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Florencia G Casanova-Dorotan

with Phoebe Cabanilla, Maria Corazon Tan
and Maria Antonette Montemayor

Informal Economy Budget Analysis in Philippines and Quezon City



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The global research-policy-action network Women in Informal Employment: Globalizing and Organizing (WIEGO) launched this dedicated urban policies research report series in October 2009. The series profiles content that makes either an empirical or theoretical contribution to existing knowledge about the urban working poor, their living and work environments and/or their organisations. Particular attention is paid to examining policy and planning paradigms and practice. The series includes statistical profiles of urban informal work and critical analysis of data gathering techniques. Attention is paid to methodological issues and innovations as well as suggestions for future research. All papers are peer reviewed. This Series is co-ordinated by WIEGO's Urban Policies Programme Director, Caroline Skinner, who is based at the African Centre for Cities at the University of Cape Town.

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About the Authors: Florencia G Casanova-Dorotan, Phoebe Cabanilla, Maria Corazon Tan and Maria Antonette Montemayor are based at the Women's Action Network for Development (WAND). WAND is a broad-based national and multi-sectoral coalition of civil society organisations in the Philippines, which advocates women empowerment and gender equality by enhancing, sustaining, expanding its efforts and supporting its affiliates in the mainstreaming of gender concerns in national and local development issues and programmes.

The Research Reference Group for the WIEGO/ Inclusive Cities Informal Economy Budget Analysis was Marty Chen and Francie Lund. The Project was coordinated by Debbie Budlender.

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Introduction

In 2001, the Arroyo administration set in motion a new national strategy that squarely puts poverty reduction at the core of its governance and development agenda. Founded on the gains and gaps of previous poverty reduction programmes, and echoing the United Nations (UN) General Assembly development goals in 2000, now known as the Millennium Development Goals (MDGs), this direction was concretely identified in the previous and subsequent Medium Term Philippine Development Plans (MTPDPs).¹

Poverty reduction targets in the Philippines were incorporated for the first time in the 1987–1992 Development Plan and, after that, anti-poverty became the centerpiece programme undertaken by past administrations.

Thus far, Republic Act (RA) 8425, the Social Reform and Poverty Alleviation Act of 1997, is the only piece of legislation that recognises the existence of informal workers as one of the basic sectors.² One important feature of RA 8425 is the creation of the National Anti-Poverty Commission (NAPC), which has the primary responsibility of overseeing the poverty alleviation programme of the government. However, the authority to implement and supplement the policies of the NAPC is vested in the local government units (LGUs). LGUs are centers of coordination for delivery of basic services and operationalisation of nationally instituted mandates like Gender and Development (GAD). The participation of non-government organisations (NGOs) and people's organisations (POs) has also been institutionalised for planning, implementation, monitoring and evaluation of the programme at all levels (Litong, 2007).

Government-initiated programmes and projects aiming to address the needs and concerns of the most vulnerable sections of the population, particularly the indigent or the working poor, most of whom belong to the informal economy, are subsumed under the broad policy goal of social reform and poverty reduction. The seriousness of government to effect change is reflected in the way projects and interventions are planned and targeted, including budgetary allocations needed to facilitate and realise their implementation. Specifically, national policies spelled out in the MTPDP espouse poverty reduction as an overarching goal, while sectoral thrusts support poverty reduction targets and priorities. As such, the ultimate indicator or seriousness of the government's resolve to combat poverty is the money dedicated to back up its policy declarations and plans.

Objectives of the study

This paper aims to answer the question 'Do national and local government budgets in the Philippines make a difference to informal economy workers, particularly the home-based workers, street vendors and waste pickers, the majority of whom are women?'

It will look into the extent of government budgetary support as well as the impacts of national and local government programmes and projects (in line with the poverty reduction national strategy) on informal workers in the Philippines. The degree to which the government takes cognisance of the situation of workers in the informal economy will be explored, and the measures that are directly or indirectly targeted to assist the workers, examined.

¹ The MTPDP is the most important planning document of the Philippine Government. It spells out the strategic framework to guide Government's policies normally for the coming six years.

² 'Basic sectors' refer to the disadvantaged sectors of Philippine society, namely: farmers and landless rural workers, artisanal fisherfolk, formal labour and migrant workers, *informal workers*, indigenous peoples, women, persons with disabilities, senior citizens, victims of disasters and calamities, youth and students, children, and urban poor. The NAPC also recognises sectoral representatives from the cooperatives and NGOs among its 14 basic sectors.

A case study focusing on the Quezon City LGU will provide a perspective for capturing realities and measuring impacts of policies and programmes at the local level. The Quezon City government's stated core governance objective is poverty reduction. As one of the fastest growing metropolitan areas in the country, Quezon City has become a focal point for various subsectors of informal workers, including home-based workers, street vendors, and waste pickers. Investigating the experiences and practices of these three groups, considering how they survive in their communities, with or without much government intervention, will certainly contribute to a more meaningful research process.

Methodology and limitations

The report is not a fully comprehensive analysis of government support for the informal economy in the Philippines, but rather, presents an overview of national budgetary support for informal economic activities and supplements this with a case study of the Quezon City LGU. Given the limitation in terms of time and resources, and in the interest of capturing the best results, the research study will focus on the departments championing poverty reduction when focusing at the national level.

This paper is largely based on secondary information and data culled during focus group discussions (FGDs) and one-on-one interviews of some key informants. Ideally we would have liked to conduct a survey to determine accurately various issues involving impact of government programmes on informal workers, this was not feasible in view of the limited time.

Further refinement of the paper was effected after consultations with people both from the sectors affected as well as from the government, the NGOs and the POs.

Overview of the Informal Workers in the Philippine Economy

Amidst continuing crisis and worsening poverty

In the 1960s and 1970s, the Philippines experienced soaring economic development, and was considered the second largest economy in Asia, next to Japan. Growth began to decline steadily thereafter, with the country plunging into recession and accumulating massive national debt. Economic liberalisation improved the economy in the 1990s, but this was set back by the Asian financial crisis. Today, poverty remains a serious challenge.

With its fast-growing population of 88.6 million as of the 2007 census, the Philippines became one of the most populous countries in Southeast Asia. The economy grew by 5.5 percent per year from 2004 to 2006, well above its historical average but still lagging behind its Asian neighbors. In 2007, gross domestic product or GDP reached a much higher (7.3 percent) growth.

Across the country, the pace of poverty reduction remained slow and income inequality remained high. According to the 2007 Social Weather Station (SWS) survey, both poverty incidence and degree of hunger have increased from their 2006 level. The over-all poverty incidence went up slightly to 53 percent from 52 percent, while hunger is at its highest ever, with one in five or 18 million Filipinos starving.

According to the National Statistical Coordination Board (NSCB) survey in 2006, the national percentage of poor families rose from 24.4 to 26.9 percent, and the absolute number of poor families grew from 4.0 million to 4.7 million between 2003 and 2006. 'Poor' refers to those whose incomes fall below the threshold

determined by the government, or those who cannot afford to provide in a sustained manner for their minimum basic needs for food, health, education, housing and other social amenities in life.³

Unemployment (estimated at 7.7 percent and underemployment at 18.2 percent) based on the January 2009 Labor Force Survey (LFS) released by the National Statistics Office (NSO) reflect the current employment crisis. There were more males (64.1%) than females (35.9%) among the total unemployed but this could, in part, reflect the fact that many women who are not employed will classify themselves as 'housewives' and thus out of the labour force, while this option is not available for most men. The increasing number of jobless males is an emerging concern and its gender ramifications warrant closer examination.

The actual poverty incidence may even be higher than reported above since those without official and permanent residences – among them, the ambulant, pushcart-dwelling masses – are not counted in the government's poverty mapping. Moreover, comparisons across provinces would show wide disparities and uneven progress. While poverty in urban areas is on the rise, poverty in the Philippines remains a largely rural phenomenon due to the sluggish growth of the agricultural sector. Seventy three percent of the country's poor reside in rural areas.

Several studies (for example, ADB, 2005) point to the following as the major causes of poverty in the Philippines: a) weak macroeconomic management; b) high population growth rates; c) employment problems; d) poor governance, including corruption and electoral fraud; e) an underperforming agricultural sector and an uncompleted land reform agenda; and f) security and conflict issues, particularly in Mindanao. Experts also contend that the perennially low public spending in poverty reduction programmes in terms of improving the people's access to basic social services, assets, and physical infrastructures, is the reason for the persistence of poverty in the country.

Jobless growth and the informalisation of women's work

In the Philippine labour market, jobless growth has intensified problems of unemployment, with more jobless men and unemployed youth than before. Men's joblessness is driving more women actively to look for work as evidenced by their higher labour force participation rates and a trend whereby previously unpaid female family workers in family income-earning activities now look for paid jobs and engage as domestic helpers or informal workers. (Lazo, 2008: 18–26)

Over the last ten years, an increasing number of women have been discovering their way into informal employment. These figures are substantiated further by the research findings of Lucila S. Lazo based on data gathered from the Institute of Labor Studies (ILS), where 'the percentage of informal women workers rose from 39 percent in 1996 to 42 percent in 2001, and in 2006, figures hovered around 49 percent.'⁴

Lazo's paper also reaffirms the results of the CEDAW report, stating that:

A large portion of the growth in informal employment has come from women in self-employment....As heavily protected industries collapsed since 1996, workers who were laid off from their formal sector jobs sought refuge in self-employment, providing them a means of economic support....Informal sector work provides a measure of flexibility especially for women in that they are able to engage in productive tasks and such livelihood activities as vending or hawking, operating small eateries or stores, laundry or sewing at home....However, in this sector, work is often physically exhausting or uncomfortable and income is usually low or irregular...Work in the informal sector also perpetuates the multiple burdens of women. (Quoted in Lazo, 2007:27)

³ From the presentation of NSCB Secretary-General Romulo Virola, during the Press Conference on the Poverty Statistics, sourced at www.pcij.org/blog/wp-docs/NSCB_Poverty_2006.pdf

⁴ To provide an estimate, figures were derived by adding unpaid family workers and the own account workers.

Key concerns of women in the informal economy pertain to the uncertainty of work and income, low earnings, susceptibility to exploitation and lack of social protection. Moreover, women entrepreneurs need capital, technical assistance and safety nets as they face stiff competition from cheap products from other countries. The self-employed are faced with the challenge of having very limited access to financing, especially formal bank credit, and a high fixed-cost of credit. As a result, many of them end up poor and trapped in livelihood activities with low returns.

In the Philippine social context where the male member of the family continues to be regarded as the breadwinner, women have to bear the impact of men's joblessness. Increasing male unemployment rates drive women toward the informal economy, overseas work, domestic work and the like. Having more unemployed males does not bode well for women especially those in poor rural areas. Women will have to further endure the burden of poverty because their reproductive functions have to be performed alongside their productive responsibilities. Aside from the lack of access to productive resources and services, women's reproductive roles tend to hamper their active economic participation.

Specific subsectors of informal workers have pressing issues. For example, the majority of vendors are insecure in their workplaces and always fearful of being driven away by authorities. Executive Order 452 (1997) was intended to provide security to vendors in their workplaces. They are supposedly protected from being arbitrarily deprived of their livelihood by unjust ejection from their workplaces or demolition of their stalls, provided that they comply with existing national and local laws and ordinances. Under this law, they are also encouraged to form associations in order to empower them.⁵ Likewise, under this promulgation, LGUs are enjoined to provide security at the workplace for the vendors but only few LGUs have actually provided vending sites around municipal halls and other vacant government spaces for their vendor constituencies.

EO 452 seems beneficial to women, many of whom earn their income as informal vendors. However, 'the actual fate of street vendors in the Philippines, especially in Metro Manila where a third of the country's vendors operate, is no better than in most other countries,' according to a study conducted by Sharit Bhowmik (2005). It is estimated that there are around 50,000 street vendors in Metro Manila, most of whom are unregistered. The main problem faced by the street vendors is the lack of demarcated areas for them to operate. Food street vendors do not have access to piped water so they are usually rendered illegal on health grounds. Street vendors are also blamed for the filth on the pavements and for causing traffic problems. Thus, their unjust demolition by authorities is perceived as legal.

