

REACTIONS

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Thank you. Good morning! For my reaction, I would just like first of all to put the topic of economic reintegration of OFWs in a broader context or point of view and later on mention some legislative proposals which may be relevant to the subject matter.

First of all, we view the question of economic reintegration of OFWs within the broader context of the total empowerment overseas Filipinos.

We look at economic reintegration as one important aspect of empowerment. There is also a political empowerment. And we are happy that the law that was the dream of Overseas Filipinos for 16 years has finally been enacted by Congress and signed by the President, the Overseas Absentee Voting Law which would allow our overseas Filipino estimated at 7.3 million abroad or roughly equivalent to 10% of our population would now be able to vote in the coming 2004 election. The challenge to the constitutionality of some provisions of the law filed before the Supreme Court has already been decided. There are no more obstacles for the Commission on Elections and Department of Foreign Affairs to go full blast with its implementation. And our brothers and sisters abroad are eagerly awaiting for their chance to be able to participate in this political process to which they have been entitled under the provisions of the 1987 constitution but because of the inaction of Congress, they have been deprived of their political rights for the past 16 years.

So it is in this context of empowerment both political and economic that we view the question of the economic reintegration. Even the topic itself would lead to some questions on our part, because when you say economic reintegration, the assumption seems to be that without a proper program, when he comes back, he is no longer integrated into the economy. The assumption is, when he is abroad and sending back remittances which totals \$7-19 billion a year which has propped up our economy during the times of crisis like the 1997 Asian financial crisis and which helps our financial problems like the budget deficit especially during the last quarter of year, that these remittances are not accordingly reciprocated by the government in terms of benefits and services that they deserve. In the past there was a gap and there are always complaints from returning Overseas Filipinos. It is the NGOs who took the initiative.

It may be lack of resources or may be lack of will. Maybe perhaps it is because of some weaknesses in RA 8042, the Migrant Workers Act (which according to NGOs is a major step in terms of legislative protection and promotion of Overseas Workers rights or part of the State's obligation to protect labor as enshrined in our constitution). But because

of circumstances of the passage of the law, there are some loopholes that need to be addressed.

Legislative proposals in Congress are still pending for amendments to this basic act. Specifically, in the question of reintegration, the basic demand is that it must be more comprehensive which is now being addressed and that whatever programs and plans are identified by Government in this regard be properly and fully implemented. Resources needed for this program should be properly allocated and not wasted to corruption in some of the implementing agencies.

There is an ongoing conference in Silang by the NGOs who are trying to put together alternatives for returning Overseas Filipinos, the first conference was held in Davao. This is an attempt by the different NGOs, initiated from both abroad and here in the Philippines, working on the issue of reintegrating returning OFWs: That they come up, get their acts together because in the past, there were numerous initiatives but they were not integrated or interrelated with one another. I hope that these initiatives on the part of NGOs would come together with renewed effort and emphasis given by the government because there is also recognition on the part of government on the role of the NGOs.

There are some pending legislations in Congress aside from the Omnibus Amendment to the Migrant Workers Act. This includes a proposal to repeal sections 29-30 of the Act which refers to the deregulation of the industry. We proposed to repeal because we believe that it is not the time to deregulate, the industry must be protected because once deregulation is achieved in the law itself, the contract between overseas workers would be a matter between the worker and the overseas employer without any intervention from the State. I think that would be against the State's obligation to protect labor both local and overseas at a time when there are continuing abuses by illegal recruitment and which highlights the problem of returning Overseas Filipinos whether it is economic or psychosocial.

So we support the repeal, in other words, to maintain regulation of the industry by government in compliance with its constitutional obligation. But there are also initiatives to set up an economic entity that would rationalize the initiatives and efforts of Overseas Filipinos' economic reintegration. There are pending bills in the House of Representatives. For instance, the "OFW Bank" to channel their economic resources which could be accessible to them and their families and a bill providing credit assistance or extend loans to newly hired overseas workers and establishing an Overseas Filipinos' pension fund.

