EIGHTEENTH CONGRESS OF THE) REPUBLIC OF THE PHILIPPINES) Second Regular Session)



SENATE P.S. Resolution No. <u>712</u>

Introduced by SENATOR IMEE R. MARCOS

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON ECONOMIC AFFAIRS TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE REASSESSMENT AND REEVALUATION OF ECONOMIC PLANS AND PROGRAMS OF THE GOVERNMENT FOR ALLEVIATING POVERTY AND INCREASED HUNGER IN LIGHT OF THE COVID-19 PANDEMIC

WHEREAS, Article II, Section 9 of the 1987 Constitution provides that, "*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."* Further, Article XII, Sec. 1 of the same Constitution provides that, 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, prior to the pandemic, the initial goal of the government was to bring down poverty incidence by 14% in 2022. The latest 2018 data on poverty in the Philippines as shown by the Family Income and Expenditure Survey (FIES) showed that the country was on track to achieve this pre-pandemic target for poverty incidence, or the proportion of Filipinos whose incomes fell below the poverty line, when it fell to 16.7% in 2018, from 23.5% in 2015;

WHEREAS, the significant reduction in poverty before the pandemic is largely attributed to the improved labor market conditions that increased the salaries and wages of the poor. With a vibrant economy that generate good jobs, the mean salaries and wages for the population went up by 22.8% to PhP 156,114 in 2018, from PhP 127,122 in 2015. For those in the bottom 30% of the population, mean per capita income increased by 31.87%;

WHEREAS, according to the Philippines Statistics Authority (PSA), the Gross Domestic Product (GDP) of the Philippines declined for four (4) consecutive quarters, registering an overall decline of 9.5% in 2020, with the bulk of the losses being incurred in the 2nd quarter, when the GDP declined by 16.9% due to the pandemic;

WHEREAS, this is the steepest economic contraction in the Philippine history since the PSA started collecting data in 1947. This is also the country's first economic contraction in more than two (2) decades, since the Asian Financial Crisis in 1998;

WHEREAS, as a result of the economic contraction brought by the pandemic and the quarantine that followed, unemployment peaked at 17.6% last April 2020 and remains above the pre-pandemic unemployment rate of 5.3% in January 2020, with the February 2021 unemployment rate at 8.8%;

WHEREAS, due to the increase in unemployment, the World Bank estimates that nearly three (3) million Filipinos may have slipped into poverty last year which roughly translates to a 3% increase in the poverty rate, wiping out half of the gains made against poverty from 2015 to 2018;

WHEREAS, as a result of the economic contraction and the increase in unemployment, the Social Weather Stations (SWS) Hunger Incidence Survey reported that average hunger nationwide in 2020 was at a new record of 21.1% with the highest in Metro Manila at 23.3%. Moreover, hunger had an all-time peak of 30.7% in July to September 2020, with an estimated 7.6 million households suffering from involuntary hunger during the period;

WHEREAS, a very recent rapid nutrition assessment survey conducted by the Department of Science and Technology-Food and Nutrition Research Institute (DOST-FNRI) has shown that six (6) out of 10 families have suffered from having little or nothing to eat amid the COVID-19 pandemic, 62.1% of Filipino families experience moderate to severe food insecurity, 71.8% are forced to borrow money just to be able to buy food, while 66.3% asked for food from their relatives, neighbors and friends, 30.2% have resorted to trading and bartering food, and over 21.1% adults having to cut their food intake just to be able to feed their children;

WHEREAS, given the current situation wherein many are expected to remain poor, hungry, or jobless, there is a need for the government to study and reconsider the existing plans and programs since Philippine state economists see unemployment staying elevated and more people remaining below the poverty line until 2022 due to the pandemic;

NOW, THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED, directing the Senate Committee on Economic Affairs to conduct an inquiry, in aid of legislation, into the reassessment and reevaluation of economic plans and programs of the government for alleviating poverty and increased hunger in light of the COVID-19 pandemic.

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Adopted,

IMEE R. MARCOS