

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



EIGHTEEN CONGRESS
First Regular Session
House Bill No. 2479

Introduced by: REPRESENTATIVE ROMEO S. MOMO, SR.

EXPLANATORY NOTE

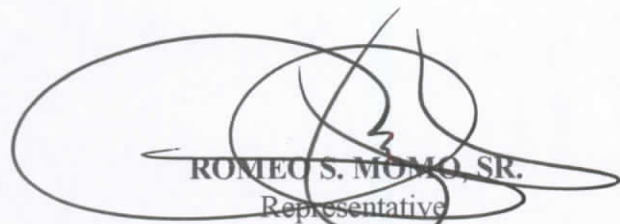
Section 3, Article XIII of the Constitution explicitly provides that “the State shall afford full protection to labor, local and overseas, organized and unorganized and promote full employment opportunities for all.”

In pursuance of this expressed Constitutional mandate, Congress has the bounden duty to enact legislative measures that will protect and promote the welfare and safety of the people in the labor sector, especially the neglected and demeaned construction workers.

The bill therefore seeks to provide for a mandatory group personal insurance coverage to construction workers by requiring their employers or contractors to pay for the insurance premiums without having to be deducted from their wages. Non-compliance with this mandate will be penalized accordingly.

It is the paramount objective of this bill to ensure that in case of unfortunate events in the course of their work occur, construction workers will justly receive the amount what is due them simply for the reason that the insurance company, not the employer or contractor, will be held liable to indemnify the workers.

In view of the foregoing reasons, the approval of this important piece of legislation is earnestly sought.


ROMEO S. MOMO, SR.
Representative
CWS Party-list

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AN ACT
ENSURING THE WELFARE AND SAFETY OF CONSTRUCTION WORKERS BY PROVIDING FOR
A MANDATORY GROUP PERSONAL ACCIDENT INSURANCE COVERAGE, AND PROVIDING
PENALTIES THEREFOR

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

SECTION 1. Short Title. – This Act shall be known as the “**Construction Workers Insurance Act**”.

SEC. 2. Declaration of Policy. – It is the policy of the State to ensure the welfare and safety of construction workers due to their hazardous working conditions. Toward this end, employers shall provide for a mandatory group personal accident insurance coverage to construction workers for a speedy and efficient delivery of services to compensate for any injury, disability or death arising from any job-related accident or illness suffered during the course of employment.

SEC 3. Definition of Terms. – As used in this Act, the following term shall mean:

- a. Construction** – refers to any work pertaining to the building or construction of any structure like buildings, roads, bridges and the like, including excavation, renovation, repair and maintenance, demolition of all types of buildings and structures as well as manufacturing of prefabricated elements in the construction site;
- b. Construction Workers** – refers to a person engaged in construction, like a tradesperson, laborer, or professional employed in the physical construction of the built environment and its infrastructure, including but not limited to carpenter,

electrician, heavy equipment operator, ironworker, laborer, mason, painter, plasterer, plumber, pipe fitter, sheet metal worker, steel fixer and welder.

c. Employer or Contractor – refers to a contractor or sub-contractor who employs at least ten (10) construction workers to perform construction works or services for hire, including corporation, partnership, limited liability company, association or group of persons;

d. Construction Site – refers to any place or location where a building or structure is being constructed;

e. Accident Insurance – refers to an insurance against bodily injury or death of construction worker arising from an accident. It is a form of insurance that undertakes to indemnify the construction worker against expense, loss of time and suffering resulting from accidents causing him physical injury, including the payment of a fixed sum to his heirs in case of death by accident within the term of the policy.

f. Insurance Company – refers to a corporation that provides coverage, in the form of compensation resulting from loss, damages, injury, treatment or hardship in exchange for premium payment.

g. Group Personal Accident Insurance – refers to a type of insurance coverage for construction workers to entitle them or their beneficiaries insurance benefits in case of injury, permanent disability or death.

SEC. 4. Mandatory Insurance Coverage. – All construction workers employed in a construction project or site shall be provided with a group personal accident insurance coverage by the employer. The duration of the insurance shall start from the commencement of the service of the construction worker until the completion of the construction project or upon the termination of the employment contract.

Nothing in this Act shall be construed to diminish any benefit or privileges which the workers are entitled under existing laws, decrees, executive orders, company policy, practice or any agreement or contract between the employer and employees.

