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**AN EVALUATION OF THE SOCIAL AMELIORATION PROGRAMME IN THE
PHILIPPINE SUGAR INDUSTRY: ISSUES OF PARTICIPATION AND
EFFECTIVENESS.**

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ABSTRACT

This study evaluates the implementation of the Social Amelioration Programme (SAP) of the sugar industry in the Philippines. This programme endeavours to ensure the participation of both the sugar employers and workers sector representatives, along with the government sector, in the established government-sponsored tripartite councils (the DTCs) as regards decision and policy-making on the effective implementation of SAP.

The SAP is a production sharing scheme instituted in the Philippine sugar industry pursuant to R.A. 6982, intended to supplement the inadequate income of sugar workers and to finance socio-economic programmes to improve their livelihood and well-being. The distribution of cash bonuses to covered workers is an important element of the programme. The other aspects of the new SAP are the enforcement of R.A. 809, the death benefit programme, maternity benefit programme, and the livelihood and income-generating projects financed by funds derived from related liens and interest earnings thereof. The so-called tripartite advisory programme which ensures the participation of the employer and worker sector representatives in the DTCs, along with the government sector, are also part of the new SAP. These programmes are implemented by the BRW-DOLE (Bureau of Rural Workers - Department of Labour and Employment) with the assistance of the DOLE Regional Offices.

The sugar industry has been present in the Philippines since the turn of the century, and to the present day has been characterized by periods of growth, dependency, turbulence and uncertainties in terms of employment, production, land area utilization and the market, both domestic and foreign. Several factors may further affect the overall viability of the industry such as the unfair pricing of sugar in the world market and indiscriminate liberalization as a result of the forthcoming GATT, inadequate rural infrastructure, imposition of additional taxes on milling facilities and the value-added tax, uncertainties associated with the implementation of CARP, unpredictable drought or calamities, diversification programme and government support in terms of research and development.

To evaluate the effectiveness of the new SAP and the tripartite advisory programme, two principal sources of information were utilized; status reports prepared by BRW-DOLE and the results of two surveys of representatives from the government, employer and worker sector, members of the DTCs, vested with responsibilities for decision and policy-making on the effective implementation of such programmes.

The results of the first survey indicated a positive assessment. The assessment of the employer and worker sector representatives in the past 3 years (1991-1993) was generally positive. The assessment of the efficiency and effectiveness of their DTCs was also positive. In the second survey, the results also indicated a positive assessment of the performance and effectiveness of the DTC in meeting its functions and responsibilities pursuant to R.A. 6982. This thesis concludes with a number of recommended changes that might be made in dealing with issues and problems relating to the effective implementation of SAP.

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CHAPTER I - INTRODUCTION

1. BACKGROUND OF THE STUDY

In the sugar industry, the enactment of Republic Act 6982 or otherwise known as the Social Amelioration Act of 1991, furthered the Philippine Government's thrust to strengthen the rights of sugar workers to a just share in the fruits of their production, as well as the right of employers (planters and millers) to a reasonable return on their investments, and an expectation of expansion and growth.

The Act saw the creation of tripartite councils in the sugar industry both at the national level and in every sugar milling district throughout the country. The Act has, as one of its objects, the greater participation of sugar plantation and mill workers, as well as the employers (planters and millers) in the determination and implementation of the Social Amelioration Programme. To date, there is one tripartite council created at the national level, and thirty-nine) district tripartite councils have been created in every sugar milling district throughout the country.

Given the participation of the sugar workers and the employers, it is worthwhile to examine both the issues raised by, and the extent of their empowerment in the tripartite bodies, insofar as the policy determination and implementation of the Social Amelioration Programme in the sugar industry is concerned.

"Empowerment" is understood to be giving power to people who operate at a disadvantage. On the other hand, "participation" is understood to be a process in which two or more parties influence each other in making certain plans, policies and decisions.

To help build up a theoretical and factual basis for consideration of this issue, I have undertaken to examine the effectiveness of the Social Amelioration Programme of the sugar industry in the Philippines, which endeavours to provide and ensure the participation and empowerment of sugar workers, particularly plantation or field workers.

Although the present Philippine government policies and programmes on participation of sugar workers are significant, there are as yet no written studies about their actual empowerment in the tripartite councils. A report from the Bureau of Rural Workers, a government agency tasked with the implementation, monitoring and evaluation of the Social Amelioration Programme, indicated levels of participation by sugar workers, but the real facts and situation of their participation and empowerment in the tripartite councils throughout the country has not yet been documented.

It is hoped that one of the outcomes of this study will be to shed new light on the concept and genuine practice of participation and empowerment of the sugar workers (particularly the plantation or field workers) insofar as the Social Amelioration Programme is concerned.

