

IMPORTANT ISSUES IN THE PUBLIC SECTOR: Challenge to Unionism

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Introduction:

In its simplest definition, public sector refers to the government and its activities. To a lay person's language, it would refer to all agencies of the government tasked to provide public services. Specifically it may refer to state-owned or state-run agencies which provide social services, manage public utilities, and/or manage or oversee commercial and productive activities. The range of activities included in the public sector is uneven across countries. However in general it has grown to encompass the following:

- defense, law and order and emergency services;
- health and social services;
- social security;
- education;
- local services such as refuse collection and road maintenance;
- public transport, including buses, railways, airlines and shipping;
- utility services like water, electricity, gas, posts, telecommunications;
- industries strategic to the economy.¹

Quality public service is the right of every citizen of the world. But there are requisites for quality public services: enough and sustained resources, modern facilities and technology, supportive policies, capable and highly motivated public sector workers and above all, honest and trustworthy leaders with a vision. Public service is a function of governance, and the state and quality of

public service is defined by the manner by which people entrusted with it execute governance.

Public service in the Philippines has always been under attack. People are so dissatisfied with it that it has become synonymous with inefficiency, ineffectiveness and ineptness. With the perception goes the notion that most government workers are lazy, inefficient and generally unproductive. While it is true that the quality of public service in the country leaves much to be desired, it is not necessarily a result of the unworthiness of the government workers. In fact, they have been doing much more than what should be expected of them. It should be understood that they are also victims of a system of governance that is so politicized and personalized.

There are numerous issues affecting the lives of the public sector workers at present not only on a personal level but in their professional lives too. Many of these issues are in one way or another, results of the government's ever changing policies and priorities. Likewise, efforts of the public sector workers to organize themselves and unite on common agenda and directions for actions are being challenged by the same issues.

This paper will attempt to present and clarify some major issues in the public sector, its context and effects on the lives of ordinary public sector workers and the challenges that lie ahead of them. It will also highlight the workers' gains in organizing their ranks and the key concerns that they have to confront with.

The Public Sector in the Philippines Today

Basic Profile

In the Philippines public sector refers to all state-owned and controlled organizations/institutions and enterprises providing basic services to the general public like health, education, housing and other social services among others. It encompasses those organizations whose services are national in scope or the National Government Agencies (NGAs), Local Government Units (LGUs), State Colleges and Universities and Government Owned and Controlled Corporations (GOCCs). Thus, when we hear the term public sector workers, we are actually referring to government employees, regardless of their status of tenure.

The Philippine Government is the biggest employer in the country, in 2002 there were 1,445, 498 public sector workers listed with the Civil Service Commission (CSC). Majority of the workers are connected with the NGAs and their attached agencies with a total figure of 959,966. This is followed by the LGUs which registered a total figure of 390,561 and the remaining 94,971 are employed in GOCCs.²

Luzon has the biggest concentration of public sector workers with 739, 077 followed by Mindanao with 693,150 and Visayas with 256,339. In terms of sex, more than half or 53% of the total workforce is composed of women and the remaining 47% are men.

Issues

Low Wages and Inadequate Benefits

"Sahod, trabaho at karapatan," (just wages, job security and full union rights) have been the battlecry of public sector workers or government employees for quite so long. Low wages and inadequate benefits are perennial problems in the public sector. Though the Salary Standardization Law (SSL), which was a result of the public sectors workers militant struggle, government employees enjoyed an improvement in their monthly base pay from as low as Php 600 to Php 2,200 in 1989 (as a result of SSL I) and from Php 2,200 to Php 4,400 in 1993 (SSL II). However, much of these have already been eaten up by the continuing inflation and the declining value of the Philippine Peso.³

In a study done by Public Services Labor Independent Confederation (PSLINK) in the Visayas, it was found out that 56% of their members belong to salary grades 1-10 which means they receive salaries which were way below the poverty threshold income of Php 16,073/month. The issue is not only in terms of low pay. Further aggravating it is the problem of distortion in the pay structure which has resulted to inequity in pay. Consider the following cases which came out of a study done by PSLINK in 2001 in collaboration with Public Services International:

- Nursing Attendants I and II who face the risk of contacting diseases, physical and emotional stress and overload of assignments are classified under salary grades 4 and 6 respectively, while a Motor Pool Supervisor is classified under salary grade 7.
- A Midwife I or a Midwife II receives a basic pay of Php 7, 606.00 – Php 8,709.00 a month whereas a Carpenter Foreman receives a base pay of Php 8,709.00
- A Medical Laboratory Technician has the same salary grade as a Carpenter Foreman when his work involves more risk since it requires the collection and examination of body fluids for clinical tests and other diagnostic purposes.
- A Draftsman III is categorized in salary grade 11 while a Social Welfare Assistant whose work ranges from counseling to mobilizing financial resources for individuals, families and groups in societal relationships is categorized under salary grade 8.

