

Dealing with Philippine Bureaucracy

Part 1

Nonoy Oplas
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Introduction

The four succeeding papers are my personal experience in dealing with certain agencies of the Philippine government bureaucracy. These are the Commission on Elections (Comelec) for voter registration, Land Transportation Office (LTO) to renew my driver's license, Department of Foreign Affairs (DFA) to get a new passport, and the Social Security System (SSS) just to get an SSS identification card.

The lesson so far is that to register or get the above documents, (a) there are no fees to pay but you wait very long, (b) there are fees to pay but waiting time is short, and (c) there are fees to pay and still you wait long.

Since there are dozens of other agencies and bureaucracies that a Filipino citizen has to deal with, this "Dealing with Philippine Bureaucracy" will become a series of papers that will be posted in the MG website.

I. Registering with COMELEC

July 26, 2007

Last July 21, the 6th day of the one-week Commission on Elections (COMELEC) registration period for the Barangay and Sangguniang Kabataan (SK) elections this coming October, I applied for a transfer of my election registration record. I have changed residence to Makati City, that's why. In Makati, the Comelec office is on the 2nd floor of the Makati Central Fire Station.

Saturday around 8am, I walked to the Makati Comelec office, and was turned off early by the long lines of people queuing, should be about 200 to 300 meters long. The lines are getting thicker as they approach the registration tables of the Comelec personnel. I decided to come back late afternoon, as I have heard from the people there that those in the front have started queuing as early as 1 or 2 am that day!

And know what those lines were all about? One line is just to submit a photo copy of any ID (preferably company ID) or other proof and testimony, showing that the applicant indeed lives in Makati. Those IDs or other proof will be inspected by a group of people somewhere to check if indeed the applicant lives in Makati. Once accepted, the names will be listed and those people will be "entitled" to be given an application FORM. Then they go to a second line, wait for their names to be called, so that a Comelec application form will be given to them. Third, after filling up the form, wait in line again to submit the said filled-up form. Each line takes several hours to finish, long live the Comelec!

I came back around 4:30pm; the line was shorter, but around the tables of Comelec personnel (or their deputized people), a thick mass of people were still there, between 6 to 10 people deep, depending on what lines they're waiting for. Two young ladies beside me were exasperatingly telling us newcomers that they've started queuing at 6am to submit their ID photocopy, and until almost 5pm, their names have not been called yet, meaning they did not even have the registration form yet!

In fairness to the Comelec guys, all of them seemed to work hard and even looked harassed. It's just that there are so few of them compared to the number of people wanting to register. Or their system is so bureaucratic that people are bunched up for so many hours, getting more impatient if not angrier. One staff announced that for late-comers, we can leave our ID photocopy that day, and come back the following day and wait for our names to be called and get the registration form. Wow-wow! Ok, this is government, and we have to endure the inefficiencies if ever we wish to exercise our right to vote.

Sunday 2:30pm, I went back to the Makati Comelec again. If I thought the line the other day was bad, this day it's worse! The line should be about 3x longer than yesterday's at same hours. I surmised that many people who were not finished registering the other day despite waiting for 10 hours or more, have come back. I also suspected that perhaps some guys with some bad motives orchestrated to make the

voter registration complicated and very disappointing, so that some people will be discouraged and go home instead of waiting many hours for those various lines. So I went home and decided to discard my plan for a transfer of my registration record.

Before 5pm, curiosity prodded me to go back and try for the last time. I was in line about 5:10pm. The lines were moving very slowly, but at least they're shorter than they were 2-3 hours ago. Around 5:50pm, I noticed that the lines were moving fast and quick. By 6:15pm, I was done! My registration form with ID photocopy was received, and I was given a small piece of paper saying that I should come back on July 27 afternoon for the photograph for my Comelec ID. Yehey!

Before going home, I tried to figure out why there was sudden quickness in the lines for people submitting their Comelec registration form. My guess was that earlier that day, the Comelec guys were possibly checking the forms submitted by people if they filled up the right answers to some questions. I noticed for instance in my line, that some people cannot distinguish between "previous precinct, barangay, municipality or city, province" and "current address, barangay, city, and province". When they corrected their mistakes, their registration form was already dirty and had lots of erasures.

In our case, or in our line, the Comelec guys did not bother to check or see the forms submitted to them. They just received the papers, gave us that small paper stating when we should come back for photograph, done. Maybe they were thinking that they've been working in those registration tables for 7 days straight, even worked until late evening last Friday and Saturday nights, and there's no way that they will want to work late on a Sunday night!

