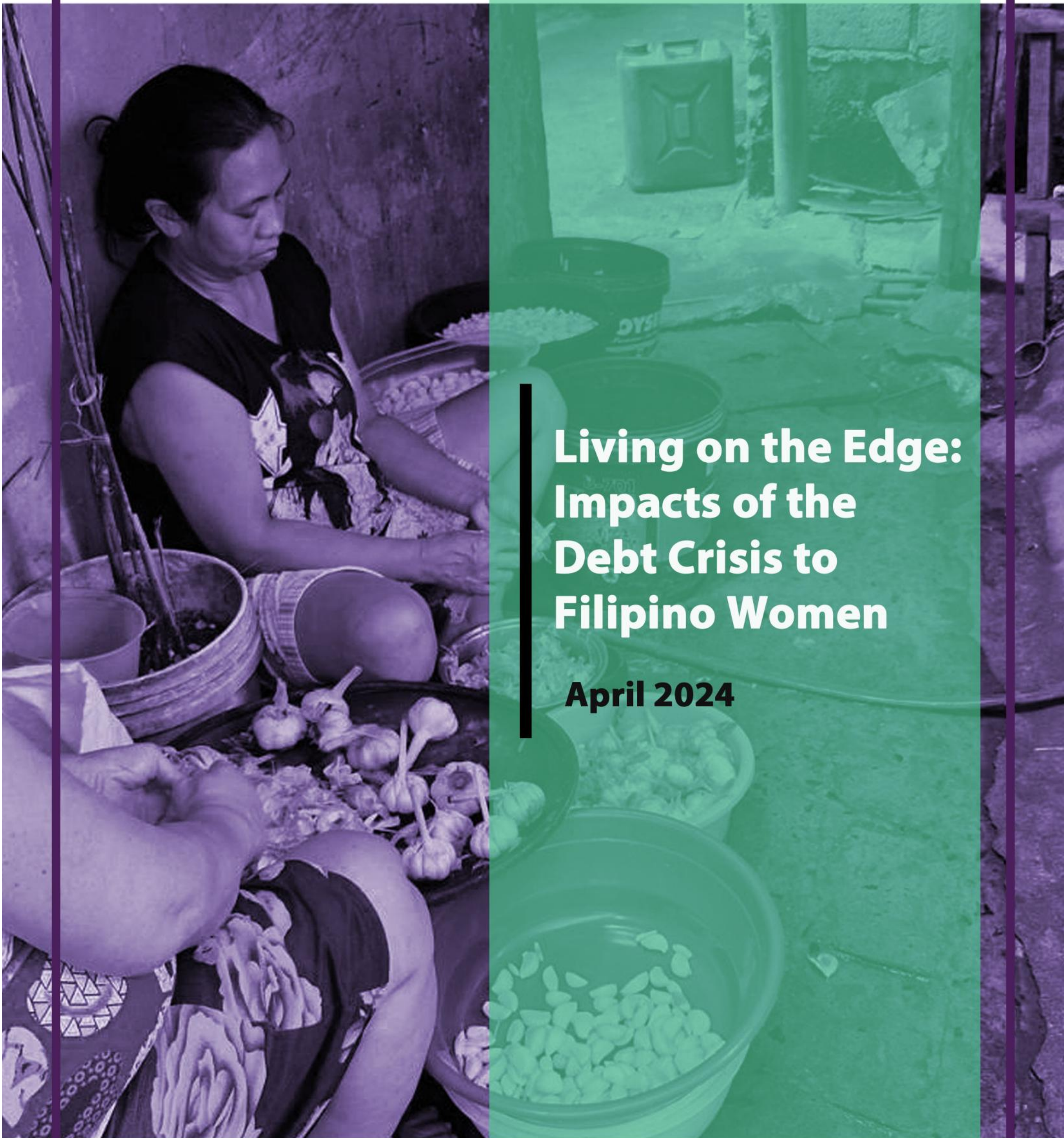

# Living on the Edge: Impacts of the Debt Crisis to Filipino Women

**April 2024**

Center for Women's Resources
Since 1982

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**Research Team**
Angela Panagsagan
Brenda Yasay
Cielito Perez

**Cover Design**
Rhoda Manglalan

Center for Women's Resources
127-B Scout Fuentebella, Sacred Heart
Quezon City, 1103 Philippines
www.centerforwomensresources.org
(02) 8920-1373

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# Living on the Edge: Impacts of the Debt Crisis to Filipino Women

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## I. Background and overview of the situation

The Philippines is a country rich in natural resources, has fertile and arable lands, diverse flora and fauna, extensive coastlines, and rich mineral deposits. The population has reached 114 million, of which, 77.3 million are in the working age. Despite its rich natural and human resources, the Philippine economy remains underdeveloped and around a quarter of its population is living below the poverty line (PSA, 2023).

Due to the decline in production in the industry and the continued reliance on the import and export of low-value goods, trade and government revenue are in the deficit. The country continues to depend primarily on debt and remittances to bridge the trade and expenses of the government.

The Philippines joined the International Monetary Fund (IMF) and World Bank (WB) in 1945 which marked the beginning of its engagement with international financial institutions. In 1957, the country obtained its initial loan from the World Bank to finance the Binga Power project. Subsequently, in 1962, the Philippines embarked on its first IMF program. It was during the era of Ferdinand Marcos's dictatorship that the country witnessed a dramatic escalation in its debt burden. Between 1965 and 1986, under the Marcos Sr. regime, the national debt skyrocketed from US$ 599 million to US$ 28.3 billion. This increase was predominantly driven by the ambitious infrastructure projects during the "Golden Age of Infrastructure," which were marred by rampant corruption and mismanagement.

In the 1980s, the Philippines secured its first Structural Adjustment Program loan (SAL I) from the World Bank worth US$200 million. This loan was disbursed in two installments, with the release of the initial portion contingent upon the government meeting certain conditions, including a 20% reduction in tariff rates and the deregulation of import controls. Subsequently, SAL II, amounting to US$ 302.3 million, was obtained in 1983, with conditions requiring the reform of industrial incentives and trade policies. These conditions aimed to align the national development program with a strategy focused on foreign investment, prioritizing foreign investors for government infrastructure support and tax incentives (Broad, 1988). By 1997, the Philippines had entered a total of nine Structural Adjustment Programs with the World Bank.

When the Marcos Sr. regime was ousted in 1986, it left the Philippines burdened with a total debt of ₱395.5 billion. Instead of repudiating this debt, the Aquino administration made the decision to honor it, to maintain the country's credibility with international creditors. Leveraging on the country's foreign debt, the administration aimed to attract foreign investments as part of its economic recovery strategy (Aquino, 1986).

Subsequent administrations followed suit which continued to borrow funds with the purported intention of financing the country's development. By the end of Ramos' administration in 1998, the debt had soared to ₱1.5 trillion. This trend persisted through the administrations of Estrada, Arroyo, and Aquino, with the debt reaching ₱2.4 trillion in 2001, ₱4.7 trillion in 2010, and ₱6.1 trillion in 2016, respectively. In recent years, the Philippines experienced a steep increase in borrowing during the Duterte administration, with the debt reaching ₱13.6 trillion in 2022. This surge was driven by increased borrowings for infrastructure projects and supposed COVID-related expenditures.

The country's outstanding debt has climbed to ₱15.18 trillion as of end-February 2024, bringing the debt per capita to ₱127,394.70 with the estimated population of 114 million. Of the total sovereign debt stock, 69.68% were sourced locally while 30.32% were from foreign borrowings. Of this amount, the current administration of Marcos Jr. made ₱2.02 trillion gross borrowings since it assumed office in July 2022.

The debt-to-GDP ratio is at 61% as of 2023 and is the highest in almost 20 years when the debt-to-GDP ratio stood at 64.7% to 71.6% in 2002 to 2005 (BTr, 2024). As mentioned, debt particularly increased with the onset of the COVID-19 pandemic when the debt-to-GDP ratio of the Philippines increased to 54.6% in 2020 from 39.6% in 2019 after the government borrowed more funds, purportedly to finance pandemic response efforts. However, it must be noted that despite the urgency of the health crisis, a substantial portion of the government's expenditures continued to be allocated towards infrastructure projects and debt repayments rather than COVID-19 relief measures. For instance, out of the ₱5.3 trillion gross borrowings between 2020 and 2021, only ₱570 billion (10.15%) was reported to have been disbursed for COVID-19 response efforts by September 2021 (IBON, 2022).

In the case of the Philippines, it is not only debt repayments that burdens the country's development. The conditionalities imposed on these loan facilities, particularly the structural adjustment programs in the 1980s to 1990s, have shaped the economic policies that the Philippine government still follows to date. The programs are characterized by lowering protective tariffs, liberalizing imports and prioritizing exports, austerity measures, reliance on the private sector, deregulation and market reforms, financial sector development, and debt servicing. Some of these laws and programs implemented in the last four decades can be found in Appendix 1.

To date, the Philippine government is still incurring loans, while remaining backward agrarian and without national industries, and in semi-colonial and semi-feudal status. Some of the recent program loans either proposed or availed by the Philippine government from 2022 to 2024 include from the Asian Development Bank (US$6.6 billion); World Bank (US$5.5 billion); Asian Infrastructure Investment Bank (US$2.45 billion); Agence Française de Développement (US$435 million); Japan International Cooperation Agency (US$604 million); and Export-Import Bank of Korea, Economic Development Cooperation Fund (US$100 million)—mostly for infrastructure, communications, roads, and transport. As of July 2019, the approved infrastructure loans and grants from all sources indicate that loans sourced from Japan as well as from ADB accounted for more than three-fourths, while the Chinese loans amounted to 19% (Tabbada and Pacho, 2021).

The debt crisis resulted in the underdevelopment of the Philippine economy characterized by backward agriculture and declining industry, largely shaped by neoliberal dictates and conditionalities. As a direct result, the debt crisis perpetuated economic insecurity that disproportionately impacted women from marginalized sectors. Austerity measures have resulted in cutbacks in social services and welfare programs, further burdening women with the responsibility of unpaid care work and limiting their access to essential services.

## II. Key Findings of the Research

### A. Review of policy conditionalities attached to loans and debt

Over the last four decades, the Philippine government has enacted several policy reforms in response to the conditions and prior actions tied to loans incurred by the government such as lowering protective tariffs, liberalizing imports and prioritizing exports, fiscal reforms and austerity, privatization, deregulation and market reforms, financial sector development, and debt service. This section delves into these policies and programs, examining their impact on key sectors such as agriculture, industry, health, utilities, and fiscal policies.

#### 1. Economic liberalization

Economic liberalization is a major conditionality attached to debt and loan agreements, mandated by international financial institutions and creditors. This policy framework entails the deregulation, privatization, and opening of domestic markets to foreign investment and competition. In the Philippines, as a condition for receiving favorable loan terms, it was required to implement structural adjustments aimed at fostering free-market principles and reducing state intervention in the economy.

A key objective of structural adjustment programs pushed by the IMF and World Bank is the promotion of economic and trade liberalization. In the 1980s, the Philippines implemented trade liberalization programs that aimed to increase economic efficiency and competition. The program abolished many import license requirements and reduced tariff rates to encourage foreign investment and trade.