Another sub-sector group comprised mostly of women is the *home-based workers*. There are about 7 to 9 million of them in the Philippines doing both piece-rate and own account work in rural and urban areas. Like many others working in the informal economy, they suffer from invisibility, poor working and living conditions, lack of resources and social protection. For this paper, the term *home-based worker* refers to three types of workers who carry out remunerative work within their homes, as described by Martha A. Chen: 'dependent sub-contract workers, independent own-account producers, and unpaid workers in family businesses'. (Chen, 2001: 4)

Then, there are the *waste pickers or waste collectors* who consider scavenging to be a worthwhile means of livelihood because of the income and the flexibility in working hours. In developing countries, waste pickers face multiple hazards as they normally spend the day in dumpsites. They are usually associated with dirt, disease, squalor, and perceived as a nuisance, a symbol of backwardness, and even as criminals. They survive in a hostile social environment. However, a study on waste pickers or scavengers in developing countries done by Martin Medina showed that earlier in the 1980s, the formation of waste picker cooperatives had already gained momentum in the Philippines. (Medina, 2005) Organised by a non-government group called Women's Balikatan Movement, the *Linis Ganda* programme was developed

⁵ There is a perception that generally, women vendors in the Philippines are more easily organised than men.

in 1983 as a formalised system of waste pickers and itinerant buyers of recyclables working for a particular intermediary in the City of San Juan. *There are now cooperatives in each of the 17 cities and towns that comprise Metro Manila, including the 897 intermediaries and approximately 1,500 eco-aides.*⁶ Under the programme, each waste picker (called 'eco-aide') has a fixed route; and purchases source-separated recyclables from households and schools. Eco-aides wear green uniforms and use green pushcarts or bicycles. Waste pickers affiliated with the programme recover 4,000 tons of recyclable materials per month. The cooperatives can obtain low-interest and collateral-free loans from the Department of Trade and Industry (DTI) and from the government-owned Land Bank of the Philippines (LBP).

From informal sector to informal economy

Where no efficient social protection schemes or social safety nets exist, the Filipino working poor cannot afford to be openly unemployed and must work to survive and support the family. By working poor is meant those who are working but cannot work their way out of poverty because of very low earnings and very high risks.

Figures based on the 2005 National Labor Force Survey (LFS) show that the Philippine informal sector now comprises 76.3 percent or 24.6 million of the country's total employed, an increase of several percentage points from previous estimates. This rise in informal sector employment is accompanied by an alarming decrease in the ranks of formal workers. The NSCB reported that in 2007, 43 percent of the country's Gross Domestic Product (GDP) came from the informal sector.⁷ As the catchment basin of all those displaced from formal work who have no other choice but to create their own employment or become informal employees, the informal sector has contributed a sizeable share to the coffers of the economy.

However, the concerns of the informal sector are not integrated in the MTPDP. Hence, there is a deficit of programmes and projects intended specifically for their upliftment. In the yearly General Appropriations Act (GAA) for example, there is an obvious lack of programmes for their protection and socio-political-economic empowerment.

Statistics about informal workers are not easy to generate from the LFS and determining their precise number has been a continuing struggle. Often, the extent of informal work is estimated from the numbers of the own account and unpaid family workers in the LFS. The NSCB issued the following operational definition of the informal sector after consultations with stakeholders:

Units engaged in the production of goods and services with the primary objective of generating employment and incomes to the persons concerned. It consists of household unincorporated enterprises that are market and non-market producers of goods as well as market producers of services. These enterprises are operated by own-account workers, which may employ unpaid family workers as well as occasional, seasonally hired workers. These enterprises may also be owned and operated by employers which may employ less than 10 employees on a continuous basis.⁸

Thus, as officially recognised and defined, the informal sector includes the following sub-sectors, among others: micro-entrepreneurs, *home-based workers* (including sub-contracted, own account workers and self-employed), *vendors*, small transport operators (tricycles, pedicabs and *bancas*), petty retailers, barter traders, small-scale miners and quarry workers, non-corporate construction workers, entertainers, beauticians, laundry persons, hairdressers, small and landless farmers, artisanal fisher-folk, on-call domestic helpers, volunteer workers, barkers, unorganised cargo handlers, and *waste collectors*.

⁶ Much of the information represents details at the time the study was undertaken.

⁷ Factsheet on Filipino Women, March 2008, retrieved from ww.ncrfw.gov.ph/inside_pages/downloads/factsheets_on_filipino_women_03_2008.pdf

⁸ NSCB Resolution No. 15, Series of 2002

In recent years, the ILO, the International Expert Group on Informal Sector Statistics, and the WIEGO network have promoted an expanded statistical concept and definition that includes all forms of informality. The 'informal economy', so defined, refers to 'the diversified set of economic activities, enterprises, and workers that are not regulated or protected by the state.' It is comprised of: 1) 'self-employment in informal enterprises,' meaning 'self-employed persons in small, unregistered, and unincorporated enterprises, including employers, own-account workers, and unpaid contributing family workers;' and 2) 'wage employment in informal jobs,' meaning 'wage workers without legal protection for formal and informal firms, for contractors, for households, or with no fixed employer, including non-standard employees of informal enterprises, non-standard employees of formal enterprises, casual or day laborers, and industrial outworkers (also called home-workers).'⁹ Thus, the three groups of workers studied in this paper form part of both the narrower informal sector, comprised of all those who work in informal enterprises, and the wider informal economy.

National Budget Policy and the Philippine Development Agenda

The Philippine budget process

In the Philippine context, the annual budget appropriation process consists of the following: *budget preparation, budget legislation, budget implementation, and budget accountability*. While distinctly separate, these processes overlap in the implementation during a budget year. Budget preparation for the next budget year proceeds while government agencies are executing the budget for the current year and at the same time engaged in budget accountability and review of the past year's budget.

The budget preparation phase is the exclusive territory of the Executive Office which determines the size of the budget, its priorities, the different levels of expenditures, and the size of the deficit and the sources of financing.

By the time the appropriation phase begins and the budget reaches the legislature, all the elements are already in place. The most that the legislature can do is realign certain parts of the budget and 'insert' additional allocations while cutting other budget items. However, the President can always veto the handiwork of the Legislature. While the appropriation phase is constantly in the public eye, the implementation phase is solely managed by the Executive. The legislature may claim 'the power of the purse' but the Executive has the power of release or non-release.¹⁰

The last phase, which is budget accountability, is the arena of the Department of Budget and Management (DBM) and the Commission on Audit (COA). The DBM is an executive body under the Office of the President that is responsible for the sound and efficient use of government resources for national development and also an instrument for the meeting of national socio-economic and political development goals. The COA, which is a constitutional body, audits the utilisation of public funds in accordance with the constitutional provision on auditing requirements and the compliance of the central and local governments with the governmental accounting system.

As noted above, budget implementation is a phase where Congress does not seem to have a role. However, what it can do is monitor actual implementation and release of duly appropriated items of expenditure. This is the missing link between budget appropriation and implementation.¹¹

⁹ Lecture delivered during the roundtable discussion organised by the College of Social Work and Community Development (CSWCD), University of the Philippines, March 27, 2008.

¹⁰ Comments of Prof. Leonor M. Briones sourced at www.up-ncpag.org.

¹¹ Ibid.

The Philippine development agenda

The planning-programming-budgeting system (PPBS) is a concept that stresses the importance of establishing a strong linkage between planning and budgeting. It emanates from the policy of the government to formulate and implement a national budget that is an instrument of national development, reflective of national objectives, strategies and plans. Under the PPBS concept, the budget is anchored on the degree by which the accomplishment of economic plans and the attainment of targets contained in the Medium-Term Philippine Development Plan (MTPDP) and the Medium-Term Public Investment Programme (MTPIP) are supported.

Medium-Term Philippine Development Plan (MTPDP) and Medium-Term Public Investment Programme (MTPIP)

Through Executive Order 391, President Gloria Macapagal-Arroyo directed all government agencies and instrumentalities including local government units to implement the Medium Term Philippine Development Plan (MTPDP, 2004–2010) and the Medium Term Public Investment Programme (MTPIP, 2005–2010) for the duration of her term.

The current MTPDP (2004–2010) fleshes out the policies to support the Arroyo administration's 10-point agenda: 1) creation of 10 million jobs through support for agribusiness and microenterprises; 2) strengthening of education through infrastructure support; 3) balancing the national budget through fiscal reforms; 4) decentralisation of progress through the development of transport networks and digital infrastructure; 5) greater and better provision of power and water supply; 6) decongestion of Metro Manila by developing new centres of government, business and community; 7) development of Subic and Clark as the logistics centre in Asia; 8) automation of the electoral process; 9) peace agreements with rebel groups; and 10) closure of divisive issues caused by the 'people power' movements of EDSA 1, 2 and 3. (NAPC, 2005: 35).

In support of the MTPDP, the Medium-Term Public Investment Programme (MTPIP, 2005–2010) contains the three-year rolling set of priority programmes and projects to be implemented by the national government agencies (NGAs), government-owned and -controlled corporations (GOCCs), government financial institutions (GFIs) and other government corporate entities (OGCEs) and their subsidiaries in support of the targets and strategies of the MTPDP 2004–2010. MTPIP guidelines are issued by the National Economic and Development Authority (NEDA), while the Programming and Budgeting Guidelines are crafted by the DBM. The MTPIP is updated annually in parallel with the preparations of the annual national government budgets.

At the local level, pursuant to the relevant provisions of Republic Act (RA) 7160 or the Local Government Code (LGC), the LGUs are required to prepare their Comprehensive Development Plans (CDPs), Local Development Investment Programmes (LDIPs), Annual Investment Programmes (AIPs), and Annual Supplemental Budgets (ASB) in the context of and in harmony with national and regional policies, goals and strategies.¹² A significant provision in the Code pertains to the increased share for local governments of total revenue in the form of the Internal Revenue Allotment (IRA), from the previous 20 percent to 40 percent. The rationale for this is to enable the LGUs to maintain and sustain the devolved functions and services such as health, agriculture and social services, all of which directly impact on the informal sector. LGUs are also empowered by the Code to contract loans with financial institutions and to issue bonds to finance the construction and implementation of projects, when their IRA from the national government or traditional sources of local revenues are not sufficient to finance their local development plans.

¹² LGU mandates are expressed in various Memoranda Circular of the Department of the Interior and Local Government (DILG). The Code has also mandated the representation of non-governmental organisations accredited by the LGU in local special bodies such as the local development council and the local school and health boards. It has also provided for joint ventures and other co-operative mechanisms between the LGU and the private sector in programmes or projects concerned with the delivery of basic services, capability building, livelihood projects and the development of local enterprises designed to improve productivity and income.

Millennium Development Goals (MDGs)

The MDGs have been adopted by the Philippine government as a way to ensure brighter prospects especially for the Filipino poor. The MDGs provide the framework in formulating the MTPDP's social commitments and in identifying programmes and projects in the MTPIP. The goals are to 1) Eradicate extreme poverty and hunger; 2) Achieve universal primary education; 3) Promote gender equality and empower women; 4) Reduce child mortality; 5) Improve maternal health; 6) Combat HIV-AIDS, malaria and other diseases; 7) Ensure environmental stability; and 8) Develop a global partnership for development. MDG 1 is focused directly on the poor, including women and men in the informal economy. Specific MDG 1 targets are to: 1) Halve the proportion of women and men living in extreme poverty between 1990–2015; 2) Halve the proportion of women and men, girls and boys below the minimum level of dietary energy consumption and halve the proportion of underweight children under five years; and 3) Halve the proportion of women and men without access to safe drinking water and basic sanitation or those who cannot afford it by 2015.

Kapit-Bisig Laban sa Kahirapan (KALAHI) or Linking Arms Against Poverty

KALAHI is the strategic framework and programme for poverty reduction under the Arroyo Administration. The NAPC is the lead agency and houses the coordinating secretariat of the KALAHI programme. NAPC counts a number of women among its sectoral representatives, including some belonging to the urban poor and the informal sector.

To achieve the MDG goal of reducing extreme poverty and hunger, the government has been implementing an integrated and comprehensive national poverty eradication strategy which focuses on asset reform, employment and livelihood, social protection and human development services.

Asset reform is hinged on the assumption that access to land is one of the determinants of welfare in the rural areas of the Philippines. Lack of access to land not only limits the ability of the poor to engage in agriculture but also curtails their ability to invest in human capital and productivity enhancements and to access financial services. However, the Comprehensive Agrarian Reform Programme (CARP) will be implemented only until June 30, 2009 if the Comprehensive Agrarian Reform Law (CARL) is not extended by Congress. Sadly, most agrarian reform beneficiaries still have not received land titles, support services, and key infrastructure support.

In pursuit of the MDG target to improve the lives of slum dwellers, (numbering 675,000 families in 2004), the national government seeks to provide security of tenure to 300,000 households annually consisting of: (a) 150,000 land tenure units for the urban poor; (b) 70,000 social housing units for the urban poor; and (c) 80,000 low-cost housing units. Since the majority of the informal workers are also slum dwellers, they are supposed to benefit from the programme. For 2009, the housing sector budget increased from PhP5.0 billion to PhP5.3 billion which will be spent on the operational requirements of regulatory agencies; setting up resettlement sites and building new housing units; assisting targeted beneficiaries in purchasing lots from their owners through the Community Mortgage Programme (CMP) and as equity for the payment of mortgages for securitisation; and supporting a credit guarantee programme that provides risk cover and task incentives for housing credits extended by financial institutions. But such a big budgetary allocation for housing may prove meaningless to the poor in general, and for the informal workers in particular, because the majority of them rarely avail themselves of government housing assistance programmes for reasons that arise from lack of information, strong emphasis on mortgage finance, and rigid eligibility requirements.

Employment and livelihood provisions for the poor: As a safety net for those who could possibly be laid off, the government plans to accelerate spending for infrastructure and agriculture to generate employment. Hoping to prime the economy, PhP229.6 billion or 16.2 percent of the PhP1.415 trillion national budgets will be allotted for public sector infrastructure in 2009. According to estimates of the Department of Public Works and Highways (DPWH), 30 percent of infrastructure outlay goes to the payment of labour. While the required investment needed to create one job is PhP100,000 approximately 540,000 new jobs are expected to be created.

