundress are categorized as elementary occupations.



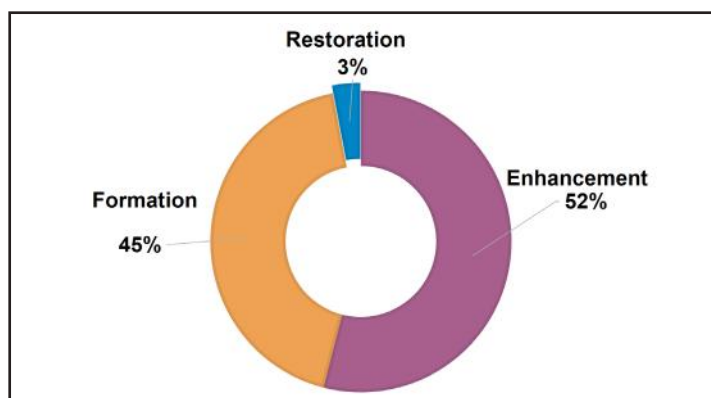
Source: Authors' own calculations

Beneficiaries were also asked about the problems that they have observed in their communities. More than half of the beneficiaries said that lack of employment opportunities (55%) and insufficient income (52%) have been the most pervasive problems. This is consistent with the findings on income sufficiency and hunger. Weak infrastructure development and lack of water sanitation (15%), which are common in rural areas, were likewise identified by the respondents as major community problems. Other answers include limited agricultural support, landlessness, high prices of basic commodities, and prevalence of illegal drugs.

#### Considerable factors influencing livelihood identification

More than half of the respondents (52%) said that the grant they received was for livelihood enhancement. As previously discussed, some of the respondents were owners of sari-sari stores and food stalls before they were granted with livelihood projects.

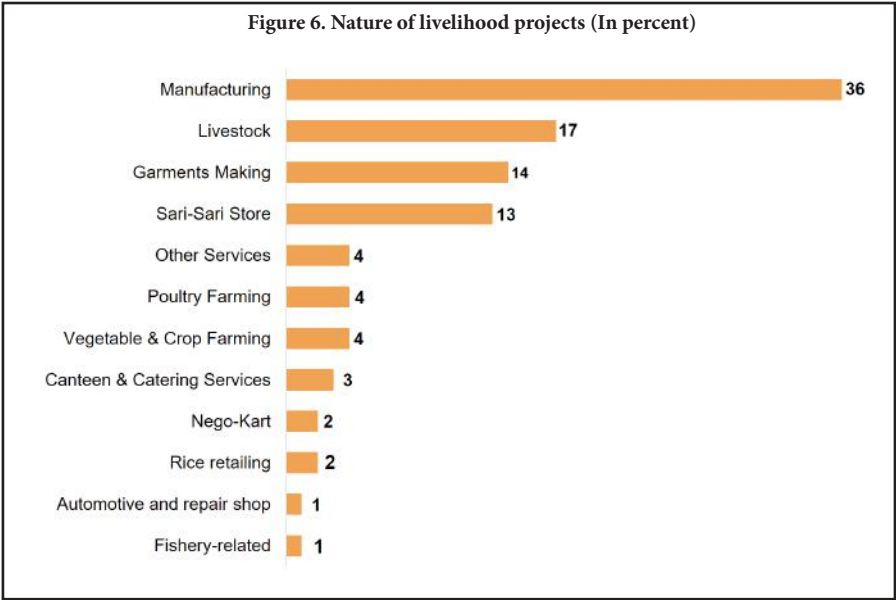
**Figure 5. Share of survey respondents by program component**



Source: Author's own calculations

The majority (80%) of the grants are group undertakings, wherein the beneficiaries are either members of associations and cooperatives. Only 20% of the total respondents received individual livelihood grants.

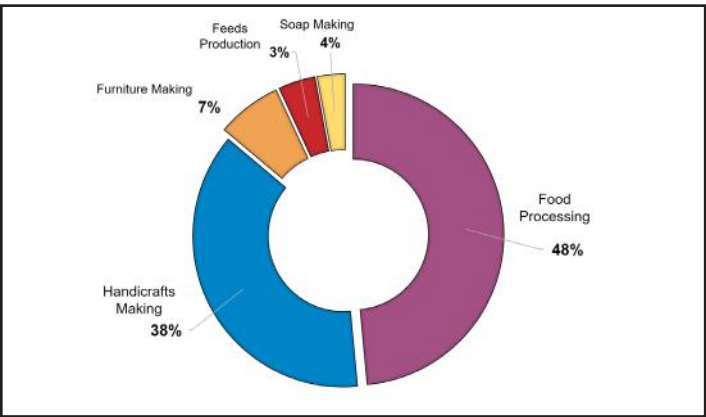
These results complement the information gathered from key informant interviews with DOLE focal persons. DOLE staff highlighted that they would usually encourage group undertakings as they deem these to be more sustainable and have better potential to generate more employment compared with individual undertakings. Moreover, considering the human resource constraints in DOLE ROs/FOs, group livelihood projects are preferred since implementation and monitoring of individual projects would be more challenging.



Source: Authors' own calculations

As illustrated in Figure 6, most (36%) of the livelihoods are manufacturing, followed by livestock (17%), garments making (14%), and sari-sari store (13%). It may be noted that garments making is not lumped with manufacturing since the former constitutes a significant portion of the respondents.

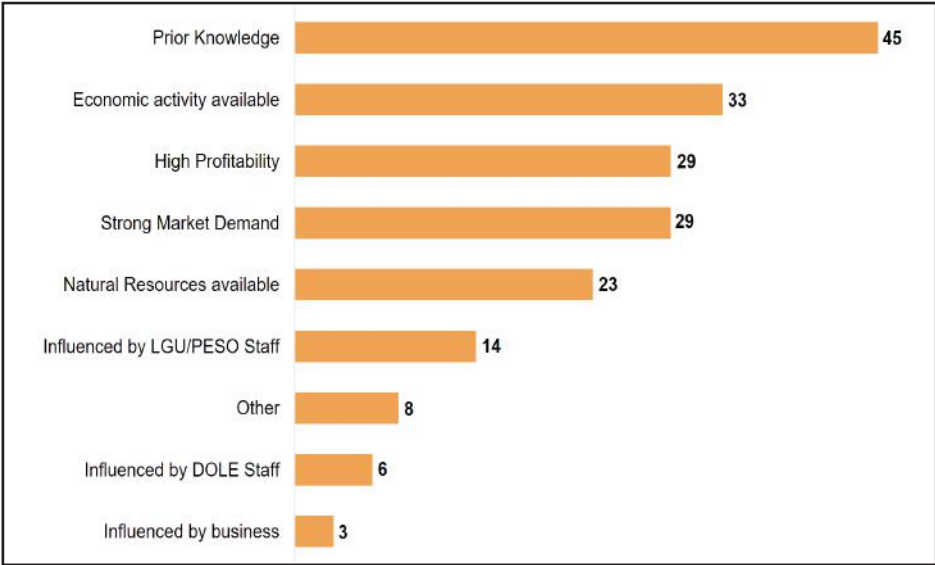
**Figure 7. Share of survey respondents belonging to manufacturing by sub-sector**



Source: Authors' own calculations

As shown in Figure 7 above, manufacturing-related livelihood projects are into food processing (42%), followed by handicrafts making (32%), and furniture making (6%). The majority of the livelihoods are operated or owned by cooperatives, thus food processing comprises a considerable percentage. Food processing includes production of coconut, ginger, chocolate, peanut butter, meat, dairy and other agricultural products. On the other hand, handicrafts include production of doormat, rug, and pottery. Furniture making, despite involving wood work, was not included in the handicraft category due to involvement of machineries in the production, as explained by the beneficiaries interviewed. Other livelihood activities are soap making (4%) and production of animal feeds (3%).

**Figure 8. Reasons for choosing the livelihood project**



Source: Authors' own calculations

Note: Multiple answers

Almost half of the surveyed beneficiaries (45%) said that they chose their respective livelihood projects because they already have had prior knowledge on its production. Aside from having prior knowledge, the availability of similar economic activities in the area and/or nearby towns (33%) was also cited as top reason (Figure 8). This is consistent with the results presented earlier on respondents mostly receiving *Kabuhayan* enhancement, which means that they are already involved in the same livelihood project prior to being granted assistance by DOLE.

Respondents were likewise asked how they learned about the program. Almost half of them (47%) said they learned about DILP through their respective local government units (LGUs). Meanwhile, 28% said they learned it through their personal networks and 18%t said that they learned it directly from DOLE. These results denote that LGUs play a significant role in maximizing program reach of DOLE programs.

Factors shaping, sustaining or constraining livelihood options and strategies

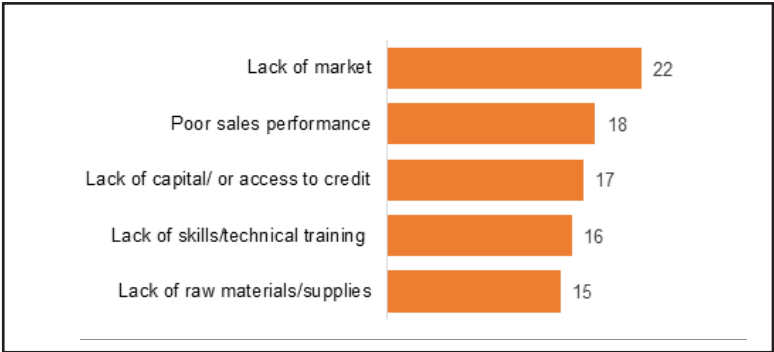
Several factors can possibly affect the ways by which livelihoods are determined. Yet, there is not much of divergence on the models when it comes to the ways in which livelihood are shaped under a sustainable livelihood framework (Farrington, et al., 2002; Carloni and Crowley, 2005; Levine, 2014). Given its adverse impacts on livelihood assets, the vulnerability context (i.e., the people’s exposure to unexpected shocks) may undermine livelihoods and cause poverty of households (Carloni and Crowley, 2005).



In the earlier section, it was presented that prior knowledge on the proposed livelihood activity is the oft-cited reason of program participants for choosing their respective livelihood projects. Existing knowledge is indeed a significant factor that shapes livelihood and thus, the environment within which the people are exposed to influences the range of livelihood options that a partner beneficiary would want to pursue. The interests or advocacies of the proponent/s of the livelihood project in the community also shape the kind of livelihood activity. Perception and strategies of the concerned locality and its authorities also affect how livelihoods strategies are designed.

In terms of sustainability of livelihoods, it is recognized that these are sustainable when livelihood participants can cope with and recover from shocks and maintain their capabilities and assets both now and in the future, without undermining the natural resource base (Carney, n.d.). Assets, including a broad range of resources such as financial, human, social, physical, natural and political capital, significantly affect how beneficiaries carry out their livelihood. Cho et al. (2016) note that environmental constraints to livelihood include limited access to financial services and products, an adverse business environment, and underdeveloped markets for inputs and outputs. This is reflected in the survey results where the participating beneficiaries expressed that they experienced problems or challenges related to financial, human, and physical capital since the time they were granted with livelihood assistance (see Figure 9).

**Figure 9. Challenges faced by the beneficiaries in relation to their livelihood projects (In percent)**

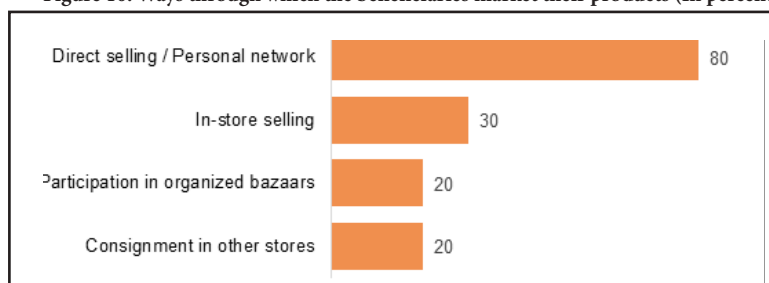


Source: Author’s own calculation  
Note: Multiple answers

It can be surmised that the availability of market and good sales performance have an interplay with how their products or services are sold. Based on the survey results, the majority of beneficiaries (80%) market their livelihood products through personal networks (see Figure 10). Considering the lack of established markets, limited social capital may adversely affect sales performance and the economic sustainability of a livelihood undertaking. It is evident that the availability of digital platform may not have been fully harnessed for social marketing strategies of the DILP.

Another factor that affects sales performance is the availability of space where beneficiaries can sell and perform other necessary processes for their production. Space, that is accessible to the public, was observed as one of the vital factors for the livelihood activities to prosper. For livelihood projects that were supported by LGUs or were assisted by non-government organizations (NGOs) through the provision of spaces where they can market the goods or products, they were observed to be more likely to grow because of better access to markets.

**Figure 10. Ways through which the beneficiaries market their products (In percent)**

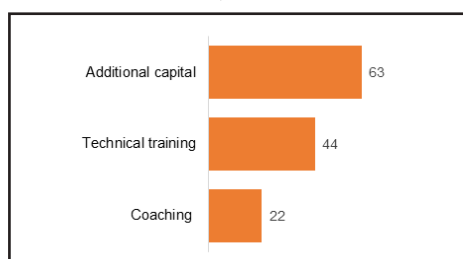


Source: Author's own calculation

Note: Multiple answers

Being one of main challenges identified, access to additional capital or financial services is also recorded as the top answer of the beneficiaries when asked for the type of additional services needed for their livelihood activity to continuously be operational (see Figure 11). The existing DILP guidelines follow a per capita funding ceiling. This might be very limiting for proponents to come up with more innovative livelihood projects with higher-value products. This also constrains livelihood projects that require a series of production processes (e.g., coffee production, meat processing, and manufacturing of furniture among others). Moreover, because of such requirement, group livelihood projects are inclined to indicating more members or beneficiaries to become eligible to receive a higher amount of assistance, even when the actual number of members involved in the project is less than what was reported.

**Figure 11. Additional services wanted by the beneficiaries to support their livelihood (In percent)**

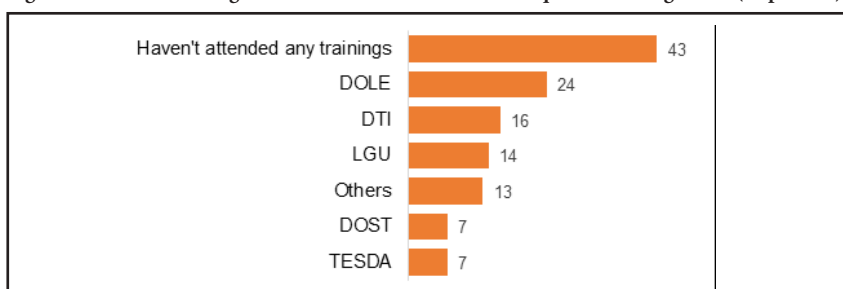


Source: Authors' own calculation

Note: Multiple answers

Additionally, limited access to technical trainings also hinders productivity. Cho, et al. (2016) argue that individual constraints include lack of entrepreneurial aptitude and traits, skills, and social capital. The lack of skills, and cognitive abilities to understand, discover, and develop business opportunities traps subsistence entrepreneurs in a low-level productivity equilibrium. The results from the survey show that there were 43% who have not attended any trainings and only 24% indicated that they have attended trainings conducted by DOLE (see Figure 12). While training provision is highlighted in DO 173-17, one reason that can be deduced from this finding is the fact that slots are limited. In most cases, it is the officers of the organization, who are able to attend the trainings, and learnings are not often cascaded to the other members. Moreover, as technical skills vary per livelihood project, it was recognized by both DOLE staff and partner beneficiaries/ACPs that not all expertise can be provided by DOLE. Thus, it was suggested that a list of experts be made available so that ACPs or beneficiaries would know who to tap for skills trainings.

**Figure 12. Government agencies where beneficiaries have acquired trainings from (In percent)**



*Source: Authors' own calculation*

*Note: Multiple answers*

Another important factor that may affect livelihood options and the sustainability of the projects are existing policies and institutions. Among the concerns raised were the high cost of formalization and business expansion (e.g., difficulty in securing business permits and/or other certifications), rigid documentary requirements, especially in terms of complying with the seal of good local governance, highly technical project proposal template, and confusion on which office would issue 4Ps certification. Moreover, with the increasing number of livelihood projects, it is also a challenge to thoroughly monitor all livelihood projects given the limited number of regular employees handling the program. Divergent interests between and among political and economic institutions in the locality are likewise factors that may either constrain or sustain livelihood projects.

The existence of formal membership organizations such as cooperatives or registered workers organization is also regarded as a contributing component in the sustainability of livelihoods. It was recognized during a number of interviews conducted that individual livelihoods have greater tendency to stop operations compared with group livelihood undertakings. For one, this can be associated with accountability between and among members in group livelihood undertakings and a greater possibility for asset ownership that affects livelihood options of the members. In a study conducted by Bacud et al (2014), it was shown that community development initiatives contributed to the efficiency and effectiveness of livelihood activities, as well as to the promotion of positive social relations among beneficiaries. These established mechanisms to solve conflicts and improve household access to benefits derived from livelihood projects.

In summary, the findings in this study underscore that vulnerability and institutional context, as well as assets (financial, physical, human, and social capital), have simultaneously shaped, sustained or constrained livelihood undertakings of DILP beneficiaries.

### Assessing livelihood outcomes

In every development intervention, it is imperative for outcomes to be measured in order to validate whether or not the objectives of a program are met. Different livelihood strategies lead to different outcomes, which may either be positive or negative. Livelihood outcomes are what participating members achieve through their livelihood strategies that may be seen in terms of the level of food security, income security, health, well-being, asset accumulation, and ability to reduce vulnerability to shocks among others (Carloni and Crowley, 2005).

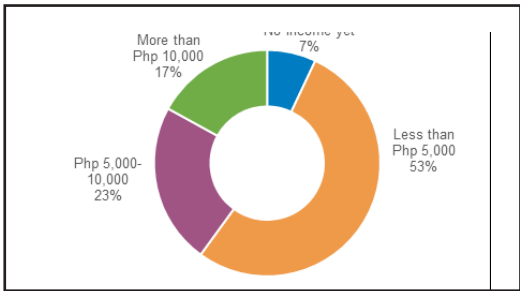
The DILP is intended to contribute to the reduction of poverty and vulnerability of the poor, and marginalized workers. While it is recognized that poverty and vulnerability are multidimensional, this study is limited to looking at livelihood outcomes in terms of income, food security, and self-esteem. Given the period covered, these are the outcomes, which are supposed to be immediately observed from the beneficiaries' perspectives.

Based on the survey results, the average monthly income that the beneficiaries earn from the

livelihood project is PhP3,000.00. Seven percent of the participants (7%) have not actually gained income yet and the majority of them earn less than PhP5,000.00 per month from the livelihood project (see Figure 13). Since a number of participants belong to cooperatives, specific details on the income that they earned from the DILP cannot be precisely identified because their income is given through dividends from all economic activities undertaken by their organization.

One practice of an organization that was shared by a participating beneficiary is that a part of the income directly goes to their individual savings that can only be withdrawn if they decide to leave the organization. This is seen to be a good practice as beneficiaries are able have regular income and at the same time have savings.

**Figure 13. Monthly income of beneficiaries from their livelihood projects**



Source: Authors’ own calculation  
 Note: Multiple answers

Moreover, 55% (163 out of 294) indicated that they have other jobs aside from the livelihood project. Of this number, around 29% are employed in the agriculture, forestry and fishing sectors and 20% are in the wholesale and retail (see Table 4). Most are self-employed and given the sector to which they usually belong, they do not have access to social safety nets.

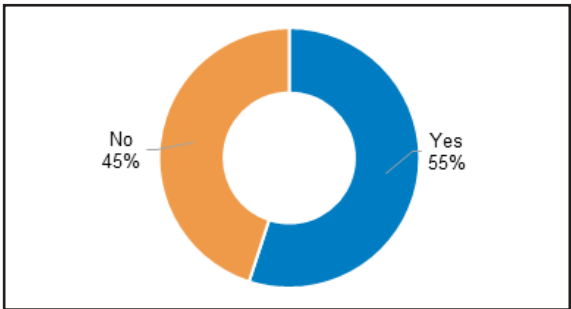
**Table 4. Industry of employment of beneficiaries aside from their livelihood**

Industry	Percentage
Agriculture, forestry & fishing	28.93
Mining and quarrying	0.63
Manufacturing	5.03
Electricity, gas, steam & air-condition	2.52
Water supply, sewerage, waste management	0.63
Construction	1.26
Wholesale & retail trade	19.5
Transportation & storage	3.77
Accommodation & food service activities	6.29
Financial & insurance activities	1.89
Real estate activities	2.52
Administrative & support service activities	3.77
Public administrative & defense	6.29
Education	2.52
Human health & social work activities	1.26
Other service activities	8.18
Activities of private households as employer	5.03
<b>Total</b>	<b>100</b>

Source: Authors’ own calculation

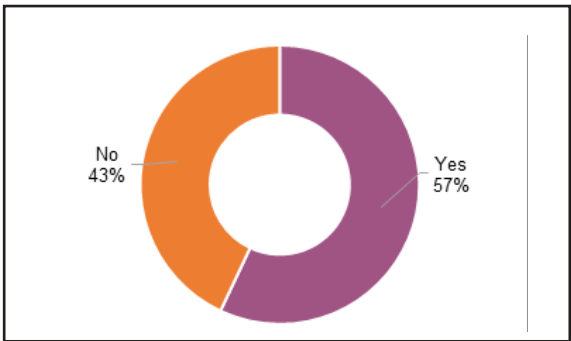
Fifty-seven percent (57%) or 3 out of 5 participants are considered as underemployed as they expressed the desire to have additional hours of work in their present job, an additional job, or have a new job with longer working hours (see Figure 14). Those who still want additional hours of work (see Figure 15) have an estimated average total income of PhP7,000.00 per month. This is less than half of the average monthly incomes (PhP15,000.00) of those who said they no longer want additional job or additional hours of work (i.e., not underemployed).