There is great disparity too in terms of social and financial benefits among public sector employees depending on what government agency one is connected with. Those who belong to GOCCs, Government Financial Institutions (GFIs) and the Legislative Offices enjoy exorbitant salaries and other perks sometimes receiving as much as a nineteenth month pay at the end of the year, while those working with other agencies scramble for small benefits like the 13th month pay.⁴

Lack of Job Security

Of the total number of public sector workers, 10.91% are untenured. The 1999 data of the Civil Service showed that 157, 847 government employees are either casual or contractual workers, most of whom are in local government units. This figure does not include yet job orders and agency-hired workers delivering public services. The table below shows a comparative data of regular and contractual government personnel by status of appointment:

Table I. Number of Government Personnel by Major Subdivision

Major Subdivision	Regular				Contractuals/Casuals			
	1996	1997	1998	1999	1996	1997	1998	1999
National Government	849,337	865,254	-	914,202	44,719	48,697	-	45,764
Local Government Units	253,190	261,620	-	295,880	100,707	105,931	-	94,681
GOCCs	90,087	77,343	-	77,569	21,620	19,799	-	17,402
TOTAL	1,192,614	1,204,217	1,260,763	1,287,651	167,046	174,427	144,805	157,847

Source: "Issues and Concerns of Public Sector Unions in the Philippines-A Preliminary Review. UP-SOLAIR, University of the Philippines, November 2004

Casual or contractual employees are usually hired for specific projects or programs and are employed for a specific period only. Once the project or program ends their employment automatically ends too. Others are co-terminus with the elected local officials, hence their appointments end with the officials' terms of office. There is also an increasing trend of taking in agency-hired workers especially for security and janitorial services. Many government offices have resorted to manning agencies because it saves them from the trouble of management and generates savings from benefits and privileges that should have been given to the workers had they been hired directly.

Poor Working Conditions

Many government employees have to endure poor working conditions like poor lighting, lack of ventilation, lack of clean water, non-functional toilets, lack of space and in some cases very dilapidated rooms. Many offices have outdated office equipment and lack modern facilities.

Of the various public sector programs of the government, education and health are among the topmost priorities. The importance given to these sectors is certainly necessary. After all, these sectors take care of the most important ingredient of national development - the human capital.⁵ Ironically, the said sectors are also considered to be the worst in terms of working conditions. Among the public sectors, they are the most exploited and abused.

... a glimpse at the situation of our public school teachers

An ordinary class in the primary and secondary levels in public schools may have 60-70 students as compared to 30-40 a decade ago. Estimates placed the classroom shortage at 51,000, desk and chair shortage at 5 million, textbook shortage at 9.88 million and shortage of teachers at 27,000⁶ This situation inside the classroom puts too much stress and tension to the teachers who have to discover ways and means of making up for the situation.

In one of the surveys done by the government called Teacher's Assistance for Optimum Well-being (TAO) they found out that the working conditions of public school teachers is indeed dismal. Of the 405, 973 teachers surveyed, 55% said that their schools had no access to electricity, 84% said they had no running water and only 38% said that they are provided with toilets. About 25% said that they taught in classrooms without ceilings, 45% mentioned they brought their own tables to schools and 43% brought their own chairs. Those who do have their own chairs and tables mentioned that these facilities are of poor conditions and may actually pose as hazards to users.⁷

Many teachers are forced to teach subjects which are not part of their specialization like a Science Teacher who has to teach English classes. Multi-grade class is also fast becoming a common practice. This means combining two different year levels in one class, like a class composed of grades 3 and 4 students. They also have to work extra hours enduring 10 work-hours a day even though the mandatory working hours is supposed to be six (6) hours only. This does not include yet the time spent in checking papers, computing grades and attending to other extra-curricular activities.

... our dwindling health workers

In a UNDP Report on Human Development Index 2003, the following data has been cited showing the ratio of health personnel in the Philippines vis-a-vis total number of Filipino population it is serving. The data shows that there is a tremendous gap between the number of health workers available and the size of the population that must be served. On the part of the health workers, this means being overworked and on the part of the people it means being underserved.

- 1 doctor for every 24,417 people
- 1 nurse for every 22,309 people
- 1 dentist for every 578,124 people
- 1 midwife for every 722,654 people
- 1 hospital for every 113,040 people

Moreover, the continuous migration of Filipino health workers to different parts of the USA and Europe to work as caregivers resulted to a bigger gap between the number of health workers available in the country and the portion of the population they must serve.

At present the backbone of the country's healthcare both in the rural and the urban areas are the barangay health workers. Without them, the community-based health clinics may not be able to operate to provide basic health care. They are practically on call for 24 hours yet they receive very low amount of allowances ranging from Php 300 to Php 2,000 a month which are given late most of the time. They lack the necessary equipment for medical services and protective gears like aprons, gloves and masks. They have to work in small rural health clinics in the communities which at times have no running water and poor supply of power. They also lack medical and office supplies. At times they have to use their personal funds just so they could dispense their duties and obligations.

The lack of transportation to ferry the health workers around the community limits their capacity to service more people and to immediately respond to emergency cases.

The advocacy efforts of organized groups have resulted to the passage of Magna Carta for both the health workers and the teachers. These are supposed to define minimum quality standards and working conditions for health workers and teachers. However, the results are yet to be felt. There is no clear monitoring to ensure the implementation of the said Magna Carta. Officials are pointing fingers at each other and many policy makers are saying that there are problems between decentralizing the functions and allocating their necessary resources.

