

annual report
2005



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Message

from the **Chairperson of the Governing Board**

Following the paradigm shift in overseas employment, i.e., from a temporary solution to the critical low employment rate in the domestic market to an employment strategy that recognizes the role of overseas remittances in alleviating poverty, spurring investment and cushioning the impact of worldwide recession when private capital dries up, the POEA responded quickly by ensuring decent and quality employment for OFWs, and by putting up structures and processes that “professionalize” overseas employment to enable our own countrymen to compete in the ever-expanding and highly competitive global labor market.

Despite the challenges posed by globalization to overseas employment program, the POEA has remained focused in its mandate and embarked on bold programs to facilitate gainful employment of Filipino workers overseas and supplement government’s efforts for local job creation. The bottom line of all these determined undertakings is the employment security of OFWs, the heart of POEA existence.

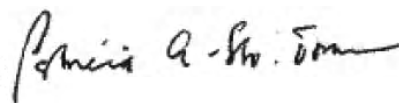
For 2005, the POEA in partnership with the private sector, had proved once again that its programs and priorities are aligned to its major objective in providing and creating one (1) million overseas jobs for Filipino workers. The POEA likewise never got out of focus in the implementation of its programs and projects in support to the 2004-2010 Medium Term Philippine Development Plan (MTPDP), particularly in alleviating poverty, and of the Department of Labor and Employment’s thrust and priorities.

Last year, in spite of domestic problems, the POEA refused to be distracted and ably met its goals and targets, and some instances, even surpassed them. And as it continued to march towards global excellence in governance, the POEA sustained its vigor in managing an international migration program that has become a model for other labor-sending economies for the past two decades. Not to be outshone by any crisis, the POEA maintained its place as one of the most vibrant institutions in the entire bureaucracy that makes a difference in the lives of our OFWs.

While we recognize that there are still daunting tasks ahead of us, once again I challenge POEA officials and employees to keep their dynamism afire and determination strong in facing the threats, along with opportunities, in the fast changing global world of work.

The immediate task and new directions of POEA in 2006 and beyond is to put the global OFW on top: secured, productive, competitive and highly competent. The POEA must also move towards transforming itself into a “lean,” but honored institution with huge and extensive networks of global partners working towards the recognition of Filipino workers as the world’s number one.

Maligayang Bati at Mabuhay ang OFWs!



The Administrator's Report

The POEA successfully met, and in some instances, even surpassed its 2005 performance targets as it continued to carry out the task of managing the country's overseas employment program and optimizing the employment opportunities offered by the friendly labor markets. With a firm commitment and determination, POEA delivered its core services to its stakeholders where the interest of the OFWs was primordial. It is, therefore, with pride that we submit our 2005 performance.

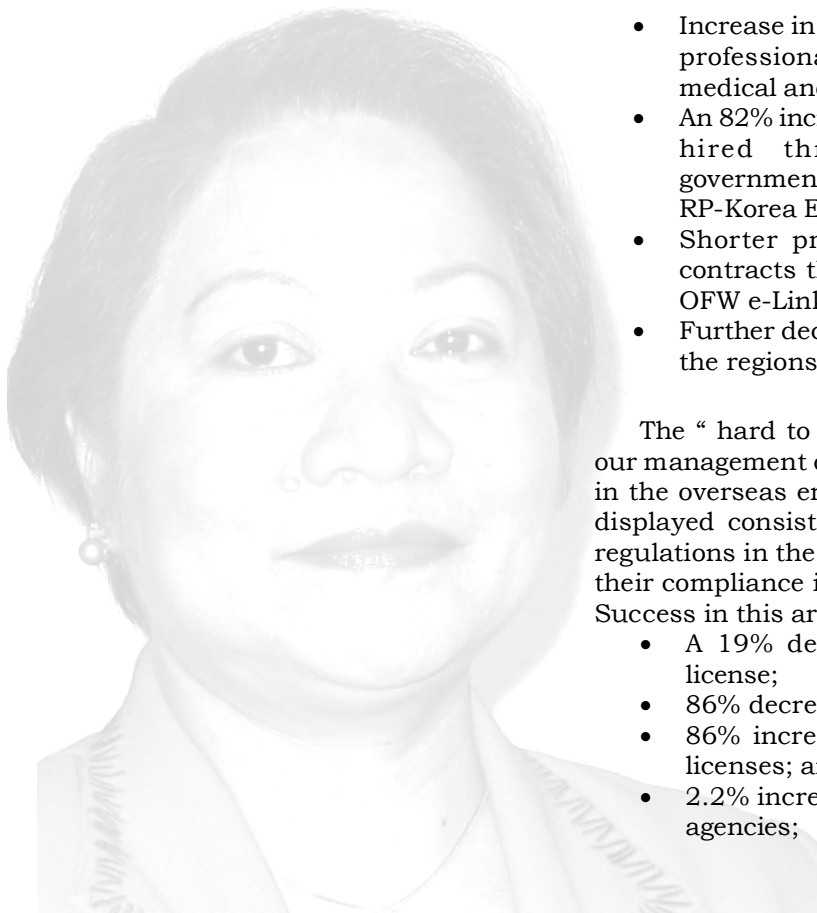
In the area of overseas employment facilitation, the POEA exceeded its target of one million processed employment contracts by 20.5%. The accomplishment led to the deployment of 988,615 Filipino to more than 180 countries of destination who remitted through the banking channel a whopping US\$10.7B. The increase in the number of contracts processed and deployment was propelled by factors such as:

- Continued preference of foreign principals and employers for Filipino labor;
- Efforts of POEA to strengthen its foothold on the traditional markets and increase its share in new markets;
- A 24% increase in the accreditation of new principals employing landbased workers and 6% increase for new principals employing Filipino seafarers;
- Inbound marketing program realized through the DOLE Labor Opportunities Program (DOLOP) which successfully showcased Filipino skills and talents to foreign principals and employers;
- Outbound marketing missions to the Middle East, Taiwan and Cyprus;

- Increase in the demand for more skilled and professional workers, particularly in the medical and allied services;
- An 82% increase in the placement of workers hired through the government-to-government arrangement, particularly the RP-Korea Employment Permit System;
- Shorter processing time of employment contracts through the e-submit hub of the OFW e-Link Program; and
- Further decentralization of POEA services to the regions.

The “hard to enter, easy to go” policy guided our management of the private sector participation in the overseas employment program. The POEA displayed consistency in enforcing its rules and regulations in the licensing of agencies and saw to their compliance in the course of their operations. Success in this area was made evident by:

- A 19% decrease in the issuance of new license;
- 86% decrease in the renewal of licenses;
- 86% increase in the number of cancelled licenses; and
- 2.2% increase in the number of suspended agencies;





Where dispute settlement was concerned, POEA implemented a two-pronged approach to unclog the docket system: resolve cases within the prescribed period, and strengthen the voluntary conciliation mode. The approach resulted to:

- A 35% decrease in the number of docketed cases;
- A 63% disposition rate of docketed cases;
- 55% increase in cases settled through voluntary arbitration;
- 1,304 complainants benefiting from the PhP33.5M settled through voluntary conciliation;
- PhP11M in fines going to the national coffers effected through compulsory arbitration of cases;
- while PhP208M plus US\$9,713 were awarded to complainants; and
- Settlement of 6,000 cases through compulsory and voluntary arbitration modes.

The POEA managed to sustain its aggressive information and education campaign in 2005. The nationwide reach of the program was intensified through the conduct of 878 Anti-Illegal Recruitment/Pre-Employment Orientation (AIR/PEO) seminars and the production of brochures/information materials, distributed throughout the country. The POEA Information & Public Assistance Center operated on a 24-hour basis and serviced a daily average of 500 clients. The increased awareness among our citizens coupled with a series of surveillance activities conducted by the POEA and police operatives, resulted to an 18% drop in the number of illegal recruitment cases brought to POEA and the arrest of four illegal recruiters.

As a result of the very positive feedback from its customers on the delivery of its services and its continual process improvement, POEA was re-certified under the ISO 9001:2000. Through sound fiscal management, POEA generated an income of PhP355.32M, surpassing by 14% the target set by the Department of Budget & Management of PhP310.50M. By the end of 2005, it realized a savings of PhP 5.7M

Inspired by our accomplishments in 2005, we look forward to doing better in 2006 as we continue our march towards global excellence.

The 2005 Performance Highlights

For over three decades, the Overseas Employment (OE) program has remained a viable source of gainful employment and productive pursuits for hundred thousands of Filipino workers. Amidst the challenges posed by globalization to the overseas employment program, the POEA has never wavered from moving forward and continue facilitate the access of workers to decent and productive employment overseas.