**Figure 14. DILP beneficiaries who have work/job aside from their livelihood**



*Source: Authors' own calculation*

**Figure 15. DILP beneficiaries who want additional hours of work aside from their livelihood and other job**

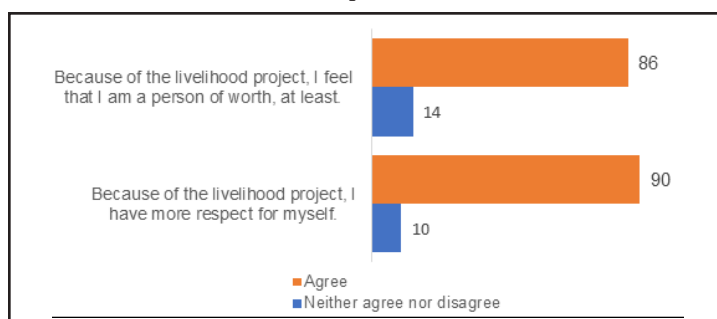


*Source: Authors' own calculation*

With respect to livelihood outcomes on food security, a reduction in hunger incidence from 23% to 10% was recorded after the beneficiaries were able to receive livelihood assistance. Of the 10% who said they have experienced hunger in the past three months, more than half of them have other jobs aside from their livelihood. This shows that there is about 1 in every 10 beneficiaries who experienced hunger even with a livelihood and another work aside from their livelihood undertaking.

Aside from financial and food security, another outcome that was assessed is related with self-esteem. Almost 90% of the respondents regarded the feeling of having self-worth and respect for one self because of their livelihood project (see Figure 15). Given that the majority of the participants are women, this result particularly highlights how economic participation creates positive impact on the well-being of women by affording them access to opportunities and choices that would help them to develop and/or use the resources they have toward gradually moving out from poverty.

**Figure 16. Perception of self-worth of beneficiaries after DILP participation  
(In percent)**



Source: Authors' own calculation

Indeed, all interventions aimed at supporting livelihoods should have mechanisms in place for gaining an ongoing understanding of how people are doing (i.e. 'livelihood or outcome monitoring') and for understanding how policies affect people's lives (Levine, 2014). The DOLE ROs are required to submit regular monitoring reports to different offices, including BWSC. However, details of these reports are limited and cannot fully capture the outcomes and impacts on the partner beneficiaries, more so with the community where the livelihood was undertaken. While it is ideal to religiously monitor the performance and the various aspects of livelihood outcomes, challenges such as limited human and physical resources, as well as lack of organizing component in the program and other expertise in business development have been recognized. In order for the livelihood programs to be responsive and effective, addressing the understaffed offices delivering necessary services has to be addressed since livelihood interventions require a multitude of processes covering targeting and profiling mechanisms, selection of businesses to be supported, the adaptation of core interventions to beneficiary needs, and the integration of program beneficiaries/projects into value chains (Cho et al., 2016).

Hence, as demonstrated in the research findings, livelihood projects have created a positive impact on partner beneficiaries' self-esteem. However, incomes gained from the livelihoods are not enough to meet all the beneficiaries' needs as reflected in their desire for additional working hours. Moreover, limited monitoring of the progress of livelihood projects is a challenge given the considerations in the services to be provided and the availability of DOLE staff to perform such functions.

### Box 1. Convergence in practice: The case of the Municipality of Alabat

The sustainability of livelihood projects certainly requires a whole-of-society approach. This was demonstrated in the case of Alabat, which is a 5<sup>th</sup> class municipality in Quezon Province.

As a low-income municipality, Alabat does not have much employment prospects other than coconut farming. However, given its strong political will, the local government of Alabat decided to create employment opportunities as there was no interest from the private sector to invest in the island-municipality. The LGU thought of adding value to the usual copra produced by farmers in order to make their products more profitable. Results of the market research, led by the LGU, brought in the idea of coco sugar production.

The LGU organized the coconut growers and farmers and convinced them to venture into coco sugar production. LGU officials likewise tapped various national government agencies, including DOLE, the Philippine Coconut Authority (PCA), the Department of Science and Technology (DOST), and the Department of Trade and Industry (DTI) for support toward the establishment of a coco sugar hub.

Coconut growers can use the facilities in the hub to produce coco sugar, which they can later sell to the Alabat local government. The provision of facilities helps to ensure that the products would meet quality standards. In order to address the issue of monopoly of big businesses and fragmented markets, the Alabat LGU takes an active role in providing market access. The LGU buys the coco sugar at a fixed rate, absorbing the losses whenever prices of coco sugar fluctuate to protect the farmers. Moreover, packaging and marketing of the coco sugar are handled by the LGU. Part of the profits from the coco sugar are reinvested for the expansion of the industry while a notable portion are allocated for other socio-economic development projects.

## CONCLUSION

The DILP or the *Kabuhayan* program has generated positive effects, particularly on the beneficiaries' self-esteem. As highlighted above, most of the respondents are working poor, thus, the program offers them opportunities to earn additional incomes which in turn create a positive outlook for them. However, while there are positive effects on beneficiaries' incomes, these are minimal as evidenced by their desire to have additional jobs or hours of work. This implies that what they are currently earning from their livelihood projects may not be enough to sustain their household's basic needs. While the potential of the DILP as a poverty reduction intervention cannot be overemphasized, this research has shown that the existing program design, which primarily focuses on asset transfer may not be enough to enable the program to deliver on its promise. Asset transfer must be complemented by other macro-economic interventions geared at tackling structural issues such as fragmented markets. Additional services, specifically training and coaching, are likewise necessary in supporting livelihood expansion. However, this is often overlooked considering the limited personnel complement of DOLE. Various rigidities in government processes are also hampering livelihood expansion and sustainability, hence, must also be revisited.

## RECOMMENDATIONS

There is no single way to study livelihoods, more so its impacts and outcomes. While it would be ideal that livelihoods research would consist longer-term longitudinal studies, which would be far more effective at capturing the dynamics of change and the unfolding story of livelihood choices made and acted out (Levine, 2014), this study has presented considerable evaluation of one of the Department's flagship programs. Based on the findings presented, the following policy options or recommendations are put forward:



### *On DILP requirements and process*

- A review of the current DILP guidelines will be timely especially with the changes on how government programs are evaluated. First, with regard to existing guidelines, the primary objective of the DILP must be operationalized to provide common appreciation among implementers, partners and beneficiaries. The DILP seeks to contribute to poverty reduction through promotion of livelihood and entrepreneurship. However, it has to be clarified what dimension(s) of poverty the program aims to address and what kind of entrepreneurs it intends to develop. Mapping of the program's theory of change may be collectively undertaken by different actors (NGAs, DOLE ROs, LGUs, ACPs, and beneficiaries, etc.) to ensure that everyone has the same level understanding of how the program's components lead to the achievement of the desired goal. Second, the documentary requirements should be revisited and to the extent possible simplified. Considering that the program targets vulnerable sectors, imposing rigid requirements would constrain the attainment of the program's desired objectives. Moreover, during the pre-implementation stage, assistance to be provided and the beneficiaries' roles must be highlighted in order to level off expectations and instill a sense of ownership among the program participants. Third, the amount of assistance that may be given, as well as the basis for determining the financial assistance, should be revisited. There are projects which may require a bigger amount to innovate or produce products with added value. Lastly, the review of guidelines needs to take into consideration the ratio of DOLE personnel to the number of beneficiaries being catered. Hence, existing personnel complement and structure of DOLE should also be examined.

### *On partnerships / linkages*

- The DO 173-17 states that projects should be consistent with the priorities of local development plans. There is a need to strengthen advocacy for beneficiaries to pursue livelihood projects that are complementary with the long-term development plans of the LGUs. This can be one of the ways to ensure that livelihood projects are supported and thus, have higher potential to be sustainable. LGUs can provide the necessary space, facilities and infrastructure, and other non-monetary support, that are crucial in allowing small businesses to grow. Hence, the importance of strong and deep coordination between national and local development plans cannot be simply ignored.
- A network of all livelihood beneficiaries per municipality/city or province may be established for easier mobilization. This network may also be tapped for monitoring of each organization's performance. This can serve as a mechanism to create a larger market among the beneficiaries and eventually a value chain of the products/services provided with assistance by the DILP. Horizontal (between channels) or vertical movements within the chain can lead to gains in productivity and earnings.

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# Study on DOLE Programs for Displaced Workers: A Review of the Policy Framework for Worker Displacement in the Philippines

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## ABSTRACT

*This paper examines the policy framework on worker displacement specifically by reviewing existing issuances, programs and mechanisms; designing conceptual and operational frameworks to strengthen present initiatives; and recommending measures or interventions for policy revisions. The review of existing frameworks for worker displacement has sought at least seventeen policy issuances of the DOLE since 1997 relevant to the subject matter and has found varying definitions and interpretations on worker displacement. Issuances have also shown the progress and improvement in the level of understanding and conceptualization of the DOLE on worker displacement expanding definitions from initially covering economic-related disruptions to including natural or man-made and policy-related disruptions. Several programs have also been rapidly reviewed not discounting a separate TWG working at present on the detailed assessment of each programs relevant to worker displacement. Based on literature review and the issuances of the DOLE, worker displacement as a conceptual framework includes three significant elements: (1) involuntariness; (2) permanence; and (3) exogeneity or cause of termination. Worker displacement is defined as the separation of workers to their jobs or termination of the employment relationship that is involuntary on the part of the worker, with a permanent effect without assurance of re-employment to the same employer or industry, and that is not caused by the worker's job performance, work behavior and attitude, or work relations and other factors that are not attributable to the characteristics of the individual worker. Programs and mechanisms in place must also be organized to the following types and strategies: (1) internal and external adjustments; (2) active and passive responses; and (3) employment system flexibility. The findings from this policy research based on reviews of existing frameworks, literatures and data are recommended to improve the measures or interventions towards revising policies and creating a comprehensive yet decent and just approach in addressing adverse impacts of worker displacement.*

## INTRODUCTION

*In all economies, enterprises and employment shift continually as changes in markets and technologies open new opportunities and shrink others. In a well-functioning labor market and with steady economic growth, workers move into new occupations, industries and areas, following signals given by employment and wage growth. Worker displacement results when job losses far outpace new job creation. This may occur due to external shocks, lengthy recessions, or the loss of low-skilled jobs to lower-waged areas (Evans-Klock, Kelly, Richards, & Vargha, 1998).*

This policy research focuses on the review of the concept on worker displacement commonly termed as job displacement within the labor policy discourse in the Philippines and examines the framework which defines the elements necessary for workers to be considered as either displaced or dislocated and the key strategies (programs or mechanisms) in place to address the adverse impacts of such displacement. For purposes of clarifying the context and attribution of displacement, this paper adopts the term *worker displacement* to appropriately attribute displacement or dislocation of the worker and not of the job, to ensure that the focus of reviewing the policy is directed towards the welfare, protection, and employability of the affected individual, and finally to consistently use the terminology in international literatures including those used by the ILO. Furthermore, the terms “displacement” and “dislocation” are synonymous and are used interchangeably throughout the paper.

Worker displacement in various literatures refer to the separation of persons from their jobs or the termination of the employment relationship. In the Labor Code of the Philippines, as amended, Articles 297-299 provide cases when an employer may terminate employment relationship either by just or authorized causes. Specifically, Article 298 provides that:

“the employer may also terminate the employment of any employee due to the installation of labor-saving devices, redundancy, retrenchment to prevent losses or the closing or cessation of operation of the establishment or undertaking unless the closing is for the purpose of circumventing the provisions of this Title, by serving a written notice on the workers and the Ministry of Labor and Employment at least one (1) month before the intended date thereof (n.p).”

Additionally, DOLE Department Order 147-15, Series of 2015, entitled, “Amending the Implementing Rules and Regulations of Book VI of the Labor Code of the Philippines, as Amended” provides the standards and due process from which employers must comply in terminating employees under authorized causes. Apart from serving a notice to both the affected worker and to DOLE thirty days prior to displacement, Table 1 enumerates the requirements prescribed under the Department Order based on the standards of due process laid down in the Labor Code of the Philippines, as amended, and in existing jurisprudences on the matter.

Table 1. Requirements for Authorized Causes of Termination

AUTHORIZED CAUSES OF TERMINATION	REQUIREMENTS
Installation of Labor-Saving Devices	<ol style="list-style-type: none"> <li>1. There must be an introduction of machinery, equipment or other devices;</li> <li>2. The introduction must be done in good faith;</li> <li>3. The purpose for such introduction must be valid such as to save on cost, enhance efficiency and other justifiable economic reasons;</li> <li>4. There is no other option available to the employer than the introduction of machinery, equipment or device and the consequent termination of those affected thereby; and</li> <li>5. There must be fair and reasonable criteria in selecting employees to be terminated.</li> </ol>
Redundancy	<ol style="list-style-type: none"> <li>1. There must be superfluous positions or services of employees;</li> <li>2. The positions or services are in excess of what is reasonably demanded by the actual requirements of the enterprise to operate in an economical and efficient manner;</li> <li>3. There must be good faith in abolishing redundant positions;</li> <li>4. There must be fair and reasonable criteria in selecting the employees to be terminated; and</li> <li>5. There must be an adequate proof of redundancy such as but not limited to the new staffing pattern, feasibility studies/proposal, on the viability of the newly created positions, job description and the approval by the management of the restructuring.</li> </ol>
Retrenchment or Downsizing	<ol style="list-style-type: none"> <li>1. The retrenchment must be reasonably necessary and likely to prevent business losses;</li> <li>2. The losses, if already incurred, are not merely de minimis, but substantial, serious, actual and real, or if only expected, are reasonably imminent;</li> <li>3. The expected or actual losses must be proved by sufficient and convincing evidence;</li> <li>4. The retrenchment must be in good faith for the advancement of its interest and not to defeat or circumvent the employee's right to security of tenure; and</li> <li>5. There must be fair and reasonable criteria in ascertaining who would be dismissed and who would be retained among the employees, such as status, efficiency, seniority, physical fitness, age, and financial hardship for certain workers.</li> </ol>
Closure or Cessation of Operation	<ol style="list-style-type: none"> <li>1. There must be a decision to close or cease operation of the enterprise by the management;</li> <li>2. The decision was made in good faith; and</li> <li>3. There is no other option available to the employer except to close or cease operations.</li> </ol>

This paper concentrates its discussion on involuntary unemployment of workers through no fault of their own with a permanent or long-term condition of termination. Furthermore, those working abroad as OFWs who have been separated from their jobs or who have been terminated by their foreign employers or local counterpart contracting agencies are likewise considered as displaced workers and are also covered in the current review of the policies on worker displacement. This paper also intends to explore other causes of termination with similar elements on worker displacement as will be discussed further in the succeeding sections.

In 23 May 2018 and 27 July 2018, DOLE Administrative Order Nos. 137-A & B, series of 2018, respectively, created a TWG on Job Displacement Concerns to ensure that DOLE programs, policies, and mechanisms remain responsive and effective in monitoring displacement and providing individuals who became involuntarily unemployed with necessary assistance and interventions anchored on social protection. This policy research serves as an input to the ongoing review of the DOLE policies on worker displacement and intends to propose a policy framework to clearly define conceptually and operationally who are to be considered as displaced or dislocated workers and what appropriate interventions are in place.

Specifically, this policy research aims to:

1. To review existing frameworks for worker displacement through policy issuances and programs already being implemented;
2. To design conceptual and operational frameworks to strengthen the present initiatives for policy review on worker displacement; and
3. To recommend measures or interventions for policy revisions

### **DOLE Issuances on Worker Displacement**

Since the late 1990s, the DOLE has created policies and programs to address worker displacement brought about by several economic crises such as but not limited to the 1997 Asian Financial Crisis and the 2008 Global Financial Crisis. However, the concept of worker displacement may no longer be the same as how it was recognized in the past as recent displacements are no longer caused by economic crises but by introduction of new domestic regulations, including strengthened reinforcement of existing domestic regulations, and international labor migration regulations. This shift in concept poses a need to reassess the applicability and relevance of existing DOLE policies, programs, and mechanisms on worker displacement.

The earliest readily available department issuance related to worker displacement was DO No. 16, series of 1997 entitled, “Emergency Program for Displaced Workers in the Sugar Industry” issued by Secretary Leonardo A. Quisumbing. The Order stated that the issuance was DOLE’s contribution to counter the probable loss of jobs and livelihood of sugar workers brought about by the abnormal supply of sugar in the domestic market leading to low sugar prices. Furthermore, the pilot program being introduced provided emergency assistance to sugar workers as well as alternative employment opportunities by way of income generation, self and wage employment and entrepreneurship development particularly in the province of Negros Occidental. Several issuances followed in the same year on the same subject matter but with varying program components including financial allocation as rice relief emergency assistance to displaced sugar workers and the training-cum-production/ livelihood component which involved the training of sugar workers on production skills on selected livelihood undertakings including provision of raw materials, small hand tools, jigs and equipment for the products to be manufactured during the training. This Order was specific in its coverage of beneficiaries and did not include a definition for worker displacement.

The following year, in 1998, the DOLE through Secretary Cresenciano B. Trajano issued its first comprehensive issuance on worker displacement under DO No. 06, series of 1998, prescribing the Guidelines in the Implementation of the DOLE Comprehensive Program Package for Displaced Workers. This was done upon the instruction of the President through a memorandum addressed to the DOLE, the DTI, and TESDA directing the setting up of a comprehensive package of intervention for displaced farmers and workers which included employment facilitation assistance, training, credit and market assistance, livelihood programs and production development, and the setting up of a Monitoring System. The Order provided a definition of a displaced worker as a wage earner in the

Philippines who involuntarily stopped working temporarily or permanently after June 30, 1997 due to the following economic reasons: lack of market/slump in demand; peso depreciation; competition from imports; uncompetitive price of products; lack of raw materials; lack of capital; and high cost of production; or a rural worker/farmer whose livelihood is affected by the economic crisis. Furthermore it included displaced overseas worker as defined and classified into two: returning OFW which referred to an overseas worker who is a wage earner abroad and has arrived in the Philippines after June 30, 1997; has no prospects for overseas employment and is interested to be integrated into the local labor market; and OFW in Job Site which referred to a Filipino worker who has been retrenched from work or whose contract was not renewed after June 30, 1997 but still in the job site and opts to find re-employment abroad or overseas.

The package of interventions or assistance provided included (1) pro-active interventions such as identification of distressed industries and companies, advocacy to save jobs, minimize job losses, and save industries or companies, on-site employment guidance and counselling, (2) for displaced workers in the local labor market, the interventions included were Safety Net Training Grant Scheme, Rural Works Program, Emergency Employment Assistance and Rehabilitation Network, employment facilitation assistance, educational assistance for students who are children of displaced workers, and (3) for overseas displaced workers, the interventions included were Kabuhayan 2000 Program, placement assistance program, and job placement assistance for displaced workers at job site.

In 1999, the DOLE through Secretary Bienvenido E. Laguesma issued DO No. 03, series of 1999, prescribing the manual of operations of the DOLE Adjustment Measures Program was issued. However, no available copy of the manual was retrieved from the Records Office of the DOLE-Administrative Service.

After two years, a new issuance relative to worker displacement was issued by Acting Secretary Manuel G. Imson. This was DO No. 07, series of 2001, providing guidelines for the operation of Quick Response Teams (DOLE QRT Operation Balik-Trabaho) with the objective of monitoring industry closures and retrenchments due to the adverse effects of globalization and economic crisis, and of providing immediate and integrated package of assistance to displaced workers including their dependents. The package of assistance included (1) delivery of employment services such as job matching and referrals, employment guidance and counselling, skills re-training and upgrading, and livelihood/entrepreneurship development, (2) assistance to workers in obtaining their separation benefits and in making informed choices on re-employment options, and (3) emergency employment and other forms of subsidy to marginalized and less competitive displaced workers and their dependents including out-of-school, out-of-work youth.

The QRT service delivery is composed of three components as follows: (1) QRT signals covered reports of potential closures/retrenchments from 30-day termination report, report of employers or unions, including local TIPCs, as committed in various social accords/agreements, inspections report, request for dialogue of workers and employers, workers' complaints, non-payment of mandatory remittances of establishments, and calamities and disasters; (2) First Line of Assistance which included profiling of workers, on-site registration and needs assessment, employment guidance and counselling, facilitation of payment of separation pay; and (3) Employment Services.

