

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 2670

---

Introduced by **HON. GLORIA MACAPAGAL-ARROYO, HON. JUAN MIGUEL  
M. ARROYO and HON. DIOSDADO M. ARROYO**

---

**EXPLANATORY NOTE**

The contribution of Overseas Filipino Workers in the national economy cannot be overemphasized. Last year alone, the OFW remittance amounted to \$17B. Admittedly, OFWs continue to provide a boost to our economy amidst uncertainty in the world economy. Apart from their fiscal contribution, returning OFWs bring with them the skills and expertise from other countries that can be applied to improve our local industries and businesses.

Unfortunately, OFWs after spending productive years in abroad do not have many options when they return. Thus, they either become entrepreneurs if they have substantial savings or worse, they end up being unemployed. With this unfortunate scenario, OFWs must be given assistance when they return. Whether they are in between employment contracts, terminated or looking for employment upon retirement, OFWs must be given monetary assistance during these difficult times.

Even workers in the Philippines face the same predicament. Unemployment rate continue to account for a substantial part of the population. The Social Security System must come to the aid of unemployed members in this time of need.

This Bill seeks to provide unemployment benefit to members who are unemployed. After being a member of the SSS for at least seven (7) years and have regularly paid monthly contributions for the same period, a member is eligible to receive the unemployment benefit. This will address the pressing financial difficulty that unemployment brings and will enable a member to look for alternative options while looking for gainful employment. This Bill will provide additional benefit and expand the protection to our workers who are the backbone of our economy.

  
HON. GLORIA MACAPAGAL-ARROYO

  
HON. JUAN MIGUEL M. ARROYO

  
HON. DIOSDADO M. ARROYO

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

FIFTEENTH CONGRESS  
First Regular Session

HOUSE BILL NO. 2670

---

Introduced by **HON. GLORIA MACAPAGAL-ARROYO, HON. JUAN MIGUEL  
M. ARROYO and HON. DIOSDADO M. ARROYO**

---

**AN ACT PROVIDING FOR UNEMPLOYMENT BENEFIT TO BE PROVIDED  
BY THE SOCIAL SECURITY SYSTEM, AMENDING FOR THE PURPOSE  
REPUBLIC ACT NO. 8282 ENTITLED "AN ACT FURTHER STRENGTHENING  
THE SOCIAL SECURITY SYSTEM THEREBY AMENDING FOR THIS  
PURPOSE, REPUBLIC ACT NO. 1161, AS AMENDED, OTHERWISE KNOWN  
AS THE SOCIAL SECURITY LAW" AND FOR OTHER PURPOSES**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress  
assembled:*

SECTION 1. Section 2 of Republic Act No. 1161, as amended by Republic Act 8282, otherwise known as the "Social Security Law", is hereby *further* amended to read as follows:

"SEC. 2. *Declaration of Policy.* - It is the policy of the Republic of the Philippines to establish, develop, promote and perfect a sound and viable tax-exempt social security service suitable to the needs of the people throughout the Philippines which shall promote social justice and provide meaningful protection to members and their beneficiaries against the hazards of disability, sickness, maternity, old age, death, and other contingencies resulting in loss of income or financial burden. Towards this end, the State shall endeavor to extend social security protection to workers INCLUDING OVERSEAS FILIPINO WORKERS and their beneficiaries.

SEC. 2. Section 3 of Republic Act No. 1161, as amended by Republic Act 8282, is hereby *further* amended to read as follows:

"SEC. 3. *Social Security System.* - (a) To carry out the purposes of this Act, the Social Security System, hereinafter referred to as 'SSS', a corporate body, with principal place of business in Metro Manila, Philippines is hereby created. The SSS shall be directed and controlled by a Social Security Commission, hereinafter referred to as 'Commission', composed of the Secretary of Labor and Employment or his duly designated undersecretary, the SSS president and seven (7) appointive members, three (3) of whom shall represent the workers' group, at least one of whom shall be a woman AND ONE (1) TO REPRESENT OVERSEAS FILIPINO WORKERS; three (3), the employers' group, at least one (1) of whom shall be a woman; and one (1), the general public whose representative shall have adequate knowledge and experience regarding social security, to be appointed by the President of the Philippines. x x x x"

SEC. 3. Section 9(c) of Republic Act No. 1161, as amended by Republic Act 8282, is hereby *further* amended to read as follows:

"SEC. 9. *Coverage.* – (a) x x x

"(c) OVERSEAS FILIPINO WORKERS recruited by foreign-based employers for employment abroad may be covered by the SSS on a voluntary basis."

