

SENATE

S. No. 2012

'18 SEP 18 A9:58

Introduced by **SENATOR LEILA M. DE LIMA**

**AN ACT
PROVIDING FOR A RURAL EMPLOYMENT ASSISTANCE PROGRAM
AND APPROPRIATING FUNDS THEREFOR**

EXPLANATORY NOTE

Recent figures from the World Bank have ranked the Philippines as among the top growing economies in the region. Additionally, the economy is projected to continue expanding at an annual rate of 6.7 percent in both 2018 and 2019¹. Nevertheless, issues concerning the equitable distribution of income, wealth, and opportunities still linger in the wider political discourse concerning poverty and inequality in the Philippines.

Consider that, according to the Philippine Statistics Authority (PSA), poverty incidence among Filipinos in 2015 was approximately 21.6 percent which translates to roughly 21.93 million Filipinos who could not afford to buy their basic food and non-food needs necessary to maintain a decent standard of living. While these figures are already staggering in and of itself, they paint a more vivid picture when disaggregated according to region.

According to the same report, the highly urbanized areas of Region III, Region IV-A, and the National Capital Region (NCR) recorded the lowest poverty incidence rates at 11.2, 9.1 and 3.9 percent, respectively. On the other hand, Region VIII, Caraga and the ARMM all registered the highest poverty incidence rates at 38.7, 39.1 and 53.7, respectively².

¹ *Philippines Economic Update: Investing in the Future*. (n.d.). Retrieved from <https://www.worldbank.org/en/country/philippines/publication/philippines-economic-update-investing-in-the-future>

² Philippine Statistics Authority. (2015). *2015 full year official poverty statistics of the Philippines*. pp. 4-6.

Unsurprisingly, most of the poorest regions in the country are composed mainly of rural and agricultural areas suffering from some combination of isolation, lack of infrastructure, lack of services, and vulnerability to natural disasters like drought and flooding. The island of Mindanao, for instance, is an underdeveloped region characterized by uneven access to basic social services and decades-long political turmoil and conflict caused by clashes between Islamic militants and government forces, among others. Its rural and primarily agricultural landscape and political instability, coupled with the State's failure to integrate its rural populations in the overall development agenda, has led to Mindanao recording five of the seven poorest regions, and a higher aggregate poverty incidence rate than the national average, per given population³.

Historically, efforts to reduce poverty incidence in urban areas vis-à-vis rural areas have resulted in the latter being left behind as poverty is increasingly becoming a rural phenomenon due to misguided poverty alleviation and reduction strategies and the overall development paradigm adopted by the government⁴. Strategic short-, medium- and long-term policy making geared towards generating sustained income and livelihood opportunities to rural, far-flung, and at times war-torn regions of the Philippines thereby reducing the vulnerabilities of rural populations and narrowing the regional poverty incidence gap should be a major concern of the administration.

One such short-term strategy is the institutionalization of cash-for-work programs. According to the Mercy Corps, “[c]ash-for-Work is a short-term intervention used by humanitarian assistance organizations to provide temporary employment in public projects (such as rehabilitating irrigation canals, clearing nurseries or re-building infrastructure) to the most vulnerable segments of a population. ⁵” For instance, the International Non-Governmental Organization (INGO) Oxfam has initiated cash-for-work programs in Niger by helping farmers prepare for future droughts⁶, in the aftermath of the Haiti⁷ and Nepal⁸ earthquakes,

³ *Ibid.*

⁴ *Poverty in the Philippines: Urban and rural poverty.* (2012, January 25). Retrieved from <http://www.focusonpoverty.org/poverty-in-the-philippines-urban-and-rural-poverty/>

⁵ Mercy Corps. (2007). *Guide to cash-for-work programming.* Retrieved from <https://www.mercycorps.org/files/file1179375619.pdf>. p. 2.

⁶ *Cash for work in Niger: Helping fight future drought.* (n.d.). Retrieved from <https://www.oxfam.org/en/countries/niger/cash-work-niger-helping-fight-future-drought>

⁷ *Oxfam initiates "cash for work" program in Haiti.* (n.d.). Retrieved from <https://www.oxfam.org/en/pressroom/pressreleases/2010-01-26/oxfam-initiates-cash-work-program-haiti>

and in the conflict-ridden area of Gaza by helping families prepare for winter floods⁹. These projects have all helped the aforementioned communities by providing for a means by which to reduce their vulnerability through the enhancement of food or livelihood security as well as creating durable assets and building towards a more resilient community.

The Mercy Corps also point out that “[t]he use of cash as a relief, recovery and development tool has long been a response of functioning governments to situations such as natural disasters or economic shocks.¹⁰” India, for instance, has managed to formally institutionalize the cash-for-work mechanism when their government enacted the National Rural Employment Act, 2005 which provides no less than one hundred (100) days of guaranteed wage employment in a financial year to every household whose adult members volunteer to perform unskilled manual work.