Continuous Laying-off of Government Workers

"Lean and mean bureaucracy" has been continuously pursued by the administration, from the time of the Ramos administration, to that of Estrada

and until the present administration of Mrs. Gloria Macapagal Arroyo. This means continuous laying off of government workers in the effort of streamlining the bureaucracy. When the Ramos Government ended, over 330,000 government employees were laid-off and the downward trend continues.⁸

Table 2. Growth and Decline in Government Employment

Year	No. of Government Employees	Ratio Per 100 Population	% of Employed Labor Force
1985-1990	1,518,000	2.4	7.0
1995-1999	1,300,000	1.9	5.2
2001	1,398,372	1.8	4.6
2003	1,415,000	1.7	4.6

Source: "Issues and Concerns of Public Sector Unions in the Philippines – A Preliminary Review", UP-SOLAIR, University of the Philippines, November 2004.

The table above shows the growth and decline in government employment. It shows that from 1985 until 2003, there has been a downward trend in the number of government employees. Though there has been an increase from 2003 to 2001, it was not that significant. The decreasing number of government employees has resulted to more work being distributed to a smaller number of workforce. This means doing extra tasks beyond one's job description.

Privatization Policy of the Government

Privatization of public facilities is one of the major components of the past and present administrations' development programs. As a result of this action of the government, there has been massive laying-off of government personnel resulting to more jobless Filipinos. The human cost of privatization is heavy. When the Metropolitan Waterworks and Sewerage System (MWSS) was privatized, 4,600 of the original 10,000 government personnel were already out of jobs due to two waves of early retirement plans initiated by its administration, even before the privatization. The rest were initially absorbed by the concessionaires but after six months found themselves out of work again for various reasons leaving only a handful who were hired on a contractual basis.⁹ Other government institutions have also followed, partially or fully, like

the National Power Corporation which has already privatized its transmission services to TransCo. The Philippine Airlines, Philippine National Bank and more are in line.

Beyond mass lay-off of affected employees, the issue of privatization is a policy that exacts heavy burden to the Filipino people. It also puts the security of the country at risk. By transferring the control of public service institutions providing basic services to the people in the hands of the private sector the government abandons the levers of national development to the business sector especially to the foreign multinationals. Access to public service then would be defined by the people's capacity to pay. With the continuing inflation and the worsening economic situation basic social services will become less accessible to the ordinary Filipino.

Privatization per se has its use if it is done within the context of developing a good balance of participation between the state, the private sector and the civil society. The capital and the technology that the business sector have could greatly help to propel development. However, the privatization that is happening in the Philippines today is an imposition of external institutions like the IMF-World Bank.

Privatization and commercialization of public services have been central components of the Structural Adjustment Programmes (SAPs) foisted by the bank to indebted Third World countries. These programs have systematically redirected public spending away from services such as health and education towards servicing debt and subsidizing export businesses which are often foreign owned.¹⁰

Unstable and Mismanaged Public Sector Insurance System

The future of the Government Service Insurance System (GSIS) is causing much worry among government employees. Many fear that the GSIS may no longer be able to meet its obligations to its members in the years to come because of talks of mismanagement of funds, poor business decisions and graft and corruption. If this happens many members who have religiously paid their obligations from their hard-earned money will be deprived of support in their years of retirement.

Officials in the agency have vehemently denied these talks and have continuously assured the public that the GSIS is very stable. But it is also an open knowledge that GSIS officials are receiving exorbitant salaries and allowances and other benefits which are also enjoyed by their families. Some of its major investments are said to have flopped because of poor business forecasting. Time and again, the agency hugs the limelight because of questionable activities involving the use of its funds.

There were many cases of delayed releases of loans and even retirement pay in the last few years which are attributed to the agency's efforts to computerize its system.

Declining Budget for Social Services and Subsidy for Public Services

Over the years, there has been a decline in the budget allocations for basic social services and this has put much pressure on public sector workers to provide quality public services on a very tight budget. Such situation puts government workers, especially front-line workers, at risk of verbal, mental and emotional attacks by their officers who exact quality performance from them and from dissatisfied clientele who expect quality public service.

This condition leads to further deterioration of their working conditions, salaries, and benefits taking its toll on the mental, emotional and physical health of government workers.

The next table shows the amount of budget allocation the government has for every Filipino in terms of basic social services. It could be observed that the amounts are unrealistically low especially in the field of health and education.