**Free trade agreements.** In 1981, the Philippines implemented a trade liberalization program that aimed to increase economic efficiency and competition. The program abolished many import license requirements and reduced tariff rates to encourage foreign investment and trade. However, the effects of the program had significant consequences, particularly on the agriculture sector. The trade liberalization program that started in the early 1980s and the subsequent economic liberalization policies that ensued like the GATT-WTO (1995) and others (see Table 1) have resulted in a substantial increase in the import of goods from other countries, which had a negative impact on many industries. In particular, farmers faced increased competition from imported goods and struggled to compete in the market. This was due to several factors, including the high cost of domestic production, lack of access to services and technology, and limited government support.

| Table 1: Major Trade and Investment Policies | | |
|---|---|---|
| **Timeline** | **Policy Regime** | **Policy Description** |
| 1950s-1970s | Import Substitution Phase<br>Restrictive Investment policy | • Protectionist measures such as high tariffs, import quotas and other non-tariff barriers<br>• Restricted foreign ownership to 40% in non-pioneer industries; 100% eligibility for foreign investment subject to Board of Investment's approval<br>• Complicated investment system |
| 1980s-1990s | Unilateral trade liberalization period | • Trade Reform Program (TRP); reduced tariff ranges from 70-100% to 0-50%<br>• TRP II: reduced tariff range to 3-30%<br>• TRP III: further tariff changes towards a 5% uniform tariff |
| | Investment Liberalization<br>Multilateral/Regional Trade Liberalization | • 1987 Omnibus Investment Code (Board of Investments)<br>• 1991 Foreign Investment Act<br>• 1992: Subic Bay Development Authority<br>• 1993: Clark Development Corporation<br>• 1993: AFTA-CEPT<br>• 1995: Creation of Philippine Economic Zone Authority<br>• 1995: GATT-WTO |
| 2000s | Trade facilitation | • Since mid-1990s: Customs Reforms<br>• 2004: China-ASEAN<br>• 2006: Korea-ASEAN<br>• 2006: Japan-Philippines Economic Partnership Agreement<br>• 2007: Australia, New Zealand-ASEAN, India-ASEAN<br>• 2007: ASEAN +3, ASEAN +6 talks<br>• 2008: Japan-ASEAN<br>• 2009: Revised Kyoto Convention<br>• 2010: National single window |
| 2010s | Free trade agreements<br>Import Liberalization (Rice) | • 2017: ASEAN Harmonized Tariff Nomenclature<br>• 2018: Philippines-European Free Trade Association (EFTA)<br>• 2019: Hongkong, China-Association of |

| | | |
|---|---|---|
| | | Southeast Asian Nations (ASEAN)<br>• 2019: Rice Liberalization Law |
| 2020s | Tax Incentives | • 2021: CREATE Law. The CREATE law lowers corporate income tax rate from 30% to 25%; 20% for corporations with a net income not exceeding ₱5 million and its total assets not exceeding ₱100 million. The tax rate for non-resident corporations shall be 25%. |
| | Policy amendments further liberalizing trade | • 2022: Amendment to Foreign Investment Act — allowing first-time foreign investors to fully own domestic enterprises in the Philippines,<br>• 2022: Retail Trade Liberalization Act — reducing the minimum paid-up capital requirements for foreign retail enterprises and the Public Services Act whereby foreign investors can now own 100 percent of public services projects in the country<br>o Under the current administration of President Ferdinand Marcos Jr, the Philippines has allowed full foreign ownership of renewable energy projects.<br>• 2023: Regional Comprehensive Economic Partnership - Philippines |
| Source: various sources, compiled by CWR, 2024 | | |

Under the ASEAN Free Trade Area (AFTA) agreement, the Philippines removed tariffs on about 99% of all commodities from ASEAN trading partners. The Philippines kept its zero tariff rates, or current MFN (most-favored-nations) rates, for 98.1% of all imports from its trading partners in China, Japan, South Korea, New Zealand, Australia, and the ASEAN under the terms of the Regional Comprehensive Economic Partnership (RCEP) accord.

**Foreign Investments Act.** Economic liberalization also led to the enactment of the Foreign Investment Act (Republic Act No. 7042) in 1991 which provided for liberalization of investment in several sectors, allowing foreign investors to participate in areas that were previously restricted or limited to Filipino citizens or entities. The Foreign Investment Act ensured that foreign investors enjoy the same rights, privileges, and protections as domestic investors. It prohibits discrimination against foreign investors and guarantees the repatriation of investments and earnings, subject to certain regulations. It also established investment promotion agencies such as the

Philippine Economic Zone Authority (PEZA) and the Board of Investments (BOI), which are tasked with promoting and facilitating foreign investments in the Philippines. Through the PEZA, foreign direct investments (FDIs) are encouraged by offering investment and fiscal incentives. Companies in special economic zones enjoy income tax holiday, tax- and duty-free importation of raw materials, capital equipment, machineries and spare parts, exemption from payment of all local government imposts, fees, licenses or taxes, among others.

**Continuing maldevelopment and losses due to trade mispricing and illicit financial flows.** Aside from losing revenue from incentives given to corporations, governments are at the losing end of tax abuse and illicit financial flows due to transfer pricing and trade misinvoicing. According to the Tax Justice Network, the Philippines is losing US$ 4.15 billion in tax revenues due to tax abuse. Of this amount, US$ 4 billion is lost to global tax abuse committed by multinational corporations (TJN, 2021). Revenues lost to tax abuse means fewer domestic resources mobilized to fund public services such as health, education, housing, community development, disaster risk-reduction and response, and in addressing the needs of vulnerable sectors.

Another study released by Global Financial Integrity in 2011 showed that the Philippine economy lost US$ 132.9 billion in illicit financial outflows from crime, corruption, and tax evasion over a 52-year period from 1960 to 2009. The study also found that illicit outflows have grown over time—averaging just 2 percent of GDP in the 1970s and 1980s, and jumped to 5 percent of GDP in the first decade of 2000s (GFI, 2011)

**Investor-state dispute settlement cases.** International trade deals often come with mechanisms to settle disputes between the investors, and the host countries called investor state dispute settlement (ISDS). From 2002 to 2016, the Philippine government has been slapped with five ISDS cases. Two more cases in 2019 (Chevron v. Philippines) and 2020 (Metroplex v. Philippines) were filed against the Philippines but were discontinued.

One example is the case filed by Baggerwerken Decloedt En Zoon (BDZ) when the Philippine government scrapped the ₱18.7 billion (US$ 371 million) Laguna Lake Rehabilitation Project (LLRP) in 2011. The LLRP is said to be one of the questionable deals that former President Arroyo signed. The decision favored BDZ, and the International Center for the Settlement of Investment Disputes ordered the Philippine government to pay ₱800 million (US$ 15.9 million) in fines plus interest for the supposed losses incurred by the firm for the cancellation of the project.

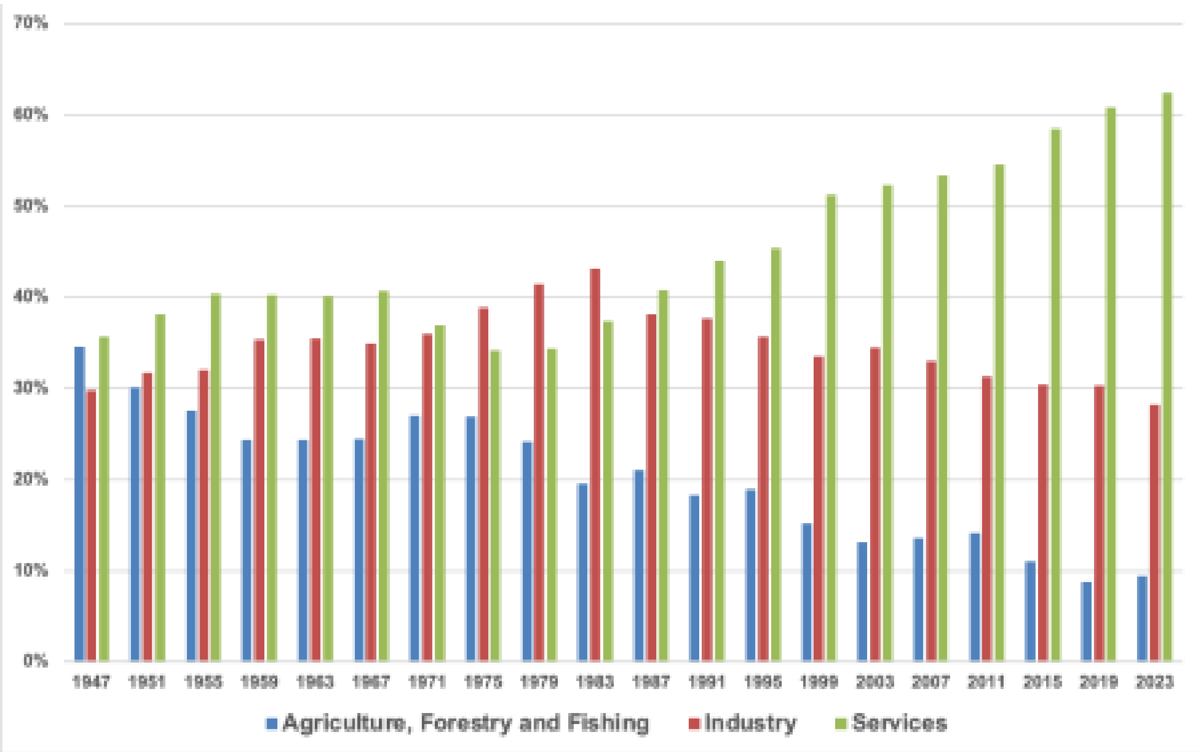
Another pending case against the Philippine government was filed by Dutch Shell Philippines Exploration B.V. (SPEX). The SPEX claimed that the imposition of ₱53.14 billion (US$ 1.05 billion) income taxes on the Malampaya consortium was unlawful. The ISDS case is being used by SPEX to challenge the decision of the Commission on Audit to stop the Philippine government from collecting taxes from the consortium.

The initiation of ISDS cases is motivated by the interests of investors and corporations, making it a potential threat to host nations. A multinational corporation from a rich country typically holds a significant advantage in dispute resolution compared to a developing country like the Philippines, which is heavily indebted and reliant on imports.

Moreover, a huge amount of taxpayer's money is being spent on tribunal and legal fees which could have been used to provide for the much-needed basic social services for the people. For example, in the cases of Fraport v. Philippines I and II (2003 and 2011), although the tribunal had ruled twice against the investor's demands, the Philippines government spent at least US$ 58 million on legal expenses alone.

**Impacts to the agricultural sector.** In the 1940s, the agriculture sector contributed 35% to the gross domestic product (GDP), the industry sector at 30%, and services at 36%. However, over more than 75 years, this has dramatically shifted. In 1975, the share of agriculture decreased to 27% and by 2023, it has dwindled significantly to a mere 9%. The industry sector has stagnated and even dipped to 28%, which implies a lack of substantial growth and even a contraction. In stark contrast, the services sector has surged, with a substantial 62% share of the GDP by 2023 (Figure 1).

**Graph 1. Annual Gross Domestic Product Series (1947 to 2023)**




The most recent agricultural liberalization policy implemented was the Rice Liberalization Law signed by President Duterte in 2019 supposedly to lower the prices of commercial rice. Through its enactment, private entities were given a larger role in providing, purchasing, including importation and distribution of rice in public and private markets. Five years after its implementation, the Philippines is the top rice importer in the world, according to the US Department of Agriculture Economic Research Service's Rice Outlook report (Childs et al., 2024). Yet, the prices of commercial rice are still so high that even farmers cannot afford to buy it.

