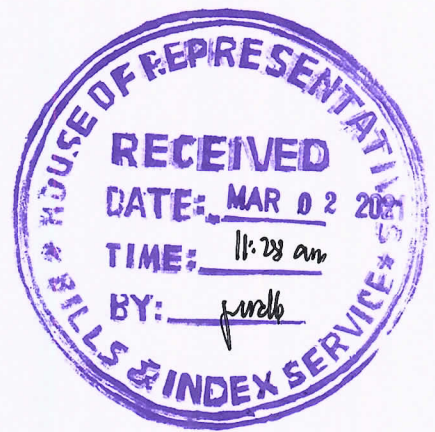




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Second Regular Session

House Bill **8846**

Introduced by Representative Camille A. Villar

AN ACT
CREATING AN ASSISTANCE AND LIVELIHOOD PROGRAM FOR RETURNING
OVERSEAS FILIPINO WORKERS (OFWs), MAKING THEM PART OF THE
COVERAGE OF SMALL BUSINESS CORPORATION AND FOR OTHER
PURPOSES

Explanatory Note

Overseas Filipino Workers (OFWs) have time and again been referred to and honored as our modern day heroes. This is because OFWs provide huge amount of money to the economy in the form of remittance.

The Philippines has one of the largest diasporas in the world. There is an estimated 10 million Filipinos abroad, roughly a tenth of the country's population, working for the promise of higher wages and better opportunities for themselves and for their families back home. In 2019, remittances from OFWs reached a record high of \$ 33.9, equivalent to about 10 percent of the country's gross domestic product (GDP).

The situation has changed because of the pandemic. It resulted in unemployment, loss of opportunities and income, and hardships to the Filipino family especially those who are dependent or those whose breadwinners are working abroad.

Since the onset of the coronavirus disease 2019 or COVID-19 pandemic, many overseas Filipino workers (OFW) have been left with no choice but to return to the country after losing their jobs abroad temporarily or permanently.

As of October 2020, over 230,000 OFWs have been repatriated since the pandemic began representing about one-tenth of workers overseas. The Department of Labor and Employment (DOLE) indicated that there is a substantial number to be still repatriated.

Considering that these OFWs have no more jobs to return to or it may take a while to find new work abroad, the Department of Labor and Employment (DOLE) and other concerned government agencies have been preparing alternative sources of livelihood for them. The National Reintegration Center for OFWs (NRCO) is implementing reintegration and livelihood programs for both documented and undocumented OFWs.

Accordingly, the NRCO has a P30-million budget for the implementation of the livelihood programs for undocumented OFWs this year.

The credit facilities envisioned under this legislation is expansive. Under this bill, a prospective OFW who has a valid contract as certified by the Philippine Overseas Employment Administration (POEA) may avail of a fifty thousand peso loan from the Overseas Worker Welfare Administration to defray the living expenses of his family during the first few months of his absence as well as other expenses incurred during his pre-employment.

In view of the foregoing, the approval of this bill is earnestly sought.


CAMILLE A. VILLAR

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

SECTION 1. Title - This Act shall be known as the "Tulong Sa Bayaning OFW Act of 2021"

SECTION 2. Declaration of Policies - Consistent with the State policy that the State affirms labor as a primary economic force and that it shall protect the rights of workers and promote their welfare, it is hereby declared that the government and its instrumentalities must promote and carry out programs geared towards advancing the interest of the Overseas Filipino Workers (OFWs) and their return to the country because of loss of employment and other opportunities abroad as a result of the pandemic by providing them access to fund facilities, re-tooling and reacquisition of news kills as they re-connect and re-established home and family in the country.

SECTION 3. There is hereby created a Program of Assistance for Returning Overseas Filipino Workers - An overseas contract worker with a valid employment contract as certified by the Philippine Overseas Employment Administration (POEA) may avail of a loan of not more than Fifty Thousand Pesos (P50, 000.00) from the Overseas Worker and Welfare Administration (OWWA) to defray the living expenses of his family during the first three months of absence as well as recruitment expenses including placement fees, documentation costs and plane tickets. Provided, that any one of the member of his family not otherwise disqualified by law shall participate in the loan as co-borrower, and execute necessary documentation to that effect. Provided, further, that the loan shall be granted and released by the OWWA upon proper submission of the following documents, duly certified to in writing by the recruitment agency with corresponding authentication and properly certified/verified by the POEA.

- 3.1. Employment Contract
- 3.2. Plane ticket; and
- 3.3. Bank account

SECTION 4. On top of the available and existing loan programs for Overseas Filipino Workers, the Small Business Corporation as created in Republic Act 6977, as amended, is mandated to create a loan program and window for the OFWs. Their program shall include but not limited to reintegration, skill acquisition and re-skilling, providing financial assistance and credit program, training and retraining, business mentoring, among others.

SECTION 5. Establishment of Bank Account - Overseas workers availing of the released and credited, and where monthly remittances of salaries and wages abroad payments on the loan shall be made. It shall be the obligation of the overseas worker-borrower to remit his earnings abroad only I through the said bank account.

SECTION 6. Payment of Loan - The loan shall be paid in twelve (12) equal monthly installments or more but not exceeding twenty four (24) months at a preferred interest rate not to exceed six percent (6%) per annum through the bank account to be established under the immediately preceding Section. For the purpose, the applicant shall execute the necessary authority for the bank to withhold the monthly loan amortization from his remittances.

SECTION 7. Implementing Rules - The OWWA, in consultation with organized labor groups and the relevant sectors, shall issue rules and regulations for the effective implementation of this Act. The IRR shall include provisions that will address nonpayment of loans provided under this Act and +the corresponding penalties that may be imposed, collection and administration of loans, and other issues of significance relevant to this Act.

SECTION 8. Appropriation - The amount needed to implement the provisions of this Act shall be appropriated out of the Overseas Welfare Fund and the available funds of Small Business Corporation.

SECTION 9. Repealing Clause. - Any other provisions of law or rules and regulations inconsistent to the provisions of this Act are hereby repealed, amended or modified accordingly.

SECTION 10. Effectivity - This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspapers general circulation.

Approved,