

## PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES

Service through policy research

Surian sa mga Pag-aaral Pangkaunlaran ng Pilipinas

18th Floor, Three Cyberpod Centris-North Tower, EDSA corner Quezon Avenue, Quezon City Tel: 372-1291, 372-1292 • http://www.pids.gov.ph

Comments<sup>1</sup> on *House Bill No. 3781* (Cong. Karlo Nograles and Cong. Jonas Jericho Nograles), *HB No. 3838* (Cong. Lord Allan Jay Velasco), *HB No. 3871* (Cong. Lord Allan Jay Velasco), and *HB No. 3913* (Cong. Ferdinand Hernandez) on the "Rightsizing of the National Government"

- 1. One cannot argue against the rationale for the four aforementioned House bills proposing to rightsize of the national government (i.e., to enhance the institutional capacity of the national government to deliver public services in an effective and efficient manner).
- 2. All four bills proposes to delegate to the President the authority to undertake certain organizational actions in order to eliminate functions and programs which are redundant, no longer necessary, duplicative or overlapping within, between and among departments/ agencies of the national government, a power that normally belongs to the legislative branch of government. Because of the separation of powers of the executive, legislative, and judicial branches of government and the independence of the Constitutional Commissions, said authority may only cover the Executive Branch of the national government, inclusive of State Universities and Colleges, but should exclude the Legislature, the Judiciary, the Constitutional Commissions, LGUs and GOCCs under the supervision of the Governance Commissions for GOCCs (Section 3).
- 3. In addition to the principles already found in Section 4 of the proposed bills regarding the governing principles that should guide the proposed rightsizing bills, it is important to statements be included related to (i) the appropriate role of the national government vis the private sector (i.e., government should not be involved in services and activities that are best provided/ undertaken by the private sector), (ii) the need for each department/ agency of the national government focus on their core mandates, (iii) the need for non-ambiguous delineation of responsibility and accountability across departments/ agencies and the need for mechanisms that assist in the coordination among departments/ agencies that are involved in the delivery of related programs, and (iv) the organizational structure of each department/ agency are designed with clear lines of responsibility and accountability for the delivery of the outputs/ programs that contribute to the organizational objectives said departments/ agencies.

<sup>&</sup>lt;sup>1</sup> Comments written by Rosario G. Manasan, Senior Research Fellow of the Philippine Institute for Development Studies



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- 4. For greater clarity, it is suggested that the present Section 5 be revised to read:
  - "To undertake the following organizational actions ....
    - a.1. Abolish or deactivate departments/ agencies whose functions are either no longer necessary or redundant
    - a.2. Merge or consolidate departments/ agencies whose functions overlap or are duplicative of each other
    - a.3. Create or establish agencies that may be necessitated by the need to break up agencies that perform distinct but necessary functions which are not compatible with each other (e.g., separation of regulatory from proprietary functions). ...."
- 5. Relative to Section 5, it is also proposed that another organizational action be included under sub-section a), i.e., alter existing organizational structure of departments/ agencies so to align the same with the major programs they implement such that accountability for the attainment of the various organizational objectives of the said departments/ agencies. This suggestion is deemed important given that many departments/ agencies have just completed their "rationalization programs" under Executive Order 366 such that rightsizing will not necessarily indicate downsizing.
- 6. There is anecdotal evidence that the implementation of EO 366 has resulted in anxiety and speculation among government personnel. This indicates the need for a well thought-out and deliberate change management program. Thus, it is suggested that such a program be included as one of the functions of the Rightsizing Committee under Section 7.
- 7. Finally, it is important that the authority given to the President to rightsize the national government be timebound.