



AGENCY BUDGET NOTES

For FY 2023



DEPARTMENT OF LABOR AND EMPLOYMENT



P25,899.8M
TOTAL NEW APPROPRIATIONS FOR 2023

ALLOCATION BY AGENCY

OSEC
P22,214.7M
(85.8%)



NCMB
P275.6M
(1.1%)



PRC
P1,699.6M
(6.6%)



NWPC
P271.4M
(1.0%)



NLRC
P1,383.0M
(5.3%)



ILS
P55.6M
(0.2%)

COST STRUCTURE

P2,347.1M
(9.1%)
General Admin and Support

P411.5M
(1.6%)
Support to Operations

P23,141.3M
(89.3%)
Operations

REGIONAL ALLOCATION OF THE 2023 EXPENDITURE PROGRAM (P26,231.5M)

BREAKDOWN OF OPERATIONS BUDGET



P18,824.1M (81.3%)
Workers Protection and Welfare Program



P1,154.9M (5.0%)
Labor Arbitration Program



P877.4M (3.8%)
Professional Licensure Program



P785.7M (3.4%)
Employment Facilitation Program

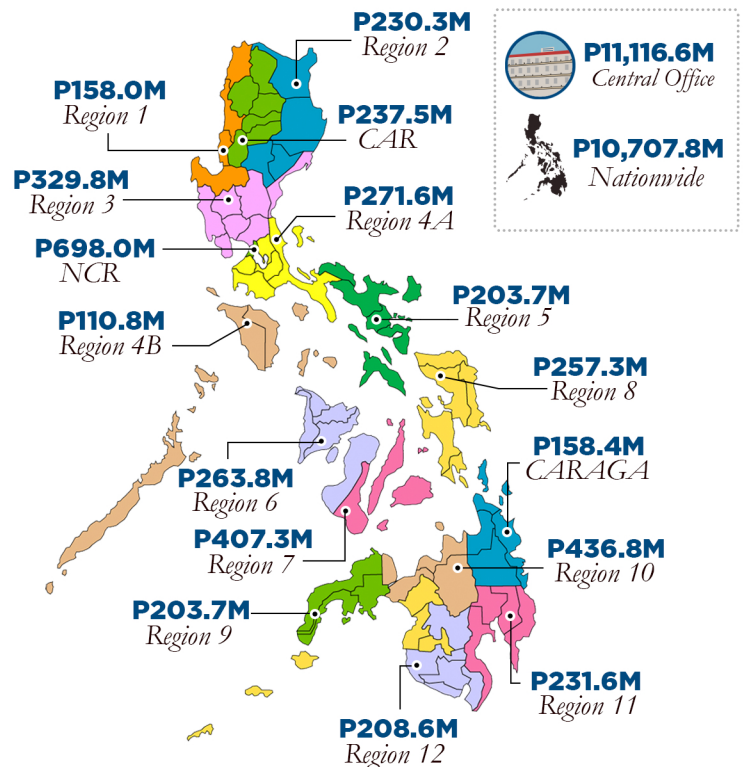


P741.2M (3.2%)
Employment Preservation and Regulation Program



P267.1M (1.2%)
Professional Regulation Program

Other Programs **P758.0M** (3.3%)



QUICK FACTS

KEY SECTOR INFORMATION

	2019	2020	2021	Jan-Jun 2022
Population 15 years and older ('000)	72,143	73,733	75,240	76,292
Labor Force Participation Rate (%)	61.3	59.5	63.4	63.7
Number of Persons ('000)	44,224	43,871	47,685	48,564
Employment Rate (%)	94.9	89.7	92.2	94.0
Number of Employed Persons ('000)	41,949	41,949	43,989	45,630
Underemployment Rate (%)	13.8	16.2	15.9	14.3
Number of Underemployed Persons ('000)	5,789	6,375	6,996	6,526
Unemployment Rate (%)	5.1	10.3	7.8	6.0
Number of Unemployed Persons ('000)	2,255	4,519	3,697	2,934

Source: Philippine Statistics Authority (PSA)

Employed Persons-by Sector

	2019	2020	2021	Jan-Jun 2022
Agriculture	22.2	24.8	24.2	23.5
Industry	19.9	18.3	18.4	18.5
Services	58.4	56.9	57.4	58.0
Total	100.0	100.0	100.0	100.0

Source: Philippine Statistics Authority (PSA)

Unemployment Rate by Region

Region	2020	2021	Jan & Apr 2022 Ave
Philippines	10.3	7.8	6.0
NCR	11.7	10.4	7.4
CAR	10.8	5.3	4.8
I - Ilocos Region	13.4	7.9	6.5
II - Cagayan Valley	8.7	5.6	4.1
III - Central Luzon	13.5	7.7	5.5
IV-A - CALABARZON	11.7	11.1	7.1
IV-B - MIMAROPA	7.4	8.1	5.8
V - Bicol Region	9.6	8.8	7.0
VI - Western Visayas	7.9	7.3	5.2
VII - Central Visayas	10.4	7.8	6.6
VIII - Eastern Visayas	8.1	6.6	6.5
IX - Zamboanga Peninsula	10.3	4.2	3.9
X - Northern Mindanao	6.5	5.4	4.6
XI - Davao Region	9.3	5.0	4.3
XII - SOCCSKSARGEN	9.4	5.3	4.9
XIII - CARAGA	7.8	6.6	4.8
BARMM	10.6	7.3	7.8

Source: PSA

Wage Rate by Region

Old Wage Rate	Effectivity	New Wage Rate	Range of Wage Increase	Effectivity
500 - 537	November 22, 2018	533-570	33	June 4
340 - 350	November 18, 2019	400	50-60	Jun 14
282 - 340	April 30, 2019	372-400	60-90	Jun 6
345-370	March 16, 2020	400-420	50-75	Jun 8
304-420	January 1, 2020	344-460	40	Jun 20
303 - 400	April 28, 2018	350-470	3-97	Jun 30
294 - 320	November 27, 2018	329-355	35	Jun 10
310	September 21, 2018	365	55	Jun 18
310 - 395	November 26, 2019	410-450	55-110	Jun 5
351-404	January 5, 2020	382-435	31	Jun 14
295-325	August 18, 2019	345-375	50	Jun 27
303-316	July 30, 2018	338-351	35	Jun 25
331 - 365	November 1, 2018	378-405	40-47	Jun 18
391-396	August 16, 2018	438-443	47-62	Jun 19
315-336	February 2, 2020	347-368	32	Jun 9
320	May 1, 2019	350	30	Jun 6
290 - 325	January 1, 2020	-	-	-

Source: National Wages and Productivity Commission, Department of Labor and Employment

HIGHLIGHTS

- ❑ *Expenditure Program.* The DOLE will have new appropriations amounting to P25.9 billion which is 49% lower than the P50.8 billion in 2022. The huge drop can be attributed to the transfer of three agencies—OWWA, POEA and NMP—to the newly-created Department of Migrant Workers. In addition to the new appropriations, the DOLE will also receive P331.7 million in automatic appropriations usually intended to cover items such as retirement and life insurance premium (RLIP), which will bring the total available appropriations to P26.23 billion in 2022.

Despite a 33.3% reduction in allocation, the OSEC will continue to account for the bulk of the budget in 2023 at 85.3% which is also higher compared to the 65.4% share in 2022. The PRC and the NLRC will receive the second and third highest shares of the budget at 6.7% and 5.6%, respectively.

By expense class, Maintenance, Operations and Other Expenses (MOOE) will receive the largest share amounting to P20.98 billion which will be followed by Personal Services (PS) with P4.94 billion or 18.8% share then Capital Outlay (CO) with P310.8 million or 1.2% share.

