

# National Employment Recovery Strategy for the Workers in the Informal Sector



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## Impact of COVID-19 on Informal Sector Workers

## Lockdowns restricted economic activities

- Strict lockdown measures resulted in GDP contraction to 16.5% and increase in unemployment rate to 17.7% in 2nd Quarter 2020.
- "Digital divide" of the society forces small micro-entrepreneurs to take advantage of new business opportunities during the pandemic.

Resulting in Loss of Livelihoods and Income Sources of Informal Sector

- Staying at home means no income since informal sector workers rely on daily earnings to sustain their basic necessities
- Worse, displaced workers from the formal sector may turn to informal sector for temporary livelihood.

Possible Increase in Vulnerability and Poverty Incidence

- No guaranteed social protection for all the affected population to alleviate the sudden loss of income.
- Informal sector workers are more exposed to the health impact of COVID-19 due to lack of PPEs and limited access to health care.
- Possible increase by around 1.5 million of poor Filipinos (PIDS, 2020)

# National Employment Recovery Strategy

## THE ROAD TO RECOVERY

Ceremonial Signing of the Joint Memorandum Circular Constituting the National Employment Recovery Strategy (NERS) Task Force on 5 February 2021



2021-2022























#### **Objectives**

- To create a policy environment that encourages generation of more employment and entrepreneurship opportunities
- To improve employability and productivity of workers
- To provide support to existing and emerging entrepreneurs

#### **GOVERNANCE**



#### SUPPORT INFRASTRUCTURE

## National Economic Recovery Strategy Framework

# National Employment Recovery Strategy

2021-2022

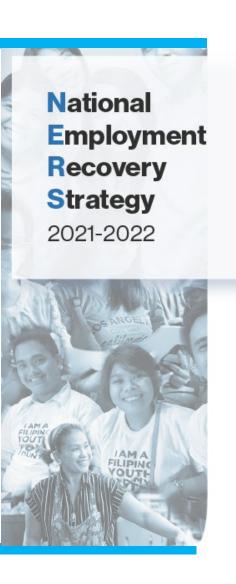
# National Employment Recovery Strategy 2021-2022

# Consultation Workshops with WIS and Key Outputs

Focus Group
Discussion (FGD)
with the WIS
organizations on
15 April 2021

 Situational Analysis on the Impact of COVID pandemic to the Workers in the Informal Sector Validation
Workshop on 22
April 2021 and Job
Summit on 01 May
2021

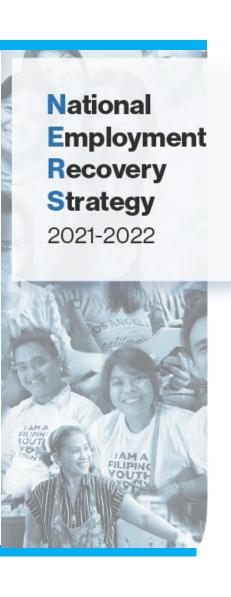
Labor Sector Agenda
 Towards the Employment
 Recovery



### 8-Point Employment Recovery Agenda

To address the identified issues and challenges:

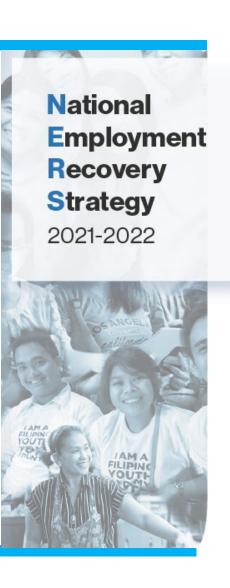
Business Sector Agenda	Labor Sector Agenda
Community Quarantine Restrictions	Employment
Market Confidence	Rights at Work
Shift to Digitalization	Social Protection
Education and Training	Social Dialogue
Ease of Doing Business and Business Environment	



## 8-Point National Employment Recovery Action Plan

- Point-1: Approval of the Proposed Wage Subsidy for Private Sector Workers
- **Point-2**: Conduct of a Job Summit

- Point-3: Support the passage of priority legislations and policies that strengthen economic and employment recovery
- Point-4: Promote retooling and upskilling of workers



## 8-Point National Employment Recovery Action Plan

- Point-5: Full implementation of youth employability programs
- Point-6: Extend assistance to establishments through loans, deferment of applicable fees, upgrading of processes
- Point-7: Provide social protection to vulnerable groups". These include the government livelihood programs (i.e. DOLE Integrated Livelihood Program (DILP) and cash subsidy from DOTr for affected transport sector workers
- Point-8: Monitor and support continuous implementation of programs with high impact on employment

