

# Action Programme for Decent Work: Philippines

*“Promoting opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity”*



## Preface

When I was elected Director-General of the ILO, I set as one of my objectives, to focus the energies of the organisation on promoting decent work. Today, it is widely recognised that the ILO's primary goal is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity.

The Philippines, with the active support and encouragement of government and workers' and employers' organisations, was one of the first countries to participate in a pilot programme on decent work.

Considerable work and tripartite consultation have been undertaken to prepare the Philippine's Action Programme for Decent Work. This three year Action Programme pursues the overall objective of supporting national efforts to reduce poverty through the adoption and consistent implementation of appropriate and integrated policies and programs that promote full, decent and productive employment of Filipino workers.

The programme has been designed to support government and social partners initiatives to address decent work deficits in terms of rights at work, employment, social protection and social dialogue. In line with the Medium Term National Development Plan 2001-04, it also responds to three sets of issues to which the government is giving high priority. There is the foremost concern for reducing the severity and the incidence of poverty affecting over a third of Filipinos, primarily in rural areas. There is the similar concern for bettering the lives of those living, directly or indirectly, from small enterprises or personal business initiatives in urban areas. Finally, it addresses the concern for defending and widening the prospects of those industries competing in export markets, and increasingly challenged by lower cost competitors.

The launching of the Action Programme is like the first step in a long journey. The programme will be refined and updated through regular monitoring and consultation with constituents. For this purpose, I am pleased to note that constituents have agreed to establish a high-level Decent Work Tripartite Advisory Committee.

Finally, I would like to take this opportunity to extend my appreciation to all those who have worked on preparing the Philippines' Action Programme for Decent Work and I look forward to receiving reports of its implementation.

**Juan Somavia**  
**Director-General**  
**International Labour Office**

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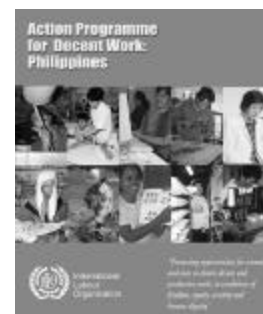
## Acronyms

ADB	Asian Development Bank
AFW	Association of Filipino Workers
AIDS	Acquired Immune Deficiency Syndrome
ALNI/P	Asian Labor Network on the IFIs/Philippine Chapter
ALU	Associated Labour Unions
APL	Alliance of Progressive Labor
ARMM	Autonomous Region of Muslim Mindanao
COCLE	Congressional Oversight Committee on Labour & Employment
COOPNET	Cooperatives Network
DFA	Department of Foreign Affairs
DILG	Department of Interior and Local Government
DOF	Department of Finance
DOH	Department of Health
DOLE	Department of Labor and Employment
DPWH	Department of Public Works and Highways
ECOP	Employers' Confederation of the Philippines
FFW	Federation of Free Workers
GDP	Gross Domestic Product
GSIS	Government Service Insurance System
HIV	Human Immunodeficiency Virus
ICD	International Classification of Diseases
ILO	International Labour Organization
INDISCO	Indigenous and Tribal Communities through Cooperatives and Other Self-Help Organisations
IPEC	International Programme on the Elimination of Child Labour
IRAP	Integrated Rural Accessibility Planning
IT	Information Technology
ITC	International Training Centre
IYB	Improve Your Business
LEARN	Labour Education and Research Network
LEDA	Agencies for Local Economic Development
LGUs	Local Government Units

LMC	Labour-Management Councils
LMIL	Labour Market Indicators Library
LMLC	Lakas Manggagawa Labour Center
LSM	Labour Solidarity Movement
MNLF	Moro National Liberation Front
MTPDP	Medium Term Philippine Development Plan
NCMB	National Conciliation and Mediation Board
NCR	National Capital Region
NEDA	National Economic and Development Authority
NGO	Non-government Organization
NLRC	National Labour Relations Commission
NSO	National Statistics Office
NWPC	National Wages and Productivity Commission
OFW	Overseas Filipino Worker
OSH	Occupational Safety and Health
PESO	Public Employment Service Office
PHIC	Philippine Health Insurance Corporation
RA	Republic Act
RWPB	Regional Wage and Productivity Boards
SME	Small and Medium Enterprise
SSS	Social Security System
SIYB	Start and Improve Your Business
STEP	Strategies and Tools against Social Exclusion and Poverty
TBP	Time Bound Programme
TESDA	Technical Education Skills and Development Authority
TIPC	Tripartite Industrial Peace Council
TUCP	Trade Union Congress of the Philippines
TUPAS	Trade Union of the Philippines and Allied Services
UN	United Nations
UNDP	United Nations Development Programme
VPEL	Vocational Preparation and Enterprise Literacy
WTO	World Trade Organization

## Introduction

1. The overarching objective of the ILO is the promotion of “opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity”<sup>1</sup>. Decent work is the converging focus of the four strategic objectives of the Organization, namely rights at work, employment, social protection and social dialogue.
2. Within the Philippines, the decent work concept has been used to express employment aspirations and policy goals. At the Philippines’ Employment Summit (March 2001) the President referred to decent work and has placed employment at the top of her development agenda. The Medium Term Philippine Development Plan (MTPDP) for 2001-2004<sup>2</sup> includes a chapter on “Promoting Full, Decent and Productive Employment”.
3. Therefore, ILO’s technical work in the Philippines has increasingly focused on promoting the integrated decent work agenda. This work is based on the experiences and lessons from ongoing projects in the Philippines and international initiatives such as the ILO’s Global Employment Forum (2001). Special attention has been applied to the promotion of decent work for women — the largest sector of unemployed, under-employed and underpaid people in the Philippines.
4. At the Thirteenth ILO Asian Regional Meeting, held in Bangkok in August 2001, delegates “urged all members States in the region to define, through a tripartite process, a national plan of action for decent work”. Furthermore, the delegates requested that the ILO “provide assistance to the tripartite constituents in the design of these national plans of actions”<sup>3</sup>.
5. To address this request for assistance, the ILO has prepared jointly with its tripartite constituents this Action Programme for Decent Work in the Philippines. The overall objective of this programme is to assist the government and employers’ and workers’ organisations to work towards the elaboration and implementation of a coordinated set of national policies and programmes for decent work in the Philippines.
6. This document is not a plan in the conventional sense of the term. It provides the overall framework in which the ILO assistance for promoting decent work in the Philippines will be provided over the next three years. As such, the document describes the ILO’s contribution to



**This Action Programme is an evolving document that will be refined and updated through tripartite monitoring and consultation.**

<sup>1</sup> ILO (1999). Decent Work. Report of the Director-General. Geneva, International Labour Conference, 87th Session.

<sup>2</sup> Republic of the Philippines (2001). Medium Term Philippine Development Plan 2001-2004. Manila, Philippines.

<sup>3</sup> ILO (2001). Decent Work in Asia, Thirteenth Asian Regional Meeting. Report of the Director-General. Bangkok, International Labour Conference.

the attainment of the Millennium Development Goals to which all UN agencies are committed. The Action Programme is an evolving document that will be refined and updated through regular monitoring and consultation with constituents. In addition, it will be used to promote partnerships with other international financial and development institutions.

7. This document begins with an overview of the main challenges to be faced in promoting decent work. Decent work deficits are identified in each of the ILO's four sectoral areas. It then presents current national policies and priorities to address those deficits and a description of the ILO's Action Programme for Decent Work that supports these efforts. Finally, the document describes the mechanisms for supporting and monitoring the implementation of the ILO's programme as well as a timetable for implementation (Annex 1).

# Challenges of creating Decent Work in the Philippines

## Introduction

8. The Philippines is an archipelago made up of 7,100 islands with a land area of about 300,000 square kilometres. The population of the Philippines is about 76 million people, of whom about half live in rural areas. Between 1995 and 2000, the population grew at a rate of 2.36 percent annually <sup>4</sup>.
9. The Philippines' labour force is growing at a higher than average annual rate of 2.8 percent. From 18.2 million workers in January 1981, the number of employed and unemployed workers is now estimated at 33.4 million<sup>5</sup>. Each year, as many as 800,000 women and men enter the labour force, with the female labour force expanding at a faster rate than the male labour force.
10. During the past decade, the Philippines' economy has not been able to create sufficient jobs for these new job seekers and to absorb the accumulation of unemployed and under-employed persons. The Philippines now has a high poverty incidence. During the 1990s, the Philippines made steady gains in poverty alleviation but the Asian Crisis and the El Niño phenomenon negated these gains.
11. The majority of poor people (77.4 percent) live in rural areas and a disproportionate number of these live in the least developed regions — Bicol, Central Mindanao and the Autonomous Region of Muslim Mindanao. Of the rural poor, about two-thirds (67.8 percent) depend on agriculture for their income<sup>6</sup>. Most of the rural poor are engaged in agriculture — with rice, corn, coconut farmers, and fisher-folk comprising the majority. The severity of rural poverty is the greatest among the landless workers and small farmers who make up a large part of the rural population.
12. The urban poor live primarily in slum and squatter settlements and derive their income from the informal sector, within which there is a high incidence of child labour. The National Statistics Office (NSO) estimated that nearly one out of five persons in Metro Manila was engaged in an informal economic activity either as owner-operator or as worker, and that about 70 percent of these households were earning less than the official poverty threshold<sup>7</sup>.

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<sup>4</sup> National Statistics Office (2001). Philippine Yearbook. Manila, Philippines.

<sup>5</sup> National Statistics Office (2001). Philippine Labor Force Survey (Preliminary Results). Manila, Philippines.

<sup>6</sup> Republic of the Philippines (2001). Medium Term Philippine Development Plan 2001-2004. Manila, Philippines.

<sup>7</sup> National Statistics Office (1995). Urban Informal Sector Survey in Metro Manila: Highlights of Findings. Manila.



13. Expanding economic opportunities for the poor requires an employment-friendly growth strategy. Threats to the prospects of achieving sustained growth lie in the current low levels of savings and declining investment rates. In addition, the economy must also be able to face the challenges of the changing and highly competitive global economy. Promoting productivity and competitiveness in the industry, service and agriculture sectors is an important component of the government's overall development strategy.
14. The next section of this document describes the decent work challenges facing the Philippines. For planning purposes, these challenges are presented under each of the ILO's Strategic Objectives that encompass the Decent Work agenda.

### **Decent Work challenges**

#### **Sector One: Labour Standards, and Fundamental Principle and Rights at Work**

15. In the area of fundamental principles and rights at work, and international labour standards, deficits of several kinds can be identified. First, the Philippines has not ratified certain ILO Conventions, either "core" Conventions to which particular attention is attached by the Organization, or other Conventions to which considerable importance is given by ILO constituents within the Philippines. Second, there can be inconsistencies between the provisions of ratified Conventions and national legislation. Third, there can be weak application in practice of certain ILO-ratified Conventions. A related issue is the limited coverage and enforcement of national labour standards, particularly in the informal sector. Fourth, the problem of working children remains a serious one, with over 3.7 million children at work, of whom some 2.2 million are estimated to be engaged in hazardous or worst forms of work. Finally, there is the issue of limited legal and social protection for Overseas Filipino Workers (OFWs). This issue is gathering increasing attention as the number of OFWs, including illegally recruited workers with inadequate protection, grows on an annual basis.
16. The Philippines has ratified all the fundamental Conventions underpinning the 1998 Declaration on Fundamental Principles and Rights at Work, except for the Forced Labour Convention, 1930 (No. 29). Under the Declaration, it is recognized that, by virtue of their very membership in the ILO, Member States have a special obligation to respect, promote and realize the principles and rights it articulates, and the ratification of all the eight corresponding fundamental Conventions is actively promoted under the Follow-up to the Declaration. In its 2000 annual report relating to forced labour under the Follow-up to the Declaration, the Government of the Philippines indicated that the

#### **Non-Ratification of Conventions**

Tripartite Industrial Peace Council, the legal body tasked to study ILO Conventions, had adopted a resolution endorsing the ratification of Convention No. 29. In its 2001 report, the Government provided no additional information, observing only that the Convention was still being considered for ratification. As the obligation to work imposed on prisoners has been evoked as a possible obstacle to ratification, it should be emphasized that the Convention does not prohibit the imposition of forced or compulsory labour as a result of a sentence of a court, provided certain conditions are met.

17. In addition to the eight fundamental ones, the ILO “core” Conventions include four Conventions that are considered by the Governing Body as instrumental to the effective pursuit of decent work for all. The Philippines has ratified two of these “priority” Conventions: the Employment Policy Convention, 1964 (No. 122), under which it pledged to declare and pursue, as a major goal, an active policy designed to promote full, productive and freely chosen employment; and the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), which requires effective consultations of the workers’ and employers’ most representative organizations on ILO standards-related activities. The two remaining priority instruments are the Labour Inspection Convention, 1947 (No. 81), and the Labour Inspection (Agriculture) Convention, 1969 (No. 129). Ratification of these Conventions is not currently contemplated.
18. Other ILO Conventions have been identified by constituents as particularly relevant to the Philippines’ priority concerns. These include the Migrant Workers Convention (Supplementary Provisions), 1975 (No. 143); the Merchant Shipping (Minimum Standards) Convention, 1976 (No. 147); the Occupational Safety and Health Convention, 1981 (No. 155); and the Indigenous and Tribal Peoples Convention, 1989 (No. 169).
19. Conventions Nos. 147, 155 and 169 have all figured on the national agenda, and there has been considerable discussion concerning the need for their ratification. Convention No. 147 is of obvious importance, given the high proportion of Filipinos in merchant shipping crews worldwide. Convention No. 169 has received some prominence, after the adoption in 1997 of the Indigenous Peoples Rights Act (IPRA), which drew largely on the principles set out in the Convention, and it is felt that ratification would facilitate an improved application of the IPRA. In addition, the ILO is implementing its Inter-Regional Programme to Support Self-Reliance of Indigenous and Tribal Communities through Cooperatives and Other Self-Help Organisations (INDISCO), which mixes community and income-generation projects with policy advice and advocacy built upon the provisions of Convention No. 169. Convention

No. 155 is an important instrument, particularly in view of the estimated high incidence of occupational accidents and diseases, regardless of whether they are reported or not.

