

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 6684



**INTRODUCED BY ANAKPAWIS PARTY-LIST REPRESENTATIVE
RAFAEL V. MARIANO**

EXPLANATORY NOTE

The Philippines is an agricultural country. According to statistics, in 2011, there are 12.155 million workers in the agriculture, fishery and forestry sector of the country (www.bles.dole.gov.ph, 2012).

According to Unyon ng Manggagawa sa Agrikultura (UMA), a national organization of agricultural workers in the country, there is an estimate of 1.5 million agricultural workers/farmworkers nationwide. They are often employed in agribusiness plantations, agricultural estates which are owned and run by wealthy landlords and commercial farms. They either work as weeders, planters, pickers, among others.

In Negros island alone, there are more than 297,000 farmworkers. The agricultural workers/farmworkers usually render work in sugarcane plantations owned by rich and well-known landlords.

In Mindanao, vast tracts of land are planted with different agricultural products. There are more than 30,000 hectares of land planted with pineapple while approximately 55,279 hectares of land are planted with sugarcane. An estimated 20,000 hectares of land are planted with banana (www.bworldonline.com, October 2, 2012) whereas an estimated 14,580 hectares of land are planted with palm oil (www.cocafm.gov.ph, 2011). In addition, 81,000 hectares of land are planted with rubber (www.ro10.dole.gov.ph, April 29, 2010). These plantations are being managed by big foreign and domestic corporations like Dole-Stanfilco, Del Monte-Philippines, Lapanday, Davao Agri-Venture Corporation, among others. In these plantations, agricultural workers/farmworkers are hired to render works which are necessary to the farm production.

Unfortunately, agricultural workers/farmworkers are confronted with different forms of exploitation. They are usually paid way below the minimum wage, working beyond the normal hours of work and their tenure of employment are not also secured. Most of them are hired either as contractual or seasonal workers. Although they are continuously hired by their employers, most of them remain as contractual or seasonal farmworkers. While some of them have worked for years in the same landholdings, agricultural workers/farmworkers are often hired under schemes that will prevent them from being considered as regular or permanent agricultural

workers/farmworkers. Contractual and seasonal agricultural workers are deprived of social benefits. Although they are exposed to the same risks that permanent agricultural workers/farmworkers are facing, they do not enjoy any health and medical benefits. For example, in banana and pineapple plantations, agricultural workers/farmworkers are exposed to the chemicals, pesticides and insecticides, being used/applied to the bananas and pineapples. Under existing laws, only permanent workers are entitled to social benefits such as housing and health benefits. However, even if contractual and seasonal agricultural workers/farmworkers will be covered by the existing government health program, they cannot afford to pay the contributions required under the law because of their low wages. In Southern Tagalog, it was reported that agricultural workers/farmworkers in the rice and coconut industries only receive P70-80 per day. In Cagayan Valley, agricultural workers/farmworkers only receive more than P70 daily wage while in Samar, agricultural workers/farmworkers are only paid P50 per day. Their wage is not even enough to sustain their daily needs.

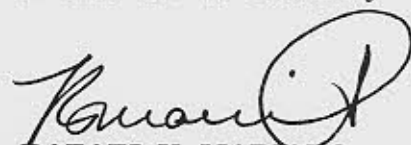
In the case of permanent agricultural workers/farmworkers, UMA alleged that it received reports that contributions for Philhealth, Social Security System (SSS) and Pag-Ibig Fund are deducted from agricultural workers/farmworkers' salary but are not remitted by their employers to the concerned agencies. As a result, they also do not receive the benefits they are entitled to.

Agricultural workers/farmworkers regardless of their status of employment suffer from diseases which are work-related. They obtained skin diseases, heart and lung ailments, among others due to exposure to some chemicals and inhumane work conditions. Symptoms of some of these diseases only manifest months or even years after exposure to chemicals and other hazards in their employment. Sometimes, agricultural workers/farmworkers only discover their work-related ailments when they are already separated from their work especially in case of contractual and seasonal agricultural workers/farmworkers.

Families of these agricultural workers/farmworkers are not also spared from the effects of chemicals being used in the plantations since they live in barangays near the plantations. More often than not, they are prone to inhale the chemicals, pesticides and insecticides, being used in the plantations especially when these chemicals are applied through aerial spraying. They, too, acquire illnesses and this fact adds to the burden being carried by the agricultural workers/farmworkers.

For the aforesaid reasons, they should be accorded at least health and medical benefits to promote their welfare. It is undeniable that agricultural workers/farmworkers regardless of tenure of employment contribute to the development of the landholdings where they work and to the country's agriculture. Each of their work is an essential part of the whole production which tends to be the basis of development.

In view of the foregoing, the early passage of this bill is earnestly requested.



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**AN ACT PROVIDING FOR THE MANDATORY COVERAGE OF ALL
AGRICULTURAL WORKERS IN THE NATIONAL HEALTH INSURANCE
PROGRAM (NHIP) UNDER THE PHILIPPINE HEALTH INSURANCE
CORPORATION (PHILHEALTH) AND FOR OTHER PURPOSES**

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

SECTION 1. Short Title. - This Act shall be known as the "Agricultural
Workers' Insurance Benefit Act of 2012".