2. OBJECTIVE OF THE STUDY

This study aims to, assess the nature and extent to which the Social Amelioration Programme of the sugar industry in the Philippine provides for the participation and empowerment of sugar workers, particularly plantation workers insofar as policy determination and implementation of social and economic programmes is concerned.

1. This study has the following specific objectives: To identify and report the perceptions of sugar workers and employers' representatives regarding their participation and empowerment in the tripartite councils insofar as the policy determination of social and economic programmes of the Social Amelioration Programme is concerned.
2. To identify, evaluate and explain the kinds and levels of participation and empowerment of sugar workers and employers in the established tripartite councils of the sugar industry.
3. To evaluate and explain the extent to which sugar workers and employers have participated and been empowered insofar as the policy determination of the social and economic programmes of the Social Amelioration Programme is concerned, as well as the impact of their participation and empowerment in the implementation of these programmes.
4. To describe and explain the factors affecting the participation and empowerment of sugar workers and employers in the policy determination and implementation of the Social Amelioration Programme.
5. To assess and discuss the lessons and insights gained in relation to participation and empowerment of sugar workers and employers in the established tripartite councils of the sugar industry.

3. ANTICIPATED VALUE OF THE STUDY

It is hoped that the findings of this study will be significant to all sectors participating in the SAP.

Results will be firstly, to the Government with the Bureau of Rural Workers being the implementing agency for the Social Amelioration Programme, and to the International Labour Organization being the proponent of tripartism, and other policy formulators.

This research may serve as a basis for understanding and assessing the success or failure of participation and empowerment for other existing and future programmes of this nature. This would also assist in the review and modification of

existing policy and programmes regarding participation and empowerment of sugar workers and employers in the established tripartite bodies.

Secondly, results will be of significant to the participants of the tripartite councils: the plantation and mill workers; the sugar planters and millers; and the government representatives.

This research has the potential to provide an increased awareness and further improvement of their role in the tripartite councils insofar as policy determination of the social and economic programmes of the Social Amelioration Programme is concerned.

Finally, for the nation as a whole, the successful implementation of the Social Amelioration Programme which endeavours to provide participation and empowerment for the sugar workers and employers will result in promoting social justice in the country. This means further strengthening of the right of workers to a just share in the fruits of sugar production, and the right of employers to a reasonable return on investment and to expansion or growth of the sugar industry. Furthermore, the result of this would lead to the stability of the sugar industry which is vital to the country's economic growth and development. It is hoped that this research will assist this process.

4. RESEARCHER'S STANCE

It is the belief of the author that his present qualification such as academic preparation, training, and work experiences have been sufficient to successfully complete this study.

His knowledge about the Social Amelioration Programme of the sugar industry in the Philippines has helped him in the assessment of this programme. He has been an employee of the Bureau of Rural Workers, the implementing agency of the programme, and has also been directly involved in the drafting of the policy implementing rules and regulations of Republic Act 6982. In researching this thesis every care has been taken to ensure that objectivity has not been the victim of an association with this programme.

5. METHODOLOGY

5.1. Research Design

An evaluation research design was adopted in this study. This employed primarily to determine and measure the quantifiable impact of the participation and/or empowerment of the sugar workers and employers in the established tripartite councils of the sugar industry, to appropriately describe and explain the nature and extent of participation of sugar workers and employers insofar as policy determination and implementation of the programme is concerned.

The information obtained through evaluation research design was collected mainly through: the structured survey questionnaire method; unstructured interview with some selected sugar workers and employers representative to the established tripartite councils, as well as programme implementors from the implementing agency in the national and regional level; and also from secondary data such as existing research studies and status reports from the implementing agency.

5.2. Selection Of Respondents

There are forty (40) tripartite councils created and existing throughout the country. One (1) Sugar Tripartite Council (STC) is created for the national level, and 39 District Tripartite Councils (DTCs) are created for the district level corresponding to 39 sugar milling districts throughout the country.

A sample representative of twenty (20) tripartite councils covering a total number of one hundred twenty-two (122) workers' and employers' representatives throughout the country was drawn to consist the following sample respondents:

- (1) Eight (8) workers' and employers' representatives were drawn to consist the sample respondents for the STC; and
- (2). One hundred and fourteen (114) workers' and employers' representatives were drawn to consist the sample respondents for the 19 DTCs throughout the country's twelve regions (except NCR and Region 9 due to absence of sugar milling district).

These 19 DTCs have been chosen on a random basis with the sample stratified by region, and by volume of sugar production. A list of these 19 DTCs covered in the study is shown in Appendix ____.