20. For several years the ILO's supervisory bodies have been drawing attention to inconsistencies between certain ratified fundamental Conventions and the provisions of national labour law.
21. Under the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), the Committee of Experts has *inter alia* called for amendments to Book V (Industrial Relations) of the Labour Code with respect to the numerical requirements to set up a union, a federation or a national union; the extensive powers given to the Secretary of Labour and Employment to submit certain disputes to compulsory arbitration, thus making strikes illegal; and the determination by the President of the industries indispensable to the national interest. The participation of ILO specialists in hearings organized by the Congressional Commission on Labour gave them the opportunity to draw the attention of the legislature to these discrepancies. The report of the Commission, issued in February 2001, contains recommendations for legislative amendments that are broadly in line with the advice offered during the hearings.
22. Under the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), the Committee has stressed that public sector employees not engaged in State administration should have the right to negotiate the terms and conditions of their employment. Under the Abolition of Forced Labour Convention, 1957 (No. 105), the Committee has raised concerns with regard to provisions of the existing Penal Code, while noting that the Government has referred to proposals to amend certain sections.
23. Even where the provisions of domestic labour law would appear to faithfully echo international labour standards and principles set out in ratified or non-ratified Conventions (and this can be confidently affirmed with respect to many provisions of the Labour Code), effective compliance with these provisions at the work place level remains a serious matter of concern.
24. As in many countries, there is an ongoing debate in achieving the right balance between the protection of workers' rights and interests and the amount of flexibility necessary to allow business initiatives to flourish. In the Philippines, that debate is compounded by the enormous share of informal employment, whose role in the absorption of the ever-increasing number of new entrants in the labour market is rightly recognized. Under such circumstances, the enactment of more laws

**Inconsistencies between Ratified Conventions and National Legislation**



**Limited coverage and enforcement of labour standards, particularly in the informal sector**

addressing the needs and aspirations of a relatively shrinking covered working population may have the unintended effect of accentuating the separation between ideal standards and actual practice. An example of the informal sector dilemma is provided by the proposed legislation on the conditions of employment of domestic helpers. The proposed legislation seeks to ensure the protection against exploitation of a vulnerable category of employees without fully applying to them the general law on contracts of employment.

25. In the formal sector, there is a need to examine the discriminatory or anti-union practices, as well as recourse to flexible agreements to elude the protection against termination of employment. A weak culture of compliance is a well-known pattern of Philippine society, as evidenced in its practice, for instance, of constitutional law as well as of driving regulations. Unfortunately, but unsurprisingly, labour law makes no exceptions.
26. With respect to implementation in practice of Conventions Nos. 100 and 111, it is observed that women continue to face a narrower range of occupational choices, less access to the formal sector, and fewer opportunities to find full-time jobs relative to men despite their higher average level of education. Women also earn less than their male counterparts in comparable positions, and there are consistently more educated women than men among the unemployed. Greater efforts must be made to ensure equality in opportunity and treatment and to prevent discrimination against women that denies them full access to labour market rewards.
27. Potential exploitation of OFWs clearly calls for improved application of standards, such as those concerning migrant workers in receiving countries, as well as improved monitoring of the conditions of OFWs by Philippine authorities overseas. The Philippines has actually taken an important lead in protecting its overseas migrant workers against exploitative situations such as those involving forced labour. A cornerstone of its policy has been the 1995 Migrant Workers and Overseas Filipinos Act, which provides for strong penalties for illegal recruitment, and establishes official welfare services for Filipino contract workers in their host countries. The deficits, nevertheless, appear serious. A 1995 DOLE White Paper for example found that the majority of new hires were in work classified as “vulnerable occupations”, and that as many as 95 percent were women. In extreme cases, migrant workers may find themselves in situations and conditions akin to forced labour.



**Limited legal and social protection for OFWs**

28. The elimination of child labour, particularly its most hazardous forms, has received much attention from the Government and social partners in recent years. The ILO's IPEC programme has provided an important catalyst for legislative efforts as well as getting practical programmes and projects off the ground. There is some national consensus over the child labour issue, and urgency is felt by all social partners in addressing the worst forms of child labour. ECOP for example has developed a self-assessment tool for companies who wish to be accredited as free from child labour. Yet, despite the manifold initiatives, and the recent ratification of the key ILO Conventions, there are still many documented cases of child labour in hazardous undertakings.



**Population of working children**

29. The most important factor that pushes children to work in the most exploitative and hazardous conditions is poverty. The continuing occurrence of child labour has long-term social and economic costs to the country. The extent of poverty in the country affects society's marginalized sectors. According to the 1995 National Statistics Office (NSO) National Survey of working children, there are an estimated 3.7 million working children in the country, approximately one-third of whom are girls. Of these working children, 2.2 million, or 60 percent, are engaged in hazardous work.

30. Education is a key intervention towards the elimination of child labour as it should lead to upward social mobility and poverty alleviation. However, while basic literacy rate is high, disparities exist among geographical locations. Furthermore, drop-out rates, especially among children from poor families and regions continue to be unacceptable. Considering the inability of many families to provide for the high out-of-pocket expenses, which includes transportation and school projects, children from poorer families are most likely to not attend school. Tackling the issue of child labour requires an integrated social and economic approach that breaks the poverty cycle.

**Sector Two: Create greater opportunities for women and men to secure decent employment and income**

31. Employment and income-related deficits in the Philippines are critically high. Accordingly, employment is among the highest priority goals of the government, as reflected in the Medium Term Philippines Development Plan 2001-04. Employment growth was registered at 6.2 per cent in 2001 and jobs created reached 1.7 million. All sectors of the economy contributed to employment growth.

32. However, over the past two decades, the employment growth has been insufficient to keep pace with labour force growth. The unemployment rate has oscillated around 10 percent. Throughout most of this time,

**Insufficient employment growth to keep pace with labour force growth**

women faced greater unemployment than men and were particularly susceptible to seasonal fluctuations in employment rates. Agriculture comprised the largest sectoral share of employment until 1997, when it was replaced by services.

33. Statistics indicate considerable variation in unemployment by gender and age. In 2000, about 2.65 million youth between 15 and 24 years of age were unemployed, with the youth accounting for 61 percent of all unemployed. Consistently, the highest rates of unemployment over the past decade have been registered for young female workers in the 15-24 age group. For the 20-24 age group, for example, 19.27 percent of female workers and 12.69 percent of male workers were unemployed. This follows the overall pattern of sex differences in unemployment, with women more likely than men to be unemployed. Youth unemployment would likely have been even higher had there not been a phenomenal expansion of international migration over the past decades, resulting in a net migration of about five million over the past two decades, many of them in the 15 to 24 age bracket.
34. The increasing recourse to overseas employment might be considered as part of the employment gap. It is difficult to capture these trends since a significant part of the labour migration is not registered and information that is collected does not provide details on skill levels of departing workers. Some analyses suggest that Overseas Filipino Workers (OFWs) increasingly comprise women and vulnerable young persons. The most likely estimates are that up to six million women and men (representing close to 10 percent of the entire nation's population) are currently employed overseas.
35. Based on official figures, overall under-employment for the year 2000 was about 22 percent. If unemployment and under-employment figures are used together as an indicator of labour under-utilization, this rate increased from 29.7 percent in 1998 to 30.5 percent in 2000. For the decade between 1988-1998 approximately half the underemployed were "visibly under-employed" (in that they supplied less than 40 hours per week and wanted to render more); and the other half were "invisibly underemployed" (in that they supplied more than 40 hours per week and still wanted to render more). In general, women are less likely to be under-employed than men, but of those that are under-employed, women are more likely to be visibly under-employed, while men are more likely to be invisibly under-employed.
36. Occupational segregation continues to limit the efficient utilization of the skills and talents of the labour force. Women face a narrower range of

**High and growing levels of unemployed young people**

**Increasing levels of labour under-utilization**

occupational choices than men, resulting in lower earnings and fewer opportunities for skill and career development.

37. At the heart of the decent work deficits in the Philippines is the high incidence of poverty — about 30 percent of the total number of Filipino families. Income distribution in the Philippines is less than the rate registered in most developing countries in Asia. Women face the additional burden of sex discrimination in wages and earnings. The income differences are largest in the sales and the service sectors, where men are found in the bigger firms that can pay more while women are in micro and very small enterprises. The majority of the poorest Filipinos are found in regions outside the National Capital Region (NCR). Poverty is most extreme in the Autonomous Region in Muslim Mindanao (ARMM), which has long suffered from conflict that has political, economic and cultural roots.



**High incidence of poverty, particularly in rural areas**

**Sector Three: Enhance the coverage and effectiveness of social protection for all**

38. The main decent work deficit in the social protection sector in the Philippines is the limited extent of coverage with respect to all nine branches of social security included in the (un-ratified) Social Security (Minimum Standards) Convention, 1952 (No. 102).
39. Extension of social security and health insurance coverage is a major challenge facing the Philippines with only about 28 percent of the total labour force being covered by the formal Social Security System (SSS); that is, 23 percent for SSS and 5 percent for the Government Service Insurance System (GSIS).
40. The rural poor and those in the urban informal sector have very low access to social protection. PhilHealth is making efforts to cover the poor, but because of insufficient funds only a few people can be covered. The SSS and the GSIS mainly cover the formal sector. But even in these institutions, coverage and compliance is low. Women are particularly disadvantaged by the current SSS and health insurance schemes, given their over-representation in the informal sector and among the poor.
41. Many civil society groups, cooperatives, community-based organisations and some trade unions that are working toward the improvement of the economic status and empowerment of different informal sector organisations are making efforts to find ways of facilitating their members' access to better social protection services. Among these initiatives are many community-based micro-insurance schemes. Several factors indicate that these schemes can contribute to the country's poverty reduction strategy, as they are:

- Affordable and have easy terms of contributions;

**Limited social protection coverage of the population**

- ❑ Simple, flexible and easy to understand in the context of managing the schemes;
  - ❑ Immediate availability of benefits;
  - ❑ Effective in sharing values such as solidarity, democratic management, and dignity and gender equality;
  - ❑ Often linked to national and/or local governments initiatives to extend health care to the poor in the informal sector;
- 42. Currently, there is no coverage for unemployment by the SSS. There are some regulations in the Labour Code concerning severance pay and emergency loans in the case of loss of job. However, viable coverage for the risk of becoming unemployed is missing. Similarly, there are no safety nets to protect against poverty. In case of the lack of subsistence level income, with the exception of some social assistance programs, there are no support mechanisms in place.
- 43. There is also limited coverage in terms of maternity benefits for women workers in the formal sector. The SSS extends maternity benefits for women workers employed in the private sector, whereas GSIS provided limited benefits for public sector women workers. Minimum standards set by the Maternity Protection Convention, 2000 (No. 183), are far from being attained, whether in terms of coverage, duration of leave or benefits. The informal sector lacks maternity benefits altogether.
- 44. The benefits of the retirement or pension schemes are very limited. Currently, the average worker can expect only a very modest replacement of his/her salary. Women can expect fewer benefits than men and greater poverty in old age, given their intermittent labour force participation due to unremunerated domestic responsibilities, their preponderance in part-time and other non-standard work arrangements that provide less than full-time employment, and their over-representation in the informal sector. Health care benefits are also limited primarily to hospitalisation, and cover fixed amounts. However, the prices of the providers are not regulated, and thus, the real support value of the benefit may be quite low. This is one reason for the limited use of the programme.
- 45. The administration of the SSS in particular is not generally considered very efficient. A 1996 ILO report has shown that several areas such as registration, contribution collection and calculation of a reserve, demonstrate weaknesses. The fact that less than 30 percent of the workforce is registered is an indicator of the inefficiency of the registration.
- 46. In terms of the financial viability of social security institutions, the determination of the reserve fund is not transparent. The system is halfway between a pay-as-you-go and a fully funded system. ILO identified this deficit in its 1996 report. Moreover, the viability of the

**Inadequate and low benefits**

**Problems of government and financial viability of institutions**



reserve fund is undermined by the current practice of providing loans to members from the reserves (e.g. housing loans).