Locally, cash-for-work programs are implemented through the coordination, collaboration, and convergence of multiple government agencies and Local Government Units (LGUs). Some notable examples are the Department of Social Welfare and Development (DSWD) and its provision of Cash for Building Livelihood Assets (CBLA) and Cash-for-Work (CFW) projects implemented under its Sustainable Livelihood Program (SLP) and the Department of Labor and Employment (DOLE) Integrated Livelihood and Emergency Employment Program under which is the *Tulong Panghanapbuhay sa ating Disadvantaged/Displaced Workers* (TUPAD).

Cash-for-work programs also have the distinct advantage of enabling identified communities to manage their own asset portfolios as it places greater responsibility on the people to determine for themselves which needs they should prioritize as opposed to traditionally being provided with in-kind donations which may not necessarily be reflective of their most immediate needs. Nevertheless, people’s participation in the program should not begin and end with merely being able to choose what to purchase with their hard-earned cash but rather should encompass the entirety of the processes involved in the project development cycle.

⁸ *Nepal: Helping locals rebuild community infrastructure*. (n.d.). Retrieved from <https://www.oxfam.org/en/nepal-nepal-earthquake/nepal-helping-locals-rebuild-community-infrastructure>

⁹ *Helping families in Gaza prepare for winter floods*. (n.d.). Retrieved from <https://www.oxfam.org/en/occupied-palestinian-territory-and-israel/helping-families-gaza-prepare-winter-floods>

¹⁰ Mercy Corps. (2007). *Guide to cash-for-work programming*. Retrieved from <https://www.mercycorps.org/files/file1179375619.pdf>. p. 3.

Community involvement would require developing enabling mechanisms that identified communities can utilize in order to participate in all phases of project development from participatory needs and resource assessments to participatory monitoring and evaluation and everything in between. This Act intends that the people not be perceived and treated as passive end-users of cash-for-work programs but rather as active agents who are just as capable as any “outsider” of determining which projects would bring the most benefit to their respective communities.

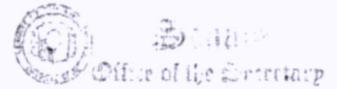
Moreover, cash-for-work programs should promote inclusivity and “select community work projects that benefit all members of the community and ensure women, female and male youth and other marginalized groups have a voice in project selection.”¹¹ Enabling the people most affected by the prevailing circumstances to actively participate in decision-making processes that directly affect their lives is an essential component that is outlined in this Act.

This bill seeks to co-opt and consolidate these initiatives and formally institutionalize the cash-for-work mechanism for rural areas as it sees its viability in contributing to the reduction of poverty and the promotion of inclusive and sustainable rural development across the poorest regions of the Philippines.



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¹¹ *Inclusive cash for work programs: Building a stronger, safer recovery for all.* (n.d.). Retrieved from <https://reliefweb.int/report/world/inclusive-cash-work-programs-building-stronger-safer-recovery-all>



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

1 SECTION 1. **Short Title.** – This Act shall be known as the “Rural
2 Employment Assistance Program Act”.

3 Sec. 2. **Declaration of Policy.** – It is a declared policy of the State to
4 promote a just and dynamic social order that will ensure the prosperity and
5 independence of the nation and free the people from poverty through policies that
6 provide adequate social services, promote full employment, a rising standard of
7 living, and an improved quality of life for all. Towards this end, the State shall
8 provide Filipinos with opportunities for just and sufficient means of livelihood. The
9 State shall likewise initiate meaningful employment assistance programs to qualified
10 individuals of poor households in rural areas duly identified by the appropriate
11 national agencies.

12 Sec. 3. **Rural Employment Assistance Program.** – There is hereby
13 created a Rural Employment Assistance Program (REAP), which shall provide
14 temporary employment to every qualified individual member of a poor family in
15 rural areas who volunteers to do unskilled labor for a minimum of forty-five (45)
16 days but not more than (90) days in a calendar year wherein the minimum and
17 maximum period of engagement can cover a single activity or multiple activities
18 spread out over the course of a calendar year.

1 SEC. 4. **Definition of Terms.** – As used in this Act:

2 (a) “*Poor*” refers to individuals and families whose incomes fall below the
3 poverty threshold as defined by the government and/or are deprived of the
4 capacity to sustainably provide for their minimum basic needs of food,
5 health, education, housing and other essentials necessary for leading full
6 and dignified lives, or those who have been identified as poor by the
7 NHTS-PR;

8 (b) “*Qualified individual*” refers to willing and able Filipino citizens who are at
9 least fifteen (15) years of age. However, persons who are between the ages
10 of fifteen (15) and eighteen (18) may only qualify provided they can be
11 employed in non-hazardous work environments in accordance with the
12 Labor Code.

