

**FOURTEENTH CONGRESS OF THE)
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SENATE

PSR NO. 924

RECEIVED BY



INTRODUCED BY SENATOR JINGGOY EJERCITO ESTRADA

A RESOLUTION

EXPRESSING THE SENSE OF THE SENATE THAT THE MAXIMUM NUMBER OF UNEMPLOYED AND UNDEREMPLOYED PEOPLE ARE INDEED GIVEN ACCESS TO EMERGENCY JOBS CREATED UNDER ONGOING PUBLIC WORKS PROGRAM, INCLUDING THE SO-CALLED COMPREHENSIVE LIVELIHOOD AND EMERGENCY EMPLOYMENT PROGRAM, THROUGH THE ADOPTION OF LABOR-BASED, EQUIPMENT-SUPPORTED (LBES) METHODS.

WHEREAS, the national government is said to be instituting a massive public works program to create emergency employment and income support to help our people in the face of the global economic slowdown;

WHEREAS, the current economic stimulus program will be more effective if it creates more jobs for the unemployed and the underemployed through labor-based, equipment-supported infrastructure projects, an approach supported by the International Labor Organization, under which the cost-share of labor can rise to up to an average of 30 percent, rather through traditional methods that are more intensive on the use of capital and equipment and under which labor very seldom makes up more than 10 percent of the project cost;

WHEREAS, the adoption of labor-based construction technology can double or even triple the number of jobs created out of public works, and the multiplier effect of income going to the poor employed through infrastructure projects will be higher than the multiplier effect of income accruing to contractors and equipment owners;

WHEREAS, existing laws and rules and regulations recognize the need for the intensive use of labor as the most predominant productive asset possessed by our people, including Republic Act No. 6685 mandating all contractors including subcontractors, to whom awards are made for the undertaking of national and local public works projects funded by either the National Government or any Local Government Unit including foreign assisted projects, to hire at least fifty percent (50%) of unskilled and thirty percent (30%) of skilled laborers from the unemployed bonafide residents of the province, city or municipality where the projects were to be undertaken;

WHEREAS, as early as 1988, through Executive Order No. 336 signed by President Aquino, instructed the the Department of Public Works and Highways, the Department of Transportation and Communications, the National Irrigation Administration and the Department of Interior and Local Government to form Labor-based units at central and field offices and to allocate funds accordingly.

WHEREAS, in 1998, President Estrada issued Executive Order No. 94 to further strengthen the institutional framework to for LBES infrastructure programs through the creation of an interagency task force led by the Department of Public Works and the Department of Labor and Employment that will plan and issue guidelines for a national program on the use of labor-based construction technology;

WHEREAS, Executive Orders No. 336 of former President Aquino and Executive Order No. 94 of former President Estrada, both prescribing the adoption of LBES, are still in effect technically because there are no succeeding orders to the contrary;

WHEREAS, specialized units at the DPWH have training and expertise in designing public works so that the use of labor in place of machines is maximized without sacrificing quality and without introducing undue delays in project implementation, except that the DPWH has not been pursuing the implementation of the LBES method anymore due to the depletion at DPWH of engineers trained in the method due to promotion, transfer, change of career, or death, and also due to the perception of remaining DPWH engineers of the LBES approach as a low-prestige or even as an inefficient approach;

WHEREAS, in view of the controversy surrounding the government's P20 million fertilizer projects and in the context of the upcoming national election, it is necessary to address the skepticism of our people on the 50 billion pesos stimulus package that will supposedly be used to help people in these time of crisis;

WHEREAS, it is important to establish non-controversial rules that will ensure transparency, fairness and equity in the allocation of life-saving national resources for localities and local governments in this period before the 2010 national elections;

WHEREAS, there are already existing rules formulated by the NEDA-ICC on the equitable allocation of grants for infrastructure that have already been devolved, including the small projects that will comprise the bulk of public works projects under the Comprehensive Emergency Employment Program;

WHEREFORE, in view of the foregoing considerations, the Senate resolve, as it is hereby resolved that:

1. Existing laws and orders mandating the labor-intensive methods in public works programs to create the maximum number of jobs for the unemployed and underemployed must be observed and implemented by the agencies enumerated above who possess the mandate and the responsibility;

2. The economic stimulus package including the creation of jobs under the Comprehensive Livelihood and Emergency Employment Program as well as the lump-sum budgets like the Kilos Asenso funds should be supported by clear implementing rules to allow local governments, civil society organizations, and the associations and cooperatives of unemployed and underemployed to find out how they can complement the these efforts and how they can access employment for their constituencies;
3. The implementing rules must include clear targets must be established on the number of unemployed and underemployed people to be covered by the program;
4. Participation of local governments be allowed upon the request of local chief executives in order to facilitate the use of the LB-ES technologies, with assistance from the trained engineers of the DPWH NIA and other agencies;
5. The implementing rules include such criteria that the public infrastructure projects to be included are those that are labor-intensive, creating the maximum number of jobs, and aligned with the most pressing community needs, most especially essential community infrastructures;
6. The implementing rules on the allocation of resources, in addition to giving clear priority to projects that will create employment, be made consistent with the NEDA-ICC rules on Continuing National Government Support for Devolved Services to ensure fairness.
7. The Senate Committees on Labor and Employment and Public Works will, with the end in view of crafting further supportive legislation that may be necessary, will hold technical consultations with the relevant agencies in order to determine the reasons for the non-implementation of existing laws that would maximize employment creation from public infrastructure.

Adopted,


JINGGOY EJERCITO ESTRADA
Senator