Table 3. Real Per Capita Government Expenditure on Social Services
1998-2003 (Based on 2000 Prices)

Service	1998	1999	2000	2001	2002	2003
Housing	48	61	115	22	19	19
Social Security & Employment	221	223	202	166	171	151
Health	387	364	376	331	327	392
Education	1761	1675	1608	1516	1505	1455

Source: PIDS Discussion Paper No. 2003-17

Graft and Corruption in Many Government Agencies

Graft and corruption is already a system in the bureaucracy; it is embedded in the different echelons of organizations from the topmost to the lowest rung. It poses a major problem to the government because it eats up large chunks of government funds which should be used for basic social services. Estimates say that as much as Php203.3 billion or \$4 Billion of potential revenue is lost due to graft and corruption.¹¹

Among government agencies, the Department of Public Works and Highways (DPWH) is perceived to be one of the most corrupt. The study done by the University of the Philippines on the projects of the DPWH stated that corruption occurred in the entire road-building process, from contract bidding up to payment for completed projects. Their analysis also showed that the corruption involved about Php 1 million per project, yet this is still too small compared to multi-million peso projects.¹²

Such kind of system impacts greatly on the quality of infrastructures that are built. Because the work is given to private contractors, the cost of "grease money" given to different officials is factored in the total cost of the project. And, this usually results to the use of substandard materials or unfinished infrastructures.

To compensate for lack of revenues, the government has resorted to declaring more taxes, making the lives of ordinary people more miserable. This is

greatly felt by government workers because income taxes are automatically withheld.

When news of corruption in particular agencies get to the eye of the public, the whole agency is subjected to scrutiny, making every member a suspect of the crime, resulting to deterioration of morale and self-esteem.

Public Sector Unionism (in the Philippines)

An Overview

Its definition and purpose

In the context of labor relations a public sector union is an organization of government employees established for the promotion and advancement of their interests. It helps to promote harmonious relationship between the rank and file employees and the management.

It acts as a force to compel the management to faithfully observe the democratic processes relating to the merit system. It can also influence the enactment of laws which will further protect and uplift employees' welfare.

The union also serves as the government employees' negotiating agent for improved terms and conditions of work, particularly those which are not fixed by law.

Legal Basis

Government employees have an inherent right to self-organization, this is clearly stated in the constitution. The constitutional guarantee is clearly stated in three separate articles in the Philippine Constitution of 1987, these are:

Section 8, Article III (on Bill of Rights) states that:

"The right of the people, including those employed in the public and private sectors, to form unions, associations or societies for purposes not contrary to law shall not be abridged."

Section 2(5), Article IX-B (on Constitutional Commissions):

"The right to self-organization shall not be denied to government employees."

Section 3, Article XIII (on Social Justice and Human Rights):

"It shall guarantee the rights of all workers to self-organization, collective bargaining and negotiations, and peaceful concerted activities, including the right to strike in accordance with the law."

The right to join an association/union includes the right to leave and cancel his/her membership with said organization or to abstain from joining one.

In pursuance of the constitutional guarantee to the right to self-organization, then President Corazon C. Aquino, in the exercise of her legislative powers, issued on June 1, 1987 Executive Order No. 180 providing the guidelines for the exercise of the right of government employees to organize.

Scope of Membership

In a paper written by Atty. Anicia Marasigan-de Lima entitled "The Role of Public Sector Unionism in the Promotion of Transparency Accountability in the Public Sector," she clarified the scope of membership of a public sector union and the process of its formulation.

Rank and file employees are eligible to become members of public sector employees' unions. Casual or contractual employees cannot organize but may join or assist employees' unions during their period of employment.

Employees whose functions are managerial, policy-determining or primarily confidential in nature are not eligible for membership. Excluded also are employees involved in security matters of the State like the Armed Forces of the Philippines, police officers, firemen and jail guards. However, they may form their own associations and can have them registered with the Securities and Exchange Commission.

Process in Union Formation

There are two (2) major processes involved in the formation of a union, these are: registration; and, accreditation. Registration is a joint function of the Bureau of Labor Relations (BLR) of the Department of Labor and Employment (DOLE) and the CSC. Registration gives official existence to the union so as to be entitled to the rights and privileges provided under Executive Order no 180.

For an application for registration to be given due course, it must be signed by at least 10% of the employees in the organizational unit which the applicant seeks to represent.

The process of accreditation follows. Accreditation gives the registered union the right to be the sole and exclusive negotiating agent of the rank and file employees on terms and conditions of employment not fixed by law.

After the union has been accredited, it can proceed towards entering and concluding a Collective Negotiations Agreement (CNA).

Negotiations between the union and the management can encompass terms and conditions on employment not defined or fixed by law. Examples of these can be, schedules of vacation leave, work assignment of pregnant women, provisions for protection and safety, facilities for handicapped personnel, first-aid medical services and supplies, family planning service for women, physical fitness programs, social and athletic activities and facilities.

Despite the limitations in the items that can be negotiated, the parties involved are not barred from submitting proposals to higher authorities to improve the conditions of their employment.

Brief Profile of Public Sector Unions

From 1987 until 2003, a total of 1,263 public sector unions all over the country have been registered (refer to Table 4). Of the total number of unions registered, only 32.54% or 411 were accredited and only 89 or 21.65% of these accredited unions have registered CNAs.

The figures below show that the number of existing unions is small compared to the total number of government workers. Many government employees are not yet organized and there is still much to be done in terms of reaching out to other public sector workers. The figures also imply that there is a need to continuously capacitate and strengthen the existing unions so that they may be able to fully represent their members and be able to negotiate strongly with the management as attested by concluded CNAs.