A few days after this experience, I was still scratching my head why people have to waste at least 1 day of otherwise productive labor into unproductive hours of staying in line several times just to submit a Comelec registration form. I think this was related to the deliberate designs of inefficiency and why elections have not been computerized until the last elections, until now.

My simple conspiracy theory: People who have the motive to cheat in the coming elections have the motive and schemes to complicate things and further delay or stop election computerization.

II. Renewing a driver's license

October 22, 2007

Today I renewed my driver's license (non-professional) which will expire in 2 days. I went to the Land Transportation Office (LTO) office at the MRT Ayala station. The place is convenient to visit, its clean and air-conditioned. The procedures are also clear. From the time I stepped inside, it took me only 55 minutes until I got out, with my new driver's license that will expire in 3 years time.

Below are the steps, and expenses, in renewing a driver's license:

1. At LTO office, go to Window 1, get the application form, fill it up.
2. Go to the adjacent room, secure a certificate that you have passed the drug test (DT) and medical test (MT). This entails:
 - a) Get application form from the accredited drug testing center, fill it up. Here, the clinic is "JNW drug testing center, Inc."
 - b) Submit a urine test, you pee on a plastic bottle in the toilet inside that room. At least the toilet does not stink.
 - c) Go to a small room with a male staff (I doubt if he's a physician) for the "medical test". The guy just asks you to cover your right eye, then you read the letters from biggest to smallest fonts. Repeat the same procedure with your left eye covered.
 - d) Go for a picture-taking, digital.
 - e) Get the test results, pay P350 (= P250 DT + P100 MT).
3. Go back to adjacent LTO office, Window 1, present the results of the DT and MT, along with the filled-up application form and your old driver's license.
4. Picture-taking, digital, as well as e-signature, for the driver's license.
5. Payment: license fee P180 + computerization fee P67.63 + revision of records fee (if you change your address) P30 = P277.63.
6. Wait for your new driver's license to be released, done.

Summary:

Total time spent: 55 minutes

Total fees paid: P350 + P277.63 = P627.63

Compared to renewing one's passport at the DFA, the LTO process is definitely faster.

There are also plenty of LTO offices for driver's license renewal, mostly situated in commercial areas like malls or train stations, which is a good thing. I applaud the LTO for this innovation in reaching out to more people, unlike before where people have to go to its central office in Quezon City, and people have to endure long lines for several hours, which invited plenty of "fixers" who victimized plenty of gullible driver's license applicants.

But I suspect that the mandatory drug test and medical test looks like a big racket for the LTO officials. If the goal is to deny a new driver's license to suspected users of illegal drugs, then drug addicts will simply stay away from taking drugs several days before they apply for a new license. Thus, they will not be caught by this scheme. Also, just asking an applicant to read letters in a typical optometric card is no "medical test", it's just an eye sight test, and paying P100 for such test that takes only about a minute or less is definitely a racket.

Besides, I think drug addicts are very, very few among drivers. The real drug addicts are bums, either they are jobless or don't have stable jobs; hence, they are mostly poor and would not be able to buy their own cars, or their family members will not entrust their lives to them by asking them to be their driver.

So, if there are just very few drug addicts among new driver's license applicants, why treat all applicants as suspects?

It would have been ok if applicants who test "Negative" to the drug test (meaning they are not drug addicts) will not pay the drug test fee. But forcing them to fork out an extra P250 monopoly price is a racket. Well, a monopoly can charge any amount it wants to and the public cannot do anything about it. It's the LTO which accredits the clinics that provide the tests and these clinics are just adjacent to any LTO office. A midway solution since the LTO will insist anyway on retaining said tests, is to cut the rates by at least one-half.

III. Getting a new passport

(Note: This paper's original title was "Passport travel tax and people mobility", posted last May 15, 2008 in http://www.thelobbyist.biz/column_detail.php?id_article=777&id_category=25)

One indicator of how free a country or society is, is the ease of mobility of its citizens to travel both within the country and abroad. The easier and less costly it is to move around, the more freedom the people have. On the contrary, the more bureaucratic and more costly it is to travel, the less free the people are. In short, mobility = freedom. Less mobility, less freedom.

To travel abroad, a Filipino needs (a) a Philippine passport, (b) a plane ticket, and (c) a valid visa of the destination country whenever it is needed. For many Asian economies like Hong Kong and member-states of the Association of Southeast Asian Nations (ASEAN), visas are not needed for visits of less than 30 days.

For Filipinos traveling abroad to attend a conference, to study, a business trip, or as tourists, they have to pay (a) travel tax of Php1,620 per passenger, and (b) airport terminal fee of Php750. Hence, even before one can board a plane, he has to shell out nearly Php2,400 already and it is not a small amount. Overseas Filipino workers (OFWs) are exempted from paying travel tax and also the terminal fee, I think.

