

FIFTEENTH CONGRESS OF THE )
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S.B. No. **2588** 

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## Introduced by SEN. MANNY VILLAR

## **EXPLANATORY NOTE**

There are 1,422,586 Overseas Filipino Workers (OFWs) deployed in 2009.<sup>1</sup> They also contributed to the 7.3% growth to our domestic economy in the first quarter of 2010 alone. Likewise, consumption which is driven by OFW remittances made up almost four-fifths or 78% of Gross Domestic Product (GDP)<sup>2</sup>. Their great contributions to our country have earned them the title "modern day heroes." However, it is unfortunate that the benefits which the country and the families of the OFWs derive from their sacrifices come at a very high price. Families of OFWs suffer the loneliness of being apart from their loved ones while the OFW bears the pain of solitude and isolation in distant lands just to earn a decent living to support their families.

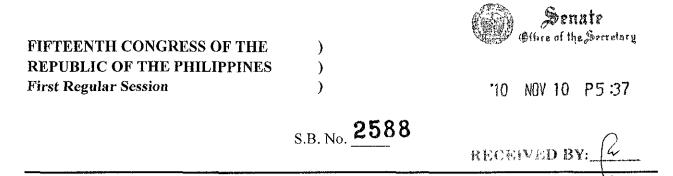
Sen. Aquilino Q. Pimentel, Jr. recognized the plight of our OFWs and lobbied to give every legitimate spouse-employee of an Overseas Filipino Worker in the private and public sectors an additional special leave credits of fifteen (15) days a year with full pay, subject to certain exceptions and which is promptly re-embodied again in this bill. This measure aims to give the OFW and his family the precious time which they so terribly missed while they were apart so that they may have the chance to reconnect as a family. Indeed, the family, being the foundation of the nation, is a basic social institution which public policy should cherish and protect.

Thus, the approval of this bill is earnestly sought.

MANNY VILLAR

1 http://www.poea.gov.ph/stats/2009 OFW%20Statistics.pdf

<sup>&</sup>lt;sup>2</sup> "Thank OFWs for economic growth", Demand and Supply by Boo Chanco, Philippine Star, June 4, 2010



## Introduced by SEN. MANNY VILLAR

## AN ACT GRANTING A SPECIAL LEAVE OF ABSENCE OF FIFTEEN (15) DAYS A YEAR WITH FULL PAY TO ALL LEGITIMATE SPOUSES OF OVERSEAS WORKERS IN THE PRIVATE AND PUBLIC SECTORS AND FOR OTHER PURPOSES

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

**SECTION 1.** Short Title. – This act shall be known as the "Special Leave for Overseas Workers' Spouses Act of 2010".

**SECTION 2.** Notwithstanding any law, rules and regulations to the contrary, every legitimate spouse-employee of an overseas worker in the private and public sectors shall be entitled to an overseas worker's spouse leave of fifteen (15) days a year with full pay.

Employees availing of this leave privilege shall submit to their employer the following:

- 1. Name of spouse
- 2. Copy of their Marriage Contract
- , 3. Information as to the nature and place of work of the overseas
- 4. Copy of the overseas worker's passport worker concerned

**SECTION 3.** *Definition of Terms.* - For purposes of this Act, the following terms shall have the meaning as indicated hereunder:

- 1. "Employee" refers to any person who performs services for another and receives compensation therefor, provided an employer-employee relationship exists between them.
- 2. "Overseas worker" refers to a person who is engaged in a remunerated activity in a state of which he or she is not a legal resident.
- 3. Special Overseas Worker's Spouse Leave refers to the leave benefits with pay for a period of fifteen (15) days a year granted to an employee who is a legitimate spouse of an overseas worker. This special leave may be utilized to attend to the needs of the overseas worker's family.
- 4. 'Spouse" refers to the legitimate wife or husband. One who is legally married to the overseas worker concerned.

**SECTION 4.** *Disqualifications.* The following employees shall not be allowed to avail of this leave:

- 1. Those who are absent from work without official leave
- 2. Those who are on vacation, sick, forced or study leave, or those who have already availed of other forms of leave allowed by law

- 3. Those whose services are necessary to prevent loss of life or damage to property, brought about by serious accidents, fires, floods, typhoons, earthquake, epidemic or other disasters
- SECTION 5. Tax Credit. Income Tax Deduction for Employers in Non- Government Institutions. Employers in non-government institutions granting this leave benefit shall be accorded income tax deduction from its gross income for each taxable year, based on the actual cost paid by the employer in granting this leave benefit to its qualified employees.

For purpose of claiming tax credits, private establishments are required to keep separate records of their employees who avail of this leave benefit.

- **SECTION 6.** The Secretary of Labor and Employment and the Chairman of the Civil Service Commission shall, within thirty (30) days from the effectivity of this Act, issue such rules and regulations necessary for the proper implementation of the provisions of this law.
- **SECTION 7.** Any person, corporation, trust, firm, partnership, association or entity found violating this Act or the rules and regulations promulgated thereunder shall be punished by a fine not exceeding Twenty-Five thousand pesos (P25,000) or imprisonment of not less than thirty (30) days nor more than six (6) months.

If the violation is committed by a corporation, trust or firm, partnership, association or any other entity, the penalty of imprisonment shall be imposed on the entity's responsible officers, including, but not limited to, the president, vice-president, chief executive officer, general manager, managing director or partner directly responsible therefor.

- **SECTION 8.** Nondiminution Clause. Nothing in this Act shall be construed to reduce any existing benefits of any form granted under existing laws, decrees, executive orders, or any contract, agreement or policy between employer and employee.
- **SECTION 9.** Repealing Clause. All laws, ordinances, rules, regulations, issuances, or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.
- **SECTION 10.** *Effectivity.* This Act shall take effect fifteen (15) days from its publication in the Official Gazette or in at least two (2) newspapers of national circulation.

Approved.