Table 4. Registered/Accredited Unions and registered CNAs by Region

REGION	1987 to 2003		
	Registered Unions	Accredited Unions	Registered CNA
National Capital Region	328	158	50
Cordillera Administrative Region	44	15	0
Autonomous Region of Muslim Mindanao	2	0	0
Region I	56	9	2
Region II	57	16	1
Region III	71	27	0
Region IV	132	42	5
Region V	64	16	3
Region VI	73	11	3
Region VII	82	22	5
Region VIII	87	25	8
Region IX	47	4	0
Region X	53	15	0
Region XI	100	32	7
Region XII	50	16	3
Caraga	17	3	2
TOTAL	1,263	411	89

Source: "The Role of Public sector Unionism in the Promotion of Transparency and Accountability in the Public Sector", Anicia Marasigan -de Lima, 2003

The data also shows that the highest number of registered unions are in the areas of NCR, Region IV and Region XI. Since these are all "center cities", the figure could imply that organizing work for government workers are concentrated in areas proximate to the "hubs" of government, industrial and commercial activities. There is a need to move further to more interior places to reach more public sector workers.

The most number of registered unions come from the national government agencies and the local government units registering 38.80% and 35.63% respectively (Refer to Table 5).

Table 5. Registered and Accredited Unions by Sector (2003)

Sector	Registered	Accredited	W/CNAs
National Government Agencies	490	154	34
Local Government Units	450	135	25
GOCCs	155	64	20
SUCs	168	58	10
TOTAL	1263	411	89

Source: "The Role of Public sector Unionism in the Promotion of Transparency and Accountability in the Public Sector", Anicia Marasigan -de Lima, 2003

A lot still has to be done to advance public sector unionism. Continuous education, organizing and consultations must be done to advocate for the importance of having a union to represent the public sector workers so that their rights can be protected and their employment conditions be continuously improved not only for their own benefits but including that of their families.

The Attack on Public Sector Workers and their Unions

The Rationalization Program of the Philippine Government

The greatest issue being confronted by many government employees at present is the implementation of the Rationalization Program which is the major strategy of the present administration in its efforts to reengineer the bureaucracy. By virtue of Executive Order 366 the government hopes to cut back expenses and make public service more effective and efficient.

Many public sector workers however, believe otherwise, and many public sector workers' unions continue to criticize and challenge President Gloria Macapagal Arroyo's Rationalization Program because its implementation will cause massive displacement of government workers and there are no clear safety nets in place to help the would be displaced workers.

Below are important points about the Rationalization Program as explained in the PSLINK's "Trade Unionists Guide to the Rationalization Program."

What is the meat of EO 366?

Executive Order 366 refers to the Rationalization Program (RP) which aims to make the government focus its efforts on vital/core functions and enhance effectiveness and efficiency in the delivery of public services. Specifically, it aims to promote and establish effectiveness, efficiency, accountability and transparency in the bureaucracy. It is expected to help improve delivery and support systems and to refocus resources to priority areas.

There are four (4) reasons being cited for re-structuring: 1) some of the structures in the bureaucracy have outlived their usefulness, while some have duplicate/overlapping functions with other offices; (2) technological changes have reduced the workload of personnel; 3) core functions of the bureaucracy have shifted; and 4) there have been changes in work systems.

Coverage of the RP

The RP will cover all departments of the executive branch including all agencies and GOCCs. While it is not mandatory, the Legislature, Judiciary and State Universities and Colleges may voluntarily apply the parameters of the program if they opt to review their respective operations and organization. The military, police, teachers and health workers are excluded.

Implementation of the RP

The RP officially starts upon the effectivity of the Implementing Rules and Regulations (IRR) of EO 366 dated October 4, 2004.

To manage the preparations and initial implementation of the RP, Change Management Teams (CMT) will be created in each department by their Department Secretaries and equivalent agency heads. A CMT shall have at least one representative from the Department's accredited union. In the absence of an accredited union, the rank and file employees shall elect one through an assembly organized for that purpose. Sub-Change Manage-

ment Teams (Sub-CMTs) for different organizational level or areas of concern may be created and each Sub-CMT must have at least one (1) union or rank and file representative sitting as a member.

The CMTs are tasked to: 1) conduct a strategic review of the operations and organization of all component units of the Department; 2) identify the core functions, programs, activities, and projects of the department and its agencies; 3) identify the functions, programs, activities which can be strengthened and where more resources need to be channeled; 4) prepare a Rationalization Plan for the whole Department, including the agencies and GOCCs/GFIs attached to or under its administrative supervision, for the review and endorsement of the DBM and subsequent approval by the President; 5) conduct consultation meetings with the affected personnel and other stakeholders on the effort; 6) oversee the actual implementation of the Rationalization Plan; 7) mitigate the impact of the rationalization effort; and 8) coordinate and consolidate the process and outputs of the Sub-CMTs

Essential Components of the RP

- a. Core functions, programs, activities, services
- b. Shifts in policy directions, functions, programs, and activities
- c. Areas for downsizing/phasing out
- d. Areas for strengthening
- e. Shifts in organizational structure, staffing and resource allocation
- f. Financial projections to include savings
- g. Internal and external communication plan indicating specific methods/strategies.

