

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**EIGHTEENTH CONGRESS**  
First Regular Session

HOUSE BILL NO. **2722**



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Introduced by **HON. MA. LOURDES T. ARROYO**

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**EXPLANATORY NOTE**

It is the policy of the State to further strengthen the rights of the workers in the sugar industry and to ensure they reap their just shares in the fruits of production by augmenting their income and among other schemes, institutionalizing the mechanisms among the partners in the sugar industry that enable the workers and their families to secure a decent living.

According to the Sugar Regulatory Administration, the Philippines sugar industry contributes no less than P70 Billion to our economy annually. Out of the total land area of about 30 million hectares, sugarcane is planted in around 422,500 hectares in the Philippines, with about 62,000 farmers engaging in the activity as their primary means of making a living.

Data from the Philippine Statistics Authority (PSA) shows that the production of sugar was expanded by 14.6% in the last quarter of 2018. Sugar export value went up to PhP 10.26 Billion by 118.14%, thus contributing 3.09% to the total value of agricultural exports. These numbers represent our economic development and part of this reflected economic development should rightfully be attributed to our hardworking sugar farmers who tirelessly work by tilling small to immense, vast tracts of land. This group of workers who are part of the country's labor force significantly play a vital role in nation building.

This measure seeks to amend RA 6982 or the Social Amelioration Law by modifying certain provisions in the law that will address the need for educational, health and medical benefits to our sugar farmers.

Under the RA 6982, out of the lien imposed on the gross production of sugar, eighty percent (80%) of which is distributed as cash bonus to each worker in the sugar farm or mill based on the proportion of work rendered by the workers while the remaining twenty percent (20%) is allocated for the socio-economic plans and programs that only include a death benefit program, a limited number of socio-economic projects, and maternity benefits.

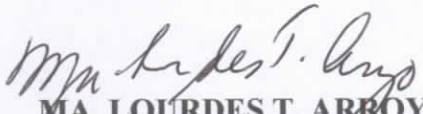
As we take more progressive steps for the viability and sustainability of the sugar industry, we must, at the same time, consider the well-being of our sugar farmers. Providing

them with better support for their health and medical concerns, as well as support and opportunities for their educational needs will not only fortify the law and policy of the State, it will also bear fruit in terms of contributing to the overall personal and professional development of the individual laborers and families of this group of our nation's work force as a whole.

Amending the given provisions in this law will redound upon both the economic development of our country and the welfare of the sugar farmers by further enabling them with the means to improve their lives to a degree that will energize, inspire and encourage them to pour their productive vigor into creating and contributing more output that will be of great benefit to them, the sugar industry, and the country.

The proposed specific measure shall provide an avenue to give duly-deserved attention to our sugar farmers who contribute to industry and economic gains in the country while most importantly, uplifting their lives.

Thus, it is my earnest hope that this measure merits approval.

  
**MA. LOURDES T. ARROYO**

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**AN ACT FURTHER STRENGTHENING THE SOCIAL AMELIORATION PROGRAM FOR SUGAR WORKERS BY PROVIDING HEALTH, MEDICAL AND EDUCATIONAL BENEFITS, AMENDING FOR THE PURPOSE REPUBLIC ACT 6982 ENTITLED, "AN ACT STRENGTHENING THE SOCIAL AMELIORATION PROGRAM IN THE SUGAR INDUSTRY, PROVIDING FOR THE MECHANICS FOR THE IMPLEMENTATION, AND FOR OTHER PURPOSES"**

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

**SECTION 1.** Section 3 of Republic Act 6982, as amended, is hereby amended to read as follows:

**"Section 3. Composition.** – The Sugar Tripartite Council shall consist of ten (10) members composed of the Secretary of Labor and Employment or his duly authorized representative as ex-officio chairman; one (1) representative from the Sugar Regulation Administration, who shall likewise sit in an ex officio capacity; two (2) representatives from the millers sector; two (2) representatives from the mill workers sector; and two (2) representatives from the workers sector, as members.

The representatives from the planters, millers and workers sectors shall be appointed by the Secretary of Labor and Employment from among the nominees of the planters, millers and workers organizations, respectively.

