

**SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)**



15 MAY 11 P3:43

SENATE

Senate Bill No. 2759

RECEIVED BY. *J.*

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

**AN ACT
AMENDING CERTAIN PROVISIONS OF R.A. 9547 OTHERWISE KNOWN AS
AN ACT STRENGTHENING AND EXPANDING THE COVERAGE OF THE
SPECIAL PROGRAM FOR EMPLOYMENT OF STUDENTS, AMENDING FOR
THE PURPOSE PROVISIONS OF R.A. 7323, OTHERWISE KNOWN AS THE
SPECIAL PROGRAM FOR EMPLOYMENT OF STUDENTS**

EXPLANATORY NOTE

The Special Program for Employment of Students (SPES) was instituted under Republic Act No. 7323 in early 1992 to help poor but deserving students in pursuing their education by encouraging their employment during summer and/or Christmas vacations.

In 2009, Republic Act No. 7323 was amended by Republic Act No. 9547, expanding the coverage of SPES to include poor but deserving students aged 15 to 25 years old to help them pursue their education through employment during summer or Christmas vacations, or anytime of the year for those enrolled in tertiary, vocational or technical education for the period of twenty (20) to fifty-two (52) working days.

While it is recognized that SPES as an employment bridging program has changed the lives of many Filipino youth, it cannot be denied that the implementation of the program has encountered multitude of problems, both procedural and substantial. The current program covers only currently enrolled students, depriving other disadvantaged youth to pursue education. Difficulty is also encountered as to the mode of payment of wages to the beneficiaries.

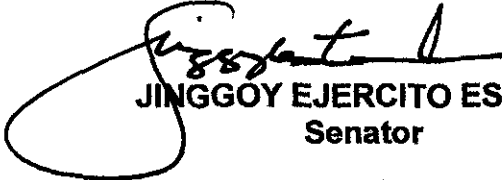
Thus, this bill proposes to strengthen the program by allowing the employment not only of poor but deserving students but also out-of-school youth, dependents of displaced workers or would-be displaced workers due to business closures or work stoppages intending to enroll in any secondary, tertiary or technical-vocational institutions. The Public Employment Service Offices (PESOs) shall provide employment facilitation services to the applicants.

Also, this bill seeks to change the mode of payment of salaries and wages by the government from vouchers to cash to be paid directly by the Department of Labor and Employment (DOLE) to the student or through financial institutions or other payment facilities. The government share (40%) shall be paid within thirty (30)

working days upon submission of the report on the payment of wages or salaries by the participating establishment.

With the improvement and expansion of the Special Program for Employment of Students, it is hoped that this will allow more Filipino youth to pursue their education towards a better future through easy access to the program.

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



JINGGOY EJERCITO ESTRADA
Senator

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AN ACT

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

1 **SECTION 1.** Section 1 of RA 9547 is hereby amended to read as follows:
2

3 "SEC. 1. Any provision of law to the contrary
4 notwithstanding, any person or entity employing at least ten (10)
5 persons may employ poor but deserving students, OUT-OF-
6 SCHOOL YOUTH (OSY), OR, DEPENDENT/S OF A DISPLACED
7 OR WOULD-BE DISPLACED WORKER/S DUE TO BUSINESS
8 CLOSURES OR WORK STOPPAGES INTENDING TO ENROLL
9 IN ANY SECONDARY, TERTIARY OR TECHNICAL-VOCATIONAL
10 INSTITUTIONS, fifteen (15) years of age but not more than [twenty-
11 five (25)] THIRTY (30) years old, paying them a salary or wage not
12 lower than the minimum wage for private employers and the
13 applicable hiring rate for the national and local government
14 agencies: *Provided*, that student enrolled in the secondary level
15 shall only be employed during summer and/or Christmas vacations,
16 while those enrolled in the tertiary, vocational or technical education
17 may be employed at any time of the year: *Provided, further*, That
18 their period of employment shall be from twenty (20) to fifty-two (52)
19 working days only, except that during Christmas vacation,
20 employment shall be from ten (10) to fifteen (15) days which may
21 be counted as part of the students' probationary period should they
22 apply in the same company or agency after
23 graduation: *Provided, finally*, That students employed in activities
24 related to their course may earn equivalent academic credits as
25 may be determined by the appropriate government agencies.
26

27 "For purposes of this Act, poor but deserving students AND
28 OSY refer to those whose parents' combined income, together with
29 their own, if any, does not exceed the annual regional poverty
30 threshold level for a family of six (6) for the preceding year as may

1 be determined by the National Economic and Development
2 Authority (NEDA).
3

4 "EMPLOYMENT FACILITATION SERVICES FOR
5 APPLICANTS TO THE PROGRAM SHALL BE DONE BY THE
6 PUBLIC EMPLOYMENT SERVICE OFFICE (PESO).
7

8 "Participating employers in coordination with the PESO,
9 must inform their SPES employees of their rights, benefits, and
10 privileges under existing laws, company policies, and employment
11 contracts."
12
13