From 2004 to June 2008, the government claims to have generated 9.78 million jobs that benefited majority of those from the marginalised sectors such as farmers and fisher-folk, ambulant vendors and small traders who borrowed money from microfinance, and unskilled workers who were hired in the construction of houses and roads. This, according to the government, resulted from building up key industries such as information communication technology (ICT), tourism, housing, mining, and extending loans to micro-, small and medium enterprises, developing two million hectares of land for agribusiness. However, most of the jobs generated are characterised by low productivity, below poverty-level wages and insecure working conditions, aside from being seasonal and short-term in nature.

While microfinance has increased significantly in the past 10 years to help fill the unmet needs for financial services, a majority of poor families, especially in the poorer regions, still do not have access to these services. Those in the poorer regions, particularly the women who are engaged in microenterprises, consider bank loan offerings as generally inaccessible due to their stringent requirements in the minimum loanable amount, quality of collateral, repayment terms, number of years of business experience and submission of business plans.

In relation to microfinance as poor women's tool for upliftment from poverty, is Lucila Lazo's (2008: 59–60) observes that 'the MTPDP recognises that in order for micro-finance to be a sustainable tool for poverty alleviation, especially among women who comprise a majority of its clientele, there is a need to integrate social services (like insurance and family planning services) and other concerns (gender equality/ women's empowerment) into the microfinance institutions' (MFIs) programme.'

Lazo also commented on the slow or flawed execution of the government's enterprise development laws and programmes in terms of target and reach. In particular, Lazo cited the absence of a special credit window for women entrepreneurs as per RA 7882 (Assistance to Women Engaging in Micro and Cottage Business Enterprises and for Other Purposes, 1995). Most women currently access credit from the micro-enterprise lending windows of government as well as NGO or cooperative operated micro-enterprise lending windows that have small, non-collateralised loan ceilings.¹³

Overall, the key challenge is to develop mechanisms enabling microfinance to reach agriculture and grow at a substantially accelerated pace in order to achieve national outreach and necessary sustainability.

On social protection and welfare: The NEDA Board-Social Development Council (SDC) Resolution No. 1 s2007 defines social protection as 'consisting of policies and programmes that seek to reduce poverty and vulnerability to risks and enhance the social status and rights of the marginalised by promoting and protecting livelihood and employment, protecting against hazards and sudden loss of income, and improving people's capacity to manage risks.' The components of social protection under this definition include: Labour Market – measures aimed at enhancing employment opportunities and protection of the rights and welfare of workers implemented by the Department of Labor and Employment (DOLE), Department of Agriculture (DA) and Department of Agrarian Reform (DAR); Social Insurance – programmes that seek to mitigate income risks by pooling resources and spreading risks across time and classes implemented by the Department of Health (DOH) and Philippine Health Insurance Corporation (PHIC); Social Welfare – preventive and developmental interventions that seek to support the minimum basic requirements of the poor and reduce risks associated with unemployment, resettlement, marginalisation, illness, disability, old age and family care implemented by the Department of Social Welfare and Development (DSWD); and safety nets¹⁴ provided through the DSWD.

¹³ There are three main lending windows currently accessible to women in micro-enterprises: a) the Grameen Programme provides the bottom 30 percent of rural women with agricultural credit without need for collateral; b) PCFC reportedly served 864,965 beneficiaries (from June 2001 to December 2003), of which about 985 were recorded as women; c) the Development Bank of the Philippines (DBP) reported reaching an increasing number of women beneficiaries—from 121 in 1998 to more than 9,600 in 2001.

¹⁴ Including stop-gap mechanisms or urgent responses that address effects of economic shocks, disasters, and calamities on specific vulnerable groups

The design of social security must support the needs of women and men over their lives and recognise how changing patterns of work and employment affect women's and men's access to social protection. There is a proposal¹⁵ to integrate gender into the government definition. Such a definition, if reflected in interventions, would address the shortfall of current programmes. If the formally employed do not have adequate access to the minimum standards of social protection, those in the informal economy are experiencing a worse situation.

On *human development services*: Inadequate human capabilities are often a key underlying cause of poverty and inequality in the Philippines. Two key determinants of human capacities are education and health attainments. Investment in human development, in terms of health and education reforms, is considered essential to reducing poverty. Without adequate levels of human capital – knowledge, skills, and health – the other assets will be less productive. Moreover, improving education by providing adequate funding to the sector, among others, should be prioritised by the government to better equip the work force and make them employable and productive.

Budgeting for Anti-poverty Reforms: Focus and Priorities

It may seem that the national budget is supportive of poverty reduction but a closer examination of expenditures from the years 2000 to 2008 reveals that the government had been spending too little in critical investment areas relevant to informal workers such as education, health and infrastructure. Table 1 shows that the budget share of social and economic services had been declining in the past eight years (except for years 2002 and 2008 for social services and in 2006 and 2007 for economic services which are within election periods). The large share of debt service to the total expenditures (peaking at 33.2% in 2005) would explain the budgetary constraints in spending for the two sectors. And while the country's debt ratios have been declining, the public debt stock remains large, with the interest payments accounting for a significant share of the national budget.

Table 1. Percentage Distribution of Expenditure Programme by Sector 2000–2008

PARTICULARS	2000	2001	2002	2003	2004	2005	2006	2007	2008
Econ Services	24.5	22.1	20.4	20.6	18.0	17.5	18.7	25.4	24.4
Social Services	31.2	30.4	31.1	28.8	28.7	28.0	27.9	27.7	30.8
Defense	05.3	05.1	05.2	05.4	05.0	04.9	05.0	05.4	05.0
Gen Pub Services	18.0	17.1	18.0	17.1	16.2	15.1	15.3	17.5	16.9
Net Lending	00.4	00.6	00.3	00.7	00.6	00.8	00.8	00.8	01.0
Debt Service	20.6	24.7	25.0	27.4	31.4	33.2	32.3	23.2	22.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Budget of Expenditures and Sources of Financing (BESF), various years

From 2000 to 2006, the percentage shares of education and health have declined. The observation that poverty in this country is being transmitted across generations seems to be well grounded

¹⁵ As proposed by Rosalinda Pineda Ofreneo during the NCRFW Multi-Stakeholder Forum on Social Protection for Women in Informal Economy (August 14, 2008, Bayview Plaza Hotel), based on definition from other sources, the improved definition states: "all interventions from public, private and voluntary organisations and informal networks to support communities, households and individuals, both women and men, in their efforts to prevent, manage and overcome risks and vulnerabilities throughout their life cycle, and to realise their rights as citizens participating fully and equally in all decision-making which affects their access to and control over resources necessary to maintain and sustain a decent and secure life" See Pineda Ofreneo, 2009

particularly its correlation with education and health outcomes. (Canlas, 2008) Evidence suggests that returns from tertiary education have outpaced returns from the lower education levels. At the same time, access to education and health services are directly correlated. For example, the educational attainment and nutritional status of children of well educated parents tend to be high, with other factors undoubtedly at work in producing the outcomes including demographic, biological and financial. (Dante, 2008) This means that investment in education and other forms of human capital must be stepped up if the government is really serious about bailing out low-income families from the clutches of poverty.

Government line agencies championing pro-poor programmes and targeting workers in the informal economy

The total budgetary appropriation of the national government progressively increased from PhP1.126 trillion in 2007, to PhP 1.227 trillion in 2008, and PhP1.415 trillion in 2009. However, the 9% nominal increase in the 2008 national budget is lower than the average real headline inflation rate of 9.3% (www.nscb.gov.ph) during the same year. This means that the budget increase is not significant and the net effect in expenditure is negative. With the 6.4% average inflation rate from January–April 2009, the effect in real terms of the 15% nominal increase of the 2009 national budget remains to be seen. But the Arroyo administration hopes that the PhP 1.415 trillion national budgets for 2009 will tide Filipinos over the current difficulties.

Of the P1.415 trillion expenditure programme allocated among the various departments in 2009, the top five departments which got the largest allocation are the Department of Education (DepEd), PhP167.9 billion (inclusive of the School Building Programme), Department of Public Works and Highways (DPWH), PhP120.0 billion; Department of Interior and Local Government (DILG), PhP61.9 billion; Department of National Defense (DND), PhP56.5 billion; and Department of Agriculture (DA), PhP39.7 billion (inclusive of the Agricultural and Fisheries Modernisation Programme component). Lead agencies pursuing projects for the poor and the informal workers were not among the top five departments with the largest allocated budget. The lead agencies and projects for the poor and informal workers are listed in the following table, with allocations shown for the most recent (three) budget years.

Table 2. Government Agencies Promoting Projects for the Poor and the Informal Sector (2007 – 2009)

LINE DEPARTMENT	2007	2008	2009
DSWD	PhP 3.4 billion	PhP 4.9 billion	PhP 10.4 billion
LOCALLY FUNDED PROJECTS			
a) Malusog na Simula, Yaman ng Bansa (Food for School Programme or FSP)	750 million	765.7 million	1.0 billion
b) Core Shelter Assistance Project or CSAP	125 million	125 million	500 million
c) Self Employment Assistance-Kaunlaran or SEA-K	43 million	—	39 million
d) Tindahan Natin		160 million	160 million
e) Ahon Pamilyang Pilipino (Conditional Cash Transfer or CCT)		298.5 million	5 billion
f) National Targeting System			650 million
FOREIGN-ASSISTED PROJECT			
a) Kapit-Bisig Laban sa Kahirapan – Comprehensive and Integrated Delivery of Social Services: Kapangyarihan at Kaunlaran sa Barangay (KALAHI-CIDSS-KKB)	1.2 billion	1 billion	341.1 million
DOLE	PhP 4.8 billion	PhP6.2 billion	Php 7.0 billion
Total budget is divided among the relevant attached agencies and component bodies –			
(i) Bureau of Women and Young Workers (BWYW)			
(ii) Technical Education and Skills Development Authority (TESDA)			
(iii) Philippine Overseas Employment Administration (POEA) and			
(iv) Overseas Workers' Welfare Administration (OWWA)			
DOLE Proper – Office of the Secretary (OSEC)	1.5 billion	1.8 billion	1.9 billion
Department of Trade and Industry (DTI)	PhP 1.8 billion	PhP 2.1 billion	PhP 2.7 billion
LOCALLY FUNDED PROJECTS			
a) One Town One Product Programme (OTOP)	171.2 million	110 million	71.2 million
b) Expanding Business for Economic Transformation		80.0 million	
c) Rural and Countryside Development		20.0 million	
d) Comprehensive Livelihood and Agribusiness Training and Demo Center, Mati, Davao Oriental		10.0 million	
FOREIGN-ASSISTED PROJECT			
Rural Micro Enterprises Promotion Programme (RUMEPP) (IFAD Loan/Grant)	24.9 million	31.8 million	30.1 million
TESDA	PhP 2.4 billion	PhP 3.1 billion	PhP 3.4 billion

Source: 2007, 2008 and 2009 GAAs of DSWD, DOLE, DTI and TESDA

Department of Social Welfare and Development (DSWD)

The DSWD handles the projects related to social protection and safety nets. The budgetary appropriation of DSWD more than doubled from PhP4.98 billion in 2008 to PhP10.46 billion in 2009.

- 1) The *Pantawid Pamilyang Pilipino* Programme (4Ps), originally called the *Ahon Pamilyang Pilipino* Programme, was designed to address the declining participation rate in education of children aged 6–14. Under the 4Ps, Filipino families living on a PhP6,000 monthly budget could benefit from a PhP500 stipend for health and nutrition and PhP300 financial assistance for each child who is studying, with a maximum number of three students per family. The DSWD targets 963,000 children beneficiaries in 321,000 households in a total of 26 provinces and 12 cities nationwide (from 2008 to 2013). Quezon City is included with 3,000 target household beneficiaries as of September 2008. (www.dswd.gov.ph)

CCT is fast becoming the preferred safety net programme of the Arroyo administration. As explained by DSWD Secretary Esperanza Cabral, the initial target beneficiaries of P4 for 2008 were 20,000 with a funding of PhP298 million. President Arroyo was so thrilled with the idea of the CCT that she ordered expansion of the coverage to include 300,000 more families and increased the budget to PhP2.1 billion. The additional funding came from the unprogrammed funds.¹⁶ For 2009, the budget for P4 leaps to PhP5 billion. The inclusion of five Metro Manila cities in P4 priority areas, however, casts doubt on the integrity of P4's targeting mechanism since Metro Manila registered low poverty incidence levels in 2006. These issues have to be considered to ensure that billions of public funds are not left to the discretion of politicians who can use these for personal and political gain.

CCT programmes aim to address poverty and gender biases in access to essential services. Immediate demonstrable benefits have been experienced in a number of countries, including Mexico, Bangladesh and Cambodia.¹⁷ But critical assessment of CCT's long-term effectiveness, especially in developing countries like the Philippines, is still pending.