- ❑ *New Appropriations by Cost Structure.* The budget for *Operations* amounting to P23.14 billion in 2023 will account for the biggest share or 89.3% of the P25.9 billion total proposed new appropriations of the DOLE in 2022. Allocation for General Administration and Support (GAS) for overall administration and operational support will amount to P2.35 billion or 9.1% share. Meanwhile, allotment for Support to Operations (STO) will amount to P411.5 million or 1.6% share of the total new appropriations
- ❑ *Allocation by Major Programs.* The DOLE and its attached agencies have 17 programs with a total allocation of P23.14 billion in 2023. Despite a 37.1% budget reduction, the *Workers Protection and Welfare Program* under the OSEC will continue to receive the biggest chunk amounting to P18.82 billion or 81.3% of the total operations budget in 2023. Bulk of the budget under this program or 97.8% is allotted for the Livelihood and Emergency Employment sub-program of which TUPAD and Government Internship Program (GIP) are being implemented.

The *Labor Arbitration Program* of the NLRC will get the second highest allocation among the programs in 2023 amounting to P1.15 billion, 6.3% higher than the P1.09 billion allocation in 2022. This will be used for the arbitration of labor cases and for the resolution of appealed labor cases. The *Professional Licensure Program* of the PRC will get the third highest allocation of the programs budget amounting to P877.4 million. Bulk of the budget amounting to P674.2 million will be used for the preparation of test questions, conduct and rating of licensure examinations.

- ❑ *Status of COVID-19 Releases.* The DOLE and its attached agencies received an additional P40.14 billion allocation to deal with the pandemic through the government's COVID-19 releases: (i) P12.58 billion from *Bayaniban 1* (RA 11469); (ii) P21.4 billion from *Bayaniban 2* (RA 11519); and (iii) P6.17 billion from the Regular Fund (FY 2021 GAA). Out of the total released allotments, P40.1 billion has been obligated, of which 97.4% or P39.1 billion has been disbursed. As of 31 December 2021, P54.9 million has remained unobligated.

- ❑ *Budget Utilization and Unused Appropriations.* The budget utilization (based on obligations-to-appropriations ratio or OAR) of the DOLE and its attached agencies improved to 95.8% in 2021 or an 8.0 percentage points increase from 87.8% in 2020. This translates to a reduction in unused appropriations (consisting of unreleased appropriations and unobligated allotment) by more than half—from P5.31 billion in 2020 to P2.28 billion in 2021, which nonetheless is still a huge sum.

The major programs of the OSEC have obligation and disbursement rates of 94.0% and 89.3%, respectively. The *Workers Protection and Welfare Program* which had the biggest allocation of P22.28 billion or 91.8% of the budget recorded the highest obligation and disbursement rates at 95.4% and 90.8%, respectively. On the other hand, the *Employment Facilitation Program* recorded the lowest obligation and disbursement rates at 72.3% and 66.3%, respectively.

- ❑ *Compliance with Audit Recommendations.* Based on the 2021 annual audit reports (AARs) of the Commission on Audit (COA) on the financial condition and operation of the DOLE and its attached agencies (excluding NMP), 62.8% or 282 out of the 449 audit recommendations in 2020 have been fully implemented. Only the ILS was able to fully implement all audit recommendations.

TABLE OF CONTENTS

	Page
I. Mandates and Organizational Outcomes	1
II. Sources of Appropriations	3
Table 1 Sources of Funds, 2021-2023	3
III. Expenditure Program	3
Table 2 Expenditure Program by Agency, 2021-2023	4
Table 3 Expenditure Program by General Expense Class, 2021-2023	4
Table 4 Number of Authorized and Unfilled Positions by Agency, 2020-2023	5
Table 5 Regional Distribution of the DOLE Budget, 2021-2023	5
IV. Spending for COVID-19 Initiatives	6
Table 6 Status of COVID-19 Releases to DOLE, As of 31 Dec 2021	7
V. New Appropriations	7
Table 7 New Appropriations by Agency and Cost Structure, 2023	8
Table 8 Summary of Programs for 2021-2023	9
VI. Performance Review	10
Table 9 Obligations-Appropriations Ratio and Unused Appropriations, 2019-2021	10
Table 10 Disbursement Rate by Agency, 2020-2021	11
Table 11 Budget Utilization by Major Program, 2021	12
Table 12 Performance Indicators of Major Programs, 2021-2023	13
VII. COA Findings and Recommendations	14
Table 13 Status of Implementation of COA Recommendations	14
Annex. Expenditure Program by Agency and by General Expense Class, 2021-2023	18

DEPARTMENT OF LABOR AND EMPLOYMENT*

I. MANDATE AND ORGANIZATIONAL OUTCOMES

1.1 The creation of high-quality jobs is part of the eight-point socio-economic agenda of the Marcos administration that will address constraints in the achievement of inclusive and sustainable growth in the country. “Increasing employability” of workers was specifically cited as a strategy to enable more Filipinos to benefit from economic growth. In this regard, improving the ability of workers to operate and thrive in a volatile economic environment is critical.

The 2023 Budget Priorities Framework of the Department of Budget and Management (DBM) identified the following priorities on labor and employment to help accelerate the country’s economic recovery from the COVID-19 pandemic:

- i) Upskill and reskill the labor force by implementing measures that support continuing education, digital learning, training, and redeployment
- ii) Strengthen financial and technical assistance programs for workers
- iii) Capacitate critical groups severely hit by the pandemic (e.g., workers in the tourism and agriculture sectors)

1.2 **Mandate.** The Department of Labor and Employment (DOLE) is mandated to be the primary policy-making, programming, coordinating and administrative entity of the Executive Branch of the government in the field of labor and employment (Administrative Code of 1987). The primary responsibilities of the DOLE are the following:

- i) The promotion of gainful employment opportunities and the optimization of the development and utilization of the country’s manpower resources;
- ii) The advancement of workers’ welfare by providing for just and humane working conditions and terms of employment; and
- iii) The maintenance of industrial peace by promoting harmonious, equitable, and stable employment relations that assure equal protection for the rights of all concerned parties.

* This document was prepared by Rosemarie R. Sawali as input to the deliberation of the House of Representatives’ Committee on Appropriations on the FY 2023 proposed National Budget. The report benefitted from discussions with and inputs of SERB Executive Director Manuel P. Aquino and from the overall guidance of CPBRD Deputy Secretary-General Romulo EM Miral, Jr., PhD and Director Pamela Diaz-Manalo. The layout/design of the infographics by Alexiz S. Taaca, is also acknowledged. The views, perspectives, and interpretations in this ABN do not necessarily reflect the positions of the House of Representatives as an institution or its individual Members. A copy of this publication is available at the CPBRD’s website: cbrd.congress.gov.ph.

1.3 **Organizational Outcomes.** To carry out its mandate, the DOLE has eight attached agencies for policy and program supervision and/or coordination. Each agency including the Office of the Secretary (OSEC) has organizational outcomes (OOs) that should contribute to DOLE's overall performance. These are the following:

- i) OSEC: Employability of workers and competitiveness of MSMEs enhanced; Protection of workers' rights and maintenance of industrial peace ensured; and social protection for vulnerable workers strengthened;
- ii) Institute for Labor Studies (ILS): Utilization of labor and employment researches for policy development and program implementation increased;
- iii) National Conciliation and Mediation Board (NCMB): Labor-management relations improved; and Labor disputes effectively settled/resolved;
- iv) National Labor Relations Commission (NLRC): Due process in resolving labor dispute ensured;
- v) National Wages and Productivity Commission (NWPC): Capacity of MSMEs to implement productivity improvement program enhanced; and Fair and reasonable minimum wages in accordance with law ensured;
- vi) Professional Regulation Commission (PRC): Highly ethical, globally competitive and recognized Filipino professionals ensured; and

Three attached agencies of the DOLE were absorbed and/or consolidated into the Department of Migrant Workers (DMW).¹ These are the following:

- i) Philippine Overseas Employment Administration (POEA): Empowerment and Protection of Overseas Filipino Workers ensured;
- ii) Overseas Workers Welfare Administration (OWWA): Social Protection for OFWs enhanced; and
- iii) National Maritime Polytechnic (NMP): Employability and competitiveness of Filipino Seafarers enhanced; and Maritime manpower sector improved through quality research.

