

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session

House Bill No. 316



Introduced by Representatives
GLORIA MACAPAGAL ARROYO and DIOSDADO MACAPAGAL 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

EXPLANATORY NOTE

The contribution of Overseas Filipino Workers in the national economy cannot be overemphasized. Last year alone, the OFW remittance amounted to \$23.8B. 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 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 monetary assistance during these difficult times.

Even workers in the Philippines face the same predicament. Unemployment rate continues 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 unemployment benefits. 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 workers who are the backbone of our economy.


GLORIA MACAPAGAL ARROYO
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2nd District, Camarines Sur

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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 No. 8282, otherwise known as the 'Social Security Law', is hereby *further* amended to read as follows:

"Section 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 endeavour to extend social security protection to workers INCLUDING OVERSEAS FILIPINO WORKERS and their beneficiaries.

Sec. 2. Sections 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 the 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 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-Bis hereby added after Section 14-A of Republic Act No.8282 to read as follows:

"Section 14-A. Maternity Leave Benefit. x x x x"

'Section 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 EMPLOYMENT.

AN OVERSEAS FILIPINO WORKER 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 UNEMPLOYMENT
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 ONCE PER CENT (.1%) OF THE TOTAL OFW REMITTANCE OF THE IMMEDIATE PREDEEDING YEAR.

Sec. 5. *Repealing Clause.* All laws, orders, issuances, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, modified or amended accordingly.

Sec. 6. *Effectivity.* This Act shall take effect fifteen (15) days from its publication in at least two (2) national newspapers of general circulation.

Approved,