14 **SEC 2.** Section 2 of the same Act is hereby amended to read as follows:
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16 "SEC. 2. *Sixty per centum* (60%) of the said salary or wage
17 shall be paid by the employers in cash and *forty per centum* (40%)
18 by the government [in the form of a voucher] ALSO IN THE FORM
19 OF CASH DIRECTLY TO THE STUDENT, OR THROUGH
20 FINANCIAL INSTITUTIONS OR OTHER PAYMENT FACILITIES,
21 SUBJECT TO THE EXISTING RULES ON PROCUREMENT, which
22 shall be applicable in the payment for the students' tuition fees,
23 [and] books, AND OTHER EDUCATION-RELATED EXPENSES,
24 INCLUDING THEIR DAILY ALLOWANCE IN GOING TO
25 SCHOOL [in any educational institution for secondary, tertiary,
26 vocational or technical education]: *Provided*, That local government
27 units (LGUs) may assume responsibility for paying in full his salary
28 or wages. THE 40% SHARE SHALL BE PAID WITHIN THIRTY
29 (30) WORKING DAYS UPON SUBMISSION OF THE PARTNER-
30 EMPLOYER OR PARTICIPATING ESTABLISHMENT OF THEIR
31 REPORT ON PAYMENT OF SALARY OR WAGES WHICH SHALL
32 BE THE BASIS OF THE 40% SALARY OR WAGES TO BE PAID
33 BY THE GOVERNMENT THROUGH THE DEPARTMENT OF
34 LABOR AND EMPLOYMENT. [The amount of the education
35 vouchers shall be paid by the government to the educational
36 institutions concerned within thirty (30) days from its presentation to
37 the officer or agency designated by the Secretary of Finance.]
38

39 "IN CASE OF SICKNESS, ABSENCE, OR DEATH OF THE
40 SPES BENEFICIARY, THE IMMEDIATE HEIRS MAY CLAIM
41 HIS/HER SALARY, PROVIDED, THAT PROOF TO THIS EFFECT
42 HAS BEEN CLEARLY ESTABLISHED.
43

44 "LIKEWISE, THE SPES BENEFICIARY SHALL BE
45 ENTITLED TO SOCIAL PROTECTION BY VIRTUE OF AN
46 INSURANCE COVERAGE WITH THE GOVERNMENT SERVICE
47 AND INSURANCE COMMISSION (GSIS) FOR A PERIOD OF
48 ONE YEAR.
49

50 "[The vouchers shall not be transferable except when the
51 payees thereof dies or for a justifiable cause stops in his duties, in
52 which case it can be transferred to his brothers or sisters. If there
53 be none, the amount thereof shall be paid his heirs or to the payee
54 himself, as the case may be.]"
55
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57

1 **SEC 3.** Section 3 of the same Act is hereby amended to read as follows:
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3 "SEC. 3. [The Secretary of Labor and Employment, the
4 Secretary of Education, the Chairman of the Commission on Higher
5 Education, the Secretary of Budget and Management, the
6 Secretary of Social Welfare and Development and the Secretary of
7 Finance shall issue the corresponding rules and regulations to carry
8 out the purposes of this act.
9

10 "The Secretary of Labor and Employment shall be the
11 Program Chairman."]
12

13 "THE DEPARTMENT OF LABOR AND EMPLOYMENT
14 SHALL ISSUE THE IMPLEMENTING RULES AND
15 REGULATIONS TO CARRY OUT THE PURPOSES OF THIS ACT.
16 FURTHER, THE SECRETARY OF THE DEPARTMENT OF
17 LABOR AND EMPLOYMENT, MAY ISSUE ADDITIONAL
18 GUIDELINES WHICH MAY BE DEEMED APPROPRIATE AND AS
19 NECESSITY ARISES; PROVIDED THAT THE ISSUANCE BE IN
20 THE FORM OF A DEPARTMENT ORDER."
21
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23 **SEC 4.** Section 4 of the same Act is hereby deleted.
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26 **SEC 5.** Section 5 of the same Act is hereby amended to read as follows:
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28 "SEC. [5] 4. The Secretary of the Department of Labor and
29 Employment shall include in the Department's program the
30 operationalization of the expanded Special Program for
31 Employment of Students, INCLUDING THE MAINTENANCE OF
32 AN ONLINE DATABASE REGISTRY FOR MONITORING OF
33 SPES BENEFICIARIES.
34

35 "The amount necessary to carry out the purposes of this Act
36 is hereby authorized to be appropriated in the General
37 Appropriations Act for 1992 and the subsequent annual general
38 appropriations acts: *Provided* that the appropriation, for the
39 purposes of this Act shall not be reduced by Congress below the
40 amount appropriated for the previous year and, after approval; shall
41 be automatically and regularly released: *Provided, further,* That the
42 appropriation herein shall be increased by at least 20 *per centum*
43 (20%) annually."
44
45

46 **SEC 6.** Section 6 of the same Act is hereby amended to read as follows:
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48 "SEC.[6] 5. If any provision or part of this Act, or the
49 application thereof to any person or circumstance is held invalid or
50 unconstitutional, the remainder of this Act or the application of such
51 provision or part thereof to other persons or circumstances shall not
52 be affected thereby."
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1 **SEC 7.** Section 7 of the same Act is hereby amended to read as follows:

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3 "SEC. [7] 6. All laws, orders, issuances, rules and regulations
4 or parts thereof inconsistent with the provisions of this Act are
5 hereby repealed, amended, or modified accordingly."
6

7
8 **SEC 8.** Section 8 of the same Act is hereby amended to read as follows:

9
10 "SEC. [8] 7. This Act shall take effect fifteen (15) days after
11 its complete publication in the *Official Gazette* or in at least two (2)
12 newspapers of general and national circulation, whichever comes
13 earlier."
14

15
16 **SEC 9. Separability Clause.** – If any provision of this Act is declared
17 unconstitutional, the same shall not affect the validity and effectivity of the other
18 provisions thereof.
19

20
21 **SEC 10. Repealing Clause.** – All laws, executive orders, presidential
22 proclamations, rules and regulations or parts thereof inconsistent with the
23 provisions of this Act are hereby repealed or modified accordingly.
24

25
26 **SEC 11. Effectivity Clause.** – This Act shall take effect fifteen (15) days after its
27 publication in the *Official Gazette* or in at least two (2) national newspapers of
28 general circulation.
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34 *Approved,*