47. Safety hazards threaten the health of a large number of Filipino workers. This is especially the case for rural workers and those in the urban informal sector who have low access to social protection. Work related accidents are highest in agriculture, followed by manufacturing and construction. Agricultural workers face constant exposure to toxic pesticides and have little or no training on proper mixing and application techniques, and no information on protective safety measures. Manufacturing workers are exposed to hazardous chemicals in their work, particularly in the semiconductor industry, which primarily employs women. Construction workers are exposed to dangerous work situations and practices.
48. Sexual harassment is an occupational hazard that undermines equality of opportunity and treatment between women and men and has negative consequences for employers, employees and society as a whole. In a survey of Filipino organizations, 17 percent of the 334 establishments surveyed had records of sexual harassment cases. The number of individuals and firms which sexual harassment has affected is likely to be much higher, given the under-reporting of sexual harassment cases. The Philippines passed an Anti-Sexual Harassment Act in 1995, but much remains to be done in terms of raising awareness, developing workplace policies and procedures, providing training to managers, and offering counselling to victims.
49. The Philippine government has been credited with having one of the most efficient and effective labour migration programmes in the world. However, many difficulties in protecting the rights and health of OFWs remain. Many of the problems surface in the country of employment and include: high levels stress due to working conditions and being apart from family; emotional and physical abuse by employers; victimization by traffickers; and poor working conditions. Women in particular are in vulnerable occupations, such as domestic work and entertainment, where they may be isolated, have very little recourse against their employers, have little control over their terms of employment, and have difficulty escaping unsafe situations.
50. HIV/AIDS is a major threat in the world of work. While the Philippines' situation is referred to as a "nascent epidemic" due to the low number of confirmed cases and slow increase in number of cases, there is a need to fast track responses to prevent the fast spread of the disease. Between 1984 and 2001, there have been about 1,500 confirmed HIV seropositive cases. Infection rates among men are highest among those age 30 to 39,

**Limited application and compliance to OSH standards**

**ILO Code of Practice on HIV/AIDS**

and among women are highest among those age 20-29. The Philippines has formulated a response plan and passed a law on AIDS Prevention and Control in 1998, but active and ongoing efforts are required to stem the spread of AIDS. There is an important need for information dissemination about HIV/AIDS for departing OFWs, for awareness raising for workers in their workplaces, for preventing discrimination against HIV positive men and women, and for developing support and health care mechanisms for infected individuals and their families. AIDS often claims victims in the prime of their productive life, creating economic insecurity for their dependents and fostering conditions for further poverty and poverty-induced work practices, including child labour.

51. One of the main reasons for the low implementation of standards in the field of occupational safety and health (OSH) is the lack of awareness and limited resources available to implement the standards. Coupled with these are the lack of knowledge on the benefits, rights, liabilities and the respective legislation.
52. Furthermore, OSH practices in the Philippines are hampered by diffused governance and lack of compliance. There are at least 10 government agencies involved in OSH functions. Hence, organisations' occupational safety and health mandates, policies, programmes, and approaches pertaining to implementation and enforcement overlap considerably. Such a fragmentation would not appear to be conducive to the formulation, implementation and periodical review of a coherent national policy on occupational safety, occupational health and working environment, which are required by the Occupational Safety and Health Convention (No. 155), 1981. Furthermore, the split of responsibilities between SSS and GSIS agencies results in the lack of a meaningful prevention and rehabilitation programme.
53. The relatively small number of Department of Labor and Employment (DOLE) labour inspectors (about 250) who monitor labour standards enforcement compared to the large number of business establishment limits the effectiveness of the labour administration system. Furthermore, occupational safety and health measures rely heavily on a viable information system, especially on the reporting of work accidents and occupational diseases according to the International Classification of Diseases (ICD). Such a reporting system is only partly in place in the Philippines.

**Lack of awareness on OSH**

**Diffused governance and lack of compliance**

#### **Sector Four: Strengthen tripartism and social dialogue**

54. Tripartism is a declared policy of the state and social dialogue is widely practiced in the Philippines. However, the proportion of workers who are employed in large industries only constitute about one percent of the total labour force. The remaining workers are found in the medium, small and, micro industries and in the informal sector. Trade union density is low in the Philippines and the trade unions draw their membership mainly from the large and medium industries, and from the public sector. Organising workers in small and micro industries and the informal sector is both complicated and difficult. As in most countries, the majority of workers in these sectors have little or no representation through trade union organisations. The problem is further compounded in certain industries like building and construction, where workers are usually considered to be on temporary contracts, paid on a daily basis, and cannot join a trade union organisation. In addition, existing *bona fide* workers' organisations confront many difficulties in organizing workers employed in the free trade or special economic zones. Although industries located in the special economic zones allow their workers to join trade unions, the practical obstacles that they create discourage trade union activities. The historical fragmentation of the trade union movement has also made it difficult to establish effective ways of organising workers.
55. Although trade union organisations have established structures that enable them to provide basic services to their members, their limited resources make it untenable to optimise the use of new information technology.
56. The Employers' Confederation of the Philippines (ECOP) also largely draws its membership from the large and medium industries sectors. Efforts are under way to reach out to a larger clientele, so that they may more effectively address the concerns of all employers especially those in the small and micro industry sectors.
57. ECOP's efforts to provide the advocacy, advisory and other services required by employers of all sizes and in all sectors is hampered by the small secretariat and its ability to generate income from user pays services. This means that the existing staff are unable to address all the demands of the general employer community. In addition to services to members, the secretariat also supports ECOP representatives and members of committees who develop and lobby on policy matters.
58. Women lack full access to, and participation in, social dialogue mechanisms and processes. Women are under-represented in trade union leadership, often failing to establish their hold even over some local



**Low participation from SMEs and informal sector in employers' and workers' organisations**

unions that are primarily comprised of female members. Support can be further extended to improve women's representation in the upper reaches of the country's trade unions, and training must be provided on leadership and negotiation skills for women to fulfil their leadership roles. ECOP's efforts to broaden its membership to include female employers and entrepreneurs must also be enhanced, in view of women's historic under-representation and limited voice among employers.

59. The established national, regional and sectoral level tripartite institutions and agencies generally function satisfactorily, but there are some notable exceptions. Some of the sectoral tripartite committees (e.g. the Sugar Industry Committee) are functioning well, whereas the others require greater support and commitment.
60. Highly legalistic procedures, inordinate delays and compulsory methods characterize the dispute settlement system of the country. Procedures for the registration of legitimate trade unions at the enterprise level, recognition of the collective bargaining agent, etc. are quite cumbersome and collective interest disputes as well as individual rights disputes have to go through a lengthy judicial process of remands and appeals before they are eventually resolved. Although the Constitution and the law encourage voluntary arbitration as a means of speedy dispute resolution, the law also authorizes the Labour Secretary to intervene in a strike by assuming jurisdiction, issuing a back-to-work order and referring the dispute to compulsory arbitration. Thus, most of the significant industrial disputes tend to be referred to the National Labour Relations Commission for compulsory arbitration. Methods and procedures of dispute settlement through conciliation and mediation and voluntary arbitration are insufficiently developed and infrequently used.
61. Another aspect of recent social dialogue in the Philippines is the government's cooperation with civil society groups, including non-governmental organisations, church-based religious organisations and the like in formal as well as informal dialogue. This has broadened government's collaboration beyond the traditional social partners.
62. Vulnerable groups include women workers, persons with disabilities, workers displaced due to armed conflicts, retrenched workers, informal sector, non-formal and casual workers, and others. Their extreme poverty, low social status and lack of organisation, prevents them from bargaining collectively for higher earnings and better working conditions. Limited coverage by trade unions and employers' organisations further restricts the scope of social dialogue in their case.
63. The Department of Labor and Employment's (DOLE) mandate includes the delivery of a range of labour administration services for the benefit of

**Limited efficiency of tripartite institutions and dispute settlement procedures**

**Strengthening labour administration**

its client system. These services mainly include determining minimum wages and setting just and humane conditions of work, enforcing labour laws, registering trade unions and employers' organisations, registering and administering collective bargaining agreements, settling industrial disputes and maintaining industrial peace, developing human resources and promoting and facilitating gainful employment by operating a nationwide public employment service. Unfortunately, the financial and human resources at its disposal do not permit DOLE to deliver these services with the efficiency and effectiveness that it wishes.

64. The mismatch between the number of business establishments and the number and quality of its inspectors makes it extremely difficult for DOLE to discharge its law enforcement responsibility satisfactorily. There is a need to strengthen the capacity of the labour inspectorate, including occupational safety and health inspectors, through appropriate advisory and training support services.
65. With the promulgation of the Public Employment Service Office (PESO) Act in 1999, DOLE is expected to establish, operate, coordinate and supervise a network of public employment service offices in every province, key city and other strategic areas throughout the country. DOLE expertise to perform its allotted role under the law needs to be upgraded although financial constraints have so far hampered the full implementation of the PESO Act.
66. Likewise, the capacity of DOLE to render conciliation and mediation services for settlement of industrial disputes is limited, due to the insufficiency of skilled human resources on the one hand and frequent interventions in favour of compulsory arbitration on the other.
67. To meet the situation arising out of the regional financial crisis, a social accord was concluded in 1998 wherein solemn promises were made by the social partners to follow certain agreed upon prescriptions, including commitments by employers to not layoff workers provided trade unions avoid strike action. The social accord was renewed in 1999, but the pronouncements it contained have remained largely unrealised. There is an absence of monitoring mechanisms to follow up the implementation of recommendations and commitments made in tripartite bodies and other social accords and agreements.

**Limited capacity to implement social accords and recommendations of tripartite bodies**

## **Summary**

68. The decent work challenges facing the Philippines are numerous. The Philippine government considers that “poverty remains the country’s most serious development challenge ... and that ...poverty reduction requires the adoption and consistent implementation of appropriate

policies and programs that promote full, decent and productive employment of Filipino workers”.<sup>8</sup>

69. Achieving decent work for all Filipinos requires that the shortfall in sufficient employment opportunities is reduced, social protection is provided for, rights at work are protected and participation in the democratic process is guaranteed through tripartism and social dialogue<sup>9</sup>.
70. Achieving decent work for all Filipinos also requires concerted attention to the issues of a gendered labour market in which women are disproportionately represented among poor and vulnerable workers. Efforts to alleviate poverty and promote decent work require that gender equality concerns be fully integrated into all strategies and responses.

<sup>8</sup> Republic of the Philippines (2001). Medium Term Philippine Development Plan 2001-2004. Manila, Philippines.

<sup>9</sup> Ibid.

# National Policies and Decent Work

## **Policies of the Government of the Philippines**

71. The Philippine Government Medium-Term Philippine Development Plan (MTPDP) for 2001-2004 provides the government's overall development framework. The plan sets the objective of reducing the number of poor families and the incidence of poverty. The government states that the "employment policy challenge is to formulate strategies under a unified policy framework to promote full, decent and productive employment as a means in alleviating poverty". To this end, the government intends to implement a range of employment generation, preservation, enhancement and facilitation strategies.
72. An increase in investments, both local and foreign, and macroeconomic stability are seen as the keys to productive job creation. Employment generation strategies are intended to influence policies that will attract investments and accelerate labour absorption in ways that meet the conditions of decent work and the objectives of poverty alleviation. The present administration holds a strong commitment to the creation of new job opportunities particularly in agriculture, tourism and information and communication technology. Self-employment is also regarded as an important employment generation strategy, as is the development of small and medium enterprises (SMEs) and informal sector activities.
73. Innovative ways of securing loans and guarantees will be developed so that some SMEs can overcome the usual constraints posed by collateral requirements. These include the establishment of venture capital schemes for SMEs and the SME Capital Market to be established by the Philippine Stock Exchange.
74. Local government units are encouraged to provide an environment conducive to SME development, while line agencies are urged to give consideration to the constraints faced by SMEs in the implementation of policies and regulations pertaining to their sector or functions. The managerial competence of SMEs would be upgraded and the benchmarking of the definition of SMEs established.
75. Employment preservation measures aim to enhance harmonious employer-worker relationships and to ensure remunerative employment terms and conditions. The government has pledged to guarantee the rights of all workers to self-organisation, minimum wage determination through collective bargaining and negotiations, peaceful concerted activities through freedom of association and continuous social dialogue and participation in policy and decision-making processes. Likewise, the government intends to promote the principle of shared responsibility



**Employment generation**

**Employment preservation**

between workers and employers and the preferential use of voluntary modes of settling disputes to foster industrial peace.

76. Employment enhancement is also a recognised goal of the development strategy. The plan proposes strategies for developing a skilled, knowledge-based workforce imbued with a veritable work ethic and responsible understanding of basic human and trade union rights, and a citizenry with entrepreneurial skills that can seize market opportunities. Continuous and life-long learning and development of human capital shall be a priority of every player in the labour market. The Technical Education Skills Development Authority (TESDA) Fund is to provide a lead role in this respect. The government also clearly indicates that there should be no discrimination against women and persons with disabilities with regard to their right to seek decent and productive employment. Moreover, the prohibition on the employment of children below 15 years old in any public or private establishment and of those 15-17 years old in hazardous occupations shall be strictly enforced.

#### **Employment enhancement**



77. The employment facilitation policy focuses on the following measures: (a) develop and improve access to employment opportunities and alternatives, local and abroad; (b) provide accurate and up-to-date labour market information to improve matching of jobs and workers; and (c) provide a level playing field for contractual negotiations. In addition, as part of the employment facilitation strategies, overseas employment will continue to be promoted. In this regard, future efforts are focused on the selective deployment of workers to labour-friendly host countries to ensure equal protection and safe working conditions for Overseas Filipino Workers (OFWs), particularly women migrant workers.

#### **Employment facilitation**

78. The government's MTPDP includes a chapter on protecting vulnerable groups and identifies social assistance, social safety nets and social security as the main vehicles to reduce people's vulnerabilities. Strategies on social security focuses on improving access of low-income informal sector workers to social security measures as well as expanding its scope and coverage. These include:

#### **Social security**

- ❑ promoting awareness of the need for social protection;
- ❑ extending SSS coverage to small employers and the self-employed;
- ❑ developing alternative schemes for those outside the scope of the SSS;
- ❑ establishing special social protection schemes for certain industry groups;
- ❑ expanding social security coverage of other informal sector groups; and
- ❑ developing alternative collection systems to encourage participation in the programme.



79. Some of the social safety net strategies proposed by the government include:

- improving the efficiency of rice subsidy programmes by integrating them in the targeted employment/public work schemes;
- encouraging the private sector to provide emergency cost of living allowances to workers in times of economic crisis;
- ensuring accessibility to public employment facilitation and marketing services by displaced workers especially those in the informal sector; and
- improving the design, targeting and implementation of labour-based infrastructure programmes to generate more employment for displaced workers and job seekers.

