

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session



House Resolution No. 332

Introduced by Representatives EMMI A. DE JESUS, LUZVIMINDA C. ILAGAN,
FERNANDO L. HICAP, NERI J. COLMENARES, CARLOS ISAGANI T. ZARATE,
JAMES MARK TERRY L. RIDON, and ANTONIO L. TINIO

RESOLUTION DIRECTING THE COMMITTEE ON POVERTY ALLEVIATION
TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION,
ON THE IMPLEMENTATION OF THE CONDITIONAL CASH TRANSFER
PROGRAM AS A CENTERPIECE POVERTY ALLEVIATION PROGRAM
OF THE AQUINO ADMINISTRATION, AND TO SEEK MORE SUSTAINABLE
PROGRAMS THAT RAISE THE STANDARD OF LIVING
AND QUALITY OF LIFE OF POOR FAMILIES

Whereas, the Philippine Constitution calls on the State to "free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all;"

Whereas, the Department of Social Welfare and Development (DSWD) is mandated to assist local government units (LGUs) and various stakeholders in implementing programs, projects and services that will alleviate poverty and empower disadvantaged individuals, families and communities for an improved quality of life;

Whereas, the Arroyo administration launched in 2008 the *Pantawid Pamilya*, a conditional cash transfer program supposedly aimed at meeting the government's Millennium Development Goals (MDGS) to eradicate extreme poverty and hunger, and achieve universal primary education, promote gender quality, reduce child mortality, and improve maternal health;

Whereas, the Aquino administration, while consistently attempting to dissociate itself from the previous unpopular Arroyo administration by heavily criticizing its policies and vowing to develop and implement diametrically opposed policies and programs, has latched on to the Arroyo administration's CCT and continued the said program;

Whereas, not only has the Aquino administration sustained the Arroyo-initiated CCT program but has in fact scaled it up rapidly to become the cornerstone of its poverty alleviation efforts;

Whereas, while the Arroyo administration spent PhP15.3 on CCT from 2008 to 2010, the Aquino administration has spent and allocated PhP112.7B from 2011 to 2013 or 700% more within a similar 3 year period;

Whereas, the Aquino administration further proposed to spend another Php62.6B for 2014 alone, thereby eclipsing all other DSWD projects combined as this allocation will eat up 75% of the agency's total budget for 2014;

Whereas the program is funded in part by foreign loans from the World Bank and the Asian Development Bank at \$805M or Php35.04B, thereby incurring added expenses in the form of interest payables of Php44B, which will be added burden on the taxpayers starting from 2015 when the loan repayment period commences;

Whereas, the costs of the CCT program far outweigh the social welfare benefits, as the combined expenses of the program from 2008 to 2014, including the interest payments, totaling around Php235B, has not made a commensurate and significant improvement on the quality of life of its intended poor beneficiaries;

Whereas, no significant improvement in key MDG indicators have been observed and that in fact, in some, the situation has worsened, such as maternal mortality rate increasing from 161 per 1000 live births in 1990, to 263 per 1000 livebirths in 2010; infant immunization against measles dropping from 77.9 in 1990 to 68.7 in 2011; Grade 6 cohort survival rate inching up to only 73.76 in 2011 from 69.7 in 1990, thus making it unlikely that the goal of 100% by 2015 will be reached; as with primary completion rate, from 64.2 in 1990 to only 70.96 in 2011;

Whereas, CCT disbursements directly managed by the Office of the Secretary can be considered as lump sums and may be used for patronage politics, and beneficiaries report that they are dissuaded from participating in political activities not affiliated with the dominant Liberal Party;

Whereas the CCT is an expensive temporary short-term relief and welfare measure that contributes to cover up the Philippine economy's deep problems amid regressive policies, instead of actually helping solve poverty and that any anti-poverty impact of the program is the immediate income relief but this is fleeting in nature and only lasts as long as beneficiaries are enrolled and as long as there is a program in place;

Whereas, poverty incidence among families has sharply increased from the onset of the CCT program implementation to the present, with a poverty incidence of 22.9% in 2009 while the NCSB reports an increase at 27.9% percent during the first semester of 2012, thus significantly eliminating whatever miniscule yet short-term benefits the CCT program afforded its target beneficiaries;

Whereas, the CCT program does not address increasing problems of joblessness and low incomes that cause poverty in the country, with unemployment increasing from 6.9% in April 2012 to 7.5% in April 2013, resulting to 37.8M people unemployed;

Whereas, a more sustainable option at poverty reduction is the creation of jobs which, however, is not being prioritized in terms of budgetary allocations and has therefore effected no significant improvement as President Aquino in effect admitted, in his 2013 State of the Nation, that four out of ten TESDA scholars still couldn't find jobs;

Whereas, the CCT program's apparent logic that its beneficiary families will be permanently lifted out of poverty once they get an additional Php15,000 a year,

enroll their children in school, and avail of basic health services for these five years is a fallacy;

Whereas, in 2014, the CCT program is again being scaled up to comprise 75% of DSWD's entire agency budget without benefit of any major study on its implementation and impact, aside from an Ateneo Institute of Philippine Culture qualitative study in 2010 covering just 297 respondents sampled from only 18 barangays in three provinces (Nueva Ecija, Northern Samar and Agusan del Sur), and an SWS study which was actually no more than pilot spot checks in January 2010 of just 760 households, 57 schools and 16 health facilities selected from 33 barangays in only one province (Northern Samar);

Whereas evaluation studies on the impact of CCT conducted under the auspices of World Bank raises questions of objectivity as the World Bank stands to gain by way of PhP44B in interest payment by the Philippine government on the loan extended for the CCT program;

Whereas as a "cornerstone" anti-poverty strategy, it is an expensive, unsustainable, short-sighted and artificial trickle-down mechanism and even eats up the allocation for basic social services such as health and education, where budget cuts continue to occur as a result of aggressive privatization of the services sector;

Whereas the basic framework of welfare delivery and access being made contingent on individual behavior rather than an obligation and responsibility of the State must be reviewed;

Now, therefore be it resolved that the committee on poverty alleviation conduct an inquiry, in aid of legislation, on the implementation of the conditional cash transfer program as a centerpiece poverty alleviation program of the Aquino administration, and to seek more sustainable programs that raise the standard of living and quality of life of poor families

Adopted,



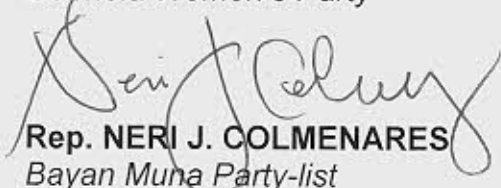
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