

THE GOVERNANCE OF OVERSEAS EMPLOYMENT DURING THE PANDEMIC

The Response of the Philippine Overseas Employment Administration

Migration and COVID-19 Watch No.1



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For a country of migration, such as the Philippines, addressing the challenges of COVID-19 means taking care of Filipinos not only at home, but throughout the world. Since the 1970s, overseas employment has been a well-trodden path for Filipinos aspiring to provide a better future for their families. These personal dreams have been greatly aided by well-established institutions and policies that marry overseas employment facilitation and worker protection (International Organization for Migration (IOM) and Scalabrini Migration Center, 2013).

The unexpected return of more than 300,000 overseas Filipino workers (OFWs)¹, the largest repatriation ever, brings to the fore the challenges of reintegration, and questions about overseas employment prospects. Focusing on the governance of the recruitment and deployment of OFWs, this policy brief attempts to shed light on the policies and operations of the Philippine Overseas Employment Administration (POEA) in these unsettling times. Specifically, it aims to address three questions:

- (a) What are the current challenges to overseas employment?
- (b) What innovations, guidelines and policies have been introduced by POEA to meet these new challenges?
- (c) What new debates and questions surrounding overseas employment emerged during the pandemic?

CHALLENGES TO OVERSEAS EMPLOYMENT IN THE TIME OF COVID-19

In the Philippines' multi-agency governance of temporary labour migration, the core functions of POEA – overseas employment facilitation, worker protection and the regulation of the recruitment industry – were sorely tested during the pandemic.

Starting in 2012, the annual deployment of OFWs has hovered around the 2 million mark –

until COVID-19 came into the picture. As the table below shows, the number of OFWs deployed went down drastically, by 65 per cent, in January–July 2020, relative to the same period in 2019. Between February and March 2020, the deployment level was halved, and steeper, sharper declines were registered in April and May (Figure 1).

¹ Data on the number of repatriated OFWs vary, depending on the source and the definition used: (a) according to the Department of Health, 702,481 returning overseas Filipinos came home between 9 February and 10 December 2020 (Republic of the Philippines Department of Health, 2020); (b) OFW Help (2020) reports that, as of 13 December 2020, 300,088 overseas Filipinos had been repatriated since February of that year; (3) Defense Secretary Delfin Lorenzana said, "some 310,000 Filipino migrant workers have been repatriated since the onset of the coronavirus pandemic and more are expected to come home" (ABS-CBN News, 2020).

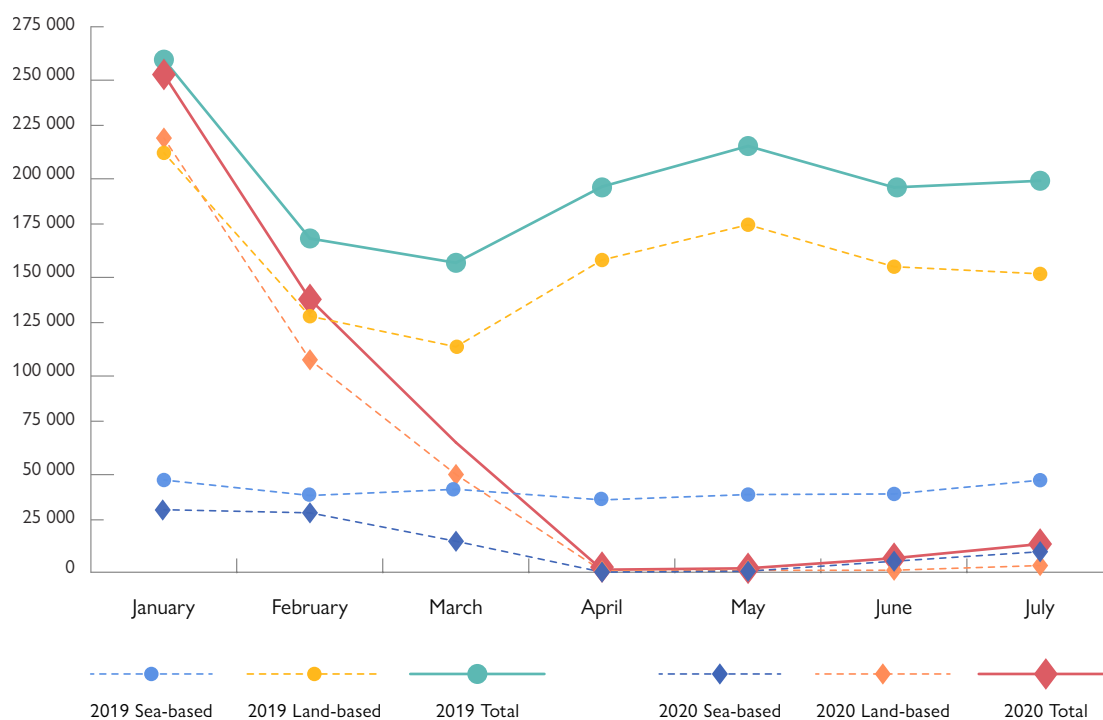
Percentage change in deployment of overseas Filipino workers, by type of hiring, January–July 2019 and January–July 2020