The year after, DOLE through Secretary Patricia A. Sto. Tomas, issued DO No. 36, series of 2002 providing for the integrated guidelines in accessing to funds for programs or projects implemented by the DOLE. The purpose of the issuance was to integrate the rules for accessing to funding assistance from the DOLE by qualified applicants or proponents under the DOLE's four key program strategies, namely to support (1) employment generation, (2) employment facilitation, (3) employment preservation, and (4) employment enhancement.



Five years later, the DOLE, through Secretary Arturo D. Brion, has issued another issuance relative to worker displacement. DO No. 85, series of 2007 entitled, “DOLE Adjustment Measures Program for the Prevention of Job Losses and Assistance to Displaced Workers,” emphasized DOLE AMP as a safety net program that provided a package of assistance and other forms of interventions as a means of helping individuals/workers and companies in coping with economic and social disruptions. This expanded version aimed at mobilizing, augmenting and complementing efforts, as well as building capacities and capabilities of covered workers, companies and communities in attending to displacement, giving priority to enhancing the competitiveness and employability of workers and assist companies, particularly the distressed ones in adopting socially responsible workforce restructuring policies and positive workforce adjustment measures geared at preventing and/or minimizing job losses. The program coverage for worker displacement included threatened or displaced workers due to rightsizing, redundancy, import competition, introduction of technological change and labor-saving devices, and other analogous causes directly or indirectly caused by trade liberalization; at risk companies, particularly those who desire to implement responsible workforce restructuring; and communities with large-scale displacement of local workforce.

The DOLE through Secretary Rosalinda Dimapilis-Baldoz, seven years later, issued DO No. 137, series of 2014 on the guidelines in the implementation of the DILEEP. Of particular interest is the component dedicated for displaced workers which is the Emergency Employment Program or the Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers or TUPAD. This Order defined displaced workers as those in the formal and informal sectors who became unemployed, underemployed, or have lost their livelihood as a result of natural and man-made disasters. Likewise, in the same year, the DOLE issued DO No. 139, series of 2014 adopting the implementation of the Assist WELL Program which is a package of reintegration assistance/services to address the welfare, employment, legal, and livelihood needs of repatriated workers.

In 2015, the DOLE issued DO No. 147, series of 2015, amending the Implementing Rules and Regulations of Book VI of the Labor Code of the Philippines, as amended. This Order clearly defined authorized causes of termination as those brought about by the necessity and exigency of business and changing economic conditions as previously discussed.

The following year, DOLE issued DO No. 152, series of 2016, providing for the guidelines in the implementation of K to 12 DOLE AMP to cover all displaced HEI personnel caused by the implementation of K to 12 Program during the transition period. The program aims to support displaced HEI in their transition to self or full-time employment through (1) financial support, (2) employment facilitation, and (3) training and livelihood.

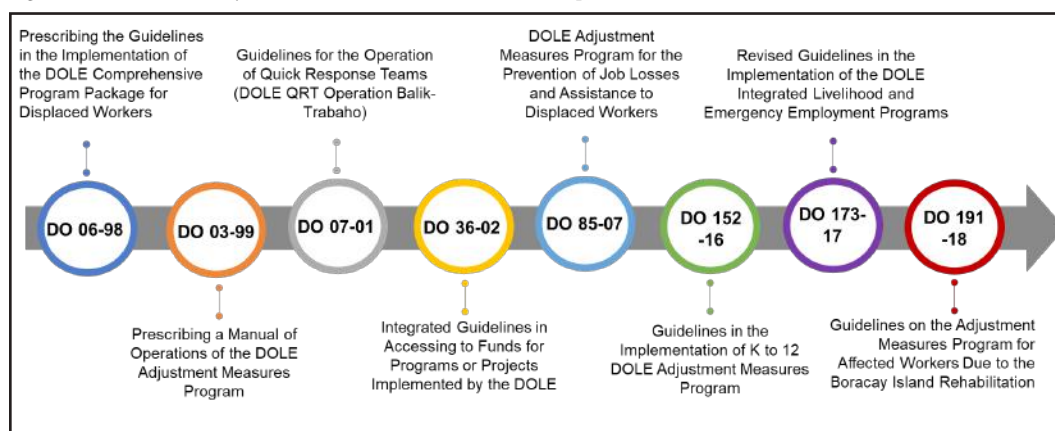
In 2017, the DOLE, through Secretary Silvestre H. Bello III, issued DO No. 173, series of 2017 revising the guidelines in the implementation of the DILEEP. The Order has redefined displaced workers as those in the formal and informal sectors who became unemployed, underemployed, or have lost their livelihood as a result of closure of establishment, economic crisis, retrenchment, termination, natural disasters/calamities. It has also adopted the definition of the DOLE AMP under DO No. 85, series of 2007. Also in the same year, Secretary Bello issued DO No. 177 expanding the DOLE AMP for Displaced HEI Personnel due to the Implementation of RA 10533, providing for a definition of displacement as separation between the HEI and its personnel due to the implementation of RA 10533, which meant any of the following: retrenchment, availment of early retirement program and voluntary separation program, non-renewal of contracts, and work suspension. Displaced personnel were also defined to mean teaching and non-teaching personnel either temporarily or permanently separated from employment with their HEI due to the implementation of RA 10533 further classifying displaced personnel as partially, totally or temporarily displaced. The most recent issuance relative to worker displacement is DO No. 191, series of 2018, providing for the guidelines on the AMP for affected workers due to the Boracay Island Rehabilitation. The Order defined affected workers as



workers in the formal sector whose employment was interrupted by reason of the temporary closure of the Boracay island as a tourist destination. It further classified affected workers as either suspended workers whose employment is temporarily suspended by reason of the suspension of operations of the employer's business establishment, and displaced workers whose employment is severed by reason of the permanent cessation of operations, or permanent closure of the employer's business establishment. The program included financial support, employment facilitation and training.

Figure 1 presents a timeline of the policy issuances of the DOLE for worker displacement highlighting department orders relative to worker displacement. At least seventeen (17) issuances readily accessible were reviewed that were relevant to the development of the Department's conceptualization of worker displacement – from the definition and coverage of reasons for displacement to the programs and mechanisms created to address its adverse effects. It is critical to note how the Department has progressed in terms of defining worker displacement and how it has expanded to cover not just economic-related disruptions but also natural or man-made and policy-related disruptions.

Figure 1. Timeline of Policy Issuances of the DOLE for Worker Displacement



## DOLE Programs and Mechanisms for Displaced Workers

After a review of the Department's policy issuances providing for some definition of displacement and creating programs to effectively minimize the adverse impact of employment termination, a review of selected programs and mechanisms in place and are currently being implemented provides the extent of DOLE's conceptualization of worker displacement in practice. Based on the TWG review, programs and mechanisms are classified into three groups: (1) Formal sector which included Jobs Displacement Monitoring System, DOLE Adjustment Measures Program, Quick Response Team, K to 12 DOLE AMP, Boracay AMP, and DOLE Integrated Livelihood and Emergency Employment Program; (2) Informal sector which also include DILEEP; and (3) Overseas Filipino Workers which include the following programs Assist-WELL, Balik Pinay! Balik Hanapbuhay!, Balik Pinas! Balik Hanapbuhay!, Repatriation Assistance Program, Relief Assistance Program (KSA), and Financial Relief Assistance Program (Libya and Yemen). The following are selected programs and mechanisms for displaced workers:

### *Job Displacement Monitoring System*

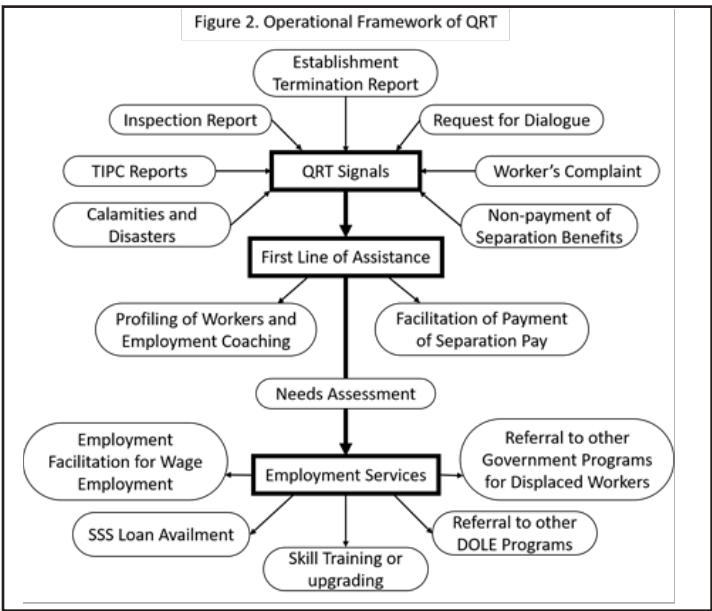
The JDMS is a systematic filing, compiling, and processing of notices of shutdown or retrenchment submitted by employers or establishments to the DOLE Regional Offices developed in 1990 by then BLES to provide both public policy makers and employers of establishments information on the country's employment situation in times of economic crisis. The administrative data on worker displacement derived from this monitoring tool complements the unemployment data collected by

the PSA. As it intends to ensure the generation of timely, accurate and accessible data on establishment closures and displacement of workers, the JDMS has been useful in monitoring the labor response to economic crises and other important development of firms or establishments that represent the modern production sector of the economy.

The submission of termination notices to DOLE has its legal basis in Article 298 of the Labor Code of the Philippines, as renumbered, which provides that “termination of employment due to closure of establishment and reduction of workforce by employers should be made by serving a written notice to workers and the DOLE at least one (1) month before the intended date thereof”. Currently, the BLE handles the consolidation of establishment termination reports and forwards a consolidated report to the PSA.

*DOLE Quick Response Team*

The Regional QRT was constituted through the issuance of DOLE Department Order No. 07, Series of 2001, entitled, “Guidelines for the Operations of Quick Response Teams (DOLE QRT Response Balik Trabaho)”. The Regional QRT is a strategy to monitor industry closures and retrenchment due to the adverse effects of globalization and economic crises, and to provide immediate and integrated package of assistance to displaced workers including their dependents such as employment facilitation, skills re-training, livelihood/entrepreneurship development, assistance in obtaining separation benefits, emergency employment, and other forms of subsidy to marginalized and less competitive displaced workers and their dependents including out-of-school, out-of-work youth. The QRT response is triggered by reports of potential displacements wherein it provides first line of assistance and employment services based on needs assessment as shown in Figure 2.



However, while the QRT strategy aims to monitor potential displacement and provide assistance to displaced workers, it failed to recognize that displacement may be prevented and is not always inevitable and imminent. As shown in Figure 2, as soon as the QRT receives reports of potential displacement, it immediately provides facilitation of payment of separation pay without even validating the cause of termination thereby ensuring that the rights, welfare, and interests of affected workers are protected and promoted. This perception of displacement may be associated to the same reason why the QRT was established - economic crises and natural calamities which brings forth imminent and inevitable job displacement.

The AMP was established through the issuance of DOLE Department Order 85, Series of 2007, entitled, “DOLE Adjustment Measures Program for the Prevention of Job Losses and Assistance to Displaced Workers”. As it partially amends existing programs for displaced workers including the guidelines in the operation of QRT, it also introduced new forms of interventions, namely:

1. Establishment of an **Early Warning Network Monitoring System**;
2. Provision of **Legal Assistance** such as remedies pertaining to preventive mediation, conciliation-mediation, med-arbitration, voluntary and compulsory arbitration under the law, and responses under the Special Action Group for Industrial Peace (SAGIP);
3. Provision of **Financial Assistance** under Overseas Employment Facilitation where displaced workers are provided an amount equivalent to their one-month salary and PHP 5,000.00 to defray expenses for placement fee and miscellaneous expenses, respectively;
4. Facilitation of **Labor-Management Education** which inculcates observance of labor laws, harmonize work relations and provide tools for increased productivity and competitiveness;
5. Facilitation of **Responsible Workforce Restructuring** in the form of training and learning session on (1) developing an internal adjustment plan that will provide alternatives/options to dismissals/lay-offs, and (2) development of a displacement plan, in case displacement is inevitable, that will provide strategies and options for workers in coping with life after displacement; and
6. **DOLE Institutional Capability Building** which provides continuing education and capacity building to those who are directly involved in policy making and managing and implementing DOLE AMP program interventions in the areas of Project Development and Management, Management of Large Scale Displacement, and Employment Counseling/Guidance.

As a safety net program, it is aimed at mobilizing, augmenting, and complementing the efforts, as well as building capacities and capabilities of covered workers, companies and communities, in attending to displacement. Further, it provides priority to interventions and initiatives that would enhance the competitiveness and employability of workers and assist companies, particularly the distressed ones in adopting socially responsible workforce restructuring policies and positive workforce adjustment measures geared at preventing and/or minimizing job losses. The AMP presents a flow of assistance in which alternatives to displacement are explored through responsible workforce restructuring and labor-management education prior to providing a comprehensive package of assistance to displaced workers, in case displacement is inevitable, ranging from legal assistance to employment facilitation and skills training directed towards enhancing their employability and competitiveness.

However, while the Department Order introduced new forms of intervention, it lacked the operational guidelines as to how they will be implemented rendering them as dead provisions. It is also noted that despite having new forms of intervention, the Department Order focused more on the livelihood component of DOLE AMP as evidently conveyed in the Program Mechanics and Program Monitoring/Evaluation.

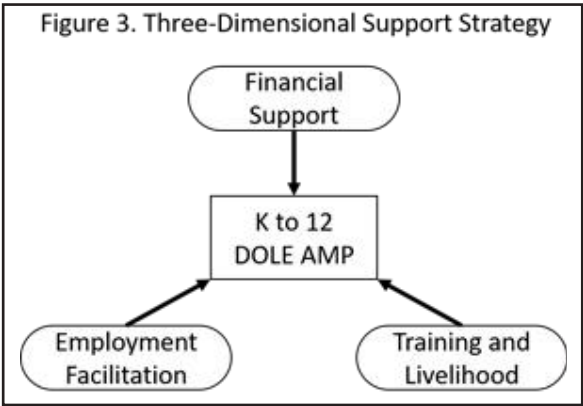
*DOLE Integrated Livelihood and Emergency Employment Program*

DILEEP is an integration of all existing DOLE livelihood programs (i.e. Women Workers Employment and Entrepreneurship Development, Promotion of Rural Employment through Self-Employment and Entrepreneurship Development, Tulong Alalay sa Taong May Kapansanan, Workers Income Augmentation Program, Livelihood component of DOLE AMP, Working Youth Center, and Youth Entrepreneurship Support). It aims to contribute to poverty reduction and reduce vulnerability of risks of the poor, vulnerable, and marginalized workers, either through Emergency Employment Program or Livelihood Program.

Integrating with the livelihood component of DOLE AMP makes displaced workers one of the intended beneficiaries of DILEEP. However, because of this integration, displaced workers now need to possess the eligibilities and qualifications required in availing the assistance provided under DILEEP – must be poor, vulnerable, and marginalized. Despite being vulnerable already due to displacement, displaced workers need to undergo evaluation whether they are poor and marginalized or not which basically limits the coverage of assistance for displaced workers.

*DOLE AMP for HEI Personnel Displaced due to the implementation of RA 10533, otherwise known as the K to 12 Program*

Patterned from the existing AMP, DOLE issued Department Order No. 152-16, Series of 2016, entitled, “Guidelines in the Implementation of K to 12 DOLE Adjustment Measures Program” to provide assistance to HEI personnel displaced due to the implementation of the K to 12 Program. The program aims to assist affected workers in their transition to self- or full-time wage employment through the provision of financial support, employment facilitation, and skills and training. Further, the assistance under this Program was modelled from the Three-Dimensional Strategy for an Unemployment Benefit Scheme contained in an ILS Working Paper entitled, “Exploring Options for Employment Insurance in the Philippines: Input to the Regulatory Impact Statement on Employment Insurance” as shown in Figure 3.



Following this model, financial support as a form of intervention that protects the displaced worker from continued loss of income. The amount of financial support was based on the prevailing regional median salary of would-be displaced HEI personnel presented in the Philippine Institute for Development Studies’ research for the K to 12 Transition Planning. The financial support component of the program adopts some features of the unemployment insurance programs of South Korea and Vietnam such as conditional requirements, coverage period, eligibilities, and intended beneficiaries, except the contribution and insurance elements. Linked to active labor market programs, beneficiaries receiving financial support must present proof of active search of subsequent employment or attendance

to skills or livelihood training programs.

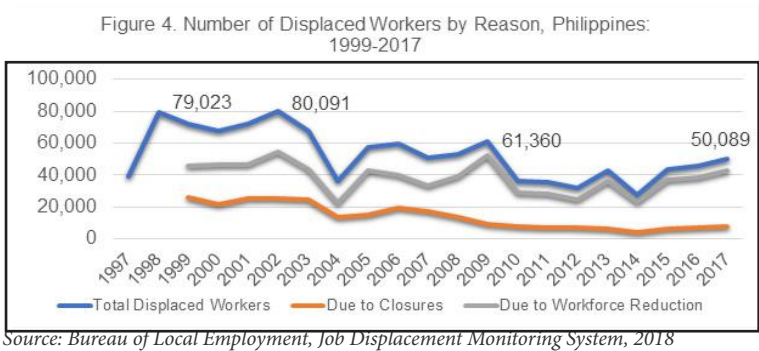
Despite adopting the three-dimensional strategy, beneficiaries who expressed interest in availing of the training and livelihood are only referred to the Technical Education and Skills Development Authority and livelihood component of DILEEP, respectively, leaving the program more financial support-focused than three-dimensional in assistance.

**Worker Displacement Trends**

It is important to note that there have been several issuances made with regard to worker displacement and this is not to discount the fact that progress in terms of developing a conceptual framework for worker displacement has been increasing based on the series of department orders issued for the purpose. Programs and mechanisms have also been institutionalized in the DOLE in order to effectively implement interventions that are intended to assist displaced workers. A review of the administrative data on the number of displaced workers by reason will also give another perspective on the extent of the Department’s conceptualization of worker displacement.

Figure 4 shows the number of displaced workers by reasons in the Philippines from 1999 to 2017. According to the PSA, reasons for displacement are classified into “business closures” and “reduction in workforce”. It can be observed that from 1997 to 2017 the number of displaced workers has been gradually decreasing. However, two major events have contributed to the sudden increase in job displacement in 2001 and 2008 – the United States of America Recession and the Global Financial Crisis, respectively. The highest recorded number of displaced workers was in 2002 at 80,091. It is critical to note that the administrative data gathered has only taken into consideration two reasons for displacement: due to closures and due to workforce reduction.

The inclusion of other reasons for displacement in the administrative data collection will better improve the extent of the Department’s understanding of worker displacement and provide a better picture of displacement figures in the Philippine labor market. It is however important to note the capacity and resources available to be able to collect and generate a comprehensive data on worker displacement. The importance of providing an operational framework and definition will likewise help in pushing for a more exhaustive report on worker displacement.



**Stages of Unemployment**

Reviewing the policies, programs and mechanisms for, and statistics on displaced workers provides an overall view of the current understanding of the concept of worker displacement. It is however important to note the experience of being displaced or dislocated in order to provide appropriate interventions in each stage of such situation.

Figure 5. Stages of Unemployment from Displacement to Reintegration, ILO: 2009



Figure 5 shows the stages of unemployment from Displacement to Reintegration (ILO, 2009). According to ILO (2009), a dislocated worker typically goes through these six stages of unemployment that often overlap such as in the case when a dislocated worker already finds a new job directly after the second stage. But to better understand the experience of dislocation or displacement the following stages are further explained in Table 2.

Table 2. Understanding the stages of unemployment, ILO: 2009

Stage	Description/Explanation
<b>The pre-layoff stage</b>	This is one of the hardest stages to deal with because workers hope that something will prevent the layoff from occurring and therefore put off thinking about what will happen next. Workers can experience problems well in advance of the actual layoff date because of all the uncertainty. The uncertainty creates an ongoing strain on both the workers and their families, including fatigue, headaches, general loss of energy and enthusiasm, and irritability. Even when issues related to the loss of work are not discussed openly, stress symptoms increase--more illnesses, more accidents, and more drug- and alcohol-related problems.
<b>The layoff</b>	When the layoff finally occurs or the plant finally closes, there is often a temporary sense of relief. The anxiety of anticipation is over, and, for a while, benefits may soften the impact. It can feel like a much-needed break from the pressures of work. Workers continue to hope for the best--somehow it will work out, they will not be left out in the cold, they will be called back or the plant or worksite will reopen. Depending on the termination conditions and the negotiated benefits, this can feel like a hopeful period, a chance to make a change.
<b>Acquiring new skills</b>	Retraining (which may be available for some workers) is a transitional stage in the cycle of unemployment. If a dislocated worker seeks or is offered retraining, the pressure to find new work is temporarily relieved, but the issue of what the future holds remains unresolved. Retraining carries with it the possibility of better employment prospects, but it may also place a great strain on the displaced workers and their families. For many dislocated workers this is their first encounter with a classroom situation in a decade or more. After all that time, it is not surprising that most workers are nervous about going back into a classroom. Those who had bad school experiences may have a real crisis of self-confidence.
<b>Intensive job search</b>	This stage may begin before the layoff and last throughout unemployment. It can be a time of great frustration, anger, and even rage. In a tight job market, workers can face regular rejection. While this may be just a function of the job market, displaced workers experience rejection as personal failure and lose their self-confidence and self-worth.
<b>Running out of benefits</b>	During this stage all of the negative feelings of the earlier stages intensify. When the benefits (severance pay, unemployment pay) actually run out, the time of denial ends. The dislocated worker and family members feel a significant change in the intensity of their crisis. The family has either adapted to their new roles or has disintegrated in various ways.