MS. LAGDAMEO: Our next reactor is currently the Executive Council Member and VP of Migrants Rights in Geneva, a member of the Board of Directors of the Global Fund for Women and a member of the Advisory Team of Migrant Forum in Asia. She has been involved in social enterprise development work, community organizing and training, social research and social project development. The Executive Director of *Unlad Kabayan*, a migrant services foundation, Ms. MayAnn Villaiba.

Ms. MayAnn Villalba
Executive Director
Unlad Kabayan

Maraming Salamat Donna. Thanks for the nice presentation of Mr. Cruz and Byron. Now, there is a more deliberate, integrated and coherent plan on the part of government to address the problem and issue of OFW reintegration.

I say this because and I am also happy that Mr. Cruz also mentioned the initiative of the Asian Migrant Center. It was in 1994, I was the Executive Director then of the AMC and we started the reintegration program because in the many years that we have been working with the Migrant Workers, there were many cases of abuses, rape, unpaid wages. Every time that problems are resolved, new cases come in or the same faces come back after two years or even a after few months. And we say counseling and paralegal assistance are helpful at the moment, oftentimes they end up like ambulance services.

So we were thinking, "*Ano ba ang pwede natin gawin?*". *Paano ba natin bibigyan ng lunas yung ilang problema*, especially for example, those who have been victimized and are not ready to come home, "*Ayaw naming umuwi ate kasi malalaman ng pamilya namin kung ano ang nangyari sa amin. Wala kaming mauwiang trabaho*". And that is where the reintegration started to be thought out very seriously.

Compelling reasons for the OFW to consider planning for the return to the home country at the most opportune time. One of the reasons is the contractual nature of the job. If your employer does not like your face, then he sends you back home or in cases of a war, there is repatriation. In Sabah, we have seen that. That is why we have to consider and provide services for the reintegration of Migrant Workers.

Second, *gusto natin na yung mga pamilya ng OFW would remain intact*. According to the Department of Social Work and Development survey, 65 to 70% of OFWs in some communities have broken marriages due to long periods of separation. There are many children of migrant workers who have become hooked on drugs, who refuse to go to school, and many other social problems from the absence of one or both parents in the family. Now that is on the part of individual migrant workers.

On the part of the government, while it is true that deployment of Migrant Workers overseas has solved temporarily the problem of unemployment and the need for foreign exchange, it has, over the years allowed the government to be complacent in addressing the problem of unemployment in the home country. The low productivity rate, the lack of competitiveness, peace and order, poverty; these are the very problems that push Migrant Workers overseas. With the \$7 to 8 billion remittances, it has allowed government to postpone the necessary review and restructuring of the economy, where the engines for economic growth should be internally generated. We are dependent on job opportunities of other countries to provide jobs for our own people and we know that these jobs and the conditions they are working in are not within our control.

Another compelling reason, is that the government still has to reckon with the social cost of migration. What does it mean for a country to be exporting labor in decades? What does it mean for a nation to lose values, like children who would start to twirl around and say I want to go to Japan. *Nasaan na ang mga pagsasabi ng mga bata na "gusto ko pong maging doctor!"*. Our doctors are enrolling in nursing courses so that they can go abroad, where is the nobility of that profession *ngayon?* Is that the kind of values we would like to leave to our children and to the next generation? What is the implication of this to our nation, to our dignity? These are the compelling reasons why government and migrant workers themselves and the nation should look at reintegration. So in 1994 to present, ito po ang ginawa ng Unlad Kabayan for the Asian Migrant Center (AMC). These are the situations, the problems that need to be addressed. According to the Philippine Overseas Employment Administration, 73% of those newly deployed are women.

What is *Unlad Kabayan*? We view reintegration as also one of the issues that need to be addressed and AMC came up with two strategies in its work — R and R: rights and roots.