Type of hiring	Jan-Dec 2019	Jan-Jul 2019	Jan-Jul 2020	% change
Land-based	1 516 965	1 101 040	387 057	-64.85
New hires	473 690	257 593	74 658	-71.02
Rehires	1 043 275	843 447	312 399	-62.96
Sea-based	491 241	293 748	97 705	-66.74
Total	2 008 206	1 394 788	484 762	-65.24

Source: Data are from the presentation of Alcantara (2020). Data were provided by the Planning Branch, POEA.

Note: Preliminary data.

Figure 1
Comparison of deployment of overseas Filipino workers, by type of hiring, January–July 2019 and January–July 2020



Source: Data are from the presentation of Alcantara (2020). Data were provided by the Planning Branch, POEA.

Although deployment started to pick up in June, the numbers were much smaller compared with the same period in 2019. From June, the larger deployment of sea-based workers reflects the resumption of the demand for seafarers. Filipinos account for a substantial share of the world's seafarers. International seafarers are the "invisible workforce", who transport 80–90 per cent of the world's goods and products (ITF Seafarers, 2020; International Maritime Organization, n.d.). The closing of borders restricted the movement of seafarers to sign on and sign off from ships. Because crew changes were hampered by travel restrictions, lack of international flights and quarantine requirements, seafarers onboard were forced to continue working, to the detriment of their health conditions. Meanwhile, the seafarers who were supposed to relieve their colleagues were prevented from traveling to where the vessels were. Resolutions designating seafarers (and fishers) have been adopted by the International Maritime Organization, the United Nations General Assembly and the International Labour Organization (International Maritime Organization, n.d.). On 8 December 2020, the Governing Body of the International Labour Organization adopted a resolution "to address the dire situation of seafarers trapped at sea because of the COVID-19 pandemic"² As seafarers are essential workers, governments are urged to facilitate crew

changes, to give rest to fatigued seafarers and facilitate their repatriation, as well as to ease the movement of goods. The notable drop in the number of rehires may suggest the non-renewal of contracts of OFWs based abroad, and vacationing OFWs who got stranded in the Philippines because of border closures and travel restrictions.³

Another indication of the impact of COVID-19 is suggested by data on OFWs who have been displaced – those who have lost their jobs or are unable to return to work. According to the Department of Labor and Employment of the Philippines, the number of displaced OFWs reached 496,435 as of 23 October 2020 (Medenilla, 2020). For information on the distribution of displaced OFWs, data on more than 100,000 displaced OFWs from the reports of Philippine Overseas Labor Offices reveal that more than two thirds (69.2%) of the displaced OFWs are based in the Middle East, 23.6 per cent are in Europe and the Americas, and the remaining 7.2 per cent are in Asia (Alcantara, 2020). The large share of displaced OFWs in the Middle East reflects the historically large concentration of Filipino workers in the region. Although there are more OFWs in Asia than in Europe and the Americas, the latter region accounts for more displaced OFWs, most likely because of sea-based workers – cruise ship personnel – whose employment was interrupted by COVID-19.