80. In support of the government's overall anti-poverty policies, the Department of Labor and Employment (DOLE) has launched its "Aksyon ng Sambayanan Laban sa Kahirapan" or the Aksyon ng Sambayanan Programme (Poverty-Free Zones). This programme is designed to transform targeted poor communities into self-sufficient communities through a systematic and rational convergence of the assistance efforts of government agencies and private organisations<sup>11</sup>. The programme seeks to aid in the provision of decent and productive employment, whether in the formal or informal sector, through the promotion of livelihood and micro-entrepreneurial activities that have the potential to become small and medium enterprises capable of generating jobs. Through this programme it is anticipated that communities would be able to manage their own organisations, improve the production and productivity of their enterprises, and access and manage the delivery of basic production extensions and social services from various organisations.



**Employment generation in Poverty Free Zones<sup>10</sup>**

81. Related to the extent of poverty, is the high level of child labour in the Philippines. The 1992 child protection law, Republic Act No. 7610 (Special Protection of Children Against Abuse, Exploitation and Discrimination Act) is the landmark law that provides the protection of children against abuse, commercial sexual exploitation, trafficking and participation in illicit activities. Republic Act 7658 (Amending RA 7610) reaffirmed the minimum age of employment to 15 and 18 for hazardous work. The Philippine government ratified two ILO Conventions on child labour: Convention No.138 (Minimum Age Convention) in June 1998 and Convention No. 182 (Elimination of the Worst Forms of Child Labour) in November 2000. The ratification of ILO Convention 138 paved the way for the fuller enforcement of the long-standing Philippine jurisprudence on child labour while ILO Convention 182's ratification



**Child labour**

<sup>10</sup> Photograph: *Philippines 2000: A Vision for the Nation*, 1996.

<sup>11</sup> Excerpts were taken from the Guidelines on the Operationalization of the Aksyon ng Sambayanan Laban sa Kahirapan (Poverty-Free Zones) Program, Administrative Order No. 213 (Series of 2001).

provides immediate and urgent action on the worst forms of child labour. This involves not only developing the enabling national legislation but also effectively enforcing the law/s, applying the equivalent penalties and setting-up monitoring mechanisms. Focus is given to children at special risk, particularly the girl child. At present, there is also a draft child labour legislation in the Senate (Senate Bill 750) which consolidates the child labour protective legislation and will hopefully be passed by the present Congress.

82. To achieve the goals of equality, competitiveness, protection and increased participation of women in both economic and trade union activities in the private sectors, several strategies anchored on the policy of equal employment opportunities for women in both formal and informal employment shall be undertaken by the government.
83. Affirmative action shall be developed and implemented for the benefit of female workers. This would include a range of promotional measures aimed at achieving equality of employment opportunities through the elimination of inequalities which restrict women's employment, such as education, enforcement of laws, advocacy, institutionalising mechanisms, networking and provision of incentives. These strategies would be pursued through tripartite efforts of government, labour and management based on the overall objective of improving women's status and quality of life.
84. The Government has given particular attention to regional development with emphasis on peace building, rehabilitation and socio-economic development of conflict-affected areas in Mindanao. The strategy includes restoring peace and order through the implementation of existing peace accords and renewed negotiations with warring parties. Programs on livelihood and employment, education, health, social welfare, agricultural modernization and infrastructure have been carried out, while promoting social cohesion and dialogue in Mindanao's multi-ethnic setting.



**Gender equality**

### **Priorities and activities of the social partners**

#### **Employers'**

85. The Employers' Confederation of the Philippines (ECOP) places social dialogue and constituents capacities to meaningfully participate in this dialogue as a priority and central concern in the ILO's Action Programme for Decent Work in the Philippines.
86. Employment generation, in the view of ECOP, is the means and ends towards the achievement of equity and poverty reduction. ECOP on its own and collectively with other business organisations outside of its

membership base, has committed itself in principle to employment generation and employment facilitation. However, since 1997, the country has faced a string of difficult economic circumstances that have dampened capital investment, thereby reducing opportunities for profit growth and in turn, gain sharing for employees.

87. ECOP considers small and medium enterprises as key generators of employment that must be allowed to seek their competitive niches and business linkages such as franchising and subcontracting under a deregulated and flexible labour market. Currently, ECOP has been working with the ILO to develop information, advice and training services for SMEs and increase the participation and representation of SMEs, specifically those run by women entrepreneurs, in the confederation.
88. ECOP is a supporter of the ILO's International Programme on the Elimination of Child Labour (IPEC). Its direct action programme involves a nationwide accreditation and recognition system of "child-friendly and child labour-free firms". The idea behind this is to promote the recognition of Philippine business people who are seriously taking steps to eliminate child labour and other forms of child exploitation. Specific guidelines were developed by ECOP on this recognition system.

#### **Workers'**

89. Promotion and protection of workers' rights, improvement of social protection schemes and safety nets, rationalisation of the wage setting machinery within the context of the current high and growing levels of unemployment and underemployment are considered major challenges for the workers' organisations in the Philippines.<sup>12</sup>
90. The cyclical boom and bust economic cycles in the Philippines and the growing deleterious impact of globalisation are contributing to plant closures and loss of jobs in the formal sector. This, along with the large number of new entrants to the labour force, has resulted in a growing informal sector and external migration of workers where conditions are often appalling and workers' rights are restricted.
91. Workers' organisations are active in programmes supporting the development of the informal sector, the protection of migrant workers, the social inclusion of the most vulnerable sectors such as women, child labour, displaced workers, urban poor and rural communities, and their mainstreaming into a "social movement unionism".<sup>13</sup> They are strong

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<sup>12</sup> See, "Draft Agenda of the Formal Labor and Migrant Workers' Sector" of the National Anti-Poverty Commission's Sectoral Assembly held at DAP, Tagaytay last 15-17 January, 2002. The Sectoral Assembly and the subsequent election of the Sectoral Council was participated in by LSM, BMP, CLO and organizations of migrant workers' and seafarers.

<sup>13</sup> See, "Fighting Back With Social Movement Unionism: A handbook for APL Activists," published by APL and LEARN, 2001.

advocates of lifelong learning, training and re-training programmes, skills testing and certification, occupational safety and health for all types of workers and the vulnerable sectors as well so that they can be re-integrated into the formal labour force, or become self-employed,<sup>14</sup> entrepreneurship programmes so that they can create their own jobs, and social housing for trade union members and migrant workers.<sup>15</sup> They are also advocating for Labor Code reforms to align it better to ILO Standards and for the ratification of ILO Conventions specifically on freedom of association and collective bargaining in the public sector, occupational safety and health, migrant workers and seafarers.<sup>16</sup>

92. Within the framework of the Asian Labor Network on the IFIs/ Philippine Chapter (ALNI/P),<sup>17</sup> workers' organisations are actively lobbying the international financial institutions and the World Trade Organization (WTO) to sensitise their policies toward creating and preserving decent work, particularly in promoting respect for core International Labour Standards in their policies and programmes.
93. Workers' organisations in the Philippines have been actively involved in the fight against child labour in many ways, such as investigations, policy formulation, institutional development, workers' education and monitoring, advocacy and campaigning, collective bargaining, direct support to children and their families, and solidarity activities. A workers' task force was organized specifically to create awareness and advocate for the ratification of ILO Convention No. 182 on the Elimination of the Worst Forms of Child Labour.

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<sup>14</sup> See, "Conclusions and Recommendations of the National Labor Conference on Lifelong Learning", August 2000 sponsored by TESDA, and held at the TESDA Women's Center. See, also, the "Memorandum of Agreement on Quick Response Team", signed by government agencies, employers' groups and groups of workers' organisations and civil society last February, 2002.

<sup>15</sup> Social housing is engaged in by trade unions for their members within the framework of the Kaunlaran ng Manggagawang Pilipino, Inc. (Workers' Fund), whose Board of Trustees are composed of representatives from the FFW, LMLC and TUCP.

<sup>16</sup> *op. cit.*; "Draft Agenda of the Formal Labor and Migrant Workers' Sector", and "Promoting Decent Work in a Borderless World"

<sup>17</sup> ALNI/P is composed of workers' organisations including the APL, FFW, TUCP, TUPAS, AFW, UFW and NGOs such as the FDC, Earthsavers, PPI. Applicant-members include PAKISAMA, UST Faculty Association, LEARN. ALNI has similar networks in Indonesia, Malaysia and Thailand.

# ILO's responses to promoting Decent Work

## Introduction

94. The ILO's Action Programme for Decent Work in the Philippines pursues the overall objective of supporting national efforts to reduce poverty through the adoption and consistent implementation of appropriate policies and programs that promote full, decent and productive employment of Filipino workers".<sup>18</sup>
95. The following sections describe the work to be undertaken in the programme. The work items are described for planning and monitoring purposes under each of the ILO's four strategic objectives that encompass the decent work agenda. To sustain and complement those activities, integrated programme responses will be provided to address priority concerns of the country and its people namely, gaining from globalisation through boosted competitiveness and employment and alleviating poverty incidences on the most seriously affected Filipinos in rural and urban areas. These integrated responses are presented in this programme.

## ILO Sector responses

### **Sector One: Promote and realize standards, fundamental principles and rights at work**

96. With 30 ratified Conventions to date, of which 28 are in force, the Philippines stands below the average ratification record of all ILO Member States, but fares better than its Asian neighbours, especially in view of the quality and long standing nature of its commitments. Long before the notion of fundamental standards made its way within the ILO itself, Conventions Nos. 87 and 98 were among the first ten it chose to ratify. And at a time when concern for gender equality had yet to gain prominence, the Philippines was the third ILO Member to ratify the Equal Remuneration Convention, 1951 (No. 100), as early as in 1953. There is a strong entrenched "ILO culture" in a country where labour law was often drafted with reference to ILO standards.<sup>19</sup>
97. To build upon these sound foundations, it may be useful for Philippine constituents to embark on a more systematic and better structured review of its existing and considered commitments under ILO Conventions. In parallel with the efforts of the ILO to rationalise its standards setting policy, a similar undertaking at the national level would result in the framing of a genuine national policy toward ILO standards that would

**An ILO Standards Policy for the Philippines**

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<sup>18</sup> Republic of the Philippines (2001). Medium Term Philippine Development Plan 2001-2004. Manila, Philippines.

<sup>19</sup> The high degree of compliance with reporting and other ILO constitutional obligations also bears witness to the importance given by the labour administration to ILO standards issues.

reconcile the priorities of the Organization and the specific needs of the country.

98. The institutions and procedures in place for the tripartite consultations on ILO standards required by Convention No. 144 could be used for that review. ILO expertise would be systematically made available in the process.
99. The effective realisation of fundamental principles and rights at work calls for different types of action. In the area of freedom of association and right to collective bargaining, the shortcomings of the legislation have been clearly identified by the ILO supervisory bodies for a number of years, they are well known, and the adoption of the necessary legislative amendments such as those recommended by the Congressional Commission on Labour should not suffer further delays.
100. For the effective abolition of forced labour, it may be necessary that potential obstacles to the ratification of Convention No. 29 be identified and removed. Other potentially contentious issues, such as the use of conscripts for other works than those of a purely military nature, should not be overlooked.
101. For the purpose of eliminating discrimination, especially sex discrimination, consideration should be given as to the most efficient combination of legislative, enforcement, and advocacy or promotional measures to be taken, on the basis in particular of the ongoing dialogue with the ILO Committee of Experts on the application of Conventions Nos. 100 and 111.
102. As weak enforcement of the legal provisions for the protection of workers is largely recognized as a major concern, a candid examination of the reasons for the non-ratification of the two priority Conventions on labour inspection, Conventions Nos. 81 and 129, could help better identify the gaps in that respect. Whether it concludes or not to the possibility of ratifying the Conventions, such an examination would serve a useful purpose in targeting technical assistance for the enhancement of the capacity of labour inspection where it is most needed, by reference to the functions it is expected to perform according to these instruments. See paragraphs 160-162 for further details.
103. The ILO will continue to provide technical advice to assist in the process of the ratification of Convention No. 147, a comprehensive but complex instrument. In the meantime, it encourages the constituents to consider the possibility of ratifying the Seafarers' Identity Documents Convention, 1958 (No. 108), whose application would tremendously improve the lot of seafarers at virtually no cost.

**Fundamental principles and rights**

**Improving labour inspection**

**Maritime standards**

104. An active participation of all the ILO constituents in all stages of the preparation of new instruments is vital for their relevance to the national context, and therefore the possibility to ratify or implement them. The Office can design and develop new activities to enable its constituents to meaningfully contribute to the process, at the stage of both the written exchanges with the Office and the deliberation in the technical committees of the Conference.

**Participation in the standards-setting process**

105. Standards are, literally speaking, the added value of the ILO, and it is part of its mandate to contribute to the design and implementation of a rights-based, gender sensitive approach to development and poverty reduction, with reference to the fundamental ILO Conventions. The Project to Promote ILO Policy on Indigenous and Tribal Peoples engaged with PANLIPI-Cordillera, which seeks to improve the implementation of the Indigenous Peoples Rights Act with reference to Convention No. 169, is an example of such a rights-based approach. Other current activities of the Office in that respect include technical support for the execution of the ILO and Asian Development Bank (ADB) project on “strengthening the role of labour standards in selected developing member countries” and the ILO/UNDP projects on “human rights strengthening in informal sector programming, monitoring and evaluation”. The ILO/ADB project seeks to identify the economic costs of the non-implementation of labour standards related to child labour, gender and OSH, with a view to the adoption of guidelines for ADB operations. In the context of the recent adoption by the ADB of a Social Protection Strategy, which expressly refers to the fundamental labour standards, it paves the way for increased cooperation between the ILO and the development bank. As part of these programmes, these efforts will be expanded.