**THE REPRESENTATIVES FROM THE PLANTERS' AND MILLERS' SECTORS SHALL BE CHOSEN FROM THE LIST OF NOMINEES SUBMITTED BY THE RESPECTIVE PLANTERS' AND MILLERS' FEDERATIONS; WHEREAS, REPRESENTATIVES FROM THE MILL WORKERS AND FIELD WORKERS ASSOCIATION SHALL BE FROM THE LEGITIMATE LABOR ORGANIZATION AND UNION OF SUCH MILL OR FIELD WORKERS."**

**Sec. 2.** Section 7 of Republic Act 6982, as amended, is hereby amended to read as follows:



**“Section 7. Lien; Distribution; Collection and Remittance. –**

a) Effective on sugar crop year [1991-1992] 2019-2020 a lien of [ Five pesos (P5.00)] **TEN PESOS (P10.00)** per picul of sugar shall be imposed on the gross production of sugar to primarily augment the income of sugar workers, and to finance social and economic programs to improve their livelihood and well-being: provided, that there shall be an automatic additional lien of **NOT EXCEEDING** One peso (P1.00) for every two (2) years for the succeeding ten (10) years from the effectivity of this Act, **TAKING INTO CONSIDERATION THE CIRCUMSTANCES AFFECTING THE COST OF SUGAR PRODUCTION.**

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**Sec. 3.** Section 9 of Republic Act 6982, as amended, is hereby amended to read as follows:

**“Section 9. Undisputed Cash Bonus. –** Any undistributed amount due the workers shall, within three (3) months, be remitted to [and held in trust by the DOLE for a period of three (3) years from the date of remittance,] **AND PLACED IN A SPECIAL FUND TO BE ADMINISTERED BY THE DTC FOR A PERIOD OF ONE (1) YEAR FROM THE DATE OF REMITTANCE,** after which it shall be deemed forfeited in favor of the socio-economic programs for sugar workers.

It shall be the duty of the Secretary of Labor and Employment to make at least three publications before the end of said three (3) year period and to make the corresponding radio announcements in radio stations operating in the area to inform the beneficiaries concerned regarding their unclaimed cash bonus. The said publications shall be made through local newspapers and by posting in conspicuous public places in the area where the concerned beneficiaries reside.

[The forfeited amount, including its interests,] **FIFTY PERCENT (50%) OF THE SAID FUND SHALL BE ALLOTTED TO FINANCE EDUCATIONAL PROGRAMS FOR THE SUGAR FARMERS AND THEIR DEPENDENTS TO DULY ACCREDITED TRAINING CENTERS OF THE TECHNICAL EDUCATION SKILLS AND DEVELOPMENT AUTHORITY (TESDA) AND THE OTHER FIFTY PERCENT (50%)** shall be utilized for projects or programs in favor of the sugar workers as recommended by the Sugar Tripartite Council.”

**Sec. 4.** Section 10 of Republic Act 6982, as amended, is hereby amended to read as follows:

**“Section 10. Socio-economic Plans and Programs; Operation of Councils. –** On recommendation of the Sugar Tripartite Council, the Secretary of Labor and Employment shall use twenty percent (20%) share herein allocated for socio-

economic programs, and any and all incomes or interests thereon, for the following:

a) Five percent (5%) for sugar workers death benefit program;

b) [Nine percent (9%)] **TEN PERCENT (10%)** for socio-economic projects **WHICH SHALL INCLUDE, HEALTH, MEDICAL AND EDUCATIONAL BENEFITS** for the sugar workers undertaken by the Bureau of Rural Workers, planters/millers organizations, workers organizations and/or the Sugar Industry Foundation, Inc.: *Provided, THAT EDUCATION BENEFITS SHALL NOT BE LIMITED TO FORMAL EDUCATION BUT ALSO TECHNICAL SKILLS TRAINING DULY ACCREDITED BY TESDA.*

c) Three percent (3%) for maternity benefits for the women sugar workers in addition to existing benefits granted by law or collective bargaining agreements: provided, that maternity benefits provided herein shall be paid only for the first four (4) deliveries

**WOMEN SUGAR WORKERS WHO ARE MANAGERIAL EMPLOYEES, ALTHOUGH THEY MAY RECEIVE MATERNITY BENEFITS OR SIMILAR BENEFITS FROM THEIR RESPECTIVE EMPLOYERS, SHALL NOT BE ENTITLED TO THE MATERNITY PROVIDED HEREIN.**

d) [Three percent (3%)] **TWO PERCENT (2%)** for administrative expenses of the Sugar Tripartite Council the District Tripartite Councils and the Bureau of Rural Workers of the Department of Labor and Employment in implementing this Act.”

**Section 10-A. REPORTORIAL REQUIREMENT. – THE STC SHALL SUBMIT REPORTS TO DEPARTMENT OF AGRICULTURE OF THE IMPLEMENTATION OF THE AFOREMENTIONED SOCIO-ECONOMIC PROGRAMS ON A MONTHLY BASIS.”**

**SEC. 5. *Implementing Rules and Regulations.*** - The Secretary of the Department of Labor and Employment, in coordination with the Sugar Tripartite Council, promulgate such rules and regulations as may be necessary to carry out the provisions of this Act.

**SEC. 6. *Separability.*** - If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

**SEC. 7. *Repealing Clause.*** - All laws, decrees, orders, rules and regulations, or part thereof inconsistent with the provisions of this Act are hereby deemed repealed or modified accordingly.

**SEC. 8. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

*Approved,*