In 2020, the Department of Agrarian Reform (DAR) also launched a project called 'Support to Parcelization of Lands for Individual Titling' (SPLIT), from a US$ 370 million loan agreement with the World Bank Group (WBG). The project aims to divide collectively owned land titles into individual ones, purportedly to enhance land tenure security and establish stable property rights. However, it is yet another market-driven agrarian reform program, ultimately consolidating land ownership among powerful economic elites, contrary to its stated objectives (KMP, 2023). The program will also pave the way for massive land use conversion and accumulation of agricultural lands by foreign corporations and big landlords.

**Deregulation in labor policies.** Neoliberal reforms in economic liberalization prioritized labor market flexibility to attract foreign investments, often at the expense of labor rights and protections. Contractualization and various forms of labor flexibilization, such as temporary employment arrangements and outsourcing, are pertinent examples of this trend in the Philippines. These policies have disproportionately affected women, who constitute a significant portion of the workforce in low-wage and informal sectors.

Contractualization, a form of labor flexibilization, can be traced back to 1974 through Presidential Decree 442, signed by former dictator Ferdinand Marcos, Sr. At the time, the government enacted the Philippine Labor Code, giving businesses greater hiring flexibility. The initial objective of contractual employment was to tackle the problem of seasonality in industries, including agriculture, where labor was needed only for specific seasons of the year. However, the practice quickly became common, with businesses employing it to cut labor expenses while avoiding giving benefits and security to their employees.

It flourished during the Aquino administration by way of the Herrera Law (RA 6715) in 1989, which laid the groundwork for labor flexibilization and contractual work arrangements that threatened worker's security of tenure and cheapened their wages. The workers movement protested and opposed these measures, a neoliberal attack on labor, worsening the already dire situation of workers by allowing for lower wages in the regions, leading to a race to the bottom in terms of wages and standard of living. Despite the promises made by subsequent administrations, labor flexibilization continued to be a pervasive issue in the Philippines (see Table 2).

**Table 2. History of Labor Contractualization in the Philippines**

| Timeline | Administration | Policies |
|---|---|---|
| 1974 | Ferdinand Marcos, Sr. | Presidential Decree 442, Philippine Labor Code - Articles 5 and 106 to 109 of the Book on Conditions of Employment Labor Code gave the DOLE Secretary the power to issue regulations and guidelines as to how companies can carry out labor contracting. |

| | | |
|---|---|---|
| 1976 | | Policy Instructions No. 20-76 – contractualization was institutionalized in the construction industry which provided the definition and rights of project and non-project construction employees allegedly to stabilize employment relations in the industry. |
| 1989 | Corazon Aquino | Herrera Law RA 6715 legalized the practice of contractualization. Under Articles 106-109 of the Herrera Law, the Labor Secretary is given the power to issue orders that will promote hiring of contractuals and other non-regular workers. The law also infringes on workers' right to strike and peaceful assembly. The Law's Article 263 also authorizes the Labor Secretary to issue an Assumption of Jurisdiction (AJ) order that will serve as the basis for the swift deployment of police and military forces in companies with labor disputes. |
| 1993 | Fidel V. Ramos | In 1993, former Labor Secretary Nieves Confesor issued DO 19, which provided the guidelines governing the employment of workers in the construction industry. DO 19 affirmed the legality of contracting and subcontracting in the construction industry by providing the conditions of employment and the liabilities of employers and contracted workers. |
| 1997 | Fidel V. Ramos | DO 10 – Contractualization was institutionalized across all economic sectors in 1997, which amended the rules implementing Books III and VI of the Labor Code. The amendment prohibited labor-only contracting but affirmed the practice of 'permissible' contracting and other flexible employment arrangements and recognized the legitimacy of trilateral employment relations 'for the purpose of increasing efficiency and streamlining operations is essential for every business to grow in an atmosphere of free competition. |

| | | |
|---|---|---|
| 2002 | Gloria Macapag-al Arroyo | DO 18-02 – After the issuance of this order, contractual work arrangements have become rampant across all economic sectors in the country. The debilitating impact of the proliferation of contractualization was immediately felt and consequently stirred massive protests throughout the country. The strong clamor to repeal contractualization compelled the Arroyo administration to temporarily revoke DO 10 through the issuance of DO 3 by former Labor Secretary Patricia Sto. Tomas in 2001. After one year, however, the anti-labor and market-biased order was essentially restored through the issuance of DO 18-02 by the same Labor Secretary. |
| 2011 | Benigno Aquino, III | Issuance of DO 18-A. – Included is the imposition of a minimum capitalization requirement of at least ₱3,000,000. The guiding principle of DO 18-A was stated in Section 1 which expressly allowed contracting and subcontracting arrangements. |
| 2017 | Rodrigo R. Duterte | DO 174, amending the guidelines on contractualization, was signed on March 16, 2017, by Labor Secretary Silvestre Bello III. |
| Source: IBON Foundation (2018) | | |

Government data shows a conservative estimation of the number of non-regular workers at 990,443 and agency hired workers at 590,779 in establishments with 20 or more workers (PSA, 2024). These numbers only scratch the surface of the widespread issues of precarious work arrangements in the country. Many non-regular workers, "*pakyawan*", "*arawan*", casual, tempo, probationary, on-call and many other terms used to describe flexible or contractual work, are denied benefits such as paid sick leave, vacation days, health insurance, social security, leaving them vulnerable in times of need.

According to the IBON Foundation, the continued implementation of contractualization in businesses is central to the government's adherence to neoliberalism (IBON Foundation, 2018). The government's support of contractualization ultimately prioritizes the interests of corporations over the well-being of the labor force.

## 2. Austerity measures in public services

Neoliberal conditionalities of loans to the Philippines has entailed austerity measures that resulted in cuts to public social spending, including healthcare, education, and social welfare programs, coupled with policies of privatization.

**Water privatization.** In 1997, the International Finance Corporation (IFC) of the World Bank signed an agreement with the Government of the Philippines to act as lead advisor on the proposed privatization of the Metropolitan Waterworks and Sewerage System (MWSS), the Government-owned water supply, treatment and distribution utility. The concession was given to two private water companies, Manila Water and Maynilad, with the concession agreement indicating that the water concessionaires may recover, by way of tariff, operating, capital maintenance, and investment expenditures as well as business taxes, among others. As a result, water rates shot up. This model of water privatization was replicated across the country, with private water concessionaires targeting local water districts.

Almost 27 years after the privatization, it continues to fall short of the promised outputs stipulated in the initial contract. To this day, service coverage remains minimal. Consumers still decry poor water and sanitation services and the continued increase of water rates.

In the initial agreement, the two concessionaires promised 1) 100% water coverage within ten years, 2) no increase in water rates for the first ten years, 3) 24 hours per day of uninterrupted water service to all connected consumers within 3 years, 4) investment in infrastructure development, 5) expansion of service areas, and 6) abolition of corruption within the MWSS. However, in a review of the water privatization in the Philippines by Encarnacion-Tadem (2020), major shortcomings by the companies and the MWSS Regulatory Board (MWSS-RO) were identified.

In 1999, just less than two years in operation, the companies completely undermined the initial contract by requesting an Extraordinary Price Adjustment which immediately passed on the foreign exchange losses to the consumers (Corporate Accountability, 2004). As a result, an increase of ₱0.84/cu.m. for Maynilad and ₱0.29/cu.m. for Manila Water was implemented on January 1 (CWR, 1999).

In fact, water rates have risen by 859% for Maynilad and 1,722% for Manila Water since 1997. From the ₱4.96/cu.m. and ₱2.32/cu.m. rates by Maynilad and Manila Water, respectively, current rates as of January 2024 are at ₱47.57/cu.m. for Maynilad and ₱42.26/cu.m for Manila Water due to the recent five-year rate rebasing approved by MWSS from 2023 to 2027 (Rivera, 2023).

Furthermore, while household service connections significantly increased from 825,000 in 1997 to 2.39 million in 2018, only 94% of Metro Manila residents have water coverage (Torio et al., 2021), or 6% below the original target of 100% water coverage by 2007. For those who already have connections, poor water quality, shortages, and service interruptions, which frequently occur without prior notice, continue to be a major inconvenience.

In March 2019, the East Zone of Metro Manila suddenly experienced water shortage as the La Mesa Dam reached below its critical level due to infrastructure delays and the impacts of El Niño (Choo, 2019). With four to 20 hours per day of no water supply, the shortage left roughly 6.8 million Manila Water consumers lined up in front of tanker trucks and pumps waiting for their buckets to be filled up.

In 2022, Maynilad was fined by the MWSS for its failure to deliver its commitment of an uninterrupted 24-hour water supply for their consumers within the Putatan Water Treatment Plant (PWTP) Supply Zone (Cabuenas, 2022). The same concessionaire was also probed by MWSS for its yellowish water in November 2023 (Cordero, 2023).

A 2023 survey by Social Weather Station (SWS) also revealed that only 17 million of the 25 million households (67%) in the country have access to running water (Mateo, 2023). With the looming water crisis this year due to the ongoing El Niño, many consumers and farmers are at risk of damaging their crops and losing livelihood such as the case in region 3 where the interview with the farmers were held.

**Infrastructure underspending.** Contrary to the promise of a more efficient water service delivery, it was found that these private companies have been underspending on infrastructure (Encarnacion-Tadem, 2020). As discovered in 2002, leaks had been an everyday occurrence due to the damaged Angat-La Mesa aqueduct, but Maynilad did not allocate funds for its repair despite receiving an order from MWSS and having mechanisms in place to automatically recover the costs of repairing the damaged aqueduct. As a matter of fact, according to the IBON Foundation (2003, as cited in Encarnacion-Tadem, 2020), only less than 50% of the promised ₱6.8 billion infrastructure upgrades investment was spent by Maynilad from 1997 to 2001.

**Reforms and corporatization in the health sector.** As part of fulfilling the conditionalities under structural adjustment programs, the Department of Health formulated the Plan for People's Health (1987-1992), the National Health Plan (1995-2020) and the Health Sector Reform Agenda (1999-2004). In 2004, the Philippine government requested the Asian Development Bank (ADB) for assistance to support the implementation of the HSRA. The ADB approved two loans totaling US$ 213 million for a health sector development program and investment project loan in support of the HSRA.

Part of a major reform in health financing has been directed at the expansion of the National Health Insurance Program (NHIP) to achieve universal coverage. NHIP was first implemented in 1995 through the enactment of RA 7875 or the National Health Insurance Act of 1995. As a social health insurance scheme, it mainly receives its funding from the premium contributions of its direct and indirect contributors and from the national government through the provision of a yearly subsidy. The Philippine Health Insurance Corporation (PhilHealth) was also created to act as the key implementer of NHIP.

Since then, the National Health Insurance Program (NHIP) has been the main healthcare program of the government. Under the Aquino administration in 2013, the

NHIP was expanded with the passage of RA 10606 or Universal Health Act. The legislation extended health insurance coverage to the poorest population, funded in part by revenues from sin taxes. The Universal Health Care (UHC) Act of 2019 further broadened the reach of the NHIP. Under this act, all Filipinos are automatically enrolled in PhilHealth. With PhilHealth, the government is now a mere purchaser of health services rather than a direct provider.

However, the health sector remains underfunded, and health services remain inaccessible. Only ₱310 billion or 5.38% of the total budget of ₱5.768 trillion was allocated for the health sector in 2024. This is lower compared to the ₱316 billion budget for the sector in 2023. Within this budget, a significant amount is still allocated to PhilHealth. In 2024, the government allocated ₱61.51 billion, about 20% of the health budget. However, PhilHealth's share of total health expenditure was just 13.6% in 2022, while households spent 44.7%, or P501.79 million (see Table 3).

