NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session*



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SENATE S. No.<u>1075</u>

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Introduced by Senator Grace Poe

AN ACT

EXPANDING THE BENEFITS OF THE SOCIAL SECURITY SYSTEM TO PROVIDE FOR UNEMPLOYMENT BENEFITS, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 8282, OTHERWISE KNOWN AS THE SOCIAL SECURITY ACT OF 1997

EXPLANATORY NOTE

In January 2019, 5.2% of the population or around 2.2 million Filipinos remain unemployed and are temporarily without any form of compensation. This figure worsens with the impact of the COVID-19 pandemic on businesses and to the economy in general. According to the Philippine Statistics Authority, as of February 2022, the unemployment rate is now at 6.6% which means around 3.27 million Filipinos are jobless¹.

Job generation is ultimately the only true solution to unemployment. However, with the threat of the COVID-19 virus, job generation figures have been highly dependent on mobility restrictions based on the alert levels being implemented. During this long transition period between jobs, the question of how can the State provide relief for the unemployed has been raised.

This measure aims to provide temporary relief from the hardships of unemployment by providing for unemployment insurance to Social Security System (SSS) members who became involuntarily unemployed. This insurance comes in the form of monthly cash payments equivalent to one-third (1/3) of the monthly

¹ Rivas, R. (10 February 2022). *More Filipinos unemployed even with COVID-19 decline in December 2021.* https://www.rappler.com/business/unemployment-rate-philippines-december-2021/

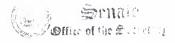
minimum wage. SSS members with longer contributions will enjoy longer benefit periods through the following scheme:

CONTRIBUTIONS MADE TO THE SSS	BENEFIT DURATION
6 months but less than 2 years	1 month
2 or more years but less than 4 years	2 months
4 or more years but less than 6 years	3 months
6 or more years but less than 11 years	4 months
11 or more years but less than 15 years	5 months

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

GRACE POE

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

1 Section 1. Republic Act No. 8282, otherwise known as the "Social Security Act 2 of 1997" is hereby amended by inserting a new section after Section 14-A, to read

3 as follows:

UNEMPLOYMENT OR INVOLUNTARY SEPARATION "SEC. 4 15. BENEFITS. - UNEMPLOYMENT BENEFITS IN THE FORM OF MONTHLY CASH 5 PAYMENTS EQUIVALENT TO ONE-THIRD (1/3) THE EXISTING MONTHLY 6 MINIMUM WAGE SHALL BE PAID TO A PERMANENT EMPLOYEE WHO IS 7 INVOLUNTARILY UNEMPLOYED: PROVIDED, THAT HE/SHE HAS BEEN 8 PAYING INTEGRATED CONTRIBUTIONS FOR AT LEAST ONE (1) YEAR 9 PRIOR TO THE INVOLUNTARY UNEMPLOYMENT." 10

11 UNEMPLOYMENT BENEFITS SHALL BE PAID IN ACCORDANCE WITH 12 THE FOLLOWING SCHEDULE:

CONTRIBUTIONS MADE TO THE SSS	BENEFIT DURATION
6 months but less than 2 years	1 month
2 or more years but less than 4 years	2 months
4 or more years but less than 6 years	3 months
6 or more years but less than 11 years	4 months

11 or more years but less than 15 years

5 months

1 Sec. 2. The succeeding Sections of Republic Act No. 8282 are hereby 2 renumbered accordingly.

Sec. 3. *Implementing Rules and Regulations.* — The Social Security System
(SSS) shall promulgate, not later than thirty (30) days upon the effectivity of this
Act, the necessary rules and regulations for its effective implementation.

6 Sec. 4. *Separability Clause.* — If any part or provision of this Act is 7 subsequently declared unconstitutional or invalid, other parts or provisions hereof 8 which are not affected thereby shall continue to be in full force and effect.

9 Sec. 5. *Repealing Clause.* — All laws, decrees, executive orders, rules and 10 regulations, or parts thereof which are inconsistent with this Act are hereby 11 repealed, amended or modified accordingly.

Sec. 6. *Effectivity Clause.* — This Act shall take effect fifteen days (15) days following its publication in the Official Gazette or in a newspaper of general circulation.

Approved,