In support to the 2004-2010 Medium Term Philippine Development Plan and the 10 Point Agenda of President Gloria Macapagal Arroyo, particularly on poverty alleviation, workers' security and protection and decentralization of government services, the POEA embarked on bold undertakings and focused on its core programs and services to achieve its goal and deliver its 2005 commitments.

Major commitments for 2005 included the following: facilitation of 1 million jobs overseas; speedy resolution of OFW cases through conciliation and compulsory arbitration; workers empowerment through information and education campaign; Anti- illegal recruitment outreach through convergence and networking with the local government units (LGUs); strict implementation of recruitment regulations to weed out poor performing agencies; electronic OFW services; and further decentralization of POEA services in the regions. With a lean budget of Php228.69 M, it successfully delivered the following accomplishments through prudent fiscal and effective human resource management.

Overseas Employment Facilitation

Access of workers to overseas employment opportunities is made possible by a network of facilitation services in partnership with the private sector, particularly the private recruitment agencies. The integrated service delivery includes the government and the private sector's efforts in searching for and developing market opportunities for our OFWs. It also includes foreign employers/principals' registration/accreditation, worker documentation and deployment assistance services which are delivered through electronic systems. The succeeding pages show the integrated system which supported POEA's facilitation of more than 1 million jobs overseas.

Contracts Processed Exceeded 1-million Mark. The number of employment contracts approved and processed by POEA for overseas placement grew by 5.3% to 1.2 million in 2005, exceeding the target for the year by 20.5%. This consisted of 898,565 landbased workers and 306,297 seafarers. Of the total number of landbased workers documented in 2005,

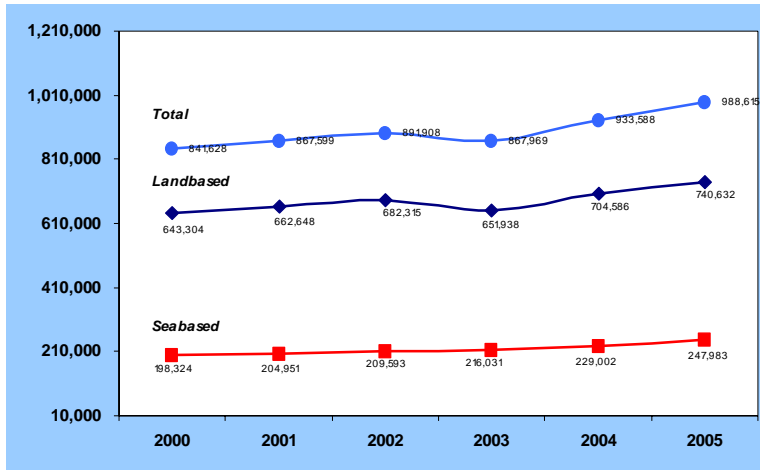


447,742 were new hires and 450,823 were rehires. While the number of documented landbased new hires was noted to fluctuate and lag behind that of the rehires in the previous years, this continued to grow and stabilize at nearly 50% of the total documented workers since 2003.

Documented OFWs By Type of Hiring
2004-2005

OFW Contracts Processed	2005	2004	% Change
Landbased	898,565	849,842	5.7%
New Hires	447,742	401,467	11.5%
Central Office	438,721	394,521	11.2%
Government Hire	11,294	4,712	139.7%
Private Agency (Regular)	404,852	371,137	9.1%
Private Agency (In-House)	6,016	4,539	32.5%
Name Hire	16,560	4,539	17.2%
Regional Centers	9,021	6,946	29.9%
Private Agency Hire (Regular)	5,035	4,181	20.4%
Name Hire	3,986	2,765	44.2%
Rehires	450,823	448,375	0.6%
Central Office	236,285	259,444	-8.9%
Regional Centers	90,023	79,625	13.1%
POLOs	124,297	109,306	13.9%
Seabased	306,297	294,886	3.9%
Central Office	301,210	293,036	2.8%
Private Agency Hire (Regular)	260,089	229,501	13.3%
Private Agency Hire (In-House)	41,121	63,535	-35.3%
Regional Centers	5,087	1,850	174.9%
TOTAL	1,204,862	1,144,728	5.3%

The POEA Central office remained to be the most preferred processing venue for the seabased workers and landbased new hires and rehires representing 81% of the total documented workers. This is mainly due to the strong presence of licensed recruitment agencies, foreign embassies and other government agencies visited by applicant workers for documentation in the Metro Manila area. Given POEA's existing network of regional offices and extension units, however, there was an increase in the number of OFWs who were documented in the regions. While the contribution of the regions in processing landbased new hires and seafarers in 2005 was less than 1%, the documentation of rehires in the regions accounted for 7.5% of the total. Compared to 2004 contract processing data, there was a 13% increase in the number of rehires documented in the regions in 2005.

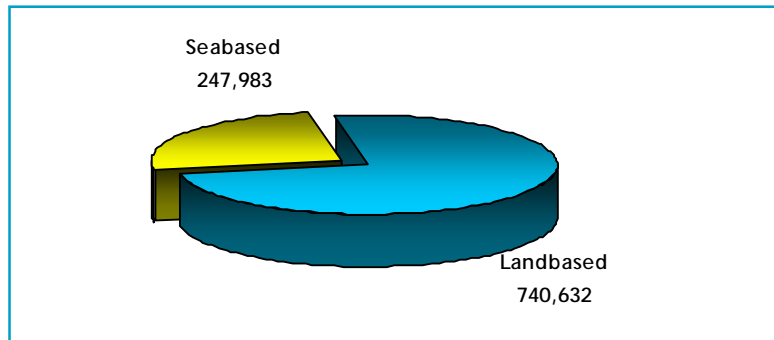


Deployed OFWs, 2004-2005

Highest OFW Deployment in 20 Years. During the year, the POEA facilitated the deployment of 988,615 OFWs to more than 180 overseas destinations. This represented a 5.9% increase from 933,588 OFWs deployed in 2004. On the average, more than 2,700 Filipino workers left daily for overseas jobs.

Of the total Filipino workers who found employment overseas, about 75% (740,632) were landbased workers, while the remaining 25% (247,983) were seafarers. The impressive annual growth maybe attributed to the continued confidence of foreign principals to employ Filipino workers who are competent, highly trained, English proficient, with caring attitude and adaptable to work environment. The globally recognized capabilities of Filipino workers have pushed the number of deployed rehires and new hires to grow by 7.4% and 1.7%, respectively.

From 419,505 in 2004, the number of rehires expanded to 450,651 in 2005, while new hires increased from 284,912 to 289,709. Another factor was traced to the steady growth in the number of Filipino seafarers to man the world's merchant marine fleet, surging by 8.3% to 247,983 from 299,002 in 2004.



Deployed OFWs, Landbased and Seabased, 2005

OFW Remittances by World Group,
2004-2005

WORLD GROUP	OFW Remittance*		
	2005	2004	% Change
ASIA	1,172,373	918,329	27.7%
MIDDLE EAST	1,417,491	1,232,069	15.0%
EUROPE	1,433,904	1,286,130	11.5%
AMERICAS	6,605,231	5,023,803	31.5%
TRUST TERRITORIES	-	-	0.0%
AFRICA	4,546	3,439	32.2%
OCEANIA	54,573	42,600	28.1%
OTHERS ^{1/}	887	44,001	-98.0%
TOTAL LANDBASED	9,019,647	7,085,441	27.3%
TOTAL SEABASED	1,669,358	1,464,930	14.0%
TOTAL	10,689,005	8,550,371	25.0%
<i>Monthly Remittance Average</i>	890,750	712,531	25.0%

Note: Data are not truly reflective of the actual country of deployment of OFW's due to the common practice of remittance centers in various cities abroad to course remittances through correspondent banks mostly located in the U.S. Since banks attribute the origin of funds to the most immediate source, U.S., therefore appears to be the main source of OFW remittances.

Source: DER-BSP

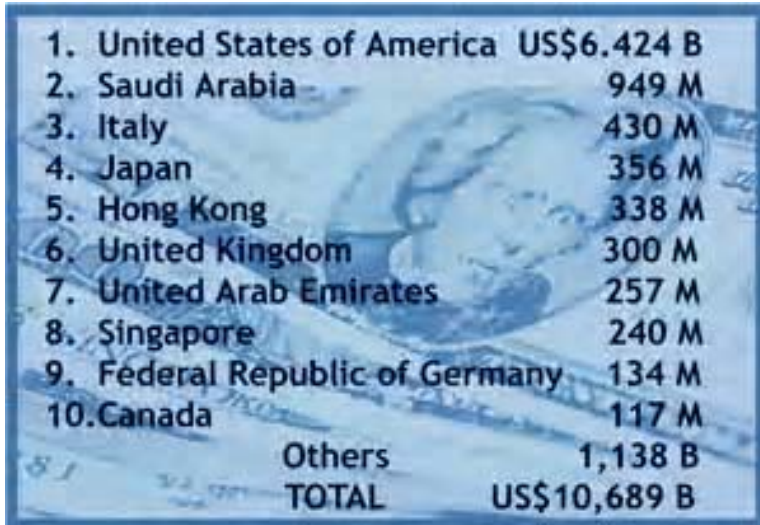
* In Thousand US dollars

Increase in Deployment Translated to Higher Dollar Remittances.