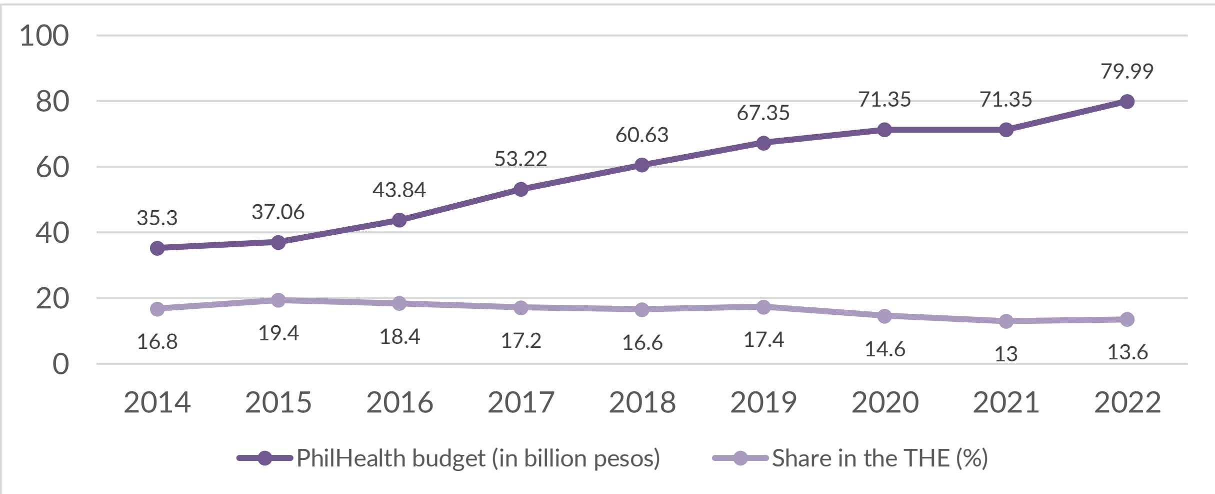
**Table 3. Current Health Expenditure by Financing Agent (2022)**

| Financing Agent | Amount | Share |
|---|---|---|
| Households | ₱501.79 million | 44.7% |
| Central and local government | ₱343.45 million | 30.6% |
| Social Health Insurance Agency (PhilHealth, GSIS, SSS) | ₱152.79 million | 13.6% |
| Corporations | ₱124.25 million | 11.1% |

Source: PSA, Philippine National Health Accounts

In fact, medical expenses remain largely shouldered by the people. Despite PhilHealth's steadily increasing budget since 2011, there is a declining trend in PhilHealth's share in the total health expenditure since 2014 (see Graph 2).

**Graph 2. PhilHealth's Share in the Total Health Expenditure (2014-2022)**



Furthermore, despite lockdown restrictions caused by the COVID-19 pandemic, PhilHealth's premium contributions collection reached a record-breaking ₱296.9 billion in 2022, a 26.6% increase from the ₱171.1 billion contributions collected in 2021 (IBON Foundation, 2024). With a government subsidy of ₱79.99 billion in 2022, it's unclear where the people's money is utilized.

Aside from that, the NHIP is also not utilized by the poor despite their supposed prioritization. According to IBON Foundation (2024), they do not benefit from PhilHealth's programs and policies, such as the No Balance Billing Policy, because of the lack of government facilities in the poorest regions. Case in point, as of 2021, only 18 government hospitals are in the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM) which has the highest poverty incidence, in comparison to the 48 government hospitals in the National Capital Region (NCR) (IBON Foundation, 2024).

On the other hand, the private sector rakes in profits from PhilHealth. In 2023, ₱68.7 billion (56%) of claims payments were made to private hospitals and facilities compared to the ₱53.6 (44%) billion claims payments paid to public hospitals and facilities (Center for Women's Resources, 2024).

### 3. Tax reforms and fiscal consolidation

Since the first loan facility incurred by the Philippine government in the 1960s, the government has implemented tax reforms and fiscal consolidation to reduce fiscal deficit and stabilize debt levels relative to GDP. Fiscal consolidation has been pursued to address rising debt levels and ensure fiscal sustainability.

Over the years, each administration has implemented fiscal consolidation measures to improve revenue collection, rationalize government expenditures, enhance debt management, and strengthen fiscal discipline to put the country's public finances on a sustainable path and promote inclusive economic growth (see Table 5). Tax revenue is deemed as crucial in reducing the probability of persistent budget deficits.

| **Table 4. Tax Reform and Fiscal Consolidation Programs in the Philippines** | |
|---|---|
| Marcos, Sr. | • Imposed new taxes; adjusted tax rates, and rationalized tax exemptions and incentives to generate additional revenues and reduce the budget deficit; expanded the tax base, and updated tax administration and collection procedures |
| Aquino | • 1986 Tax Reform Program |
| Ramos | • Implemented the Fiscal Incentives Rationalization program as part of the broader economic and structural reforms implemented to "modernize" the Philippine economy, attract investments, improve the business environment |

| | |
|---|---|
| Estrada | • Economic Recovery Assistance Payment (ERAP) Program, which granted immunity from audit and investigation to taxpayers who have paid 20% more than the tax paid in 1997 for income tax, VAT and/or percentage taxes |
| Arroyo | • Enacted the Expanded Value Added Tax (EVAT) Law (Republic Act No. 9337), which expanded the VAT base and increased the VAT rate from 10% to 12% |
| Aquino Jr. | • Enacted the Sin Tax Reform Law which overhauled the excise tax system on alcohol and tobacco products; imposed higher excise taxes on these products, aiming to reduce consumption, promote public health, and increase government revenues |
| Duterte | • Tax Reform for Acceleration and Inclusion Law (2017); Tax Amnesty Act (2019); Corporate Recovery and Tax Incentives for Enterprises (2021) |
| Marcos Jr. | • Ease of Paying Taxes Act (2024); proposed taxes on digital transactions, single-use plastics, and taxes on junk food and sweets |

In the Philippines, a particular source of revenue for the government is the value added tax imposed on a broad base of commodities and services. At present, a 12% VAT is imposed which is the highest rate in Southeast Asia.

Commodity taxes, such as VAT, disproportionately affect low-income individuals because they spend a larger portion of their income on basic consumption. This disparity is particularly pronounced for women, who tend to allocate more of their spending towards goods and services that benefit family health, education, and nutrition.

Given that women are more likely to work in low-paying jobs or informal sectors, they bear a disproportionate burden of regressive taxes. For instance, sales taxes or VAT take up a larger percentage of income from those with lower incomes, exacerbating financial inequalities.

**Regressive taxation.** As prior action to the proposed US$ 450 million loan of the World Bank-International Bank for Reconstruction and Development (IBRD) to the Philippines, the government has approved a tax reform law that implemented the imposition of excise taxes on petroleum products, alongside expanding value added taxes.

Before the implementation of the TRAIN Law in, diesel was priced at ₱36.35 and kerosene at ₱41.09 in December 2017. After six years, the price per liter of diesel has reached ₱57.32 and kerosene at ₱77.17 in December 2023. This is equivalent to a 35% to 58% increase, compared to the 25% increase in minimum wage from 2017 to 2023.

The increase in excise taxes on fuel led to higher transportation costs, which affected the prices of goods and services across various sectors of the economy. The higher transportation costs resulted in increased prices of basic commodities, food products, and other goods, as transportation is a significant component of the production and distribution process.

The TRAIN Law also imposed higher excise taxes on sugary drinks, such as sodas, fruit drinks, and sweetened beverages. The increase in excise taxes on sugary drinks led to higher prices for these products, affecting consumers' purchasing power and access to affordable beverages. This form of regressive taxation increased the burden directed towards women in low-income households, who bear the costs of increased living expenses.

**Additional taxes for the people, less taxes for the rich.** In March 2021, amid the COVID pandemic, Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act was signed. This was originally referred to as the Corporate Income Tax and Incentives Rationalisation Act but, with the onset of the pandemic, it was subsequently transformed into a stimulus and economic recovery package which brings down the corporate income tax from 30% to 20% for domestic corporations with total assets of not more than ₱100 million excluding land and with a net taxable income of not more than ₱5 million. The corporate income tax for all other corporations will be lowered from 30% to 25%.

However, even before the CREATE law was passed, the government has been losing significant revenue due to fiscal incentives granted to favored businesses. In 2019 alone, these incentives resulted in a loss of ₱481.7 billion in government revenue. This includes ₱68.4 billion (14.2%) from income tax holidays (ITH), ₱66.41 billion (13.8%) from special income tax rates for investment promotions agency (IPA)-registered enterprises, and ₱14.47 billion (3%) from income tax incentives for cooperatives. The majority of these incentives, totaling ₱283.45 billion (58.8%), came from value-added tax (VAT) exemptions, while customs duty exemptions accounted for ₱47.59 billion (9.88%), and cooperatives' percentage tax incentives amounted to ₱1.38 billion (0.29%) (FIRB, 2021).

The Development Budget Coordination Committee (DBCC) reported that income losses due to the passage of the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act may reach ₱478.5 billion until 2024. Forgone revenue of the government may reach ₱138.2 billion this year, ₱118.8 billion in 2022, ₱115 billion in 2023 and ₱106.5 billion in 2024 (Rosales, 2021).

**VAT on digital transactions.** The Department of Finance (DOF) also proposes taxing digital transactions to generate close to ₱100 billion in revenues to boost state coffers and even the playing field. This covers VAT on digital media, such as digital music, video games and video-on-demand. It likewise covers digital advertising, including audio, banner, classifieds, influencer, search and videos. Taxing digital transactions will lead to higher prices for goods and services, especially if businesses pass on the additional tax burden to consumers. For the poor, who often have limited disposable income, any increase in the cost of living can strain budgets and reduce their purchasing power.

**VAT on single use plastics.** There is also a push for an excise tax on single-use plastic bags (SUPs) purportedly to combat climate change and generate revenue. The proposed tax rate is ₱100 per kilogram of SUP bags. The tax rate is expected to increase the prices of non-recyclable SUP bags like "ice," *"labo,"* or *"sando"* bags. The estimated revenue from this tax, amounting to ₱31.52 billion from 2025 to 2028, will be allocated to the Department of Environment and Natural Resources (DENR) supposedly for solid waste management programs at the municipal level (DOF, 2024). Taxing single-use plastics in the Philippines can have unintended consequences that disproportionately affect low-income individuals and communities as many single-use plastic items, such as sachets and thin plastic bags, are commonly used by low-income individuals because they are cheap and readily available. Small retailers like in *sari-sari* stores also depend on the use and sale of single-use plastics for their livelihoods. Alternatives to single use plastics, such as reusable containers and bags, can be more expensive upfront and for low-income households already struggling to make ends meet, these higher costs will pose a significant burden.

**Taxes on junk foods and sweets.** In June 2023, the Department of Finance (DOF) announced that it will collaborate with the Department of Health (DOH) in introducing a tax on junk food as a proactive approach to address issues like diabetes, obesity, and other non-communicable diseases associated with poor dietary habits. The proposed tax program will implement a ₱10 per 100 grams or ₱10 per 100 milliliters tax on pre-packaged foods devoid of nutritional value, such as confectioneries, snacks, desserts, and frozen treats, that surpass the DOH set limits for fat, salt, and sugar content.

