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SENATE
P. S. R. No. 1528

RECEIVED BY: 

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY,
IN AID OF LEGISLATION, ON THE POSSIBLE INCREASE OF LABORERS IN
THE INFORMAL SECTOR DUE TO TRADE LIBERALIZATION

WHEREAS, the Constitution, Article 2, Section 9 mandates: "The State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all";

WHEREAS, according to the International Labor Organization (ILO), the ranks of the informally employed will likely swell next year partly due to short-term instability caused by further trade liberalization;

WHEREAS, countries in Southeast Asia, with their export-driven economies and regional trade deals, are particularly vulnerable to seeing more workers miss out on labor benefits and rights protection;

WHEREAS, according to ILO principal economist Ekkehard Ernst, globalization has added a new source of instability that partly explains the increase in informality;

WHEREAS, the informal sectors include those people employed in small enterprises or households that are not held fast to labor laws;

WHEREAS, trade reforms, such as cuts in tariffs rates, are associated with higher informal employment;

WHEREAS, for Southeast Asia, such harmony still needs to be improved as the topic of labor conditions is not included in Asean trade agreements;

WHEREAS, aside from market opening, two more factors could further increase informal unemployment: slow economic growth and dwindling funds for labor programs;

WHEREAS, slower economic growth will have an impact, increasing informality rates and recovery is not yet fully confirmed;

WHEREAS, ballooning budget deficits stemming from aggressive stimulus programs in 2009 are also a very serious concern as funds are still needed for education and social security expenses;

WHEREAS, public money should be wisely spent to help improve basic education and allow students to reach a better degree;

WHEREAS, it is imperative for the government to craft labor programs and decent work policies that will help laborers adjust to trade reforms;

WHEREAS, policies that seek to reduce informal employment, an issue which could hinder domestic industries, are especially valuable to the region as formalizing more workers could boost export growth;

WHEREAS, to help workers cope, governments should also implement public employment services to inform the informally employed of opportunities in the formal sector;

WHEREAS, there is also a need to facilitate the immediate passage of Senate Bill No. 1585 institutionalizing the Magna Carta for the workers of the informal sector in order to provide adequate and timely social, economic and legal services, as well as mechanisms that shall protect their rights and promote benefits that ensure their dignified existence and economic advancement;

WHEREFORE, be it hereby resolved by the Philippine Senate, to direct the proper Senate Committee to conduct an inquiry in aid of legislation, on the possible increase of laborers in the informal sector due to trade liberalization.

Adopted,


MIRIAM DEFENSOR SANTIAGO

/dpm