¹ *The Department of Migrant Workers (DMW) was created through RA 11641 which took effect on February 3, 2022. The DMW assumes and performs all the powers and functions of seven merged agencies, namely: the Philippine Overseas Employment Administration (POEA); the Office of the Undersecretary for Migrant Workers' Affairs (OUMWA) of the DFA; the International Labor Affairs Bureau (ILAB) and all Philippine Overseas Labor Offices (POLO) under DOLE; the National Maritime Polytechnic (NMP); the National Reintegration Center for OFWs (NRC) under the OWWA, and the Office of the Social Welfare Attaché (OSWA) under the DSWD. The DMW is mandated to facilitate the overseas employment and reintegration of Filipino workers, while taking into consideration the national development programs of the National Economic and Development Authority. It is also tasked to promote the empowerment and protection of OFWs through continuous training and knowledge development.*
<https://www.dmw.gov.ph/about-dmw>

II. SOURCES OF APPROPRIATIONS

- 2.1 The DOLE will have new appropriations amounting to P25.9 billion in 2023 which is 49% lower than the P50.8 billion in 2022. The huge drop can be attributed to the transfer of three agencies—OWWA, POEA and NMP—to the newly-created DMW.
- 2.2 In addition to the new appropriations, the DOLE will also receive P331.7 million in automatic appropriations usually intended to cover items such as retirement and life insurance premium (RLIP), which will bring the total available appropriations to P26.23 billion in 2022.
- 2.3 Other possible sources of an agency’s appropriations are continuing appropriations and budgetary adjustments, which in 2021 amounted to P16.74 billion—nearly a third or 31.1% of the total DOLE budget for that year. Bulk of these can be attributed to the OWWA budgetary adjustments arising from the *Contingent Fund* (P5.21 billion) and *Unprogrammed Appropriations - Social Protection Programs due to the COVID-19 Pandemic* (P5.95 billion). These additional resources helped enable the agency to assist workers who were affected by the pandemic.

TABLE I
SOURCES OF FUNDS, 2021-2023
DEPARTMENT OF LABOR AND EMPLOYMENT

Particulars	Amounts (In Million Pesos)			Share to Total Appropriations		
	2021	2022	2023	2021	2022	2023
New Appropriations	36,607.0	50,761.2	25,899.8	67.9	98.7	88.1
Automatic Appropriations	525.9	535.4	331.7	1.0	1.3	4.6
Continuing Appropriations	5,070.9	1,766.4	-	9.4	-	-
Budgetary Adjustments	11,673.3	-	-	21.7	-	7.4
Total Available Appropriations	53,877.0	53,063.0	26,231.5	100.0	100.0	100.0
LESS: Unused Appropriations	(2,280.5)	(1,766.4)	-			
Total Obligations	51,596.6	51,296.6	26,231.5			

Source of basic data: NEP 2023

III. EXPENDITURE PROGRAM

- 3.1 **By Agency.** The DOLE and its attached agencies will have an allotment of P26.23 billion in 2023 which is only nearly half the P51.3 billion allocation for 2022. This can be mainly attributed to the transfer of three agencies—OWWA, POEA, and NMP—to the DMW. The OSEC budget will decline to P22.38 billion in 2023 or P11.17 billion lower compared to 2022. Nonetheless, the OSEC will continue to account for the bulk of the budget in 2023 at 85.3%, which is higher compared to the 65.4% share in 2022. The PRC and the NLRC will receive the second and third highest shares of the budget at 6.7% and 5.6%, respectively.

TABLE 2
EXPENDITURE PROGRAM BY AGENCY, 2021-2023

Particulars	Amounts (In Million Pesos)			Share to Total (%)		
	2021	2022	2023	2021	2022	2023
OSEC	28,383.2	33,552.8	22,383.8	55.0	65.4	85.3
ILS	56.7	65.5	59.0	0.1	0.1	0.2
NCMB	274.9	292.2	292.0	0.5	0.6	1.1
NLRC	1,733.5	1,373.1	1,456.7	3.4	2.7	5.6
NMP	131.7	139.0	-	0.3	0.3	-
NWPC	277.7	258.7	285.8	0.5	0.5	1.1
POEA	577.7	701.3	-	1.1	1.4	-
PRC	1,421.7	1,868.9	1,754.1	2.8	3.6	6.7
OWWA	18,739.4	13,045.0	-	36.3	25.4	-
Total DOLE	51,596.6	51,296.6	26,231.5	100.0	100.0	100.0

Source of basic data: BESF 2023

3.2 *By Expense Class.* Maintenance, Operations and Other Expenses (MOOE) amounting to P20.98 billion will account for the largest share of the DOLE budget. This is intended to pay for expenditures—such as supplies and materials, repairs and maintenance of facilities, transportation and travel, and other operating expenses—to support the operations of government agencies. Personal Services (PS) follows with a budget of P4.94 billion representing an 18.8% share. Capital Outlay (CO) will have a budget of P310.8 million or 1.2% share which is meant for the procurement of goods and services of which the benefits extend beyond the fiscal year and which add up to the assets of the government.

TABLE 3
EXPENDITURE PROGRAM BY GENERAL EXPENSE CLASS, 2021-2023
(AMOUNTS IN MILLION PESOS)

Particulars	Amounts (In Million Pesos)			Share to Total (%)		
	2021	2022	2023	2021	2022	2023
PS	7,021.9	6,671.1	4,943.3	13.6	13.0	18.8
MOOE	44,434.8	44,117.0	20,977.4	86.1	86.0	80.0
CO	138.2	498.8	310.8	0.3	1.0	1.2
Fin Ex	1.7	9.7	-	0.0	0.0	-
TOTAL DOLE	51,596.6	51,296.6	26,231.5	100.0	100.0	100.0

Source of basic data: BESF 2023

3.3. *Authorized and Unfilled Positions.* The number of unfilled positions in the DOLE has steadily declined for the period 2020-2022. In 2023, 664 positions which account for 12.0% of the total authorized posts, are expected to remain vacant. While the OSec has the highest number of unfilled positions, the share to total authorized positions is the lowest which is expected to reach 9.1% in 2023. The consistently huge proportion of unfilled positions annually over the reckoning period within the whole Department raises the question on whether the said positions are redundant or are still needed by the agency. Should an assessment validate such concern, then resources should be allocated to more productive programs and/or projects to effectively meet organizational outcomes.

TABLE 4
NUMBER OF AUTHORIZED AND UNFILLED POSITIONS BY AGENCY, 2020-2023

Agency	Authorized Positions				Number of Unfilled Positions			
	2020	2021	2022	2023	2020	2021	2022	2023
OSEC	2,643	2,649	2,652	2,618	285	278	241	237
ILS	60	63	63	63	14	13	14	14
NCMB	249	249	249	249	53	48	48	48
NLRC	1,295	1,295	1,295	1,295	201	187	154	154
NMP	82	82	82	-	9	9	11	-
NWPC	223	223	223	223	60	27	26	26
POEA	510	510	518	-	104	117	130	-
PRC	1,070	1,071	1,071	1,071	259	206	185	185
OWWA	463	499	502	-	62	93	91	-
Total	6,595	6,641	6,655	5,519	1,047	978	900	664

Source: Staffing Summary 2022-2023

The combined budget for *Nationwide* and the *Central Office* amounting to P21.8 billion accounts for 83.2% of the total DOLE budget in 2023 (Table 5). *Nationwide* refers to allocations for programs with nationwide application which are redistributed across the regions during budget execution. On the other hand, *Central Office* budget pertains to allocation being managed by the Head Office of department/agencies for their respective units.

