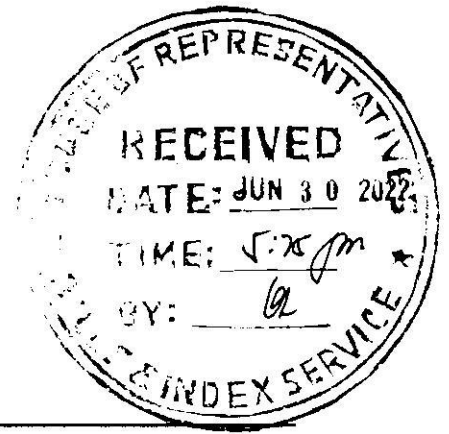


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 409



Introduced by Honorable Representatives
ARLENE D. BROSAS (Gabriela Women's Party),
FRANCE L. CASTRO (ACT Teachers Partylist),
and RAOUL DANNIEL A. MANUEL (Kabataan Partylist)

**AN ACT PROVIDING FOR A TEN THOUSAND PESOS (P10,000) CASH SUBSIDY FOR
FAMILIES AFFECTED BY THE SEVERE ECONOMIC DOWNTURN, CALAMITIES AND
COMMODITY PRICE HIKES AMID THE COVID-19 PANDEMIC**

EXPLANATORY NOTE

Amid the militarist restrictions amid the COVID-19 pandemic, the Philippine economy has crashed to its lowest point since 1946, suffering its first recession in 29 years. Millions of Filipinos were thrown into joblessness, and more than a trillion pesos were slashed from the incomes of Filipino families as a result of the lockdown and other restrictions. Philippine Gross Domestic Product (GDP) in 2020 plunged by 9.5 percent – the biggest economic decline since World War II, and the unemployment rate reached its highest since 2005 at an average of 10.5 percent for the same period. It is estimated that the pandemic has pushed around 2.7 million Filipinos to poverty despite the rollout of social amelioration programs (SAPs) towards the middle of the year. Cash subsidies granted to poor families and displaced workers proved to be largely insufficient, aside from the fact that interventions were scandalously delayed and marred with irregularities.

The economic fallout caused by the pandemic and restrictions has disproportionately affected Filipino women – with the majority of female workers concentrated in low-paying, low-quality, and non-regular jobs. Official data indicate that women's labor force participation rate has dropped significantly more than their male counterparts. With the closure of businesses and disruptions in the informal economy, millions of Filipino women lost their jobs and sources of income while bearing increased domestic pressures due to the stay-at-home policy.

According to a jobs report by the Department of Labor and Employment (DOLE), a total of 26,060 micro, small, medium, and large businesses closed permanently or retrenched some of their workers. In contrast, more than 4.5 million workers in 161,251 establishments were trapped in a “no work, no pay” situation due to the prolonged temporary business closure or reduced work hours. A comprehensive July 2020 survey conducted by the World Bank, the Department of Finance, and the National Economic and Development Authority (NEDA) also confirmed that around 65 percent of Philippine-based companies either permanently shut down or temporarily closed, pointing to mass layoffs and loss of incomes.

Ahead of the official start of the rainy season, hundreds of thousands of families have been affected by severe flooding in various parts of the country since the start of the year. At least 200 people were reported dead and over 100 were missing in the wake of Tropical Storm Agaton which caused massive flooding in the Visayas and Mindanao in April 2022. Close to 30,000 families were displaced while damage to agriculture was estimated at P257,05,441.06.

Rising food prices and transportation costs have resulted in higher inflation rates even as poor families continue to reel from the massive destruction of livelihood and the effects of the COVID-19 pandemic. Inflation spiked to a two-year high of 5.4 percent in May 2022, as prices of petroleum products, pork, and other food commodities surged. Results of the April 2022 Social Weather Survey (SWS) showed that the number of families who consider themselves as “poor” increased to 10.9 million from 10.7 million in December 2021, or an increase of 200,000 poor families despite the loosening of quarantine restrictions and resumption of business activities.

In a vain attempt to ease the economic hardships of Filipinos, the Duterte administration announced a measly cash subsidy program in March 2022, which was initially at P200 monthly for each target beneficiary but was soon raised to P500 a month. The distribution of the cash subsidy commenced only on the final day of Duterte in power, with around 12.4 million recipients targeted for the measly monthly subsidy for a six-month period. The total subsidy, which would amount to P3,000 per target beneficiary, is insufficient to even mitigate the impacts of the barrage of price hikes.

It should be noted that the 2022 General Appropriations Act (GAA) is utterly devoid of any massive social protection or social amelioration program that will cushion the impacts of rising commodity prices and stave off more job losses.

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



ARLENE D. BROSAS
Gabriela Women's Party



FRANCE L. CASTRO
Act Teachers Partylist



RAOUL DANNIEL A. MANUEL
Kabataan Partylist

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AN ACT PROVIDING FOR A TEN THOUSAND PESOS (P10,000) CASH SUBSIDY FOR FAMILIES AFFECTED BY THE SEVERE ECONOMIC DOWNTURN, CALAMITIES AND COMMODITY PRICE HIKES AMID THE COVID-19 PANDEMIC

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

SECTION 1. Short title. This Act shall be known as the "P10K Cash Subsidy" Act of 2022.