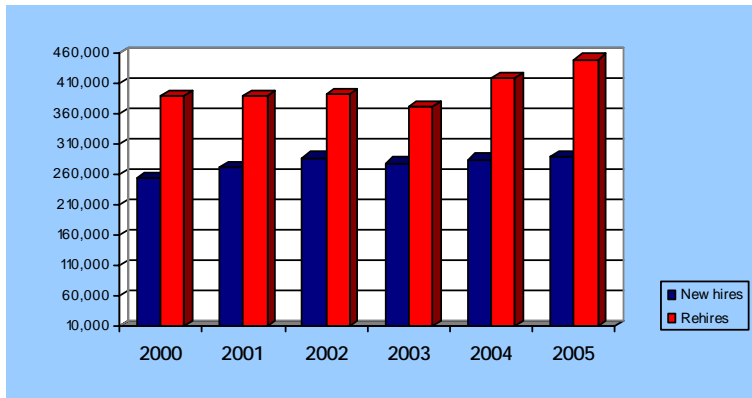
The increase in deployment of OFWs resulted to hefty dollar remittances amounting to \$10.7 billion that perked up the pace of the country's economic growth for the period. The 2005 figure was 25% higher than the \$8.6 billion recorded in 2004.

Top 10 Sources of OFW Remittances. The United States had remained the top source of OFW remittances (landbased and seabased workers) for 2005 with total volume remitted reached \$6.42 billion, accounting for 60% of the total remittance and representing a 31% increase from \$4.90 billion recorded in 2004. This was due to the common practice of remittance centers in various cities abroad to course OFWs remittances through correspondent banks mostly located in the US.

Saudi Arabia came second with \$949.37 million, followed by Italy (\$430.07 million), Japan (\$356.66 million), Hong Kong (\$338.89 million), United Kingdom (\$300.72 million), United Arab Emirates (\$257.43 million), Singapore (\$240.15 million), Federal Rep. of Germany (\$134.80 million) and Canada (\$117.06 million).



Remittances by OFWs, 2005





Deployed OFWs, New Hires and Rehires, 2005

High Preference for Filipino Labor. The significant increase in the number of OFWs deployed and employment contracts processed for 2005 may be traced to 26,999 new foreign employers/principals that were registered and accredited to POEA. The number was up by 28% from 21,065 new principals accredited in 2004. Of the total, about 97% or 26,124 were accredited principals hiring landbased workers while the remaining 3% or 875 were foreign employers of seafarers. Compared to the number of newly accredited principals which employed landbased workers in 2004, the volume of newly accredited principals in 2005 expanded by 29%. In like manner, the volume of new principals employing seabased workers swelled by 6%. Vessel enrolment, likewise, increased by 20.1% to 2,035 in 2005 from 1,694 in 2004.

The double-digit increase in the number of newly accredited landbased foreign principals pushed the level of

Top 10 Flag Registries and Type of Vessels where Filipino Seafarers Boarded, 2005

Flag of Registry	Type of Vessel
 Panama	 Passenger
 Bahamas	 Bulk Carrier
 Liberia	 Tanker
 Singapore	 Container
 Marshall Island	 Oil/Product Tanker
 Norway	 General Cargo
 United Kingdom	 Tugboat
 Cyprus	 Pure Car Carrier
 Malata	 Chemical Tanker
 The Netherlands	 Reefer

manpower requirements in 2005 to a total of 493,585 approved job orders. Similarly, the number of approved seabased positions required by newly registered/accredited manning principals jumped by 42.9%, from 29,800 in 2004 to 42,571 in 2005.

The private recruitment agencies and manning companies together with the accredited foreign principals, were responsible for the deployment of 95% of OFWs in 2005.

Top 10 Destinations of New Hires. For 2005, Saudi Arabia was the top destination of newly hired OFWs numbering 65,259. This was followed by Japan (38,803), Taiwan (34,369), United Arab Emirates (33,969), Kuwait (24,917), Qatar (17,671), Hong Kong (17,633), Lebanon (13,210), Korea (6,920), and Bahrain (4,817). Total number of new hires stood at 289,709 in 2005 compared to 284,912 in the previous year. The Middle East, being one of the traditional markets for OFWs, absorbed more than half or 58.2% (168,608) of newly hired Filipino workers while Asia, the second biggest market, cornered 36.5% (105,606).

Top 10 Destinations of Rehires. The biggest number of employment contracts renewed for Filipino workers numbering 129,091 came from companies in Saudi Arabia in 2005. This figure represented 28.6 % of the total rehires for the period. This was followed by Hong Kong (76,935), United Arab Emirates (48,070), Singapore (24,403), Italy (21,167), Kuwait (15,389), United Kingdom (15,001), Qatar (13,750),

Taiwan (12,368) and Brunei (7,889). For 2005, the number of rehires increased by 7.4% to 450,651 from 419,505 in 2004.



Top 10 Destinations of OFWs

In sum, the top ten destination countries of landbased new hires and rehires registered a total of 598,403 deployed workers, representing 80.8% of the total landbased OFW deployment for 2005. The Middle East remained the top destination region of OFWs accounting for 53% followed by Asia (34%) and Europe (7%), in that order.

WORLD GROUP	2005	2004	% Change
ASIA	255,084	266,609	-4.3%
MIDDLE EAST	394,419	352,314	12.0%
EUROPE	52,146	55,116	-5.4%
AMERICAS ^{1/}	14,886	11,692	27.3%
TRUST TERRITORIES	7,596	7,177	0.0%
AFRICA	9,103	8,485	7.3%
OCEANIA	2,866	3,023	-5.2%
OTHERS	135	1	13400.0%
TOTAL LANDBASED ^{2/}	740,360	704,417	5.1%
TOTAL SEABASED	247,983	229,002	8.3%
Workers with Special Exit Clearance ^{3/}	272	169	60.9%
TOTAL	988,615	933,588	5.87%

More Skilled Filipino Workers Hired. For 2005, foreign employers maintained their strong preference to hire skilled Filipino workers numbering to 133,420, up by 8% from 123,525 in 2004. Topping the list was Factory and Related workers with 39,477, followed by Construction Workers (30,078), Building Caretakers and Related Workers (12,607), Sewers and Embroiderers (4,452), Wiremen Electrical (2,991),

Tailors and Dressmakers (2,906), Plumbers and Pipe fitters (2,849), and Welders and Flame-Cutters (2,451).

While there was no significant increase in the deployment of technical and professional workers in 2005 compared to 2004, some categories of professional workers exhibited remarkable performance. The volume of teachers who found employment overseas went up sharply. From 542 in 2004, the number of teachers expanded by 45.6% 789 in 2005.



Likewise, the numbers of civil and mechanical engineers were on the upswing, rising by 27% and 17.7% to 625 and 452, respectively. There was also notable increase in the volume of Medical X-Ray Technicians (524), Draughtsman (442), Dental Assistants (344), and Aviation Related Workers (211).

Following Japan's implementation of its new policies on the entry of foreign entertainers last March 2005, deployment of overseas performing artists went down by 13.9% to 39,495 from 71,489 in 2005. During the same review period, the hiring of first time nursing professionals declined by 12.5%, or from 8,879 to 7,768.

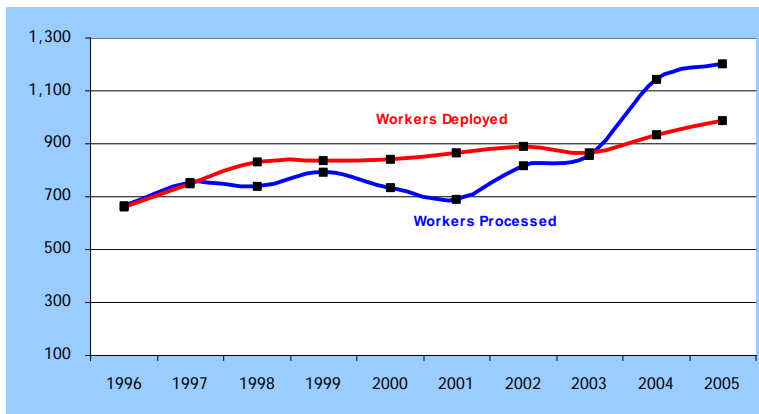
In contrast, the volume of household workers deployed in 2005 jumped by 35.3% to 85,088 from the 62,890 recorded in 2004.