5.3 Data Collection Method Instrument

Two sets of survey questionnaire (one for the STC and the other for the DTCs) were devise in consultation with my thesis supervisor and others, and based from my pretested questionnaire to some selected workers and employers representatives of the DTCs in 6 regions of the Philippines.

The questionnaires included both fixed alternative and open-ended questions, aimed at determining the respondents' background information such as age, gender, educational attainment, occupation and sector/organization; their method of selection/appointment, the length of their involvement and percentage of attendance in meetings to the tripartite councils; consultation over the passage of R.A. 6982 and its implementing rules and regulations, issue of procedure (how decisions are typically arrived at), their veto power, issue of government sector

neutrality, and their quorum; about their communication, issue of DTC autonomy; implementation of R.A. 809; and about the STC/DTC effectiveness (obligations pursuant to R.A. 6982), automatic increase in the SAP levy, issues/problems dealt with by the STC/DTC over the past 3 years, and tripartism versus collective bargaining.

The survey questionnaires were distributed through mail to the respondents in co-ordination with my BRW office in Manila and the assistance of DOLE Regional Offices based in the regions. We sent the questionnaires in printed forms from New Zealand beginning October 20, 1994 and it took a longer time for the accomplished questionnaires to come back to us here in New Zealand since the respondents have taken much time in answering the questionnaires and considering also the far distance of the regions from and to my BRW office in Manila, who would collect the answered questionnaires and sent them back to us has compounded the delayed arrival of the accomplished questionnaires.

5.4. Data Encoding and Summarization

The primary information gathered using the questionnaires underwent two important processes before they were use in the analysis. The first process was the data encoding which was done by assigning a code to all information in a given question or category. These codes were in the form of letters and/or numbers that could aid in easy identification of responses. After assigning an exclusive code to all information form the questionnaire, the responses to all questions were entered in a matric using a computer programme (SPSS). The summary of codes used in data encoding and summarization is shown in Appendix ____.

Responses were then summarized under different categories and headings such as: background information of the workers and employers representatives to the STC/DTCs; their method of appointment/selection; their length of involvement; percentage of attendance in meetings; consultation over the passage of R.A. 6982 and implementing rules and regulations; issue of procedure (how decisions are typically arrived at); their veto power; issue of government sector neutrality; issue of quorum; their communication; issue of DTC autonomy; implementation of R.A. 809; STC/DTC effectiveness (obligations pursuant to R.A. 6982); automatic increase in the SAP levy; issues/problems dealt with by the STC/DTC over the past 3 years; and tripartism versus collective bargaining.

5.5. Statistical Tools

The statistical tools used in the analysis include descriptive statistics such as mean, mode and percentages, chi-square test of independence and Spearman rank-order coefficient using a five percent level of significance.

The mean was used to measure demographic information; the mode was used to measure demographic characteristics as a basis of comparing the similarities or differences by age, gender, educational attainment, occupation and sector/organization represented between sugar plantation and mill workers, between sugar millers and planters, between sugar plantation workers and sugar millers, between sugar plantation workers and planters, between sugar mill workers and millers, and between sugar mill workers and planters.

The chi-square test of independence and Spearman rank-order correlation was used to test the research hypotheses. The chi-square test of independence was used to determine whether significant differences exist between categories such as workers' and employers' sectors/groups, age, gender, educational attainment, occupation, and sector/organization represented. The Spearman rank-order-coefficient was used to determine whether relationship between variables exist. A positive correlation exists if increase in one variable corresponds to decrease in the other variable. A negative correlation exists if increase in one variable corresponds to decrease in the other.

6. **LIMITATION OF STUDY/UNANTICIPATED CONSEQUENCES**

This study assesses the nature and extent to which the Social Amelioration Programme of the sugar industry in the Philippines provides participation and/or empowerment of the sugar workers, particularly the plantation workers, insofar as policy determination and implementation of social and economic programmes of the Social Amelioration Programme is concerned.

It also discusses the kinds and levels of participation and/or empowerment of the sugar workers and employers in the established tripartite councils of the sugar industry.

This study, however, has some limitations. First is the secondary data on some theoretical/conceptual framework on participation and/or empowerment of workers in decision making were limited to the area of industrial relations solely in foreign setting.

Second, there is also an absence or unavailability of secondary data on advantages/disadvantages or strengths/weaknesses of tripartism in the area of agricultural labour relations in the Philippine setting, and beforehand there is no updated data on the real situation of the workers industry, including an updated statistical data on sugar workers union and millers association and their affiliations.

Third, the findings and conclusions of this study on the real nature and extent of participation and/or empowerment is based solely on the performance assessment reports of my office and the perceptions/feelings of the workers' and employers' respondents based from the result of the survey questionnaires. In this sense, the

actual measurement of participation and/or empowerment might be a problem and questionable.