

THIRTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

SENATE
OFFICE OF THE SECRETARY

'04 JUN 30 P3:10

RECEIVED BY: 

SENATE

S. No. 251

Introduced by Senator S. R. Osmeña III

EXPLANATORY NOTE

Republic Act No. 6982, otherwise known as "An Act Strengthening the Social Amelioration Program in the Sugar Industry, Providing the Mechanisms for its Implementation and for other Purposes" was enacted on May 1, 1991 to replace Presidential Decree No. 621 entitled "Vesting upon the Secretary of Labor General Supervision and Control over the Social Amelioration Program in the Sugar Industry".

Section 7 of R.A. 6982 provides that the collection of the social amelioration lien shall be made upon the withdrawal or release of the sugar from the mill warehouse. In actual practice, there is a delay of several months from the issuance of sugar quedans to the actual withdrawal of the sugar stock, thus resulting in substantial delay in the disbursement of the social amelioration lien.

This bill proposes to eliminate the delay by providing that the collection of the social amelioration lien be made upon issuance of the sugar quedans by the sugar mill instead of actual withdrawal of the sugar stock covered by such quedans.

It is a well-known fact that sugar workers are some of the lowest paid workers in our economy. The delayed release of the social amelioration lien leaves the sugar workers at the mercy of money lenders who charge prohibitive rates, practically offsetting the welfare effects of the amelioration lien.

In view of the foregoing, early passage of this bill is earnestly requested.


SERGIO OSMEÑA III
Senator

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AN ACT
AMENDING SECTION 7 (C) OF REPUBLIC ACT NO. 6982, ENTITLED "AN
ACT STRENGTHENING THE SOCIAL AMELIORATION PROGRAM IN THE
SUGAR INDUSTRY, PROVIDING THE MECHANICS FOR ITS
IMPLEMENTATION, AND FOR OTHER PURPOSES

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

SECTION 1. Section 7 (c) of Republic Act Number 6982 is hereby amended to read as follows:

"Sec. 7. Lien; Distribution; Collection and Remittance

X X X

(C) The collection of the lien shall be made upon the [withdrawal or release of the sugar from the mill warehouse but in no case beyond one hundred eighty (180) days from the date of the] issuance of the corresponding sugar quedans or warehouse receipts **BY THE SUGAR MILLS CONCERNED.** [: Provided, That, after said one hundred eighty (180) days, the miller shall advance whatever amount is necessary to pay such lien and charge the holder of said sugar quedans or warehouse receipts the amount so paid and such reasonable rate of interest as may be prevailing in the banking community.]”

Sec. 2. This Act shall take effect upon its approval.

Approved,