Occupational Group	2005	2004	% Change
A. Professional and Technical Related Workers	63,941	94,147	-32.1%
Teachers	789	542	45.6%
Nursing Personnel (NEC)	674	323	108.7%
Engineers Civil	625	492	27.0%
Technicians Medical X-Ray	524	408	28.4%
Engineers Mechanical	452	384	17.7%
Draughtsman	442	327	35.2%
Dental Assistants	344	255	34.9%
Aviation Related Workers	211	146	44.5%
Other Professional Workers	59,880	91,270	-34.4%
B. Skilled Workers	133,420	123,525	8.0%
Construction Workers	30,078	22,039	36.5%
Factory Workers	39,477	25,481	54.9%
Building Caretakers and Related Workers	12,607	10,137	24.4%
Sewers and Embroiderers	4,452	3,985	11.7%
Wiremen Electrical	2,991	2,620	14.2%
Tailors and Dressmakers	2,906	2,870	1.3%
Other Skilled Workers	40,909	56,393	-27.5%
C. Household and Related Workers	85,088	62,890	35.3%
D. Other Skills	1,836	1,250	46.9%
TOTAL - New hires	284,285^{2/}	281,812	0.9%

Deployed Overseas Filipino Workers (OFWs) - New hires ^{1/} by Selected Occupational Group

1/ - Data covers central office only. Does not include workers who exited thru international exit points in the regions (5,424).

2/ - Includes workers deployed thru Employment-based Immigration scheme (3,624).



Processed and Deployed OFWs 1996-2005 (In thousand)

Compared to the total number of documented workers, only 65% of the documented new hires and 81% of the documented seafarers were deployed in 2005 while almost all of the documented rehires (99.97%) were deployed in the same period. The gap between the number of documented and deployed OFWs may be due to work permit/visa availability

concerns and other administrative matters that delay the deployment of workers.

Development of Friendly Markets

Expanding Overseas Employment Opportunities and Securing Better Terms for OFWs. Driven by its mission to facilitate the access of workers to decent and productive employment, the POEA continued to embark on a series of marketing and promotions projects aimed at expanding and identifying global labor opportunities for Filipino specialists and seafarers. One of the strategies to attain this objective was the implementation of the newly conceived DOLE Labor Opportunities Program (DOLOP) consisting of four major activities that were conducted on 9-11 November 2005 at the Philippine International Convention Center (PICC). Designed as an in-bound marketing activity to promote the services of OFWs and showcase their skills and talents, the DOLOP brought together in one forum foreign employers desiring to hire Filipino professional and skilled workers and seafarers.

The DOLOP had four components: (1) the First International Labor Mart (ILM); (2) the First International



Labor Opportunities Forum (ILOF); (3) 2nd International Employers Award; and (4) Local Jobs Fair and Business Forum.

During the 3-day activity, 218 exhibitors including 189 licensed recruitment agencies participated in the International Labor Mart. A total of 15,462 jobs orders from these recruitment agencies, exclusive of those posted in the POEA website, were generated for overseas worker-applicants. There were also 15 foreign employers who submitted recruitment attestation during their visit to the ILM.

Meanwhile, 81 outstanding employers of Filipino landbased workers and 56 principals of Filipino seafarers were given citation during the 2nd International Employers Awards (IEA). Moreover, the President at Malacañang Palace conferred Presidential Award of Distinction to 35 landbased employers, 25 seabased principals, 7 maritime associations and 8 shipping executives.

More than 500 participants from various sectors participated during the ILOF and some 800 families of OFWs participated in the Local Fair and the Business Forum aimed at orienting them on the various subjects like savings and investment options, jobs in sunrise industries, agribusiness and franchising opportunities.

The POEA undertook marketing missions to Taiwan, United Arab Emirates, Qatar, Bahrain, and Cyprus. The Middle East mission alone opened negotiations with 80 foreign employers that brought about the signing of 10 recruitment agreements and an estimated 2,300 job orders to be realized. Forty two executives from the private recruitment industry joined the Middle East mission.

In terms of new market development, the POEA briefed Hong Kong Disney officials on the government's policy for



employment of Filipino entertainers and skilled workers for the operations and maintenance of the HK Disney Resort. As a result, the HK Disney group got to appoint a local agency to handle their initial manpower requirements of 126 professional performing artists.

In line with its policy advocacy for the protection of OFWs and to enhance regional and international cooperation, the POEA actively participated in 12 international conferences on labor migration: (1) First Session of the Joint IMO/ILO Ad Hoc Expert Working Group on Fair Treatment of Seafarers in London, UK on 17-19 January 2005; (2) Workshop on International Migration and Labor Markets in Asia in Tokyo, Japan on 20-21 January 2005; (3) Inter-sessional Workshop on Migration and Development Policy Agenda in Geneva, Switzerland on 02-03 February 2005; (4) International Conference on Migration, Remittances & the economic Development of Sending Countries in Morocco on 22-25 February 2005; (5) Meeting of the Drafting Committee and Officers of the Preparatory Technical Maritime Conference in Geneva, Switzerland on 22-26 February 2005; (6) Tripartite Inter-sessional Meeting on the Follow-up to the Preparatory Technical Maritime Conference in Geneva, Switzerland on 21-30 April 2005; (7) Meeting with the Filipino International Network in United Arab Emirate Chapter on 11-15 June 2005; (8) Movement of Workers in ASEAN: IT and Healthcare in Indonesia on 9 August 2005; (9) Sixth Session of the Joint IMO/ILO Ad Hoc Expert Working Group on Liability and Compensation Regarding Claims for Death, personal Injury and Abandonment of Seafarers on 19-21 September; (10) Inter-sessional Workshop on Developing Capacity to manage Migration in Geneva, Switzerland on 27-28 September 2005; (11) International Migration Law Course in San Remo, Italy on 20-24 September 2005; and (12) ILO Meeting on Migration on 31 October to 02 November 2005.



The POEA provided technical assistance through preparation of country papers and inputs and participated in meetings/negotiations on proposed bilateral and multilateral agreements such as: (1) Japan-Philippines Economic Partnership Agreement; (2) RP- Lebanon Memorandum of Understanding; (3) RP-Malaysia MOU on Labor; (4) RO-Qatar MOU on Health; (5) RP-Australia MOU on establishment of Ministerial Meeting; (6) MOU on the Special Hiring Program for Taiwan; (7) RP-KSA Joint Commission Meeting; and (8) IOM Second Evaluation of the 1035 Facility (i.e., support for developing member states with economy in transition).

To support all these marketing initiatives, the POEA drafted and disseminated labor market updates and advisories on Brunei, CNMI, Croatia, Eritrea, Horn of Africa, Hong Kong, Japan, KSA, Libya, Macau, Qatar, Russia, Singapore, Sudan, UAE, and United States which the private recruitment agencies found quite useful.

Technology Based Service Delivery



Systems Infrastructure in Place to Enhance Access of OFWs. In support to the e-Link Project of DOLE which is envisioned to connect 12 government agencies under the OFW One Stop Processing Center , the POEA has fully activated the processing hub of the OFW documentation system which integrated also the documentation systems of OWWA and Philhealth. This function was further enhanced by the e-Submit facility, an electronic submission of OFW contracts by the recruitment agencies where average processing time had gone down to only 5 minutes per contract. The system gives out a computer- generated receipt (e-receipt) integrating the payments for POEA contract processing, OWWA membership fee as well as Philhealth membership fee. As of end-December

2005, there were 202 landbased licensed recruitment entities and 48 manning agencies enrolled in the system.

To facilitate the request for reduced travel tax for dependents of OFWs, the Philippine Tourism authority is given access to the POEA online verification system (e-Verification). The system is accessible to OWWA and POEA regional offices for verification of contract particulars and employment status of OFWs, available job orders, and status of accreditation of foreign employers.

In addition, the Administration developed and deployed the following new systems and applications, namely: (a) seabased deployment system at the LAC in NAIA; (b) AIR Case Monitoring System.

Licensing and Industry Management

“Hard to Enter, Easy to Go” Policy Took Its Due Course. For 2005, the continued implementation of the POEA “hard to enter, easy to go” policy saw a 19% decrease in the issuance of new license. From 92 in 2004, only 77 new licenses were issued in 2005 out of the 123 applications received by the Administration where 8 were seabased licenses and 69 were landbased.

Similarly, there was a sharp decline in license renewed from 468 to only 64 in 2005, representing an 86% drop. As this developed, 235 agency licenses were suspended due to recruitment violation cases or a 2.2% increase from the 2004 figure. Moreover, 67 agency licenses were cancelled from the



POEA roster in 2005, an 86% increase compared to the 36 licenses cancelled in 2004.

Maintained a Roster of Reputable Agencies. As of December 2005, there were 1,363 licensed agencies in good standing, 1,028 of which were landbased and 335 were seabased.