SEC. 5. Responsibility for Payment of Insurance Premiums. – The employer or contractor shall be solely responsible to ensure the prompt payment of the premiums to the insurance company, which in no case shall be deducted from the wages of the construction workers.

SEC. 6. Insurance Coverage – Every construction worker shall be covered by the following benefits under this Act:

1. **Death and Burial Benefits.** – In the event of death during the period of his employment contract, the beneficiaries of the construction worker shall be entitled to One Hundred Thousand Pesos (100,000.00). In addition to the death benefits herein provided, a burial benefit of Thirty Thousand Pesos (P30,000.00) shall be paid to the beneficiaries within forty eight (48) hours after written notice and declaration of death;
2. **Total and Permanent Disability.** – In the event of total and permanent disability as determined by the Department of Labor and Employment (DOLE), a construction worker shall be entitled to Seventy Five Thousand Pesos (P75,000.00); *Provided, That* the disability occurred in a construction site or while performing work-related tasks. In addition to the death benefits herein provided, a burial benefit of Thirty Thousand Pesos (P30,000.00) shall be paid to the beneficiaries in the event that death occurs within two (2) years from the onset of total and permanent disability;

Any construction worker who may avail of the benefits under this Section 6 (2) of this Act cannot benefit from Sections 6 (1) and (3) herein.

3. **Injuries Resulting from Accidents.** – For injuries resulting from an accident occurring during the period of his employment contract, while performing his assigned tasks, a construction worker shall be entitled to the following benefits:
 - a. For the permanent loss of sight in both eyes, Fifty Thousand Pesos (50,000.00);
 - b. For the permanent loss of sight in one eye, Twenty Five Thousand Pesos (25,000.00);
 - c. For permanent loss of two or more limbs, Fifty Thousand Pesos (50,000.00);
 - d. For the loss of one limb, Fifty Thousand Pesos (50,000.00);
 - e. For the loss or destruction of both hands or above the wrists, Fifty Thousand Pesos (50,000.00);
 - f. For the loss or destruction of both feet or above the ankles, Fifty Thousand Pesos (50,000.00);
 - g. For the loss or destruction of one hand or above the wrists, Twenty Five Thousand Pesos (25,000.00);
 - h. For the loss or destruction of one feet or above the ankles, Fifty Thousand Pesos (50,000.00);
 - i. For the loss or destruction of every thumb or great toe, Fifteen Thousand Pesos (15,000.00);

- j. For the loss or destruction of every finger or toe, Ten Thousand Pesos (10,000.00);

- 4. **Hospitalization.** – For any illness developed during the course of employment or any work-related injury requiring hospitalization of at least thirty (30) days, Twenty Thousand Pesos (P20,000.00), and in cases where the hospitalization is less than thirty (30) days, at such amount not exceeding Ten Thousand Pesos (P10,000.00) as determined by the Department of Labor and Employment.

SEC. 7. Limitations. – No construction worker or his beneficiary shall be entitled to the benefits granted under this Act when the injury, disability or death is caused by any of the following:

- a. intoxication;
- b. willful intention to injure or kill himself or another;
- c. gross negligence

SEC. 8. Penalties. – Any person, partnership or corporation who violates the provisions of this Act shall suffer the following penalties:

- a. For the first offense. – a fine of not less than Two Hundred Thousand Pesos (P200,000.00) nor more than Three Hundred Thousand Pesos (300,000.00);
- b. For subsequent violations – an imprisonment of not less than one (1) year but nor more six (6) years or a fine of not exceeding Five Hundred Thousand Pesos (P500,000.00) or both, at the discretion of the court.

If the offender is committed by a partnership or corporation, the penalty provided herein shall be imposed on the president, managing director or chief operating officer.

If the offender is a foreigner, he shall, after payment of the fine and/or service of the sentence, be subject to deportation.

SEC. 9. Implementing Rules and Regulations. – Within ninety in days from the effectivity of this Act, the Department of Labor and Employment, consultation with the Insurance Commission, and the DPWH, shall promulgate the necessary rules and regulations to implement this Act.

SEC. 10. Repealing Clause. – All laws, presidential decrees, executive orders, rules and regulations which are inconsistent with this Act are hereby amended, repealed or modified accordingly.

SEC. 11. *Separability Clause.* – If, for any reason or reasons, any part or provision of this Act shall be declared unconstitutional or invalid, other parts or provisions hereof which are not affected thereby, shall continue to have full force and effect.

SEC. 12. *Effectively.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,