

# Major concerns in philippine public administration



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PACE serves as the Ad hoc body that shall be the focal point of Administrative Reforms in the Civil Service. DB directs all departments/agencies of the executive government to conduct strategic review of their operations and organizations. The Rationalization Program The Arroyo administration is pursuing a two-track approach, the administrative and the legislative tracks. In 2003, the administration has already allocated 15 million pesos for early retirement, However, Congress failed to pass a reengineering law. As such, Pres.

Arroyo has started her own rationalization law upon assumption into office in 2001. (Ram, 1999) The E No. 366 issued by President Gloria MacDougal Arroyo provides the strategic review of operations and organizations under the Executive Branch, and options and incentives for affected government employees. E 366 directs all agencies under the Executive branch to submit a strategic review of operations of organizations and attached agencies. The rationalization Plan then will be drafted based on the operations reviews.

This Rationalization plan tackles structural reforms aimed to, among others, address shifts in policy directions of the agency, redundant or outdated functions, functions that have been devolved to Lugs, and functions that compete with the private sector. However, according to the Article presented by Alex Brilliant Jar. And Marcel Fernando on 2008 " After four years of the implementation of the E 366, only 17 out of 26 department agencies of the government, 27 Shoes/Other government agencies, and only 36 out of more than 100

Cogs in the country have submitted their rationalization plans. Out of the 80 submitted rational plans, only two department-level offices and nine Cogs were approved; three departments have been evaluated but were not approved. Out of the 44 plans (Complete and partial submission) that are under evaluation, eight departments and 19 Cogs have completed their submission while three departments and four from the COGS have made partial submission. Moreover, there were plans returned for revision; one from the department and four from the Cogs.

DB is expecting submissions from three departments and 24 Cogs. Options for Affected Personnel The cost containment measures focus mainly on reducing personnel size. In the process of reviewing agency operations and organizations, some functions/units may be found redundant, overlapping or duplicating with others. Thereby E No. 366 offers the Voluntary Retirement Scheme. Under this scheme, agencies with redundant functions or those incurring revenue losses for the government are first identified.

These employees then are given two options 1 to remain in government service and be placed in other government agencies needing personnel or (2) Avail of detriment/separation benefits, if qualified, plus the applicable incentives. (Brilliant Jar. And Fernando, 2008) According to Policy Insights of the Philippine Senate Economic Planning Office, " The early retirement package will give an average retirement benefit of close to PH 1 million per beneficiary and will be funded by the national government (PH 15 billion) through IIS\$300-million World Bank loan.

According to the Department of Budget and Management, the government will save some PH 7.7 billion yearly from the reduction in the wage bill thus recouping the PH billion loan in two years. The projected savings is anchored on the assumption that 30,000 employees will avail of the separation/retirement plan. It is interesting to note that the savings is a mere 2.6 percent of the annual allocation for personnel expenditure. Hence, the fiscal impact is small and may not really address the inefficiency concerns of the bureaucracy. According to the Data taken from DB in 2008, as of April 2008, 2,170 regular positions (87% or 1,888 funded and 13% or 282 unfunded items) and 1,137 contractual/casual positions (86% of these or 978 contractual items and 14% or 159 casual items) have been abolished, which in effect, enervated PH 422 Million (PH 379 Million explicit and PH million implicit). These savings were plowed back to the concerned department agencies to beef up their funds for their purposes like maintenance and other operating expenses and capital outlay.