

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



NINETEENTH CONGRESS
First Regular Session

2420
HOUSE BILL NO. _____

Introduced by **Representative Wilbert T. Lee**

**AN ACT PROVIDING AGRICULTURAL PENSION AND SOCIAL SECURITY
BENEFITS TO FARMERS AND FISHERFOLK**

EXPLANATORY NOTE

Article II, Section 9 of the 1987 Constitution provides that “[t]he State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all.”

Despite their significant contribution to our country’s economy, farmers and fisherfolks are reported to have the highest poverty incidences among the basic sectors in 2018. It was also reported that farm workers are being paid an average daily wage of Php 331.10 in 2019, the lowest daily wage as compared to workers in the industry and service sectors.¹ This makes our agricultural workers vulnerable to physical and economic risks, coupled with financial stress due to zero savings or worse, indebtedness.²

Amid this appalling situation, it is undeniable that attention should be given to our farmers and fisherfolks. According to the February 2022 Report on Labor Force Survey³, 10.86 million people are employed in the agriculture sector (agriculture, forestry, fishing and aquaculture) with a 9.4 percent share of the total Gross Domestic Product (GDP) in the first quarter of 2022⁴. This makes the agriculture sector one of the top 3 largest sectors of our economy. This hardworking and broad sector deserves no less than immediate action to aid them in their plight.

In the trials that our country has gone through, they continue to tirelessly work to support their families and ensure adequate food supply in our country. Through this measure,

¹ PSATrends in Agricultural Wage Rates, 2017-2019

² Food and Agricultural Policy Platform (11 July 2009) Towards Liberation from Debt of Filipino Farmers.

Retrieved last 8 July 2022 from:

<https://ap.ftc.org.tw/article/643#:~:text=Majority%20of%20farmers%20are%20poor,to%20stay%20afloat%20is%20saddling.>

³ Philippine Statistical Authority (PSA)

⁴ Ibid

we can concretely show how we seriously value their diligence and sacrifices by ensuring that once they reach old age and retire, the government will provide them a steady income through a pension and social security benefit to meet their basic needs as well.

This representation recognizes the fundamental role of our farmers and fisherfolks and strongly believes that we must give proper value to the contributions of farmers and fisherfolk by making certain, through this measure, that once they retire, a modest pension scheme can lessen their burden and help them afford their basic needs. This can be possible through a comprehensive pension and social security program for the benefit of agriculture workers. With the ultimate goal of achieving a quality of life, the government should commit in providing retirement and social security benefits to the very people who strive to provide food in every household in our country.



HON. WILBERT T. LEE
Representative
AGRI PARTYLIST

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2420

Introduced by **Representative Wilbert T. Lee**

**AN ACT PROVIDING AGRICULTURAL PENSION AND SOCIAL SECURITY
BENEFITS TO FARMERS AND FISHERFOLK**

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

SEC. 1. *Short Title.* This Act shall be known as the "Agriculture Pension Act."

SEC. 2. *Declaration of Policy.* It is hereby declared the policy of the State to:

- a) Establish, develop and promote sound and viable social security schemes suitable to the needs of the people;
- b) Strengthen the agriculture sector through sustainable efforts to end hunger, achieve food security, and improve the general health and nutrition of Filipinos;
- c) Protect and promote the welfare of farmers and fisherfolk by through policies that would abate their socio-economic risks and vulnerabilities with the end in view of improving their quality of life; and
- d) Provide and institutionalize a comprehensive pension and social security program for the benefit of agricultural workers.

SEC. 3. *Creation of the Farmers and Fisherfolk Social Security and Pension Program.*
There is hereby established the "Farmers and Fisherfolk Social Security and Pension Program," herein referred to as the "Program", which shall provide farmers and fisherfolk a modest and dependable source of income security upon their retirement when they reach their old age. The

Program shall consist of the comprehensive set of objectives, targets, and holistic approach in the provision of sickness, maternity, disability, retirement, death, and funeral benefits to farmers and fisherfolk. The said pension scheme shall be made consistent with the package benefits under existing Social Security program of the Social Security System (SSS) and relevant programs of the Department of Agriculture (DA) and the Philippine Crop Insurance Corporation (PCIC).

SEC. 4. *Implementing Agencies.* The PCIC, an attached agency of the DA, and the SSS shall be the primary implementing agencies of the provisions of this Act. To fulfill the goals of this Act, they shall perform the following duties and functions:

- a) The PCIC shall manage the registration system of eligible agricultural workers under the Registry System for Basic Sectors in Agriculture (RSBSA) and provide the necessary operational reports.
- b) The SSS and PCIC shall tap the expertise of other relevant government offices in the formulation of the objectives, targets, and approaches under the Program.
- c) The SSS shall manage the funds allocated and the social security and pension scheme of the Program and maintain the required actuarial and financial reports.
- d) The PCIC and the SSS shall perform other duties and functions necessary in the efficient and effective implementation of this Act.

The PCIC and the SSS shall collaborate with and secure the technical assistance of the DA in all stages of implementation of this Act. The DA shall ensure that the objectives of the Program are met and shall evaluate and monitor the Program's contribution to the productivity of the agricultural sector and the improvement of the quality of life of farmers and fisherfolk.

SEC. 5. *Appropriations.* The amount necessary to carry out the initial implementation of this Act shall be drawn from the savings of the national government. Thereafter, the funds necessary for the continuous implementation of the program shall be sourced from ten percent (10%) of the total annual duties collected from the importation of agricultural products. The supplemental amount necessary for its implementation shall be included in the annual appropriations of the DA.

SEC. 6. *Implementing Rules and Regulations.* Within ninety (90) days from the date of effectivity of this Act, the PCIC shall, in consultation with the DA, SSS, the Department of Budget and Management, Department of Finance, and other relevant stakeholders, formulate the implementing rules and regulations for the proper implementation of this Act.

Sec. 7. *Separability Clause.* If any part or provision of this Act shall be declared unconstitutional or invalid, other provisions hereof which are not affected thereby shall continue to be in full force and effect.

Sec. 8. *Repealing Clause.* All laws, presidential decrees, executive orders, rules and regulations, other issuances, and parts thereof, which are inconsistent with the provisions of this Act, are hereby repealed or modified accordingly.

Sec. 9. *Effectivity.* This Act shall take effect fifteen (15) days following its publication in three (3) newspapers of general circulation.

Approved,