SECTION 2. Declaration of Policy. - It is hereby declared the policy of
the State to adopt an integrated and comprehensive approach to health
development which shall endeavor to make essential goods, health and other
social services available to all the people.

Towards this end, the State shall provide for the mandatory coverage of
all agricultural workers/farmworkers in the National Health Insurance Program
(NHIP) of the government under the Philippine Health Insurance Corporation
(PhilHealth).

SECTION 3. Coverage. - All agricultural workers/farmworkers,
permanent, contractual or seasonal, in the hereunder referred landholdings
shall be mandatorily covered by National Health Insurance Program (NHIP)
under the Philippine Health Insurance Corporation (PhilHealth) regardless of
the remuneration they receive from their employers.

To be fully covered by the National Health Insurance Program (NHIP),
seasonal agricultural workers must have rendered at least six (6) months of
continuous work in the landholding in which they render work.

SECTION 4. Definitions. - For purposes of this Act, the following terms
shall be understood as follows:

- 1. Agricultural worker/farmworker** refers to a worker, permanent,
contractual or seasonal, who render farm work or any work in relation
to crop production in any of the landholdings defined in this Section;

2. **Agribusiness plantation** refers to large tracts of lands owned by big landowners or by the state or consolidated out of small landholdings mainly used and operated for commercial purposes by local and transnational corporations for the large-scale production of commercial or export crops;
3. **Agricultural estate or hacienda** refers to large tracts of lands normally owned by a single family and used for the large-scale production of agricultural export crops, other commercial crops or staple crops;
4. **Commercial farm** refers to farms usually operated by agri-business corporations, local or foreign, and engaged in large-scale production of commercial or export crops.

SECTION 5. Enrollment of Agricultural Workers. - Agricultural workers/farmworkers referred to under this Act shall be enrolled by the corporation or the landowner of the landholding in which they render work in the National Health Insurance Program (NHIP) under the Philippine Health Insurance Corporation (PhilHealth) in order for them to be placed under the coverage that entitles them to avail of the benefits and the financial assistance provided for by the Philippine Health Insurance Corporation (PhilHealth). *Provided that*, beneficiaries under this Act shall be issued appropriate documentation specifying the eligibility to benefits.

SECTION 6. Contributions. - The corporation or landowner of the landholding in which the agricultural workers/farmworkers render work shall pay for one-half (1/2) of the monthly contribution of persons to be enrolled in the National Health Insurance Program (NHIP) being implemented by the Philippine Health Insurance Corporation (PhilHealth); *Provided that*, the remaining one-half (1/2) of the monthly contribution shall be paid by the national government, through the Philippine Health Insurance Corporation (PhilHealth).

SECTION 7. Availment of benefits. - Agricultural workers covered under this Act shall enjoy all the benefits provided for by the Philippine Health Insurance Corporation (PhilHealth) to its members. *Provided that*, a contractual agricultural worker/farmworker, whose contract has already expired, and his dependents shall continue to enjoy the benefits provided for by the Philippine Health Insurance Corporation (PhilHealth) within six (6) months from separation from service. His monthly contribution within six (6) months from separation from service shall be paid by the national government through the Philippine Health Insurance Corporation (PhilHealth). *Provided further that*, a seasonal worker, who has been separated from work after six (6) months, and his dependents shall continue to enjoy the benefits provided for by the Philippine Health Insurance Corporation (PhilHealth) within six (6) months from separation from service. His monthly contribution within six (6) months from separation from service shall be paid by the national government through the Philippine Health Insurance Corporation (PhilHealth).

SECTION 8. Non-Deprivation of Benefits. - Failure of the corporation or landowner of the landholding, in which the agricultural workers/farmworkers render work to remit to Philippine Health Insurance Corporation (PhilHealth)

the corresponding contributions shall not be a ground for deprivation of benefits under this Act.

SECTION 9. Appropriation. - The funds necessary for the implementation of this Act shall be appropriated from the General Appropriations Act as part of the budget of Philippine Health Insurance Corporation (PhilHealth).

SECTION 10. Penalties. - Failure of the corporation or landowner to enroll agricultural workers/farmworkers in the landholdings referred to under this Act in the National Health Insurance Program (NHIP) under the Philippine Health Insurance Corporation (PhilHealth) shall be penalized with a fine of not less than One Hundred Thousand Pesos (P100,000.00) but not more than Five Hundred Thousand Pesos (P500,000.00) for each agricultural worker/farmworker not enrolled in the program. *Provided that*, the corporation or landowner is also liable to pay an amount of Fifty Thousand Pesos (P50,000.00) to each unenrolled agricultural worker/farmworker.

SECTION 11. Implementing Rules and Regulations (IRR). - The Philippine Health Insurance Corporation (PhilHealth) shall formulate and publish the implementing rules and regulations (IRR) of this Act within ninety (90) days after its effectivity.

SECTION 12. Repealing Clause. -All laws, executive orders, executive issuances or letter of instructions, or any part thereof, inconsistent with or contrary to the provisions of this Act are hereby deemed repealed, amended or modified accordingly.

SECTION 13. Separability Clause. -If for any reason any section or provision of this act shall be declared unconstitutional or invalid, the other parts thereof not affected thereby shall remain valid.

SECTION 14. Effectivity Clause. -This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) national newspapers of general circulation.

Approved.