- 2) *Malusog na Simula, Yaman ng Bansa* or Food for School Programme (FSP) is part of the Arroyo administration's Accelerated Hunger Mitigation Programme (AHMP), which aims to address the supply and demand functions of hunger. This programme, categorised as a conditional in-kind transfer, is implemented jointly by the DepEd and DSWD. However, a recent report of the World Bank raises some serious issues and criticisms regarding leakages to non-poor of about 40 percent of the FSP and the National Food Authority (NFA) subsidised rice; and that the programme is prone to being used by politicians for election purposes (as in the May 2007 election period when rice was distributed even when children were out of school).

- 3) To cushion the impact of rice and fuel crisis on the poor, DSWD implemented safety nets in the first half of 2008. These included *Pantawid Kuryente: Katas ng VAT Project* and the Family Access Card (FAC). The former is a one-time cash subsidy of P500 for the 'lifeline' consumers utilising 100 kilowatt hours or less electricity per month, for the billing period ending in May 2008. As of August 2008, a total of 3,359,074 'lifeline' electricity users, the majority of whom are informal economy workers, have been provided credit memos by the Land Bank of the Philippines, National Electrification Administration

¹⁶ Unprogrammed fund is in the nature of a contingent or stand-by authority, intended for requirements of new or urgent projects that need to be implemented during the year. Items under Un-programmed Funds will receive funding only when revenue collections exceed the original target submitted by the President to Congress or when additional grants or foreign funds are generated. In the 2008 General Appropriations Act (GAA), the Un-programmed Fund has six specific purposes namely: 1) budgetary support to GOCCs, 2) strategic government reforms, 3) support to foreign-assisted projects, 4) general fund adjustment 5) support to infrastructure projects and social programmes and 6) gratuities, pensions and separation benefits social programmes refer to priority projects of the health and education sector Special Provision Number 5, Un-programmed Fund, 2008 GAA.

¹⁷ The *Oportunidades* programme in Mexico, the *Female Stipend Programme* in Bangladesh and the *Japan Fund for Poverty Reduction* scholarship programme in Cambodia are examples of CCTs that have contributed to improving girls' educational opportunities by offering higher payments to families who enroll their daughters in school.

(NEA) and Private Electric Power Operators' Association (PEPOA) nationwide, spending PhP1.6 billion. Quezon City's poor residents benefited from this programme.

Family Access Card for National Food Authority (NFA) Rice is a card bearing the BIGAS (rice) access number issued to eligible poor families to let them purchase NFA rice at a subsidised price of PhP18/ kilo, almost half of its selling price in the market, sold at *Tindahan Natin* (Our Store) outlets and *Bigasan sa Parokya* (Community Rice Stall). Targeted beneficiaries are 30 percent of the poorest families in 911 barangays of the 16 cities (including Quezon City) and one municipality in Metro Manila. As of August 2008, 270,480 families in 668 barangays have been issued Family Access Cards. The NFA oversees the implementation of the programme.

- 4) *Tindahan Natin Project* (TNP) extends soft loans to small entrepreneurs who operate sari-sari (small variety) stores nationwide. The retail outlets are identified and endorsed jointly by DSWD and LGUs, and accredited by the NFA. For 2009, TNP maintains its allocation of PhP160 million as in FY 2008. The TNP which started in 2006 is a national government initiative for food security, job generation and livelihood targeted for the poor. It is part of the hunger mitigation programme of the Arroyo Administration. At least 10,919 outlets were established nationwide from 2006 to 2008. About 2,054,250 families are benefiting and have access to low-priced but good quality rice and noodles offered by the TNP outlets.
- 5) *Self-Employment Assistance-Kaunlaran* (SEA-K) aims to provide the poor and disadvantaged sector of the society, mostly women, with timely access to credit and development opportunities. SEA-K was expanded to Level II where seed capital has been increased to cover shelter needs of members in addition to microenterprises. In 2007, SEA-K received PhP43 million, enabling the organisation of some 1,271 SEA-K Level 1 Associations (SKAs) that benefited 25,304 households nationwide. For 2008, SEA-K did not receive funding. However, SEA-K has a target of benefiting 14,000 families for both Levels I and II with its PhP39 million budget in 2009.

The 2007 Commission on Audit report revealed that the low collections from repayment of loan assistance to TNP and SEA-K beneficiaries resulted in the accumulation of overdue accounts amounting to PhP33 million (for TNP) and PhP79.4 million (for SEA-K). The low recovery rate of loan assistance deprived the government of the funds directly needed to sustain implementation of the said projects and to support other poverty reduction programmes. Relative to the SEA-K programme, the Auditor's report¹⁸ in 2005 pointed out laxity of management in enforcing compliance with SEA-K policies and the provisions in MOAs contracted. In this regard, COA recommended that the Management to keep track of loans granted, loan proceeds utilisation and amortisation and repayments as well as monitor project status.

- 6) *Core Shelter Assistance Project* (CSAP) is a disaster response and mitigating strategy aiming to reduce the number of families rendered homeless every year by providing environment-friendly shelter units using locally purchased materials that withstand forces due to typhoon, earthquake and flooding. For 2009, this project will receive PhP500 million, up by PhP375 million from the 2008 budget.
- 7) *National Household Targeting System for Poverty Reduction* aims to improve targeting of social protection projects by generating a database of poor¹⁹ households. The system is expected to be established in the near future and will receive PhP1 billion.²⁰

¹⁸ See http://www.coa.gov.ph/2005_AAR/NGAs/ES/DSWD_ES05.pdf

¹⁹ The 'poor' refers to those who are not only economically deprived but also socially excluded and politically powerless (KALAH! Convergence: Working for Poverty Reduction, 2005)

²⁰ The DSWD uses the Proxy Means Testing and the Small Areas Estimates Method using the Household Assessment Form and Household Roster Form in identifying the poor. However, it is very possible that the poorest of the poor are omitted since they survey only those with known or permanent addresses.

Department of Labor and Employment (DOLE)

The DOLE is the key government organisation that is charged with labour market governance. It is mainly concerned with the protection of workers and promoting their welfare. Part of its function is human resource development and promotion of gainful employment and livelihood opportunities for women and men. DOLE is also mandated to provide technical assistance on livelihood skills development. DOLE's Bureau of Rural Workers (BRW) and Bureau of Women and Young Workers (BWYW) support women entrepreneurship especially in rural areas. Among the relevant attached agencies and component bodies that play major roles in labour market governance are (i) the BWYW; (ii) the TESDA; (iii) the Philippine Overseas Employment Administration (POEA); and (iv) the Overseas Workers' Welfare Administration (OWWA).

DOLE 's programmes to assist women entrepreneurs in the informal economy include introduction of practical and low-cost improvements to raise productivity of small enterprises; promotion of rural employment through technical assistance and entrepreneurship training to rural workers, including women; and the women workers employment and entrepreneurship development (WEED) programme. Capacity building and livelihood assistance services have been extended to 61,698 women through its WEED programme (2004–2007); 40,006 jobs have been created through its PRESEED programme (2001–2007); P88.7 million to 8,804 workers worth of micro-finance has been provided, and a campaign to enroll workers in social protection mechanisms, with 260,444 becoming members (2003–2007), has been mounted. The DOLE also gives training sessions on workers' occupational safety and health; and provides visibility and voice to informal economy workers through designated desks²¹ in LGUs.

DOLE, together with the organised groups of the informal sector, campaigned vigorously for coverage by the Social Security System (SSS) and PHIC under the UNDP- and ILO-supported project in 2001–2002. To date, informal economy workers have the possibility of joining the SSS and PHIC as self-employed workers. The huge challenge for them is to ensure their capacity to pay by having decent jobs and incomes that will sustain their monthly contributions to these insurance systems.

The ILO has also been working closely with the DOLE, trade unions, and employers' groups in crafting and implementing a National Programme of Action for Decent Work, which includes the concerns of workers in the informal economy and integrates special protection as an essential component.

The Philippine Country Programme for the Informal Sector, which seeks to institutionalise programmes and policies for the informal economy workers through local governments, was conceptualised by the DOLE, in partnership with government and non-government stakeholders. It was approved by the Social Development Committee of the Cabinet in July 2003. The programme replicates the lessons from the pilot study, including capacity development of local governments to support their respective informal economy workers particularly those in rural areas, and strengthening of their organisations at the local level. This resulted from a DOLE partnership with the Bishops' Businessmen's Conference (BBC), NAPC Workers in the Informal Sector Council, NEDA and other stakeholders, in 2001 and 2002, with support from the ILO and UNDP.

The Country Programme was rolled out at the LGU level with the involvement of 17 cities (including Quezon City) and one municipality in Metro Manila, tasked with implementing their local action plans for the institutionalisation of policies and programmes for the Informal Sector through CLIPPS (Capacity Development of Local Institutions to Promote and Protect the Informal Sector). These local initiatives continue today under a more focused intervention called 'Unlad Kabuhayan Programme Laban sa Kahirapan' (DOLE Worktrep Programme) targeting the working poor in the informal economy

²¹ Usually, national government agencies which have targeted programmes for the poor, such as the DOLE, are literally provided with office desks inside relevant department-offices of priority LGUs, for the programme staff to be physically accessible to target beneficiaries.

in cooperation with LGUs so that their livelihood projects can grow into viable and sustainable enterprises. The informal workers of Quezon City, particularly the PATAMABA home-based workers, were provided by DOLE with PhP1 million assistance for PATAMABA's *Budbod Sustansya*²² Project under this programme.

However, despite its role in the country's economic growth, DOLE's yearly appropriation remains one of the lowest among the 20 government Departments. Its huge mandate covers the country's 36 million workers and almost eight million overseas Filipino workers (OFWs). This prompted committee members of the legislature to call for DOLE's budgetary capacity to be made more commensurate to its huge local and global responsibilities. Approximately, half of the DOLE budget goes to TESDA as can be gleaned from the appropriations in 2007, 2008 and 2009 (in the 2007 appropriation for example, TESDA had PhP2.4 billion as against DOLE-Office of the Secretary, which had only PhP1.5 billion).

The Technical Education and Skills Development Authority (TESDA)

The TESDA is an attached agency of the DOLE. It is the lead agency for skills development towards entrepreneurship and employment. It formulates policies to develop and implement skills development programmes with the active participation of industry groups, trade associations, employers and workers. The TESDA Board has seats for female representatives for each of the sectors, i.e. employer, labour and technical-vocational education and training (TVET) institutions. By law, the policy is to have women represented at the TESDA Board. The multi-sector representation in the TESDA Board is replicated in local levels.

In May 2001 the TESDA Women's Center launched the 'Kasanayan-Kabuhayan One-Stop Shop,' a referral facility that seeks to expand the employment options for displaced workers and informal economy workers, especially women. It has since extended services of various kinds to 801 women, including: skills assessment, career counseling, information dissemination on support services in overseas and local employment, skills training or retraining, scholarships for training in information communication technology development, credit and networking.

In 1996 the government instituted an affirmative action programme within TESDA to ensure that women are enrolled in industrial courses traditionally dominated by men, thereby preparing them for higher levels of employment, responsibilities and pay. The policy directive requires that at least 10 percent of total TESDA annual training graduates are women. TESDA has since been training women in non-traditional skills. In 1998, a total of 317 women graduates have undergone training in non-traditional courses; for 1999–2001, a total of 479 women were trained in traditional trades; while 172 women were trained in other non-traditional courses such as automotive, welding, ceramics and electronics. As gleaned from the above, the numbers are insignificant compared to the large demand of women for capacity building.

From 2001–2007, through the Technical Vocational Education and Training (TVET) programme, a total of 7.7 million graduates, who took part in training for better employment opportunities, were produced. Moreover, PhP1 billion was provided to TESDA for its PGMA Training for Work Scholarship Programme (PGMA-TWSP) in 2007 which produced 96,809 graduates. Scholarships in the fields of Science and Technology were also provided.

As earlier mentioned, almost half of the DOLE budget is allocated to TESDA. The 2007 budget of TESDA, for example, carries an appropriation that provides for millions of scholarships all over the country. This is under the Private Education Student Financial Assistance (PESFA) and the PGMA-TWSP. It appears that these scholarships are allocated per congressional district. Although purportedly based on the

²² A nutrition programme centered on the production and promotion of a vegetable topping that is healthy and affordable for pregnant and nursing women and children in poor communities.

economic indicators reflecting unemployment in a particular region, the scholars have been nominees of the legislators of a particular district, and have thus raised speculation about their part in the political patronage system.

Department of Trade and Industry (DTI)

The DTI serves as the primary coordinating, promotional, and facilitative arm for trade, industry and investment activities. As a key agency of the Philippine Government, it is charged with creating a business-friendly environment that is conducive to the growth of enterprises and supportive of fair and robust trade in goods and services, both within and outside the Philippines. It has attached bureaus that deal with micro and small enterprises (SMEs): (i) the Bureau of Small and Medium Enterprise Development (BSMED) initiates and implements measures to address SMEs in technology development and transfer, financing, marketing and training, and market promotion; (ii) the Bureau of Domestic Trade (BDT) promotes efficient marketing and distribution of local products and services in the domestic market and expands and strengthens linkages among and between enterprises through information exchange and market matching; and (iii) the Cottage Industry Technology Center (CITC) provides production-related training and technical assistance to furniture, gifts and home ware, fine jewellery and leather footwear industries all over the country.

