

°14 MAY 28 P6:08

SIXTEENTH CONGRESS OF THE REPUBLIC) OF THE PHILIPPINES) First Regular Session)

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SENATE

Senate Bill No. 2258

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

AN ACT

PROMOTING THE WELFARE OF WORKERS IN THE WELLNESS SPA, BEAUTY SALON, FITNESS GYM AND RELATED BUSINESSES BY FACILITATING THEIR MEMBERSHIP IN THE SSS, FURTHER AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 1161, AS AMENDED OTHERWISE KNOWN AS THE SOCIAL SECURITY LAW, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The increasing awareness of the people on health and aesthetics brought about the establishment of wellness, beauty, health, and fitness centers; thus the employment of thousands of barbers, haircutters or hairstylists, manicurists or pedicurists, make-up artists or beauty professionals, masseuse, reflexologists or therapists and gym trainers, fitness instructors or dieticians.

However, despite the fact that these specialists had undergone training, they are paid on commission basis and are not considered as employees of the centers where they render service; thus depriving them of certain benefits including Social Security System (SSS) contribution from an employer. Their current employment arrangement with the said business establishments renders them as self-employed and leaving them responsible to pay their entire SSS membership dues.

This measure seeks to amend Republic Act No. 1161, as amended, otherwise known as the "Social Security Law" by expressly exempting the barbers, haircutters or hairstylists, manicurists or pedicurists, make-up artists or beauty professionals, masseuse, reflexologists or therapists and gym trainers, fitness instructors or dieticians among the self-employed persons with respect to their coverage in the SSS, regardless of their contractual arrangement, non-recognition as employees, or form of remuneration. As such, the centers or business establishments where they render service are mandated to pay for and remit the employer's contribution to SSS.

This will enable these specialists to reap the benefits of being an active SSS member without the burden of paying their contributions all by themselves.

In view of the foregoing, the immediate passage of the bill is earnestly sought.

JING GOY EJERCITO ESTRADA Senator

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Senate Office of the Secretary

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

SECTION 1. Declaration of Policy. - As declared under Section 18, Article II of
the 1987 Constitution, the State affirms labor as a primary social economic force.
It shall protect the rights of workers and promote their welfare.

The social security of workers in the wellness centers, beauty and grooming salons, fitness gyms, spas and massage parlors, and other interrelated services should always be protected and promoted.

SEC 2. *Bi- annual Review and Determination of Regional Minimum Wages*,
Section 9-A of Republic Act no. 1161, as amended otherwise known as the
"Social Security Law", is hereby further amended, to read as follows"

"SECTION 9-A. Compulsory Coverage of the Self-employed. Coverage in the SSS shall be compulsory upon such self-employed persons as may be determined by the Commission under such rules and regulations as it may prescribe, including but not limited to the following:

- 1. All self-employed professionals;
- 2. Partners and single proprietors of business;
- 3. Actors and Actresses, directors, scriptwriters and news correspondents who do not fall within the definition of the term "employee" in Sec. 8 (d) of this Act;
- 4. Professionals athletes, coaches, trainers and jockeys; and
- 5. Individual farmers and fishermen.

"FOR PURPOSES OF THIS ACT, IRRESPECTIVE OF THE 28 OF NON 29 CONTRACTUAL ARRANGEMENT THEIR RECOGNITION AS EMPLOYEES, OR OF THE KIND OR 30 31 SOURCE OF THE COMMISSIONS, EARNINGS,

COMPENSATION OR PAYMENT FOR THEIR SERVICES. THE 1 FOLLOWING SHALL NOT BE CONSIDERED AS SELF-2 EMPLOYED. 3 4 1. BARBERS, HAIRCUTTERS OR HAIRSTYLISTS: 5 2. MANICURISTS OR PEDECURISTS; 6 3. MAKE-UP ARTISTS; 7 4. MASSEUSE, REFLEXOLOGISTS OR THERAPISTS: AND. 8 5. GYM TRAINERS, FITNESS INSTRUCTORS OR DIETICIANS. 9 10 BARBERSHOP, SALON, SPA, MASSAGE PARLOR, 11 "THE WELLNESS/FITNESS CENTER OR GYM, OR ANY OTHER 12 SIMILAR ENTITY TO WHICH ANY OF THE ABOVE 13 ENUMERATED PERSONS OS AFFILIATED OR REGULARLY 14 REPORT TO RENDER HIS/HER SERVICES SHALL BE 15 CONSIDERED THEIR EMPLOYER WHO SHALL DEDUCT AND 16 WITHHOLD FROM SUCH PERSON'S AVERAGE MONTHLY 17 COMMISSIONS, EARNINGS, COMPENSATION OR PAYMENT, 18 AS AN EMPLOYEES CONTRIBUTION, AS WELL AS PAY FOR 19 AND REMIT FOR THE EMPLOYER'S CONTRIBUTION IN 20 21 ACCORDANCE WITH SECTION 18 AND 19 OF THIS ACT. 22 "х х х" 23 24 25 SEC 3. Implementing Rules- within (60) days after the effectivity of this Act, the 26 27 Secretary of Labor and Employment is hereby mandated to issue its 28 implementing rules. 29 30 31 SEC 4. Separability Clause. - If any provision of this Act, or any parts thereof, is declared unconstitutional, the same shall not affect the validity and effectivity of 32 33 the other portions. 34 35 SEC 5. Repealing Clause. - All laws, executive orders, presidential decrees. 36 proclamations, rules, regulations, issuances and enactments of parts thereof 37 38 inconsistent with this Act are hereby repealed or modified accordingly. 39 40 41 SEC 6. Effectivity. - This Act shall take effect fifteen (15) days from its complete publication in the official Gazette or in a newspaper of general 42 43 circulation in the Philippines, whichever comes earlier. 44 45 46 47 48 49 Approved,

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