In its effort to monitor agency compliance with the rules, the POEA undertook inspection of 863 licensed agencies in 2005. Of the total number of licensed agencies inspected, 33 were found violating existing rules such as the excessive collection of placement fees, non-issuance of official receipts, unauthorized personnel/office venue, and similar violations which became the basis for the imposition of penalties.

Dispute Settlement

Strengthened Conciliation Unclogged the Docket System. The Administration's commitment to unclog its docket system through conciliation resulted to a 35% reduction in the number of docketed cases at the end of 2005. For the same period, the settlement rate for conciliation stood at 55%, up by three percentage points from 52% in 2004.



The total amount of settled reached PhP33.5 million or 31% increase from PhP25.5 million in 2004, benefiting 1,304 complainants. Had there been no conciliation efforts, 1,549 cases could have been added to the dockets. The 2005 figures, therefore, affirmed the importance of conciliation as a mode of dispute settlement.

Improvement in Disposition Rate. In the area of compulsory arbitration, the disposition rate for 2005 stood at 63%, or seven (7) percentage points higher than the 56% rate in 2004. Of the 6,369 cases handled in 2005 , 4,011 were disposed of.

Taken together, the output from both modes of dispute resolution, a total of 6,663 cases were disposed of in 2005 out of 9,325 cases handled. The disposition of cases translated to an increased income that POEA collected as fines imposed on erring licensed agencies and eventually remitted to the national coffers. At the end of 2005, the total fines collected through voluntary compliance were PhP11 million, a 5% increase from the 2004 figure. On the other hand, the monetary awards recovered by claimant-workers through compulsory arbitration also increased to PhP2.88 million plus US\$9,713 from Php2.5 million plus US\$1,190 in 2004.

Integrated Workers Education and Information And Anti- Illegal Recruitment Campaign



Workers' Education and Information Campaign. Towards empowering the public in coming up with intelligent decisions on overseas employment matters, the POEA in collaboration with the local government units (LGUs) nationwide conducted Pre-Employment Orientation Seminars (PEOS) to inform would-be-applicant-workers on the realities of migration, the right process of getting overseas jobs, other alternatives to overseas employment and the employment conditions in the jobsite. The PEOS also included modules on Anti-Illegal Recruitment (AIR) so that the participants would become aware of the modus operandi of illegal recruiters. There were 840 PEOS conducted nationwide attended by a total of 63,330. The information campaign also included the dissemination of some 15,000 copies of the OFW Guide Book and 36,000 country-specific brochures on Italy, Hong Kong, Libya, Saudi Arabia, United Kingdom, Singapore, South Korea, Taiwan and Kuwait.

POEA-IAC and 24/7 Hotlines. The POEA Information and Assistance Center (IAC) and 24/7 hotlines service attended to 80,781 callers during the year. About 50% inquiries made by the publics involved job order/agency verification, followed by job openings in certain markets (30%), hiring/documentation procedures for name hires, Balik-Manggagawa and agency hires (10%), and information on workers' welfare benefits and government assistance (10%). On the average, the Center handled 500 clients per day.

The IAC attended to 37,897 walk-in clients during the review period, or a daily average of 150 on week days. Majority of complaints received involved recruitment violations by licensed agencies and illegal recruitment. It replied to 3,862 e-mails received for the year or a daily average of 15. It responded to 2,155,934 inquiries sent through Globe and Smart SMS.

Compared to 2004, there was a 24% decline in the number of callers and inquiries 2005. This was due to the improved registration and hiring system put up by the Agency for South Korea Special Permit System (EPS). About 50% of the total inquiries in 2005 were Korea-EPS related.

POEA Website Provided Easy Access For OFWs. The POEA, through its website, provided easy and fast access for OFWs and their families on updated and detailed information on overseas employment. From 5,000 daily hits in 2004, the number of visitors who logged into the POEA web went up to a daily average of 7,000 in 2005.





Intensified Campaign Against Illegal Recruitment Yielded Positive Results. Following the Agency’s sustained and integrated tri-media information campaign nationwide, the number of illegal recruitment cases handled during the year dropped by 18% to 1,203 from 1,452 in 2004. Moreover, POEA’s intensified campaign against illegal recruitment resulted to the closing of 19 establishments, arrest of 4 illegal recruiters, and the filing of 188 illegal recruitment cases.



Internal Management and Support Systems

Effective Quality Management System. The POEA got a 90% satisfactory rating from its external clients through its Customer Satisfaction Measurement survey which was conducted during the second semester of 2005. Due to the high positive client feedback, the POEA Quality Management System (QMS) was re-certified under ISO 9001:2000 for another three years by the Certification International Philippines, Inc. (CIPI).



The maintenance of the QMS was translated to shorter and faster process cycle time (PCT) in various transactions involving the landbased and seabased workers

documentation. In the verification of OFW records alone, the PCT for such process stood at 25 minutes despite increase in the number of clients assisted in 2005. Similarly, processes at the Landbased and Seabased Centers, Name Hire and Government Placement Offices registered significant reduction in the respective PCTs as indicated in the following table.

Branch / Division	ISO-certified Processes	Process Target	
		From	To
Landbased Center	Request for processing	6 hours	4 hours per request
	Accreditation of foreign principals/employers	3 days	3 days
	Registration of foreign principals/employers	2 days	2 days
LB - Name Hire Unit	Processing of workers documents -Phase I of documentation -Phase II of documentation -HHW Name hires	3 days	1 hours 2 hours 3 days
BM Processing Center	Issuance of e-Receipt/OEC to workers-on-leave (balik-manggagawa)	20 min	20 min
SB Accreditation Division	Accreditation of New Principal	8 hours	7 hours
	Renewal of Accreditation of Principal	8	7 hours
	Vessel Enrolment	4	3 hours
	Crew Order Approval	4	3 hours
	Name Hire	4	3 hours
	Change Name and Flag of Vessel	4	2 hours
SB Processing Division	Processing of Contracts	4 hours	4 hours
	In-House Processing - OEC form issuance	4 hours	4 hours
	Issuance of Certification for lost of OEC	30 min	30 min
	Registration of Seafarer and Issuance of Seafarer's Registration Certificate (SRC)	4 hours	2 hours

In its commitment to the quality policy of providing customer satisfaction through continuous process improvement, the POEA had started the preparation of the processes at the Adjudication and Licensing and Regulation Offices for enrollment and inclusion in the scope of ISO certification.

Human Resource Development. Apart from Team Building Workshops aimed at promoting teamwork, productivity and goodwill, the POEA conducted 19 trainings/seminars for staff development of POEA employees and managers. It granted awards to 46 deserving employees during the Agency's Program on Awards & Incentives for Service Excellence (PRAISE) recognition rites held in February 2005.

Efficient Fiscal Management. Of the P219.08 million recommended by the Department of Budget and Management (DBM) for POEA in 2005, P213.06 million was released broken down as follows: (1) Personnel Services (including RLIP) amounted to Php129.97 million; (2) Maintenance and Other Operating Expenses (MOOE), Php81.93 million; and (3) Capital Outlay, Php1.20 million. Since there was no supplemental budget for e-Link for OFWs project, the budget



released for 2005 was lower by 21% compared to actual obligations of P277.220 million in 2004.

The POEA continued to be one of the top income generating agencies in the entire government sector and a perennial efficient revenue-generator for the national coffers. This was mainly due to the services it rendered to nearly 1 million OFWs and thousand licensed recruitment and manning agencies.

From January to December 2005, the actual income generated by the POEA surpassed its target by 10.6% to P343.60 million from P310.50 million. The actual income generated was also larger by PhP136.24 million from PhP219.08 million budget earmarked by the DBM for the period.

More Streamlining Efforts. In a bid to strengthen further the POEA anti-illegal recruitment campaign of the Administration, the pre-employment orientation function of the Workers Education Division was integrated with the anti-illegal recruitment program of the Anti-Illegal Recruitment Branch of the Licensing and Regulation Office. This took effect following the issuance of memorandum signed by Administrator Baldoz on September 1, 2005. The OFW repatriation assistance function, on the other hand, was transferred to the Adjudication Office to fast track OFW repatriation services through licensed agencies. Further, the POEA transferred the conduct of Pre-Departure Orientation Seminar (PDOS) for ready -to -leave workers to the Overseas Workers Welfare Administration (OWWA) on September, 2005 to align this function to the welfare services provided by OWWA to OFWs.

Service Partners and Collaborators. Services to OFWs will not be complete without the support of other POEA institutional partners. In October 2005, the POEA signed a Memorandum of Agreement (MOA) with the Commission on Elections (COMELEC) and the Department of Foreign Affairs (DFA) for the establishment of the Pre-Departure Registration Center for Overseas Absentee Voters at the POEA lobby. The MOA was a follow-through to the Memorandum of Understanding

signed by the three agencies in June, 2005 to ensure that the benefits of the continuing registration of overseas absentee voters are extended to Filipino nationals abroad.



