

SENATE
S.B. **3040**

10:30 AM - 11:15 AM

Introduced by Senator Villar

EXPLANATORY NOTE

International labor mobility is increasing, as a matter of policy and as a matter of fact. Today, the number of Overseas Filipino Workers (OFWs) has increased almost 25-fold over the past 20 years, with nearly 1.2 million registered deployments to over 190 countries in 2006 alone. Although government policy initially focused on exporting professionals, employment opportunities abroad have diversified over time to include factory workers, construction workers, and service workers.

In 2006, a total of 91,441 domestic helpers and other household workers were deployed overseas. Of this number, 98 percent or nearly 90,000 are female. Most of them were deployed to the following areas: Hong Kong (19,532), Kuwait (19,097), Saudi Arabia (11,898), United Arab Emirates (11,844), Lebanon (7,710), Qatar (6,524), Jordan (4,359), Singapore (3,162), Oman (2,068), Cyprus (1,178), and Bahrain (1,343). In 2007, the Philippines deployed a total of 49,431 workers to Singapore, part of the 1.08 million Filipinos who went abroad for work that year.

There are numerous reports of maltreatment and exploitation suffered by our OFWs. Hence, there is a need to protect and ensure the welfare of our migrant workers. This bill seeks to provide compulsory welfare insurance for our overseas contract workers.

In view thereof, immediate approval of this legislation is sought.



MANNY VILLAR

9 FEB -4 1975

SENATE

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S.B. 3040

Introduced by SENATOR VILLAR

**AN ACT
PROVIDING COMPULSARY WELFARE INSURANCE PROGRAM FOR ALL
OVERSEAS CONTRACT WORKERS**

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

SECTION 1. Title. – This Act shall be known as the "Overseas Contract Workers Insurance Act."

SEC. 2. Declaration of Policy. – It is hereby declared a policy of the State to ensure the welfare of our overseas contract workers by providing free comprehensive insurance coverage.

SEC. 3. Benefits under the Insurance Program. – All overseas contract workers shall be covered by a welfare insurance program in addition to benefits being provided by Overseas Workers Welfare Administration. They shall be entitled to the following benefits:

- (a) Accidental Death Benefit of up to US\$15,000;
- (b) Survivor's Benefit, in case of Natural Death, of up to US\$10,000;
- (c) Permanent Total Disablement of up to US\$7,500;
- (d) Repatriation of Bodily Remains, including burial, of up to US\$4,000;
- (e) Repatriation due to Emergency Evacuation and legitimate causes of up to US\$ 1,000;
- (f) Subsistence Allowance of up to US\$100 per month for six months totaling US\$600; and
- (g) Legitimate Monetary Claims for Unpaid/Rightful and Just Wages of up to US\$4,500.

SEC. 4. Insurance Premium. – All recruitment agencies shall pay a premium of US\$3.00 per month to Overseas Workers Welfare Administration or any reputable and legally authorized private insurance company in the country for the insurance coverage of overseas contract workers.

SEC. 5. Penalty. – In case of failure to pay the premium on time, the recruitment agency shall be liable to pay interest at the rate of 12% per annum. Refusal to pay premium for at least three consecutive months shall be a ground for the suspension or revocation of the recruitment agency's license.

SEC. 6. *Implementing Rules and Regulations.* – The Department of Labor and Employment in consultation with labor and OFW associations, organizations and recognized aggrupation of recruitment agencies shall promulgate the rules and regulations for the effective enforcement of the provisions of this Act.

SEC. 7. *Separability Clause.* – Should any provision of this Act or any part thereof be declared invalid, the other provisions, so far as they are separable from the invalid ones, shall remain in full force and effect.

SEC. 8. *Repealing Clause.* – All laws, orders, issuances, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or modifies accordingly.

SEC. 9. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.

Approved,