TABLE 5
REGIONAL DISTRIBUTION OF THE DOLE BUDGET, 2021-2023
(AMOUNTS IN MILLION PESOS)

Region	2021		2022		2023	
	Amount	Share (%)	Amount	Share (%)	Amount	Share (%)
Nationwide	-	-	25,972.0	50.6	10,707.8	40.8
Central Office	24,241.5	47.0	20,496.4	40.0	11,116.6	42.4
NCR	4,630.7	9.0	1,340.0	2.6	698.0	2.7
CAR	1,265.2	2.5	176.4	0.3	237.5	0.9
Region 1	1,262.4	2.4	143.7	0.3	158.0	0.6
Region 2	2,102.2	4.1	149.5	0.3	230.3	0.9
Region 3	2,499.8	4.8	534.1	1.0	329.8	1.3
Region 4A	2,580.6	5.0	254.3	0.5	271.6	1.0
Region 4B	1,104.7	2.1	97.6	0.2	110.8	0.4
Region 5	1,121.9	2.2	189.5	0.4	203.7	0.8
Region 6	1,716.0	3.3	233.5	0.5	263.8	1.0
Region 7	1,815.1	3.5	322.0	0.6	407.3	1.6
Region 8	1,244.5	2.4	338.0	0.7	257.3	1.0
Region 9	1,041.8	2.0	180.0	0.4	203.7	0.8
Region 10	1,056.6	2.0	230.4	0.4	436.8	1.7
Region 11	1,972.6	3.8	300.1	0.6	231.6	0.9
Region 12	1,156.4	2.2	199.7	0.4	208.6	0.8
CARAGA	784.6	1.5	139.6	0.3	158.4	0.6
BARMM	-	-	-	-	-	-
TOTAL	51,596.6	100.0	51,296.6	100.0	26,231.5	100.0

Source of basic data: BESF 2023

Apart from the NCR which has a budget of P698.0 million accounting for 2.7% of the total, the two other regions with the largest shares are Regions 10 (Northern Mindanao) and 7 (Central Visayas) with 1.7% and 1.6% amounting to 436.8 million and 407.3 million, respectively. On the other hand, nine regions will each receive less than one percent share of the budget with Region IV-B (MIMAROPA) receiving the smallest at P110.8 million or 0.4% share.

IV. SPENDING FOR COVID-19 INITIATIVES

- 4.1 The DOLE was provided with additional resources in 2021 to deal with the pandemic through the government's COVID-19 releases. The DOLE and its attached agencies received additional P40.14 billion of which P12.58 billion came from *Bayanihan 1* (RA 11469), P21.4 billion from *Bayanihan 2* (RA 11519), and another P6.17 billion from the Regular Fund (FY 2021 GAA). Out of the total released allotments, P40.1 billion has been obligated, of which 97.4% or P39.1 billion has been disbursed. As of 31 December 2021, P54.9 million has remained unobligated.
- 4.2 Under *Bayanihan 1*, the allotments were mainly used for two purposes: i) for the account of the OSEC amounting to P7.44 billion for the implementation of the COVID-19 Adjustment Measures Program (CAMP)² and the Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers (TUPAD)³ program of which P39.4 million remains unobligated as of December 31, 2020; and (ii) for the account of the OWWA amounting to P5.1 billion for the Emergency Repatriation Program and other related services.
- 4.3 The DOLE received an additional P21.4 billion under *Bayanihan 2* to cover funding requirements for the same programs of which almost all has been fully obligated with a lower disbursement rate of about 95.3%. Bulk of the allotment was released to the OSEC amounting to P13.1 billion to cover funding requirements for the implementation of various programs and projects to mitigate the adverse impact of the COVID-19 pandemic. The OSEC also received another P2.8 billion for its TUPAD program. On the other hand, the OWWA received an additional P5.5 billion for its Emergency Repatriation Program. The PRC got P2.5 million for the implementation of Computer Based Licensure Examination (CBLE).
- 4.4 Another source of funding of the DOLE for COVID-19 initiatives was from the FY 2021 GAA (RA 11518) - unprogrammed appropriations amounting to P5.95 billion and contingent fund amounting to P216.4 million which were allotted to the OWWA to "cover additional funding requirements for the implementation of the Emergency Repatriation Program per Office of the President (OP) approval."

² CAMP provides a one-time financial assistance amounting to P5,000 to affected workers whose companies either implemented flexible work arrangements or had to close temporarily due to the government's imposition of lockdown to stem the spread of the COVID-19. (<https://www.pna.gov.ph/articles/1135258>)

³ TUPAD is a community-based package of assistance that provides emergency employment for displaced workers, underemployed and seasonal workers for a minimum period of 10 days, but not to exceed a maximum of 30 days, depending on the nature of work to be performed. (<https://www.dole.gov.ph/news/tupad-in-overdrive-as-fresh-aid-in-ecq-areas/>)

TABLE 6
STATUS OF COVID-19 RELEASES TO DOLE, AS OF 31 DEC 2021
(AMOUNTS IN MILLION PESOS)

Program/Purpose	Allotment Released	Obligations	Disbursements	Unobligated Allotment
I. Bayanihan 1	12,580.4	12,541.0	12,528.5	39.4
CAMP for the OFWs (OSEC)	2,500.0	2,460.6 /a	2,459.5 /a	39.4
CAMP and TUPAD Programs (OSEC)	4,935.4	4,935.4 /a	4,935.4 /a	-
Emergency Repatriation Fund for displaced OFW returnees due to COVID-19 (OWWA)	5,000.0	5,000 /b	4,988.6 /b	0.0
OSEC - Implementation of various services for the Repatriation Program	145.0	145 /a	145 /a	0.0
II. Bayanihan 2	21,398.0	21,382.5	20,397.3	15.5
Programs and projects to mitigate the adverse impact of the COVID-19 pandemic	13,100.0	13,084.7 /c	12,100 /c	15.3
Emergency Repatriation Program	5,495.5	5,495.5	5,495.3	0.0
Contingent Fund	4,995.5	4,995.5 /d	4,995.5 /d	-
Special Appropriations, RA No. 11494	500.0	500.0 /b	499.8 b/	0.0
TUPAD Program	2,800.0	2,800 /c	2,800 /c	-
Implementation of Computer Based Licensure Examination	2.5	2.3 /e	2.0 /e	0.2
III. Regular Fund (FY 2021 GAA)	6,166.1	6,166.1	6,127.5	0.0
Emergency Repatriation Program	6,166.1	6,166.1 /e	6,127.5 /e	0.0
TOTAL	40,144.5	40,089.6	39,053.3	54.9

a/ Obligations and Disbursements as of December 31, 2020

b/ Obligations and Disbursements as of June 30, 2021

c/ Obligations and Disbursements as of July 31, 2021

d/ Obligations and Disbursements as of September 30, 2021

e/ Obligations and Disbursements as of December 31, 2021

Source: Status of COVID 19 Releases, As of 31 Dec 2021 (DBM website)

V. NEW APPROPRIATIONS

5.1 **Cost Structure.** The budget for *Operations* amounting to P23.14 billion in 2023 will account for the biggest share or 89.3% of the P25.9 billion total proposed new appropriations of the DOLE in 2022. (Table 7) The DBM defines operations expenditures as those relating to the main purpose for which an agency has been created which involves the direct production of goods or delivery of services or direct engagement in regulations.