THE RESPONSE OF THE PHILIPPINE OVERSEAS EMPLOYMENT ADMINISTRATION

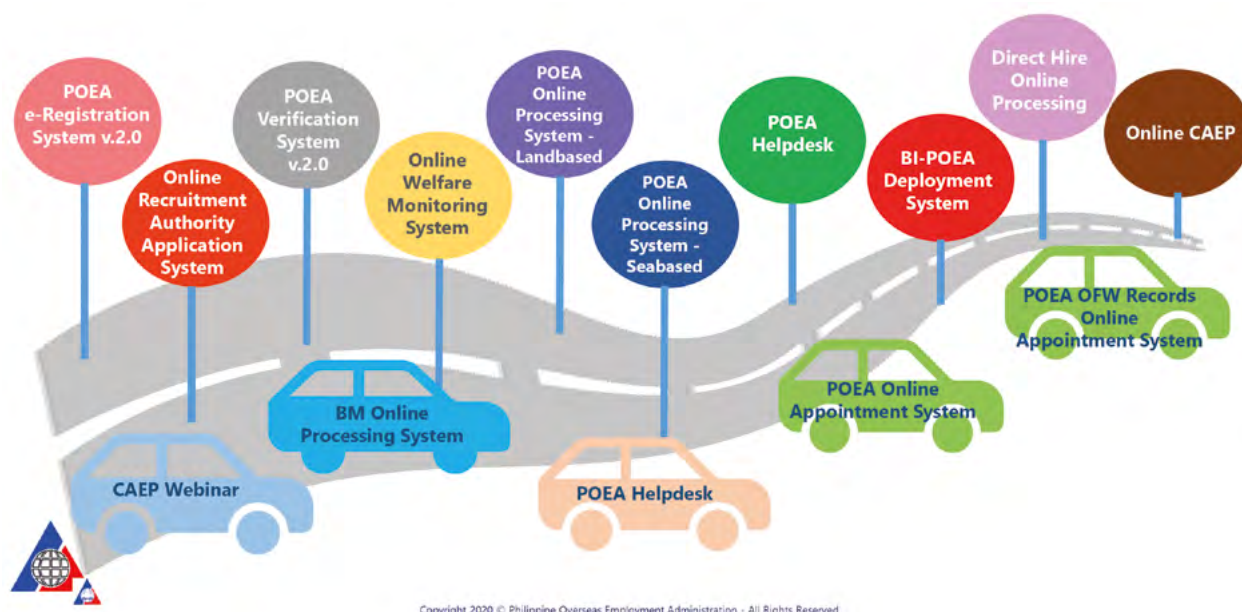
POEA immediately adjusted its policies and practices when the lockdown started in mid-March. It shifted its operations online, adopting contactless transactions (Figure 2). According to representatives from the recruitment industry, the online transactions have not addressed the issue of timeliness. In part, the delays are due to the lack of personnel, such as evaluators. Unstable Internet connection, lack of access to the Internet and lack of skills in using online platforms are constraining factors for OFWs.

In view of the unfolding and unpredictable situation, POEA constantly monitored updates on health advisories, labour market advisories, and international and domestic travel policies. The interim policies of POEA, and other adjustments, are reflected in the issuance of numerous Governing Board Resolutions, memorandum circulars (MCs) and advisories that were communicated through its website and a Facebook page.

² For the full text of the resolution, see www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_760649.pdf.

³ The decline in OFW deployment has eroded the sustainability of recruitment agencies. According to Administrator Bernard Olalia, more than 50 recruitment agencies have given notices of temporary closure of their main offices; another 70 agency branches will also stop operations temporarily (Aning, 2020).

Figure 2
Contactless transactions through enhanced online systems of the Philippine Overseas Employment Administration



Source: Presentation of Alcantara (2020).

Regular consultations and meetings with Philippine recruitment agencies were conducted through videoconferencing (Alcantara, 2020). For the first time, concerns related to overseas employment were discussed not only among migration-related agencies, but with all the government agencies under the Inter-Agency Task Force on Emerging Infectious Diseases (IATF-EID, or more commonly known as IATF).⁴

During the strict lockdown during March through May, POEA had to deal with urgent concerns from all fronts, such as OFWs who were on vacation in the Philippines and could not return to their workplace, those who had just signed a contract and could not leave, monitoring recruitment agencies' reports about OFWs, responding to the concerns of recruitment agencies, and monitoring irregular recruitment activities (especially those proliferating online). Beyond the emergency months, new concerns came up that required POEA to anticipate or adapt to the evolving situation:

⁴ IATF is a task force organized by the executive departments of the Government of the Philippines to respond to the management of emerging diseases in the country. It is chaired by the Secretary of the Department of Health. It was convened in January 2020 during the outbreak of the coronavirus in Wuhan, China. President Rodrigo Duterte convened IATF on 9 March 2020 due to the rising cases of COVID-19. On 25 March 2020, IATF came up with the National Action Plan to manage the COVID-19 situation, and later created two task forces – the COVID-19 National Task Force and the Joint Task Force COVID-19 Shield – to handle the operational command and the enforcement of quarantine protocols, respectively. IATF reflects the whole-of-government approach needed to address the many challenges posed by the pandemic.

(a) To support OFWs, POEA extended the validity of overseas employment certificates that expired during the lockdown, up to 31 December 2020. POEA also extended the contracts of seafarers who could not disembark in ports because of quarantine and other restrictions. These actions were aimed at covering workers with employment contracts during the quarantine/emergency period, to protect them in the event of untoward incidents. POEA supported the establishment of green lanes to facilitate the speedy and safe travel of Filipino seafarers, and it developed deployment guidelines for this purpose.⁵ For OFWs who were completing their application process or those whose contracts were processed but could not leave, POEA required recruitment agencies to extend support to the workers they had recruited. For displaced OFWs, those who were qualified could apply for unemployment benefits from the Social Security System.⁶ Qualified OFWs must apply for this certification from POEA offices (MC No. 24, Series of 2020, 9 October 2020).