**Advocacy of a rights-based approach to development**

106. With the ratification of C. 182, its implementation through a time-bound approach will involve a national commitment to take immediate measures to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency. Further, under ILO/IPEC, preparatory activities are underway in the arena of advocacy, database development and formulation of a time bound programme (TBP) project document. ILO assistance is detailed under the integrated programme response addressing the worst forms of child labour.

**Implementing C. 182 through the Time-bound Programme**

**Sector Two: Create greater opportunities for women and men to secure decent employment and income**

107. Through its Medium Term Philippine Development Plan, the government has stated as one of its goals the promotion of “full, decent and productive employment” for every Filipino worker. The ratified ILO Employment Policy Convention No. 122 provides a framework for establishing programmes and policies to give effect to the pledges contained within the government’s plan.
108. The ILO, through its Global Employment Agenda, will support the government and the social partners in designing and formulating a comprehensive employment policy strategy. The ILO will contribute to a thorough analysis of the issues involved both in terms of employment and competitiveness from a decent work perspective. This would involve identifying policy options, including possible trade-offs between different alternatives. Special attention will be given to the integration and coordination of policies, macro-economic as well as structural policies, toward full and sustainable employment. See Integrated response 1: A policy framework to address employment and competitiveness on page 41 for further details.
109. Decent work can only exist in competitive, productive, and economically viable firms. Improving the competencies of managers and the environment in which they operate their enterprises can significantly contribute to the creation of decent work. Promoting productivity and competitiveness is an important component of the government’s overall development strategy. The ILO will support these efforts through analytical studies and advocacy workshops that address decent work and productivity issues. Programmes to link productivity enhancements and improvements in working conditions will be promoted. Furthermore, the ILO will promote workplace cooperation and other management practices that lead to productivity improvements. Examples of good practices will be documented and disseminated. This work will be applied to all sizes of enterprises and different industry sectors. A technical cooperation project will be designed and funds sought to implement a project that promote the interdependency between and how it is possible to simultaneously improve productivity and job quality.
110. Recognising that small and medium enterprises are the major contributors to job creation, the ILO will support efforts to foster SME development through the promotion of ILO’s Recommendation No. 189 concerning General Conditions to Stimulate Job Creation in Small and Medium-sized Enterprises. As part of this programme, Recommendation

**Promote the goal of full, productive and freely chosen employment under the ratified Employment Policy Convention, 1964 (No. 122)**

**Supporting the development of a comprehensive employment policy strategy**



**Promoting productivity and competitiveness<sup>20</sup>**

**Improving the SME policy and programme framework**

<sup>20</sup> Photograph: *Philippines 2000: A Vision for the Nation*, 1996.



No. 189 will be used to analyse the existing SME policy and programme framework and a high-level workshop convened to make recommendations and propose actions to improve the overall framework.

111. Information, materials and technical assistance will be provided to assist governments, employers, workers and other groups concerned with job creation and enterprise development to improve entrepreneurs' access to business development and training services for micro- and small enterprises and cooperative enterprises and micro-credit schemes. Programmes such as the ILO's Start and Improve Your Business (SIYB) programme, productivity enhancement training, association building, and cooperatives training materials will be promoted, programme managers trained and materials disseminated. A web-based system will be established for disseminating information on these programmes, their application in the Philippines and encouraging interaction between practitioners. These employment creation and enhancing programmes will form an integral part of the integrated programme response that are described in more detail starting page 39 of this document.
112. Recognizing that SMEs provide the potential for women and other traditionally disadvantaged groups to gain access under better conditions to productive, sustainable and quality employment opportunities, efforts will include the design and implementation of programmes for these groups of would-be entrepreneurs.
113. Autonomous, member-directed cooperatives have existed in the Philippines since the 1950's. However, the concept of workers' cooperatives where the primary service to worker-members is the provision of long-term employment has been introduced only in the late 1980's. The concept has taken a more urgent note in the late 1990's when 'right-sizing' particularly of investors-driven enterprises and displacement of workers became global realities. The ILO through the COOPNET program has been involved in propagating the workers' cooperative idea particularly among the informal sector workers. Initial results in terms of number and quality of jobs created have been very significant. (The first of these workers' cooperatives started operations in 1998 with 16 worker-members. It now has 40 regular worker-members and 10 probationary worker-members.) An expansion of these initiatives shall contribute to innovative ways of promoting self-employment with greater protection particularly among the workers in the informal economy.
114. This initiative could as well be a concrete response to the anticipated adoption of the draft ILO Recommendation on the Promotion of



**Promoting cooperatives as a vehicle for job creation particularly in the informal sector<sup>21</sup>**

<sup>21</sup> Photograph: *Philippines 2000: A Vision for the Nation*, 1996.

Cooperatives at the International Labour Conference (2002) which will among other provisions call on the ILO member-states to “promote the important role of cooperatives in transforming what are often marginal survival activities (sometimes referred to as the "informal sector") into legally protected work, fully integrated into mainstream economic life.”

115. Given the large employment and income deficits, the Philippine economy would require a return to a high and sustained growth rate if it were to reduce these deficits. However, since poverty and underemployment are fairly pervasive, strategic interventions in the short-run would be necessary to provide basic employment, income and skills support, especially to such vulnerable groups as informal workers/households, youth, women, people with disabilities, elder people, indigenous peoples and large poor farming communities in the rural areas who have little alternative sources of earning a poverty threshold income. See Integrated response 2: A policy and programme of local economic development for one poverty free zone on page 42 for further details.
116. The ILO will continue to promote its local resource based strategies for sustainable rural infrastructure provision including cost-effective labour-based approaches. The objective of this work is to address poverty and employment issues in an integrated way by improving the access of the population to employment opportunities and to economic and social goods and services through the effective provision of infrastructure. The ILO will work at the national level with several Departments (DOLE, DPWH, DILG and NEDA) to integrate poverty and employment concerns into mainstream public infrastructure investment programmes. In addition, support will be provided to Local Government Units (LGU) through the development of technical manuals and field training on labour-based technology. This work will include assistance to DILG to develop a labour-based technology reference materials for LGUs.
117. As part of the effort to strengthen LGUs the ILO's Integrated Rural Accessibility Planning (IRAP) model will be applied. This easy-to-apply data gathering and analytical procedure has been introduced nationwide by an ILO/IRAP project since several years. This project is contributing to the socio-economic development and poverty reduction efforts of the country through effective development planning capacity at local, regional and national levels. Although the project is to end in December 2002, the ILO will continue using and promoting the IRAP model.
118. The ILO will continue to collaborate with financial institutions such as the Asian Development Bank in providing technical support to rural infrastructure investment programme in the application of appropriate and labour-based technology.



**Promoting job creation programmes, particularly in rural areas**

**Integrated Rural Accessibility Planning (IRAP) model.**

119. Youth unemployment and under-employment continues to be a serious and growing problem in the Philippines and internationally. To assist the Philippines address this challenge, and to promote the value of the youth as an asset for social and economic development, the ILO will prepare background material and support a high-level workshop to make recommendations for an action programme regarding employability, equal opportunities, entrepreneurship and employment creation. This work will draw on the recommendations from the high-level panel which was convened by the UN Secretary-General Kofi Annan, ILO Director-General Juan Somavia and World Bank President James Wolfensohn to prepare a set of policy recommendations that give young people everywhere a real chance to find decent and productive work.
120. To promote youth entrepreneurship, the ILO will continue to promote and support the establishment of the Philippine Youth Business Foundation. This foundation is being established to support young people to start their own businesses. The establishment of this Foundation is a joint initiative of the Employers' Confederation of the Philippines, Rotary Club of Manila, Youth Business International (The Prince of Wales Business Leaders Forum), International Organisation of Employment, Rotary International and the ILO. A local high-level Board of Directors has been established, and the programme is becoming operational.
121. The goal of improving the employability and skills of the workforce has been directed towards the achievement of the following vision for the country: "The development of world-class, technically skilled and educated workforce with positive work values, acting as the vital force in building a prosperous Philippines where citizens enjoy a life of greater economic security, social well-being and personal dignity".<sup>22</sup>
122. The technical education and skills development status of the country shall be improved and assistance provided through a review of its national training policy and implementation of a number of training reforms. Specifically, this involves addressing the skills requirements of export-oriented activities; industries undergoing adjustments; support industries and overseas employment for global competitiveness; rural development by mainstreaming the countryside skills requirements specifically for technology-based agriculture and fishery; and promoting social integration by providing skills for the working poor through economic and social alternatives for the poor and disadvantaged sectors of the economy. Skills development for women shall be an integral part of the above-defined areas.

**Promoting youth employability, equal opportunities, entrepreneurship and employment creation**



**Promoting skills for employability**

<sup>22</sup> TESDA, "National Technical Education and Skills Development Plan 2000-2004", A Vision and Strategy for the Development of Middle-level Manpower.

123. The ILO will continue to assist the Technical Education and Skills Development Authority (TESDA) in developing its competency-based skills qualification system. As it has initially developed on a pilot-test basis a module for the telecommunication sector, the same approach will be gradually replicated for other sectoral categories. In the area of rural development and employment, the TESDA Womens' Center has since two years ago collaborated with ILO's Asia Pacific and Skills Development Programme (APSDEP) and International Training Centre in Turin, in conducting training and implementing a community-based approach in training (CBT) women for rural employment. The experience has benefited not only the Philippines but also many developing economies in Asia. TESDA/ILO cooperation and networking for CBT will continue to be implemented annually. Furthermore, training for informal sector workers especially women will be provided by TESDA which shall work closely with the local government units.

124. There is a need to support the establishment of a systematic gender sensitive monitoring mechanism on the impact of policies and programme responses targeting the reduction of decent work deficits. A monitoring network of national and local databases, along with periodic dissemination mechanisms would act as a significant tool for policy assessment, and programme managers. In part, a number of other monitoring systems already exist or are being planned. The ILO will provide technical assistance to establish a mechanism or system that is integrated with other systems and information needs and can show progress towards the attainment of decent work in the Philippines. In addition, the Philippines will be promoted as part of the ILO's Labour Market Indicators Library (LMIL) Network. The aim of the network is to establish a global information system for the purpose of reinforcing regional partnerships and facilitating access to up-to-date labour market indicators that will assist policy makers, analysts, researchers and other users in policy making and monitoring. The LMIL Network will focus on a core set of relevant labour market indicators and associated methodological information, and improve the timeliness and availability of national indicators at the global and regional levels.

**Supporting the establishment of gender-sensitive mechanisms for monitoring the impact of policy and programme interventions**

**Sector Three: Enhance the coverage and effectiveness of social protection for all**

125. In addressing the deficits in social protection, the major focus will be on extending social security coverage of the population and risk. In collaboration with stakeholders (DOLE, DOH, DOF, employers and workers representatives, and beneficiaries), a social security strategy paper will be prepared. The paper will (a) review trends and gaps in social security and (b) recommend reforms to the current social security

**Supporting the extension of social protection coverage**

systems. These recommendations will address the future role of the existing schemes (GSIS, SSS, PHIC, Pag-IBIG) and the possible role of additional social security schemes, such as voluntary schemes and social safety net. A tripartite workshop will be organised in order to present the paper, determine an action plan for implementation and identify the technical assistance required.

126. The ILO's and others' efforts in promoting the need for unemployment insurance will be intensified. This work will involve the development of pilot schemes (target groups, costs, benefits, mechanisms) to test and promote the concept. A committee of local experts from organisations such as SSS, PESO and TESDA, JOB-LINK, together with representatives from employers' and workers' organisations will be established to assist in the design, implementation and monitoring of these schemes. In addition, technical assistance will be provided to these organisations to upgrade these pilot schemes and develop their own unemployment protection schemes.
127. Discriminatory treatment of women in the labour market and the disparate impact of workplace structures and practices on women and men produce both short and long-term disadvantages for women relative to men. Women are over-represented in low-paying jobs in the informal sector and in non-standard work arrangements. This results in less job security, lower income, fewer social protections, and higher under-employment for women relative to men. These disadvantages are compounded at retirement because of a pension system in which payments are based on contributions. These patterns reflect the need for careful responses that take sex differences in employment patterns and outcomes seriously.
128. Improving the nearly seven million Overseas Filipino Workers' (OFWs) access to social security systems in the Philippines or workers' host countries will be an important element of the overall social protection strategy. ILO assistance provided in this regard is detailed under the integrated programme response addressing OFWs concerns. See paragraph No. 187-193 for further details.
129. To implement measures to increase the compliance of employers with existing legislation is a task, which is relevant in the context of extending coverage and to improve governance as well. It will be important to identify the possibilities to enforce the existing legislation, analyse the legislation in how far it is adapted to the target groups (especially concerning farmers, fishermen and other informal sector workers), explore new ways of financing, and identify needs for modification of legislation. In order to increase awareness, the ILO will promote the use

of targeted public information and education campaigns designed to improve compulsory and voluntary compliance.

130. The objective of covering the entire population under a comprehensive policy of social protection is certainly justified, but its attainment within a few years is unrealistic. Meanwhile, other ways of extending some social security options to people in the informal sector will be necessary. For vulnerable groups, viable alternative forms of social protection should include the following:

- Social assistance, targeted at those who are unable to self-finance.
- Social reinsurance, to encourage self-help through more affiliations in attractive community-based health insurance schemes that promote greater equity in health care. Many of the existing schemes are not sustainable without external support. The ILO Social Reinsurance project is intended to strengthen these schemes and remedy their intrinsic vulnerabilities. The Philippines has been selected as a location to pilot reinsurance for community based schemes.