One of its special programmes is the foreign-assisted Rural Microenterprise Promotion Programme (RuMEPP) that aims to help poor entrepreneurs and rural families in 19 provinces of the five poorest regions by providing technical and financial support. This in turn benefits other small families through job opportunities. RuMEPP is a 7-year programme with US\$22.8 million fund from the International Fund for Agricultural Development (IFAD). For 2009, RuMEPP will receive PhP 30.1 million.

Another government initiative that aims to create investments, promote entrepreneurship and generate jobs is the One Town One Product (OTOP) Programme. The said programme offers a comprehensive assistance package through a convergence of services from LGUs, national government agencies (NGAs), and the private sector. This includes business counseling, skills and entrepreneurial training, product design and development, appropriate technologies and marketing. However, for 2009, the budget for OTOP was trimmed down to only PhP 71.25 million from PhP110.02 million in 2008.

Interest in lending to women-led SMEs has been spurred by legislative action and advocacy by DTI and by Women in Business, all of which crystallised in the National SME Development Plan. In support of this plan, various GFIs collaborated to design a uniform lending programme, tailoring it to meet the funding needs of SMEs. Called the SME Unified Lending Opportunities for National Growth or SULONG, the programme seeks to simplify and standardise lending procedures, thereby creating a 'wider, borderless financing system' to address the short-term and long-term needs of SMEs. Among the participating GFIs are the Development Bank of the Philippines (DBP); Land Bank of the Philippines (LBP); National Livelihood Support Fund (NLSF); Philippine Export and Import Bank (PhilExIm Bank); Quedan and Rural Credit Guarantee Corporation (Quedancor); and Small Business Guarantee and Finance Corporation (SBGFC). The expanded access of SMEs to funds has reportedly created jobs. The government claims that from January to October 2003, lending to SMEs reached a total of PHP 21 billion, compared with PHP 6 billion from July 1998 to December 2000 (SONA 2004). Moreover, 52 SMEs were said to have graduated to a higher level within six months of programme implementation.

Since 2003, SMEs have availed a total of PhP143.9 billion in loans under the SULONG Programme. The LBP and the DBP provided the largest financing support. An additional PhP 123.6 billion is targeted for release from 2008 until 2010.

Poverty reduction projects subsidised by tax windfall

To make room for additional funds for projects that address growth and poverty reduction aligned with the MDGs, the Value Added Tax (VAT) rate was increased from 10 percent to 12 percent in 2005. While total VAT collection for 2008 is estimated at PhP108 billion, only PhP27.8 billion will fund programmes supportive of MDG targets. Of these, only PhP5 billion was allocated for livelihood and poverty alleviation as shown in Table 4 below.

Table 3. Programmes Supportive of MDG Targets Funded by VAT for 2008
(*Katas ng VAT Programme*)

PARTICULARS	AMOUNT (IN BILLION PESOS)
EDUCATION (Total)	14.7
HEALTH (Total)	03.0
LIVELIHOOD AND POVERTY ALLEVIATION (Total)	05.1
– KALAHI-CIDSS	01.6
– Tindahan Natin (6,445 TNOs)	00.2
– Kalayaan Barangay Programme	01.0
– Kilos Asenso Fund	02.0
– Ahon Pamilyang Pilipino (20,000 poor families)	00.3
HOUSING (Total)	05.0
GRAND TOTAL	27.8

Source: Derived from SEPO's Summary of Programmes Funded by VAT (based on DBM Secretary Rolando Andaya's presentation 'Maximising the Use of EVAT', August 2008), in Policy Brief on Conquering Poverty, p.4

The *Katas ng VAT* programme has been drawing criticisms for being an unsustainable dole programme, fraught with legal weaknesses. For example, *Pantawid Kuryente: Katas ng VAT Project* which benefited the poor in Quezon City is funded through the VAT collection or windfall. PhP3.4 billion was appropriated for this one-time cash subsidy of PhP500 for the lifeline consumers. Executive officials insist that the *Pantawid Kuryente*, like the other items in the programme, is legally funded under the Unprogrammed Fund of the 2008 General Appropriations Act (GAA). However, budget experts from academe argue otherwise.²³

Countryside Pro-Poor Projects under the Special Purpose Fund: The *Kilos Asenso* Support Fund and *Kalayaan Barangay* Programme Fund are two pet projects of President Arroyo to alleviate poverty in the countryside. *Kilos Asenso* aims to implement vital projects in rural communities such as potable water supply systems, agro-forestry, farm-to-market roads, small bridges, day care centers, and livelihood enterprises designed to uplift their socioeconomic conditions. For 2009, national government counterpart funds for LGU projects under *Kilos Asenso* were cut in half, from PhP 2.0 billion in 2008 to PhP1.0 billion in 2009.

The *Kalayaan Barangay* is for the rehabilitation and development of *barangays* affected by armed conflicts between government forces and the communist New People's Army across the country; and

²³ Budget experts Benjamin Diokno and Leonor Briones, both UP professors, stressed that the support for infrastructure and social programmes under Unprogrammed Fund will receive funding not from VAT windfall but from overestimation of debt interest. And if the items under *Katas ng VAT* are funded by VAT windfall, the excess revenue should be treated as public funds, which should go to the General Fund and undergo the appropriations process before they can be used – (SEPO Policy brief, p5).

the secessionist groups in Southern Philippines.²⁴ The projects covered by the programme, such as construction of water systems, electrification and classrooms will be implemented primarily by the Armed Forces of the Philippines (AFP) engineering brigade. The *barangays* to be included in the programme will be determined by the President upon recommendation of the Presidential Adviser on the Peace Process and the Secretary of National Defense. *Kalayaan Barangay* for 2009 will receive PhP 1.0 billion. The latest count (as of April 2009) of *barangays* that have been served under the programme totals to 650.

Since the programmes fall under Special Purpose Funds, appropriations are highly discretionary, often within the direct control of the President, with either vague or no special provisions. This being the case, despite the prevalence of poverty in the rural areas where these programmes will be implemented, it will be difficult to ascertain how the poor in general, and the informal economy workers, in particular, could benefit from the programme.

The Local Context: Quezon City's Local Budget Policies and Programmes Relevant to its Informal Economy Workers

The Local Government Unit of Quezon City claims that it is one of the fastest growing metropolitan areas in the Philippines today. Consistently featuring in the top 10, and practically outranking other Philippine cities, Quezon City was assessed fifth in the category, 'Best Economic Potential.' It was third best in Asia in terms of 'Cost Effectiveness,' sixth best in terms of 'Best Human Resources' and tenth best in terms of 'Quality of Life.'

Quezon City is a *growing enterprise hub*. In 2008, it had 58,196 registered businesses, a marked increase from 56,810 in 2007. The annual average number of new business entrants total more than 11,000 with about 43 new establishments registered daily with Quezon City Hall, mostly in the line of retail trade, eating places, contractors of goods and services, manufacturers and amusement places. The completion of new shopping malls plus the operationalisation of a huge Science and Technology Park that is virtually an e-community, has contributed to the high average number of businesses registered in recent years.

The city is also an *emerging global outsourcing city*. Located within the city are at least 14 Philippine Export Zone Authority-accredited special economic zones dedicated to information technology (IT), which offer ready-to-use facilities for IT-based businesses, contributing to Quezon City's growing IT character. It is also home to more than 60 business process outsourcing companies with about 3,000 companies engaged in information communication technology (ICT)-related businesses. In a 2008 Tholons²⁵ special report on global services, it ranked number 21 among the top 50 emerging global outsourcing cities, the highest among all nine new entrants. Many companies, both local and international, are discovering that Quezon City is a cost-effective business location.

The fast growth of formal businesses in Quezon City provides employment to both women and men in the city and in the surrounding communities. It could be argued that job creation in the formal sector leads to a concomitant increase in the number of workers in the informal economy, like street vendors, home-based workers and waste-pickers who provide cheaper and accessible goods and services to the formal sector. However, it is also possible that an increase in formal business activity 'crowds out' informal activities.

²⁴ In conflict situations, the civilians who are mostly poor are caught in the cross-fire and therefore, suffer a lot from economic and social displacements. They are forced to leave their homes, farms and communities; and children are forced to stop schooling.

²⁵ Tholons is a leading full-service Strategic Advisory Firm for Global Outsourcing and Research

Quezon City's land area and population

Quezon City (QC) is the largest LGU, both in land area and population, within Metropolitan Manila. The latter, commonly referred to as the National Capital Region (NCR), is composed of seventeen highly-urbanised cities and one peri-urban municipality. QC's land area of 161.1 sq km comprises 25.3% of Metro Manila's total land area of 636.00 sq km. The second largest, which is Paranaque City, has only 47.7 sq km.²⁶ QC has 142 *barangays* or villages distributed into four political districts.

Likewise, with 2.68 million people, Quezon City not only has the largest population in Metro Manila but also of all cities in the country. With a population density of 16,634 per sq km, it also has the third densest population among the country's LGUs. The city has more female (51%) than male (49%) inhabitants. Among the 1.36 million females in 2007, 58.7% or 802,194 are of reproductive age of 15–49 years old. NSCB has noted that from the years 1995–2000, QC had a high average annual population growth rate of 1.9% compared to NCR's 1.0% but the rate is slightly lower than the national average of 2.4%. QC also has a relatively young population with about 52.3% who are less than 25 years old. (National Statistics Office, 2007)

The Plight of the poor and the informal economy workers in Quezon City

Despite the supposed blossoming local economy, the majority of the people in the city are poor. Based on projections for 2008, the total number of households falling below the poverty line, which was set by NSCB at PhP8,857 for the city, would reach about 156,348. There is a great disparity in income distribution among households within the city. More than 16 percent (16.4%) of families belong to the upper income group and registered a very high average monthly income of about PhP107,607 which is way above the income of the middle and lower-income families posted at PhP28,913 and PhP7,765, respectively. Among the poor and these lower-income families are the 218,375 informal settlers defined as landless and/or homeless people in the city, according to the QC Urban Poor Affairs Office 2007 Report. (Quezon City, 2005)

With its growing population, adequate employment and sustainable livelihoods remain among the biggest challenges for the Quezon City government. The unemployment rate is 14.3%, which is lower than similar highly-urbanised cities of Manila and Makati and NCR's average rate of 16.9%. However, it is higher than the national unemployment rate of 10.6%. (National Statistics Office, 2007) Given this situation, many are forced to engage in small-scale entrepreneurial activities that are mostly unregistered, unregulated and not monitored. They form the workers in the informal economy: home-based workers, carpenters, electricians, laundrywomen, beauticians, mechanics, street vendors, watch-your-car boys, drivers, and waste collectors.

Of the city's estimated 2.68 million residents, about 1.3 million are working or formally employed. Some 250,000 are still looking for work or are counted among the informal economy workers engaged in small-scale trading, vending, food processing and garment making or service enterprises. Most of them are women who bring food to their families' tables and persevere to send their children to school. Of these, many are migrants who moved to the city from the rural provinces searching for a better life, and who start out with incomes below the poverty level.²⁷

In the impact study conducted by Mr. Clarence Pascual for the International Labour Organisation (ILO)-Philippine Office in 2005 (Pascual, 2009), it was estimated that there are 52,500 workers in the informal economy of Quezon City, most of whom are artisans and service providers in single-person operations.

²⁶ <http://www.mmda.gov.ph/main.html>, retrieved May 15, 2009

²⁷ 'Puhunang Pangkaunlaran ng Sikap Buhay Programme', Information Materials from the Sikap Buhay Entrepreneurship and Cooperative Office (SB ECO), Quezon City, 2009

More than 50% of them belong to the 26–45 year age bracket and majority are in the retailing and home-based production activities with small capital.

To give a sub-profile of the informal economy workers in Quezon City, the above study is cited as follows:

In Area 7 of Quezon City, which is composed of big barangays such as Payatas, Bagong Silangan, Commonwealth, Holy Spirit and Batasan Hills, there are already 7,686 informal establishments. Informal establishments are those not issued with either a barangay clearance or a business permit from the city government. These establishments employed mostly women (60%). Close to half (47%) was set up in the last five years (since 2001) while another 25% was there during the last 10 years. The majority (63%) are small, fledgling businesses with a starting capital of less than PhP10,000. In 2005, the median worth of business was also PhP10,000, indicating very little growth over the period of operation. Two out of three establishments had a monthly gross income of less than PhP10, 000 which translates to less than PhP350 daily.

Informal businesses provided employment mostly from street trading/service provision and single, home-based employment (like tending small variety or sari-sari stores). Food was the main business for 46% of them. Thirty-eight percent (38%) had access to informal loan sources while 19% borrowed capital from families and relatives.