SECTION 2. Declaration of Policy. It is hereby declared the policy of the State to free the people from poverty through policies that provide adequate social services, a rising standard of living, and an improved quality of life for all. The State must ensure that Filipino families will not further fall into the poverty trap and that dwindling family incomes will be augmented amid the severe economic fallout of the COVID-19 pandemic. Towards this end, the State shall provide an immediate, quick-release cash assistance to poor families as the effects of the pandemic are seen to persist until 2023.

SECTION 3. Definition of Terms.

- a. **Family** – a group of persons usually living together and composed of the head and other persons related to the head by blood, marriage or adoption. It includes both the nuclear and extended family.
- b. **Informal sector worker** – a worker whose employment is not subject to standard labor legislation, taxation, social protection or entitlement to certain employment benefits including, but not limited to independent contractors, street vendors, public utility vehicle drivers, operators, freelancers, agricultural and fisheries workers, and self-employed workers in the gig economy; the job is casual or of a limited short duration; the hours of work or wage are below a certain threshold; the worker is not covered either by SSS or GSIS; or the employer is an unregistered enterprise.

- c. Poor- to low-income earner – individuals who are receiving monthly compensation as follows:

Income Classification	Monthly Income
Low Income	Between Php 23,660.00 to Php 60,000.00
Poor	Less than Php 23,660.00

SECTION 4. Cash Subsidy Program – A Cash Subsidy Program shall be implemented to cover 18 million poor and low-income families affected by economic fallout from COVID-19 and incessant price hikes. Provided that a fixed monthly cash assistance of Ten Thousand Pesos (Php10,000.00) shall be provided to each of the beneficiary-family for a period of two (2) consecutive months. Provided further, that the P10,000 cash subsidy shall be on top of cash transfers from the Pantawid Pamilyang Pilipino Program (4Ps) and Assistance to Individuals in Crisis Situations (AICS). Provided furthermore, that the availment of Cash Subsidy Program should not affect the eligibility of a family to other social protection and livelihood support programs. Provided finally, that a definite and actual list of target beneficiaries of the cash subsidy program shall be finalized and submitted by the Department of Social Welfare and Development (DSWD) and the Philippine Statistics Authority (PSA), in coordination with the Department of Labor and Employment (DOLE) and local government units, to Congress two (2) weeks after the effectivity of this Act.

SECTION 5. Eligibility. To be eligible under this Act, a family must be classified as poor and low-income, and may include as member any of the following:

- a. Beneficiaries of the Pantawid Pamilyang Pilipino Program (4Ps)
- b. Beneficiaries of the Unconditional Cash Transfer (UCT) program
- c. Farmers and fisherfolk who are not beneficiaries of 4Ps or UCT but earned less due to the pandemic, successive oil price hikes, and massive importation of agricultural commodities
- d. Workers who are permanently displaced from his or her job or source of income
- e. Workers who are placed under floating status or who is under a no-work, no-pay scheme
- f. Solo parents who lost their sources of income
- g. Workers who are placed under a recomputed remuneration arrangement or lower monthly incomes due to the flexible work arrangements
- h. Owners of micro and small enterprises who are suffering from losses due to rising oil prices or pandemic restrictions
- i. Informal sector workers whose livelihood is affected by the pandemic restrictions and rising oil and commodity prices, such as but not limited to public utility vehicle (drivers), freelancers and workers in the creative industry
- j. Victims of natural calamities such as typhoons and landslides since the quarter of 2020 as identified by local government units and the National Disaster Risk Reduction and Management Council (NDRRMC)

k. Senior citizens and persons with disability

The level of quarantine classification or restrictions imposed in a locality shall have no bearing in the eligibility of families.

SECTION 6. Form and manner of payment. The cash subsidy shall be released in two tranches of Ten Thousand Pesos (PhP10,000) per tranche to target beneficiaries either in cash or via electronic payment or any banking or non-banking service, whichever is more practical and acceptable to the beneficiary, in the most expeditious manner within the two months covered by the program.

SECTION 7. Waiver of fees. Any transaction or service fee arising from the payment of cash subsidy to target beneficiaries, whether through banking or non-banking modes of cash transfer, is hereby automatically waived. For this purpose, the Department of Social Welfare and Development shall enter into a memorandum of agreement (MOA) with banking institutions and financial service providers.

SECTION 8. Sources of funding. The amount necessary for the effective implementation of this Act shall be included in the FY 2023 General Appropriations Act (GAA) of the Department of Social Welfare and Development (DSWD).

SECTION 9. Separability Clause. If, for any reason, any portion or provision of this Act shall be held unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

SECTION 10. Repealing Clause. Any law, presidential decree or issuance, executive order, letter of instruction, department order, administrative order, rule or regulation contrary to, or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SECTION 11. Effectivity. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,