131. The ILO will continue to support selected community-based organisations where the majority of the members are women, through the ILO-STEP (Strategies and Tools against Social Exclusion and Poverty) regional project entitled: “Extending Social Protection through Micro-insurance Schemes for Women in the Informal Economy.” The support will be geared towards further developing and strengthening existing community-based health micro-insurance schemes so as to give the members and their families better access to health care and promote partnerships between the schemes and government structures responsible for promoting women workers rights and social protection in health for informal sector workers.

132. The ILO will also assist in identifying prospects and possibilities towards extending social protection to the informal sector in the Philippines by proposing tailor-made training courses in collaboration with the government and the ILO International Training Center in Turin, Italy and ILO -STEP.

133. Another focal point of ILO activities will be the strengthening of the administrative capabilities of all social security institutions. Technical advice and training are based on needs assessment in previous ILO reports and the social protection strategy paper mentioned above. Two specific activities where assistance has already been requested are as follows:

- Assistance in the field of actuarial determination of the reserve of SSS and GSIS.
- Implementation of the ILO’s social budgeting model, which will improve the capability of policy makers to make decisions on the basis of sound models and projections.



**Support complementary and community-based social security schemes**

**Improve governance and promote transparency of social security systems**

134. The inadequate and low benefits provided by the existing social security schemes, are directly related to issues such as coverage and governance as described previously. It is planned to establish a permanent coordinating committee for Social Protection as a follow-up to the committee created by Executive Order No. 369 of September 1996. The ILO will provide technical support services to this committee.
135. Concerning specific benefits, such as retirement pensions and disability benefits, a study will be conducted (benefits, financing, organisation, need for legislative activities, social rehabilitation) and a tripartite workshop conducted to explore the adequacy of, and extending, these benefits.
136. Loans to members are currently a benefit that is very much in demand with SSS members. However, this practice although providing cheap loans, has a negative effect that it reduces the SSS's profitability because they charge low interests on the funds they lend to members. Therefore, it is planned that a future strategy concerning loans to members be worked out with the SSS.
137. The ILO will assist in identifying appropriate responses to the continued problem of sexual harassment by proposing a tripartite workshop to develop an action programme for raising awareness and implementing policies, procedures and practices to reduce and address sexual harassment cases.
138. Lack of awareness and information as well as compliance with occupational safety and health (OSH) will be tackled by promoting recognition of the need for and benefits arising from good OSH practices. This is part of the ongoing work between the ILO and Asian Development Bank on promoting labour standards as part of ADB's Social Protection Policy.
139. The ILO will support the government in the formulation of a National SafeWork Programme that will push OSH higher in the national agenda, promote a safety culture and develop a strategic OSH programme. Statistical tools and methods on safety and health should be strengthened so that policy measures can be based on reliable data. There are plans to conduct a study on reporting and statistics assessing the current practice and viability and proposing improvements that would form the basis of further technical assistance. A major household survey on occupational accidents – gender sensitive and covering all major economic sectors including the informal sector and agriculture – has been carried out recently. Results are being analysed and will be used for planning purposes.

**Addressing inadequate and low benefits**

**Promote recognition of occupational safety and health as an investment rather than as a cost.**

140. The ratification of the Occupational Safety and Health Convention, 1981 (No. 155) would be an important step in this regard and activities necessary to include:

- Development of advocacy kits
- Consultation meetings with government, workers' group, employers' group and other relevant groups
- Consultation with appropriate committees in the House of Representatives and the Senate

141. There is a need to focus on small and medium enterprises when it comes to working conditions. Most of the workers in the Philippines work in these types of enterprises and there is enough evidence that the working conditions deserve improvement. Programmes to link productivity enhancements and improvements in working conditions will be promoted. In addition, the development of a national framework to implement OSH Management System Guidelines will be promoted. This framework would provide a new approach to promote self-compliance, worker participation, better management, integration of OSH with other business operations and systematic OSH approach at the enterprise level.

142. There still exists a lack of information in the workplace on the prevention of HIV/AIDS. A national workshop promoting the ILO's code of practice and its application in the Philippines is being planned. In addition, the ILO's new programme, entitled "Managing Emerging health-related problems at work (Stress, Tobacco, Alcohol and Drugs, HIV/AIDS, and Violence)" will be introduced and trainers trained. Special attention will be paid to seafarers as they are particularly exposed to HIV/AIDS, alcoholism and substance abuse<sup>23</sup>.

**Integrate HIV, drug and alcohol concerns in the workplace**

#### **Sector Four: Strengthen tripartism and social dialogue**

143. New challenges in the world of work demand new ways and means of social dialogue. ILO will initiate and support attempts aimed at improving tripartite and bilateral relations and of existing social dialogue mechanisms.

144. Trade union organisations are increasingly aware of the impact of globalisation of the economy on the trade union agenda. The Trade Union Congress of the Philippines (TUCP) published the following statement on its website concerning the WTO meeting in Qatar (November 2001: "We note that intense competition for investments among countries is undermining respect for labour standards. Investors of all nationalities, in their search for the lowest cost and the highest profits, are taking advantage and exploiting workers and busting unions

**Supporting workers' organisations to expand their membership and representation**

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<sup>23</sup> Jay Batongbakal's, "Promoting Decent Work in the Maritime Industry in the Philippines: Focus on the Overseas Filipino Seafarer", 2001 unpublished.



all over.”<sup>24</sup> This illustrates the urgency with which trade union organisations seek to deal with international developments that affect workers in the Philippines, directly or indirectly. The ILO will support the trade union organisations in the Philippines in their attempts to become significant partners of international trade union alliances in order to better safeguard the interests of the workers and their families in a globalising economy. ILO is currently promoting the use of new technology for trade union education and for the production of educational materials. By doing so, trade union officials are being introduced to new information sources, which enable them to take into account international aspects that influence their day-to-day trade union work.

145. Some major trade union confederations have joined to form the Labour Solidarity Movement (LSM), which is a promising attempt to unite the trade union movement. Recently, a new Confederation of Labour Organisations (CLO) has also been constituted. ILO will support such developments, which may contribute to better coordination and closer cooperation between trade union organisations. In addition, ILO will continue to support the capacity-building efforts of various trade union organisations, including participation of trade union officials in ILO training programmes. ILO would call on workers' organisations in the Philippines to share their experience and expertise with other trade union organisations in regional as well as international events. At the same time, ILO will support better use of well-developed human resources within the Philippines.
146. A major challenge for trade union organisations will be promoting the application of core labour standards in small enterprises. This would result in improved working conditions and enable trade union organisations to extend their organising campaigns to small enterprises. ILO may support these activities by sensitising trade union officers on the relations between ILO's core conventions and the organisation of workers.
147. The informalisation of the economy is quickly weakening workers' representation. By contracting out substantial parts of the regular production process, companies need to retain fewer regular workers, replacing them instead with temporary workers. These workers are not generally covered by collective bargaining agreements and cannot join as members of any trade union. At the same time, contracting out production results in the increase of workers in the informal sector.

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<sup>24</sup>Statement of the Trade Union Congress of the Philippines (TUCP) on the WTO Review. See also, Statements of the APL and FFW on the same subject and the Proceedings of Consultations conducted by the DOLE-ILS last October 2001 and February 2002 (Debriefing on the WTO DOHA Meeting).

Trade union organisations need support to be able to unionise this "sector." Such support may range from changing labour legislation to assisting trade union organisations develop and implement alternative organising strategies.

148. As part of the Action Programme for Decent Work and in close consultation with and active participation of workers' organisations, a comprehensive and integrated programme of assistance will be designed to assist these organisations take up the numerous decent work challenges. A project document will be prepared and donor support sought.
149. In order to cope with the new social, economic, political and trade challenges as well as identify opportunities to provide new services to employers, ILO will assist the Employer's Confederation of the Philippines (ECOP) with strategic planning. As part of this effort, ECOP's senior staff are being assisted in learning how to appraise the organisational strategy for delivering business development services to small and micro enterprises, manage organisational change, build effective teams etc. Training at ITC Turin, other management training institutions, organising study tours, etc. are also being used for this purpose.
150. The strategic planning exercise will assist ECOP management focusing on priority areas of work and identify critical staffing requirements. It is expected to lead to greater investment in professional staff, more focus on staff development, career counselling and productivity improvements. The greater application of IT will assist efficiency.
151. To broaden its membership base, ECOP needs to better understand the opportunities for membership recruitment and for developing working relationships with other civil society groups. Studies followed by analytical workshops on the relationship between ECOP and women entrepreneurs, women-owned businesses, the SME sector and NGO's are being carried out. ECOP is being assisted in adapting and conducting the International IYB programme in the Philippines through its employer network and linkages with the Philippine Chamber of Commerce and Industry. Other programmes and services that would appeal to SMEs will be progressively developed for delivery by the ECOP Training Center.
152. The development of management training programmes that can be delivered by ECOP will continue. An organisational change and development course is already available and new training modules on "Productivity and Competitive Management" are in the pipeline. Again, SMEs will be the special focus of these programmes.



**Supporting Employers' Organisation to expand their membership and representation**

153. Building new capacities to deal with corporate social responsibility issues is increasingly a focus of technical assistance. Training and advisory services to address labour and human rights at work issues in enterprise, with a particular emphasis on the SME, are being developed with particular emphasis on corporate Codes of Conduct. The ILO Declaration on Fundamental Principles and Rights at Work form a basis for this work. As well, ECOP is actively promoting the UN Global Compact in the Philippines. Case studies for training purposes as well as projects to effectively promote the nine principles and values of the Compact are elements of this strategy.
154. ILO will continue to support ECOP's research and advocacy department. This department assists in the formulation of policy positions for employers, developing case studies and conducting surveys. ECOP surveys, which currently focus on wages and salaries, employment, and collective agreements, will be expanded to provide employer representatives with up-to-date materials to participate effectively in social dialogue.
155. External research on topical issues such as the employability of the workforce, SMEs, Globalisation, HRM, etc. will continue. The training of senior ECOP staff and policy makers on important development issues, such as equality and gender, competitiveness, wage policy, HIV/AIDS and social security, will assist in promoting meaningful social dialogue.
156. Bipartite cooperation and harmonious industrial relations will be promoted by supporting the expansion of workplace labour-management councils (LMC) and coverage of collective bargaining agreements (CBA). ILO will support the efforts of DOLE / NCMB to disseminate best practices of labour-management cooperation in order to minimize workplace grievances and conflicts. ILO will also provide training on collective bargaining in the private as well as public sector.
157. With a view to establishing a more efficient and sustainable industrial disputes settlement system, ILO will promote third-party conciliation and mediation over compulsory arbitration. Towards this, ILO will support training programmes for conciliator-mediators and other staff of DOLE/ NCMB as well as NLRC. Voluntary arbitration as an alternative mode of dispute resolution will similarly be promoted and ILO will support DOLE's efforts to reduce time and minimise legalistic procedures of dispute resolution.
158. Impartial analyses of the functions of tripartite institutions in the Philippines can provide useful pointers to constituents regarding future action. The institutions, processes and dynamics of tripartite consultations and social dialogue will be analysed with a view to

**Strengthening the capacity of ILO constituents to participate meaningfully in consultations, negotiations and dispute settlement mechanisms**

**Supporting ILO constituents to improve tripartite consultations and follow-up on their decisions**

recommending improvements in their operations and outcomes. ILO will support the efforts of DOLE and its social partners to carry out the necessary reforms pertaining to Tripartite Industrial Peace Council (TIPC) and other tripartite agencies and will assist ECOP and the trade union centres to track the commitments made in tripartite bodies, using information technology.

159. ILO will continue to provide technical advisory services to DOLE, the Congressional Oversight Committee on Labour & Employment (COCLE) and other social partners and stakeholders for the ongoing revision of the Philippine Labour Code, with a view to ensuring that the law and practice conform to ILO Conventions ratified by the Philippines including the enabling legislations passed to implement these conventions. To give full effect to the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), ILO will also support the efforts of DOLE to reform the existing law and practice concerning labour relations in the public service, including the right to strike.
160. ILO will continue to assist DOLE in strengthening its institutional capacity to deliver efficient labour administration services, by supporting staff training on basic management and technical competencies, with special focus on labour inspection and industrial disputes settlement. Ratification of ILO Convention No. 150 concerning Labour Administration will be promoted.
161. ILO will support DOLE's efforts towards full implementation of the Public Employment Service Office (PESO) Act of 1999 and provide training to PESO staff in the collection and dissemination of labour market information (LMI) for employment generation, employment facilitation, career counselling and guidance for men and women.
162. ILO will support DOLE's efforts through the National Wages and Productivity Commission (NWPC) and the Regional Wage and Productivity Boards (NWPB) to streamline the minimum wage determination procedure and encourage collective bargaining and productivity-linked wages.

**Strengthening DOLE's labour  
administration services**

**ILO integrated programme responses**

163. As stated at the outset, Decent Work essentially envisions that development of economies and societies would promote “opportunities for women and men to obtain decent work, in conditions of freedom, equity, security and human dignity.” In the first instance, this appears as a rather tall order for most countries, especially for a developing country like the Philippines. Yet the vision as reflected in Decent Work is simply an articulation, perhaps a stark reminder, of the basic aspirations of the

individual countries, and their people. Such aspirations, for instance, are eloquently enshrined in the Philippine Constitution, the Medium Term National Development Plan 2001-04, and President Arroyo's State of the Nation Address, 2001.