<b>Adjusting to a new job</b>	Although getting a new job would seem to end the unemployment cycle, some difficulties remain. It is not easy to start over. Just getting a new job does not fully repair the loss of self-confidence the dislocation and unemployment experience caused. Too often the new job is a “step down,” the pay is less, the benefits are fewer and the job brings a loss of seniority and respect. A new job also means going to an unfamiliar place. It means being a newcomer instead of an old-timer. Loss of seniority may mean having no choice over one’s work shifts and weekend schedules. It also means less voice on the job and less respect from others. Workers may continue to feel insecure because their limited experience and low job security may make them only a pink slip away from having to start all over again. Even if the new job is a white-collar job after years of blue collar work, it means adjusting to a whole new “identity”; even that can be difficult.
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It is important to understand these stages to identify appropriate measures or interventions to minimize the adverse effects of the loss of employment or the uncertainties created because of the potential job loss. Each experience of displacement or dislocation is unique to every worker and while there is an individual level of impact in these situations, social or community-level of impact is also expected.

Problems are also created at a community-level when there are massive lay-offs or a significant number of worker displacement. Such cases may be observed in the effects of the implementation of the K to 12 Program and the Boracay island closure where not only displaced workers experience difficulties in terms of being economically active and productive but also other members of the community who are directly or indirectly affected by their state of displacement or dislocation. Closure of establishments or reduction of workforce creates a ripple effect to other chains of enterprises or businesses that have direct or indirect transaction to such operations.

The ILO Guide to Worker Displacement (2009) also provides that the interventions or measures delivered to alleviate the adverse impacts of worker displacement should be not only be individually done but collectively as well. Government in partnership with community stakeholders including leaders of trade unions and employer groups are expected to work hand-in-hand to identify appropriate measures and collectively address the situation especially when there is a significant number of workers that will be affected.

Decent work principles particularly social dialogue and the just transition framework aptly links the interventions together creating a comprehensive package of assistance and delivery of services to displaced workers and their dependents including the communities that are directly or indirectly affected by such displacement. Interventions or measures that will be provided should not only guarantee decent work opportunities but also ensure sustainability not only of the resources that will used but of the skills that will be acquired in the process of retraining or upgrading of skills.

**FINDINGS AND DISCUSSION**

*A Definition of Worker Displacement and Its Elements*

While DOLE has been tending to the needs of displaced workers since 1997 and has issued a series of department orders relative to displacement, it has not officially issued a national definition of worker displacement both in conceptual and operational terms. It can also be noted that the Labor Code of the Philippines provides no clear definition of worker displacement. Table 3 shows varying definitions and interpretations of job displacement from different DOLE issuances and programs.



Table 3. Definitions and Interpretations of Job Displacement in DOLE issuances, Philippines: 2001-2018

DOLE ISSUANCE	DEFINITION/INTERPRETATION
<i>Paragraph 1, Article 1</i> <b>DOLE Department Order No. 07-01</b> Guidelines for the Operation of Quick Response Teams (DOLE QRT RESPONSE Balik_Trabaho)	Displacement was implicitly referred to “industry closures and retrenchment due to the adverse effects of globalization and economic crises”.
<i>Section 9, Article II</i> <b>DOLE Department Order No. 137-14</b> Guidelines in the Implementation of the Department of Labor and Employment Integrated Livelihood and Emergency Employment Programs (DILEEP)	Reasons cited for the displacement of workers are “natural and man-made disasters”.
<i>Section 5(f), Article I</i> <b>DOLE Department Order No. 173-17</b> Revised Guidelines in the Implementation of the Depart- ment of Labor and Employment Integrated Livelihood and Emergency Employment Programs (DILEEP)	Displaced workers were referred to as “workers in the formal and informal sectors who became unemployed, underem- ployed, or have lost their livelihood as a result of closure of establishment, economic crisis, retrenchment, termination, natural disasters/calamities”.
<i>Item 1 under Program Coverage</i> <b>DOLE Department Order No. 85-07</b> DOLE Adjustment Measures Program for the Prevention of Job Losses and Assistance to Displaced Workers	Displacement was implicitly described through the enumera- tion of the following reasons for displacement: (1) rightsizing, (2) redundancy, (3) import competition, (4) introduction to technological change and labor-saving devices, and (5) other analogous causes directly or indirectly caused by trade liberalization.
<i>Section 2 and 4, Article I</i> <b>DOLE Department Order No. 152-16</b> Guidelines in the Implementation of K to 12 DOLE Adjustment Measures Program	Displacement was referred to the employment impacts of the implementation of Republic Act No. 10533 otherwise known as the Enhanced Basic Education Act of 2016.
<i>Section 3(a) and 3 (b), Article I</i> <b>DOLE Department Order No. 177-17</b> Expanding DOLE Adjustment Measures Program for Displaced Higher Education Institution Personnel due to the Implementation of Republic Act No. 10533	The expanded DOLE AMP defined displacement as the separation of the HEI and its personnel due to the implemen- tation of RA10533. Due to the peculiarity of education insti- tutions, it also categorized displaced workers into: partially displaced (separated from employment but has other wage employment); totally displaced (separated from employment with no other wage employment); and temporarily displaced (temporarily suspended with no other wage employment).
<i>Section 3(a)(i), Article I</i> <b>DOLE Department Order No. 191-18</b> Guidelines on the Adjustment Measures Program for Af- fected Workers Due to the Boracay Island Rehabilitation	Displaced workers were referred to as “workers whose em- ployment is severed by reason of the permanent cessation of operations, or permanent closure of the employer’s business establishment.
<i>Item 1, III. Definition of Terms</i> <b>Job Displacement Monitoring System</b>	As a term, displacement was used interchangeably with ter- mination. The term was referred to terminations of workers due to establishment shutdowns/closures or retrenchments due to economic reasons.

While these definitions offer various interpretations of the concept of worker displacement, a review of the literature and of existing policies show commonalities in the description or definition of a displaced worker. These three elements are: (1) involuntariness; (2) permanence; and (3) exogeneity or simply the cause of termination.

*Involuntariness*

For a worker to be considered as displaced or dislocated, it is important to ensure that the separation is involuntary, not voluntary, on the part of the worker. Voluntary or worker-initiated separation

or termination does not constitute displacement such as in the case of resignations or retirements. The element of involuntariness must be present and evident in the nature of the separation whether local or overseas. Employer-initiated terminations may have this element of involuntariness on the part of the worker as it is their employers who have initiated or who have caused the separation and not them. The Labor Code provides for a list of employer-initiated termination however it further distinguishes as to whether the termination is of just or authorized cause which is why it is important to note other elements in the understanding and conceptualization of worker displacement. Other factors may also be taken into consideration as involuntary on the part of the displaced worker not just employer-initiated such as natural calamities, end-of-contracts, policy issuances or regulatory shocks.

### *Permanence*

Another element in the conceptualization of worker displacement is the permanence of such separation. The separation of workers to their jobs is seen as permanent, not temporary, meaning there is “little or no likelihood of recall to their pre-displacement employer or of re-employment in their pre-displacement industry” (Abott, 2008). Workers who are temporarily laidoff are therefore not categorized as displaced workers. Workers whose jobs have been eliminated due to restructuring, closure of establishment, technological changes, natural calamities, regulatory shocks, and even end-of-contracts with a permanent effect are considered as displaced or dislocated.

### *Exogeneity (Cause of Termination)*

Finally, one element important in determining worker displacement is the reason for the separation that is unrelated to the job performance, work behavior and attitude, and work relations of the individual worker. This simply means that the “job separation is exogenous to the worker: the probability of job displacement is orthogonal to the observed and unobserved determinants of individual workers’ job performance and pay,” (Abott, 2008). In the Labor Code of the Philippines, this refers to the cause of employer-initiated termination: whether it is just or authorized cause. And in this case, exogenous refer to authorized causes of termination, but not only so. There are other reasons that may fall under exogenous cases such as the case of natural calamities or disasters, man-made disasters or armed conflicts, policy issuances or regulatory shocks, and end-of-contracts or contract-based termination.

It is important to ensure that these three elements are present in determining displacement or dislocation to ensure that the individual is validly considered as displaced or dislocated. The involuntariness of the separation clearly defines the source of the separation that is not initiated by the employee or worker. The permanence of the loss of employment shows the extent of the impact of the separation of the worker and his or her job. The exogeneity or the cause of the termination presents the nature or validity of the termination that is simply at no-fault of the worker.

The conceptual definition of worker displacement therefore includes three significant elements determining the source, extent and nature or validity of such termination. Worker displacement is defined as the separation of workers to their jobs or termination of the employment relationship that is involuntary on the part of the worker, with a permanent effect without assurance of re-employment to the same employer or industry, and that is not caused by the worker’s job performance, work behavior and attitude, or work relations and other factors that are not attributable to the characteristics of the individual worker.

Defining clearly the conceptualization of worker displacement ensures appropriate interventions and measures that will be designed for the benefit of those who are affected by such situation. The concept of worker displacement and its consequences is important in public policy for the following reasons. The loss of employment and of income associated with worker displacement determines the individual economic difficulties attributed to such displacement and literature dictates that these

losses are both large and enduring. Abott (2008) in a literature review on worker displacement noted that more fundamentally:

“the costs of resource reallocation are heavily concentrated on displaced workers: a relatively small number of displaced workers incur very large costs. To the extent that workers cannot privately insure themselves against the risks of job displacement associated with structural shocks such as technological change, increased import competition in domestic markets, increased foreign outsourcing of domestic jobs, declining industries, and shifts in consumer preferences, they can be expected to strongly resist the resource reallocation occasioned by such structural changes. These considerations necessitate public policy measures to mitigate the private economic costs that resource reallocation imposes on displaced workers” (p.239)

Appropriate interventions and measures must be in place, taking into consideration existing policies, programs and mechanisms, and the various stages of unemployment including the important elements that must be determined in defining or conceptualizing worker displacement.

The findings on the definition of worker displacement provides a basis for deepening the understanding of appropriate programs or mechanisms for displaced workers. Further discussion on the assessment of the types of and strategies on interventions provided to displaced workers determines appropriateness and relevance of existing operational framework for worker displacement.

*Assessment of Policy and Program Interventions*

After a review of the conceptual framework on worker displacement, the discussion on the assessment of policies and programs requires a review of the operational framework on worker displacement. This review on the operational level involves identifying types and strategies of interventions: (1) internal and external adjustment; (2) active and passive responses; and (3) employment system flexibility, vis-à-vis existing programs and mechanisms implemented by the DOLE.

Figure 6. Summary of Programs and Mechanisms for Displaced Workers (TWG Review, 2018)

FORMAL SECTOR	INFORMAL SECTOR	OVERSEAS FILIPINO WORKERS
<ul style="list-style-type: none"><li>• Job Displacement Monitoring System</li><li>• DOLE Adjustment Measures Program</li><li>• Quick Response Team</li><li>• K to 12 DOLE AMP</li><li>• Boracay AMP</li><li>• DOLE Integrated Livelihood and Emergency Employment Program</li></ul>	<ul style="list-style-type: none"><li>• DOLE Integrated Livelihood and Emergency Employment Program</li></ul>	<ul style="list-style-type: none"><li>• Assist-WELL</li><li>• Balik Pinay! Balik Hanapbuhay!</li><li>• Balik Pinas! Balik Hanapbuhay!</li><li>• Repatriation Assistance Program</li><li>• Relief Assistance Program (KSA)</li><li>• Financial Relief Assistance Program (Libya and Yemen)</li></ul>

*Internal and External Adjustment*

Adjustment measures are considered interventions, programs, or services that are provided to affected establishments and affected individual workers. These adjustments may either be provided internally by the establishment or externally by other stakeholders of affected establishments such as the government, trade unions, etc. According to Evans-Klock, Kelly, et al., (1998), “the sequence in adjustment policies typically begins with internal adjustment before moving to external adjustment”. Internal adjustments in other countries include practices of adjusting work hours and reallocate workers among operations implementing job security regulations or collective bargaining agreements. The DOLE has issued

Department Advisories No. 2, series of 2009 and No. 4, series of 2010 providing for the guidelines on the adoption of flexible work arrangements and the guidelines on the implementation of flexible work arrangements and the exemption from the nightwork prohibition for women employees in the business process outsourcing industry. Flexible work arrangements may include compressed workweek, gliding or flexi-time schedule, flexi-holidays schedule, reduction of workdays, rotation of workers, forced leave, and broken-time schedule. External adjustments on the other hand include programs and mechanisms provided to affected establishments and individuals to either save jobs or reduce or minimize the adverse impacts of worker displacement.

### *Active and Passive Responses*

Active labor market programs for displaced workers include job search assistance and job placement, retraining programs, and job creation and employment subsidies, while passive response generally refers to unemployment benefits and subsidies for early retirement (Evans-Klock, Kelly, et al., 1998). It is also important to note that the type of interventions provided as either active or passive is a key determinant of society's level of understanding of the reasons for unemployment. According to Evans-Klock, Kelly, et al. (1998):

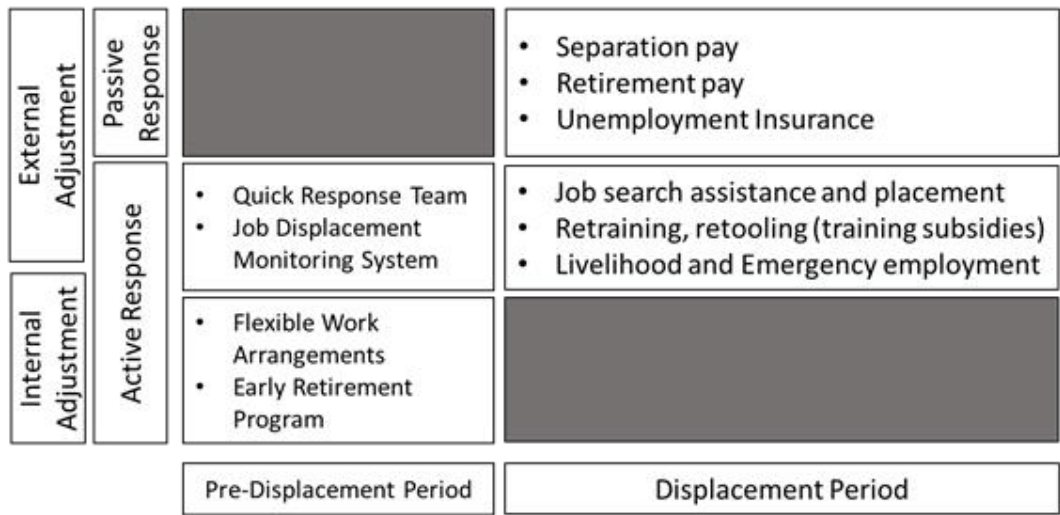
“if unemployment is primarily a response to cyclical downturn, then passive measures to ‘see workers through’ until the economy and hiring picks up is considered equitable and efficient: Sufficient assistance is provided to help displaced workers remain close to their earlier living standards while nonetheless encouraging their active search for replacement jobs. If, however, unemployment is due to major structural change and fall in demand for the unskilled, or in particular industries or regions, then measures designed to prepare displaced workers for new kinds of jobs in growing industries may be more effective (p.8).”

The introduction of an unemployment benefit system in the Philippines will pave the way toward an improved and developed passive labor market program for displaced workers. According to an ILS policy paper by Patriwirawan (2017), the integrated unemployment benefit program is an unemployment protection system that integrates, consolidates and coordinates both active and passive labor market programs for the displaced and the unemployed which includes the following components: (1) employment facilitation services such as employment and occupational counselling, career guidance, motivation and values development activities, pre-employment counseling and orientation to prospective local and overseas workers, and reintegration assistance services to returning Filipino migrant workers; (2) skills training and retooling including employability enhancement trainings, competency assessment and certification, technical vocational trainings, and free trainings through scholarship programs; (3) emergency and livelihood programs including self-employment programs offered at the provincial, city, municipal, and barangay levels, livelihood or the KABUHAYAN program, emergency employment program or Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers or the TUPAD Program; and (4) income support schemes such as separation benefits and the proposed unemployment insurance.

It is important to note that, “active labour market policies are designed to improve the employability of the displaced workers and assist them in finding a new job. [While] unemployment insurance and supplemental benefits are essential for income maintenance, but are not designed to provide sufficient assistance to workers affected by plant closures and permanent layoffs” (Evans-Klock, Kelly, et al., 1998). An integration of both active and passive responses is critical in the provision of appropriate interventions for displaced workers.

Finally, the effectiveness of both internal and external adjustments and active and passive responses is founded on how flexible the labor market system is in adopting interventions and measures. According to Evans-Klock, Kelly, et al. (1998), “employment systems may change radically if they appear inflexible and dysfunctional in the face of changing outside pressures. A good system, however, is one which can accommodate outside pressures and still preserve high levels of employment combined with perceived social equity.” It is important to closely monitor activities and data produced by the labor market and its employment systems to be able to generate or identify appropriate measures whether priority should be given to internal or external adjustments and active or passive responses. The rapid exchange of information between and among stakeholders in the labor market is a concrete determinant of the flexibility of the labor market to introduces changes in how it operates and what appropriate interventions are needed to be provided.

Figure 7. Proposed Operational Framework for Worker Displacement



In the review of existing programs and mechanisms in place for displaced workers, it is important to clearly identify what existing internal and external adjustments and active and passive responses are in place during any of the stages of unemployment or particularly displacement. Figure 7 presents a proposed operational framework for displaced workers that categorizes or puts into perspective existing programs and mechanisms and where they are in the consideration of program assessments (whether internal or external adjustments and whether active or passive responses) vis-à-vis two major stages in worker displacement namely: (1) pre-displacement period; and (displacement period).

Conclusions

In summary, this research focuses on the review of the concept on worker displacement and examines the frameworks which define the elements necessary for workers to be considered as either displaced or dislocated and the key strategies (programs or mechanisms) in place to address the adverse impacts of such displacement. The following is a recap of the objectives initially identified and the corresponding findings for each:

*Objective 1: To review existing frameworks for worker displacement through policy issuances and programs already being implemented*

The review of existing frameworks for worker displacement has sought at least seventeen policy issuances of the DOLE since 1997 relevant to the subject matter and has found varying definitions and interpretations on worker displacement. Issuances have also shown the progress and improvement in the level of understanding and conceptualization of the DOLE on worker displacement expanding definitions from initially covering economic-related disruptions to including natural or man-made and policy-related disruptions. Several programs have also been rapidly reviewed not discounting a separate TWG working at present on the detailed assessment of each programs relevant to worker displacement.

*Objective 2: To design conceptual and operational frameworks to strengthen the present initiatives for policy review on worker displacement*

Based on literature review and the issuances of the DOLE, worker displacement as a conceptual framework includes three significant elements: (1) involuntariness; (2) permanence; and (3) exogeneity or cause of termination. Worker displacement is defined as the separation of workers to their jobs or termination of the employment relationship that is involuntary on the part of the worker, with a permanent effect without assurance of re-employment to the same employer or industry, and that is not caused by the worker's job performance, work behavior and attitude, or work relations and other factors that are not attributable to the characteristics of the individual worker.

Programs and mechanisms in place must also be organized to the following types and strategies: (1) internal and external adjustments; (2) active and passive responses; and (3) employment system flexibility.

*Objective 3: To recommend measures or interventions for policy revisions*

The findings from this policy research based on reviews of existing frameworks, literatures and data are recommended to improve the measures or interventions towards revising policies and creating a comprehensive yet decent and just approach in addressing adverse impacts of worker displacement.

