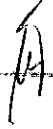


FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

8 NOV -6 92:55

SENATE
S. B. 2698

RECEIVED BY: 

Introduced by Senator Villar

EXPLANATORY NOTE

The gravity of the global financial crisis could adversely affect the Philippine economy, particularly its ability to sustain job generation, both locally and overseas.

It can be acknowledged that a drawn-out global recession could result in unforeseen responses by OFW-receiving countries and their foreign employers, such as the inability to adjust their acceptance of OFWs that could cause their possible repatriation due to employment termination or decrease in salary and other employment benefits.

Millions of Filipino families dependent on the OFWs' remittances could face a socio-economic catastrophe that would in turn direly affect the country.

Our concern for the overseas employment sector should be foremost as we share a social responsibility of ensuring that the country's economic stability in this time of a crisis and strengthening the ability of our OFWs to cope with the effects of such a crisis.

Henceforth, in times of uncertainties such as what we are facing in the overseas employment market, the best strategic approach is to increase and strengthen OFW protection.


MANNY VILLAR

FOURTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

8 NOV -6 P2 33

SENATE
S. B. 2698

RECEIVED BY: 

Introduced by Senator Villar

AN ACT
TO PROVIDE A MANDATORY EMPLOYERS' INSURANCE FOR ALL
LEGALLY EMPLOYED OVERSEAS FILIPINO WORKERS, PROVIDING
MECHANISMS THEREFOR AND FOR OTHER PURPOSES

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

SECTION 1. Title. – This act shall be known as “The Mandatory Employers’ Insurance for Overseas Filipino Workers Act of 2008”

SECTION 2. Declaration of policies. – it is declared as the policy of the State to protect the families of OFWs by giving them mandatory coverage for all their repatriation and other concerns and claims resulting directly from employer-employee relationships, or by virtue of any law or contract involving OFWs.

SECTION 3. Mandatory insurance coverage. – An insurance coverage shall be provided for Overseas Filipino Workers at the time of their assumption of their duties, which shall cover all necessary incidents of their employment and their repatriation therein. Provided, that the insurance coverage shall be provided at no expense to the Overseas Filipino Worker as such, or the national government but shall be provided at the expense of the foreign employer. Provided, further, that within six (6) months after the effectivity of this act, the Labor Attache or employees/officials in diplomatic/consular posts, shall make the necessary representations with various or equivalent offices in other countries. Provided, further, that the POEA shall consult with stakeholders in the recruitment industry and labor groups for the purpose of issuing an effective and feasible rules and regulations that will implement the provisions of this Act.

SECTION 4. Employers covered. – The employers covered by this Act shall include all employers who have contracted Filipinos for overseas employment.

SECTION 5. Employees covered. – The employees covered by this Act shall include all Filipino employees who have been contracted for work abroad.

SECTION 6. Benefits allowed. – The benefits to be extended to OFWs by virtue of this Act shall include, but not be limited to the following:

- 1) Death;
- 2) Personal Accident;
- 3) Repatriation;

- 4) *Unjust termination;*
- 5) Just termination that is not the fault of the employee;
- 6) Others

Provided, that the insurance coverage shall be over and above existing OFW welfare and protection measures, public or private, such as the OWWA membership insurance program and the escrow deposit that OESPs are required to have.

SECTION 7. Repealing Clause. - All laws, orders, decrees, rules and regulations, and other parts thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SECTION 8. Effectivity. - This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,