164. The Medium Term National Development Plan 2001-04 has pointed to at least three sets of predominant integrated issues emerging from Filipinos' basic aspirations and to which the government is giving high priority. First, there is the foremost concern for reducing the severity and the incidence of poverty affecting over a third of Filipinos, primarily in rural areas. Second, there is the similar concern for bettering the lives of those living, directly or indirectly, from small enterprises or personal business initiatives in urban areas. Third, there is then the concern for defending and widening the prospects of those industries competing in export markets, and increasingly challenged by lower cost competitors. These three areas raise a number of interrelated issues that only an integrated response can effectively address.
165. The obvious response to rural poverty is to create opportunities for employment that are rewarding enough to lift men, women and their families above poverty. But such opportunities may depend as much on access to land or credit, as on the availability of adequate public infrastructure, the formation of prices for basic commodities, timely information on price movements, the capacity to market produce, or even the ability to negotiate a living wage with a temporary employer, including access to basic services in education and health. Of course, many of these constraints, such as negotiating leverage or access to land, credit and basic services, are characterized by dramatic gender differences which must be addressed in any of the ensuing strategies, policies and programmes.
166. In urban areas, for persons running their own business or working alongside family members or even as wage workers in small enterprises, labour earnings sufficient to sustain one's family may depend on a number of factors. These are: access to better technology and training; learning to produce a new product; better market information; tips on improved working conditions; and possibly better access to some form of social protection, in case of accidents or for large hospital bills.
167. The ability to compete in foreign markets will closely depend on domestic costs, from wages to utilities and infrastructure, but also on delivery and quality standards. This will depend on a range of factors from exchange rate policy, work organisation, labour legislation, skills of the workforce, productivity and the ability of the social partners to strike agreements that are functional in the context of the Philippines.

168. The main objective of the integrated programme responses is to support national efforts in addressing these priority concerns. In addition, ILO's past work both internationally and in the Philippines has also shown the need for and value of integrated cross-sectoral programmes, particularly when addressing the needs of special target groups. Local government units play a crucial role in the success of national efforts for poverty reduction and improving access to resources and basic facilities. Successful examples of integrated ILO cross-sectoral programmes in the Philippines include IPEC and INDISCO. As part of this Action Programme, these types of programmes will be expanded.

**Integrated response 1: A policy framework to address employment and competitiveness**

169. The materialisation of the Filipinos' aspirations warrant economic, social and political policies woven into a common pragmatic framework. The practice in the past witnessed a lack of harmonization between economic and social policies, especially during the era of stabilisation and structural adjustment, when social outcomes, such as gender equity and poverty alleviation were received as residuals. For a number of reasons the Philippine economy has so far not been able to raise its rate of growth of GDP or of value added in industry or manufacturing to the average level observed in East Asia and the Pacific over the last 10 to 15 years. Growth in labour-intensive exports has taken off in the Philippines over the last decade, but not at the level observed in other fast-growing economies in the region. Nor has foreign direct investment been attracted to the Philippines in the same way it did in helping other countries in the region. In addition to this, the planned ending of the multi-fibre agreement (2004) as well as the increasing presence of major low-cost exporting countries present direct challenges to the specialisation and competitiveness of the Philippine economy. Low value-added exports based on low labour costs are no longer an option. Higher levels of productivity and higher value-added productions are hence required. These raise a number of issues in relation to the skills composition of the labour force, level of wages and mechanisms for wage setting, employment security and non-wage labour costs that decisively influence the present and future competitiveness of the Philippine economy. The labour dimensions of competitiveness in the Philippines require a detailed assessment, as well as the macroeconomic and sectoral dimensions of export promotion. One of the challenges ahead is the elaboration and implementation of an integrated framework of economic and social policies, wherein the social outcomes (poverty alleviation, social protection, gender equity, etc.) are built into the economic processes.

170. The ILO will contribute to a thorough analysis of the issues involved both in terms of employment and competitiveness from a decent work perspective. This would involve identifying policy options, including possible trade-offs between different alternatives. A multidisciplinary team comprised of national and international experts will be set up to undertake the analysis. The employment strategy component of this exercise will be executed with the support of UNDP.
171. In a second step, the ILO will put its analysis and policy framework proposals up for discussion with government institutions, employers' and workers' representatives and other organised groups.
172. The ILO will also provide technical support for the implementation of the policy framework agreed upon by the social partners.

**Integrated response 2: A policy and programme of local economic development for one poverty free zone**

173. The government has identified poverty reduction as one of its priority objectives. Any serious reduction in the incidence and severity of poverty will necessarily have to address poverty in rural areas. In 1997, the incidence of poverty (using the national poverty line) was 40.6 percent overall but 51.2 percent in rural areas. The rural population accounts for 43 percent of total population in 1998, but the rural poor represent over 70 percent of all the poor in the Philippines. Agriculture absorbs 39 percent of the labour force. Among the more prominent issues to be addressed are returns to employment in agriculture, access to productive assets (land, equipment, credit), employment generation in rural non-farm activities (training, access to credit), access to social services, and infrastructure development. Public investment in rural infrastructure, trade and price policies must also be addressed.
174. The ILO will contribute to the DOLE poverty free zone programme in two ways:
  - First, the ILO will directly support, through its technical capacity, one or two demonstration projects, applying innovative approaches using a decent work framework. These projects will be designed in close consultation with the social partners and other interested groups to test a comprehensive approach to local economic development. They will develop multifaceted responses to address women's and men's concerns such as access to employment and skills training, health care facilities, education, credit to run income generating activities or making productive investments of OFW remittances. Central to the strategy will be the mainstreaming of the problems faced by the most vulnerable segments of communities in the selected poverty free zones. Upon termination, the impact of these demonstration projects and their potential for replication will be assessed.
  - Secondly, training will be provided to the poverty free zones managers to share ILO experience of promoting local development

programmes through Agencies for Local Economic Development (LEDAs) and the multidisciplinary approach that has been developed recently. Poverty free zones managers will also be trained on the Integrated Rural Accessibility Planning (IRAP) model — a data gathering and analytical procedure introduced nationwide by ILO/IRAP project, as mentioned earlier.

**Integrated response 3: A programme of action to improve the performance of the urban informal sector**

175. The ILO is implementing, with the support of UNDP, a project entitled “Development of Policy, Legislative and Institutional Responses for the Promotion and Protection of Workers in the Informal Sector.” The main output of this project is a coherent informal sector strategy and development programme that covers: (a) proposed reforms in policy, legal and institutional frameworks to promote and protect the sector; and (b) an action programme to support the development of the informal sector over the coming years. The project, in addition to addressing policy and legislative matters, is concerned with the functional areas of the informal sector in government statistics, registration, occupational safety and health, social protection and access to productive resources. The project is being implemented in a consultative and participatory manner involving organisations of the informal sector, workers’ organisations and government agencies. Representatives of the above bodies that represent women in the informal sector are also included to ensure that women’s concerns are voiced and heard.
176. As part of its Decent Work programme for the Philippines, the ILO will provide direct support for the implementation of the action programme that should conclude the above mentioned project in the course of 2002.

**Integrated response 4: Cross-sectoral programmes addressing needs of special target groups**

177. The IPEC programme gives technical and financial supports to working children, their families and communities by strengthening their capacities through community development, and children’s participation. It also provides a wide range of services: educational assistance, vocational training, income generating activities, micro-credits and savings schemes, micro-insurance, medical and counselling services, legal assistance, and SSS registration for child domestic workers. As part of the ILO’s Decent Work programme for the Philippines, IPEC will be expanding this comprehensive approach.
178. A major strength of the Philippines’ IPEC programme is its broad-based and highly-committed network of government, employers, trade union and civil society organisations acting in concert to address the problems of child labour in the Philippines. IPEC and its partners have successfully campaigned for the ratification of ILO Convention 138 on the Minimum

**The International Programme  
on the Elimination of Child  
Labour (IPEC)**



Age for Admission to Employment in 1998 and ILO Convention 182 on the Worst Forms of Child Labour in 2000. Upcoming now are two pending bills at the Senate: the Senate Bill 750, the Magna Carta on Child Labour which seeks to institutionalise the Child labour Programme and the Senate Bill 751 on Child Domestic Workers.

179. Major support will be provided to eradicate the worst forms of child labour in the Philippines through the implementation of a national time-bound programme. It aims to prevent and eliminate in the country all incidences of the worst forms of child labour within a defined period of time. This programme, which combines sectoral, thematic and geographical-based approaches, links action against child labour to national development objectives, i.e. economic and social at the macro level including economic performance, population, labour market and education interventions. It places strong emphasis on social mobilisation and country leadership.
180. The Philippines has been selected from among the countries in Asia for the pilot implementation of the TBP. Preparatory activities are well underway to cover studies, database development and advocacy and social mobilisation activities. cursory assessments of six sectors/groups of children were selected, namely: agricultural plantations, pyrotechnics, child domestic workers, children engaged in prostitution, deep-sea fishing, mining/quarrying.
181. The INDISCO Programme is designed to support Indigenous and Tribal Peoples and their organisations in implementing their own development plans and initiatives in accordance with Convention No: 169. In the Philippines, the programme is a combination of demonstration programmes and policy work. It has successfully transformed grassroots level experiences into effective advocacy and policy formulation by using ILO's tools on employment promotion, social dialogue, social protection and standards work in a creative mix while introducing high target group-responsive alternatives on participatory community-based development. INDISCO has been able to contribute to the capacity of the Government to undertake IP development programmes and projects and to adopt appropriate legislation and policies recognising the rights of the Indigenous and Tribal Peoples to their ancestral domains especially through Republic Act No. 8371, known as the Indigenous Peoples Rights Act of 1997.
182. The outcome of the INDISCO programme has been the strengthened capacity of Indigenous Peoples in the Philippines to plan and to implement income and employment generating activities through their own organisations. This was achieved by a combination of project

**IPEC-time bound programme to eradicate the worst forms of child labour in the Philippines (IPEC-TBP)**



**Self-Reliance of Indigenous and Tribal Communities through Cooperatives and other Self-Help Organizations (INDISCO)**

components including: Institution and capacity building, preservation and promotion of the indigenous culture, income and employment generation, advancement of the status of indigenous women and sustainable environment and natural resource management. The programme components used illustrate the multi-disciplinary nature of the development issues facing Indigenous Peoples and the need for a broad-based government and civil society alliance in order to address the imminent development needs of the estimated 13 million indigenous peoples belonging to some 140 ethno-linguistic groups who are among the poorest and marginalized in terms of social and economic services and participation in the mainstream of governance processes.

183. The Philippines' INDISCO Programme will continue to develop the integrated cross-sectional approach through an additional set of community-driven participatory demonstrative programmes. The implementation of the demonstrative programmes will be carried out under a multi-disciplinary framework that would integrate into a synergic mix specific services from related ILO programmes. Experiences and lessons learned, as well as best practices generated from the demonstrative activities will be documented and linked to the policy level in both government and private sectors.
184. The various UN agencies are working together in Mindanao to achieve a holistic and sustainable impact on rebuilding communities affected by conflict, and in preventing future conflicts from occurring. As part of this general reconstruction effort, the ILO is engaged in promoting decent employment through projects and programmes on community enterprise and entrepreneurship development in non-farm sectors.
185. The project strategy is based on the experiences of the ILO Assistance Programme for Moro National Liberation Front (MNLF) soldiers, families and their communities through vocational skills training and enterprise development (1998-2000). The second phase of the project (2001-2004) aims to increase income from livelihood opportunities and gainful employment of beneficiaries through community enterprise development. In order to achieve this, the project aims to expand self-employment and wage employment opportunities by training in non-farm skills and income generation. The project will build capacity of the target communities to manage their own viable and functioning community-level enterprises/systems by offering assistance in community enterprise organisation such as cooperatives, rural workers and business associations. The project will especially focus on re-orienting the career choices of the youth towards vocational trades and entrepreneurship through vocational preparation and enterprise literacy (VPEL). This is intended to prevent the out-of-school youth from



**Mindanao reconstruction**

seeking recruitment into the armed conflict, and expand their occupational horizons.

186. Management capability assistance will be offered to new enterprises, as well as increased access to community-based and formal financial schemes. Formal linkages with the private/corporate sector through joint-venture arrangements will also be forged. A harmonized approach for developing community-based savings and micro-credit schemes for both agriculture and non-agriculture enterprises with improved access to formal credit sources will be the central strategy of the project.
187. There is no easy response in terms of ILO standards to the concern for the protection of migrant workers abroad. Ratification of Convention No. 143 would only be partially relevant for a sending country, as its guarantees for the equality of opportunity and treatment depend on its ratification by the receiving country. In the case of a sending country, some thought could also be given to the provisions of the Private Employment Agencies Convention, 1997 (No. 181), which could usefully complement the application of the already ratified Employment Service Convention, 1948 (No. 88), and set the principles for a better cooperation between public authorities and private placement agents in the prevention of abuses.
188. There is, however, a fundamental right of migrant workers already protected by ILO procedures, whether or not the relevant Convention is ratified by the receiving country: their right to organize and to collective bargaining. To actively promote the exercise of that right would represent a significant shift, from a merely protective approach to one that would also seek to empower migrant workers in the assertion of their rights.
189. For its part, the Office is ready to explore innovative ways to develop policy measures at the regional level, as it was invited to do by the Thirteenth Asian Regional Meeting, in particular by taking advantage of the presence of its experts in both sending and receiving countries.
190. As highlighted earlier, improving the nearly seven million Overseas Filipino Workers' (OFWs) access to social security systems in the Philippines or workers' host countries will be an important element of the overall social protection strategy. In this regard, the assistance being provided to the Department of Foreign Affairs to improve their embassy services will be an important component in extending this work to more countries. As in the field of social security, the occupational safety and health of migrant workers also require special concerns.
191. Women are an ever-increasing share of migrant workers, and many work as domestics or in the entertainment industry where social protections are

particularly lacking. Efforts to address the concerns and needs of migrant workers will take into account the challenges that such diverse work settings pose. In particular, responses may require coordination and dialogue with the constituents in host countries in the application of ILO labour standards to all workers, not just citizens.