TABLE 7
NEW APPROPRIATIONS BY AGENCY AND COST STRUCTURE, FY 2023

Agency	Amounts (In Million Pesos)				Share to Total Agency (%)			
	GAS	STO	Operations	Total	GAS	STO	Operations	Total
OSEC	1,479.2	384.5	20,350.9	22,214.7	6.7	1.7	91.6	100.0
ILS	33.1	-	22.5	55.6	59.5	-	40.5	100.0
NCMB	68.2	26.9	180.4	275.6	24.7	9.8	65.5	100.0
NLRC	228.1	-	1,154.9	1,383.0	16.5	-	83.5	100.0
NWPC	71.5	-	199.9	271.4	26.4	-	73.6	100.0
PRC	467.0	-	1,232.6	1,699.6	27.5	-	72.5	100.0
Total	2,347.1	411.5	23,141.3	25,899.8	9.1	1.6	89.3	100.0

Source of basic data: NEP 2023

5.2 The budget for General Administration and Support (GAS) for overall administration and operational support will amount to P2.35 billion or 9.1% share of the total appropriations. Meanwhile, allotment for Support to Operations (STO) will amount to P411.5 million or 1.6% share of the total new appropriations. Only the OSEC and the NCMB have allocations for STO, which refers to the cost component consisting of activities and projects which provide staff, technical, and/or substantial support to operations but do not produce goods or deliver services directed at a target population or client group external to the agency.

5.3 **Programs.** The DOLE and its attached agencies have 17 programs with a total allocation of P23.14 billion in 2023 (*Table 8*). Removing the allocations of NMP, POEA and OWWA in the 2022 budget, the 2023 programs budget will be lower by 32.6%.

5.4 Despite a 37.1% budget reduction, the Workers Protection and Welfare Program under the OSEC will continue to receive the biggest chunk amounting to P18.82 billion or 81.3% of the total operations budget in 2023. Bulk of the budget under this program or 97.8% is allotted for the Livelihood and Emergency Employment sub-program of which TUPAD and Government Internship Program (GIP) are being implemented. The reduction in the budget could be traced to the implementation of the Supreme Court Ruling on the *Mandanas-Garcia case* in which some of the programs, activities and projects (PAPs) including the Livelihood Program/ DOLE Integrated Livelihood Program (DILP) under the OSEC will be phased out, scaled down or discontinued.⁴

The Employment Facilitation Program of the OSEC will also receive a lower allocation amounting to P785.7 million representing a 13.5% decline from the P908.0 million in 2022. This can be traced to the suspension of the P100.0 million budget for free covid-19 testing for jobseekers under locally-funded projects and the lower budget for Job Search Assistance.

⁴ Diaz-Manalo, P., M.A. Estrada, and D. Bahuyot. (2021). *Implications of the SC ruling on the Mandanas-Garcia IRA Case*. CPBRD Discussion Paper 2021-2. <https://cpbrd.congress.gov.ph/2012-06-30-13-06-51/discussion-paper/1363-dp2021-02-implications-of-the-sc-ruling-on-the-mandanas-garcia-ira-case>

5.5 The 2022 National Expenditure Program (NEP) contains a special provision stating that P15.59 billion or 84.7% of the Livelihood and Emergency Employment appropriations will be allotted for the implementation of TUPAD and for the payment of stipend equivalent to the minimum wage prevailing in the region of the beneficiaries who are eighteen (18) years of age and above under the GIP.⁵

5.6 The Labor Arbitration Program of the NLRC will get the second highest allocation among the programs in 2023 amounting to P1.15 billion, 6.3% higher than the P1.09 billion allocation in 2022. This will be used for the arbitration of labor cases (P814.4 million) and for the resolution of appealed labor cases (P340.6 million).

TABLE 8
SUMMARY OF PROGRAMS FOR 2021-2023
DEPARTMENT OF LABOR AND EMPLOYMENT

Program	Amount (In Million Pesos)			% Share to Total Program			Growth Rates
	2021	2022	2023	2021	2022	2023	22-23 (%)
Workers Protection and Welfare Program (OSEC)	22,066.4	29,943.0	18,824.1	65.6	63.6	81.3	-37.1
Labor Arbitration Program (NLRC)	1,094.0	1,086.7	1,154.9	3.3	2.3	5.0	6.3
Professional Licensure Program (PRC)	810.0	903.8	877.4	2.4	1.9	3.8	-2.9
Employment Facilitation Program (OSEC)	806.1	908.0	785.7	2.4	1.9	3.4	-13.5
Employment Preservation and Regulation Program (OSEC)	681.2	708.7	741.2	2.0	1.5	3.2	4.6
Professional Regulation Program (PRC)	221.4	284.6	267.1	0.7	0.6	1.2	-6.1
Enterprises Productivity Improvement Program (NWPC)	125.0	118.8	135.1	0.4	0.3	0.6	13.7
Labor Case Management Program (NCMB)	103.3	103.3	104.4	0.3	0.2	0.5	1.0
Professional Database Management Program (PRC)	114.1	107.4	88.1	0.3	0.2	0.4	-17.9
Labor-Management Partnership & Empowerment Program (NCMB)	70.6	74.2	76.1	0.2	0.2	0.3	2.6
Wage Regulatory Program (NWPC)	61.3	62.1	64.7	0.2	0.1	0.3	4.3
Labor and Employment Research Program (ILS)	21.9	23.4	22.5	0.1	0.0	0.1	-3.7
Maritime Skills Competency Program (NMP)	56.8	53.5		0.2	0.1	-	-
Maritime Research Program (NMP)	24.0	26.4		0.1	0.1	-	-
Overseas Employment and Welfare Program (POEA)	187.3	197.4		0.6	0.4	-	-
Overseas Employment Regulatory Program (POEA)	148.0	158.7		0.4	0.3	-	-
Social Protection and Welfare for OFWs Program (OWWA)	7,043.6	12,289.9		20.9	26.1	-	-
Total	33,635.1	47,049.6	23,141.3	100.0	100.0	100.0	-50.8

Note: Allocations for programs and total operations are inclusive of locally-funded and foreign-assisted projects

Source: GAA 2021-2022 and NEP 2023

⁵ The special provision also states that the DOLE shall give priority to the following TUPAD beneficiaries in the order of preference: (i) indigent families under the National Household Targeting System for Poverty Reduction; (ii) informal sector families; and (iii) those under the next lower poverty level, as determined by the DSWD.

- 5.7 The Professional Licensure Program of the PRC will get the third highest allocation of the programs budget amounting to P877.4 million. Bulk of the budget amounting to P674.2 million will be used for the preparation of test questions, conduct and rating of licensure examinations.

VI. PERFORMANCE REVIEW

- 6.1 The *obligation-appropriations ratio* (OAR) is one of the indicators of how well an agency uses its appropriations. An agency is committed to make immediate or eventual payment for the delivery of certain goods and services when it obligates its appropriations. Overall, the OAR of the DOLE and its attached agencies improved to 95.8% in 2021 or an 8.0 percentage points increase from 87.8% in 2020. This translates to a reduction in unused appropriations (consisting of unreleased appropriations and unobligated allotment) by more than half—from P5.31 billion in 2020 to P2.28 billion in 2021, which nonetheless is still a huge sum.
- 6.2 The unused appropriations of the OSEC amounting to P1.5 billion or 67.3% of the total unused appropriations in 2021 were unobligated allotments. Though still high, this is substantially lower compared to the P4.73 billion unused appropriations in 2020. A huge unobligated allotment is a possible indication of bottlenecks in the procurement process which affect the ability of the agency to submit the required documents (e.g., obligation request) of the DBM. The PRC recorded the second highest unused appropriations amounting to P526.9 million, significantly higher than the P321.9 million in 2020 and from the P114.7 million in 2019. The PRC also posted the lowest OAR at 73.0% in 2021.
- 6.3 Four attached agencies recorded nearly 100% OAR: NWPC and POEA both with 99.9%, NLRC with 99.8% and OWWA with 99.2%.