Getting a new passport, whether for the first time or for renewal of the expired or expiring passport, can be costly. The cost of passport, the new machine readable passport (MRP), is Php500 for regular processing (released after 14 working days) and Php750 for fast/overtime processing (released after seven working days).

Other costs are (a) passport pictures, Php150 for six copies, definitely a monopolistic price, service provided by the Department of Foreign Affairs (DFA) multi-purpose cooperative; (b) securing birth and/or marriage certificates, other papers and clearance from other government agencies when necessary, and (c) taking a leave from office, first to get a schedule for application processing, and second, actual processing day, payment, data encoding, etc. Some people apply through their travel agents, and normal processing fee by the travel agencies is Php1,000 per passport, but the applicant still has to go to the DFA for the electronic signature and perhaps interview for first-time passport applicants.

Those long queues are stressful and costly for passport applicants. Long queues mean only one thing: the supplier of the service or a commodity is small or few relative to those who demand the service. In order to reduce, if not remove the long queue, the supplier should either expand the staffers who attend to the long lines of people, or expand the number of offices (or shops) in different places to attend to more people from more places.

Fastfood chains do that. Banks too, and malls and convenience stores, gasoline stations, repair shops, Internet shops, barber shops, and so on. All private enterprises

operating in a competitive environment are stretching wide and hard to reach out to more people, to serve and satisfy more customers.

Why can't the DFA and many government agencies follow that? If the current number of personnel is not enough, then DFA should rechannel some of its staff from other departments or divisions to help in the passport processing work; or hire more staff. If eight hours on 5 ½ days are not enough, then work 12 hours on six days per week. If the DFA building is not enough, then get or rent additional offices in other cities, both in Metro Manila and the provinces. Many DFA regional offices across the country are also experiencing long queues for passport applicants. There are additional costs for this expansion of offices and staff, definitely, but there are additional revenues too that can more than finance the additional expenses.

I suggested the re-channeling of some staff from other DFA offices and divisions because I have noticed that while the staff at the Passport Director's Office and related offices working on passport issuance are harassed and seem to be overworked, the staff from neighboring rooms and offices at the DFA seem idle.

If the DFA cannot have the flexibility or will to expand its staff and/or offices, then it may consider allowing and accrediting some private travel agencies to process passport applications. Then the DFA main office can attend more to those applicants with special or urgent need for a passport.

Like my case. Last month, I was going to Atlanta, Georgia to attend the Atlas Liberty Forum. The sponsor paid for my hotel and subsidized my plane fare. Less than a week before my flight, my passport accidentally got wet; my travel agent advised me that I need to get a new one as my current passport might be declared "mutilated" and hence, invalid, by the immigration officers of the Philippines and the US.

With the help of some friends who have friends at the DFA, I was entertained at the Passport Director's Office, where there is a long queue of people who may have the same urgent need for a new passport. Anyway, I had to cancel my original flight, got my new MRP after four working days, flew the following day, and caught up the conference on the day it started.

The high cost of getting a new passport plus travel tax and terminal fee constitute an indirect restriction to some people who maybe poor and desire to be more mobile across the country. The world is globalizing fast, and there are not too many opportunities in the country given the bad state of governance. Those unnecessary but indirect restrictions to people's mobility should be reduced. The travel tax, for instance, looks like extortion since there are no corresponding services to the public who paid the tax. It should be abolished.

Comments and reply

May 17, 2008

I circulated the above article to some friends, got comments from 7 of them. Below are the summarized comments and my reply to them.

(1) From Prince:

I think the bigger issue with the slow processing of passport is not the number of staff but the equipment for the electronic signature and thumb mark. I assume the equipment is very expensive that is why the government cannot acquire more of it. Another issue there is an unusual increase in demand for passports with the issuance of machine-readable passports (MRP). Several people want a new MRP even if their current ones are not yet expired. Another problem that they need to look at is the number of fixers and unscrupulous people trying to extort money from passport applicants near the DFA national office.

(2) From May:

This means poverty stricken countries will never be considered free. What's the meaning of "free"? According to David Schwartz, if you believe you are free, you can be free.

(3) From Eunica:

The problem is in the system. I doubt if the size of the bureaucracy is the problem for I am sure that more than one of the employees there could be considered redundant. So I doubt if a Jollibee-and- Starbucks- type of expansion is the solution. Subjecting it (DFA) to competition could be given a thought but only up to the point where some steps in the processing could be outsourced. But the nature of information handled by the particular agency could raise some important issues. Given the massive outflow of overseas workers and the rise of budget airlines, business related to this will be viable.

