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Introduced by SENATOR JINGGOY EJERCITO ESTRADA

**A RESOLUTION
EXPRESSING THE SENSE OF THE SENATE
ON THE IMPACT OF THE GLOBAL ECONOMIC CRISIS TO FILIPINO WORKERS
AND RECOMMENDING POLICY MEASURES FOR IMMEDIATE ALLEVIATION
OF DETERIORATING UNEMPLOYMENT AND POVERTY**

WHEREAS, economic expert and former Budget Secretary Benjamin Diokno, in a labor forum sponsored by the Blas F. Ople Policy Center at the Asian Institute of Management in January 2008, estimated that 500,000 Filipinos here and abroad are bound to lose their jobs as the global recession deepens.

WHEREAS, the Department of Labor and Employment Secretary Marianito Roque, said in the major dailies that since late last year, around 15,000 Filipinos mostly from export processing zones had been laid off while around 19,000 others are facing reduced working hours. The Labor Secretary has also noted that the Department has been receiving daily notices of, not only retrenchments, but also reduction of work shifts, reduction of working hours and compression of the workweek. He also declared that the Department expects 60,000 workers in the electronics and information technology sector alone could lose their jobs because of the recession.

WHEREAS, major dailies have been reporting almost daily casualties of lay-offs and reduced work hours: 1,500 in Amkor Technology Philippines; 3,300 in Advanced Micro Devices Inc.; 1,800 in Intel Corp. that recently shutdown its operation in the Philippines; and 500 in Accenture -- all in the Calabarzon area. In Central Luzon, outsourcing firms laid off some 3,368 workers and 5,065 affected by reduced working hours. Some 500 workers will also lose their jobs as Federal Express closed its Asian hub in the Subic Freeport. In northern Luzon, 405 have already been laid-off particularly in Isabela, and 1,916 in Cordillera wherein 1,376 were miners from Lepanto Consolidated Mining Corp. There was also 411 job loss in Texas Instruments Phils. Inc., in Bagiuo. In the Visayas, 300 layoffs had already been reported in Cebu while many are affected by work rotation scheme. In Mindanao almost 1,000 workers lost their jobs in Misamis Oriental and Iligan City while the Department of Labor and Employment (DOLE) Northern Mindanao Regional Office Director Alan Macaraya, estimated that close to 34,000 workers in the region stand to lose their jobs or work hours shortened this year as a result of the global economic crisis.

WHEREAS, the domino effect of the unemployment caused by the worldwide recession has been causing unrest to both the organized and unorganized sections of Filipino

workers nationwide, i.e. the escalation of a labor dispute in Mandaue export firm into the first strike regarding mass layoffs, the trooping of workers to DOLE offices to file complaints of illegal dismissal, the staging of protest-rallies against lay-offs, among others.

NOW THEREFORE BE IT RESOLVED by the Senate, as it is hereby resolved, to recommend the following policy measures and urge executive action with the aim of immediately alleviating the negative effects of deteriorating unemployment and poverty:

First, a subsidy program for all displaced workers affected by the ongoing crisis.

The Social Security System (SSS), Government Service Insurance System (GSIS) and the Overseas Workers Welfare Authority (OWWA) must use its funds to subsidize private sector workers, government employees, and migrant workers respectively until they can find work up to a maximum of six months. The measure should be implemented immediately in lieu of an unemployment insurance program in the country;

Second, a tax refund for all wage and salaried earners equivalent to two months of their salary.

This stimulus package effectively means giving workers a 14th and 15th month wage. The last thing that industries need is to be squeezed by the tightening of commercial credit on the one hand and on the other by a contraction in consumer spending.

Third, expansion and reform of the public employment program.

It is imperative to give jobs to the millions who were unemployed even before the crisis struck. To check the abuse of the employment program for patronage politics, it must be put under co-ownership and coordination with people's organizations. Also minimum labor standards at the very least must be guaranteed instead of the present setup where the "kamineros" and "oysters" are hired on a contractual basis for below minimum wages. No matter that it is a dirty job as long as it is decent work. The government must also consider shifting its job-creating infrastructure projects to those with significant social impacts such as in socialized housing and modernization of agriculture.

Fourth, extension of Philhealth coverage for displaced workers, domestic or migrants, for at least 6 months or until they can find a new job.

This need is validated by research on workers who fall victim to serious illnesses due to stress and harsh conditions of life after losing their jobs. The state must shoulder the expense of extending their PhilHealth coverage after their retrenchment.

And lastly, moratorium on demolitions and evictions for informal settlers and condonations of penalties and interests for low-cost and socialized homeowners.

The very least that the government could do in a time of crisis is to abstain from destroying the houses and livelihood of the poor. The only exception to the moratorium on demolitions is when proper relocation is provided for and agreed upon by the affected communities through negotiation. These Filipino "subprime homeowners" must be bailed out similar to President Barack Obama's plan to rescue poor Americans who are burdened with mortgages and threatened with foreclosures.

Adopted,



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Senator