(b) To support the recruitment industry, POEA introduced the following interim measures: extension of the accreditation of principals/employers and coinciding job orders/manpower requests, which were extended several times (the latest extension was 31 March 2021, as per MC No. 33, Series of 2020); extension of the validity of expiring licenses; and allowing eligible recruitment agencies to withdraw from their escrow deposits, which are required of all licensed recruitment agencies for the purpose of covering settlement of future claims of OFWs (Alcantara, 2020; Olalia,

2020). Before the end of the year, POEA issued MC No. 32, Series 2020, "Interim Guidelines on the Provisional Accreditation/Registration of Land-based Principal/Employer."⁷ This will allow agencies that have complied with all requirements to operate on a provisional basis while they address specific deficiencies in the documents submitted to POEA (for example, details such as a missing signature).

The adjustments were guided by the overarching goal of worker protection. During the pandemic, some of the decisions of POEA were challenged. One example was the furore over Governing Board Resolution, No. 9, Series of 2020, which imposed a moratorium on the deployment of health-care workers to support the local health system (POEA, 2020a). The decision pitted national interest against the right of nurses to travel and their right to seek better employment conditions. The debate also reopened broader issues about the country's health system and the treatment of health-care providers. In December 2020, the moratorium on the deployment of newly hired nurses, nursing aides and assistants was lifted; the moratorium stayed for other medical and allied health-care workers (POEA, 2020b). The recruitment industry and OFWs sometimes perceived POEA as too slow in seizing job opportunities in labour markets that were reopening. The approach of POEA was viewed as cautious and obstructive, standing in the way of Filipinos' access to jobs. Communication and dialogue with OFWs, the recruitment industry and other stakeholders became a critical area to focus on to manage expectations and reach a shared understanding of the rationale for policy decisions.

⁵ The establishment of green lanes involves opening ports that will allow the embarkation and disembarkation of crew members of international vessels. By facilitating crew changes, subject to health protocols, the Philippines also hopes that the green lanes will increase the employment of Filipino seafarers. The actions of POEA in the seabased sector prompted land-based agencies to clamour for similar responses to their concerns. For details on the joint circular, see Republic of the Philippines Department of Foreign Affairs (2020). See also Migration and COVID19 Watch No. 3.

⁶ Qualified or eligible OFWs are those below 60 years old, and they must have paid at least 36 months of contribution.

⁷ During the webinar on 5 October 2020, Administrator Bernard Olalia announced that POEA was in the process of drafting this interim measure.

LOOKING AHEAD

The new realities shaped by COVID-19 urged POEA to craft relevant responses to carry out its work in these unsettling times. The pandemic context provided experiences and lessons to learn from in steering overseas employment beyond the pandemic. Following are some proposals for moving forward:

- (a) Increased feedback mechanisms: POEA is going to assess experiences with online platforms, the impact of relaxed policies and procedures on workflow processes and customer satisfaction, and what these experiences imply for improving POEA policies and streamlining of processes beyond the pandemic. For example, stringent procedures and requirements in pre-pandemic times were considered necessary to ensure the protection of OFWs. Among other things, it would be useful to know whether the adoption of more relaxed procedures negatively affected the protection of OFWs.
- (b) Proactive communication: During the pandemic, POEA employed various communication strategies in informing and engaging its stakeholders and the public: posting information on its website, communicating through traditional media and videoconferences, and using social media. POEA will have to be more proactive in information dissemination, paying attention not only to content, but also how information is communicated. Governing Board Resolutions, memorandum circulars and advisories, for example, are not easily digestible; they need to be translated into more accessible language.
- (c) Increased coordination: POEA and Philippine Overseas Labor Offices will need to coordinate more closely to monitor the conditions of OFWs who continue to work abroad, and to be more proactive in gathering labour market information:
 - (i) Links with counterpart government agencies and think tanks in destination countries will enhance the labour market intelligence endeavours of POEA. Dialogues with these institutions and actors will provide destination-side perspectives on labour market trends and what these would imply for the Philippines.
 - (ii) Labour market intelligence from here on will have to include information on the health conditions and health-related policies of destination countries concerning foreign workers.
- (d) The recruitment sector advanced the following proposals for the consideration of POEA:
 - (i) Strengthen the online system to speed up the processing of various transactions.
 - (ii) Adopt different operational pathways for agencies recruiting workers for companies versus those recruiting domestic workers, mainly because corporate employers and private household employers have different compliance capacities, legal standing and technical resources.
 - (iii) Adopt a whitelist of foreign employers who have a track record of providing decent employment to Filipino workers: This is envisioned to streamline the requirements and the evaluation process. Insights from several IOM projects – direct hiring policy review, International Recruitment Integrity System, and Aligning Lenses Towards Ethical Recruitment – may provide some relevant suggestions.

POEA will need resources to improve its digitalization efforts and capacity development of its personnel, and hire more personnel equipped with specialized skills (such as communications, information and communications technology, and strategic planning) to fulfil its mandate more effectively in an increasingly complex policy environment.

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