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**SENATE**  
P.S. Res. No. 124

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Introduced by Senator Grace Poe

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**RESOLUTION**  
**URGING THE SENATE COMMITTEE ON PUBLIC SERVICES TO CONDUCT AN**  
**INQUIRY, IN AID OF LEGISLATION, ON THE VIABILITY OF EXTENDING THE**  
**'LIBRENG SAKAY' PROGRAM**

1 WHEREAS, the impact of the COVID-19 pandemic and the surging fuel prices  
2 to public utility vehicle (PUV) operators and drivers, and commuters alike, resulted to  
3 a mobility crisis;

4 WHEREAS, during the pandemic, the lack of passengers due to quarantine  
5 protocols discouraged drivers from operating, and likewise, the lack of PUVs operating  
6 hindered continued mobility. Today, as the economy reopens, the surging fuel prices  
7 without corresponding fare increases dissuaded drivers to operate; however, any  
8 further increases in fares will result to additional burden to financially-challenged  
9 Filipinos;

10 WHEREAS, the transport costs today contribute a large share to the uptrend of  
11 inflation rate in Metro Manila alone. According to the Philippine Statistics Authority,  
12 the transport inflation rate index in the region rose from 12.3 percent in April 2022 to  
13 13.8 percent in May 2022;<sup>1</sup>

14 WHEREAS, in response to this, the government launched the *Libreng Sakay*  
15 (Free Ride) transport program to ease the economic impact of the pandemic and high  
16 fuel prices on ailing drivers, operators and commuters;

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<sup>1</sup> Quismorio, E. (28 June 2022). *Marcos should continue 'libreng sakay' program amid high transport costs, says solon*. <https://mb.com.ph/2022/06/28/marcos-should-continue-libreng-sakay-program-amid-high-transport-costs-says-solon/>

1           WHEREAS, the *Libreng Sakay* program is part of the Phase 3 implementation  
2 of the Service Contracting Program of the Department of Transportation (DOTr) and  
3 the Land Transportation Franchising and Regulatory Board (LTFRB). Under the  
4 program, commuters ride for free on certain routes, while PUV operators and drivers  
5 are paid by the LTFRB based on the maximum number of trips made per week with  
6 or without passengers and in compliance with agreed-upon performance indicators<sup>2</sup>;

7           WHEREAS, the program was allotted a P7-billion budget in the General  
8 Appropriations Act (GAA) of 2022 which covers an initial 515 buses out of the 532  
9 units registered under the program<sup>3</sup>;

10           WHEREAS, on 11 April 2022, the Libreng Sakay program began providing free  
11 rides to commuters and this service is supposed to last until December this year.  
12 However, in June, LTFRB reported that they have already exhausted the budget  
13 allocation due to an increase in the number of PUVs that enrolled in the program<sup>4</sup>. It  
14 was then scheduled to end simultaneously with former President Rodrigo Duterte's  
15 last day in office as he is replaced by President Ferdinand Marcos, Jr.<sup>5</sup>;

16           WHEREAS, in a briefing on 5 July 2022, President Marcos committed that the  
17 *Libreng Sakay* program will continue to operate until December this year<sup>6</sup>. To fund  
18 this, transportation Secretary Jaime Bautista said they need an additional P1.4 billion  
19 budget to sustain the program until the end of the year<sup>7</sup>;

20           WHEREAS, several transport groups questioned the viability of further  
21 extending the *Libreng Sakay* program as a response to the country's transportation  
22 woes;

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<sup>2</sup> The Manila Times. (4 April 2022). *Implementation of phase 3 of Service Contracting Program now underway*. <https://www.manilatimes.net/2022/04/04/public-square/implementation-of-phase-3-of-service-contracting-program-now-underway/1838710>

<sup>3</sup> Rita, J. (21 June 2022). *Nationwide PUV 'libreng sakay' to end by July –LTFRB*. <https://www.gmanetwork.com/news/serbisyopubliko/transportation/835596/libreng-sakay-of-some-pujs-buses-in-ncr-to-end-by-july-ltfrb/story/>

<sup>4</sup> Cervantes, F. (28 June 2022). *Marcos urged to continue Libreng Sakay until December*. <https://www.pna.gov.ph/articles/1177727>

<sup>5</sup> Quismorio, E. (28 June 2022). *Marcos should continue 'libreng sakay' program amid high transport costs, says solon*. <https://mb.com.ph/2022/06/28/marcos-should-continue-libreng-sakay-program-amid-high-transport-costs-says-solon/>

<sup>6</sup> Madarang, C. (18 July 2022). *'Libreng Sakay': Marcos' remarks on free ride program inspires new poem*. <https://interaksyon.philstar.com/trends-spotlights/2022/07/18/222456/libreng-sakay-marcos-remarks-on-free-ride-program-inspires-new-poem/>