However, different groups such as Kadamay, an alliance of urban poor organizations, raise concern that implementing a tax on junk food would unfairly burden the poor, who often rely on the cheapest available food options (CWR, 2023). They noted that many individuals within lower-income communities consume snacks and instant meals due to their affordability, and such a tax would primarily impact those with limited financial means, as they have little choice but to purchase these types of food items. Some examples of potentially affected “junk food" include instant noodles, instant coffee, and flavored chips.

**Automatic debt servicing.** A law on automatic debt servicing was enacted in 1977 during Martial Law, which was a legacy of the late dictator Ferdinand Marcos Sr. It mandates authorizations programmed annually to automatically appropriate funds for interest and principal payments of the debts of the national government. Thus, by virtue of Presidential Decree 1177, debt payments do not need approval from Congress, meaning, it doesn’t go through scrutiny during budget deliberation.

Historically, the prioritization of debt servicing has constrained the government's capacity to invest in vital sectors like health, education, and infrastructure. This limitation impedes long term economic growth and development while also presenting challenges in delivering essential services, particularly to marginalized communities.
For instance, from 2022 to 2024, while still reeling from the impacts of COVID-19, huge sums of public funds have automatically been allocated to debt servicing. The share of interest payments in total public expenditure was steadily increasing from

10.41% in 2022 to 11.70% in 2024. In 2024, its allocation was higher compared to the budget allocated for health (9.02%), social security, welfare, and employment (5.21%), housing and community development (0.42%), agriculture (4.06%), water resources development (2.25%), and power and energy (1.87%) (see Table 6).

**Table 5. Sectoral Distribution of Public Expenditures, 2022-2024 (in thousand pesos)**

| Particulars/ Year | 2022 | 2023 | 2024 |
|---|---|---|---|
| **ECONOMIC SERVICES** | **1,502,463,454** | **1,597,021,241** | **1,678,745,225** |
| Agriculture, Agrarian Reform and Natural Resources | 3.71% | 4.05% | 4.06% |
| Trade and Industry | 0.56% | 0.42% | 0.46% |
| Tourism | 0.20% | 0.27% | 0.28% |
| Power and Energy | 1.89% | 2.27% | 1.87% |
| Water Resources Development and Flood Control | 2.29% | 2.15% | 2.25% |
| Communication, Roads and Other Transport | 19.16% | 17.15% | 16.85% |
| Other Economic Services | 0.74% | 0.75% | 0.73% |
| Subsidy to Local Government Units | 2.16% | 2.24% | 2.43% |
| **SOCIAL SERVICES** | **1,624,796,517** | **1,862,442,535** | **2,088,774,621** |
| Education, Culture and Manpower Development | 15.91% | 16.45% | 16.72% |
| Health | 6.82% | 8.09% | 9.02% |
| Social Security, Welfare and Employment | 5.96% | 4.60% | 5.21% |
| Housing and Community Development | 0.41% | 0.77% | 0.42% |
| Other Social Services | 0.07% | 0.06% | 0.08% |
| Subsidy to Local Government Units | 4.03% | 4.19% | 4.55% |
| **DEFENSE** | **239,369,871** | **201,799,686** | **236,566,008** |
| Domestic Security | 4.89% | 3.70% | 4.08% |
| **GENERAL PUBLIC SERVICES** | **908,346,725** | **1,053,280,710** | **1,088,395,639** |

| | | | |
|---|---|---|---|
| General Administration | 4.48% | 5.38% | 4.05% |
| Public Order and Safety | 6.47% | 6.06% | 6.09% |
| Other General Public Services | 0.17% | 0.15% | 0.24% |
| Subsidy to Local Government Units | 7.44% | 7.73% | 8.38% |
| **INTEREST PAYMENTS** | **10.41%** | **10.82%** | **11.70%** |
| FINANCIAL SERVICES | 2.24% | 2.69% | 0.53% |
| **GRAND TOTAL OF PUBLIC EXPENDITURES** | **4,893,852,762** | **5,450,916,136** | **5,802,340,121** |

### 4. Debt and its neoliberal dictates exacerbating the chronic crisis

Economic liberalization in the Philippines, driven by policies such as deregulation, privatization, and trade liberalization, had significant impacts on agriculture and the labor market. In agriculture, liberalization opened up domestic markets to foreign competition, leading to increased importation of agricultural products and lower prices for local farmers.

Liberalization led to the growth of flexible and informal employment, characterized by low wages, lack of job security, and minimal benefits. While liberalization has attracted foreign investment and created some job opportunities, it has also contributed to the proliferation of precarious work arrangements and the weakening of labor rights.

Austerity measures, which involved cutbacks in public spending and social services, have adversely affected health and water access in the Philippines. Reductions in healthcare funding have limited access to essential services and increased out of pocket spending for many Filipinos. Austerity measures in water access have often led to inadequate infrastructure development and maintenance, particularly in rural and marginalized areas, perpetuating unequal access to clean water and sanitation facilities.

Tax and fiscal reforms in the Philippines have often favored the private sector over public welfare. Tax policies, such as preferential treatment for corporations and high-income businesses, have resulted in reduced government revenue and limited resources for social programs and public infrastructure, while regressive tax policies are being used to generate resources for debt repayments.

Debt and its neoliberal dictates have exacerbated the crisis by binding the Philippines to external financial institutions and imposing conditions that prioritize debt repayment over social spending and economic development. The combination of neoliberal policies and debt dependency has deepened the chronic crisis in the Philippines by reinforcing the dominance of foreign and local capital, weakening domestic economy, and exacerbated structural weaknesses in the economy, including landlessness, poverty, and unequal access to resources.

The decision-making process concerning the enactment of laws, policies, and reforms above has primarily involved legislators and policymakers. Typically, such decisions are confined to these groups, often excluding key stakeholders who will be directly affected by these policies. Women from grassroots communities, who are the ones most impacted by these laws and policies, are not adequately consulted during the decision-making process. This lack of consultation is evident in the fact that many of these women are unaware that certain loans were incurred or that specific laws and policies were enacted as conditions for these loans. On the rare occasions when consultations do take place, they often involve only a select group of "experts" rather than the broader community of women who will be affected.  This selective approach to consultation further marginalizes grassroots women and limits their ability to voice their concerns, needs, and perspectives.

## B. Impacts of the debt and interconnected economic crises on the lives of Filipino women

The impacts of neoliberal conditionalities and dictates associated with sovereign debt on women are profound and multifaceted, perpetuating inequalities and undermining women's rights, development, and well-being. This section outlines the past and continuing impacts of the debt crisis on the lives of women, including on decent work and livelihood; availability of and access to quality essential services like healthcare; household debt; and care responsibilities.

### Community Profile

Five focus group discussions (FGD) were conducted for this study. Two FGDs were held in the urban communities of San Fernando, Pampanga, and Marikina City. Another FGD was held in Rosario, Cavite, with women workers from the *Liga ng Kababaihang Manggagawa sa Cavite Economic Zone* (League of Women Workers in the Cavite Economic Zone). Another FGD was held with peasant women from Hacienda Tinang in Tarlac, and another with women agricultural workers from Sta. Rosa, Nueva Ecija. Data collection was conducted from the 3rd week of January to 3rd week of February 2024. This paper altered the names of the FGD participants.

**Table 6. Community Profile**

| Community | Number of Participants | Age Range |
|---|---|---|
| Urban poor community in Barangay Sto. Nino, San Fernando City, Pampanga | 11 | 26 to 68 |
| Urban poor community in Barangay Agora, Marikina City, Metro Manila | 4 | 52 to 67 |
| Women workers in Rosario, Cavite | 21 | 27 to 53 |

| | | |
|---|---|---|
| Peasant women and agricultural workers from Hacienda Tinang in Concepcion, Tarlac and Sta. Rosa, Nueva Ecija | 13 | 37 to 60 |

**Women workers in Rosario, Cavite**

The *Liga ng Kababaihang Manggagawa sa Cavite Economic Zone* (League of Women Workers in the Cavite Economic Zone) is an organization based in Rosario, Cavite composed of women workers committed to advancing labor rights. They work at various companies inside the Cavite Economic Processing Zone (CEPZ), a 275-hectare (680 acres) land located within Rosario and General Trias, Cavite. This Special Economic Zone was created by virtue of Presidential Proclamation Nos. 1980, 2017 and 1259 dated May 30, 1980, September 19, 1980, and June 22, 1998, respectively, and houses 426 companies (Cavite Government, n.d.).

With an estimated 300 members, women who have been victims of unfair labor practices seek advice from the organization on how to take appropriate action. Beyond the workplace difficulties discussed at meetings, the Liga provides a haven for its members, allowing them to feel a sense of camaraderie despite their exploitative working conditions.

The Center for Women's Resources (CWR) was able to interview 21 members of the Liga. Featured in the discussion are the stories of Levy, Loisa, Tina, Sonia, Jane, Gloria, Maria, Marisa, Nora, Juana, Nimfa, and Grace, who are not only workers, but also wives and mothers responsible for caring for their families and managing their households.

**Peasant women of Hacienda Tinang and agricultural workers of MASIPAG**

The struggle for land rights in Hacienda Tinang is part of a larger issue of persistent landlessness among Filipino farmers. Like many other landless farmers, the farmers and their families of the *Malayang Kilusang Samahan ng Magsasaka sa Tinang* (MAKISAMA Tinang) are among the poorest sectors in the country. Despite being legitimate agrarian reform beneficiaries (ARBs), the local government unit and police forces continue to deny them access to land and resources, specifically 62.4 hectares of the 200-hectare Hacienda Tinang in Concepcion, Tarlac. These farmers have remained steadfast in their fight for land rights, and organized protests, filed legal complaints with government agencies, and sought support from advocacy groups to help them secure their rightful claim to the land they have cultivated for generations.

On the frontlines of their struggle are women who are farmer-beneficiaries, wives and daughters of beneficiaries who are always present in protests, hearings, and dialogues, among others, to ensure that their campaign for land rights does not die down. But they are also a living testament to the prevailing condition of peasant women in the country—unrecognized despite their significant contribution to agricultural production. CWR interviewed and talked with nine women members of the MAKISAMA-Tinang who shared their stories of struggle and hope. These women spoke of their current conditions and the hardships they face in fighting for their rights, including threats from land grabbers and harassment from authorities.

On the other hand, *Magsasaka at Siyentipiko para sa Pag-unlad ng Agrikultura* (MASIPAG) is a non-government organization committed to “supporting local initiatives of resource-poor farmers and their organizations in confronting the threats to food security and sovereignty” (MASIPAG, n.d.). Working as seasonal farmers and volunteers for the organization are Edith, Flora, and Ida, who had to find other sources of income due to their displacement brought about by the advancements in agricultural technology.

**Urban poor women in the communities of Agora, Marikina City and Sto. Nino, San Fernando City**

The Agora community, or what is left of it, is located in Sto. Nino, Marikina City. For several years now, the community has been slowly dwindling in size as more and more families were demolished. Some were relocated to Baras, Rizal more than ten years ago. With the constant threat of eviction and demolition looming over their heads, the remaining residents of the community are living in constant fear and uncertainty. Many worry that they will soon be forced to leave their homes and livelihoods behind, adding to the already growing number of displaced families. The situation has taken a toll on their mental and emotional well-being, as relayed to us by Rose, Celia, Lucia, and Sally who shared their thoughts and feelings about their struggle.