Options for Affected Government Personnel

The RP offers some options for affected government personnel. These were outlined in a paper presented by Atty. Anicia Marasigan-de Lima during a dialogue held at the UP-SOLAIR on July 6, 2005.

All personnel who occupy positions declared to be non-core, overlapping, irrelevant or redundant may be affected by RP. After the strategic review has

been done by the CMT and the positions and concerned personnel that must be streamlined have been determined, the personnel will be properly notified of the actions to be taken regarding his/her employment. All personnel who will be affected can choose from two options.

Option 1 - remain in the government service and be placed in other agencies needing additional personnel. The process entails the following:

- Affected personnel shall submit to the Agency Personnel Officer three personal priority areas for reassignment

Wait for the results of the matching process, where CSC will match among others, position, qualification and skills of the affected personnel with the needs of priority agencies s/he has chosen for his/her re-assignment.

- Re-assignment by CSC to other agencies needing additional personnel within two months.
- Compensation of placed personnel to be transferred to recipient agency, except those reassigned to LGUs.

No diminution in salary and benefits except allowances for function specific activities.

Position of transferred personnel in recipient agency is co-terminus with the incumbent head.

Placed personnel has full rights to all benefits available to other government employees, including CNA incentives. In case there is a difference between the CNA benefits in the mother and in the recipient agency, the personnel may enjoy the larger benefits for one year.

- Personnel who later objects to a new assignment, deemed retired or separated shall be paid retirement, separation or unemployment benefits applicable without the appropriate incentive.
- In case the affected personnel is not reassigned to an agency after two (2) months, he/she shall be transferred to the CSC office nearest to his/her residence and remain in the CSC manpower pool until a match is found.

Compensation of the affected personnel placed in the CSC manpower pool will be transferred by the DBM from the mother agency to the CSC.

- After satisfying the requirements of the national government agencies, the CSC may explore the possibility of reassigning affected personnel to LGU administered schools and hospitals.

Option 2 – avail of voluntary retirement/separation package with the appropriate incentives itemized below:

- Retirement gratuity under RA 1616 and refund of GSIS retirement premiums, without incentive.
- Benefits under RA 660 or RA 8291, plus the following:
 1. 1/2 month of present basic salary for every year of government service for those with 20 years of government service and below.
 2. 3/4 month of basic salary for every year of government service, computed starting from 1st year, for those with 21-30 years of government service.
 3. 1 month of present basic salary for those with more than 30 years of service computed starting from first year of service.
 4. Separation Gratuity plus incentive for those with less than three years of government service plus incentive.
 5. Commutation of accumulated compensatory overtime credits for retired/separated personnel

Apart from the benefits cited above, the retired or separated personnel can also claim the following:

- Refund of PAG-IBIG contributions pursuant to RA 7742 and in accordance with existing rules and regulations of the Home Development Mortgage Fund (HDMF)
- Commutation of unused Vacation and Sick Leave Credits
- Commutation of Accumulated Compensatory Credits (subject under CSC-DBM Joint Circular No. 2, 04 Oct 2004) but not to exceed 120 hours.

***Efficiency or Deficiency?
(the effects of the RP)***

1. Displacement of public sector workers

Many groups of concerned individuals and public sector workers strongly oppose and challenge the implementation of the RP. Despite the assistance programs that will be put in place for the would be displaced government employees from the various agencies, the fact still remains that it will cause massive displacement of government workers affecting not only the government workers themselves but including their families.

The RP is so untimely. The economic situation of most government employees and the Filipino population in general is already dismal due to unabated increases in the cost of basic utilities, basic social services and basic goods and commodities. Depriving them of their only means of livelihood is tantamount to depriving them of their right to live, and this can be considered a violation of their human rights.

While it is true that there is a need to improve the quality of public services in the country, streamlining among the rank and file employees is not necessarily the answer. In fact, streamlining might be needed more at the higher echelons of the government to eradicate positions which were created unnecessarily for political appointees. Doing so would relieve the government from maintaining individuals who are being paid ludicrously big amounts of salaries and allowances while doing nothing much.

The Office of the President is guilty of this "crime". The President has the appointive power over all members of the career executive service from the rank of provincial director or department service chief up. Altogether, according to the Career Executive Service Board (CESB), the President has the power to name people to 3, 175 career executive positions in various government departments and agencies.

In addition, 2,488 positions in 60 government owned and controlled corporations are subject to presidential approval. Therefore, the President can wield some influence over the appointees of his/her appointees down the ladder of the bureaucracy or to a thousand other positions.

This practice strongly affects the quality of public service as it hinders the bureaucracy from being professionalized. When personal whims of government officials become the basis for appointing selected people to choice government positions rather than the merits and qualifications of prospective applicants to a position, attempts to form a professional corp of civil servants will always fail. As appointees are beholden to their political patrons for their posts, they view government merely as an employment agency, and a government post simply a reward, rather than a responsibility.¹³

2. Options that may not be options at all

For would be affected public sector workers there are two options to choose from; 1) to seek transfer to another agency, or 2) to retire or resign voluntarily. The first option is quite questionable if the RP will be implemented in all government agencies excluding the military, police, education and health agencies. It means that the options to seek transfer is very limited because of few open positions available plus the problem of matching skills. Therefore, there is no assurance that a prospective transferee will be accommodated in his/her target agency.

