

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



'13 OCT -2 AIO :57

SENATE
P.S.R. No. 279

RECEIVED BY: *Jan*

Introduced by Senator Miriam Defensor Santiago

RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY,
IN AID OF LEGISLATION, ON A NATIONAL ECONOMIC POLICY, TAKING
INTO CAREFUL CONSIDERATION THE RECOMMENDATIONS MADE BY THE
WORLD BANK IN ITS PHILIPPINE DEVELOPMENT REPORT 2013

WHEREAS, the Constitution, Article 2, Section 18 provides: “The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare”;

WHEREAS, the Constitution, Article 12, Section 1, para. 1 provides: “The goals of the national economy are a more equitable distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged”;

WHEREAS, the Manila Bulletin reported in the article “14.6-M jobs needed-PIDS,” published last 22 September 2013, that the Philippine Institute for Development Studies (PIDS) underscored the need to create 14.6-million jobs in the next four years by keeping the country on a sustained path of economic growth;

WHEREAS, it was reported that PIDS said that the job-creation goal would be possible through a “broad reform coalition” that will work to make growth inclusive and support policies to generate more and better jobs;

WHEREAS, it was reported that during a “Dialogue on Creating More and Better Jobs” organized by PIDS and World Bank (WB) Philippines as part of the activities for

this year's 11th Development Policy Research Month, World Bank representatives said that "People want to earn a living, they don't want handouts";

WHEREAS, Mr. Axel van Trotsenburg, World Bank Vice President for East Asia and Pacific, reportedly said that job creation is a real concern as it has a direct link to poverty, and considering that four billion people around the world live on less than USD 4.00 a day, roughly around P175.00 a day;

WHEREAS, in a related news article posted by GMA News Online last 13 September 2013 and also quoting WB officials, it was reported that the Philippines today has a great window of opportunity to deepen reforms that will put the country on an irreversible path towards inclusive growth – one that generates more jobs and reduces extreme poverty – and that if Filipinos could work together for a broad reform coalition that will commit to continuing the current positive trends on good governance and the economy, the Philippines could make growth more inclusive, creating more and better jobs;

WHEREAS, according to the news article, a WB report titled "The Philippine Development Report (PDR): Creating More and Better Jobs" said that the elements working for the Philippines are now well in place: strong economic fundamentals (low and stable inflation rate, stronger government finances, and strong external position due to remittances, among others) that are yielding impressive growth rates, political stability, and a popular president seen by most Filipinos as committed to good governance and eliminating poverty;

WHEREAS, quoting the WB report, the news article said that the country also stands to gain from the continuing global economic rebalancing and the strong growth prospects in the East Asia region;

WHEREAS, van Trotsenburg was also mentioned in the GMA News Online article, and was quoted as saying that the recommendations contained in the WB report reflect the ideas of various stakeholders that the Bank has consulted for over two years, and that most of these reform proposals have been articulated in many studies done by think tanks, academic institutions, government development plans, as well as advocacies by private sector and civil society groups;

WHEREAS, van Trotsenburg also reportedly said that they hope their report will trigger a broad-based dialogue on a reform agenda where government, business, labor, and civil society groups come together to tackle the jobs challenge with urgency and long-term commitment;

WHEREAS, it was reported that, according to the PDR, the lack of creation of good jobs, especially among low-income earners, have weighed down the country's efforts to reduce poverty and inequality;

WHEREAS, according to the PDR, good jobs reportedly need to be generated for around 10 million Filipinos who were either unemployed (3 million) or underemployed (7 million) in 2012, and to around 1.15 million potential entrants to the labor force every year from 2013 to 2016, which is a total of around 14.6 million jobs in the formal and informal sectors that need to be created, sustained, or improved in the next four years;

WHEREAS, "good jobs" are defined in the PDR as those that raise real wages and bring people out of poverty;

WHEREAS, based on the PDR, it was reported that the current economic situation is due to the country's long history of policy distortions which slowed the growth of agriculture and manufacturing in the last six decades; agricultural productivity has remained depressed, manufacturing has failed to grow sustainably, and a low-productivity, low-skill services sector has emerged as the dominant feature of the economy;

WHEREAS, the PDR also said that the lack of competition in many sectors, insecurity of property rights, complex regulations, and severe underinvestment by the government and the private sector has led to this growth pattern – which is not the norm in the East Asia region and one that does not provide good jobs;

WHEREAS, Congress should focus on driving national policy towards inclusive growth through the creation of good jobs and poverty alleviation and make sure, through meaningful legislation, that the benefits of the country's economic growth is felt by all sectors of society;

WHEREFORE, be it hereby resolved by the Philippine Senate, to direct the proper Senate committee to conduct an inquiry, in aid of legislation, on a national economic policy, taking into careful consideration the recommendations made by the World Bank in its Philippine Development Report 2013.

Adopted,


MIRIAM DEFENSOR SANTIAGO
RP

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