TABLE 9
OBLIGATIONS-APPROPRIATIONS RATIO
AND UNUSED APPROPRIATIONS, 2019-2021

Particulars	Obligation-Appropriations Ratio (%)			Unused Appropriations (In Million Pesos)		
	2019	2020	2021	2019	2020	2021
OSEC	91.7	85.1	94.9	1,021.8	4,732.4	1,534.2
ILS	94.9	93.7	97.4	2.6	3.3	1.5
NCMB	97.8	97.4	91.3	5.7	6.5	26.2
NLRC	86.0	99.8	99.8	267.2	2.7	2.7
NMP	98.7	96.8	92.0	1.4	3.5	11.4
NWPC	97.3	97.5	99.9	6.4	5.8	0.3
POEA	97.3	97.5	99.9	19.4	26.4	17.7
PRC	91.2	78.1	73.0	114.7	321.9	526.9
OWWA	85.2	97.2	99.2	169.8	205.5	159.6
Total	91.0	87.8	95.8	1,609.1	5,308.1	2,280.5

Sources of basic data: NEP 2021-2023

6.4 The **disbursement rate** or the ratio of the disbursements to obligations provides an indication of the level of efficiency of the agency in spending its budget. In 2021, the DOLE and its attached agencies improved their overall disbursement rate to 92.8% from 80.5% in 2020. All agencies recorded better disbursement rates in 2021 except for NCMB and NMP.

6.5 The OWWA recorded the highest improvement in disbursement rate of 29.2 percentage points from 69.2% in 2020 to 98.4% in 2021. This was followed by POEA with 16.7 percentage points improvement from 67.9% to 84.6%. The PRC recorded the lowest disbursement rate of 64.1% in 2021.

TABLE 10
DISBURSEMENT RATE BY AGENCY, 2020-2021
(AMOUNTS IN MILLION PESOS)

Particulars	2020			2021		
	Appropriations	Disbursements	Disbursement Rate (%) ^{a/}	Appropriations	Disbursements	Disbursement Rate (%) ^{a/}
OSEC	31,814.6	26,402.9	83.0	29,917.4	27,190.8	90.9
ILS	52.2	45.9	87.9	58.2	55.4	95.3
NCMB	249.6	236.9	94.9	300.8	268.2	89.2
NLRC	1,722.3	1,700.2	98.7	1,736.1	1,731.5	99.7
NMP	112.4	99.6	88.6	143.1	124.9	87.3
NWPC	235.7	223.7	94.9	278.0	271.4	97.6
POEA	561.1	381.0	67.9	595.4	504.0	84.6
PRC	1,471.1	877.5	59.7	1,948.7	1,248.5	64.1
OWWA	7,252.6	5,019.7	69.2	18,899.0	18,600.3	98.4
Total	43,471.5	34,987.4	80.5	53,876.7	49,995.0	92.8

a/ Disbursement rate – ratio of disbursements to appropriations

Source: SAAODB 2020-2021, DBM

6.6 **Budget Utilization by Major Programs.** In 2021, the major programs of the OSEC have obligation and disbursement rates of 94.0% and 89.3%, respectively (Table 11). The *Workers Protection and Welfare Program* which had the biggest allocation of P22.28 billion or 91.8% of the budget recorded the highest obligation and disbursement rates at 95.4% and 90.8%, respectively. On the other hand, the *Employment Facilitation Program* recorded the lowest obligation and disbursement rates at 72.3% and 66.3%, respectively.

6.7 Most of the targets for all performance indicators of the OSec were achieved in 2021. All the outcome and output indicators under the Workers Protection and Welfare Program were achieved. The most notable achievement under the program is surpassing the target for *number of beneficiaries provided with livelihood assistance* by more than three times the target. In addition, the *number of beneficiaries served* at nearly 6.2 million was nearly double the 3.2 million target. Following the notable achievement in terms of the *number of beneficiaries provided with livelihood assistance*, the target for 2023 was increased to almost similar the actual performance in 2021. On the other hand, the targets for the *number of beneficiaries served* will decline further to 1.84 million from 2.71 million in 2022 and 3.2 million in 2021 (Table 12).

6.8 Another significant achievement under the program is exceeding the target for the outcome indicator on *percentage of livelihood projects still operational after two (2) years of grant* – 82% vs 5%. Despite the notable performance, the 2021 target was retained for 2022 and 2023. There is probably a need to delve into the huge disparity between target and

accomplishment in this regard and why the exceeded target was still retained nonetheless.

TABLE II
BUDGET UTILIZATION BY MAJOR PROGRAM, 2021
(AMOUNTS IN MILLION PESOS)

Program	Total Appropriations			Obligation Rate (%) ^{a/}	Disbursement Rate (%) ^{b/}
	Appropriations	Obligations	Disbursements		
Employment Facilitation Program	1,242.7	898.9	823.9	72.3	66.3
Promotion of Local Employment	28.8	27.7	26.0	96.1	90.4
Youth Employability	976.2	699.1	655.5	71.6	67.1
Job Search Assistance	209.7	151.9	125.4	72.4	59.8
National Skills Registry System	28.0	20.3	17.0	72.4	60.6
Employment Preservation and Regulation Program	759.2	657.1	635.3	86.6	83.7
Promotion of Good Labor-Management Relations	32.7	32.6	31.6	99.8	96.5
Promotion of Rights at Work and Labor Standards	46.9	32.3	31.4	68.9	66.8
Tripartism and Social Dialogue	6.6	6.0	4.5	91.1	68.8
Workers Organizations Development and Empowerment	19.0	16.3	15.6	85.7	81.9
Labor Laws Compliance	644.2	561.2	544.0	87.1	84.5
Case Management	9.8	8.7	8.2	88.3	83.5
Workers Protection and Welfare Program	22,284.4	21,270.2	20,233.2	95.4	90.8
Promotion of Rights and Welfare of Workers with Special Concerns	48.8	42.6	41.2	87.3	84.5
Promotion of International Labor Affairs	35.2	34.3	33.2	97.3	94.2
Livelihood and Emergency Employment	20,819.5	19,889.8	18,921.4	95.5	90.9
Welfare Services	1,376.7	1,301.5	1,235.4	94.5	89.7
Reintegration Services for Overseas Filipino Workers	4.2	2.1	2.1	49.3	49.5
Total	24,286.3	22,826.3	21,692.4	94.0	89.3

a/ Obligation rate – ratio of obligations to appropriations

b/ Disbursement rate – ratio of disbursements to appropriations

Source: SAAODB 2021 (FAR No. 1 in Transparency Seal)

Under the *Employment Facilitation Program*, the actual performance for two outcome indicators fell short of the targets: 21.64% decrease in *percentage of Special Program for the Employment of Students (SPES)*⁶ beneficiaries graduated from Tech Voc or College Courses compared to the 1% increase from baseline target; and 35.64% *placement rate of youth assisted under JobStart Philippines*⁷ compared to the 70% target. Nonetheless, the actual performance on the following output indicators far exceeded the targets: (i) *number of youth-beneficiaries assisted* by 87% (140,508 actual vs. 75,142 target); (ii) *number of qualified*