The Registration Center was operationalized on 17 October 2005 and will run until August 2006. As of end of December, 2005, there were 5,071 OFWs who registered at the Center.

The OFW One- Stop Processing Center, a facility of 14 government agencies involved in the documentation of landbased workers and seafarers, continued to provide fast and convenient services to OFWs since its establishment in 2003. As of December 2005, a total of 1.6 million OFW documents were released through the Center which was translated to a daily average of 6,696 processed documents. Of this number, 994,666 were landbased workers' documents while 612,455 were processed documents of seafarers.

On the other hand, 311, 630 OFW e-cards were issued in 2005 to OFWs through the facilities of the Equitable Card Network Inc. to complete their deployment documentation.

POEA Presence in the Regions

Bringing Services Closer to the People. The POEA has brought its services to the countryside through its regional centers in San Fernando City, La Union, Cebu City and Davao City; Regional Extension Units in Baguio City, Iloilo City, Cagayan de Oro City and Zamboanga City; and satellite offices in Clark Field, Angeles City, Calamba City, Legaspi City, Tacloban City and Bacolod City.

The POEA, through its e-Verification system, installed an online verification system in the regions where regional offices can access POEA major databases on licensing, employer registration and accreditation, OFWs, principals and OFW watchlist,etc.

As a microcosm of POEA, the regions processed contracts of 91,514 OFWs— the bulk or 89,973 of whom were

Key Indicators	2005	2004	% Change
Workers Deployed	19,371	17,473	10.86%
Luzon	-	-	
Visayas	17,332	15,550	11.46%
Mindanao	2,039	1,923	6.03%
Workers with Contracts Processed	104,131	88,421	18%
Landbased	99,044	86,571	14%
Seabased	5,087	1,850	175%
Principals Registered/Accredited	31	25	24%
Pre-Employment Orientation Seminars (PEOS)	879	978	-10%
Participants attended	46,612	43,894	6%
Pre-Departure Orientation Seminars (PDOS)	652	778	-16%
Workers attended	3,648	5,163	-29%

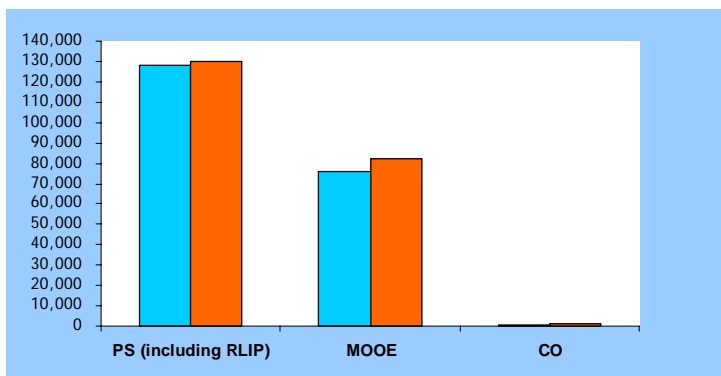
landbased workers, while the remaining 1,541 were seafarers. Of this number, only 29,091 were deployed overseas during the period, majority of whom were from the Visayas region. The deployment figures accounted only for 3.0% of the total Filipino workers who found employment overseas in 2005.

The regions gained headway in the fight against illegal recruitment through their conduct of Pre-Employment Orientation Seminars (PEOS) and AIR program. As of end-December 2005, a total of 727 PEOS were conducted by the regions, accounting for 82.8% of the total PEOS implemented by the POEA. These were attended by more than 46,000 prospective OFWs. The regions likewise conducted a total of 652 in-house Pre-Departure Orientation Seminars (PDOS) which were attended by 3,648 workers.

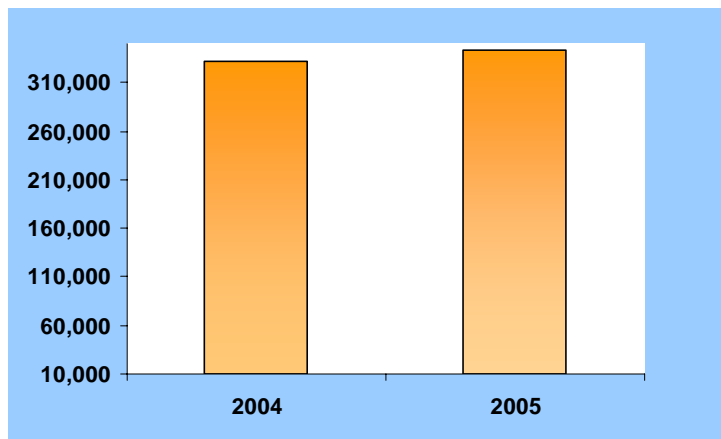
For the period in review, the regions were involved in the supervision for the conduct of jobs fair and monitoring of provincial recruitment agencies (PRAs), respectively. From 2,112 in 2004, the total number of jobs fair and monitored PRAs increased by 11.2% to 2,349 in 2005.

POEA Resources

Generated Higher Income Despite Meager Hike in Budget for 2005. For 2005, the POEA was given a budget per NEP level of P219.08 million broken down as follows: (1) Personal Services including RLIP with P127.16 million or 58.0% of the total; (2) Maintenance and Other Operating Expenses (MOOE) with P85.42 million or 39.0%; (3) Capital Outlay with P6.50 million or 3.0. This was a slight increase from re-enacted budget of P203.36 million in 2004. Actual obligations for CY 2004 and 2005 reached P277.29 million and P213.09 million, respectively.



Comparative Budget, CY 2004 - 2005
(In thousand pesos)



Comparative Income, CY 2004 - 2005
(In thousand pesos)

During the period, the POEA realized an income of P343.60 million, exceeding by 10.6% the annual target of P310.50 million. The income realized was more than 50% of the annual budget earmarked by the Department of Budget and Management (DBM). It was also 3.4% higher than P332.14 million generated in 2004.



Of the total income collected, 92.2% or P316.83 million came from processing fees and the remaining P26.77 million was generated from other income sources.

Savings Realized Amid Lower Budget Allotment. As of December 2005, a total of P213.062 million was released for the POEA or 23.2% down from P277.632 million allotted in 2004. Of the total amount, about P207.343 million was utilized or a budget utilization rate of 97.3%. This was translated to some P5.718 million savings realized by the Administration for the period. Given the P207.343 million budget utilized for 2005, the per capita cost per deployed OFW stood at P209.75. This was lower by P87.25 from P297 per capita cost estimated in 2004.

Statement of Budget Allotment and Utilization
As of December 2005
(In Thousand Php)

Allotment Object/ Per Office Expenditures	Total Allotment	Utilized	Utilization Rate
GASS	52,359	47,711	91.1%
PSO	42,813	42,336	98.9%
WEO	35,866	35,680	99.5%
LRO	36,367	36,174	99.5%
AO	30,306	30,158	99.5%
REU	15,361	15,283	99.5%
TOTAL	213,062	207,343	97.3%

Policy Initiatives

of the Governing Board

For the year 2005, the POEA Governing Board passed the following Board Resolutions to promote the welfare and protection of Filipino migrant workers, establish a conducive environment for the operations of license recruitment agencies as well as recognize their contribution in the promotion of employment opportunities to Filipino overseas:

- GB Resolution No. 1: Amending Section 3, Rule IV, Part VI of POEA 2002 Landbased Rules and Regulations and Section 3, Rule V, Part V of POEA 2003 Seabased Rules and Regulations to include “Mitigating or alternative circumstances shall not apply to serious offenses punishable by cancellation of license”; and Section 17, Rule II, Part II of the Landbased Rules and Section 16, Rule II, Part II of the Seabased Rules to include “The license of an agency that fails to maintain an office for a continuous period of one (1) year shall be automatically cancelled” to adhere to the policy of “difficult to enter, easy to go for violators of recruitment rules and regulations”.
- GB Resolution No. 2: Extending incentives to participating licensed agencies to the “Kapit-Bisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services (KALAHI-CIDSS) program of the government to provide job generation and poverty alleviation to indigent residents of identified 44 provinces target recipients of the project.