13 (c) “*Rural area*” refers to any barangay with at least fifty percent (50%) land
14 devoted to agriculture, timberland, forest and or/pasture land as
15 determined by the Comprehensive Land Use Plan of the concerned local
16 government unit (LGU); and

17 (d) “*Unskilled labor*” refers to a segment of the workforce associated with a
18 limited skill set or a minimal economic value for the work performed. It is
19 generally characterized by lower levels of educational attainment, such as a
20 high school diploma, General Equivalency Diploma (GED) or lack thereof,
21 and typically results in lower wages.

22 SEC. 5. **Local Community Participation.** – The Department of Social
23 Welfare and Development (DSWD) shall take the lead in the overall implementation
24 of the REAP. However, the corresponding LGUs and in particular, the local
25 communities and people’s organizations (POs) representing its most vulnerable
26 sectors such as women, youth, the elderly and the like shall be given proper
27 recognition and due consideration by the DSWD as the primary stakeholders of each
28 project to be initiated. Towards this end, the LGUs and especially the local
29 communities shall be capacitated by the DSWD to be able to fully participate in any
30 and all phases of the project development cycle which include but are not limited to
31 situational analysis and needs assessment, project identification, project
32 implementation and management, and project monitoring and evaluation.

1 SEC. 6. *Qualifications for Availment of Employment Assistance.* –

2 The Local Social Welfare and Development Officers (LSWDOs), in close coordination
3 with the LGUs and other concerned government agencies, as well as concerned
4 members of the identified rural communities themselves, shall conduct a preliminary
5 joint assessment of all poor individuals and families in rural areas who signify
6 interest in undertaking work as unskilled labor to determine eligibility in availing of
7 the employment assistance program. These preliminary joint assessments shall be
8 subject to validation and approval by the DSWD.

9 The DSWD, Local Government Units (LGUs) and other concerned
10 government agencies shall also be responsible for providing adequate basic skills
11 training and the loaning out of equipment necessary to the qualified individuals
12 towards the implementation of the identified project. Employment activities for this
13 purpose shall be designed to mobilize eligible individuals, families and communities
14 to finish a project within a given time period. These projects may include, but are not
15 limited to the following:

- 16 (a) Development, rebuilding/rehabilitation of agri-based livelihood assets
17 damaged, destroyed or lost due to natural disasters such as desilting of
18 irrigation canals, development of paddy dikes, and rehabilitation of water
19 impounding dams;
- 20 (b) Development or rehabilitation of common service facilities, which are
21 being shared and used by poor families as production or consolidation
22 centers like postharvest facilities, and public markets;
- 23 (c) Development or rehabilitation of physical assets to open up access to areas
24 necessary to transport rural products such as construction of farms to
25 market roads and bridges;
- 26 (d) Protection of natural and productive assets through mitigation and
27 disaster risk reduction measures such as mangrove planting and
28 rehabilitation, tree planting and similar activities; and
- 29 (e) Reconstruction and rehabilitation of projects which include shelter units
30 and social service infrastructures such as day care centers and medical
31 facilities.

1 Qualified individuals shall also be eligible to avail of micro-insurance benefits
2 as a form of social security in the event of accidental death or dismemberment,
3 medical reimbursement, and bereavement assistance for the duration of the project
4 identified. The DSWD shall shoulder the cost of the insurance to the micro-insurance
5 provider.

6 SEC. 7. **Rate of Assistance.** – Each qualified individual under the REAP
7 shall be entitled to receive compensation for each day of work employment
8 assistance equal to the applicable minimum wage set by the concerned Regional
9 Tripartite Wages and Productivity Board (RTWPB).

10 SEC. 8. **Appropriations.** – The Secretary of Social Welfare and
11 Development shall include in the DSWD’s programs the implementation of this Act,
12 the initial funding of which shall be charged against the current year’s appropriations
13 of the DSWD. Thereafter, the amount necessary for its continued implementation
14 shall be included in the annual General Appropriations Act.

15 In addition, the DSWD may accept donations, contributions or grants from
16 foreign and local persons, institutions and governments, among others, for the
17 implementation of the Program.

18 Sec. 9. **Implementing Rules and Regulations.** – Within ninety (90) days
19 after the approval of this Act, the Secretary of the DSWD shall, in consultation with
20 the Secretary of the Department of the Interior and Local Government, issue the
21 necessary rules and regulations for the effective implementation of this Act.

22 Sec. 10. **Separability Clause.** - Should any provision of this Act be found
23 unconstitutional by a court of law, such provision shall be severed from the
24 remainder of this Act, and such action shall not affect the enforceability of the
25 remaining provisions of this Act.

26 Sec. 11. **Repealing Clause.** - All laws, decrees, letters of instruction,
27 resolutions, orders or parts thereof which are inconsistent with the provisions of this
28 Act are hereby repealed, modified or amended accordingly.

29 Sec. 12. **Effectivity Clause.** - This Act shall take effect fifteen (15) days after
30 its publication in the Official Gazette or in any national newspaper of general
31 circulation.

32 *Approved,*