Meanwhile, the urban poor women of Barangay Sto. Nino, located in the first-class city of San Fernando City, Pampanga, faces economic insecurity despite being in a supposedly developed community. Many lack stable jobs and rely on meager allowances as volunteer health workers. Some are retirees with little access to social pension. Although geographically accessible, private facilities like hospitals and schools pose affordability challenges. These women constantly seek alternative means to make ends meet daily.

### 1. Impacts on decent work and livelihood

Unemployment and decent work are some of the impacts of the debt crisis on women, and they are observed among the women workers in the Cavite Economic Processing Zone (CEPZ), the peasant women from Tarlac and Nueva Ecija, and the urban poor women from Pampanga and Marikina. In cases where regular work is available, such as for women workers who also experience intolerable working conditions, their low wages do not suffice for the entire family’s needs. As a cross-cutting issue, this economic insecurity forces women to seek two to three other sources of income to make ends meet.

#### a) Low wages, insecure conditions for women workers

Despite regularly working as garments sewers and tobacco manufacturers at the Cavite Export Processing Zone (CEPZ), the women workers of Rosario, Cavite only receive subsistence wages at ₱479 per day and experience unjust labor practices. The latter was evident during the interview as everyone spoke out against the high production quota enforced by their companies and how they are either not allowed to go to the restroom or have lost time to do so in an attempt to reach these quotas. As a result, some of them have had health complications such as urinary tract infections (UTI).

What's worse is that they also face discrimination and intense pressure from their management. According to Levy, when they do not meet the quota, they are told to go home or go on a "vacation", as they humorously put it. Meanwhile, Loisa shared that there have already been three instances when she was not allowed to work overtime as punishment for her long absence during Christmas break, the only time she could go home to her family in the province, even though she had informed her production manager beforehand. As of the interview, her working hours are not the same as the other sewers. She works from 8 am to 5 pm, while the others go to work at 7 am to 4 pm, causing her stress from being isolated.

Tina also faced unjust labor practices. A well-seasoned unionist, she was treated unfairly and received discriminating looks when the company learned about her background. She and her fellow workers were planning to form a union, but they couldn't because the company was threatened by her influence among the workers. The situation prompted her to resign; a case regarded as constructive dismissal. Soon after her resignation, the workers began their talks to form the union.

Meanwhile, Sonia was on the final day of her 15-day illegal suspension when the interview took place. The company she works for accused her of stealing and reselling the company's fabric, even though it was simply similar to the cloth she purchased in 2019. To take action, she filed a complaint with the Department of Labor and Employment (DOLE). She won the case, and now the company must compensate her for the days she was unable to work.

Majority of these women are the primary breadwinners in their families, while their husbands only work on-call as construction workers, fishermen, or barangay volunteers. Some households have double income that comes from their husband or other family relative's regular job as a migrant worker, factory worker or truck driver. Still, their combined wages are not enough for daily expenses. So, they also pursue two to three other livelihood activities or "sidelines" for extra income. For instance, they resell pants from the local market, provide laundry services, and cook meals for their fellow workers or on the weekends when they have no work. They also engage in subcontracting as garment sewers, which they do for four hours after their regular work at the factory, leaving them exhausted at the end of the day.

Additionally, although prohibited by their companies, Jane and Gloria shared that they sneak in snacks and hygiene products inside the factory and sell these products. Jane added that she goes to work early in the morning to avoid inspection. The small income it generates helps them cover their daily transportation costs.

Single mother Maria also uses Poppo Live, an online platform that allows you to livestream your activities to earn an extra income. The same goes for Marisa, who needs maintenance medicine for her thyroid problem. She also sells recyclable bottles she finds along the streets to junk shops. According to them, they earn ₱700 to ₱1,000 every livestream which they use for their children's allowance.

### b) Peasant women's lack of access to land and productive resources

The lack of access to the land that the women farmers were awarded has led to ongoing poverty, instability, and limited economic opportunities for peasant women of MAKISAMA-Tinang. Their livelihood is tied to the land and denying them access to it is tantamount to depriving them of their basic human rights. Residents in Tinang struggle to provide for their families and improve their quality of life due to their inability to cultivate the land and generate income. Many of the respondents were forced to rely on odd jobs like doing laundry, harvesting and selling of *kangkong* or water spinach, bagging fruit-bearing seedlings, and cleaning houses in nearby towns to make ends meet. Some forage for wild fruits and vegetables in the mountains to sell in order to put food on the table for their families. Some work as seasonal agricultural workers, but work for them has been slow and far in between lately, because of the proliferation of mechanized harvesters and planters which they tagged as "*halimaw*" or "*kurimaw*" or monsters. These machines have made their labor almost obsolete, leaving many without a source of income. The current minimum wage in the province for agricultural workers ranges from ₱422 to ₱470 a day; ₱449 to ₱500 for non-agricultural workers and ₱384 to ₱489 for retail and service establishments. But the respondents lament that this is hardly enough for a family of five with only one family member working.

The same economic conditions are observed with women agricultural workers. They have limited work opportunities and often rely on farming as their main source of income. But without secure land rights, they face additional obstacles in providing for their families. In addition, women are more likely to be affected by lack of land ownership, as traditional customs and laws often favor male land ownership.

Edith, Flora, and Ida are agricultural workers ("*naggagapas*"). In the past, they worked on several neighboring farms during the planting and harvesting seasons. However, with the introduction of mechanized harvesters and planters, which they call "*halimaw*", the dynamics of agricultural work changed significantly. Now, they find it difficult to secure consistent employment as agricultural workers, as many middle-income farmers and landowners prefer to use machines rather than hire manual labor. This shift has only exacerbated their struggles, as they now not only lack secure land rights but also face limited job opportunities in their community.

Flora now works as a part-time sewer for a home-based subcontractor that makes gowns for local shops. She earns ₱200 a day whenever they have work to finish. Her income is often not enough to feed her family, as her husband's work as an agricultural worker is not stable. Her husband works part-time as a driver and helps in drying palay ("*nagbibilad*"). Edith, who lives with her ailing mother, works part time at MASIPAG trial farm, sorting and repacking seeds, scattering seeds during planting season, and organizing the storage during harvest season.

Edith, Flora, and Ida also work at the MASIPAG trial farm whenever they are needed.

They are paid ₱404, the current minimum rate for agricultural workers in Nueva Ecija, for planting, harvesting, and doing other non-agricultural tasks like cooking, cleaning, and doing laundry for the farm. But this is not regular work, and they often have to find other sources of income to make ends meet. The three of them also volunteer as barangay police or *tanod* and earn ₱1000 monthly. Some of them have to do laundry for other households in the community to earn additional money.

#### c) Economic insecurity among urban poor women

In the urban poor community of Sto. Nino in Pampanga, women either face unemployment or engage in volunteer roles at local churches or community health centers. Others pursue small-scale livelihood activities, such as online selling, to support their families. In these households, the primary breadwinners are typically the husbands or children, who often work in casual, contractual, volunteer arrangements or are migrant workers abroad.

The participants from Marikina face the same situation. Despite its proximity to businesses, opportunities are scarce in the community, with many residents relying on informal jobs in the city or in nearby towns. Celia works as a "*manghihilot*" or masseuse, offering her healing services to those in need. Lucia's husband works as a *"mangangalakal,"* looking for trash that could be recycled and sold to junk shops. Sally has been living alone with her two-year old grandson, who was abandoned by his parents. As a 67-year-old, she struggles to find work to provide for their needs because of her age. Her neighbors have been helpful and have been giving food for their sustenance. Rose has been doing odd jobs to provide for her family's needs. She cleans houses, landscapes gardens, does laundry, sells snacks and food, and at the same time serves as the president of their neighborhood association. Celia, Sally, and Rose used to work as home-based sewers (costura) of shoes for a local shoe company. But work for them has been scarce lately. Christie used to have a little *sari-sari* store, but the demolition team dismantled and tore it down, leaving them homeless and with less income.

### 2. Limited access to quality essential services

While most social services are available, austerity measures have a significant impact on women's access to health, education, water, and energy. The women spoke about the exorbitant prices and rates charged by private corporations involved in the privatization of these services, particularly for water. Another prominent issue raised during the discussion was their restricted access to health services, with most public hospitals and facilities lacking medicine and healthcare professionals.

#### a) Women workers

As a first-class municipality, Rosario, Cavite mostly has access to essential public services like healthcare. However, it is limited and privatized. When health facilities in the area were mapped during the discussion, it was discovered that private hospitals and clinics are closer than government hospitals, therefore consultations and laboratory testing are more expensive. There are nearby public health centers, but they do not offer complete basic health services and medicine is almost always not available.

In fact, some workers revealed that health is their least priority when budgeting their income. Although they recognize the importance of health to be able to work and perform their responsibilities at home, they only buy medicine for common illnesses when absolutely necessary, and often rely on herbal medicine, liniments, and even endure sickness. Some have even stopped taking their maintenance medicines and switched to herbal drinks and supplements instead.

As Grace puts it, *"Nabili lang kami ng gamot pag may sakit pero hindi talaga namin 'to sinasama sa budget – sanay na kami sa tiis-tiis, pahid-pahid."* [We only buy medicine when we are sick, but it is usually excluded in our budget. We are used to enduring our illness and applying liniments.]

They also complained about how they do not benefit from PhilHealth's programs despite the regular deduction from their pay slip. And if they availed its programs, it would only take off a small amount. Nora, who suffered from a stroke recently, shared that it was her private health insurance that helped cover her medical bills when she was confined to the nearest private hospital. Additionally, as most of them came from different provinces, there have been instances when public hospitals did not accommodate them even for simple medical procedures because they were not local residents.

When it comes to water services, Maynilad and PrimeWater are the main providers in the workers' households. Most of them complained about expensive water bills ranging from ₱100 to ₱800, with PrimeWater's fixed minimum rate of ₱289 per month. Juana's problems, however, were related to the lack of direct water supply in her home. Her family gets their water supply from their neighbor, and they only pay ₱150 occasionally since her husband negotiates with the owner. This water supply is also not always available, so she wakes up early to fill up their containers, which takes a lot of her time and exacerbates their living situation.

In terms of educational opportunities, Rosario, Cavite, offers public and private education to all students. Most of the workers' children attend public elementary and high schools, so they do not pay tuition fees. However, because there is a systemic problem with the Philippine basic education system and its facilities, parents and teachers contribute funds at the start of the school year to purchase equipment such as electric fans and cabinets. During the interview, the workers decried this practice, saying that it is the government's job to give quality education to its youth.

It is a different conversation when they reach tertiary education. In the area, private educational institutions are closer. The province has a state university, Cavite State University, however, it can only accommodate a limited number of students because of the lack of funding from the government. So, the workers enrolled their children in nearby private colleges and universities with an ₱18,000 tuition fee per year.

### b) Peasant women

When it comes to access to social welfare programs like relief aid or *ayuda*, and even when securing barangay certification especially during the pandemic lockdown, the participants from Hacienda Tinang were discriminated against because of their participation in the "*bungkalan*" and assertion to land rights. *Bungkalan* is a collective farming activity in an effort to address joblessness and hunger in rural areas. Several residents experienced being called *"pulang araw"* (red sun), a term alluding to communist rebels, by the staff and officials of their barangay.