Savings mobilization among migrant workers and Building Alternative Investments at home. When we started savings mobilization, we were envisioning that these savings will be transformed into investments in the Philippines. The slogan of savers and Migrant investors: *"Mag-impok at Mamuhunan, Itatag ang Kabuhayan sa Sariling Bayan!"*.

In 1996, we established *Unlad Kabayan* in the Philippines, they have already mobilized savings. What we do is to lend it out to some cooperatives so that they could have supplemental capital. But after sometime, we saw that there were migrants who were ready to come home. So that we had to think about how to have the savings or investments put into productive use, *na sila mismo ang magmamaneho*, how will this generate an income.

In 1997, we started in Metro Manila, helping *sa mga bumalik na* migrant workers and then as more migrant workers were saving and wanting to invest, we expanded to other places like Sanchez Mira in Cagayan.

In 1999, Bohol Migrant Workers, started this free range poultry production. *Meron silang* breeding farm, growing farm among the families of seafarers *at nakakapagbigay sila ng trabaho sa kanilang mga kamaganak*.

In 2001, in Iligan and Malaybalay projects, there is a 5.5 hectare lot *na binili ng mga domestic workers sa Hong Kong*. There were 22 of them who funded, pooled their money together and now is being developed as an agri - business integrated farm. In that place we assigned a staff who will be able to inculcate the business skills to Migrant Workers. Its current investment: there 6 more who joined in other businesses and the investment of Migrant Worker amounted to P2.3M in that 5 hectare lot. And they are extending their projects to nearby communities, so *merong* poultry dispersal and pig dispersal. The surrounding communities are also benefited from the projects.

Last year, we started the cooperation with PASAL, a seafarers cooperative in Rotterdam who would like to help the Muslim Christian Vendors' Association in Cotabato, many of whom are family members of the seafarers to start a credit program for the vendors and to start some collective enterprise. So right now, *Unlad Kabayan* provides technical services in credit and savings to MuChris, Cotabato.

Recently, a savings group in Taiwan was able to win the bidding of a foreclosed property of Landbank in Mainit, Surigao. And so two of their members have returned and we are training them how to manage the rice mill. It started operation in March. We helped them rehabilitate the rice mill. And the latest in May, it was earning as P38,000 in a month. That is not full operation yet because one of the mills has not yet been rehabilitated.

And so we are inviting other savers in Hong Kong or in Taiwan or in other parts to invest in this rice mill. They are planning to extend the program to have farm credit to the farmers around and to set up an agricultural veterinary store. So we are helping them to negotiate with Land Bank whether we could access loans with better terms than what is currently offered. We are also very thankful to the Landbank office in Taiwan that endorsed the group and provided the endorsement letter to the LBP in Manila Office, saying that this is a very good project that landbank would like to see, migrant workers taking over a foreclosed property of government financial institutions.

The vision the Migrant Workers would like to see is:
 "A vibrant society with sustainable livelihood for the people".

Mission: "To painstakingly build sustainable and socially desirable enterprises that will help poverty alleviation and promote economic growth through the mobilization of migrant savings and investments".

Goals: "Instill among migrant workers and in the local community the value and culture of savings, investments and entrepreneurship; build socially responsible enterprises, generate local jobs and income that promote the well-being and development of the marginalized sector; and advocate government policies that promote migrant worker rights and gender – based economic empowerment".

Strategic Objective: "To build an enabling environment where enterprises are built, jobs are created and incomes generated through migrant savings and investments".

Twin Strategy: Migrant Savings for Alternative Investments (MS-AI) and Social Entrepreneurship and Entrepreneurs Development Services (SEEDS).

Enterprise development needs a lot of support to overcome the obstacles in building sustainable financially viable enterprises. It is a cluster of services that we are providing at the moment. We have established a one-stop shop in Iligan and Davao.

And we are very happy the Local Government Units are welcoming the initiative. We say, "you have Migrant Workers in your locality, if you have a very strong promotion of

bringing their savings back into your community and making it into a pool of investment for whatever development projects, enterprises that your community would need, *dito puede kumuha ng investment*. So the LGUs in two communities have already started a dialogue with us.