## **POLICY RECOMMENDATIONS**

The following are being recommended as policy actions in the revision of existing department orders relative to worker displacement:

1. Revise Department Order 85-07 (DOLE Adjustment Measures Program) to introduce the following amendments:
  - a. Provision of conceptual and operational definitions of Worker Displacement and a framework for policy review;
  - b. Strengthened provisions by (1) consolidating existing programs; (2) introducing new component-programs; and (3) expanding program coverage to include other causes of displacement for effective and efficient implementation;
  - c. Operationalization of the QRT assistance and integration of the JDMS as enabling mechanisms of the DOLE AMP; and
  - d. Adopt a policy framework that encompasses all potential workers (local and abroad) and covers an array of programs and services
2. Consolidate Administrative Orders concerning implementation of programs for displaced workers both local and abroad including operationalization of QRTs and JDMS; and
3. Conduct a Gap Analysis on ILO Convention 158 and ILO Recommendation 166 integrating conventions on employment protection, security and employment insurance (002, 044, 102, and 168)



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# Policy Analysis on the Issuance of Work Permit for Children in the Theatre Industry Based on RA 9231

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## OVERVIEW

In 1990, the Philippines ratified the United Nations Convention on the Rights of the Child (commonly abbreviated as the CRC or UNCRC), a human rights treaty which sets out the civil, political, economic, social, health, and cultural rights of children.<sup>1</sup>

Article 4 of the UNCRC, which provides for the protection of rights, states:

*“Governments have a responsibility to take all available measures to make sure children’s rights are respected, protected and fulfilled. When countries ratify the Convention, they agree to review their laws relating to children. This involves assessing their social services, legal, health and educational systems, as well as levels of funding for these services. Governments are then obliged to take all necessary steps to ensure that the minimum standards set by the Convention in these areas are being met. They must help families protect children’s rights and create an environment where they can grow and reach their potential. xx<sup>2</sup>”*

Correlative to this is the passage of two laws which aim to protect the rights of children: Republic Act 7610, known as the “Special Protection of Children Against Abuse, Exploitation and Discrimination Act”, which was passed on June 17, 1992 and its subsequent amendment under Republic Act 9231, approved into law on December 19, 2003.

As the primary policy-making, programming, coordinating and administrative entity of the Executive Branch of the government in the field of labor and employment, the Department was charged with the task of creating the Implementing Rules and Regulations (IRR) for RA 9231 to effectively implement its provisions.

Sections 2 and 3 of RA 9231 provide for the exemptions for the employment of children and prescribes social protection measures for children engaged in employment, fixing the hours of work for those who fall under the exemption.

To ensure that the Department undertakes its mandate of extending a protective and caring environment for children in all societal levels and institutional settings, Chapter 4 of DO 65-04 has set the requirements to avail of exceptions to employment prohibitions. This refers to the issuance of work permits to children upon satisfactorily meeting the requirements set by the Department.

## RESEARCH PROBLEM

The Philippines is globally known as prolific producer of world-class talent, with an abundance of renowned ‘triple-threats’, performers who can sing, act, and dance, who have, and continue to awe audiences both here and abroad.

The likes of Ms. Lea Salonga, Monique Wilson, Joanna Ampil, and Rachelle Ann Go have graced the both the West End and Broadway stages, and continue to bring honor to our country through the performing arts. What they have in common is that they started their careers performing as child actors.

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<sup>1</sup> “Convention on the Rights of the Child”. Office of the High Commissioner for Human Rights. Retrieved from: <http://www.ohchr.org/en/professionalinterest/pages/crc.aspx>

<sup>2</sup> Ibid.

The tenacity of theater forerunners such as the late Zeneida Amador and Cecile Guidote-Alvarez drove them to establish and maintain Repertory Philippines and the Philippine Educational Theater Association (PETA), two of the oldest theater companies in the Philippines who have engaged and trained child actors, most of whom have succeeded in their respective artistic careers, while others ventured into establishing and heading their own theater companies. In various interviews, these individuals have always attested to the values of discipline, teamwork, and commitment their theater training has instilled in them, especially during their formative years.

Workshops provided by local theater companies not only train children in the performing aspect but likewise allow for an alternative method of education that complements a child's academic performance. Arts learning experiences play a vital role in developing students' capacities for critical thinking, creativity, imagination, and innovation. These capacities are increasingly recognized as core skills and competencies all students need as part of a high-quality and complete 21st-century education. And, as a matter of social justice, we must be concerned when students are denied access to a high-quality education—one that includes learning in and through the arts—simply because of where they live or go to school.

With the resurgence of the local theater industry, getting its second wind from new players both locally and abroad, producers and show runners who were at one point engaged or exposed in the theater as children, have opened doors not just for actors, but also for members of the production crew as more shows are being produced. In this regard, the engagement of child actors is inevitable as there are shows where certain characters require age appropriate casting for the role.

In the local setting, matinee performances usually start at 3 o'clock in the afternoon, while evening performances usually start at 8 in the evening, with each performance averaging 2-3 hours at the most. In context, Chapter 5 of DO 65-04, which provides for the hours of work, states:

The following hours of work shall be observed for any child allowed to work under Republic Act No. 9231 and these Rules:

- (a) *For a child below 15 years of age, the hours of work shall not be more than twenty (20) hours a week, provided that the work shall not be more than four hours at any given day;*
- (b) *For a child, 15 years of age, but below 18, the hours of work shall not be more than eight hours a day, and in no case beyond 40 hours a week; and*
- (c) *No child below 15 years of age shall be allowed to work between eight o'clock in the evening and six o'clock in the morning of the following day and no child 15 years of age but below 18 shall be allowed to work between ten o'clock in the evening and six o'clock in the morning of the following day.*

*Sleeping time as well travel time of a child engaged in public entertainment or information from his/her residence to his/her workplace shall not be included as hours worked without prejudice to the application of existing rules on employees' compensation.*

Here lies the policy gap as the Department is faced with certain challenges as to issuance of Work Permits for Children (WPCs), considering that evening performances which engage child performers typically start at 8pm and end a few minutes past 10pm.

Given this, we must also take into consideration the valuable contribution of theater in a child's early development, the utmost care provided to children engaged in the Theatre Industry seeing that their working environment meet the criteria set by the Department, and that their engagement in theater continue to remain conducive to their physical, moral and psychological development.

**In essence, the research problem that needs to be addressed in the context of this study is stated as follows: “Are the working hours prescribed under RA 9231 relevant, given the nature and current realities of the Theater Industry?”**

## OBJECTIVES

The study intends to attain the following general and specific objectives:

**General:** The said study aims to assess the relevance of RA 9231 and its IRR under Department Order 65-04 relative to the prescribed working hours for children engaged in the theater industry.

### *Specific:*

- (1) To review the Department's policy and procedure for the issuance of Work Permit for Children (WPC) engaged in the theater industry, and its corresponding challenges particularly under Chapter 5, Section 15 of DO 65-04;
- (2) To identify policy gaps under RA 9231, its IRR under Department Order 65-04 and industry practices relative to the prescribed working hours for children engaged in the theater industry
- (3) To determine case data and other factors which would help in the revision of the current regulation and its subsequent application attuned to the times;
- (4) To craft policy recommendations and other options for the Department to address operational challenges, which would help in crafting legislation in aid of bridging policy gaps with respect to the issuance of work permits for children engaged in the theater industry;

Moreover, the final outcome of this endeavor is meant to be utilized as an evidence-based reference for future legislation in the sphere of social protection for child performers.

## METHODOLOGY

For this study, the researcher has employed the Qualitative Case Study approach. In Prof. Larry S. Luton's book titled “Qualitative Research Approaches for Public Administration,” he cited H. Stein's definition of a case study as:

“...a narrative of the events that constitute or lead to a decision or group of related decision by a public administrator or group of public administrators. Some account is given of the numerous personal, legal, institutional, political, economic and other factors that surround the process of decision but there is no attempt to assert absolute causal relationships.” (1952, p. xxvii)<sup>3</sup>

Since case studies may be done on a variety of occurrences, such as events, activities, social issues, process, individuals and organizations, etc., Prof. Luton also cites R.K. Yin's definition that aids in

<sup>3</sup> Luton, Larry. *Qualitative Research Approaches for Public Administration*. New York, 2010. Taylor and Francis.

exploring the contemporary character of these occurrences:

“A case study is an empirical inquiry that:

- Investigates a contemporary phenomenon within its real-life context when
- The boundaries between phenomenon and context are not closely evident, and in which
- Multiple sources of evidence are used.” (1989, p.23)<sup>4</sup>

This particular research approach addresses the real-life aspect and implication of the current challenges faced by the Philippine Theater Community, as well as that of the policy makers and implementers.

## SCOPE AND LIMITATION

The study primarily focused on all the professional theater companies in the Philippines, most of whom are members of Philstage, an umbrella organization of professional performing arts companies in the Philippines. Presently the members include: 9Works Theatrical, Actor's Actors Inc. Ballet Manila, Ballet Philippines, Full House Theatrical Company (FHTC Entertainment & Productions Inc.), the production outfit of Resorts World Manila (RWM)), Gantimpala Theater Foundation, Philippine Educational Theater Association (PETA), Philippine Ballet Theater, Philippine Opera Company, Repertory Philippines, Red Turnip, Stages, Tanghalang Pilipino and Trumpets.

Since all of these companies are mainly based in Manila, the researcher limited the study to the National Capital Region and sought supporting data on WCPs through inquiries made through the DOLE – NCR Regional Office, who coordinated with the other DOLE Field Offices, namely: CAMANAVA FO (Caloocan, Malabon, Navotas, Valenzuela), MAKATI and PASAY FO, MANILA FO, MUNTAPARLAS FO (Muntinlupa, Taguig, Paranaque, Las Pinas), PAPAMAMARISAN FO (Pasig, Pateros, Mandaluyong, Marikina, San Juan), and QUEZON CITY FO.

## REVIEW OF RELATED LITERATURE

### The Effects of Theatre Education<sup>5</sup>

Students involved in drama performance coursework or experience outscored non-arts students on the 2005 SAT by an average of 65 points in the verbal component and 34 points in the math component<sup>6</sup>. Drama activities improve reading comprehension, and both verbal and non-verbal communication skills. Drama helps to improve school attendance and reduce high school dropout rates<sup>7</sup>. A 2005 Harris Poll revealed that 93% of the public believes that arts, including theatre, are vital to a well-rounded education<sup>8</sup>. Drama can improve skills and academic performance in children and youth with learning disabilities.

### Drama Improves Academic Performance

Numerous studies have demonstrated a correlation between drama involvement and academic achievement. In addition to having higher standardized test scores than their peers who do not experience the arts. Students who participate in drama often experience improved reading comprehension, maintain better attendance records, and stay generally more engaged in school than their non-arts counterparts. Schools with arts-integrated programs, even in low-income areas, report high academic achievement.

<sup>4</sup> Ibid.

<sup>5</sup> Web reference: <http://www.aate.com/benefits-of-theatre-ed>

<sup>6</sup> Data for these reports were gathered by the Student Descriptive Questionnaire, a self-reported component of the SAT that gathers information about students' academic preparation, and reported by the College Entrance Examination Board. A table of average scores for arts involved students can be found at: <http://www.menc.org/information/advocate/sat.html>

<sup>7</sup> N. Barry, J. Taylor, and Kwall, "The Role of the Fine and Performing Arts in High School Dropout Prevention," Critical Links: Learning in the Arts and Student Achievement and Social Development, ed. Richard Deasy (Washington, DC: Arts Education Partnership, 2002) 74-75

<sup>8</sup> Sandra S. Ruppert and the National Assembly of State Arts Agencies, Critical Evidence: How the Arts Benefit Student Achievement (Washington, DC: National Assembly of State Arts Agencies and the Arts Education Partnership, 2006) 5.

## **Drama Students Outperform Non-Arts Peers on SAT Tests**

The College Entrance Examination Board reported student scores from 2001, 2002, 2004, and 2005 using data from the Student Description Questionnaire indicating student involvement in various activities, including the arts. As compared to their peers with no arts coursework or involvement: students involved in drama performance scored an average of 65.5 points higher on the verbal component and 35.5 points higher in the math component of the SAT; students who took courses in drama study or appreciation scored, on average, 55 points higher on verbal and 26 points higher on math than their non-arts classmates. In 2005, students involved in drama performance outscored the national average SAT score by 35 points on the verbal portion and 24 points on the math section.

## **Attendance**

Research indicates that involvement in the arts increases student engagement and encourages consistent attendance, and that drop-out rates correlate with student levels of involvement in the arts.

- Notably, students considered to be at high risk for dropping out of high school cite drama and other arts classes as their motivations for staying in school. Further, students who participate in the arts are 3 times more likely to win an award for school attendance than those who do not.

## **Reading Comprehension**

From learning to read to the in-depth study of Shakespearean literature, drama can play a significant role in the continual development of students' reading comprehension skills. Studies indicate that not only do the performance of a story and a number of other drama activities in the classroom contribute to a student's understanding of the work performed, but these experiences also help them to develop a better understanding of other works and of language and expression in general. The results below were gleaned from studies where educators and students alike noticed a difference when drama played a part in their classrooms,

A series of studies on the arts and education revealed a consistent causal link between performing texts in the classroom and the improvement of a variety of verbal skills, including especially significant increases in story recall and understanding of written material. Performance of Shakespeare texts helps to improve students' understanding of other complex texts including science and math material. Drama can improve reading skills and comprehension better than other activities, including discussion.

## **Building Self-Esteem Through Drama**

In addition to building social and communication skills overall, involvement in drama courses and performance has been shown to improve students' self-esteem as well as their confidence in their academic abilities. High school students who are highly involved in drama demonstrate an elevated self-concept over those who are not involved. Playwriting original works and dramatic presentation of existing works can help to build the self-esteem and communication skills of high school students. The act of performing can help students and youth recognize their potential for success and improve their confidence.

## **Bridging the Achievement Gap**

Since the implementation of the "No Child Left Behind Act," there has been a national focus on closing the "achievement gap" between students of varying abilities, socioeconomic status, and geographies among other factors that may directly or indirectly affect a student's academic success. The arts, including drama, address this issue by catering to different styles of learning, and engaging students who might not otherwise take significant interest in academics. Additionally, research indicates that drama courses and performance have a particularly positive effect on at-risk youth and students with learning disabilities.

A study published in “Champions of Change” (1999) cites theatre arts, including performance, classes, and participation in a drama club, as a source for “gains in reading proficiency, gains in self-concept and motivation, and higher levels of empathy and tolerance towards others” among youth of low socio-economic status. Drama activities can improve and help to maintain social and language skills of students with learning disabilities and remedial readers. Improvisational drama contributes to improved reading achievement and attitude in disadvantaged students.

### **Public Opinion on the Importance of Drama**

What does the average American think of drama? The statistics from the studies below show that most of the public feels the performing arts play a significant role in our culture and communities and are important to America’s youth. In 2002, the Performing Arts Research Coalition (PARC) conducted surveys in 10 major metropolitan areas regarding the role of Performing Arts in their lives and communities. They discovered that at least 90 percent of respondents from each metropolitan area agreed or strongly agreed that the performing arts contribute to the education and development of children. More than 60 percent of respondents in each location who had children aged 13 and older strongly agreed that the performing arts contribute to the education and development of children. On average, just over half of respondents had attended a live theatre performance in the past year. According to surveys in all 10 cities, live theatre is the most commonly attended type of performance. According to a May 2005 Harris Poll :

- 93 percent of Americans believe that the arts are essential to a complete education
- 79 percent feel that the arts should be a priority in education reform
- 79 percent consider the issues facing arts education to be significant enough to merit their personally taking action.

### **The Positive Impact of Theatre Education on Kids**

There are plenty of studies that show that the arts are an important part of boosting performance in all areas of life, including academics, yet these are the first programs that are cut from most schools. Unfortunately, all the benefits seem to get swept under the rug and forgotten, especially with all of the technological advances we have experienced.

Although we continue to embrace new technologies, holding on to the arts in all its forms, is vital in creating well rounded, confident and creative people. Einstein once said, “Imagination is more important than knowledge,” which, when you think about it, is truer than ever before. To see how true it is, all you have to do is go onto the internet or download a new app to help you make something in your life easier. None of it would have been possible without imagination and creativity.

Theatre training has so many benefits, especially for kids who are still trying to find a place in the world and figure out who they are and what gifts they have to share. Not convinced? Here are 7 ways that theatre is beneficial for kids:

1. Sparks Imagination – Creating new ideas, updating old ideas and interpreting them into something new takes creative energy and imagination;
2. Builds Focus – Reading scripts and plays and practicing and performing them takes concentration and focus which transfers to all other areas of life, including school and sports;
3. Improves Memory – In order to play a part, you need to know your lines. The process of learning the words and movements for the stage increase our ability to strengthen and use the memory muscle;



4. Enhance Communication skills – Working with others increases both verbal and nonverbal communication. When working on a play or show, you learn to articulate and project your voice, as well as to listen and observe;
5. Empathy – Whenever you play a part, you are, in a sense, putting yourself in someone else's shoes. You take on their thoughts, feelings, behaviors and viewpoints which helps you to understand them and their situation more clearly;
6. Have Fun – Part of the process of creating includes learning and trying out ideas which often leads to humor, and laughter;
7. Builds Self Confidence – Learning lines, studying characters, practicing and performing all help to build character and confidence. The student learns to trust their own instincts, ideas and abilities which they take to all aspects of their lives including school, jobs, relationships and challenges;

Theatre training, as well as all of the arts, encourages engagement and learning and has a positive impact on emotional, physical and social development. Kids who participate in theatre programs enjoy the many benefits it offers and will take those skills throughout their lives, making them more creative, confident and productive individuals. But the best part of getting involved in a theatre program is that you meet great people who have similar interests. And it doesn't hurt that it's fun.

## **Data Gathering**

The empirical nature of this study is conducted by employing qualitative interview approaches through a series of interviews over course of 45 days with nearly 100 Key Informants in the Theater Industry such as producers, directors, teachers, choreographers, child actors and their parents, members of the academe, a developmental child specialist, a legal expert in children's rights, as well as those tasked with policy implementation of the law.

The researcher used two sets of guide questions: 1. For Key Informants; and 2. For Child Performers. These guide questions served as the instruments in eliciting information from the respondents which enabled the researcher to better understand their point of view, as well as gain an insider's perspective on the multiple-facets of the current situation from the main stakeholders.

Guide questions (included as part of the Annex) were grouped into domains for better assimilation and analysis of responses, as such:

### **For Key Informants:**

- I. Interviewee Profile
- II. Policy Framework/Challenges
- III. Nature of the Industry/Work
- IV. Working Conditions/Occupational Safety and Health
- V. Implications to Education
- VI. Role of Producers, Directors, Parents and Guardians
- VII. Recommendations

### **For Child Performers:**

- I. Interviewee Profile
- II. Nature of the Industry/Work
- III. Working Conditions/Occupational Safety and Health
- IV. Implications to Education

- V. Impact on Future Career choice
- VI. Role of Producers, Directors, Parents and Guardians
- VII. Recommendations

Collective responses to the questions posed will be discussed in succeeding sections of this study.

Likewise, the researcher also took lengths to gather transcripts of the Interpellations, Committee and Technical Meetings, and their respective reports from the Senate and Congressional Archives to provide an insight as to what is the real intent of the legislators, particularly with regard to the limitations imposed following an amendment to RA 7610.

In the same vein, the said reports also reveal legitimate concerns which were not properly addressed from those that made recommendations upon the passage of RA 9231 to its current form. These could be treated as gaps in the law, which the policy makers and implementers are duty bound to fill-in given the evolution of times since RA 9231's enactment in 2003.

### **Theater in the Philippines**

Unbeknownst to many, professional theater groups have been in existence in the country for more than 50 years, with its foundations laid by theater forerunners such as the late Zeneida Amador and Cecile Guidote-Alvarez. Their drive to uphold the standards and discipline of craft, together with their passion to train and see the Filipino artist as force to reckon with, led them to establish and maintain Repertory Philippines and the Philippine Educational Theater Association (PETA), two of the oldest theater companies in the Philippines. Rep and PETA have engaged and trained child actors, such as the likes of Lea Salonga, Monique Wilson, Menchu Lauchengco-Yulo, and a host of other actors, most of whom have succeeded in their respective artistic careers, whereas others ventured into establishing and heading their own theater companies.

In the Philippines, the Cultural Center of the Philippines' Directory for Performing Arts Groups lists 74 theater, 45 music, and 57 dance groups. Of the 176 groups, only 3 percent are formed and operated independently by an assembly of collaborating artists, whereas 90 percent are established by Colleges and Universities, as well as Local Government Units (LGUs) to serve as a training ground for their students, and constituents, by mounting paid performances as a channel for them to showcase their talent in various disciplines, as well as a platform for them to participate in international competitions representing the Philippines.

Almost all of these groups are denominated as non-profit organizations which charge audiences for ticket prices at front-of-house for the purpose of recouping the production and operational cost, which in turn will fund succeeding productions of the company. Between the 74 theater and 57 dance groups, there are 9 groups (3 professional ballet and 6 professional theater companies) which are members of PHILSTAGE, or the Philippine Legitimate Stage Artists Group, an organization established in 1997 and exists to propagate, protect and unite the professional performing arts industry of the country.

Other members of PHILSTAGE not included in the list but have established themselves as major players in the local theater scene, existing for more than a decade, include 9 Works Theatrical, Actors Actors Inc., Full House Theatrical Company or FHTC Entertainment and Productions, Inc. (the Entertainment Arm of Resorts World Manila), Musical Theater Philippines or MUSICAT, Philippine Opera Company, Red Turnip Theater and Stages Production.

Other theater companies not included in the list, but are considered as key players in the local theater industry include Atlantis Theatrical Entertainment, and Lunchbox Theatrical Entertainment, which

has staged contemporary productions from Broadway and the West End, with a roster of theatre/film/television/recording talents.

