

## ELECTRIFICATION

### More than just light for the countryside

Electricity may well be considered the fourth basic need of life — after food, shelter, and clothing. Lack of it, more than anything else perhaps, accounts for the stagnation of many a rural community which has been living literally in the darkness for generations. Conversely, its availability brings to a community untold benefits.

This truism is never more valid than in a developing country like the Philippines, where only 11 million or 27.5 percent of a total population of 40 million enjoy the benefits of electricity. Of the 11 million, a great majority — seven million or 63.6 percent — are residents of urban areas. The remaining four million are in the rural areas, where 30 million Filipinos or 75 percent of the total population live.

With this great disparity, it is not surprising that industries and other propellants of growth are concentrated in the cities, while very little change, if at all, is observable in the towns and barrios even after several decades.

It is because of this lopsidedness that the government is today giving high priority to rural electrification in the Philippines, hand in hand with other development projects, including the dispersal of industries to the rural areas.

Now under implementation is a nationwide program that is expected to bring adequate, reliable, and low-cost electricity to all the 1,421 towns and more than 35,000 barrios of the country before the decade is over.

A novel approach used in the program, not to mention the pace with



Electric poles in Catanduanes: pillars to illumine the darkness.

which it is being pursued, gives little reason to doubt the realization of this goal.

Unlike the previous setup in which electrification was left to individual franchise holders and thus became a fragmented effort, the National Electrification Administration — the main implementing agency — is conducting the program on an "area coverage" basis. This arrangement will enable an electric system to serve not just one town as what happened before, but from five to 10 municipalities, including their barrios.

The "area coverage" is made possible with the organization of electric service cooperatives. Such cooperatives, as described by NEA officials, are "incorporated, locally owned, private, non-profit enterprises, democratically organized by a group of people and supplying electricity to members at the lowest possible cost."

The cooperatives, therefore, will not be run and operated by NEA or the government, but by the people themselves in the area covered. The NEA only assists in the management of cooperatives on a "need basis." This assistance will be reduced as the

cooperative management gains experience.

So far, 42 cooperatives have been organized. Of these, 36 have been registered and incorporated. All but one of the registered cooperatives have signed loan agreements with the NEA. The loans add up to P600 million, part of which came from a loan granted to the Philippines by the US agency for International Development.

Construction of electric plant facilities is now going on in three provinces — Capiz, Ilocos Norte, and Leyte. Work on seven others will start in the next few months. The designs for the facilities of another four have been completed while designs for 17 others are nearing completion. The NEA hopes to establish at least one electric service cooperative in each of the country's 68 provinces by 1976.

In the past, most electric franchise holders provided services only to densely populated sections of their franchise areas. Thus, in spite of the big number of franchise holders in the country, the actual service reached only a small fraction of the areas they were supposed to cover.

The old setup may also have been

partly responsible for the concentration of adequate, reliable, round-the-clock, and low-cost electric service in Greater Manila and other large cities, outside of which electricity was available only at night and hence was not adequate for industrial purposes.

Another reason for the inavailability of electric service in most parts of the country was that a large majority of the power plants were low-capacity (less than 500 kilowatts). This entailed high operation costs and, consequently, service was available only to consumers within their immediate vicinity.

The approach used in the present rural electrification program is the result of experience gained in two pilot projects started in 1969: the Misamis Oriental Rural Electric Service Cooperative (MORESCO) in Mindanao and the Victorias-Cadiz-Manapla Rural Electric Service Cooperative (VRESKO) in Negros Occidental.

The first cooperative serves 10 municipalities between the cities of Cagayan de Oro and Iligan. The second serves four large municipalities. Both systems today serve a total of 27,000 families. The pilot projects were developed with technical assistance from the National Rural Electric Cooperative Association (NRECA), an association of nearly 1,000 rural electric systems serving more than 25 million consumers in the United States.

If the whole program succeeds, electrification will be bringing more than just light to the Philippine countryside. It will hasten the dispersal of industries, an activity now being pursued with vigor by the government. At the same time, it will revive long-dormant industries, which have thrived to this day only because of the ingenuity and the persistence of the Filipino villager. It will revolutionize agriculture and without doubt quicken the country's stride toward industrialization. Finally, it will mean a new life for the Filipino common man who, through a fourth ingredient, will be able to achieve more than just sufficiency in his three basic needs in life.

## SOCIAL SECURITY

### Last chance for delinquent employers

three percent of the amount due each month. They will also be criminally prosecuted and will be liable to suffer the penalties for estafa prescribed in the Revised Penal Code.

The condonation policy covers these two categories of employers:

- Employers who had paid or updated their delinquent contributions before the effectivity of the amendatory decree, that is before October 19, 1972, but had not paid the three percent penalty for late remittances.

- Employers who remit or update their contributions within the six-month grace period.

Broken down further, these categories include the following: employers with pending cases either before the Social Security Commission, the courts or the fiscal's office involving collection of contributions and penalties; employers without pending cases but are delinquent in the payment of contributions and penalties; employers with approved plans for installment payment in so far as the penalties for payment made before the deadline are concerned; employers against whom judgment had been rendered either by the courts or the SSC, but have not yet complied with the judgment; and employers who have not yet registered with the SSS all or some of their employees.

In case an employer fails to remit contributions after these have become due and demandable, the SSS shall assess their liability on the basis of their highest monthly remittance, unless the employer can show within 15 days from notice of assessment that he is liable for a smaller amount.

The updating of contributions can only redound to the benefit of the members of the SSS, which has just completed its 15th year of existence

and which, in the words of Administrator Teodoro, has rendered "an impressive record of service to the nation."

In a report on the System's operations, Mr. Teodoro said that the SSS started in 1957 with only 224,221 workers in its membership. In its first year of operations, the SSS paid out P75,437 in benefits and had P6,081,000 in reserves. Today, the membership has grown to 3.1 million, with benefit payments now totalling P359 million and the reserve fund, P1.5 billion.

With millions of pesos paid out each year as benefits and an equally huge amount channelled into the economy as investments, the SSS has become a major participant in the country's economic development.

At present, the SSS is working for an integrated scheme of benefits, including Medicare, workmen's compensation and maternity privileges, as a step towards realization of the modern concept of social services that cover virtually every aspect of an individual's life — "from the cradle to the grave."