Option 2, seemingly, may be a better option because if a government worker decides to retire or resign voluntarily s/he will receive compensations and benefits that can all be converted into cash. However, with the current state of the Philippine economy, it would be very hard for a retired government worker to hold on to his/her money as it may be eaten up by the cost of daily living. If s/he decides to embark on any entrepreneurial initiative s/he may not be able to compete with other businesses because of limited capital or it may not be able to absorb the impact of an ever changing business climate in the country.

3. Assistance Programs which are short-lived

To help the would be displaced government workers several assistance programs are available:

- alternative skills or livelihood trainings thru the Department of Trade and Industry (DTI), Technical Education and Skills Authority (TESDA) and Technology and livelihood Resource Center (TLRC);
- credit assistance through the Cooperative Development Authority (CDA), Small Business Guarantee and Finance Corporation (SBGFC), Quedan and Rural Credit Guarantee Corporation, National Livelihood Support Fund, and Land Bank of the Philippines (LBP);
- job facilitation in the private sector, local or overseas, with the help of the Bureau of Local Employment-Department of Labor and Employment (BLE-DOLE), and Philippine Overseas Employment Administration (POEA).
- fund management/investment services with the assistance of Land Bank, Development Bank of the Philippines and the Bureau of Treasury;
- employee counseling to be provided by personnel officers who will be trained by counseling institutions.

In the last two decades, numerous livelihood assistance programs have already been implemented by different agencies in various sectors. Some have prospered but most failed because the success of any livelihood initiative depends on several factors. Enough capital, appropriate skills, proper support programs especially in the marketing aspect, appropriate technology and a supportive environment are very important. Displaced employees may have some capital to start with but since they have lost their steady source of income the tendency would be to get their daily sustenance from the same funds eventually depleting it and the project folding up.

Credit assistance may be tapped from institutions offering such support but this would entail financial obligations from the borrowers in terms of paying for the principal and its interest. Apart from this, loan applications also involve a lot of paperwork and require additional resources in terms of time and money for follow-ups.

Job facilitation will definitely help in providing alternative work but there may be limitations in terms of age requirements as private companies set age limits. Likewise, there will be very limited job opportunities

since the private sector has also been doing its own streamlining through job contractualization, sub-contracting and labor flexibilization. These schemes have contributed largely to the country's problems of underemployment and unemployment which were pegged at 20.5% and 7.7% respectively in July of 2005 or an actual figure of 6,660,000 underemployed and 2,715,000 unemployed, according to the National Statistics Office.

Facilitating job employment overseas may not be easy as it seems. There is the big amount of placement fees to consider which will eat up a large chunk of their already limited funds. Job orders from abroad are seasonal and usually require specific skills. At present the demand is on health care and caregiving. Many Filipinos, including doctors, who want to go abroad have enrolled in caregiving courses. Many of our nurses and other medical related course graduates have gone abroad for better job opportunities. From 1999 to 2004, it is estimated that over 50,000 Filipino nurses had left the country to work in hospitals, home for the elderly and other rehabilitation facilities in the United Kingdom, Canada and the United States of America.

This exodus of Filipinos to other countries deprives the Philippines of skilled and competent workers specially in the areas of basic social services like health and education. In a recent study done by the Association of Hospitals in the Philippines, over 1,000 tertiary and secondary hospitals have already closed for lack of personnel. This is a big cause for alarm specially in a country like the Philippines where health services is already much challenged.

4. Brain drain in the country

With very limited job opportunities in the country, the only remaining option for those who will be separated from government service but still must/would like to work, will be going abroad. In 2002, according to POEA statistics, around 2,383 OFWs were deployed daily to other countries.

This has almost doubled today with the continuing displacement of both the public and private sector workers. Many young and highly skilled Filipino professionals are forced to accept low-end jobs in highly

alized countries. Such trend results to deskilling of the country's human resources while draining the economy of highly-skilled workers and professionals.¹⁴

This situation has tremendous effects also on the quality of family relationships. Absentee parenting has led to numerous social problems especially among the children and even among parents/partners, both for the one who went abroad and the one who was left in the country.

5. Worsen poverty

Displacement of public sector workers will definitely add up to an already ballooned number of unemployed Filipinos which was already 7.7% of the total labor force as of July 2005 (National Statistics Office). Joblessness coupled with unabated increases in the cost of utilities, basic commodities and basic social services is more than enough punishment for an ordinary Filipino who is now barely able to eat regular meals.

Recommendations

The national government should improve its public service delivery

For the past 23 years, debt servicing has been eating up a big chunk of the country's budget. From 2002-2004, the average expenditure percentage share for the debt servicing was 28.29% as compared to 19.54% for economic services and 29.64% for social services.¹⁵ At a glance, it may seem to be at par with the share for social services but it should be noted that the budget for social services will still be divided further to different sub-sectors like education, health and other social services.