In another survey of Quezon City residents conducted by the city's Public Employment Service Office (PESO) in 2005, home-based workers, the majority of whom are women, comprise the largest single group (30.4%) among the informal economy workers. These home-based workers and other workers in the informal economy, form the peripheral labour force that enables the city to keep its labour cost cheap, flexible and competitive.

Addressing poverty in Quezon City

Given the above conditions, poverty alleviation remains a core objective in the Quezon City government's development thrusts. As gleaned from its 2009 Annual Investment Programme, the cornerstones for its Sustainable Development Programme continue to be its ABC approach, which stands for '**A**lleviate Poverty, **B**uild-up the City, and **C**ompete on Efficiencies.'

About PhP1.97 billion (or approximately 35%) out of an estimated PhP5.6 billion total budget was allotted for *Alleviating Poverty* in 2009. The programme aims to meet the basic needs for survival of the poor and to provide the economic stimulus to empower them towards a better quality of life. This includes programmes on health and nutrition; education; social welfare; housing; livelihood and job generation; and enterprise development.

Also outlined in the Quezon City 2009 Annual Investment Plan is the Livelihood and Employment Programme with a budget of PhP17.2 million targeted for the poor. Of this, PhP12.7 million is targeted for the informal sector of the City, as enumerated in the following table.

Table 4. Livelihood Programme for the Informal Sector of Quezon City, 2009

PROGRAMME COMPONENT	PURPOSE	BUDGET
Kilos Asenso (Counterpart Fund from the national government to support LGU programmes and projects)	Provides livelihood opportunities to unemployed and underemployed in programmes and projects related to sanitation and nutrition; improvement of potable water supply; and backyard food production designed to uplift the socio-economic situation of the people.	PhP6.2 million
Employment promotion generation	Provides employment assistance and generation of job opportunities to both unemployed adults and out-of-school youth	PhP4.0 million
Halaman sa Bakuran	Provides funds to poor families to transform idle and vacant lots into lush and green environment through vegetables planting and other income-generating activities	PhP2.5 million

Whether and how these resources actually trickle down to the poor and informal workers in the City, remains to be seen.

Helping poor women through the Sikap Buhay Entrepreneurship and Microfinance Programme

In the 2008 State of the City address of Mayor Feliciano Belmonte, he reported that the Enterprise Start-up and Growth component of its 'SEEDS' (**S**helter, **E**ducation, **E**nterprise start-ups and growth, **D**isease-prevention and health promotion, **S**afe haven) approach impacted on the poor sector of the city through their Sikap Buhay lending programme. The Sikap Buhay Entrepreneurship and Cooperatives Office implements the City government's entrepreneurship and micro-finance programme known as Puhunang Pangkabuhayan ng Sikap Buhay (PPSB). PPSB facilities provide access to non-collateral, no-interest loan facilities for small entrepreneurs in partnership with several large cooperatives. It also works in partnership with other micro-finance establishments providing similar services.

The PPSB or 'Sikap Buhay' does not directly provide loans to beneficiaries. It confines itself to credit preparation, facilitating communication between borrowers and creditors, conducting training and other support services. Prospective borrowers among the poor are sought by *barangay* political leaders and mobilised to attend the orientation seminars, usually for groups of 25 participants, on the different micro-financing projects. The beneficiaries must be poor or with income below the poverty threshold, female, 18 to 60 years old, but must have an existing business. Beneficiaries must be living in the *barangay* for not less than one year. Residents living in rented houses are secondary priorities. Usually, only 15 out of 25 attendees in the orientation seminars qualify under these criteria. (Pascual, 2009)

A survey of Sikap Buhay beneficiaries conducted in 2005 showed that an overwhelming majority (88%) of respondents were married. Eight out of ten beneficiaries were from the Second District, which is Quezon City's most populated area. Two-thirds of borrowers were engaged in domestic trade which includes retailing of food (36%), operating *sari-sari* (variety) stores (33%), and direct selling (14%). The rest were engaged in various businesses such as sewing and rug-making, handicrafts, and personal and other services.

As of June 2008, Sikap Buhay graduated 47,039 unregistered micro-entrepreneurs and has disbursed close to PhP650 million to various livelihood activities in 80 *barangays*. Studies²⁸ show that beneficiaries'

²⁸ 'Puhunang Pangkaunlaran ng Sikap Buhay Program', Information Materials from the Sikap Buhay Entrepreneurship and Cooperative Office (SB ECO), Quezon City, 2009)

incomes have increased by anywhere from 200% to 600%. The programme has also inculcated credit discipline, self-reliance and greater financial independence for their families. In 2007, through the Sikap Buhay Programme, the Quezon City government released a total amount of almost PhP600 million loans for various micro-enterprises.

Livelihood support for the waste-pickers in the Payatas dumpsite

A considerable percentage of informal economy workers in Quezon City are concentrated in communities around the Payatas dumpsite in Quezon City. The Payatas dumpsite is the major source of livelihood for more than 5,000 individuals, including approximately 2,000 engaged in waste picking and around 3,000 in various informal economic activities such as recycling and trading.

With the implementation of RA 9003, the Ecological Solid Waste Management Act of 2001 that mandated the closure of all open dumpsites in the country by February 2006, Quezon City was challenged to implement the Rehabilitation of the Payatas Disposal Facility from 2004–2008. This was intended to ensure not only the continued safe operation of the site, but also its successful conversion into a controlled waste disposal facility. The LGU's Environmental Protection and Waste Management Department (EPWMD) and the Payatas Operations Group (POG), with the support and cooperation of the Payatas *barangay* officials and residents, various NGOs and POs in the area, and the City-contracted IPM Environmental Services, Inc. (IPM-ESI), were partners in the implementation of this undertaking. The project, which had a budget of PhP898.5 million from QC General Appropriations Fund, aimed to address the City's concerns in Payatas including environmental health and safety, stability of the dumpsite, safety of the surrounding communities, livelihood of residents dependent on the site for income, and compliance with *RA 9003*.²⁹

The City especially focused on addressing the concerns of the waste-pickers given that the Payatas rehabilitation programme led to the reduction of waste materials brought to the dumpsite, which led also to a drastic reduction in their income. In the past, about 4.5 metric tons of garbage from the various cities in Metro Manila was deposited in the Payatas dumpsite, which covers about 11 hectares of land. The dumpsite provided each waste picker with an average daily earning of about PhP350 to PhP400. From approximately PhP4,800, the waste collector's monthly income went down to only PhP2,500.

The QC government recognises the vital role of the waste pickers in the City's Waste Diversion Programme, particularly in the recovery of around 7% recyclables from incoming wastes, which reduces the volume of garbage dumped at the facility. Thus, waste-pickers are provided with financial and technical assistance to make up for their lost income.

Through an alternative livelihood project, more than 2,000 waste pickers at the dumpsite were organised into groups, to implement a system in their waste picking at the dumpsite so that recyclable materials disposed at the facility could be recovered in a more peaceful, orderly and equitable manner. Each group is assigned an area at the dumping table and incoming garbage trucks are consecutively assigned to these groups. A trading area was established near the dumpsite to facilitate their livelihood. The waste pickers were also encouraged to establish a cooperative, the Payatas Alliance Recycling Exchange (PARE) Multipurpose Cooperative, through which they collectively obtain assistance, whether financial or opportunities for education and skills training. The organisation of waste pickers into groups not only stopped infighting among them but, more importantly, facilitated a more orderly and efficient recovery of recyclables from dumped waste.

Junkshop operators were also given assistance in enhancing their business operations. Through networks and linkages developed and facilitated by the City government, waste pickers, recyclers and junkshop operators were able to obtain financing, education and skills training that would enable them to earn

²⁹Rehabilitation of the Payatas Disposal Facility: Project Report to Galing Pook

additional income and/ or embark on alternative livelihoods. Some groups are borrowing money to buy trucks which enables them to become collectors of garbage in nearby communities, thereby raising their income prospects.

Through coordination with other City government departments, offices and agencies, local community-based NGOs and POs, public and private business and educational institutions, the scavengers have obtained financing and skills training that have allowed them to go into minor business ventures and prepare for alternative livelihoods, in anticipation of the closure of the disposal facility. Almost 1,000 families living along danger zones adjacent to the dumpsite have been relocated. Various organisations are also helping the City Government provide for healthcare, non-formal education and livelihood opportunities to the scavengers and nearby communities.

In January of 2009, the Galing Pook Foundation which is the most prestigious independent body that awards exemplary LGUs in the Philippines, recognised Quezon City as an outstanding LGU for this innovative, effective and empowering undertaking.

Another initiative aimed at addressing the needs of the waste pickers in the city is the BULASI project. This '**B**uild-**U**p a **L**ong-term and **A**lternative **S**ource of **I**nvestment' is a pilot project of the Payatas Alliance Recycling Exchange Multi-Purpose Cooperative or PARE-MPC. PARE-MPC is a cooperative that was organised by major recycling centers and scavengers' associations in Barangay Payatas through the support of the Payatas Operations Group. The recycling centres have managed the solid waste management in Payatas Dumpsite since the 1990's.

Through this project, an amount of PhP500,000 was provided for capacity-building of the PARE-MPC members to enhance their knowledge and skills in business planning and management particularly in direct buying and selling of recyclable materials to eliminate intermediaries and enable them to collectively determine reasonable buying and selling rates; and to promote profit sharing among the cooperative members. The project also aims to find alternative sources of livelihood for the members.

Programmes and strategies addressing the needs and prevailing issues, concerns and challenges of women workers in the informal economy

Ulat Lila (Purple Talk) (Centre for Women's Resources, 2009), a discussion on the Filipino women's situation held every year by the Center for Women's Resources (CWR), shared the results of its focus-group discussions with the women leaders from the Samahan ng Maralitang Kababaihang Nagkakaisa (SAMAKANA) or the Association of United Poor Women in Barangay Talanay, Quezon City. Due to the continuing crisis and their inability to find sufficient employment, most of their members continue to be heavily in debt. The women use to pay for their debts whatever they earn in a day so that they can borrow again. To make ends meet, many women in urban poor communities engage in odd jobs in the informal economy. Some of the women in their communities do laundry jobs in exchange for a kilo of fish and PhP50 (around US\$1), or offer cosmetic services such as pedicure and manicure even without the necessary skills. During the days that their earnings are insufficient, they end up eating only twice a day, at eleven in the morning and at four in the afternoon. Some families eat only 'lugaw' (porridge) the whole day. At worst, mothers would beg for food from the neighboring subdivisions and oftentimes, they are given stale bread. The mothers would then grill the bread so they would have something to eat.

Over the years, the Quezon City government has prioritised programmes and strategies to address the needs of the growing number of workers in the informal economy, usually in the form of skills trainings and/ or microfinance projects and other loan facilities.

Discussions with women street vendors or ambulant vendors in Quezon City, however, reveal the difficulties in applying for loans from barangay or city government programmes. According to Lina Macaurog, President of the Luzon Vendors' Association, which is based in Barangay Culiati and whose members are 70 percent women, government funds for loans or micro-financing are difficult to access for their members because of the voluminous documents required during the application process such as marriage contract (which immediately discriminates against unmarried couples or single parents and favors married couples³⁰), proof of billing (like electric or water bills which marginalises transients or home renters), identification cards or IDs (like drivers' license, company ID, social security system-SSS ID or tax identification-TIN which many urban poor women do not have). Loan applicants are also subjected to background investigation to determine their assets (such as appliances, bank accounts, others) as indicator of their capacity to pay the loan. For example, the loan application of Lina, the Association's President, was not approved because her house did not contain anything of value which the micro-lending facility could get if she could not pay her loan. This, example shows that such programmes are discriminatory against really poor women.

Another limitation of these micro-lending programmes, according to the women vendors, is that they only help in providing women with the initial capital, but do not help the women find markets for their products. Given the increasing number of vendors, marketing or finding a stable and secure market is a big problem.

Aside from sustainable livelihoods, these women vendors, who usually live in the many informal settlement areas within the City, are also constantly faced with the threat of demolition. Members of the Luzon Vendors' Association as well as other street vendors in nearby *barangays* are usually affected by road clearing and widening projects of the Metro Manila Development Authority (MMDA) and the Quezon City government. Usually, alternative vending sites are not provided or otherwise, they are relocated to areas where there is poor traffic, which means fewer potential buyers of their goods.

An action research was conducted by the ILO among the beneficiaries of the QC Sikap Buhay micro-financing programme which aimed to assess the impact of local level interventions in the informal economy against the goal of creating decent work. (Pascual, 2009) It examined how these initiatives address the working and living conditions of informal workers. It looked into how these programmes impact relevant markets (e.g. for credit), how the delivery of support services (e.g. training), and how the policy environment has brought about changes in the lives of target beneficiaries, mostly women who are part of the working poor.