192. To improve the situation of migrant workers ILO will conduct a study in several countries to (a) assess the impact of diplomacy and bilateral agreements, (b) elaborate a capability building programme for offices of the DFA; and (c) conduct an international consultative symposium for migrant workers.
193. Filipino seafarers are a special component of the OFWs. For the maritime sector, a project proposal is being prepared to seek extra-budgetary funds to provide assistance to the Philippines in the areas of: (a) the promotion of relevant Conventions; (b) resolution of outstanding employment issues (black listing, wages, collective bargaining, employment practices, social security); (c) establishment of a unified statistical database of seafarers; (d) improvement and modernisation of the training of seafarers; (e) establishment of a one-stop-shop for the processing of seafarers' documentation; and (f) the support services and counselling for seafarers and their families.

## Implementation mechanisms

194. This document presents the overall framework in which the ILO assistance for promoting decent work in the Philippines will be provided over the next three years. It is intended as an evolving document that will be refined and updated through regular monitoring and consultation with constituents. The ILO's constituents have agreed to establish a high-level Decent Work Tripartite Advisory Committee to support and monitor this programme.
195. During the first year of the programme, the Advisory Committee will be supported to expand the deficit analysis and refine the programme responses as presented in this document. Decent Work targets and indicators will be developed. Cooperation and collaboration arrangements with other international organisations will be encouraged, including the ILO contributions within larger cooperative development frameworks such as the Millennium Development Goals.
196. A summary of the deficits to be addressed, the priority responses, and a timetable for implementation is shown in Annex 1. For each of the responses, a set of performance indicators will be established and monitored. Furthermore, and as recommended by the Thirteenth ILO Asian Regional Meeting (September 2001), "a regularly updated website which reflects actions and activities undertaken" is being established.
197. Annually, and in close consultation with the Decent Work Tripartite Advisory Committee, a Programme Delivery Report will be prepared. Based on this report, the Action Programme will be adjusted and refined to contribute to the ultimate goal of decent and productive work, in conditions of freedom, equity, security and human dignity for all Filipino workers.



**A high-level Decent Work Tripartite Advisory Committee has been established**

## Annex 1. Summary of Action Programme Responses

### *ILO Sector responses*

Decent work challenge	Response/ Products/ Outputs	Time frame
<b>Sector 1: Promote and realize standards, fundamental principles and rights at work</b>		
Non-ratification of Conventions	Establish an ILO Standards Policy for the Philippines	Before ILC, 2003
	Improve participation of ILO constituents in ILS related activities.	Before ILC, 2003
	Prepare and disseminate advocacy material on ILO rights-based approach to development.	Ongoing
	Promote Indigenous and Tribal Peoples Convention No. 169	Ongoing
Inconsistencies between Ratified Conventions and National Legislation and practice	Provide technical advice to revise relevant laws	Ongoing
	Support to the follow-up of the ILO/ADB project on labour standards	Ongoing
Limited protection for OFWs	Promote measures to improve respect of OFWs' rights	Ongoing
Population of working children	Promote measures to eliminate child labour and to improve working conditions of girls and boys engaged in work	Ongoing
<b>Sector 2: Create greater opportunities for women and men to secure decent employment and incomes</b>		
Insufficient employment growth to keep pace with labour force growth	Promote Employment Policy Convention No. 122	Ongoing
	Support the government and social partners in designing and formulating a comprehensive employment policy strategy. See Integrated response 1: A policy framework to address employment and competitiveness	2002/03
	Support the establishment of gender-sensitive mechanisms for monitoring the impact of employment policies and programmes	Ongoing
	Prepare a report synthesising the available information on productivity and employment issues in the Philippines	Q2 2002
	Conduct a workshop to validate findings of the above mentioned report to identify follow-up activities (including industry sector studies, as funds permit)	Q3 2002
	Document and disseminate examples of good productivity improvement practices	Q2-4 2002
	Design a technical cooperation project and seek funds to implement a project that promotes and improves the interdependency between productivity and job quality *	Q4 2002
	Promote ILO's Recommendation No. 189 concerning General Conditions to Stimulate Job Creation in Small and Medium-sized Enterprises	Ongoing
	Identify constraints to entrepreneurship and business growth particularly amongst SMEs and advocate measures identified to reduce these constraints.	Q4 2002

Decent work challenge	Response/ Products/ Outputs	Time frame	
High and growing levels of unemployed young people	Conduct a national workshop to validate findings and identify follow-up activities	Q1 2003	
	Establish a web-based system established for disseminating information on ILO's SME and cooperative development programmes and resources	Q1 2003	
	Adapt and train trainers in the delivery of ILO's Improve Your Business Programme for use by ECOP and partner organisations	Q2-3 2002	
	Provide training, information and technical advisory services on the application and delivery of ILO's programmes and methodologies for small enterprise and cooperative development	Ongoing	
	Promote the new ILO Recommendation on the Promotion of Cooperatives	Ongoing	
	Expand promotion of workers' cooperatives particularly among the informal sector workers	Ongoing	
	Prepare a report on the youth employment situation and policy and programme options for addressing the situation	Q2 2002	
	Conduct a workshop to validate findings identify follow-up activities	Q4 2002	
	Support the establishment of the Philippine Youth Business Foundation	Ongoing	
	Increasing levels of labour under-utilization	Review national training policy and implementing training reforms	Ongoing
Develop the competency-based approach to training in the telecommunication sector (pilot) and to be replicated in other sectors of the economy		Ongoing - 2004	
Implement social marketing and advocacy schemes for Technical and vocational education and training (TVET)		Q2-4 2002	
Mobilize resources for quality technical and vocational education and training		Started in 1999 and to continue until 2004	
Improving/enhancing training workshops/sectoral centres for advanced technology in information and communication and machines and systems control		2003	
Further develop and implement a TVET quality assurance system at the national level and pilot the same in selected regional and provincial areas/institutions		Started in 2000 and to continue until Q4 2002	
Promote economic empowerment of women entrepreneurs in micro-scale industries on TVET through the National Vocational Training and Development Centre for Women.		Ongoing	
Developing alternative modes of training delivery and quick responses in the light of changing needs of the labour market		2002-03	
High incidence of poverty, particularly in rural areas		Strengthening the capacity of LGUs to apply the IRAP process	2002

Decent work challenge	Response/ Products/ Outputs	Time frame
	Develop and disseminate training and resource materials to LGUs to use labour base technologies (LBT)	Ongoing
	Promote and support the incorporation of local resource-based strategies into Government investment programmes	Ongoing
	Promote and support IRAP and LBT procedures integrated into ADB and other capital investment programmes	Ongoing
	Development and establishment of national accessibility database particularly for rural areas.	Ongoing
	Conduct a study and provide recommendation on Decent Work practices and rural infrastructure works	Q4 2002
<b>Sector 3: Enhance the coverage and effectiveness of social protection for all</b>		
Limited social protection coverage of the population	Develop a widely consulted social protection strategy paper for extending the coverage to unprotected or poorly protected people	2003 –04
	Develop and support the implementation of pilot schemes to test new modules of extending social protection coverage, including unemployment insurance and community-based health micro-insurance schemes.	Ongoing
	Train staff and support in actuarial determination of the reserve of SSS and GSIS	Q1–4 2003
	Train staff and support in the implementation of ILO’s social budgeting model.	Ongoing
Inadequate and low benefits	Implement the ILO-STEP (Strategies and Tools against Social Exclusion and Poverty) regional project entitled <i>Extending Social Protection through Micro-Insurance Schemes for Women in the Informal Economy</i> .	Q3 2002 – Q4 2003
	Provide technical support to the Permanent Coordinating Committee for Social Protection created by Executive Order No 369	Ongoing
	Assess and conduct a workshop on the adequacy of retirement pensions and disability benefits	Q1-4 2003
	Recommend a new strategy concerning loans to members	Q1-4 2003
	Support to the development and implementation of programme on strengthening responses to HIV/AIDS and the world of work.	Ongoing
Limited application and compliance to OSH standards	Conduct of a tripartite workshop to develop an action programme for raising awareness and implementing policies, procedures and practices to reduce and address sexual harassment cases.	Q4 2002
	Technical support to the government in the design of a National SafeWork programme	Ongoing
	Promote the Occupation and Safety and Health Convention No. 155 including advocacy materials and consultation meetings	Q4 2002



Decent work challenge	Response/ Products/ Outputs	Time frame
	Provide training of trainers in the ILO's OSH related codes of practice and training materials	Q4 2002
<b>Sector 4: Strengthen tripartism and social dialogue</b>		
Low participation from SMEs and Informal Sector in employers' and workers' organisations	Support to the efforts to promote coordination and closer cooperation amongst trade unions	Ongoing
	Support and training to trade unions in extending membership and representation, including women, small enterprise and informal sector workers.	Ongoing
	Support and training to ECOP management and staff to extend the representation of women entrepreneurs and SME's into the organisation through targeted studies, analytical workshops and strategic planning	Ongoing
	Support for a strategic planning approach to deliver business development services, focus on priority areas of work and identify critical staffing requirements	Q1-3 2002
	Develop training resources for delivery by ECOP to its members including a new programme on Productivity and competitiveness and a local adaptation of the ILO's Improve Your Business Programme	Q1-4 2002
	Support and training of ECOP research and advocacy staff	Ongoing
	Support and training of senior ECOP staff and policy makers on important development issues such as equality and gender, competitiveness wage policy, HIV/AIDS, social security	Ongoing
Integrated approach to support workers' organisations	Design a technical cooperation project and seek funds to implement a project that support workers' organisations in their promotion of Decent Work	Q3-4 2002
Limited efficiency of tripartite institutions and dispute settlement procedures	Support the analysis of the functioning of the tripartite institutions and provide recommendations for improvement in their operations and outcomes	Q1-4 2002
	Train ECOP and trade unions to use information technology to track commitments made in tripartite bodies	Q1 2003
	Enhance DOLE/NCMB capacity to disseminate best practices of labour-management cooperation enhanced and social partners trained on collective bargaining techniques	Q2-4 2002 Q1-3 2003
Strengthening labour administration	Promote the recognition of voluntary arbitration as a valuable mode of dispute resolution	Q3-4 2002 Q1-2 2003
	Strengthen the capacity of DOLE to deliver efficient labour administration and employment services	Q3-4 2002 Q1-4 2003
	Support measures to support DOLE's efforts to streamline the minimum wage determination procedures	Q3-4 2002 Q1-2 2003

*ILO Integrated programme responses*

Decent work challenge	Response/ Products/ Outputs	Time frame
<b>Integrated response 1: A policy framework to address employment and competitiveness</b>		
Insufficient gains from globalisation in terms of employment and competitiveness	Conduct an analysis of required employment and competitiveness strategies for the Philippines to gain from globalisation	Q3, 2002
	Prepare comprehensive employment and competitiveness policy framework proposals	Q3-4, 2002
	Support for the implementation of the policy framework adopted by the social partners.	2003-2004
<b>Integrated response 2: A policy and programme of local economic development for one poverty-free zone</b>		
Unemployment and income gaps in rural areas	Conduct an analysis of required policy and programme to promote local economic development in poverty-free zones	Q3, 2002
	Establish and support a demonstration projects to promote local economic development in one of DOLE's poverty-free zones	2003-2004
	Train and support poverty free zone managers trained on LEDA, IRAP and other relevant ILO methodologies	Q 3-4, 2002
<b>Integrated response 3: A programme of action to improve the performance of the urban informal sector</b>		
Urban poverty and under-employment	Prepare and publish a comprehensive set background materials on the Manila informal sector	Q1-Q2 2002
	Conduct a series of consultative meetings on a range of issues relevant to informal sector develop; including policy, legal, Social Security, Working Conditions, productive resources matters	Q1-Q3 2002
	Synthesise the finding of the studies and meetings into a report on policy and programme recommendations.	Q3 2002
	Develop a technical cooperation project and seek funding to support the implementation of the informal sector strategy to improve the performance of the urban informal sector*	Q4-2002
<b>Integrated response 4: Cross-sectoral programmes addressing needs of special target groups</b>		
Children at work	Implement the International Programme on the Elimination of Child Labour (IPEC)	Ongoing
	Implement the IPEC-time bound programme to eradicate the worst forms of child labour in the Philippines (IPEC-TBP)	Ongoing
Indigenous and Tribal Communities	Develop and expand INDISCO Participatory Community Based Livelihood and Employment Promotion projects for indigenous peoples *	Ongoing

Decent work challenge	Response/ Products/ Outputs	Time frame
Mindanao reconstruction	Implement as part of the GOP-UN Multi-donor programme the component on Community Enterprise and Entrepreneurship and Skills Development in Mindanao	Q4 2002-2003
Overseas Filipino Workers	Provide assistance to Department of Foreign Affairs and other concerned organisations to improve their services to OFWs	Ongoing
	Develop a technical cooperation project and seek funding to promote decent work in the maritime sector *	Q3 2002

**Notes:**

1. These activities will be refined and updated through regular monitoring and consultation with constituents.
2. A regularly updated website will be established to reflect actions and activities undertaken as part of this Action Programme.
3. Gender is a cross-cutting issue in all activities; all Decent Work responses will be based on gender analyses and activities, product and outputs will be gender mainstreamed.
4. Activities marked with an asterisk (\*) require extra-budgetary support.