⁶ This is an employment bridging program which aims to provide temporary employment to poor-but-deserving students and out-of-school youth during summer and/or Christmas vacations to augment family income and to help ensure that beneficiaries are able to pursue their education. RA 10917 or the Expanded SPES Law which was enacted in 2016 raised the age limit of the program beneficiaries from 15-25 years to 15-30 years. It also included the dependents of displaced workers due to business closures or work stoppages such as those arising from economic disruptions and natural calamities as beneficiaries in the program. Source: [Briefing-Note-FY-2019 as-of-Aug23 edit-8 29 18FINAL.pdf \(dole.gov.ph\)](#)

⁷ This program seeks to improve the employability of youth through full-cycle employment facilitation services such as registration, client assessment, life skills training⁷ with one-on-one career coaching, technical training, job matching, and referrals to employers either for further technical training, internship, or for employment. The main objective of this program is to shorten the youth's school-to-work transition. RA 10869, or the JobStart Philippines Act in 2016 institutionalized the implementation of the program nationwide. The partnership with the private sector helps employers meet their manpower needs with well-prepared, talented, and enthusiastic young men and women. Source: [Briefing-Note-FY-2019 as-of-Aug23 edit-8 29 18FINAL.pdf \(dole.gov.ph\)](#)

jobseekers referred for placement by 48.6% (2,228,472 actual vs. 1,500,000 target); and (iii) number of individuals reached through Labor Market Information by 76.2% (4,027,508 actual vs. 2,285,401 target). Targets for these output indicators for 2022, except for number of youth-beneficiaries assisted, were the same as the 2021 targets while those for 2023 were increased.

6.7 Except for failing short of the target on the disposition rate of cases handled, including requests for assistance (91% vs 100%), all the targets that aim to ensure protection of workers' rights and maintenance of industrial peace under the *Employment Preservation and Regulation Program* were achieved in 2021.

TABLE 12
PERFORMANCE INDICATORS OF MAJOR PROGRAMS, 2021-2023
OFFICE OF THE SECRETARY

Programs	2021		2022 Targets	2023 Targets
	GAA Targets	Actual		
EMPLOYMENT FACILITATION PROGRAM				
<i>Outcome Indicators</i>				
1. Percentage of Special Program for the Employment of Students (SPES) beneficiaries graduated from Tech Voc or College Courses	1% increase from baseline	21.64% decrease	1% increase in graduates of SHS, College and Tech-Voc	1% increase in graduates of SHS, College and Tech-Voc
2. Placement rate of qualified jobseekers	80%	84%	80%	81%
3. Placement rate of youth assisted under JobStart Philippines	70%	35.64%	60%	60%
<i>Output Indicators</i>				
1. Number of youth-beneficiaries assisted	75,142	140,508	78,912	72,109
2. Number of qualified jobseekers referred for placement	1,500,000	2,228,472	1,500,000	1,714,295
3. Number of individuals reached through Labor Market Information (LMI)	2,285,401	4,027,508	2,285,401	4,387,970
EMPLOYMENT PRESERVATION AND REGULATION PROGRAM				
<i>Outcome Indicators</i>				
1. Compliance rate of establishments inspected (LLCS)	70%	91.5%	70%	70%
2. Settlement rate (SEnA)	70%	77.2%	70%	70%
3. Enforcement rates of decisions/orders on:				
a. certification election and	70%	95.5%	90%	90%
b. labor standards cases (writs of execution issued and served)	50%	75.7%	572,162	50%
<i>Output Indicators</i>				
1. Number of establishments assessed (LLCS)	32,000	91,505	75,000	75,000
2. Number of beneficiaries/workers served	245,858	1,092,728	572,162	575,085
3. Disposition rate of cases handled, including requests for assistance	100%	91%	100%	100%
WORKERS PROTECTION AND WELFARE PROGRAM				
<i>Outcome Indicators</i>				
1. Percentage of livelihood projects still operational after two (2) years of grant	5%	82%	5%	5%
2. Percentage of OFW labor cases resolved	88%	88%	88%	-
<i>Output Indicators</i>				
1. Number of beneficiaries provided with livelihood assistance	23,007	79,644	24,040	79,836
2. Number of beneficiaries served	3,201,672	6,172,948	2,709,896	1,836,212
3. Percentage of individuals provided services within the prescribed process cycle time (PCT)	100%	100%	100%	100%

Source: NEP 2023

VII. COA FINDINGS AND RECOMMENDATIONS

- 7.1 Based on the 2021 annual audit reports (AARs) of the Commission on Audit (COA) on the financial condition and operation of the DOLE and its attached agencies⁸, 62.8% or 282 out of the 449 audit recommendations in 2020 have been fully implemented. Only the ILS was able to fully implement all audit recommendations.

TABLE 13
STATUS OF IMPLEMENTATION OF COA RECOMMENDATIONS
AS OF 31 DECEMBER 2021

Particulars	Total	Implemented		Not Implemented	
		Number	(%)	Number	(%)
OSEC	135	76	56.3	59	43.7
ILS	6	6	100.0	-	-
NCMB	56	43	76.8	13	23.2
NLRC	43	31	72.1	12	27.9
NWPC	33	23	69.7	10	30.3
POEA	29	15	51.7	14	48.3
PRC	48	24	50.0	24	50.0
OWWA	99	64	64.6	35	35.4
Total	449	282	62.8	167	37.2

Note: No audit report for NMP has been released as of 5 September 2021

Source: Annual Audit Reports 2021 (Part 3)

- 7.2 The OSec was only able to implement a little over half or 76 out of 135 audit recommendations. The following are some of the significant observations and recommendations in the 2021 audit report of the OSec:

- ❑ *On Emergency Employment and Livelihood Programs.* The DOLE utilized P19.4 billion out of the P20.3 billion allotment equivalent to a utilization rate of 95.6% for the implementation of three regular programs: TUPAD and DOLE Integrated Livelihood Program (DILP) or Kabuhayan Program and GIP (Government Internship Program). Close to a billion of P901.7 million pesos was left unutilized. These programs were able to employ 3,008,494 beneficiaries.

The COA, however, noted that the propriety and/or validity of the financial assistance granted to various TUPAD beneficiaries could not be ascertained in the CO, NCR, Ros I, III, V, IX, XII and XIII due to unliquidated fund transfers, unavailable/invalid/incorrect numbers, and no contact details of the beneficiaries, unsubstantiated claims and lack of documentary requirements, and insufficient monitoring and validation of the beneficiaries, MRCs, and proponents.

To address these concerns, the COA recommended and DOLE agreed to do the following, among others: (i) require concerned offices to provide an explanation of

⁸ Excluding NMP as 2021 audit report has not been released as of 5 September 2021.

the unutilized balances; (ii) coordinate with concerned offices and monitor the submission of liquidation reports; (iii) require the Program Manager to revisit the existing DOLE guidelines on the implementation of the TUPAD program to avoid the incurrence of issues on payouts and selection of beneficiaries.

- ❑ *On COVID-19 Programs under RA No. 11519 Bayaniban to Recover as One Act.* The DOLE utilized P16.8 billion or 99.7% of the P16.9 billion allotment with 2,907,507 beneficiaries. However, insufficient internal control measures in the grant of financial assistance through CAMP, TUPAD; and Abot-Kamay ang Pagtulong (AKAP) sa OFWs; and Tertiary Education Subsidy for Dependents of Repatriated OFWs (TABANG OFWs) resulted in the following: (i) excessive/multiple payments to 999 beneficiaries totaling P5.4 million; (ii) 16 beneficiaries denied the receipt of claims in POLOs; (iii) unclaimed financial assistance in the possession of Money Remittance Centers (MRCs) amounting to P6.4 million; and (iv) incomplete and deficient documents on the payment of financial assistance; and (v) additional Service Fee incurred by RO V for payment for salaries and wages of contractual Project Coordinators and stipends of interns, thereby casting doubts on the propriety and/or validity of the financial assistance granted to the program beneficiaries.