The results of the study, as enumerated below, showed Quezon City's micro-finance programme had impacted positively. (Pascual, 2009)

- Over 90% of survey respondents reported that their incomes increased after joining the program. The reported median daily earnings rose by P100 to P300. Respondents also reported improvements in the standard of living of their families. Having three meals a day, being able to buy goods to meet household needs and being able to send the children to school were some of the benefits attributed to the program.
- Beneficiaries acquired self-identity, raised their self-esteem, gained the courage to face difficulties, and stand on their own feet. They expressed pride in having their own money to pay for personal needs, contribute to the household kitty, and still be able to repay their loan. They feel they are making productive use of their time, with less time spent idly.
- Participation in the micro-finance programme expanded the social network of women participants. This is probably attributable to the system of group lending wherein members develop closer ties among

³⁰ Usually, husbands or wives become co-makers in the loan application to ensure loan payments through the legitimate partners.

themselves. This has increased their confidence to go out and meet other people as well as participate in community life. It also gives them greater awareness of what is going on around them and willingness to assert their rights as members of the community.

- With their new-found financial independence, they regard themselves as being on equal footing with their husbands, proud that they contribute to household expenses, and in some cases, are of financial help to close relatives. In few cases, their financial empowerment has given them the confidence to go against the wishes of the husband on matters they find of extreme importance, for example, whether a child should continue going to school.

Therefore, generally, it can be said that Sikap Buhay has had a major impact in helping stabilise work and earnings among programme beneficiaries by providing additional working capital, allowing for a more steady flow of income and reducing business risk. Microfinance has reduced financial vulnerability of programme beneficiaries by lowering the cost of capital as well as providing savings and insurance services. Likewise, there was a perception that women were economically and politically empowered.

However, the impact study also noted the following limitations of the microfinance programme: (Pascual, 2009)

- The survey reveals a negative side to employment for women. The overwhelming majority (81%) of women continue to be mainly responsible for the performance of household chores, resulting in multiple burdens for women. The survey also shows that children take up additional chores in the household when the mother is employed and can no longer perform all the household tasks.
- Microfinancing of work in the informal economy means financing work/livelihood which is still characterised by low and irregular work/income. The impact study showed that the beneficiaries of the programme were involved in occupations with earnings that vary from day to day, from one month to the next. Informal workers are vulnerable to the ever-changing demands in the market.
- The irregularity of work and earnings is also evident in the multiplicity of livelihood and sources of income. Most of the participants engaged in two or more businesses and economic activities. There are several reasons for this multiplicity of activities. One is to make both ends meet considering the low earnings from each activity. The other is to reduce income and business risk as well as to overcome the problem of limited market.
- The initial requirements for programme participation—existence of a viable business along with credit investigation to establish permanent residence and ownership of assets—probably excludes the poorest households. Most of the programme beneficiaries who participated in the discussions did not come from very poor households. The more successful ones come from relatively better off households in their communities and not because of microfinance.

The above limitations validate the experience of the SAMAKANA and the Luzon Vendors' Association. Likewise, according to the Sikap Buhay ECO 2009 information materials, the majority of the PPSB borrower-partners are small traders and vendors. Only some 30–40% venture into service and small manufacturing businesses where there are greater chances for expansion and corresponding increase in income.

It is also important to note the following findings:

- There is limited verifiable data to prove that all programme participants have achieved an increase in average income. Part of the reason for this is that record keeping and financial accounting are hardly practiced not only for lack of skills but also because there is little distinction between household activities and operation of the enterprise. Thus some of the costs of doing business form part of the household budget (e.g. electricity, water, household labour) and some of the business income is part of household consumption (e.g. food sold is also consumed by household members).

- At most, income from the informal business is commonly regarded as a supplement to the husband's income. The latter is seen by the women as more regular and reliable, if often inadequate to cover basic household needs, in which case income from the business comes in handy. The women's earnings are typically allotted for daily household expenses and for daily expenses of school children. School-related expenses (besides tuition fees) appear to comprise a major portion of household expenses financed by business earnings, notwithstanding free tuition in public elementary and secondary schools.
- Discussions with SB beneficiaries confirm a strong demand for social protection services and a willingness to pay for such. More than a few workers are aware of the existence and the benefits of social insurance, specifically those provided by the SSS and PHIC, owing to previous formal employment experience, membership of the spouse or other household members.

Thus, Sikap Buhay does not address the issue of social protection, although indirectly, the programme has increased awareness and to some extent helped improve access to local services through assistance of programme staff. The savings and insurance component of microfinance appears acceptable, although members are not aware of the benefits of insurance. Like forced savings, insurance, mainly life insurance, protects the creditor rather than the borrower.

The ILO study showed that the large majority of livelihoods financed by the PPSB micro-credit are *survivalist* activities which cannot guarantee stable and regular earnings for workers and provide little chance of upgrading themselves into enterprises that accumulate capital through profits. So far, there is little evidence that microfinance allows informal workers to move from activities that represent bare subsistence, such as street vending and other forms of retailing, to economically more rewarding activities such as those linked to formal production and the process of capital accumulation. Informal workers also lack social protection and face health hazards at work, concerns which are not easily addressed in the context of informal employment.

Drawing from this ILO impact study, while some women are able to benefit from the Sikap Buhay programme, what is needed is a strategic approach that will help workers in the informal economy graduate into more sustainable employment that will offer decent earnings and social security. For women in the informal economy, the need to find more sustainable livelihoods is even more urgent given their roles in maintaining their households.

Amelita King Dejardin of ILO (2009) argues that the current economic crisis has a woman's face because the consequence of losing a job or the absence of regular employment or sustainable livelihood affects women differently, and more severely, than men. According to Dejardin, the poorer the family, the more important the woman's earnings are to the family's subsistence, children's health and education. This situation is true in the Philippines, Thailand and Vietnam where women, who are concentrated in lower paid jobs or in informal work, are greatly affected by small pay cuts or price rises for lack of savings. Their families and dependents are severely damaged by the economic meltdown.

Similarly, a survey in the Philippines that was part of a regional study in 1997 (Dejardin, 2009) found that when a male worker lost his job, 65 percent of households reported a fall in income, but when a woman worker was retrenched, 94 percent of households had less money. More households of retrenched women workers cut back on their meals than those where men had lost work.

Poorer households also rely more on unpaid care work (for children, the elderly or sick family members) which is almost always provided by women. So in tough times, women tend to be stretched more between their conflicting responsibilities.

Thus, microfinance should be part and parcel of more comprehensive policies and programmes aimed at generating decent employment for workers in the informal economy and providing social protection towards a better quality of life.

Programmes of non-government organisations and people's organisations for workers in the informal economy

The QC LGU recognises that it cannot sufficiently respond to the needs of the informal economy workers in the city. Hence, it has increasingly encouraged the formation of NGOs and POs that undertake programmes and services, and which respond to the needs that local and national governments are unable to respond to. On one hand, this has encouraged a stronger sense of voluntarism and social responsibility among communities and civil society. On the other hand, the burden and responsibility of providing for the basic needs and well-being of poor communities is shifted onto the backs of poor and marginalised sectors, thereby allowing governments to be liberated from their primary duties and functions.

Payatas Scavengers' Association

In 1993, some 30,000 women, men and children who survive by gathering, sorting and selling recyclable wastes in the Payatas dumpsite organised themselves into the Payatas Scavenger's Association. With support from the Vincentian Missionaries Social Development Foundation and the QC LGU, they have worked on many fronts to create collective solutions to problems they face and to build better lives, jobs and communities that are secure, safe and healthy. Their programmes and services for members include a savings and credit programme for upgrading their recycling activities. Notable are the programmes for their more vulnerable members – the working children – which include www.achr.net/philippines1.html.

- The Scavenger Kids Centre, located beside the dump, is run cooperatively by the mothers; has no fixed programme; offers working children a place to play, get first-aid, sleep, shower after scavenging on the dump or get something to eat;
- Special scavenger children's savings scheme for this free-wheeling group of children who are on their own, independent of families; and
- Day-care centre for mothers who work on the garbage dump built with their collective savings and run by themselves, without subsidy, taking turns teaching classes and feeding the children a simple, nutritious meal, which they cook in the courtyard outside.

The association also addresses its members' needs for long-term security through their land and housing programme. Tenure security and decent houses are top items on the scavengers' list of needs and the key to their genuine development. Preparations for meeting this goal include searching for affordable land nearby, designing inexpensive house designs, maintaining special housing savings accounts, and negotiating with government and finance institutions.

Social Protection for PATAMABA Home-based Workers

Since the 1990s, the governments of many Asian countries have strengthened their social protection schemes. This is a welcome move since social protection is a vital tool in fighting poverty. Similarly, designing social protection schemes that meet women's needs is one of the themes of the current ILO Global Gender Campaign. However, in many countries, women do not get equal access to social protection. In most cases, this is because of the non-standard, low wage and informal economy jobs they have, which are less likely to come with such social benefits. In others, it is because policy makers assume women can rely on men, or because benefits are directly linked to keeping one's job – for example, most maternity protection systems in Asia are paid solely by employers.

Addressing this need, the PATAMABA or Pambansang Tagapag-ugnay ng mga Manggagawa sa Bahay has set up a social protection programme for its members. It has facilitated membership in the Social Security System or the Philippine National Red Cross. The PATAMABA members in Barangay Balingasa pioneered the Automatic Debit Account (ADA) Programme of the SSS in Quezon City, which facilitates SSS membership for its members. Through the ADA, they can open a savings account in the Philippine

Savings Bank with a minimum deposit of only PhP100 (US \$2.00). The maintaining balance is also set at PhP100. The PATAMABA members' monthly contributions to the SSS are debited from their respective savings accounts. (Homenet Southeast Asia, 2006) This endeavor is done without budget support from the QC LGU.

The PATAMABA-Balingasa Chapter in Quezon City was organised in April 1996 with an initial membership of 15 home-based workers. The Chapter now has 175 members composed of 140 women and 35 men who are involved in the production of slippers, doormats, rugs, pillows, laces, various novelty items, Christmas décors, processed foods and garments' subcontracting work.

Aside from offering social protection for home-based workers, PATAMABA's programmes include (Doane, Ofreneo and Jirapatpimol, 2006):

- A relending programme wherein short-term loans are provided to members as capital for livelihood projects;
- A nutrition programme centered on the production and promotion of the *Budbod Sustansiya*, a vegetable topping, which is healthy and affordable for pregnant and nursing women and children in poor communities; this programme was designed to initiate the development of home-based food industries and women-managed enterprises and to help poor women increase their income, improve their families' access to safe and healthy foods, and enhance their technology and entrepreneurial skills;
- A scholarship programme that provides financial support for tuition fees, school uniforms, and supplies;
- Livelihood projects which include skills training and loans for food processing, doormat- making, slippers-making, and others; and,
- Provision of emergency assistance to members in cases of illness, death, and disability.

Because of its pioneering efforts, PATAMABA-Balingasa has received assistance from international agencies such as ADB, ILO, UNDP, UNICEF, and UNIFEM. They have also received PhP1million assistance from the DOLE to expand production and promotion of *Budbod Sustansiya*. This financial assistance came from the Poverty Free Zone (PFZ) programme of the DOLE which involves the Regional Tripartite Wages and Productivity Board in the NCR in training parents of child labour victims and other informal economy workers as part of their efforts to address the increasing poverty and unemployment in the region.³¹

PATAMABA-Balingasa is also one of the organisations that has been accredited and recognised as a legitimate organisation of the informal sector by the Office of Quezon City Mayor Sonny Belmonte. As an accredited organisation, it receives grants from the QC local government; the members are regular participants of the LGU's training; the members' children benefit from the QC government scholarship programs; and the members are able to access loan facilities from local and international donors or agencies. Their members have also been recognised as representatives of the home-based workers in the Gender and Development (GAD) Council of Quezon City. PATAMABA was also given a desk at the Public Employment Service Office (PESO) of the city.³²

³¹ DOLE News, March 2009

³² PESO is a non-fee charging multi-employment service facility or entity established in all capital towns of provinces, key cities, and other strategic areas maintained largely by local government units (LGUs) in partnership with non-governmental organisations (NGOs) or community-based organisations (CBOs) and state universities and colleges (SUCs).

Compelling Government Budgets to Address Practical Needs and Strategic Goals

While it is true that in recent years governments have allocated more budgets, programmes and services to address the needs of the growing informal sector, there is still significant room for improvement in terms of analyzing and addressing the immediate needs and strategic interests and aspirations of women in the informal economy.

Providing micro-finance programmes to poor women is very popular with the current administration. In her 2001 State of the Nation Address, President Arroyo named microfinance as the cornerstone strategy of the government's fight against poverty. She said that the target is to reach 1 million women as beneficiaries of microfinance projects, to be broken down into annual outreach of 300,000 new women borrowers. The target number increased to 500,000 clients by the year 2004 to 2005, which is a 66 percent increase from the original. To date, there are 2 million beneficiaries of micro-financing programmes from government financial institutions alone with PhP24 billion (or US\$500 million) released for small loans. (Leal, 2006)

However, it is only the entrepreneurial poor that are being served by the programme. The poorer and marginal sectors are not even reached. At the same time, microcredit programmes do not change the structural conditions underlying poverty—such as loss of land rights, privatisation of essential public services, or cutbacks in health and education spending.