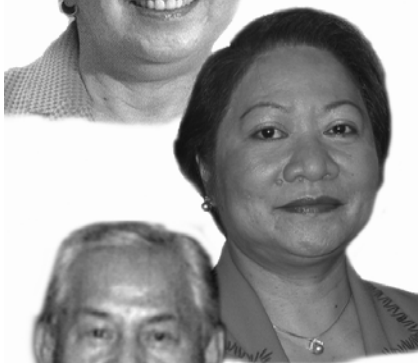


The POEA Governing Board

PATRICIA A. STO. TOMAS
Chairperson
Secretary, Department of Labor
and Employment



ROSALINDA D. BALDOZ
Vice-Chairperson
Administrator, POEA



GREGORIO S. OCA
Representative
Seabased Sector



ISIDRO Q. ALIGADA
Representative
Private Sector



GUILLERMINA T. GABOR
Representative
Women Sector



ALEXIS P. CRUEL
Representative
Land-based Sector



The POEA Directorate



Rosalinda D. Baldoz
Administrator



Carmelita S. Dimzon
Deputy Administrator
General Administrative and
Support Services



Viveca C. Catalig
Deputy Administrator
Licensing and Adjudication



Ramon T. Tionloc
Deputy Administrator
Employment and Welfare



Noriel P. Devanadera
Director IV
Licensing and Regulation Office



Stella Z. Banawis
Director IV
Pre-Employment Service Office



Alejandro Padaen
Director IV
Adjudication Office



Financial Statement



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of Philippine Overseas Employment Administration is responsible for all information and representations contained in the accompanying Balance Sheet as of December 31, 2005 and the related Statement of Income and Expenses and Cash Flow for the year then ended. The financial statements have been prepared in conformity with generally accepted state accounting principles and reflect amounts that are based on the best estimates and informed judgment of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.

CANDIDA B. VISTRO
Director II, Finance Branch

ROSALINDA DIMAPILIS BALDOZ
Administrator

**PHILIPPINE OVERSEAS EMPLOYMENT ADMINISTRATION
CONDENSED BALANCE SHEET
AS OF DECEMBER 31, 2005**

ASSETS	Current Assets		
	Cash	6,188,710.13	
	Receivables	276,478,013.21	
	Inventories	10,543,891.77	
	Prepaid Expenses	1,050,123.66	294,260,738.77
	Investments and Property, Plant and Equipment		
	Property, Plant and Equipment	269,954,328.64	
	Less: Accumulated Depreciation	106,786,317.06	163,168,011.58
	TOTAL ASSETS		457,428,750.35
	LIABILITIES AND EQUITY		
	Liabilities		
	Current Liabilities		156,393,970.35
	Equity		
	Government Equity		301,034,780.00
	TOTAL LIABILITIES AND EQUITY		457,428,750.35

**PHILIPPINE OVERSEAS EMPLOYMENT ADMINISTRATION
DETAILED STATEMENT OF INCOME AND EXPENSES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2005**

Income	Subsidy Income from National Government	P248,324,229.47	
	Less: Reversion of Unused Notice of Cash Allocation	(3,699,826.65)	P 244,624,402.82
	Service Income - Processing fees		331,754,583.79
	Other Permits & Licenses		8,350,000.00
	Fines and Penalties		11,975,475.45
	Rent Income		734,543.14
	Dividend Income		43,519.17
	Interest Income		37,778.36
	Other Service Income		1,241,600.00
	Miscellaneous Income		1,186,592.52
	Total Income		P 599,948,495.25
Less Expenses:	Salaries and Wages - Regular		87,179,638.21
	Salaries and Wages - Casual		2,746,014.24
	Personnel Economic Relief Allowance		2,468,488.19
	Additional Compensation		2,468,488.16
	Representation Allowance		2,341,319.84
	Transportation Allowance		1,976,059.10
	Clothing/Uniform Allowance		1,736,000.00
	Productivity Incentive Allowance		899,000.00
	Other Bonues and Allowances		603,000.00
	Honoraria		112,000.00
	Longevity Pay		259,335.84
	Overtime and Night Pay		569,991.36
	Cash Gift		2,293,842.23
	Year End Bonus		6,947,587.00
	Life and Retirement Insurance Contributions		9,344,571.88
	PAG-IBIG Contributions		530,462.50
	PHILHEALTH Contributions		306,400.00
	ECC Contributions		872,531.91
	Terminal Leave Benefits		420,888.97
	Other Personnel Benefits		8,741,605.72
	Travelling Expenses - Local		3,618,490.86
	Travelling Expenses - Foreign		809,482.92
	Training Expenses		412,483.24
	Office Supplies Expenses		3,877,196.10
	Accountable Forms Expenses		7,006,428.83
	Drugs and Medicines Expenses		11,472.65
	Medical, Dental and Laboratory Supplies		8,640.00
	Gasoline, Oil and Lubricants Expenses		730,672.47
	Other Supplies Expenses		1,694,312.98
	Water Expenses		712,620.84
	Sub-totals	P 151,699,026.04	P 599,948,495.25
	Balance forwarded	P 151,699,026.04	P 599,948,495.25
	Electricity Expenses	12,340,230.48	
	Postage and Deliveries	1,490,946.52	
	Telephone Expenses - Landline	4,230,913.85	
	Telephone Expenses - Mobile	691,804.08	
	Internet Expenses	582,569.04	
	Cable, Satellite, Telegraph, & Radio Exp.	106,001.27	
	Advertising Expenses	223,751.42	
	Printing and Binding Expenses	618,612.48	
	Rent Expenses	3,559,861.22	
	Representation Expenses	641,650.00	
	Transportation and Delivery Expenses	1,593,327.91	
	Subscriptions Expenses	280,442.50	
	Legal Services	19,250.00	
	Auditing Services	33,000.00	
	Consultancy Services	60,000.00	
	Environment/Sanitary/Services	58,000.00	
	General Services	7,948,278.01	
	Janitorial Services	4,388,026.44	
	Security Services	6,263,343.67	
	Repairs and Maintenance - Office Buildings	2,519,608.39	
	Repairs and Maintenance - Office Equipt.	391,570.30	
	Repairs & Maintenance -Furniture & Fixture	24,617.00	
	Repairs & Maintenance -IT Equipment	10,140.00	
	Repairs & Maintenance - Motor Vehicles	169,212.08	
	Repairs & Maintenance -Artesian Wells, Reservoirs, Pumping Station & conduits	69,588.00	
	Intelligence Expense	750,000.00	
	Extraordinary Expenses	915,554.39	
	Miscellaneous Expenses	1,797.00	
	Fidelity Bond Premiums	126,281.50	
	Insurance Expenses	873,556.18	
	Bad Debts Expenses	518,383.70	
	Depreciation - Office Equipment	13,421.03	
	Depreciation - Furniture & Fixture	9,116.76	
	Depreciation - IT Equipment	494,206.92	
	Other Maintenance & Operating Expenses	4,262,776.99	
	Bank Charges	8,512.00	
	Sub-total	P 207,987,377.17	P 599,948,495.25
	Excess of Income Over Expenses		P 391,961,118.08

DEPARTMENT OF LABOR AND EMPLOYMENT
PHILIPPINE OVERSEAS EMPLOYMENT ADMINISTRATION
STATEMENT OF CASH FLOWS
FISCAL YEAR ENDED DECEMBER 31, 2005

Cash Flow from Operating Activities:

Cash Inflows:		
Receipt of Notice of Cash Allocation (NCA)	239,954,930.00	
Collection of Receivables		
POLO remittances of collection	48,919,696.93	
Receipt of Refunds of cash advances and overpayment of expenses	123,270.39	
Receipt of inter-agency cash transfers		
Cash receipt of grants and donations	350,300.00	
Trust Collections	43,696,088.67	
Receipt of Cash dividends / Interest Earned	37,778.36	
Total Cash Inflows		P333,082,064.35
Cash Outflows:		
Cash payment of operating expenses	165,154,332.65	
Cash payment of payables incurred in operations	903,097.75	
Payment of Terminal leave benefits	374,266.68	
Remittance of Taxes withheld	108,731.92	
Granting of cash advances / petty cash fund	35,418,563.92	
Remittance of GSIS/PAG-IBIG/PHILHEALTH	28,919,032.08	
Trust Disbursements	62,599,282.44	
Deposit of Trust Collection to BTr & remittance to other concerned government agency	32,541,952.59	
Reversion of Unused NCA	8,653,832.70	
Total Cash Outflows		P334,673,092.73
Cash Provided by Operating Activities		(1,591,028.38)
Add: Cash Balance, Beginning January 1, 2005		7,779,738.51
Cash Balance, Ending December 31, 2005		P 6,188,710.13

PHILIPPINE OVERSEAS EMPLOYMENT ADMINISTRATION
STATEMENT OF GOVERNMENT EQUITY
AS OF DECEMBER 31, 2005

Government Equity, beginning		P 257,950,412.00
Retained Operating Surplus		
Current Operations	32,238,086.87	
Adjustment of Prior Years	10,846,281.13	43,084,368.00
Property, Plant and Equipment - Public Infra.		-
Government Equity, End		P 301,034,780.00