This manner of allocating budget is devastating to public services. It deprives the public sector of much needed funds to maintain and sustain basic services to a growing population. It causes tremendous demoralization to public sector workers who are in the forefront of public service delivery. The quality of public service can only be as good as the state of the public sector workers. If public service must improve, then it has to start with the creation of an empowering and quality working conditions for public sector workers to be motivated and become more productive.

Policies on budget allocation should be reviewed and reconsidered. Providing a better budget for social services will give the sector an opportunity to acquire much needed modern facilities and supplies. Likewise, a better allocation for economic services will also allow better support for local business initiatives that can spur the strengthening of the domestic market and the economy.

Develop a better compensation and incentive package for public sector workers

The rate of inflation has been increasing over the last five years resulting to higher prices of basic commodities. Consequently this has pushed higher the cost of daily requirement for Filipino families which was estimated to be Php 586.99 for a family of six in July 2004.¹⁶

Meanwhile, the salary of public sector workers remains the same as pegged by the SSL. The current salary rates are inadequate to meet the minimum daily needs for a decent living. This has become a push factor for many skilled and highly educated public sector workers to leave the government service and move to the private sector or seek better job opportunities in other countries.

Strengthen relationship with public sector workers' unions by encouraging social dialogue

Good governance can be achieved better if it involves all stakeholders in the process of decision-making. It allows transparency in all processes and provides a venue for exchange of ideas, information and concerns.

Moreover, social dialogue can be an instrument in fostering a stronger relationship between public sector officials and employees. It can help facilitate a collective process of discussing and analyzing various issues and concerns geared towards developing a better and more responsive governance and consequently a more effective and efficient public service.

The Challenge to Public Sector Workers: Strengthen Public Sector Unions

The Public Sector is in bad shape and the worst is yet to come. With the full implementation of the RP, more government employees will find themselves unemployed and in a constant state of uncertainty in terms of job security. The challenge for non-unionized workers is to join and be organized because labor unions are the only mechanisms they have in fighting for their rights. The CSC can and will only do so much, and its hands will be tied up by government policies that will be imposed upon them.

But the greatest challenge lies with the leaders and members of existing public sector workers' unions. They have the biggest responsibility of informing and mobilizing other public sector workers about the issues. At the same time, they have the responsibility of negotiating and asserting for a more active role and participation in the decisions that will be entered into by the various government agencies in its efforts to reengineer the bureaucracy. Doing so would entail the following tasks:

- **A sustained education and information campaign** about public sector workers' issues especially Executive Order 366 and the RP – the information should reach the farthest government worker because no one will be spared from the effects of EO 366. Understanding the program will help facilitate a clearer understanding of its consequences to their employment and personal lives. A deeper understanding of the issues they will be confronting later will help facilitate their mobilization.
- **Aggressive organizing** to strengthen the existing unions by expanding its membership and its resource base. The number of unionized government workers is still small in relation to its total number. Much effort is needed to reach other government workers.
- **Develop a clear plan of actions** with defined objectives so that actions are geared towards the right direction and every activity serves as a "building block" towards the realization of goals.
- **Have regular assessments**, be sure to assess every work done to draw insights and highlight whatever little gains are made. This helps

develop confidence of members and officers. It also provides inspiration that helps sustain participation among members and officers.

- **Negotiate and assert** for the active participation of the union in the planning, implementation and evaluation processes of the agencies especially on matters that will affect the welfare of all the workers, regardless of whether they are union or non-union members.
- **Assert for a union officer to sit as part of the CMT or Sub-CMTs** to ensure that all issues and concerns of government workers will be seriously considered.
- **Study the structure and programs of the organization.** This will provide unions an in- depth knowledge of how the structure works and what opportunities are present that can be maximized to advance the interest of public sector workers. This will also give the union ideas as to where interventions may be needed.
- **Ensure welfare of the affected personnel** by making sure that assistance programs are indeed in place, with clear guidelines.
- **Be vigilant in examining policies that are being proposed and passed.** Make sure that they are clear in terms of defining jobs and delineating functions to avoid redundancies and duplication of functions.
- **The welfare of the government workers who will be left in the service must also be ensured.** Therefore a careful study of their situation and their needs is necessary and interventions must be in place so that impacts of future similar actions will be cushioned.
- **Push for a clear Human Resource and Career Development Program** for those remaining in the public service so that their knowledge and skills will continue to be developed, preparing them for better positions and bigger responsibilities.
- **Oppose retitling of positions** in the civil service because doing so will result to unnecessary changes and will affect the career path of civil servants.

- **Insist on a comprehensive job description of positions.** This will help avoid passing on unrelated jobs to a government worker and protect him/her from work overload.
- **Work towards quality public service** by developing strong coordination with the officers of the agency and other stakeholders.
- **Link up with other unions (local and international),** share experiences and develop areas of coordination not only in the public sector but in any other sector which can be of help. Push public sector unionism to a greater height and make it a movement. Only when public sector workers are united and one in direction can it become capable of influencing programs and policies.

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