Why then do national governments and international organisations promote microcredit, thereby encouraging women's work in the informal economy? According to Susan F. Feiner and Drucilla K. Barker, co-authors of *Liberating Economics: Feminist Perspectives on Families, Work, and Globalisation*' (Feiner and Barker, 2007):

Microcredit as an antipoverty programme, fits nicely with the prevailing ideology that defines poverty as an individual problem and that shifts responsibility for addressing it away from government policy-makers and multilateral bank managers onto the backs of poor women. The neoliberal view that individual behavior is the source of poverty and the neoliberal agenda of restricting state aid to the most vulnerable when and where the need for government assistance is most acute. Progressives working in poor communities around the world disagree. They argue that poverty is structural, so the solutions to poverty must focus not on adjusting the conditions of individuals but on building structures of inclusion. Expanding the state sector to provide the rudiments of a working social infrastructure is, therefore, a far more effective way to help women escape or avoid poverty.

This includes promoting a more objective review of the local and national budgets and genuinely considering the needs of the most vulnerable sectors in preparing the budgets. For instance in the 2009 budget, the government plans to spend PhP7,391.54 (\$154) per capita for onerous debt servicing while allotting only PhP2,050.98 (\$43) per capita for education, PhP301.52 (\$6.30) for health, P57.48 (\$1.2) for housing and P112.80 (\$2.35) for social services.

In the same vein, the IBON Foundation said that the Arroyo administration must start by increasing the allocation for social services in the 2009 national budget. The group criticised the allocation of only 2.5% of the total budget for health; only 13% for education; and a measly 0.4% for housing as atrociously low especially in today's environment of rapidly rising prices and greater economic uncertainty.

IBON said that the perennially low budget allocation for social services will have deeper repercussions on the poor and vulnerable sectors such as the workers in the informal economy, as the deteriorating global economic crisis destroys more jobs and livelihood and inflates the cost of living.

With increased poverty, it becomes more urgent for government to provide sufficient social services such as health, education and housing. But the budget levels allocated obviously could not cover the expected demand for public schools and hospitals among others.

Summary and Conclusion

When compared with that of its Asian neighbours, the pace of growth under past and current economic and social policy reform programmes in the Philippines leaves much to be desired. In particular, poverty incidence reduction has been slow and the Gini coefficient of per capita income remains very high, suggesting that the fruits of economic growth and social reforms have not been trickling down equitably.

Historically, every administration tends to introduce new poverty programmes while discontinuing the ones that are associated with previous regimes even if these have been making good progress or just beginning to create positive ripples. Poverty programmes are often pursued to meet short-term political goals. Given the penchant for short-lived recoveries, anti-poverty programmes are weak, poorly-targeted and lacking in accountability and in key components. Under such circumstances, it is difficult to realise the full impact of such initiatives.

Programmes for the poor as the core objective of every administration are embodied in the Government's MTPDP that is drawn up every six years. Under the Arroyo administration, national policies spelled out in the MTPDP espouse poverty reduction as an overarching goal. Moreover, the MDGs provide the framework in formulating the MTPDP's social commitments and in identifying programmes and projects in the MTPDP. As such, programmes and projects intended to uplift the abject conditions of the most vulnerable sections of the population, particularly the working poor, most of whom belong to the informal economy, are subsumed under the broad policy goal of social reform and poverty reduction. And the money dedicated to back up policy declarations and plans is the ultimate indicator of the government's sincerity to effect change and serious resolve to combat poverty.

Up to now, however, the concerns of the Filipino working poor and workers in the informal economy have not been fully integrated in the MTPDP. While the basic sectors, including the sectoral representative of the informal economy workers, are supposedly represented in the NAPC, major policy decisions are really monopolised by the government leaders and officials. Likewise, at the local level, people's participation has been institutionalised through the Local Special Bodies provision of the Local Government Code, but the majority of the LGUs do not convene these bodies. The poor remain passive recipients of government programmes and projects. This is one reason for the deficit of programmes and projects intended specifically for their upliftment. As earlier noted, even in the annual GAA and in the Quezon City annual budgets, there is an obvious lack of programmes for the poor's protection and socio-political-economic empowerment. To a limited extent, this lack is usually provided for by international and national development organisations and local NGOs and POs.

With the government's focus on poverty reduction, the challenge is to ensure that policies and investments relative to effective implementation of programmes are coordinated, consistent, properly sequenced and responsive to the national and local development context. Where government resources are limited, making effective and efficient investments is vital for developing countries like the Philippines. When a large share of the labour force is engaged in the informal economy, it is imperative that informal enterprises and workers are integrated into economic policies. Likewise, it is imperative that gender is integrated because 'real poverty reduction cannot be realised without progress towards gender equality and the empowerment of women.' (Dorotan, 2007: 60–1)

Whether the benefits of public spending materialise and accrue to the poor in general, and to the workers in the informal economy, in particular, ultimately hinges on the efficiency of execution and on ethical government leadership and governance that is transparent, accountable, gender-responsive and results-oriented.

In the end, this paper will argue that national and local government budgets in the Philippines will make a difference to the lives of the poor informal economy workers, particularly the home-based workers, street vendors and waste pickers of Quezon City, ONLY when public expenditure provides them with sustainable livelihoods and social protection, when they are politically empowered, when their basic human rights and entitlements are protected and upheld, and lastly, when they acquire decent quality of life, meaning they are no longer poor.

Abbreviations

ABC	Alleviate poverty, Build-up the city and Compete on efficiencies
ADA	Automatic Debit Account
ADB	Asian Development Bank
AFP	Armed Forces of the Philippines
AHMP	Accelerated Hunger Mitigation Program
AIP	Annual Investment Programme
ASB	Annual Supplemental Budgets
BBC	Bishops' Businessmen Conference
BDT	Bureau of Domestic Trade
BESF	Budget of Expenditures and Sources of Financing
BRW	Bureau of Rural Workers
BSMED	Bureau of Small and Medium Enterprise Development
BULASI	Build-Up a Long-term and Alternative Source of Investment
BWYW	Bureau of Women and Young Workers
CARL	Comprehensive Agrarian Reform Law
CARP	Comprehensive Agrarian Reform Program
CCT	Conditional Cash Transfer
CDP	Comprehensive Development Plan
CEDAW	Convention on the Elimination of Discrimination Against Women
CIDA	Canadian International Development Agency
CITC	Cottage Industry Technology Center
CLIPPS	Capacity Development of Local Institutions to Promote and Protect the Informal Sector
CMP	Community Mortgage Program
COA	Commission on Audit
CSAP	Core Shelter Assistance Project
DA	Department of Agriculture
DAR	Department of Agrarian Reform
DBM	Department of Budget and Management
DBP	Development Bank of the Philippines
DepEd	Department of Education
DILG	Department of Interior and Local Government
DND	Department of National Defense
DOH	Department of Health
DOLE	Department of Labor and Employment
DPWH	Department of Public Works and Highways
DSWD	Department of Social Welfare and Development
DTI	Department of Trade and Industry
EO	Executive Order
EPWMD	Environmental Protection and Waste Management Department
FAC	Family Access Card
FGD	Focus Group Discussion
FSP	Food for School Program
FY	Fiscal Year
GAA	General Appropriations Act
GAD	Gender and Development
GDP	Gross Domestic Product
GFI	Government Financial Institution
GOCC	Government-Owned and -Controlled Corporation
ICT	Information Communication Technology

ID	Identification
IFAD	International Fund for Agricultural Development
ILO	International Labor Organisation
ILS	Institute of Labor Studies
IRA	Internal Revenue Allotment
IT	Information Technology
KALAHI	<i>Kapit Bisig Laban sa Kahirapan</i> or Linking Arms Against Poverty
LBP	Land Bank of the Philippines
LDIP	Local Development Investment Program
LFS	Labor Force Survey
LGU	Local Government Unit
LGC	Local Government Code
LDIP	Local Development Investment Program
MDG	Millennium Development Goals
MFI	Microfinance Institution
MMDA	Metro Manila Development Authority
MOA	Memorandum of Agreement
MTPDP	Medium Term Philippine Development Plan
MTPIP	Medium Term Public Investment Program
NAPC	National Anti-Poverty Commission
NCR	National Capital Region
NCRFW	National Commission on the Role of the Filipino Women
NEA	National Electrification Administration
NEDA	National Economic and Development Authority
NEP	National Expenditure Programme
NFA	National Food Authority
NGA	National Government Agency
NGO	Non- Government Organisation
NLSF	National Livelihood Support Fund
NSCB	National Statistics Coordination Board
NSO	National Statistics Office
OGCE	Other Government Corporate Entities
OTOP	One Town One Product
OWWA	Overseas Workers' Welfare Administration
P4	Pantawid Pamilyang Pilipino Program
PATAMABA	Pambansang Tagapag-ugnay ng mga Manggagawa sa Bahay
PARE MPC	Payatas Alliance Recycling Exchange Multi-Purpose Cooperative
PEPOA	Private Electric Power Operators' Association
PESFA	Private Education Student Financial Assistance
PESO	Public Employment Service Office
PFZ	Poverty-Free Zone
PGMA-TWSP	President Gloria Macapagal Arroyo Training for Work Scholarship Program
PHIC	Philippine Health Insurance Corporation
PhilExIm Bank	Philippine Export and Import Bank
PO	People's Organisation
POG	Payatas Operations Group
POEA	Philippine Overseas Employment Administration
PPBS	Planning-Programming-Budgeting System
PPSB	Puhunang Pangkabuhayan ng Sikap Buhay
QC	Quezon City
QUEDANCOR	Quedan and Rural Credit Guarantee Corporation
RA	Republic Act

RuMEPP	Rural Microenterprise Promotion Program
SAMAKANA	Samahan ng mga Kababaihang Nagkakaisa sa Komunidad
SBGFC	Small Business Guarantee and Finance Corporation
SDC	Social Development Council
SEA-K	Self-Employment Assistance-Kaunlaran
SEEDS	Shelter, Education, Enterprise start-up and growth, Disease prevention and health promotion, Safe haven
SME	Small and Medium Enterprises
SONA	State of the Nation Address
SSS	Social Security System
SULONG	Small-Medium Enterprise Unified Lending Opportunities for National Growth
SWS	Social Weather Station
TESDA	Technical Skills and Development Authority
TIN	Tax Identification Number
TNP	Tindahan Natin Project
TVET	Technical-Vocational Education and Training
UN	United Nations
UNDP	United Nation Development Program
UNICEF	United Nation Children's Fund
UNIFEM	United Nation Development Fund for Women
UP	University of the Philippines
VAT	Value-Added Tax
WEED	Women Workers Employment and Entrepreneurship Development Program
WORKTREP	<i>Unlad Kabuhayan Laban sa Kahirapan Program</i>

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Resource Persons

Ms. La Rainne Sarmiento
Director, Sikap Buhay Entrepreneurship and Cooperative Office
Quezon City

Ms. Josephine Parilla
National Council Member and Marketing Coordinator, PATAMABA
Quezon City

Ms. Catalina Macaurog
President, Luzon Vendors' Association
Quezon City

FGD Participants

Waste Pickers:

Domingo Orga
Elmer Palacio
Emil Santos
Joel Garcia
Lolita Pinca
Marcos Canonoy
Pio Dabe
Rizaldy Arivan
Rose Calanmo
Wenceslao Orongan
Wilson Aling
Zaldy Pugani

Home-based Workers:

Criselda Coronel
Dolores Duran
Edgar Riava
Eloisa Antonio
Leonida Antonio
Marilou Arsenal
Vic Arsenal
Virginia Cortez
Willie Mangusan
Wilma Pilag
Yolly Azucena

About WIEGO: Women in Informal Employment: Globalizing and Organizing is a global research-policy-action network that seeks to improve the status of the working poor, especially women, in the informal economy. WIEGO builds alliances with, and draws its membership from, three constituencies: membership-based organisations of informal workers, researchers and statisticians working on the informal economy, and professionals from development agencies interested in the informal economy. WIEGO pursues its objectives by helping to build and strengthen networks of informal worker organisations; undertaking policy analysis, statistical research and data analysis on the informal economy; providing policy advice and convening policy dialogues on the informal economy; and documenting and disseminating good practice in support of the informal workforce. For more information see www.wiego.org.

About Inclusive Cities: Launched in 2008, the Inclusive Cities project aims to strengthen membership-based organisations (MBOs) of the working poor in the areas of organising, policy analysis and advocacy, in order to ensure that urban informal workers have the tools necessary to make themselves heard within urban planning processes. Inclusive Cities is a collaboration between MBOs of the working poor, international alliances of MBOs and those supporting the work of MBOs. The following partners are involved in the Inclusive Cities project: Asiye eTafuleni (South Africa), AVINA (Latin America), HomeNet South Asia, HomeNet South-East Asia, Kagad Kach Patra Kashtakari Panchayat (KKPKP, India), the Latin America Network of Waste Pickers, the Self-Employed Women's Association (SEWA, India), StreetNet International, and WIEGO. For more information see www.inclusive.cities.org.

The Women's Action Network for Development or WAND is a broad-based national and multi-sectoral coalition of civil society organizations in the Philippines, which advocates women empowerment and gender equality by enhancing, sustaining, expanding its efforts and supporting its affiliates in the mainstreaming of gender concerns in national and local development issues and programs.