2006 Thrusts and Program Priorities

- 1. Market Development and Management Program**
A program designed to strengthen POEA's foothold on friendly markets and tapping new ones that will provide decent and productive jobs to OFWs for the next three years
- 2. Agency Education, Productivity and Performance Evaluation**
The enhancement of professionalism in the overseas recruitment industry through the application of improved performance standards, strong partnership and relevant industry education
- 3. Comprehensive Case Management Program**
A systematic handling of OFW cases brought to POEA involving recruitment violation and disciplinary cases, appealed cases, cases for conciliation, repatriation cases and enforcement of decisions applying time management principles.
- 4. Management and Staff Development Program**
A holistic human resource development: from a clear understanding and better appreciation of POEA programs to building and enhancing the capability of both management and staff to meet the challenges in pursuing the direction in the next ten years.
- 5. Performance Management and Reward System**
As a strategic learning process, the program aims to develop the full potential of the employees towards high productivity and quality performance. This includes also the development and application of an appropriate performance instrument that will monitor, evaluate and measure individual and office performance in consonance with POEA's strategic intent and organizational framework.
- 6. Technology- Based and Interactive Service Delivery**
The Program is aimed at promoting e-governance by developing and enhancing an efficient and convenient technology-based and interactive service delivery system to overseas Filipino workers, recruitment agencies, foreign employers, POEA regional offices, Philippine Overseas Labor Offices, embassies and other stake holders.
- 7. AIR/PEO Management Program**
An integrated information and education program geared towards worker empowerment to effectively address the problem of illegal recruitment and exploitation and adjustment problems in the worksite.
- 8. Global OFW Mapping and Profiling**
The output of the program is the bi-annual publication of OFW global mapping starting from 2003 deployment data using the International Skills Classification of Occupation (ISCO).

Milestones [1982 - 2005]

1982

- Integration of government agencies engaged in the OE program into the POEA, through Executive Order No. 797
- Secretary Patricia Sto. Tomas as first POEA Administrator
- Establishment of the POEA Regional Center for the Middle East in Jeddah, KSA

1983

- 1983 launching year of the Bagong Bayni Awards for Filipino workers overseas
- Inauguration of the One-Stop Processing Center of Filipino Overseas Contract Workers (OCWs)

1984

- POEA transferred to Delta building at the corner of Ortigas Avenue along EDSA
- Deployment of Labor Attaches and Welfare Officers
- Accession of Filipino seafarers to 1978 STCW Convention
- Establishment of the Labor Assistance Center at the MIA

1985

- Promulgation of POEA rules and regulations on overseas employment
- Agency performance appraisal and monitoring institutionalized
- Computerization of POEA operations
- Certification of skills qualification or competence of Filipino workers

1986

- POEA at the center of the 1986 People Power Revolution
- Guidelines on the Processing and Release of Artists Accreditation Certificates (PECC Cards) issued.

1987

- POEA Reorganization by virtue of E.O.No. 247
- From an *observer status* RP became a full-pledge member of the International Office on Migration
- The ad-hoc Anti-Illegal Recruitment Team created under PD 1920 and EO 1022 re-organized and the Anti-Illegal Recruitment Branch was created as a permanent and regular unit under the Licensing and Regulation Office

1988

- Renovation of POEA building completed complementing functions and workforce of a reorganized POEA
- Decentralization of POEA basic services to REUs
- Ban on the deployment of Domestic Helpers worldwide implemented as a result of a comprehensive review of employment conditions at the jobsite

1989

- Congress approved the 10% retention of POEA income

- POEA Public Assistance Unit established at the POEA lobby
- Travel Exit Pass for workers simplified

1991

- Massive repatriation of OFWs in the Middle East due to the erupted Gulf War

1992

- Institutionalization of OEC processing and issuance by the Philippine Overseas Labor Offices (POLOs) at the jobsite
- Establishment of the Facilitation and Review Office (FARO) to handle the documentation of workers for deployment to Taiwan

1994

- establishment of the Artist Record Book (ARB) system for entertainers
- adoption of the revised prescribed standard contract for household helpers
- POEA sought a balance in the regulation, marketing and welfare aspects of the OE program; Implementation of Full Disclosure Policy and Selective Deployment to ensure employment benefits and workers' protection
- Re-definition of POEA involvement in the OE program from regulation to that of managing labor migration

1995

- Republic Act 8042, the Migrant Workers and Overseas Filipinos Act, defined the specific policy thrust for POEA, which include the following:
- Guarantee of Migrant workers' right
- Deregulation of POEA regulatory functions
- Stricter rules on illegal recruitment activities and the corresponding penalties
- Selective deployment
- Repatriation of workers
- Reintegration program
- Shared government information systems on migration and other basic assistance to OFWs and their families
- Use of information technology to facilitate dissemination of labor market information
- Expanded grassroots outreach education program to enable potential OFWs to arrive at informed decisions
- One-country team approach to synergize services to Filipino overseas
- Restructuring of systems for disposition of adjudication cases relating to overseas employment

1996

- Revision of the Standard Employment Contract for seafarers to meet the ILO and IMO standards
- The placement fee for landbased workers was pegged at one month salary
- Guidelines on the full disclosure policy were drawn up

- Policy on selective deployment were adopted thru Department Order No. 32 as set forth by RA8042 to countries where: there are existing labor and social laws protecting the rights of migrant workers; they are signatory to multilateral conventions relating to the protection of migrant workers; they have concluded bilateral agreement or arrangement with government protecting the rights of OFWs; and they are taking positive measures to protect the rights of migrant workers

1997

- RP won a permanent seat in the IMO Council based in London, a development highly considered by the international maritime community. It boosted the status and demand for seafarers worldwide

1998

- The POEA Governing Board was re-constituted for policy-making
- Conduct of the National Employment Summit
- One-Stop Processing Center for Balik-Manggagawa housing the GSIS, SSS, Philhealth, OWWA and airlines

1999

- 1999 Computer program and systems upgraded
- Launching of POEA's official website
- Introduction of the Voluntary Conciliation as a mode of dispute settlement of cases
- Strengthened international linkages through WTO, APEC, BIMP-IEAGA, goodwill promotions and marketing missions

2000

- Entry into the International Maritime Organization (IMO) White List; 2000, Year of OFWs
- POEA's Seabased Center adjudged as Best Pilot Project in the DOLE-wide Continuous Process Improvement contest

2001

- The 24/7 hotline services was institutionalized at the POEA Information and Assistance Center (PIAC)
- Unveiled the Bilis-Dokumento sa POEA for major frontline services
- Documentation of POEA Quality Management System conforming to ISO 9001:2000 standards
- E-Link Project for OFWs was launched

2002

- POEA Quality Management System was certified to ISO 9001:2000 by Certification International Philippines, Inc.
- Conducted the First International Employers Awards
- Operation of the Contract Processing Hub of the E-Link, where the E-Card and E-Receipt were issued
- Issued the 2002 POEA Rules and Regulation Governing

the Recruitment and Employment of Land-Based Workers

2003

- Launched and operationalized the Philippine Seafarers' One-Stop Center (PSOC), which housed fourteen (14) government agencies for faster documentation of Filipino Seafarers
- Launched the Text POEA project
- Led the convening of a National Tripartite Conference to ratify ILO Conventions 97, 143, and 181
- Operation of the E-Submission System at the Landbased Center
- Issued the 2003 POEA Rules and Regulation Governing the Recruitment and Employment of Seafarers

2004

- Renamed POEA building as Blas F. Ople Building, acknowledge as the Father of Overseas Employment
- Conducted Overseas Employment Summit to promote quality jobs for world-class Filipino workers
- MOU between the Philippine Government and the Republic of South Korea on the Korea-Employment Permit System was signed
- Institutionalized the conciliation of cases as an alternative to dispute settlement
- PSOC was converted to OFW One-Stop Center to include services for landbased workers
- POEA was conferred the DOLE Kapwa Award for its entries, "The Silent Revolution: POEA's March to Global Excellence in Governance" and the "E-Link Program for OFWs"
- Launched the POEA Intranet program for the POEA community
- Implemented the Courier System for Balik-Manggagawa documented at the POEA Central Office
- Operation of the E-Registration System which allowed applicants for overseas employment to register through the internet and be included in the POEA database
- Operation of E-Verification System which allowed the POEA regional offices to verify information by accessing the POEA database online
- Operation of the E-Submit for Seabased Center

2005

- POEA Quality Management System was re-certified to ISO 9001:2000 standards by Certification International Philippines, Inc. for another 3 years
- Documented OFWs reached the 1 million mark
- The Philippines reaffirmed its status in the IMO White List after 5 years
- Conducted the first in-bound marketing program to promote Filipino workers thru the DOLE Labor Opportunities Program
- Launched selected host country Pre-Employment Orientation Seminar modules in the POEA website
- Transferred PDOS and the remaining welfare functions of POEA to OWWA
- Suspended the issuance of Artist Accreditation Card to Overseas Performing Artists



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