Access to health services in their community is limited to newborns and 4Ps (Pantawid Pamilyang Pilipino Program) beneficiaries or conditional cash transfer (CCT) members. Medical personnel limited to those services are scheduled once a week. Senior citizens and 4Ps members are able to access some free medicine from barangay health centers and regional health units (RHU). This lack of consistent access to healthcare has resulted in many residents neglecting their health needs until they become urgent. Without regular medical check-ups and preventative care, many individuals in the community are at risk of developing serious health conditions that could have been easily prevented. And when they need serious medical attention, they often go to private clinics and hospitals at their own expense. Others self-medicate and rely on advice from neighbors or other sources, which can sometimes do more harm than good, ultimately leading to worsening health outcomes. Many residents are forced to choose between seeking necessary medical treatment and paying for basic necessities. All of the respondents agreed that health is of utmost importance, but when it comes to budget allocation, the majority prioritize immediate needs like food and paying for utilities and other obligations including loans.

Currently, electricity in Tinang is provided by a private company, and residents complain about the high rates and inconsistent service. The residents believe that the increase in their electric rates may be linked to the transformer installation by TARELCO (Tarlac Electric Cooperative), as they noticed a significant spike in their bills soon after. Some of the respondents have deep wells as their water source, while most have water lines provided by the Concepcion Water District, a self-reliant quasi-public entity established under the Provincial Water Utilities Act of 1973. However, through a Supreme Court decision, all water districts in the country have been classified as government-owned-and-controlled entities since March 1992. Their electric bills range from ₱300 to ₱4,000 monthly, while their water bills range from ₱250 to ₱600 monthly.

Meanwhile, in Nueva Ecija, most of the respondents have access to the services of their barangay or community as most of them work as volunteers and some are 4Ps members. However, access to medicine is limited to some diseases like diabetes, hypertension and common illnesses like coughs and colds for children. Medical personnel only come once a week to check on children, senior citizens, and 4Ps beneficiaries. For more serious health issues, the residents must travel to the nearest hospital in Cabanatuan City, which is several kilometers away. They can avail of free check-ups and other services, but they have to shoulder the transportation costs since the barangay does not have an ambulance.

The electricity is provided by the Nueva Ecija Electric Cooperative (NEECO), a private cooperative. The respondents' monthly electric rates range from ₱300 - ₱3,700. The water services are provided by the Sta. Rosa Water District, a government-owned-and controlled corporation, an autonomous unit politically and economically independent from the local government, according to their website. The basic rate for 0-10 cubic meters is ₱180.

### c) Urban poor women

Water supply in Brgy. Sto. Nino has undergone significant changes over the years. With increasing financial strain and insufficient resources for infrastructure upgrades and service expansion, many local water districts are turning to privatization. PrimeWater Infrastructure Corporation, which is owned by the Villar family, has significantly expanded its operations to 16 regions, 36 provinces, and 124 cities and municipalities throughout the Philippines. Over 70 local water districts have reportedly formed joint venture agreements (JVA) with PrimeWater, making it a prominent player in the privatization of water services.

With PrimeWater now managing the water distribution, rates have increased from a base rate of ₱100 to over ₱200. Despite the rate hike, the water quality has not improved even with the replacement of main pipes. Residents still rely on mineral water for drinking due to lingering concerns about the tap water. Non-usage of water doesn't exempt residents from paying a minimum fee, and failure to pay results in disconnection with penalties for reconnection. Electricity and water supply are interconnected, and announcements are made during water interruptions.

In terms of healthcare, the barangay centers offer free services, relying on announcements to inform residents about vaccinations and other health programs. Barangay Health Workers (BHW) play an instrumental role in this, going house-to-house to ensure everyone is informed and cared for. In contrast, private hospitals like Makabali Hospital charge hefty fees for their services, making public hospitals a more affordable option despite nominal charges for confinement and laboratory services.

*"Kapag na-confine ka, pwede naman sa Malasakit center. Ang pinakagastos mo, yung paglakad lakad ng papel, pamasahe, pagkain, at pagod, at oras."* [When you get confined, you can go to the Malasakit Center. Your only expenses are the legwork for the documents, fare, food, fatigue, and time.]

Education in the primary level is accessible with free tuition fees in public schools. However, expenses related to transportation, projects, and pocket money still pose challenges to families. Many students, especially those in college, opt to work part-time to financially support their education.

Meanwhile, in Marikina, the residents struggled and succeeded in having electricity through several dialogues with the local government unit but access to water services continues to be a challenge. They were denied a right of way allegedly, by the Red Cross who owns the neighboring lot. Currently, the city provides water for the community garden managed by a women's organization where Rose, Sally, Lucia, and Celia are active members. Every day, a water tank delivers water for the garden but the residents also line up so they could have water for their household. In cases where they failed to get water, the residents have to buy from a nearby house and pay depending on the size of the container and it could cost ₱10 to ₱20. Before that they used to pay ₱120 a day for water used for bathing, laundry, cleaning and washing dishes. They also have to shell out ₱25 to ₱35 a day for drinking water.

Although some have access to health centers and are able to get selected medicines for free, the respondents have to rely on their own pockets for other medicines that are not available in health centers. Schools are accessible from elementary to college. Rose, who has school-going children from high school to college, worries constantly about being able to afford the added expenses of transportation and other school-related costs even if education in public high school is free and two of her sons in college are scholars.

### 3. Increasing household debt

With their insufficient income despite working multiple jobs, all the participants shared that they have experienced borrowing money from different sources just to make ends meet. These sources have payment arrangements and often charge high interest rates that further buries women deep in debt.

#### a) Women workers

When asked whether their wages suffice for the family's monthly expenses, almost all the workers answered no. So, to make ends meet, they borrow money from family and friends, often without interest, or take out loans from private lending companies, loan sharks, and government financial institutions such as the Home Development Mutual Fund (HDMF), also known as the Pag-IBIG Fund, and the Social Security System (SSS).

Most commonly, the workers revealed that they had pawned their ATMs. Many are also buried deep in debt as they are engaged in the so-called "5-6" lending scheme, a lending practice mostly by Indian nationals in the country who charge a 20% interest. This means that if they borrow ₱5, they have to pay ₱6 next month. This is Jane's case, who also asks for money from her siblings just to get by.

Meanwhile, Juana and Nimfa have loans from Pag-IBIG and the SSS, respectively. Juana took out a Pag-IBIG loan last year to cover basic expenses such as food, bills, and her children's allowance. Meanwhile, Nimfa is currently repaying her SSS loan. Every month, ₱1,200 is deducted from her pay, leaving her family in a deficit even though her total income with her partner is ₱30,000. To augment this, she borrowed more money, this time from a coworker.

#### b) Peasant women

To make up for the constant deficit in household income, the majority of the respondents resort to borrowing from loan sharks, banks, and lending institutions like One Puhunan, ASKI Microfinance, and GM Bank, to name a few, at exorbitant interest rates just to stay afloat. The primary reason they resort to borrowing is to cover medical and health expenses, and education fees for their children.

They rely on loans from lending institutions, microfinance, individuals ("*namomorsyento o nagpapatubo*"), and family members and friends for their financial needs. Most of them used to borrow money from lending institutions like Alay sa Kaunlaran, Inc., or ASKI, ASA, CCARD, Inc. Tulay sa Pag-unlad, or TSPI, but in recent years, more people have turned to individual loan sharks with flexible payment schemes like "*arawan*" or daily, or "*lingguhan*" or weekly. They said that they could not fulfill the requirements of the lending institutions, where one must have a regular job or income. These individual loan sharks do not require strict documentation and are more lenient with payment terms, making it easier for the borrowers to access the funds they need. However, the interest rates are usually much higher compared to formal lending institutions. Despite the risks involved, many individuals in need of quick cash continue to turn to these informal lenders due to the convenience and accessibility they offer.

#### c) Urban poor women

The household budget often falls short for many families, leading them to seek alternative means to make ends meet. One common method is borrowing, which can come from various sources such as Pag-IBIG, loan sharks, family, friends, and even formal lending institutions. One participant mentioned that as much as possible, they try not to borrow money. However, when borrowing does occur, it's usually for critical needs like education, emergencies, health, and to support their children. *"Kapag kulang, manghihiram sa kapatid, kamag-anak. Pero kapag walang wala na talaga yun, halimbawa nagka-emergency – may nagkasakit."* [When running short, we borrow from siblings, relatives. But only when there's really nothing left, for example during emergencies -- when someone falls ill.]

For others, they try alternative sources of income such as online selling. The insufficiency of the budget is attributed to the high cost of living that makes it challenging for families to cover their expenses. Despite tuition being free in some cases, a significant portion of the budget is allocated to transportation costs. Additionally, food stands out as the most substantial expense for many households.

### 4. Increasing caregiving responsibilities

All the participants shared that they have care responsibilities at home, aside from working two to three jobs for 8-12 hours a day and caring for the community. These women are also primarily in charge of domestic duties and managing the household's finances, with little to no support that takes a toll on their physical and mental health.

#### a) Women workers

The women workers in Rosario, Cavite provide 1) direct care for their children, nieces and nephews, siblings with special needs, and parents by doing most of the household chores, 2) carry the emotional burden of running a household, and 3) provide financial support to their children left in the province.

As Juana, a mother of two, lamented, *“Pagdating ko naman sa gabi, galing sa trabaho… ang hugasan mo doon sa lababo sangkatutak. Pagod na ako sa trabaho, pagdating ko dito, ako pa maghuhugas ng plato.”* [There are lots of dishes in the sink when I come home from work at night. I'm already tired from work, and when I get home, I still have to wash the dishes.]

As the eldest daughter, Nimfa’s siblings also rely on her. They would sometimes ask for money for their children’s milk and other needs. Meanwhile, Gloria is currently the primary caregiver of her aging mother, who now exhibits dementia symptoms, thus requiring more care and attention. Fortunately, Gloria has her two children to help her with the tasks when they are not in school. However, as she is deeply attached to her caregiving responsibilities, she couldn’t help but worry about her mother’s activities when she is at work.

**b) Peasant women**

Aside from making sure that they have something to eat, the respondents are often the primary caregivers for aging parents or other elderly relatives who require help with daily tasks. They also need to ensure that their children, nephews, and nieces are attending school regularly. Joy, for instance, has two sons with special needs. In addition to these responsibilities, the respondents must also manage the household finances, ensuring that bills are paid on time and budgets are adhered to. They are also tasked with arranging and attending medical appointments for family members. Despite the heavy load of caregiving responsibilities, they still have time to ensure that the petition for their land rights is being processed and advocated for. They also have to keep an eye on their “*kubol*”, or community hut, on their rightful land to prevent it from being destroyed or set on fire allegedly by police forces and private security, which happened several times.

Edith has looked after her ailing mother for several years now. Before that, she says, she took care of her nieces and nephews while their parents were working, and now that they’re grown up and in college, she looks after her mother full-time. “There was no one else around except me: I’m the only unmarried girl in the family, so who would take care of her?” It helps that they live in a compound where family members are close and always willing to help out with anything she needs.

It is deeply rooted in Philippine culture for family members to look out for one another as they get older. However, daughters who are single are frequently left to care for their elderly parents. At 43 years old, Edith's life appears mapped out for her as she takes on caring for her mother, though she doesn't mind, as opportunities to work in their community are scarce.

Edith and Flora still have school-aged children who require care, so they are responsible for ensuring that they arrive at school and come home on time and safely every day. Although Eva’s children are all grown-up, she takes care of almost everything, from cooking to grocery shopping to laundry.

### c) Urban poor women

One of the things that keeps them occupied is taking care of their children and doing the household chores. Their commitment to caring for their families often limits their ability to work outside the home, but they have found creative ways to contribute to the community. They have formed a network of support among themselves and organized a community garden. They take turns tending to the garden and distribute the produce among themselves. The community garden not only provides sustenance, but also a sense of pride and purpose for the respondents, allowing them to thrive amidst difficult circumstances.

