

# GMA orders crafting of contingency plan to cushion recession impact

By MARVIN SY

President Arroyo has ordered the crafting of a contingency plan to cushion the impact of a recession in developed countries on ordinary Filipinos, particularly those working overseas.

In her speech before the launching of the Global Forum on Migration and Development at the Kalayaan Hall in Malacañang yesterday, Mrs. Arroyo emphasized the importance of overseas Filipino workers to the economy.

She directed the Department of Foreign Affairs to lead in the effort of preparing the contingency plan along with the Department of Labor and Employment and the Com-

mission on Overseas Filipinos.

"I direct them to draw up a contingency plan to cushion the impact of a possible economic recession of the developed economies on the ordinary people of the Philippines," the President said.

Economic planners, she said, should "manage inflationary pressures and provide a safety net to those hit hardest by these global developments."

Officials and analysts have warned that the country's exports will be hit hard by an economic slump in developed nations and that numerous Filipinos overseas may be hurt if the economies in their host countries slow down.

"Migration is a growing global phenomenon. With eight million Filipinos abroad – but it's only a fraction of the 191 million migrants all over the world – overseas Filipinos continue to play a critical role in the country's economic and social stability," Mrs. Arroyo said.

Remittances from overseas Filipinos rose from \$12.8 billion in 2006 to \$14.45 billion in 2007. The figure is expected to reach \$15.9 billion by the end of the year.

For next year, the Bangko Sentral ng Pilipinas expects re-

mittances to reach \$18.3 billion.

The President's economic managers called the OFWs "recession proof" because of their contribution to the country's stability amid a global slowdown sparked by the financial crisis in the US.

Many Filipinos working in the US are in the health care

industry as nurses, doctors and in the education sector as teachers. The two industries are hardly affected by the financial meltdown.

"As we face the most significant global economic and financial crisis in a generation, the poor feel it most," the President said.

She also said overseas Fili-

pino workers should be called expatriates because they are skilled and receive higher salaries.

"They should be called expatriates because expatriates usually get higher pay than if you just call them workers," the President said. – With Paolo Romero and AFP