# National Employment Recovery Strategy 2021-2022

# Key Initiatives Towards the Recovery of Workers in the Informal Sector

Provision of Livelihood and Emergency Employment Assistance









DILP 71,972 benef. P983M (Y2020 - 1st Q, 2021) TUPAD 983M benef. P4B (Y2020)

TUPAD
1.088 M benef.
P6.126B
(1st Quarter, 2021)

## National Employment Recovery Strategy

2021-2022

# Key Initiatives Towards the Recovery of Workers in the Informal Sector

#### **DOLE's Contribution to Build Back Better**

(Executive Order No. 120 (Strengthening Rehabilitation and Recovery Efforts through Creation of Build Back Better Task Force)



DILP 4,081 benef. P41M



TUPAD 8,366 benef. P63M

Bamboo Planting, Dredging Operations in Cagayan River, rehabilitation of Marikina River, Riverbank stabilization in Bicol

Covered Areas: Regions NCR (Marikina), 2 (Cagayan, Isabela, Quirino), 3, 4-A, MIMAROPA, 5

Coverage of BBB Plan: 2020 -2025

## National Employment Recovery Strategy

2021-2022

## Key Initiatives Towards the Recovery of Workers in the Informal Sector

#### **DOLE's Contribution to Zero Hunger**

(Executive Order No. 101, S. 2020 (Creating an Inter-Agency Task Force on Zero Hunger)

#### KRA 5: Ensure Resiliency and Food Stability for Emergencies

TUPAD 7,944 benef. P33 M (Y2020)



Repair, maintenance and/or rehabilitation of farm to market roads, irrigation facilities and community farming

### National Employment Recovery Strategy 2021-2022

# Key Initiatives Towards the Recovery of Workers in the Informal Sector

## DOLE's Contribution to Balik Probinsya, Bagong Pag-Asa Program

(Executive Order No. 114, S. 2020 (Institutionalizing the Balik Probinsya, Bagong Pag-asa Program as Pillar of Balanced Regional Development)

#### DILP

## 62 benef. in Region 8 P1.316M

(rice trading, food vending, vegetable farming, motor parts ad repair services)

#### **TUPAD**

#### 6 benef. in Region 11 P36,000

Cleaning of their respective households and vicinity and gardening for 14 days from April 16-30, 2020



For completion of requirements of BP2 applicants in Region 11 for availment of DILP and in Region 2 for availment of DILEEP

#### Plans and Initiatives for Y2021

#### Regional Rollout of ILO Recommendation No. 204



The Department of Labor and Employment (DOLE) will resume the conduct of rollout activities for ILO Recommendation No. 204 (Transitioning from Informal to Formal Economy) in selected Regional Development Councils (RDCs) across the country. This activity seeks to raise awareness of local policy makers on ILO R204 in developing responsive policies and programs for the workers in the informal sector.



#### Towards Institutionalization of Informal Employment Statistics

The Bureau of Workers with Special Concerns (BWSC) is working with the Interagency on Labor and Productivity Statistics (IACLP) to include informal employment statistics in the labor force survey. At present, the IACLPS will create a TWG to formulate a standard definition on "informal employment"

#### Plans and Initiatives for Y2021



Reconvening of the Subcommittee on Informal Sector (SCIS)

The Department of Labor and Employment (DOLE) will reconvene the Subcommittee on Informal Sector (SCIS) under the Social Development Committee of the National Economic and Development Authority (NEDA-SDC). Also, DOLE will consider possible restructuring to make it more responsive to the policy needs of the sector.

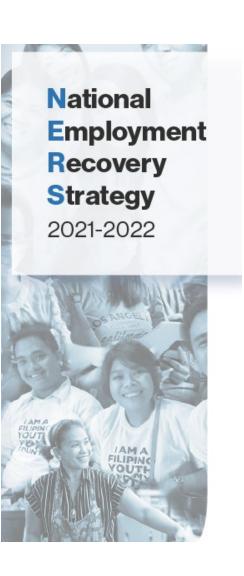


Support to NAPC-WISC Thematic Clusters on Enterprise Formalization

The BWSC will continue its support to the Thematic Clusters on Enterprise Formalization which is being spearheaded by the NAPC-WISC. The inter-agency clusters provide opportunities to harmonize the sectoral agenda with the programs and plans of government agencies

### **Ways Forward**

- Strengthening the legal identity of "workers association" for economic purposes through amendment of Department Order 40-03.
- Creation of local database for workers in the informal sector as reference for identification of beneficiaries of social assistance programs.
- Institutionalization of informal employment statistics in the Labor Force Survey (LFS)
- Development of a national policy to support the transitioning from informal to formal economy.



# Thank you