The COA recommended and DOLE agreed to: (i) refund the amount for the payment made twice to beneficiaries; (ii) concerned agencies to maintain a master list of TABANG OFW grantees against which subsequent applications shall be verified before payment to prevent possible duplication of grants; (iii) installation of a detection control system so that adequate safeguard measures are embedded to detect and prevent deficiencies or errors such as double/multiple payments of assistance to beneficiaries.

7.3 Below are some of the major audit findings for selected attached agencies.

POEA

- ❑ *Deficiencies in the repatriation process.* There were deficiencies noted in the repatriation process which include the following: (i) inadequate alternative option/solutions pending repatriation request that needs immediate response; (ii) lack of digitalized monitoring system that could have facilitated efficient determination of the Status of Repatriation; and (iii) inability to update Bilateral Labor Agreements to guarantee the protection of the rights of Filipino Migrant Workers.

The following are some of the agreements: (i) improve the repatriation process by studying and developing a mechanism that will provide an alternative solution for repatriation cases needing immediate response; (ii) creation of a Digitalized Repatriation Case Monitoring Database to include a system where OFWs in distress including their families may easily check the status of repatriation request via the POEA website; (iii) continuously update systems based on the changing needs of OFWs.

NLRC

- Nearly all of the allotments or 99.85% was obligated resulting in a balance of P2.65 million or only 0.15% unutilized. However, the following deficiencies were observed in the utilization and reporting of the budget: (i) incurrence of obligations not covered by allotments for Personal Services amounting to P27.2 million, contrary to Section 41, Chapter V, Book VI of the Administrative Code of 1987; and (ii) errors in reporting allotments resulting in obligated amounts more than the allotments received.

The COA recommended and the DOLE agreed to limit the incurrence of obligations only up to the amount of allotments in strict compliance to Section 41, Chapter V, Book VI of the Administrative Code of 1987.

OWWA

- Attainment of the objectives of the Tulong-PUSO Program in providing immediate livelihood support to OFWs and their families affected by the pandemic was not fully realized due to the following: (i) low implementation rate in Regional Welfare Office (RWO) NCR; (ii) grant of livelihood financial assistance in RWO V amounting to P500,000 to an OFW group which apparently is a cooperative of a clan using one OFW for seven membership of interrelated families; (iii) release of funds to OFW groups despite non-compliance with requirements and conditions; (iv) Journal Entry Vouchers and supporting documents were not stamped “PAID”; and (v) procurement of food and beverage incurred in the awarding of grants did not comply with requirements.

An agreement was reached to require concerned RWOs to strictly comply with requirements and to improve the efficiency in the evaluation and processing of submitted documents, and granting of the Tulong-PUSO program to achieve the objectives of providing immediate livelihood support to OFWs and their families affected by the pandemic.

References:

- COA. (2022). *Annual Audit Reports for DOLE and its attached Agencies*.
- DBM. (2022). *2023 Budget Priorities Framework*
- _____ *2023 President’s Budget Message*
- _____ *Briefer on the 2023 Proposed National Budget*
- _____ *Budget of Expenditures and Sources of Financing 2023*
- _____ *General Appropriations Act, 2021-2022*
- _____ *National Expenditure Program, 2021-2023*
- _____ *Staffing Summary, 2023*

Diaz-Manalo, P., M.A. Estrada, and D. Baluyot. (2021). *Implications of the SC ruling on the Mandanas-Garcia IRA Case*. CPBRD Discussion Paper 2021-2. <https://cpbrd.congress.gov.ph/2012-06-30-13-06-51/discussion-paper/1363-dp2021-02-implications-of-the-sc-ruling-on-the-mandanas-garcia-ira-case>

DOLE (2018) *Briefing-Note-FY-2019*.

https://www.dole.gov.ph/php_assets/uploads/2019/02/Briefing-Note-FY-2019_as-of-Aug23_cidt-8_29_18FINAL.pdf

DOLE (2022) *Statement of Appropriations, Allotments, Obligations, Disbursements and Balances, 2021*

**EXPENDITURE PROGRAM BY GENERAL EXPENSE CLASS, 2021-2023
(AMOUNTS IN MILLION PESOS)**

Particulars	2021					2022					2023				
	PS	MOOE	CO	FinEx	Total	PS	MOOE	CO	FinEx	Total	PS	MOOE	CO	FinEx	Total
OSEC	2,990.6	25,348.1	44.4	0.0	28,383.2	3,049.1	30,286.0	209.7	8.0	33,552.8	2,317.2	19,779.8	286.8	0.0	22,383.8
ILS	42.6	11.3	2.8	0.0	56.7	39.1	19.4	7.0	0.0	65.5	40.4	18.6	0.0	0.0	59.0
NCMB	198.6	68.0	8.3	0.0	274.9	187.8	93.6	10.9	0.0	292.2	197.9	94.1	0.0	0.0	292.0
NLRC	1,562.2	167.7	3.5	0.0	1,733.5	1,169.6	202.2	1.3	0.0	1,373.1	1,250.0	206.7	0.0	0.0	1,456.7
NMP	60.0	54.4	17.3	0.0	131.7	59.2	67.4	12.4	0.0	139.0					
NWPC	181.2	78.1	18.4	0.0	277.7	165.4	90.0	3.4	0.0	258.7	193.7	92.1	0.0	0.0	285.8
POEA	394.9	180.5	2.3	0.0	577.7	357.8	247.0	96.5	0.0	701.3					
PRC	845.9	542.2	33.6	0.0	1,421.7	851.0	886.3	131.6	0.0	1,868.9	944.1	786.0	24.0	0.0	1,754.1
OWWA	745.7	17,984.5	7.5	1.7	18,739.4	792.0	12,225.2	26.1	1.7	13,045.0					
Total DOLE	7,021.9	44,434.8	138.2	1.7	51,596.6	6,671.1	44,117.0	498.8	9.7	51,296.6	4,943.3	20,977.4	310.8	0.0	26,231.5

Source: FY 2023 BESF

**EXPENDITURE PROGRAM BY GENERAL EXPENSE CLASS, 2021-2023
(AS PERCENT TO TOTAL AGENCY)**

Particulars	2021					2022					2023				
	PS	MOOE	CO	FinEx	Total	PS	MOOE	CO	FinEx	Total	PS	MOOE	CO	FinEx	Total
OSEC	10.5	89.3	0.2	0.0	100.0	9.1	90.3	0.6	0.0	100.0	10.4	88.4	1.3	-	100.0
ILS	75.2	20.0	4.9	-	100.0	59.7	29.6	10.7	-	100.0	68.5	31.5	-	-	100.0
NCMB	72.3	24.7	3.0	-	100.0	64.3	32.0	3.7	-	100.0	67.8	32.2	-	-	100.0
NLRC	90.1	9.7	0.2	-	100.0	85.2	14.7	0.1	-	100.0	85.8	14.2	-	-	100.0
NMP	45.5	41.3	13.2	-	100.0	42.6	48.5	8.9	-	100.0	-	-	-	-	-
NWPC	65.2	28.1	6.6	-	100.0	63.9	34.8	1.3	-	100.0	67.8	32.2	-	-	100.0
POEA	68.4	31.2	0.4	-	100.0	51.0	35.2	13.8	-	100.0	-	-	-	-	-
PRC	59.5	38.1	2.4	-	100.0	45.5	47.4	7.0	-	100.0	53.8	44.8	1.4	-	100.0
OWWA	4.0	96.0	0.0	0.0	100.0	6.1	93.7	0.2	0.0	100.0	-	-	-	-	-
Total DOLE	13.6	86.1	0.3	0.0	100.0	13.0	86.0	1.0	0.0	100.0	18.8	80.0	1.2	0.0	100.0

Source: FY 2023 BESF