### **Planning the Season**

A 'theatrical season' or 'season' is defined as a period of the year marked by special events or activities in some field or that period within a year when theater companies showcase productions that they will be staging during such time.

In the Philippines, professional theater companies usually start their seasons from August to April of the following year, though some companies showcase commercial performances all year round. The start of the season is marked by: the staging of either a famous musical or straight play, re-staging of a classic piece (contemporary or otherwise), or by producing the premiere of an original work or a local premiere of a West-End or Broadway show for local audiences.

Companies with a regular season would usually have 3-4 shows lined-up, with each show having an average run of 10-20 performances spanning 2-3 weekends. One of these may be a limited re-staging of a recently produced show to give way to the clamor of the theater going public who were not able to catch the initial run.

Local ballet companies would have an average of 5-10 performances per season, with each show having at least a 5-show run. In contrast, smaller theater companies would produce at least one show for the season. This all depends on working through budgetary constraints of putting on a show.

Producer respondents of the study said that it generally takes almost two years in advance to plan the season. The initial part of the process includes scouting for new material, researching shows which are currently running on Broadway in New York City or the West-End in London, reading scripts, acquiring the necessary copyright and performances licenses, securing and pooling resources for funding, assimilating of budget estimates and constraints, searching for rehearsal and performance venues that would fit the conditions attached to the licensing agreement, conducting a market and audience study, assembling the creative and technical team, conducting auditions and casting of the actors, drafting and signing of performance contracts, and acquisition of the necessary permits and insurance coverage for all members of the cast and crew prior to the start of Day 1 of rehearsals.

The second part involves the day to day rigors of mounting the production. This leg involves a three-part phase: Rehearsals, Technical Dress Rehearsals and Previews, and Performance proper.

### **The Rehearsal Process**

The production team starts off with the setting of the rehearsal schedule. In the Philippines, a musical would involve a two-month daily rehearsal prior to its show date, whereas a straight play would require a month-long daily rehearsal before the show opens to the public. The span of time covering the rehearsal may vary depending on whether the material is an original work which will be staged for the first-time to local audiences. The technical complexity required for the staging of the show is also another factor to be considered.

This is a crucial part of the process as this involves juggling the schedules of all the people involved in the production, from day one of the rehearsal until the show closes its theatrical run. Having a clearly laid-out rehearsal schedule ahead of time sets everyone's expectations and will ease headaches and reduce conflict clashes, smoothing the overall process.

In the case where a child actor is cast for a specific role, the production takes into great consideration the school schedule of the child. Theater companies also conduct an orientation for the parents of the child actors, explaining to them the nuances of the industry, and what to expect during the entire process.

Once the contracts are executed, and schedules are fixed, copies of the script, or the book together with the musical/vocal scores, as well as the working rehearsal schedules are given in advance to all members of the production. Day one of the rehearsal process begins with a company meeting where all the artistic and technical members of the show are present.

After introductions are made, the company does a “read-through” of the entire material. A “read-through” or “table read” is an organized reading of the script or the book is where the spoken parts are read aloud in character by the actors.

Thereafter, the director proceeds to explaining his vision for the production. Other production related concerns, including the schedule are discussed by the production or stage manager. The former also serves as the primary contact by all the actors and parents. They also oversee and coordinate the flow of the entire process, making sure that everything is followed according to schedule.

If the material to be performed is a musical, the first part of the schedule is dedicated for music rehearsals for the company members to learn the songs with the musical director.

The 4-8 limit under RA 9231 also poses a problem as the show nears its opening since a “sitzprobe” may usually run past 8pm. Sitzprobe is a German term used in opera and musical theatre to describe a seated rehearsal, the literal translation of sitzprobe (to sit and probe), where the singers sing with the orchestra, focusing attention on integrating the two groups. It is often the first rehearsal where the orchestra and the cast members sing together, other than their daily rehearsals with the company répétiteur or rehearsal pianist, who is usually the MD or musical director.

Blocking the show comes next, which involves the precise staging of the actors within the performance area, making sure that they move in perfect harmony with each other.

Once the music is learned and the blocking completed, choreography rehearsals follow for the actors to learn the dance steps for musical numbers of the show. The choreographer assigns a dance captain to learn the steps and lead their co-actors during rehearsals.

The rehearsal process is further also broken down into scenes belonging to Act I and Act II, which is specifically noted in the rehearsal schedule.

Costume fittings and costume runs are also incorporated in the rehearsal schedule, where actors need time to be measured and fitted into their costumes, do a costume parade and rehearse in their costumes, (so they know if they have any problems, like an impossibly fast change or restricted movement due to the costume).

In cases where the material is a straight play, music and choreography rehearsals are done away with and the rehearsal involves blocking the show per scene, per act. As mentioned earlier, a run-through will be conducted for both parts, then of the entire show.

### **Employing the “Cover System”**

Another factor that is considered in forming the rehearsal schedule is the number of children involved in the production. In cases where the show is headlined by child actors or those that require at least

3 kids playing different roles such as in shows like “Matilda”, “Annie”, “The King and I”, “Oliver”, “The Lion King”, “A Christmas Carol”, “Fun Home”, “Chitty-Chitty Bang-Bang”, et al., child actors whether home schooled or attending regular school, usually rehearse together and in accordance with the specific group they belong to since almost all theater companies employ the “alternate/cover system” similar to all theater companies in the Broadway and in the West-End.

The alternate/cover system refers to double casting a specific role or roles when two actors are both cast in the same role, and take turns playing the role during alternating performances.

It is different than casting an understudy. An understudy means that the actor also has another, smaller role or is part of the chorus, and can cover for one or more (usually bigger) role and only performs when the actor in the role is away or ill. In a double-cast role, both actors are equally suited to playing the role. They share the responsibility that the role entails, while bringing their own subtle nuances to the performance.

A stand-by plays no role other than “standing by” in case the person they are standing by for cannot perform.

Swing is a person who, at any given time and at any performance, can appear in whatever role is needed. He/she usually understudies chorus parts.

Ballet presents a different nuance since it purely involves the technicalities of the movement, whether classic or contemporary ballet, and the performance material usually consists of three acts. This is to give time for the dancers to rest in between the dance segments. They usually rehearse in the afternoon but classes are conducted in the morning for their company members and “scholars”. Ballet scholars are given to the exceptional students enrolled in the ballet companies’ schools, as well as to provide financial aid for deserving artists and performers who are interested in dance. These scholars are provided training for classical ballet students from the age of 10 up. The cover system is also employed by ballet companies for their principal dancers, particularly when the show involves young dancers.

One outstanding standard of theater is its adherence to a precise time. A respondent child actor shared that he was taught this saying by Ms. Lea Salonga, “Early is on time, on time is late, and late is unacceptable”. From this alone, children at a young age are taught the value professionalism by always being on time as this shows respect for others’ time, which is just as important as one’s own. That said, rehearsals and shows always start on time. There is no waiting unlike in movie and television sets, where the actors arrive early for call and wait a substantial amount of time until the set-up is ready before they “grind” or roll the cameras for the take.

Another peculiarity of the theater industry during the rehearsal proper is the practice of doing warm-ups. It is necessary for all actors to prepare their bodies before muscles are stressed during the run, hence warming-up is a must to avoid any possible strain or injury. Though some companies expect their actors to arrive to rehearsals already warmed up, most companies working on musical productions include vocalization, stretching exercises, and short jazz or tap dance routines as part of their warm-up during rehearsal hours in which the entire company participates. Theater rehearsals also include theater games or improvisational activities which form part of the warm up. These exercises aim to sustain focus, create character, and foster teamwork and camaraderie with the company since they will be working together for a substantial amount of time.

Rehearsal schedules average 4-6 hours a day, 6 days a week, commonly with Sunday as the designated rest-day. The rehearsals start between 10am-4pm and ending between 8pm-10pm. There is a 45min-1

hour dinner break and 10 minute water breaks in between. Child actors may be scheduled to rehearse for a much shorter time.

Responses from producers and parents also show that if the child actor is not needed for a particular rehearsal or no longer needed for the rest of the rehearsal schedule, they are allowed to go home earlier than the rest of the adult cast members.

In interviews conducted with producers, and child actors together with their parents, findings show that rehearsals are usually scheduled in the afternoon so as not to get in the way of a child's class hours. The case may vary if the child actor who's cast is home-schooled, in which case they may rehearse earlier than usual.

The researcher also learned from the child actors themselves that they are allowed to come in at a later time after school hours since the production or stage manager provides a time allowance for their travel from school to the rehearsal venue. They also mentioned that there are times where they need not be present every day for rehearsals since their alternates are the ones who are on for that day.

If in case the rehearsal schedule coincides with an important class activity such as an exam, the parents usually inform the production or stage manager of this at least 3 days before the said date in order for them to make the necessary adjustments.

Bobby Garcia, Artistic Director of Atlantis Theatrical Entertainment has shared a mentoring concept which he developed for the company's shows such as "Fun Home" and "Matilda", headlined by mostly by children. Adult cast members are assigned to learn the parts for child actors and in turn they will teach and mentor the child actor. They also serve as covers whenever the child actor is not present during rehearsals.

Mr. Garcia notes that this has also been proven effective in exceptional cases when rehearsals may run longer than the usual or would most probably run past 8pm as the nears its opening date, the mentor takes over and takes the director's notes at the end of the rehearsal and gives them to the child actor the following day. Garcia relates that this gives him the flexibility of continuing the entire process without having to sacrifice the child's welfare and also as means to work around the 8:00 pm restriction imposed by the law.

Ms. Joy Virata, Repertory Philippines' Vice President for Audience Development, Associate Artistic Director, and Founder and Artistic Director of the Repertory Theater for Young Audiences, shared that during auditions they have now resorted to primarily casting child actors who are home- schooled so as to give them flexibility to schedule rehearsals at an earlier time without sacrificing the production by maximizing the 4 hour/ 8pm limit set by the statute for child actors under 15 years old.

Once the director has already 'cleaned' all the scenes, they then proceed to doing a complete run of either Act I or Act II, as scheduled.

After all the artistic elements are completed, the rehearsal schedule would now be taking a turn for the "run-through" of the entire performance, first of entire Act I, then Act II. At this point the show is almost complete and would be about two weeks from opening.

### **The Technical Dress Rehearsal**

While rehearsals are on-going, other aspects of the production are also being worked in parallel. This involves the mixing of ambient music, sound effects and mic plotting, designing and building of the set design of the visual effects, props, costumes, ingress, set-up, and rigging of the actual set, furniture,

lights, curtains, and other key pieces which need to be attached to the fly system, and plotting of the stage lights.

These technical elements are integral to the production as they altogether establish the place, time period and the mood of the show for the audience. These altogether raise viewing experience for the audience for them to immerse themselves in the world of theater, and in a manner of saying “get lost in a trance” during the entire show.

The technical dress rehearsal, otherwise known as the ‘TDR’, “Dress Tech”, or “Tech Week” is undoubtedly the most important part of the entire process as it pieces and fuses together the artistic and technical aspects of the show.

The TDRs are usually scheduled later in the day as the set-up alone takes an entire day starting from ingress of the set and equipment from 12mn onwards.

Ideally, the TDR should be scheduled for an entire week ending with the press preview before the show opens to the public on the scheduled playdates. But due mostly to economic reasons, TDRs are limited to at least 3 days, at most 4 as the producers and directors would now have to take into consideration the rental cost of the theater which could go from a negotiated rate of 45,000 pesos/night to as high as 80,000/night, with a 10pm cut-off. These rates do not yet include the cost of additional rented equipment for lights, sounds and special effects which are brought into the theater, as well as overtime pay for the theater’s in-house technical staff.

Hence, the crew must complete the set-up before the cast arrives in the theater in time for them to do the run. Above everything else, the safety of everyone is the foremost consideration during the TDR. The Technical Director, together with the Stage Manager ensures that all equipment are safely rigged in their places, and the sets are sturdily built to sustain any weight to avoid any mishap.

The cast members are not allowed onstage until the technical team makes sure that the set is given an ‘all clear’. However, given the bulk of the workload and the limited amount of time, the technical set-up must give way to the rehearsals scheduled for that afternoon until evening, meaning whatever work completed close to the rehearsal time without having to sacrifice the safety the company members, shall be completed until after the rehearsal has been completed for that day.

Thus, unlike the usual rehearsals, the TDRs are, in a manner of saying, more complicated. The company is still called based on the rehearsal schedule, if possible and necessary, some actors are called earlier so that technical changes could be explained and give ample time for the actor to make adjustments required by his character before the rehearsals start.

Day 1 of the TDR usually involves a “stop-and-go” or “cue-to-cue” run of the production. A cue (theatrical) -to-cue is when the sound and lights are run with certain parts of scenes within the production. Usually a scene will start with the first few lines and then skip to the lines and staged blocking for the next cue. This whole process can take many hours, and though it is beneficial for all aspects of production, it can become very tedious. They have been known to run long hours, mainly due to multiple runs of the show within the tech.

TDRs involve stage adjustments from plotting lights according to the actors’ exact positions onstage, choreographing entrances and exits to and from the stage with the set, navigating the wings and backstage to make sure that they don’t get in the way of their fellow actors, taking into consideration costume quick-changes that may happen in the wings, more importantly making it on time for their cue.



Another factor that would come into play and a major point of consideration during this important time is the technical complexity of the show which would utilize bigger props and moving set pieces. Not only are these aspects essential but they also add to the grandeur of the show which hooks the audience to suspend disbelief. Some scenes may have minor blocking adjustments to serve practical and aesthetic purposes.

All these would have to be done since the usual rehearsal venue is different from the place of performance where the sets and lights are already put into place. Mock ups of the moving set pieces may be utilized during the daily rehearsal but modifications would have to be made in order to run the show flawlessly.

That being said, there is inevitable wait since the run might be paused in order to fine-tune the scenes being worked on. The wait-time prior to a child actor's cue is likewise not wasted since they would do their homework or reading assignments in between.

In most cases, the scenes involving the kids are adjusted first so that in the event the TDR may end late, they would be finished with the rehearsal and would be sent home. Director's notes for the kids will be relayed to them by the stage manager or the mentor on the next scheduled rehearsal.

In case where there are two sets of (three in case of leads) child actors, both groups will be called during Day 1 of the TDR so that all of them will be there to let them know of the adjustments that may happen. One group will be running for that particular rehearsal while the other group will be at the audience observing their alternates. In certain cases time permitting, one group will be running a cue-to-cue of Act I, and another group will be performing a cue-to-cue of Act II.

However, in cases where the cue-to-cues have already been dealt with, a continuous run of the entire show, complete with lights, sounds, costumes, and make-up, will take place for Days 2 to 4 of the TDR, with the child actor or group alternating the role/s. Day 5 would usually be the start of previews where there will already be audiences in the theater to watch the performance.

Previews are a set of public performances of a theatrical presentation that precede its official opening. The purpose of previews is to allow the director and crew to identify problems and opportunities for improvement that weren't found during rehearsals and to make adjustments before critics are invited to attend.

The number of preview performances mainly depend on the material and the budget attached to the production. If the material has been recently staged, TDRs are a must especially when there are new members of the cast but the production may do away with the preview or just have a press preview the night preceding their opening.

Cognizance for Theater Economics is now in order, as shows with the wider budget range may allow for several preview performances before its actual opening. The cost of theater and equipment rental on a daily basis is the same cost as that of one show.

A longer preview is ideal and preferred but this would mean greater cost for putting on a show. Hence, longer hours are spent inside the theater during the TDR in order to accomplish everything that needs to be done given the limited amount of time. In which case, a TDR may stretch from 6 hours to 8 hours with breaks in between, and this goes without saying that no time is wasted during this period.

In the Philippines, where the reality of sourcing funding grants or subsidy for the arts is an uphill battle fought to this very day, budgetary constraints leave the producers, company, artistic and technical team to work with precision within the 3-4 days covering the TDR in order for them to open by Friday of the same

week. Most TDRs end exactly by 10pm and companies adhere to this since any time in excess would mean extra payment for the venue as well as overtime for the in-house technical crew.

The production managers from Tanghalang Pilipino, a resident company of the Cultural Center of the Philippines headed by Artistic Director Fernando Cruz Josef, shares that even if they are provided with a performance venue by the CCP, they only stay in the designated venue until 10 pm and no later than that because they will be charged not only for the overtime pay of the technical crew but also for rental of the venue to cover the electricity charges and relative other costs.

They add that the funding that they get from the government is definitely not enough. The said funding amounts to only 1 million pesos for the entire year to fund at least 5 productions and cover for overhead costs, thus they resort to looking for grants elsewhere to continuously mount their productions, pay the company of actors that they nurture, and defray other expenses. Given this limitation, they cannot afford to shoulder any additional costs.

Responses from parents reveal that producers are very much mindful of the time that they keep the kids, trying their best not to go beyond 8pm. However, they also disclose that there were one or two instances where they were asked if it was alright for them to stay a few minutes past 8pm in order for the production to complete scenes that needed some ironing out since the show will open in two days and that time was of the essence. Child actor respondents disclose that the latest they stayed for the TDR was a little before 9pm and that only happened once. Almost all of the time they would be asked to leave

Almost all parents agree provided that their children would also be amenable. One parent remarked that it is incumbent upon them to see whether the conditions and the overall environment of their child will not pose any harm nor danger to them before they grant their consent. They also take into account rest hours of their children, such as whether their child is already tired or whether they have a big day tomorrow in school.

Mr. Josef notes that not all their productions would involve child actors. In cases where they have a child actor/s as part of the cast, they make sure that they don't keep them late. He shared an instance wherein they offered to house one of their child actors in the company residence where some staff members of Tanghalang Pilipino stay, which is close to CCP. He relates that the child's family lives in the outskirts of Metro Manila and that they have no personal vehicle for transport. Since it was a little past 9pm then, they deemed it more safe and practical to let the child stay so that he and his family will also not be burdened by having to travel again from their home to CCP. The care of the child was entrusted to the production manager who is also designated as the child minder to look after the welfare of the child during the production.

## Opening Night and Run

“Bit by bit, putting it together...  
Piece by piece, only way to make a work of art.  
Every moment makes a contribution,  
Every little detail plays a part.  
Having just the vision's no solution,  
Everything depends on execution,  
Putting it together, that's what counts.”

— Stephen Sondheim, *Sunday in the Park With George*

Opening Night is perhaps the culmination of all years, months, weeks, and days' hard work spent in preparation for a show in its entirety to be performed before a live audience.

In the entire process of putting together a show, this phase is perhaps the easiest because by this time, the show is already a well-oiled machine with all entire technical and artistic routine held down pat.

Save for some nerves which all members of the production experience, this part of the artistic process is still subject to the intricacies of planning to make sure that the show runs without a hitch, after all, there are no "Take 2's" in live theater unlike in the movies or in TV.

As part of this process, evidence shows the need for a 2-3 hour call time before "curtain". This is to give the performers and the production time to prepare for the show.

This time is essential because it is utilized by the performers to do company exercises such as vocalization, warm-up and stretching, short theater games.

For a musical, a good one hour is usually spent putting on their lapels to do a mic check with the technical crew, and sing a number together with the rest of the company just to make sure that there is no feedback and that the sound levels are mixed well. Prep time is also used to put on their make-up and costume, the length of which will vary depending on the complexity of the show, and the character that the actor will be playing.

Likewise, last minute stage notes from the TDR or from shows following the opening night are given to the actors as reminder. A short company call is conducted at least half an hour before curtain for the company to pray and give words of encouragement.

"Open house" refers to the 30 minutes preceding curtain time by which the audience is now allowed to go inside the theater, is also denominated as "quiet time" for all the performers which they use to browse their scripts, do pre-show rituals, et. al, as these activities help them focus to get into character.

As for show times, performances are usually held on weekends from Friday to Sunday. Saturday and Sunday performances would have matinees or afternoon performances which would have a show time start of 2 or 3pm.

Friday and Saturday evening performances would usually start at 8pm, which is about the same curtain time for shows abroad. This is because the primary audience are adults who are only able to attend such shows, either with friends, family members and their children only after school and office hours.

Considering the worsening traffic situation in the country, a show cannot feasibly start earlier than 8pm as this will not give enough time for all the performers, including children and their parents, as well as the production crew enough time to prepare as they will either be coming from school, or from other jobs. Moreover, this scenario will likely result to a depletion of the audience market. Another possible consequence would be the increased frequency of latecomers, who despite earnest efforts to make it on time are defeated by the traffic situation, and the conceivable worse case is that no one would come and watch the shows simple because it starts too early and that it won't fit most audiences' schedules.

Given the nature of the theater/performing arts show hours, a show would run for a minimum of 1 hour (ballets, straight plays) to a maximum of three hours (full musicals). There would be a 15 to 20 minute intermission which would allow the cast to rest and as maybe necessary, change into their costumes for the second act.

To reiterate, casting child performers is not made out of whim, rather this is driven by the material, which deems that a role of child is essential to the story that is being told.