(4) From Emir:

Why do we have to pay airport terminal fee anyway? Countries with much more modern terminals don't even charge any fee. There was a time we used to pay for using those old luggage carts. If they were able to abolish the push cart fee, why not also the terminal fee. If the collection of the fee is for terminal maintenance, the money does not obviously go there. Our terminals are probably the oldest and the worst in Asia. Vietnam or even Cambodia (au naturelle) terminals are even more impressive. The low cost carrier terminal in KL is a lot better than terminal 2.

Whoever is managing the PAL terminal (NAIA 2), has not even heard of an invention called ESCALATORS. When you arrive via NAIA Terminal 2, you need to drag your

carry-on luggage down the stairs towards the immigration counters. And you need to pay them P750 for the inconvenience?

(5) From John:

Why can't the DFA make our passports expire in 10-years, so that we don't go to them every 4 ½ years since we cannot travel anymore if our passport will expire in 6 months or less?

(6) From Jay:

The lines are long because many people need passports. Passports are needed because the places they want to go to require visas before they let them enter... Even if the government handed out passports for free, that still doesn't result in greater mobility because ultimately it is not the issuance of a passport, but the respective countries who decide whether you can go in or not. I agree that there is something that needs to be done about the travel tax, costs of service, and efficiency. Far more efficient systems exist than what is currently in place at DFA, and given the number of people who need passports, it is proper to demand an accounting and better services for the money that is paid. But efficiency takes more than reducing taxes and increasing staff.

(7) From Jim:

For comparison, a U.S. Passport cost about \$100 or Php 4,200 (for applicants over 16 years of age) and \$85 or Php 3,570 (for applicants 16 years of age and younger). It generally takes about 4 weeks to process, but I know that in case of emergencies one can go directly to a Passport Processing office and get it the same day. So basically Philippines is a bargain compared to the U.S. But with a Philippine passport you'll need a visa to visit most countries, while with a U.S. passport a lot of countries will allow entry with out a visa. I guess it all boils down to planning, if you know you're going somewhere a months ahead of time kuha ka na ng passport.

My reply to them:

(1) To Prince:

I think it's not with the machines. If it were so, the long queues would be in the passport release section, where people were waiting for 2, 3, or 4 weeks for their passport to be released. The long queues are in the processing, 1 or 2 days before the application forms will reach the machines that produce the MRP. And that is why the number of fixers cannot go down: they know that many people are stressed by the long lines, they want someone who can help them shorten the process, even if they have to pay a big premium.

If there's a long line for customers, fastfood chains open up a dozen more new stores/shops in different locations. The banks, gasoline stations, car repair shops, vulcanizing shops, barber shops, do the same. So why can't the DFA do it too?

"Limited funding" cannot be the answer to this question because passports are not free, there's a fee to get it. DFA being a bureaucracy and a monopoly, it need not be too sensitive to the needs and frustrations of the citizens. Unlike private enterprises who are forced by circumstances to be sensitive to their customers; otherwise, the latter will simply go to other firms and suppliers of the same or similar commodities/ services.

Nonetheless, I have respect for the staff of the Passport Director's office. They were really over-worked and they work hard, I could see it. It's the staff of other offices within the DFA who are often idle.

(2) To May

As I defined it earlier, mobility = freedom. Less mobility, less freedom. And according to Friedrich Hayek, freedom = absence of coercion.

Poverty-stricken countries need to simplify and liberalize the issuance of passport for their citizens who want to escape their country and work/move somewhere else. Or their governments need to liberalize the entry of foreigners -- investors, tourists, professionals -- who want to come to their country, and these foreigners can help generate jobs for their people.

If you believe you are free, fine. You have the freedom to go to Kuala Lumpur or Bangkok tomorrow, fine. Assuming you already have the passport, and going to those cities is visa-free for visits of 30 days or less, there are lots of other government-imposed costs: (a) travel tax, (b) terminal fee, (c) inspection fee, security fee, embedded in the plane ticket. Which makes your foreign travel more expensive than what it should be if some of those government-imposed costs are reduced or removed.

(3) To Eunica

The DFA is a big bureaucracy in charge with different political and economic diplomacy, trying to save some OFWs from being hanged in the Middle East, attending and organizing different summit (ASEAN, APEC, ASEM, Ministerial meetings, etc.), issuing RP visa to some foreigners coming in, and so on. Issuing passports is only one of its functions. And it is here where the DFA is sometimes getting the public's ire and frustration, instead of support and commendation.

