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SENATE P.S. RES. NO.1538

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THE SHOED RV.

## Introduced by Senator Alan Peter "Compañero" S. Cayetano

## RESOLUTION

DIRECTING THE COMMITTEES ON LABOR, EMPLOYMENT AND HUMAN RESOURCE DEVELOPMENT, AND WAYS AND MEANS TO CONDUCT AN INQUIRY IN AID OF LEGISLATION, ON THE UNDUE BURDEN SUFFERED BY OVERSEAS FILIPINO WORKER (OFW'S) DUE TO THE FOLLOWING POLICIES: RANDOM INSPECTION OF BALIKBAYAN BOXES AND PACKAGES BY THE CUSTOMS BUREAU AND POST OFFICE: TIME CONSUMING PROCESS OF SECURING OVERSEAS **EMPLOYMENT** CERTIFICATES; AND THE SHUTDOWN REMITTTANCE FIRMS IN DEVELOPED COUNTRIES, AMONG OTHERS, WITH A VIEW OF MAKING LIVES OF OFWS AND THEIR FAMILIES EASIER AND LESS BURDENSOME IN GENERAL, AND IN PARTICULAR WHAT GOVERNMENT IS DOING TO ASSIST, HELP AND BE A BIG BROTHER TO OFW'S.

**WHEREAS**, The government should be a big brother to all its citizens and constituents. A KUYA. A blessing and not a burden.

**WHEREAS**, laws and regulations and its implementation should not be burdensome to the people it suppose to serve and protect.

**WHEREAS**, the Commission on Overseas Filipinos, estimates that there are 10.2 Million Filipino migrants as of 2013. Of which 4.9 Million or 48% are immigrants and permanent residents, 4.2 Million or 41% are temporary migrants<sup>1</sup>, while 1.1 Million or 11% are undocumented;

**WHEREAS**, Overseas Filipino Worker (OFW) remittances have not only secured the basic needs of their own families, but have also kept the country's economy afloat during difficult times and by providing liquidity amid global financial crises. In better times, their remittances continue to help our economy, contributing 8.5 % of our gross domestic product in 2014<sup>2</sup>, and a total of USD12.084 billion as of June 2015, representing a 5.6% increase as compared to the same period (Jan. to Jun.) in 2014<sup>3</sup>;

WHEREAS, despite their indispensable role to the well-being of their families and to Philippine economy, the government over the decades have called OFW'S "Modern Day Heroes" yet they are persistently neglected and treated badly. Government has not only failed to provide our OFWS the attention that modern day heroes deserve but has continuously burdened them with policies, procedures and regulations such as the recent directive from the Bureau of Customs (BOC) to

<sup>&</sup>lt;sup>1</sup> Persons whose stay overseas is employment related, and who are expected to return at the end of their work contracts

<sup>&</sup>lt;sup>2</sup> http://www.bsp.gov.ph/publications/media.asp?id=3664

<sup>3</sup> http://www.bsp.gov.ph/statistics/efs\_ext3.asp

implement random inspection of balikbayan boxes to deter smuggling<sup>4</sup>, the time consuming and burdensome process of securing OECs, and the lack of government intervention in preventing the shutdown of remittance firms in developed countries;

WHEREAS, Filipino Migrants greatly value the tradition of sending balikbayan boxes to their families in the Philippines and every balikbayan box is sacred to OFWs as it represents the fruit of their untiring effort and sacrifice to express their love and connection to their loved ones. Thus the recent actions of the BOC as well as the Philippine Postal Service which will heavily regulate and screen these items will not unduly burden our OFWs and their families but place treasured items- bought with the hard earned fruits of their labor abroad – at risk of pilferage and theft <sup>5</sup>;

WHEREAS, while it is true that an overseas employment certificate (OEC) is a document which serves as proof that an OFW is legally recruited, hired, and documented, and serves as a tracking system in order for government to provide OFWs protection, the complexity and difficulty it takes for our OFWs to repeatedly secure this document results in an undue and undeserved burden to them during their return home to the country, no matter the length of their stay in the Philippines, and every five (5) years from date of deployment;

**WHEREAS,** in securing an OEC, an OFW bears the burden of an estimated P1,300 as payment for OEC processing fees and the Overseas Workers Welfare Administration (OWWA) and exclusive of other incidental fees;