A child actor does not necessarily have to be onstage for the entire run of the show as their stage time is defined by the role that they are playing. The child actor playing a lead role such as in shows like “Annie”, “Oliver”, “The King and I”, “The Sound of Music”, “Billy Elliot” and “Matilda”, as required by the material, considerably spends more time onstage as opposed to a performer who is part of the ensemble.

A show which runs for the above mentioned length of time would usually end between 10 to 11pm at the latest. Based on interviews and average the length of musicals, no show ends past 11pm including the “curtain call”. The “Curtain Call” (often known as a walk-down or a final bow) occurs at the end of a performance when individuals return to the stage to be recognized by the audience for their performance. In musical theatre, the performers typically recognize the orchestra and its conductor at the end of the curtain call. The curtain call or bows would usually run between 5-10 minutes and is included as part of the shows run time as this is timed to the shows music.

Responses from child performers show that all of them look forward to having their bows on stage. More than any part of the show, the child performers say that this is their reward for all the hard work that they put in to perform and be part of a show. This public recognition exemplified by the audiences’ applause during the curtain call is a symbol that their sacrifices and efforts finally paid off. Parents attest that other than their personal feelings of pride for the achievements of their child, what amazes them is the fact that generally, most children engaged in theater handle this kind of recognition very well in such a manner that child performers continue to remain level headed and act as normal kids without letting any notion of fame get into their system. They share that theater kids continue with their regular routine of attending school, and keep up with activities which are appropriate for their age. An underlying fact that parents disclose is that child performers are noticeably more confident and goal-oriented primarily due to the sense of achievement that experienced for themselves first-hand.

After the show, cast members would customarily greet friends and family who watched the performance after which they would pack their immediate belongings and leave the theater.

### **Working Conditions of Children Engaged in the Theater Industry**

As for the working conditions of children engaged in the theater industry, not only has the industry complied but they have also exceeded the minimum standards set by the law. Separate dressing and comfort rooms are provided for child performers, with the boys separated from the girls. Food is also provided by some producers, taking into consideration the production budget.

Unlike on location shows done for movie and TV, theater and performing arts shows are conducted indoors in various venues around NCR, and these venues are usually found inside facilities where other enterprises are also housed. Given this, security is a top notch consideration for all members of the production, particularly for child actors. Security checks are done before one gets inside the building and several other security checks are done before one gets inside the theater. Production IDs are given to designated members of the production as well as to parents and guardians. All theater companies strictly implement a “No ID, No Entry policy” backstage.

Full House Theater Company’s Position Paper to the DOLE, outlines the following conditions currently exercised by them, which during the course of the interviews conducted are also practiced by the other theater companies who are members of PhilStage:

## **Safety and Security of the Children**

1. All rehearsals and shows are held indoors where security and theater personnel, CCTV cameras operated by highly-trained personnel from the Surveillance Department, and child assistant managers are always present to ensure the safety and security of the children at all times.
2. It has always been a strict policy that at least 1 parent/guardian must be present in all rehearsals and performances, and they are given production ID's to allow them unlimited access to the backstage where the dressing rooms are located in order to assist the children during meal time. They are also allowed to stay at the green room, which is also located backstage and equipped with monitor/s, where they can watch their children rehearse and perform. If need be, they are also allowed to go inside the dressing rooms.
3. A full time Assistant Stage Manager is assigned to the children and the services of professional dressers and costume assistants are also engaged to help dress up the children. Licensed and properly trained physicians, nurses, emergency responders are on call for any emergencies, with an estimated response time of a maximum of 2 minutes for urgent medical concerns and maximum of 5 minutes for non-threatening situations.
4. There is also a clinic facility inside the premises and at least two (2) ambulances on standby.
5. All the children are covered by insurance in case of accidents by Prudential Guarantee and Assurance, Inc.
6. The performing stage area is sanitized before every performance.

## **Rest, Food and Ample Space for the Children**

1. The children have their own dressing rooms (separate for male and female equipped with their own comfort rooms (unlimited supply of tissue paper, hand sanitizers, paper towels), so that they need not get out of the dressing rooms unnecessarily. Parents and guardians are allowed access to these dressing rooms, if necessary.
2. The designated dressing rooms are sanitized regularly.
3. Sufficient couches and seats are provided in dressing rooms where children may rest or spend leisure time during break periods.
4. Full meals are provided to the children (packed individually with utensils) per show and during rehearsals with unlimited supply of bottled mineral water. 30-minute meal break periods are also allocated during rehearsals, and both lunch and dinner are served during matinee and evening performances.

## **Education Of The Children**

1. It has always been a strict policy that the studies and school activities of the children always take precedence over theater rehearsals and shows. This has been repeatedly emphasized to the children and their parents during orientation.
2. The children are not allowed to be absent from school just because there are promotional activities or rehearsals. Both the parents and the children know that school is still the top priority and if the children cannot keep up with school, the theater production would be compelled to replace them.

3. The production staff always discusses the grades of the children with their parents, especially after report cards are released by their school. Actually, there has been an increasing trend nowadays that the children who joined Resorts World Manila's shows like "Annie The Musical" even got higher grades because, according to the children, they got more inspired and determined to work harder in school to keep their roles in the theater shows.
4. The children and the parents are also allowed to access and use a conference room near the rehearsal studio where they can do their school assignments and tutorial sessions.

### **Compensation of the Children**

1. All child performers are given highly competitive rehearsal fees per day.
2. The performance rates of the children are the same as adult actors, based on the scope of their participation in the theater play.

### **Effect of Theater Training and Education on Children and the continuing role Directors, Producers and Parents play**

An article entitled "Why Children's Theater Matters" written by Daniel Wood in 1 June 2014 best summarizes how theatre productions play an important role in a child's tender years, viz:

*"No one would argue the importance of literacy or fractions, but study after study has shown that the arts are more than fluff. longitudinal data of 25,000 students involved in the arts, conducted at UCLA's Graduate School of Education by Dr. James Catterall, shows that consistent participation greatly improves academic performance and significantly bumps up standardized test scores. Students who make time for the arts are also more involved in community service, and less likely to drop out of school.*

*And we're not just talking about upper middle-class kids. These facts remain, regardless of a child's socio-economic background.*

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Theater also connects to the importance of reading. A play has the ability to jump a story of the page and bring it to life. This can be a revelation to regular bookworms, but also a real boon to reluctant readers. "Part of it is that what's happening on stage is very similar, in a way, to the play acting and role playing all children do. It's live, and good plays are just a little bit 'incomplete,' if you will-they need the audience to complete them, and they change slightly with the audience. Films, of course, are static," says Kim Peter Kovac, President of Theatre for Young Audiences/USA (TYA/USA), a national organization for professional children's theaters.

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Brosius says there are definite advantages to starting young. If you inspire a love of theater early on, there's a better chance that your child will develop creative gifts, and maintain a lifelong appreciation for the performing arts. 'Kids brains are being hardwired and parents can help spark those neural pathways of creativity,' he says."

Based on personal experience, and the testimonies of directors, producers, and parents, child actors who have been given the opportunity to showcase their talents in various professional productions,

they have witnessed the significant progress and development of all the young artists who have participated since Day 1 of the auditions until their last bow onstage.

Directors, producers and members of the production staff transcend their roles and become mentors and second parents to these young artists, by deftly contributing and enhancing a child's mental and emotional progress and development, inculcating important life lessons learned on and off stage through the characters that they play. Moreover, training and professional participation in the theater and performing arts develops empathy which ripens into compassion, and molding children early on with these distinct traits enables these child actors the benefit of "Life Skills Training", which sustains an individual far more in life, doubly complementing the academic training a child receives in school.

Mr. Rito Asilo, M.D., Entertainment Editor of the Philippine Daily Inquirer, long-time theater actor, workshop teacher, playwright and director stresses why performing is best for a child's education:

*"It [teaching workshops] was very fulfilling and they're character forming for kids, the whole experience of teaching kids and adults. They're character forming because you also see how the training changes them from one person to another, you see how the experience motivates them also."*

*"Performing opens up their minds, it allows them to imagine things that a normal upbringing would never be able to give them. It transports them to different worlds and that makes them accomplish things that the normal child would never be able to accomplish. It allows kids to know their strengths and weaknesses as a person."*

Mr. Michael Williams, Artistic Director of Full House Theater Company succinctly puts this into context:

*"Half my heart wants the industry to be a viable, vibrant, solid, secure industry, so I want it flourish. And on the other hand, I have a teacher's nature and I can see where those kids will not have the benefit of a full experience if that law isn't adjusted or accommodated to the real world, practical experience of theater. Sayang."*

Mr. Williams further adds:

*"Theater is not just an art but an advocacy that improves the citizenry of the country."*

## **POLICY RECOMMENDATIONS**

### **1. Allow/Grant WCPs for Children Engaged in the Theater Industry, exemption as to the 8pm cut-off for TDRs and performances pending amendment**

In July 1992, Republic Act No. 7610 (Special Protection for Child Abuse, Exploitation and Discrimination Act) was signed into law providing for stronger deterrence and special protection for child abuse. In November 1993, RA 7658 was enacted to prohibit the employment of children below 15 years of age in accordance with the country's concurrence of ILO Convention No. 138 on June 4, 1998. Following the country's ratification of ILO on No. 182 defining the Worst Form of Child Labor, Congress enacted RA 9231 in 2003, amending RA 7610, which seeks to eliminate the worst forms of child labor and afford stronger protection for the working child.



It was clear, based on archival records that during the Technical Working Group sessions, Committee Hearings, as well as during the interpolations in the Senate and the House of Representatives that the peculiarities of the theater/performing arts industries were *not* considered. The theater/performing arts industry, with a distinct and separate personality and a class of its own, was obviously over looked and instantaneously lumped with other forms of entertainment in mass media such as the movie and the television industry.

Neither was there any consultation with either or any of the proponents and those involved in the entertainment or theater/performing arts industry. This was despite efforts from some members of the technical working group, particularly former ILS members to pursue further research studies to ascertain, and provide a venue for discussion to our external stakeholders for them to express their distinct concerns.

ILS researchers, as well as some policy makers from the then Bureau of Women and Young Workers, expressed then that failure to conduct the necessary study, much less provide a venue for discussion to external stakeholders, particularly those engaged in permitted child work would lead to gaps in the law that would restrict rather than aid in the development of the child. Such is the challenge that has been posed to the policy makers and implementers that require immediate action, since it has almost been 15 years since the law came into fruition.

Likewise, further research and scrutiny of the proceedings indicate that the main thrust of the discussions in accordance with the passage of the legislation was to eliminate the worst forms of child labor— across all industries and provide acceptable and agreeable safeguards with respect to permitted child work, particularly for the movie and television industry, mainly due to its demand driven nature and the unpredictability of its working hours, such as the an individual's time spent on set which could extend into the wee hours of the morning and other working conditions relative thereto.

Also, the fact that the income derived by a child from being an actor in these forms of mass media, could be susceptible to abuse is something that was considered. Income from the movie and television industry would range from an average of three thousand pesos per day on set to as high as millions depending on the scope of the child actor's contract.

The amount of money involved, as well as the heady promise of catching that elusive “break” to acquire fame could be a potent recipe for abuse by scrupulous agents, talent mangers, and in some unfortunate circumstances, by some parents and guardians who instead of having to work to earn the family upkeep, drive and volunteer their unsuspecting children from one engagement to another all the while thinking that this will be for the future of the child's career.

However, the education, discipline, training and developmental nature of theater and its effect on children were clearly overlooked. There was absolutely no mention or consideration for the theater/performing arts when the law was passed. It was clustered together with these other forms of mass media, considering that they were merely considered as forms of “entertainment”.

Sections 14-16, Art. XI of the 1897 Constitution provides:

*Section 14. The State shall foster the preservation, enrichment, and dynamic evolution of a Filipino national culture based on the principle of unity in diversity in a climate of free artistic and intellectual expression.*

*Section 15. Arts and letters shall enjoy the patronage of the State. The State shall conserve, promote, and popularize the nation's historical and cultural heritage and resources, as well as artistic creations.*

*Section 16. All the country's artistic and historic wealth constitutes the cultural treasure of the nation and shall be under the protection of the State which may regulate its disposition.*

Part of the country's resources are its people. The enrichment of these resources should be fostered, nurtured, advocated and celebrated at a young age. To unduly limit the proliferation of these young talents in honing their craft, particularly in the realm of theater and performing arts under the guise of a regulatory measure, enacted without the requisite study to prove that the evils sought to be prevented outweigh the positive norm, would only result to an imbalance of rights as against the persons directly affected by the situation.

This is an unlikely situation, the consequence of which is manifest inequality to all stakeholders in the industry, and an important issue that the Constitution has provided safeguards for under the Bill of Rights.

Section 1, Article III which is the 1987 Constitution provides:

*"No person shall be deprived of life, liberty, or property without due process of law, nor shall any person be denied the equal protection of the laws."*

Equality guaranteed under the equal protection clause is equality under the same conditions and among persons similarly situated; it is equality among equals, not similarity of treatment of persons who are classified based on substantial differences in relation to the object to be accomplished. When things or persons are different in fact or circumstance, they may be treated in law differently.

Verily, jurisprudence as provided in the case of *Victoriano v. Elizalde Rope Workers' Union*

*"The guaranty of equal protection of the laws is not a guaranty of equality in the application of the laws upon all citizens of the [S]tate. It is not, therefore, a requirement, in order to avoid the constitutional prohibition against inequality, that every man, woman and child should be affected alike by a statute. Equality of operation of statutes does not mean indiscriminate operation on persons merely as such, but on persons according to the circumstances surrounding them. It guarantees equality, not identity of rights. The Constitution does not require that things which are different in fact be treated in law as though they were the same. The equal protection clause does not forbid discrimination as to things that are different. It does not prohibit legislation which is limited either in the object to which it is directed or by the territory within which it is to operate."*

*The equal protection of the laws clause of the Constitution allows classification. Classification in law, as in the other departments of knowledge or practice, is the grouping of things in speculation or practice because they agree with one another in certain particulars. A law is not invalid because of simple inequality. The very idea of classification is that of inequality, so that it goes without saying that the mere fact of inequality in no manner determines the matter of constitutionality. All that is required of a valid classification is that it be reasonable, which means that the classification should be based on substantial distinctions which make for real differences, that it must be germane to the purpose of the law; that it must not be limited to existing conditions only; and that it must apply equally to each member of the class. This Court has held that the standard is satisfied if the classification or distinction is based on a reasonable foundation or rational basis and is not palpably arbitrary.*

*In the exercise of its power to make classifications for the purpose of enacting laws over matters within its jurisdiction, the state is recognized as enjoying a wide range of discretion. It is not necessary that the classification be based on scientific or marked differences of things or in their relation. Neither is it necessary that the classification be made with mathematical nicety. Hence, legislative classification may in many cases properly rest on narrow distinctions, for the equal protection guaranty does not preclude the legislature from recognizing degrees of evil or harm, and legislation is addressed to evils as they may appear.” (emphasis supplied)*

More so, the main intent of the legislation by its framers was to eliminate the worst forms of child labor, and regulate permitted child work. The legislative intent borders on preventing any untoward abuse as against the rights of the child and not altogether prevent the child from honing their craft in the performing arts.

Had the law intended the strict prohibition for children not to participate in theater, then they would have specifically said so and Section 12 of RA 9231 which provides for permitted child work upon satisfaction of the certain requirements, would not exist. But referencing the intent of the framers, the limitations apply specifically to the movie and television industry.

The intent of the law is to protect, if the other limitations will be applied except for the time limit as to the evening performances, then there is still substantial compliance with the law. The number of performance hours should not exceed the prescribed number of hours per week. The law will not impose something that is impossible. Had the intention of the law been to exclude children from the performing arts, then it should have said so squarely.

If we apply the limitation to theater, then it becomes impossible. Then no permit should be issued because it squarely limits a child's participation in the performing arts. But then again, the law does not impose an impossible obligation. The intention of the law is to protect and not limit. Likewise, corollary construed with the other laws, the intent is to provide and support alternatives modes of education and training that would contribute to the development of the child.

The law is put in place to regulate permitted child work and not limit or restrict the same altogether. If we apply the list of limitations squarely to the permissible industries, then performing in theatre makes it impossible altogether. Is that the intention of the law? The researcher submits that this is not the intent of the law.

Ironically however, the strict imposition of the law without discernment as to the nuances of the theater and performing arts industry, leads to undue prohibition rather than regulation which is clearly not the intent of the framers.

The spirit of the law precedes its words. The words must be subservient to the intent and not the intent to the words. In fine, there is a gap that was not foreseen by the framers which must be filled in by the executive through the DOLE, the agency tasked with the implementation of the law.

In the case of *Chua v. Civil Service Commission*, the Supreme Court ruled:

*“No statute can be enacted that can provide all the details involved in its application. There is always an omission that may not meet a particular situation. What is thought, at the time of enactment, to be an all-embracing legislation may be inadequate to provide for the unfolding of events of the future. So-called gaps in the law develop as the law is enforced. One of the rules of statutory construction used to fill-in the gap is the doctrine of necessary implication. The doctrine states that what is implied in a statute is as much a part thereof as that which is expressed. Every statute is understood, by implication, to contain all such provisions as may be necessary to effectuate its*

*object and purpose, or to make effective rights, powers, privileges or jurisdiction which it grants, including all such collateral and subsidiary consequences as may be fairly and logically inferred from its terms. Ex necessitate legis. And every statutory grant of power, right or privilege is deemed to include all incidental power, right or privilege. This is so because the greater includes the lesser, expressed in the maxim, in eo plus sit, semper inest et minus. (emphasis supplied)*

From the necessity of the law, another thing that should be considered is that the Secretary of Labor and Employment, anent his rule-making authority provided under Article 5 of the Labor Code, may fill in these gaps in legislation. The filling-in of these gaps does not preclude substantial compliance with the acquisition of the necessary WCPs. The compulsion for this allowance spring from the substantial classification between theater and the performing arts from other forms of mass media.

We must not apply squarely the totality of the limitations to all areas because these areas are different. They have substantial distinction, that's why the application of WCPs for those engaged in the movie and television industry cannot apply on equal footing with the limitations for the theater industry.

However, we do not surrender to the general limitation of acquiring a working permit for children precisely because there is one limitation that is not at all applicable to the said industry. It is not say that we are circumventing the law. The grant and allowance of the WCPs for the theater industry is not an ultra vires act because the main argument is that this particular regulation is not at all applicable to the theater industry in the first place.

Hence, strengthening the enforcement Section 25 of the Implementing Rules and Regulations of RA 9231 under Department Order 65-04 justifies the previous issuances of WCPs for children engaged in the theater/performing arts.

Section 25 of DO 54-04 provides:

**SECTION 25. Industry Guidelines and Self-Policing Mechanisms** – *The Department may issue appropriate industry-specific guidelines, taking into account the peculiar circumstances of each industry, upon consultation with concerned sectors.*

*Establishments with at least 200 workers or those with certified collective bargaining agreements (CBAs) shall be encouraged to adopt a self-assessment mode pursuant to Section 1(a) of Department Order No. 57-04, series of 2004 (Labor Standards Enforcement Framework).*

*Employers, workers and their organizations, professional organizations or business federations are encouraged to establish or adopt mechanisms to monitor their ranks and take corrective action against erring members. The Department shall provide technical assistance in setting up such mechanisms.*

Notwithstanding the unfortunate oversight of an industry which has been existing for three decades at the time the law was passed, the Congress is not expected to encapsulate everything in one law. The element of time affects the law in its content, relevancy and application. Hence, the regulatory power of the Secretary is called in to fill in this gap and carry out the intent of the legislature. And this is precisely the idea behind Section 25 of the IRR.

The researcher highly recommends that we should encourage the use of the self-policing mechanism under Sec. 25 of the IRR taking into account the peculiar circumstances of the industry. There is wisdom in the inclusion of this very important proviso and this is to allow the Secretary of Labor and Employment, in the exercise of his quasi-legislative powers, the

required regulatory power to execute and implement the law in accordance with the nature and peculiarities of the industry involved.

There is no other exemption being asked for only that the industry asks for the recognition of its performance hours since that is the very nature and peculiarity of the industry. These hours are very important since they provide professional theater training hours to children who would someday soon bring glory to our country in the field of performing arts.

Rather than strictly construing the letter of the law, we would be better at implementing it by taking into consideration the factual circumstances surrounding the environment the child is engaged in. We should encourage the use of the self-policing mechanism under Sec. 25 of the IRR taking into account the peculiar circumstances of the industry, and in the case of the theater industry, the positive benefits clearly outweigh any negative perception whatsoever.

As one parent respondent, who was also engaged in both theater and television before aptly puts:

*“As a child actor you need to give them those hours. I’m all for it actually as long as my child does not fail her subjects. Performing arts and theater is a different craft. This is something that really moves you. We eat, breathe, and sleep and drink heart. This is not like movies and television where it is all money. It does not even matter how much I earn from this thing. This one has no equal value in terms of monetary gain only life gain. The moment you limited one’s engagement in his craft to only 4 hours it’s like saying your life is only good for 4 hours, and life is so much more than 4 hours. You cannot put a time limit on art.”*

## **2. Emulate Best Practices of other Theater Companies**

### **a. Child Protection Policy PETA**

One of the 2017 recipients for the Ramon Magsaysay Awards, the Philippine Educational Theater Association (PETA) was recognized for empowering communities for development through theater arts.