When a government, like the Philippine government, will impose many taxes and fees on each step, from getting a passport to getting an OFW permit at POEA, OWWA, Bureau of Immigration (if any), etc., including preliminary papers like NBI clearance, PNP clearance, brgy clearance, etc., that government is putting indirect hindrance to people mobility and their freedom to travel.

To correct such hindrance, the burden of proof that a person trying to travel abroad could be an "undesirable" citizen, should be shifted from the people to the government. Thus, instead of the person producing different clearances and permits from different

government agencies (NBI, PNP, brgy, POEA, etc.), those agencies should reconcile their data and watch out only for those with some criminal records, the rest should not be harassed and be required to secure and pay those unnecessary clearances and fees.

(4) To Emir:

Yes, the terminal fee should either be abolished, or be reduced by one-half at most. Airport operators like MIAA earn enough from (a) airlines [landing fee, cargo handling fee, etc], (b) rental from shops inside the airport terminals, (c) ads from billboards inside and outside the terminal, (d) airport taxis and rent-a-cars, (e) parking fees, etc.

(5) To John:

Yes, passport validity should be more than 5 years since its effective usefulness is only 4 ½ years. It could be made 6 to 10 years, so there will be less people that go there, which adds to longer lines of passport applicants.

(6) To Jay

Getting a visa is a privilege to be given by foreign governments, and it was not the subject of my paper. Rather, it was about the privilege to travel abroad to be given (or denied) by the Philippine government -- hence, my discussion on RP passport, travel tax, terminal fee, etc. And my beef was that the Philippine government should reduce some unnecessary hindrances to Filipinos desiring to be mobile abroad, like the abolition of travel tax, reduction of long lines for passport application, etc.

Increasing staff at DFA passport processing is only one of about 4 options I made. Another option is rechannel some staff in other DFA offices who I saw, were idle, just chatting while the passport-related staff were harassed and over-worked.

(7) To Jim:

The RP passport fee is not exactly a "bargain". A \$100 can be earned in one and a half day by a minimum wage earner in the US. A P4,200 can be earned in 2 weeks work by a minimum wage earner in the Philippines. Also, as I mentioned in my paper, you pay not only P750 passport fee, you also pay P150 for those small pictures, another P150 to P180 for "notarized" statement that your passport was lost or damaged due to whatever reason/s. Then you also have to take a leave for about 1day from your office to file the application form, processing, etc. If you don't like long lines, you pay P1,000 to travel agencies to help you, but you still have to go to DFA for e-signature, etc. You also pay sometimes for NBI clearance, PNP clearance, plus birth certificate, marriage certificate, etc. to NSO. DFA gets the original copy, not photocopy. You sum up everything, you could be paying nearly P4,000.

IV. Getting an SSS ID

July 28, 2008

Although I have been a Social Security System (SSS) member since January 2000 when I transferred to a private company after working several years at the House of Representatives, I applied for an SSS ID only in January 2007. The SSS website was unreliable, so I had to go to its Makati office to inquire for the requirements, as well as get an application form. After securing the requirements, I went back to submit my application form, but was told to come back a few days later. My schedule for picture taking (digital photo) was February 15, 2007.

On that day, I went back, submitted my application form, signed up, and waited for my turn. Total waiting time including picture taking, electronic signature, was about 2 and a half hours. It's long, but least there were no more fees to pay. I was told that my ID will be delivered to our place after 2 months.

I waited 2 months, 3 months, then my ID was finally delivered to me after 4 months. So, to get an ID, (a) you wait several days for your scheduled picture taking, (b) you wait several hours on your appointment day to finish everything, and (c) you wait several months for your ID to come.

Many ordinary members just want an SSS ID because this is being asked or demanded by other agencies. But as shown in my experience, it's not easy to get an SSS ID.

Other SSS members though were more unlucky. Some waited six or eight months before their IDs were delivered to them. Others are worse off: they have waited 10 months or a year and still they have not yet received their ID! See those sentiments and experiences by other people on getting an ID in the links below, <http://kulaypinay.com/2007/04/23/sss-id-application-walkthrough/>.

The SSS website is among the most unreliable sites in the world. For a fund with more than 27 million individual members and PhP234 billion (US\$5.2 billion at P45/\$) of investments, inquiries by phone or personal visits by its millions of members is costly and very inefficient. The maintenance of a reliable website therefore, is a must. But if you visit www.sss.gov.ph, either it is down or it shows only the homepage; and if you click any of its sections, it takes several minutes of "loading", you wait for several minutes more and... voila! "Page Load Error" will show up. As of this writing, the website is down.

Well, SSS is a monopoly; it can afford to be inefficient and lazy.