**WHEREAS**, the OEC also does not serve a clear purpose other than for identifying OFWs in airport terminals, which purpose can be served by creating a more simplified and efficient process, such as, but not limited to, establishing a one-time ID system for OFWs or presentation of already available documents such as verified job contracts, and the like;

**WHEREAS**, data<sup>6</sup> showed that personal remittances from overseas Filipinos went up 5.5 percent to \$2.32 billion in May 2015 from \$2.19 billion in the same period last year, which brought to \$10.97 billion in the same period last year. This makes the Philippines the third-leading recipient of remittances in the world after India and China;

**WHEREAS,** news reports<sup>7</sup> state that the Philippine remittance industry is alarmed over the move by developed countries - such as the United States, Australia, New Zealand and the United Kingdom, which have large populations of Overseas Filipino workers (OFWs) - to shut down remittance firms due to suspicions that these are being used to funnel funds to terrorists;

WHEREAS, two of the country's biggest remittance organizations – the Association of Bank Remittance Officers, Inc. (ABROI) and the Association of Private Remittance Services Companies Inc. (APPRAISE) have banded together to jointly ask the BSP as well as the World Bank and the Asian Development Bank to formally appeal to these developed countries which have shut down their respective remittance business;<sup>8</sup>

<sup>4</sup> http://globalnation.inquirer.net/127594/customs-ht-hands-off-ofw-boxes-of-goodies

<sup>&</sup>lt;sup>5</sup> http://www.rappler.com/move.ph/balikbayan/103421-ofw-groups-dialogue-boc balikbayan box

<sup>6</sup> http://www.philstar.com/business/2015/07/16/1477359/ofw-remittances-5.8-may, accessed July 20, 2015

<sup>&</sup>lt;sup>7</sup> OFW Remittances in Peril. http://www.philstar.com/headlines/2015/07/20/1478891/ofw-remittances-peril, accessed July 20, 2015

<sup>8</sup> http://www.philstar.com/headlines/2015/07/20/1478891/ofw-remittances-peril, accessed July 20, 2015

WHEREAS, in 2015, the cash transfers of overseas workers experienced a slowdown in the first two months at one half percent in January and 2.4 percent in February where it was only in March and April that the growth rate recovered to 5.5 and 5.4 percent, respectively. I-Remit said the slowdown is a sign that Filipinos abroad are now remitting in lesser amounts and less frequently, which may be attributed to the reliance of the Filipinos on the services of banks that charge higher fees which will lessen the amount sent to their families;<sup>9</sup>

**WHEREAS**, considering that a large number of Filipino families are primarily dependent on the income of family members working abroad, any decrease in the amount of remittances will likely result in a significant decline in the purchasing power and the quality of life of their families left in the Philippines;

WHEREAS, the recent BOC and Philippine Postal Service directives to conduct random inspection of balikbayan boxes; the costly, repetitive processes and redundant requirement for obtaining an overseas employment certificate (OEC); and the reported shutdown of remittance firms in developed countries all jeopardize OFWS' rights and socio-economic well-being of their families demand legislative scrutiny;

**WHEREAS**, the BOC has decided against pre inspection of containerized cargo, which is an efficient and effective way of identifying smuggling, undervaluation and bringing in of illegal cargo such as toxic waste, illegal drugs and unlicensed firearms. In the meantime, smuggling continues to rise and now has reached an estimated 230 Billion per year<sup>10</sup>. Yet it is willing to use extensive manpower in opening balikbayan boxes to allegedly recover 600 Million is lost revenues? Furthermore, the government has allocated close to 450 Million pesos for X-rays, and yet still proposes to open the balikbayan boxes of our OFWs;

**WHEREAS**, The government of the people and by the people should protect and serve its people and not hassle or burden the further;

Now, therefore, be it

**RESOLVED,** that the Senate Committees on Labor, Employment and Human Resource Development, and Ways and Means to conduct an inquiry, in aid of legislation, on the undue burden suffered by Filipino overseas contract workers due to the following policies: random inspection of balikbayan boxes; difficult and complicated process of securing overseas employment certificates (OECs); and the shutdown of remittance firms in developed countries, among others, with a view of making the lives of our OFWs and their families easier and less burdensome.

Adopted,

ALAN PETER "COMPAÑERO" S. CAYETANO

Senator

<sup>9</sup> Ibid.

<sup>&</sup>lt;sup>10</sup> United Nations Commodity Trade Statistics Database (COMTRADE)