PETA’s Special Programs Unit undertakes specific advocacies, ranging from women’s and children’s rights and the plight of domestic and overseas workers, to environmental protection, reproductive health, and electoral reform.

Worthy of mention is one of PETA’s programs dubbed as the “Advocate Right to Safety Zone for Children Project” (ARTS ZONE Project). This is creative campaign that promotes children’s rights to safety and protection from any form of violence and abuse. It specifically promotes positive discipline as an alternative to corporal punishment. It aspires to ensure a child’s positive growth and active participation towards reaching his/her full potential.

Since its launch in 2009, the project has forged partnerships with schools, barangays, NGOs, church-based ministries, and community organizations. Its various programs and activities have been implemented in the most populated cities of Metro Manila, namely Caloocan, Makati, Manila, Pasig, and Quezon City; as well as in Cainta, Las Piñas, Valenzuela, Osamis, Albay, and Dumaguete.

Through creative workshops, performances, and a strategic popularization campaign, PETA uses the power of the arts to provide dialogue and generate awareness of the prevalent practice of inflicting violence on Filipino children and the value of shifting towards positive discipline. By working with both children and adults, PETA hopes to help in the transformation of

society beginning with stopping children's experiences of violence and providing a platform to advocate for a safe and nurturing environment for Filipino children—in our homes, schools, and communities. The project is supported by Terre des Homes Germany, and the Federal Ministry for Economic Cooperation and Development (BMZ).

The program is led by PETA artist-teacher Marichu Belarmino-Cariño who formerly served as the program director of the PETA Children's Theater Program (CTP).

One their best practices is the publication of PETA's Child Protection Policy (attached as part of the Annex), which exemplifies the company's effort to put into writing its principles and policies in working and dealing with children. This is the institution's way of heightening its United Nations Convention on the Rights of a Child (UNCRC) advocacy within and outside the institution by creating a mechanism by which it can monitor and checks its ways, and processes and methods of work in dealing with and among children.

The document is divided into 5 sections which are as follows:

Section 1: Declaration of PETA's commitment and organizational principles I relation to child protection

Section 2: Definition of Terms – Child; Child protection issues or concerns

Section 3: Code of Conduct

Section 4: Guidelines on specific organizational activities

Section 5: Guidelines on organization assessment/ review of policy, implementing and monitoring and evaluating the policy

PETA's program directors ensure that all members of its organization and productions, as well as parents of child actors and workshop students are made aware of this policy and impose adherence to their child protection policy, living up to their enshrined vision of making Philippine Theater a 'Child Safe Space' for everyone.

#### **b. Child Safe Code of Atlantis Entertainment**

Atty. Dan S. De Padua, President of Ten Bridges Media Corporation shared Atlantis' Theatrical Entertainment Group's Child Safe Code which provides an essential list of Do's and Don'ts with respect to all interactions concerning children. This child safe code is made part of every one's contract with the company and must be observed at all time.

The same document is also an individual statement by all who are involved in any Atlantis production that they are personally responsible for promoting the safety and well-being of children and young people in their workplace.

### **3. Institutionalization of a Parent-Child Pre-Production Orientation, together with the Cover System for Child Actors in the Theater Industry based on guidelines set and agreed upon by the Industry**

In all interviews conducted in the course of this research, the key informants, both minors and adults were asked if they would be amenable to enter into a workable set of guidelines to be adhered to in partnership with the DOLE for the purpose of clarifying the notion of child performance in theater with respect to RA 9231, provide protection measures for all child performers, and utilize theater as an alternative channel to for child development. The responses went from sweeping "Absolutely" to resounding "Yes" from everyone.

The positive singularity of the response from those who form part of the theater/performing arts community is but a yearning for them to be heard, and recognized as community. A societal force



that is adept at what they do best and would very much like the policy makers to understand that they all are working towards the same purpose of protecting and promoting the rights of a child, as well become an integral bastion acknowledged for developing talented Filipino youth.

Christine Manalang, Executive Producer of Ultimate Entertainment for Resorts World Manila shows shared that they always conduct an orientation for all parents and children prior to the start of the rehearsals to appraise everyone involved of their rights as well as what to expect during the course of the production. She also adds that this is a venue for them to ensure that the children would be well taken-cared of and treated with utmost respect.

As discussed in previous chapter, the cover system is something that all producers and theater companies adhere to. Since this is an industry practice, it would be best to institutionalize this as part of the guidelines set by the industry together with the DOLE which must be adhered whenever there is a need to engage child performers.

#### **4. Contract Review by DOLE FOs**

##### **a. As suggested by Atty. Klarise Ann C. Estorninos, Director of Adhikain Para Sa Karapatang Pambata (AKAP) Child Rights Desk of the Ateneo Human Rights Center**

AKAP is the Child Rights Desk of the Ateneo Human Rights Center established in 1993. In harmony with the Filipino term “akap,” which means “to embrace,” the AKAP desk embraces all children and advocates for the promotion and protection of their rights. It is one of the first law groups in the country to specialize in this area of human rights advocacy.

AKAP envisions child-caring societies that respect and uphold the rights and dignity of all children: where every child lives life to the fullest, participates in nation-building, and is protected from all forms of abuse, exploitation, and discrimination.

AKAP has been at the forefront of advocating for children’s rights legislation. In an interview conducted with AKAP Director Atty. Klarise Ann C. Estorninos, she shared that they have never handled any complaint nor case involving any form of abuse of a child engaged in theater. If at all, the cases they handle involve minors engaged in child labor in the informal sector or complaint reports from some parents and concerned citizens about children engaged in the entertainment industry, particularly that of TV.

She also added that based on personal observations from colleagues who are also engaged in the theater industry, she views theater as something more than mere entertainment since there is an intrinsic artistic value attached to the craft. Atty. Estorninos likewise added that one way to safeguard the rights of a child in permitted child work is to conduct a contract review for each WCP application. This would provide an extra layer of review for the implementers to ensure that working conditions and adherence to all policies of the DOLE in relation to RA 9231 are met.

##### **b. Contracts provide for a designated Child Minder (aka “Child Wrangler”) chaperone or tutor as may be necessary**

In contracts shared in confidence by theater companies we have interviewed, as well as a random review of the several contracts we have come across with during visit to various field offices, most contracts for children engaged in the theater industry provide for the designation of a child minder (aka “child wrangler”), whose main job is to care for a child working on a show and look out for his or her general well-being. They also make sure that



they help child actors by helping them develop their sense of professional responsibility by teaching them how to properly interact with adult co-actors and make sure that they would not miss their cue during the show.

In the United States and in the UK, child minders are registered and accredited with their respective social services agencies who likewise conduct inspections and evaluate monitoring reports necessary for licensing purposes.

In the Philippines, most theater companies employ a child minder for their productions especially those that involve children. Some companies who may not have the same budget as the other companies, designate a deputy or an assistant stage manager to look after the kids backstage. The policy makers should sit down and discuss acceptable standards as to what should be the minimum requirements that must be included in a child actor's contract.

Contracts should not just be perfunctory attachments to the WCP applications but they should instead be reviewed by those who grant WCPs as a risk assessment measure to ensure the safety of the child.

## **5. Accreditation of Talent Handlers for minor actors**

The researcher highly recommends the accreditation of Talent Handlers and Talent Coordinators (TCs) who supply child actors to various production outfits subject to guidelines which will be laid down and agreed to by policy makers and external stakeholders. In certain cases, they also represent child actors as evidenced by talent management contracts, where the TCs provide engagements and other projects to the child actors for a fee, the going rate of which is at 30% of the child's total earnings.

*Though in the local theater industry, the practice of having talent coordinators engage child actors is almost non-existent since this is something that is more prevalent in the movie, television, and advertising industry.* In theater and the performing arts, there is the requisite audition before casting all characters of a show.

Considering the highest standards upheld for the craft, one must have undergone a workshop or training to prepare for the role. And purely as a matter of fact, without having to come off as an elitist, an auditionee must have visible and discernable talent in the key disciplines of performance art such as singing, acting, and dancing.

This is unlike the movies and television where they can just put out a cattle call for child talents, who would be part of a crowd scene or cast someone onsite just because they fit the bill in the looks department or that they would already suffice as screen bodies just to get the required scene shot and completed.

In the case of the advertising industry, a series of Video Tape Recordings (VTRs) are conducted and they cast a child who would best fit the branding profile of the product to be endorsed. The client will have the final approval for whoever will be cast from among those who went to the VTR.

This recommendation is borne out of responses from parents and child actors who were also engaged by the movie, television, and advertising industry as talents. They unanimously said that of all the projects, their child was very happy with and was well taken care of in the theater industry. Though the pay was not as significant as in the other industries who have bigger budgets

due to its consumable nature, they said that it was in the theater where their child's skills were honed and professionalized.

Ms. Arlene Maghanoy, mother of Alvin Maghanoy, aged 9, who recently appeared onstage in 9Works Theatrical's "Himala - The Musical" relates:

*"Nung bago kami, wala kaming DOLE nun, pinakaunang salang nya, hindi naman nasususnod yung 4 hours. Yung kay Philip Salvador 'yun, sa Magpakailanman, 8am kami nandun pero lam na kami natapos. Nakakuha naman kami ng DOLE pero nahuli lang. Mag 5 years old s'ya nun. Matagal bago siya isalang, nakatulog na lang s'ya dun sa set tapos ginising sya nung kasama naming na PA, mga alas-dose ng madaling araw 'yun. Yung shooting po sa Boso-Boso, sa Antipolo."*

*"Pagkatapos namin nun mag-seminar, kasi nung una hindi namin alam na apat na oras na lang, kaya nung mga sumunod na labas nya, kinakausap namin at sinasabi namin uwi na kami kasi tapos na po yung apat na oras."*

She concedes that it is really her child Alvin who wants to pursue his dream of being an actor. When she tells her son that they have been staying up due to his commitments and that they would want to rest, he would cry to them and say:

*"Gusto ko maging artista, bakit ayaw n'yo akong suportahan."*

When asked whether he prefers theater or tv/film, Alvin has this to say:

*"Mas gusto ko po yung theater kasi sa TV napupuyat ako dun, saka yung TV po di kop o lam mangyayari sa sususnod na scene eh. Sa theater alam na po kasi ini-explain agad."*

When they were starting in showbiz, Alvin had a handler who would ask them to show-up on "go-sees" and he gets picked. He would go home with 2 thousand pesos net from his three thousand a day talent fee for being part of the crowd. The handler who referred them the job, will get one thousand or 30% of the gross fee for that day.

Given that, Arlene decided that she would be the one to workshop her own child instead of the handlers. She would throw lines with her son using his old scripts from previous TV outings and give specific cues, particularly for emotional scenes which would require Alvin to cry. She currently manages Alvin's career as she would now directly coordinate with the casting agents or directors whenever there is a role which requires a child actor, and in effect gets to choose which projects would be best for her son.

The researcher was also told in confidence that there are certain personalities that are able to acquire WCPs from the DOLE on dubious considerations. Another thing that the researcher gathered was that there are certain chat rooms on social media channels such as Facebook, where there talent coordinators post on-the-day calls for tapings or shoots for movie and television programs requiring child actors.

The researcher conducted some sleuthing and was able to gain access to one of these message boards. The threads, though seemingly harmless would reveal an entirely different facet that is worth scrutiny and possible regulation by the DOLE. Parents would post photos of their children together with a mobile phone number for them to be reached at by the talent handler, it appearing that they are advertising their child for possible casting engagements. Threads would also reveal

that certain parents would cozy up to the talent handler in order for their child to be cast by the talent coordinator.

Talent handlers would also post messages about immediate castings that need to be filled-out, even without the requisite DOLE issued WCP, saying that they will just acquire one the following day and modify the days of the taping or shooting, thereby circumventing policies that regulate such untoward practices.

During interviews, parents also intimated that they were encouraged to have their children undergo workshops conducted by talent handlers in their homes with about 20-40 children at a time. Thereafter, these children would be sent to TV network tapings and other “go-sees” as they were referred by talent managers who already have existing connections with the networks’ in-house talent coordinators. There have also been several instances where production assistants would bargain with parents to allow their children to stay for just a few hours more or so just so they could complete the shoot. Several parents and handlers unfortunately agree and consent to this practice commonly known as the “*extend oras – extra bayad TF*” system, which could be construed as forced child work and a blatant violation of what the law seeks to prohibit.

The DOLE should consider regulating these practices as talent handlers earn their keep from sourcing engagements for these child actors. Credentials should be presented that they are aware and compliant with child safe policies, as well as have a discernable background, expertise and experience in conducting “workshops” for child actors. There might be a possibility of abuse given the sincerest of intentions since we cannot discern the true intent of the parents, handlers and talent coordinators.

#### **6. Recognize “child-friendly space” for accreditation**

DOLE could recognize and certify theater and performing arts companies’ rehearsal and performance spaces as “child-friendly spaces” which would guarantee and provide alternative modes of education and recreation, which would also serve as a space for protection and well-being of children and their caregivers.

This could be an effective advocacy tool for the DOLE to partner with these companies and channel their enjoined commitment to uphold and respect the rights of the child. Such an acknowledgement would also highlight the company’s compliance with the requisite standard for engaging children.

#### **7. Additional LLCS Plantilla to conduct monitoring and inspection, may also be utilized to conduct Risk Assessment Review prior to grant of WCPs for Theater – exempting TDR, preview and performance hours (8pm).**

The researcher spoke with various focal persons in all the DOLE FOs located in the NCR. It was found that they have several uniform concerns and suggestions which need to be taken into grave consideration in order for the DOLE to effectively perform its mandate of implementing permitted child work policies. These are as follows:

- a. Focal persons who accept and evaluate WCPs are also utilized for other engagements such as SPES, TUPAD, SENa, et al. hence they cannot fully focus on conducting the requisite monitoring to ensure compliance for those who have been issued WCPs;
- b. DOLE FO Directors designate LLCOs to conduct the monitoring since they would be recognized as coming from the Department and not the same person with whom WCPs were applied with. However, considering the number of LLCOs as against the number of

establishments that they need to meet the daily quota for, manpower resources are not enough to cover on site monitoring thus placing the required inspection as a second priority;

- c. Likewise, considering the peculiarity of the theater and performing arts industry, wherein most shows are scheduled in the evening, assessments conducted in the morning would have already consumed the inspectors' physical resources to continue the conduct of inspection during these hours;
- d. All DOLE NCR FO Directors, as well as their focal persons who have conducted inspections and have been exposed to the nuances of the industry, uniformly agree that applications for WCPs for the theater and performing arts industry should be granted. Having seen first-hand the outstanding and professional nature of the industry, they have observed that they are the most compliant and have impeccable working conditions as opposed to the movie and television industry. They have also observed that children are treated professionally and have the close-in support of their parents and the entire production.

Their only concern is that they need a written communication or order from Senior Officials recognizing this peculiarity that would allow the necessity of engaging child actors in the theater and performing arts industries and grant them performance rights and privileges after substantial compliance with the requirements set for acquiring WCPs, likewise ensuring adherence to strict guidelines imposing agreed upon standards tailored for the industry that must be followed;

- e. DOLE FOs concede that they are in dire need of the requisite manpower to conduct these inspections and they would only send inspectors if they have received any reports or complaints, which from a policy implementation point of view, is an after-the-fact action that could have been prevented and immediately addressed before hand;
- f. Another thing that the policy makers should consider is the conduct of Risk Assessment Review, a policy approach that is a standard in Australia, US and the UK which partakes of a positive preventive approach to ensure that the will be fully protected for the entire duration of his/her engagement. Once the set standards are met, then WCPs shall be issued accordingly.

**8. Standardize and clarify acceptable requirements for the application of WCPs across all FOs (bank cert, statement of account, med cert., precise engagement schedules)**

It would be best to revisit and recalibrate the requirements necessary and acceptable to assess the acceptable documentary forms provided for in the IRR that need to be submitted by applicants when applying for WCPs.

The researcher strongly suggests that precise rehearsal and engagement schedules be submitted by all who apply for WCPs across all industries. The theater and performing arts industries have been very compliant with this practice and follow the same religiously. Research shows that there are WCP applicants who place a blanket period for the shooting or taping schedules and provide 4 hour working periods scheduled before 8pm however the same is not followed.

There have been instances where LLCOs would go on location to conduct surprise inspections but ironically they were the one's surprised since they would be told that the shoot has either been moved to another location or have wrapped-up a few days ago, unfortunately during dates outside the scope of period indicated in the WCP.

**9. Require DOLE Field Offices to backtrack, create and manage an electronic database of all WCPs issued (2010-present) with the data disaggregated as such:**

- a. per industry (ie: Movie, TV, Commercials (Print/TV), Theater/Performing Arts, et al.),
- b. per grantee (child actor), and
- c. per applicant (parent, guardian, employer, talent agencies) profile (age, sex, for child actors w/n home schooled or attending regular school, income of both the grantee and the applicant, et al.)

This would be of great help to the FO focal persons, policy researchers, makers and implementers as they would have an efficient, easily manageable and accessible system by which they can track and filter WCPs from which they can cull historical data which would be very helpful in providing relevant data for current and future policy formulation.

10. **For the Committee of Labor and Employment to conduct an inquiry in aid of legislation to introduce legislative measures for the possible amendments to the current statute in support of pending bills in Congress and in the Senate relative to this study.**
11. **Amendment of RA 9231 for clarification and expansion of scope and limitations as to performing hours.**

To date, RA 9231 has been in effect for 15 years yet the gaps identified redound to the nuances and distinct peculiarities of the theater and performing arts industry which have existed for long before the law came into fruition.

In other countries where there is a high concentration of children engaged in the theater and performing arts industries, policy makers conduct policy effectiveness reviews every 3 years to assess the relevance of the current legislation vis-à-vis the realities surrounding the stakeholders who are directly affected by the law. This has allowed them to fine tune existing regulatory policies which are industry specific.

In Australia, US and the UK, acceptable hours of work or engagement of children in the entertainment, theater and performing arts, and sports have been classified according to live vs. non-live performances, total hours on set vs. actual hours of work incorporating necessary break times, permitted hours during school and non-school days, and further segregated into appropriate age groups.

Records show that during consultations done in the early 2000s, policy researchers from the ILS have already suggested this particular classification for permitted hours of work, particularly for weekends and other days when there is no school or class the following day. As a matter of convenience, this suggestion was not heeded and the current legislation denominating the 4 hour/8pm limitation was borne out of dividing the regular 8 hour per day/ 40hr per week for adults into two.

It is high time that a legislative inquiry be set to amend archaic and non-realistic provisions of current laws to clarify and expand existing provisions which are appropriate for all stakeholders at this day and age. Proposed amendments to legislation, as well as newly introduced bills must be based on evidence-based researches which will provide the legislators with both a micro and macro lens of the country's artistic community, particularly the youth engaged in this craft.

As of current there have been 2 House Bills (HB 5274 – introduced by Rep. Christopher P. De Venecia and HB 2448 by Rep. Artur C. Yap) for the 17th Congress and 1 Senate Bill (SB 2758 introduced by Sen. Grace Poe) filed during the 16th Congress uniformly denominated as the “Artists Welfare and Protection Act,” which seeks to provide security benefits to all artists and

recognize them as working professionals entitled to all rights and privileges enjoyed by any employed individual. The HBs filed for this congress are now at the committee hearing level.

Though there is no legislation yet introduced amending and expanding RA 9231, likewise considering the length time before a law could be passed depending on its level of priority, this should not in any way hinder the Department from effectively crafting balanced policies well-suited to the idiosyncrasies of the theater and performing arts industry, aimed at developing and promoting young artists by allowing them to perform professionally.

**12. Conduct further research on the following areas:**

- a. Establishment and Institutionalization of Equity for Theater Actors, Stage and Production Management, and Stage Crew;
- b. Working Conditions of Production Crew in the Theater Industry;
- c. Working Conditions of Production Crew and Bit Players in the Entertainment Industry (Movie and Television); and
- d. Working Conditions of Children in the Movie and Television Industry

Section 3, Article XIII also provides that the State shall afford full protection to labor, local and overseas, organized and unorganized and promote full employment and equality of employment opportunities for all. Xxx

Par. 2, Section 18, Art. XIV of the Constitution guarantees that the State shall encourage and support researches and studies on the arts and culture.

Par. 2, Section 3, Art. XV likewise provides that the State shall defend the right of the children to assistance, including proper care and nutrition, special protection from all forms of neglect, abuse, cruelty and exploitation and other conditions prejudicial to their development.

In line with the state's commitment to promoting arts and culture, and correlative obligation to protect labor and the champion the rights of the child, the above mentioned researches must be undertaken in the near future as a follow-up to this work in order to provide a complete research spectrum for permitted child work in the fields of mass media and entertainment.

In the same vein, this particular recommendation likewise aims to provide a protective mantle for all individuals involved in creative and technical production work, by examining their current situation and see how the government can best help them achieve and enjoy the benefits set forth under the law.







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