SEC. 4. A new Section 14-B is hereby added after Section 14-A of Republic Act No. 8282 to read as follows:

"SEC. 14-A. *Maternity Leave Benefit.* x x x x"

"SEC. 14-B. UNEMPLOYMENT BENEFIT. A MEMBER OF THE SYSTEM SHALL BE ELIGIBLE TO RECEIVE A MONTHLY UNEMPLOYMENT BENEFIT UPON FULFILLMENT OF THE FOLLOWING CONDITIONS:

1. REGISTRATION AND PAYMENT OF MONTHLY CONTRIBUTION FOR AT LEAST SEVEN (7) YEARS PRIOR TO THE CLAIM FOR UNEMPLOYMENT;
2. UNEMPLOYED MEMBER MUST BE ACTIVELY LOOKING FOR EMPLOYMENT FOR AT LEAST THIRTY (30) DAYS PRIOR TO FILING OF THE CLAIM;
3. CERTIFICATION FROM ANY CONCERNED GOVERNMENT AGENCY THAT MEMBER HAS REQUESTED ASSISTANCE IN SEEKING EMPLOYMENT; AND,
4. PROOF OF LAST SALARY RECEIVED OR EMPLOYMENT CONTRACT BEARING INCLUSIVE DATES OF EMPLOYEMENT.

AN OVERSEAS FILIPINO WORKERS SHALL BE ELIGIBLE TO RECEIVE A MONTHLY BENEFIT UPON FULFILLMENT OF THE FOLLOWING CONDITIONS:

1. REGISTRATION AND PAYMENT OF MONTHLY CONTRIBUTION FOR AT LEAST SEVEN (7) YEARS PRIOR TO THE CLAIM FOR UNEMPLOYMENT;
2. RETURNING OFW MUST BE ACTIVELY LOOKING FOR EMPLOYMENT FOR AT LEAST THIRTY (30) DAYS PRIOR TO FILING OF THE CLAIM;
3. PROOF OF REGULAR DEPLOYMENT (POEA PROCESSING OF CONTRACT), OVERSEAS WORKERS WELFARE ADMINISTRATION MEMBERSHIP AND OTHER SIMILAR DOCUMENTS;
4. THE MOST RECENT EMPLOYMENT CONTRACT BEARING INCLUSIVE DATES OF EMPLOYMENT, PRIOR TO UNEMPLOYEMNT;

5. PROOF OF REMITTANCE OF THE OFW WHILE WORKING OVERSEAS; AND,
6. CERTIFICATION FROM ANY CONCERNED GOVERNMENT AGENCY THAT MEMBER HAS REQUESTED ASSISTANCE IN SEEKING EMPLOYMENT.

THE MONTHLY UNEMPLOYMENT BENEFIT SHALL BE GIVEN TO A QUALIFIED MEMBER FOR A MAXIMUM PERIOD OF TWELVE (12) MONTHS OR UNTIL UNEMPLOYMENT CEASES WHICHEVER COMES FIRST; PROVIDED THAT, THIS BENEFIT SHALL ONLY BE AVAILED OF ONCE EVERY SEVEN (7) YEARS.

FOR OVERSEAS FILIPINO WORKERS, THE NATIONAL GOVERNMENT SHALL AUTOMATICALLY APPROPRIATE ANNUALLY AN AMOUNT EQUIVALENT TO TEN PERCENT OF ONE PER CENT (.1%) OF THE TOTAL OFW REMITTANCE OF THE IMMEDIATE PRECEDING YEAR.

SEC. 5. *Applicability and Repealing Clause.* - All laws, presidential decrees, executive orders, issuances, rules and regulations, and part thereof which are contrary to or inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 6. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

*Approved.*