EIGHTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES First Regular Session

Senate Secretary

SENATE S. No. <u>150</u>2

20 MAY F4 P4 304

Introduced by Senator Grace Poe

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AN ACT

EXPANDING THE BENEFITS OF THE SOCIAL SECURITY SYSTEM SO AS TO PROVIDE FOR UNEMPLOYMENT BENEFITS THEREBY 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. Job generation is ultimately the only true solution to unemployment. However, it also raises the question: given the long transition period between jobs, how can the State provide relief for the unemployed?

This bill aims to provide temporary relief from the hardships of unemployment by providing for unemployment insurance. It provides unemployment insurance benefits in the form of monthly cash payments equivalent to one third (1/3) of the monthly minimum wage. 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

Immediate approval of this bill is sought.

grace Poe GRACE POE

¹ Philippine Statistics Authority. *Employment Rate in January 2019 is Estimated at 94.8 Percent*. Retrieved from https://psa.gov.ph/content/employment-rate-january-2019-estimated-948-percent

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

Section 1. Republic Act No. 8282, otherwise known as the "Social Security Act 1 of 1997" is hereby amended by inserting a new section after Section 14-A, to read 2 as follows: 3 4 "SEC. 15. UNEMPLOYMENT OR INVOLUNTARY SEPARATION BENEFITS. UNEMPLOYMENT BENEFITS IN THE FORM OF MONTHLY 5 CASH PAYMENTS EQUIVALENT TO ONE THIRD (1/3) THE EXISTING 6 7 MONTHLY MINIMUM WAGE SHALL BE PAID TO A PERMANENT EMPLOYEE WHO IS INVOLUNTARILY UNEMPLOYED: PROVIDED, 8 THAT HE/SHE HAS BEEN PAYING INTEGRATED CONTRIBUTIONS 9 FOR AT LEAST ONE (1) YEAR PRIOR TO THE INVOLUNTARY 10 **UNEMPLOYMENT."** 11 UNEMPLOYMENT BENEFITS SHALL BE PAID IN ACCORDANCE 12 WITH THE FOLLOWING SCHEDULE: 13

CONTRIBUTIONS MADE	BENEFIT
	DURATION
6 MONTHS BUT LESS THAN 2 YEARS	1 MONTH
2 OR MORE YEARS BUT LESS THAN 4 YEARS	2 MONTHS
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6 OR MORE YEARS BUT LESS THAN 11 YEARS	4 MONTHS
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- Sec. 2. The succeeding Sections of Republic Act No. 8282 are hereby 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.
 - Sec. 4. Separability Clause. If any part or provision of this Act is subsequently declared unconstitutional or invalid, other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.
 - Sec. 5. Repealing Clause. All laws, decrees, executive orders, rules and regulations, or parts thereof which are inconsistent with this Act are hereby 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 at least two (2) newspapers of general circulation.

Approved,

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