<sup>7</sup> Reyes, D. (12 July 2022). *'Libreng Sakay' program seen as unsustainable*. <https://newsinfo.inquirer.net/1626857/libreng-sakay-program-seen-as-unsustainable>

1           WHEREAS, Primo Morillo of The Passenger Forum said that while they recognize  
2 the benefit of the program, the concern about the funding source is very telling that  
3 it would be a challenge to support its extension. He stressed that the additional  
4 amount can instead be used in addressing the root causes of the country's  
5 transportation problems<sup>8</sup>;

6           WHEREAS, likewise, Ira Cruz of AltMobility said that the program is not a  
7 solution to the transportation crisis. He stressed that the government must "*introduce*  
8 *reforms to allow public transportation providers to focus on the quality of their service*  
9 *over profit, such as the proper implementation of a service contracting program that*  
10 *can give public transport providers the financial support they need to maintain reliable*  
11 *operations for commuters*<sup>9</sup>;

12           WHEREAS, despite its allocation in the GAA, the program was met with funding  
13 issues. Last 18 July 2022, bus consortiums ES Transport and Mega Manila Consortium  
14 Corporation deployed only 200 of their 440 buses in response to the delayed payments  
15 to their operators and drivers. This resulted to commuters forming long lines at the  
16 Edsa Busway Carousel stations and having to wait longer for their rides<sup>10</sup>;

17           WHEREAS, the lack of buses on deployment was primarily due to drivers not  
18 being paid on time, or worse, not paid at all. Some are already buried in debt just to  
19 make ends meet<sup>11</sup>, and some would rather go back to their provinces and find work  
20 there<sup>12</sup>;

21           WHEREAS, LTFRB chairperson, Atty. Cheloy Garafil, said that on Week 13 of  
22 the program's implementation, they discovered payment backlogs for bus drivers on  
23 EDSA Carousel since the 6<sup>th</sup> week of the program. In response to this, the LTFRB

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<sup>8</sup> Reyes, D. (12 July 2022). '*Libreng Sakay*' program seen as unsustainable.  
<https://newsinfo.inquirer.net/1626857/libreng-sakay-program-seen-as-unsustainable>

<sup>9</sup> *Ibid.*

<sup>10</sup> Reyes, D. (20 July 2022). *After long wait, 'Libreng Sakay' bus operators paid P310M.*  
<https://newsinfo.inquirer.net/1630861/after-long-wait-libreng-sakay-bus-operators-paid-p310m>

<sup>11</sup> Dela Pena, K. (19 July 2022). *Libreng Sakay: Bus drivers buried in debt unsure about payment.*  
<https://newsinfo.inquirer.net/1630644/libreng-sakay-bus-drivers-buried-in-debt-unsure-about-payment>

<sup>12</sup> Reyes, D. (20 July 2022). *After long wait, 'Libreng Sakay' bus operators paid P310M.*  
<https://newsinfo.inquirer.net/1630861/after-long-wait-libreng-sakay-bus-operators-paid-p310m>

1 released P310 million, which covered Week 6 to 10, as payment to the operators of  
2 the *Libreng Sakay* program<sup>13</sup>;

3 WHEREAS, according to Atty. Garafil, the payout would be “sufficient” to cover  
4 the deficiencies in the meantime<sup>14</sup>;

5 WHEREAS, the existence of funding issues – where to source the additional  
6 P1.4 billion for the program’s extension, and how to keep up with the payment  
7 backlogs to drivers – prove that the viability of extending this program until December  
8 is questionable;

9 WHEREAS, one of the main goals of the Service Contracting Program is to  
10 “*provide financial support to transport service providers and workers*”<sup>15</sup>. The delay in  
11 payment to drivers run contrary to the goal of this program. Thus, while the purpose  
12 of the program is laudable, there is a need to ensure that the drivers will be properly  
13 and consistently paid on time, especially throughout the proposed extension period.  
14 And in order to fulfil this goal, there is also a need to secure the source for the  
15 additional funding needed to sustain the extension;

16 NOW THEREFORE BE IT RESOLVED, as it is hereby resolved by the Senate of  
17 the Philippines, to urge the Senate Committee on Public Services to conduct an inquiry,  
18 in aid of legislation, on the viability of extending the ‘Libreng Sakay’ program.

Adopted,



GRACE POE  
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<sup>13</sup> Dela Pena, K. (19 July 2022). *Libreng Sakay: Bus drivers buried in debt unsure about payment*. <https://newsinfo.inquirer.net/1630644/libreng-sakay-bus-drivers-buried-in-debt-unsure-about-payment>

<sup>14</sup> *Ibid.*

<sup>15</sup> DOTr. <https://dotr.gov.ph/55-dotrnews/4322-implementation-of-phase-3-of-service-contracting-program-now-underway.html>