And then advocacy, of course. We are in various places in Sanchez Mira and Metro Manila, Mindoro, Iloilo, Davao, Bohol, Iligan, Bukidnon, and Surigao.

Unlad Kabayan is doing advocacy. We are trying to say along with the migrant workers, that this is possible and can be replicated, this can become a program of the government and because an NGO can only do so much, only small specs. But when the government takes this up on a national scale, we say it is going to be workable.

We are proud to say that we have been able to mobilize a small amount or PHP 7 million in savings and investments from the migrant workers in the last 6 years. There is a higher value-added enterprise *na nabuo*.

The challenge for government: Provide infrastructure and climate for investment and enterprise development. If the government can provide very special incentives to foreign direct investors, why can it give the same if not more to its migrant investors?

We hardly can breathe if we take out a loan, *hindi po namin kailangan ng loan lalo na kung may savings ang migrant, ang kailangan po namin ay equity*.

If for example there is already a savings and investments, match it and then let us be partners. If there is a foreclosed property, and there is a group of migrants who are willing to operate it and make it income-generating and productive. We could not buy it, we use the money as operations capital to operate the business, *saka tayo maghatian pag kumikita na*.

So these are some of the things that we could explore. There are a lot of idle properties of government but if you always sell it or loan it, people do not have that capacity. When you have a business and you start it with a loan, you think about paying the loan and making the business viable. *Isa isa lang na problema, mabigat masyado yung patong patong*.

And then local legislation. We are very thankful to this Barangay Micro Enterprise Law. *Mabigat po yung taxes* for the small entrepreneurs and as they pay their taxes. But after taxes are deducted they borrow money so that they can have the revolving capital.

The other thing that we really need is technology and technical support. I have seen in Indonesia and in villages that they have the technology. People from there, process their food, come out and sell the processed food. Why cannot we do it in the Philippines? Why is it that technology is so expensive here? Why does not government have an array of machines? They can be fabricated by our engineers, seafarers. They can fabricate machines, they are the ones who run the ships, who set up the refrigeration on board the ships, to transfer the fruits, the flowers from Africa, from Latin America to Europe.

Why cannot we tap our seafarers to fabricate these machines and make it accessible to our entrepreneurs? This is not a big hurdle for the government. There are a lot of resources, Human resources that should be mobilized.

Next is the market. We are grateful to the Department of Trade and Industry in opening the trade forces. But what we need are clear indications where we could market the products. We say "love your neighbor" but the market mentality of the many Filipinos is buy the imported . . . "love the neighboring country". So what we need is active promotion, protection from the government of locally made products. This is what the migrant entrepreneur would like to see from the government.

Finally, I would like to show you what we have done: an agricultural machinery in Mindoro, in Malaybalay one of the businesses is the Saso Organic Poultry. A hotel in Malaybalay is already ordering organic poultry meat from *Unlad Kabayan*, a hatchery in Bohol, a breeding farm; a group of women engaged in making *ube* confectionaires. This is an award winning *ube*, but we need sales more than awards. Well, awards are good. We need to market this. *Ube* powder processing is supporting 100 *ube* farmers.

Kinampay in Bohol, the product development was funded and visited by the Canadian Ambassador. We hope that it can be sold also in Canada.

We are now embarking into a largely utilized resource. People complain that it is clogging in the water waste during floods. In fact, the Philippines is number two in coconut production, but does not figure at all in earnings of coconut husk fiber. We have to do it on our own efforts. Where is the government? We would like the government to provide it here and improve on it.

MS. LAGDAMEO: For our third and last member of our panel of discussants, founder and Executive Director of *Tinig Marino*. Anchorman to several maritime radio programs in Tagbilaran, Cebu and Iloilo Cities, a sectoral council member of the Anti-Poverty Commission and founder & President of the United Filipino Seafarers, Marine Engineer Nelson Ramirez.