## III. Conclusion

The debt crisis characterized by neoliberal dictates and conditionalities led to the stunted growth of the Philippine economy particularly in agriculture and industry. This chronic crisis disproportionately affects most Filipinos—workers, farmers, urban poor, especially women. Meanwhile, the private sector, especially foreign and local capitalists, reaps benefits from this economic system. The imposition of austerity measures on the other hand, have exacerbated the situation of women by reducing public spending on social services and welfare programs. This has undermined women's full development and placed additional strain on women who are already burdened with caregiving responsibilities.

## IV. Case Studies

### A. Water Privatization in San Fernando City, Pampanga

In San Fernando City, Pampanga, the consequences of water privatization have disproportionately impacted women, exacerbating their financial burdens and daily struggles. Since the local water district entered a joint venture (JV) agreement with PrimeWater Infrastructure Corp., women in the community have faced significant challenges due to the increase in water rates.

Before the joint venture in 2016, residents were paying approximately ₱180.00 for their minimum water consumption. However, following PrimeWater's takeover of the water supply service for 35 villages in the city, water rates surged to ₱230.00. This sharp increase has imposed an added financial strain, particularly on women who often lack regular income and financial stability.

There is also no consultation with residents prior to the joint venture. Many were taken by surprise when their water bills suddenly bore the name of the private company, PrimeWater, instead of the familiar local water district. This lack of transparency and consultation with stakeholders undermines the residents' role in decision-making processes that directly affect their livelihoods and cost of living.

The quality and reliability of the water supply under PrimeWater's management is also questionable. Women have reported instances of weak water pressure and interruptions in service. There are also concerns about water safety, for instance, the residents would still opt to buy drinking water rather than use the tap water, forcing them to incur additional expenses.

### B. The Plight of Women Workers in Cavite Economic Zone

In Cavite Economic Zone, a hub for garment manufacturing supplying prestigious brands like Tory Burch, Ralph Lauren, and Anne Klein, the workforce is predominantly composed of women. However, a significant portion of these women are employed as non-regular or contractual workers within the garment factories. Their wages are further impacted by the Wage Rationalization Law in the Philippines, which dictates lower wages for workers outside Metro Manila. Women are earning a meager ₱479 per day for 12 hours of work, significantly lower than the mandated minimum wage of ₱610 in Metro Manila.

With families depending on them back in their hometowns, many of these women struggle to make ends meet with their insufficient wages. To supplement their income, they resort to subcontracting, working an additional four hours per day to gain an additional ₱2000 per week.

The financial strain pushes these women to explore various avenues for earning extra income. Some pawn their ATMs, while others sell goods like candies, clothing, and coffee within the ecozone where they work. Many find themselves indebted to family and friends as they attempt to cover their daily expenses. Some even turn to unconventional methods like participating in Poppo Live, an online mobile app, to have additional earnings.

## V. Recommendations

Based on the situations described for women workers, peasant women, and urban poor women, it is evident that women face significant challenges due to the impacts of the debt crisis and neoliberal dictates and conditionalities. To address these issues, women participants of FGDs, as well as participants of the validation activity, recommend the following:

1. **Cancel fraudulent debts**

    - Make an audit of all loans incurred that did not benefit the people
    - Repeal the Automatic Appropriations Law

2. **Repeal neoliberal laws and policies that are debt dictates and conditionalities**

    A. **Challenge neoliberal policies and structural adjustment programs that perpetuate maldevelopment of the Philippine economy**

- Support the building of national industries and agricultural development that would create jobs and livelihood for all Filipinos
- Ensure women's decent work and livelihood with living wages and sustained income by enacting laws that ensure worker's security of tenure; ending labor flexibilization policies; enacting a national minimum living wage
- Enforce stricter regulations to protect workers' rights, safe working conditions, and the right to organize and form unions without fear of reprisal
- Ensure women's access and control over land and resources
- Implement land reform policies that prioritize equitable distribution of land to the tillers, secure land rights to women farmers and peasant
- Ensure agricultural subsidies for farm inputs, irrigation to improve productivity and sustainable livelihoods in rural areas

**B. Strengthen domestic mobilization of resources**

- Review and repeal various incentives for big corporations. Repeal the CREATE Law and ensure mechanisms to tackle illicit financial flows and corruption in trade
- Enact a progressive taxation policy; repeal the TRAIN Law

**3. End austerity measures**

**A. Ensure public investment in healthcare**

- Increase funding for public health facilities to ensure availability of essential medicines and healthcare professionals, especially in rural areas
- Divert resources allocated to PhilHealth and realign these to direct healthcare services
- Establish mechanisms that address discrimination (e.g. residency status) in accessing services from public facilities
- Regulate private sector businesses in healthcare. Monitor the quality and affordability of services provided by private healthcare facilities

**B. Increase state subsidy and improve opportunities for education**

- Increase government funding for public schools to improve infrastructure and provide necessary equipment to reduce the burden of additional expenses on parents and teachers
- Expand the capacity of state universities and colleges to accommodate more students to reduce reliance on expensive private educational institutions

**C. Implement people-centered programs to ensure access to water, energy and other essential utilities**

- Invest in public infrastructure for water and energy development and government-run utilities, explore alternatives such as community-owned cooperatives to ensure affordability and reliability

- Implement regulations to control the pricing of essential services like water and electricity provided by private corporations

4. **Ensure the participation of women and the people**

- Support women and people's organizations in advocating for their rights and forwarding their recommendations and alternatives; strengthen participatory decision-making processes to ensure that the voices of marginalized sectors are heard and their interests are represented in policy formulation, implementation, and monitoring
- Support women and people's initiatives in agricultural development and in building national industries

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## Appendix I. Neoliberal Policies and Programs in the Philippines (1970s-2020s)

| NEOLIBERAL POLICIES & PROGRAMS IN THE PHILIPPINES (1970s-2020s) | | | | | |
|---|---|---|---|---|---|
| **Neoliberal Policies & Programs** | **1980s** | **1990s** | **2000s** | **2010s** | **2020s** |
| **Liberalization of trade and finance** | • Tariff Reform Program I (1981-1985)<br>• In 1986-1989, import restrictions on 1,332 products were lifted.<br>• Omnibus Investments Code (1987)<br>• Asia-Pacific Economic Cooperation (1989) | • Tariff Reform Program II (1991)<br>• Foreign Investments Act (1991)<br>• Rural Bank Act (1992)<br>• Investor's Lease Act (1993)<br>• Export Development Act (1994)<br>• General Agreement on Tariffs and Trade or GATT (1994)<br>• Liberalizing the Entry and Scope of Operations of Foreign Banks in the Philippines (1994)<br>• Special Economic Zone Act (1995)<br>• World Trade Organization (1995) | • Retail Trade Liberalization Act (2000)<br>• General Banking Law (2000)<br>• ASEAN-Korea Comprehensive Economic Cooperation Agreement (2007)<br>• Japan-Philippine Economic Partnership Agreement or JPEPA (2008)<br>• ASEAN-Japan Comprehensive Economic Partnership (2008)<br>• Agri-Agra Reform Credit Act of 2009 | • ASEAN Trade in Goods Agreement (2010)<br>• ASEAN-Australia and New Zealand Free Trade Agreement (2010)<br>• ASEAN-India Comprehensive Economic Cooperation Agreement (2010)<br>• Amending the Rural Bank Act of 1992 o RA 7353: Allowing Infusion of Foreign Equity (2013)<br>• Agricultural and Fisheries Mechanization Act (2013)<br>• Allowing the Full Entry of Foreign Banks in the Philippines (2014)<br>• Sugarcane | • Amendments to Retail Trade Liberalization Act of 2000 (2021)<br>• Financial Institutions Strategic Transfer (FIST) Law (2021)<br>• Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act (2021)<br>• Amendments to Foreign Investment Act (2022)<br>• Amendments to Commonwealth Act No. 146 or Public Service Act (2022)<br>• 12th Foreign Investment Negative List (2022)<br>• Government Financial |

| | | | | | |
|---|---|---|---|---|---|
| | | • Tariff Reform Program III (1996)<br>• Repealing of Foreign Investment List C (1996)<br>• Intellectual Property Code of the Philippines (1997) | | Industry Development Act of 2015<br>• Philippine Competition Act (2015)<br>• Allowing Foreign Vessels to Transport and Co-Load Foreign Cargoes for Domestic Transshipment (2015)<br>• Farm Tourism Development (2016)<br>•<br>• Build Build Build Infrastructure Program (2017) | Institutions Unified Initiatives to Distressed Enterprises for Economic Recovery (GUIDE) Bill<br>• National Land Use Act<br>• Enabling Law for the Natural Gas Industry<br>• Mega farms<br>• Build Better More |
| **Privatization** | • Philippine Privatization Program (1986) | • Bases Conversion and Development Authority Act (1992)<br>• Build-Operate Transfer Law (1993)<br>• National Water Crisis Act (1995)<br>• Philippine Telecommunications and Delivery of Public Telecommunications Act (1994) | • 2000 - sold 466 national assets Power/Electric Power Industry Reform Act (2001)<br>• Corporatization of public hospitals<br>• Privatization of operation and maintenance of North Luzon Expressway (2005) and South Luzon Expressway (2010) | • Public-Private Partnership Program (2010)<br>• Philippine Orthopedic Center Privatization (2012)<br>• Amendments to National Health Insurance Act (2013)<br>• 72 DOH hospitals planned to be privatized through the public-private | • Amendments to BOT Law<br>• Amendments to Electric Power Industry Reform Act (EPIRA) |

| | | | | | |
|---|---|---|---|---|---|
| | | • Privatization of Airlines and Mining (1995)<br>• National Health Insurance Act (1995)<br>• Health Sector Reform Agenda (1999) | • Domestic Shipping Development Act (2004) | partnership (PPP) program (2014) | |
| **Deregulation and market reforms** | • Comprehensive Agrarian Reform Program (1988)<br>• Wage Rationalization Act (1989)<br>• 1989 Labor Code o Herrera Law (1989) | • Urban Development and Housing Act of 1992<br>• Removal of forex controls (1993)<br>• Philippine Mining Act (1995)<br>• Downstream Oil Industry Deregulation Act (1998) | • Comprehensive Agrarian Reform Program extension with reforms o CARPer (2008) | • Two-tiered wage system (2012)<br>• K+12 Program (2012)<br>• JobStart Philippines Act (2016) | • National Government Rightsizing Program<br>• Department of Water Resources Bill<br>• Bagong Lipunan Improvement of Sites and Services (BLISS) project |
| **Fiscal consolidation** | • Automatic Appropriations Law (1977)<br>• Structural Adjustment Program<br>• Ten percent Value Added Tax (VAT) through EO 273 (1988) | • Comprehensive Tax Reform Program (1997) | • Expanded Value Added Tax (EVAT) Law (2006) | • Tax Reform for Acceleration and Inclusion Law o TRAIN Law (2017) | • Real Property Valuation Reform Bill<br>• Passive Income and Financial Intermediary Taxation Act |
| Source: compiled by the Center for Women's Resources (2024) | | | | | |

CENTER FOR WOMEN'S RESOURCES
127-B Scout Fuentebella Street, Barangay Sacred Heart
Quezon City 1103 Philippines
(+632) 7585784 | (+632) 9201373
cwr@centerforwomensresources.org
www.centerforwomensresources.org
/cwr1982 /cwr1982