**Engineer Nelson Ramirez
Founder and President
United Filipino Seafarers**

Thank you Donna! Atty. Delmer Cruz, Deputy Administrator of OWWA, Atty. Bocar, Sectoral Representative, Atty. Kalaw, Jr., Senior Vice President of DAP.

I think I have nothing to say anymore of what Ann has said because yesterday we attended another conference in Cavite and Ann was one of the speakers. After listening to the various speakers yesterday, I was really overwhelmed and inspired by their heartwarming developments. That they have done because this reintegration program, we have discussed this together with Atty. Wilhelm Soriano, the former Administrator of OWWA, since 1989 but when he was replaced by Administrator Gardener, the program was no longer mentioned. When Atty. Soriano came back in OWWA, again we discussed this reintegration program again but Atty. Soriano was replaced and again the program was forgotten.

And I was really surprised, because I was even awarded by OWWA for working together with OWWA but I do not know that OWWA has already implemented this project and has already extended loans to several organizations but I myself who is one of the proponent of this program did not even know. So meaning, there are a lot of information gaps.

But upon looking at what was presented yesterday by the various participants and speakers, the clamor is this: we do not need any support government support anymore. We should not talk to them because it is useless talking to them. That is what they have said.

Hindi lang ako ang nagsasabi niyan, lahat sila, nagsasabi niyan. Napakahirap, aabutin kayo ng isang taon, naguusap pa rin kayo. Ano ang ginagawa ninyo? "Pinagtutuunan naming ng pansin yan"... "Pinagaaralan naming yan"... Pagkaraan ng dalawang taon... "pinagaaralan pa naming ng husto". Pagkaraan ng tatlong taon... "lalo na naming pinagiiibayo ang aming pagaaral". Ganyan ang nagyayari. That is always my experience.

OWWA had a program before, *na pinapahiram nila ang OFW pagkaalis nila*. The loan was something like P5,000. But the problem is there was no mechanism when they will be able to collect *at wala namang nagbayad at dahil sa walang nagbayad, tinigil ng OWWA ang programa. Mali naman talaga ang programang iyon et!* We do not need loans because some seafarers, they come back home with millions of pesos. They have a bank deposit of Php1 to 2 million, they want to invest but they do not know where and what to invest in. Because you turn these OFWs into entrepreneurs overnight. What we need is support from the government, from perhaps the Technological and Livelihood Resource Center wherein somebody would teach us what is viable business in the community where we are going to invest in. *Walang suportang ganyan. Kaya maraming mga seafarers who come back here and who would like to invest P5 million in one project and after the end of the year they lose the business and then they would like to go back to sea. There are more than 560,000 registered seafarers now.*

With the Pre-departure Orientation Seminar, I wish that government starts this pre-employment orientation seminar.

There are also some other NGOs who have presented their developments of what they have done in Surigao like their growing crops and they are exporting it to Japan and they are making money.

There were several NGOs there that made progress on their own efforts without the help of the government. But if OWWA can assist us through equity, we also have one project "*Ang Kooperatiba ng Marino*", we started with lending because there are many who are extending loans to seafarers but with an interest with 4% a month and I am even helping them because there is no other organization or no any other place where we can borrow money without any collateral, so we go to that lending institution with an interest of 4% a month.

Now, we are putting up our own cooperative, but still we do not have money, probably we only have P700,000.00 at present. But if OWWA can give an equity of P700,000 , we can run it and start with it. That is what we would like to do at present.

I also would like to start a project, an agricultural project in the province where my farm is located, in Zamboanga del Norte. But since there are so many unbelieving or doubting Thomases, before you can start the program, you have to show them something. I started it in my own farm and I will bring OFWs to my farm. It is an integrated sustainable farming where they can use methods of the future if they want to retire in a farm like this. I believe I have said almost everything , so thank you for listening!

MS. LAGDAMEO: To facilitate and serve as moderator in our open forum, I would like to ask the Marketing Consultant of the graduate school of Public and Development Management of the Academy, Mr. Valentino Baac.