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SENATE

Senate Bill No. 776

RECEIVED BY: 

Introduced by Senator FRANCIS N. PANGILINAN

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

EXPLANATORY NOTE

Over the past three years, poverty rate in the Philippines is seen to be decreasing substantially. Poverty incidence among Filipino families was projected at 16.1% in the first semester of 2018, lower than the estimated 22.2% during the same period in 2015.¹ Furthermore, the Labor Force Survey (LFS) of the Philippine Statistics Authority (PSA) reveals that unemployment rate has declined from 5.5% (April 2018) to just 5.1% (April 2019).²

However, despite all these improvements, the overall development in the country has been uneven, with rural areas lagging behind. Most of the poor live in these areas and work in the agriculture and fisheries sector. Farmers and fishermen have consistently registered the highest poverty incidence among basic sectors since 2006.

According to the International Fund for Agricultural Development (IFAD), a specialized agency of the United Nations (UN), rural areas lag in economic growth and have higher rates of underemployment because of limited or lack of access to market, productive capital, as well as knowledge and technology. The rural poor also have a small number of options for generating off-farm income.³

Thus, in order to help bridge the disparity between urban and rural areas, this proposed legislation aims to establish the Rural Employment Assistance Program (REAP) which shall provide temporary employment to qualified individuals of poor households in rural areas. This will allow them to earn not less than 75% of the prevailing minimum wage for each day of work.

¹ PSA, *Poverty Statistics*, Published on 10 April 2019, Available at <https://psa.gov.ph/poverty-press-releases/nid/138411>, Accessed on 11 July 2019.

² PSA, *Employment Rate*, Published on 05 June 2019, Available at <https://psa.gov.ph/content/employment-rate-april-2019-estimated-949-percent>, Accessed on 11 July 2019.

³ IFAD, *Philippines*, Available at <https://www.ifad.org/en/web/operations/country/id/philippines>, Accessed on 11 July 2019.

Ultimately, the goal of this bill is to provide Filipinos with opportunities for just and sufficient means of livelihood in order to address poverty especially in the rural areas.

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

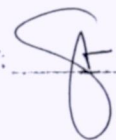
A handwritten signature in black ink, appearing to read 'Francis N. Pangilinan', with a large, stylized flourish extending from the bottom.

FRANCIS N. PANGILINAN

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

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

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

1 Qualified individuals are not subject to the terms and conditions of regular
2 employment and as such, shall not be deemed to have an employer-employee
3 relationship with the DSWD, or any agency or institution who utilizes their services with
4 respect to the Program.

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

- 6 a) *“Poor”* refers to individuals and families whose income fall below the poverty
7 threshold as defined by the government and/or cannot afford in a sustained
8 manner to provide their minimum basic needs of food, health, education, housing
9 and other essential amenities of life, or those who have been identified as poor by
10 the National Household Targeting System for Poverty Reduction (NHTS-PR);
- 11 b) *“Qualified individual”* refers to willing and able Filipino citizens who are at least
12 fifteen (15) years of age. *Provided*, That individuals between the ages of fifteen (15)
13 and eighteen (18) may only qualify by first obtaining consent from their parent/s
14 and/or legal guardian. *Provided further*, That individuals who are between the ages
15 of fifteen (15) and eighteen (18) may only qualify provided they can be employed
16 in non-hazardous work environments in accordance with the Labor Code;
- 17 c) *“Rural area”* refers to any barangay with at least fifty percent (50%) land devoted
18 to agriculture, timberland, forest and or/pasture land as determined by the
19 Comprehensive Land Use Plan of the concerned local government unit (LGU); and
- 20 d) *“Unskilled labor”* refers to a segment of the workforce associated with a limited skill
21 set or a minimal economic value for the work performed. It is generally
22 characterized by having lower levels of educational attainment, such as high
23 school diploma, General Equivalency Diploma (GED) or lack thereof, and which
24 typically results in getting lower wages.

25 **SEC. 5. *Local Community Participation.*** – The DSWD shall take the lead in the
26 overall implementation of the REAP. However, the corresponding LGUs and in
27 particular, the local communities and people’s organizations (POs) representing its most

vulnerable sectors such as women, youth, the elderly and the like shall be given proper recognition and due consideration by the DSWD as the primary stakeholders of each project to be initiated. Towards this end, the LGUs and especially the local communities shall be capacitated by the DSWD to be able to fully participate in any and all phases of the project development cycle, which include, but are not limited to, situational analysis and needs assessment, project identification, project implementation and management, and project monitoring and evaluation.

SEC. 6. *Qualifications for Availment of Employment Assistance.* – The Local Social Welfare and Development Officers (LSWDOs), in close coordination with the LGUs and other concerned government agencies, as well as concerned members of the identified rural communities themselves, may conduct a preliminary joint assessment of all poor individuals and families in rural areas who signify interest in undertaking work as unskilled labor to determine eligibility in availing of the employment assistance program. The assessment shall also take into consideration the inherent knowledge, skills, capacities, and capabilities of potential qualified participants so as to properly determine the type and nature of projects that are most suited to them and their respective communities. These preliminary joint assessments may be subject to validation and approval by the DSWD.

The DSWD shall facilitate basic knowledge and skills orientation and capacity-building trainings and seminars as deemed necessary towards project development for qualified participants. The concerned LGUs shall be responsible for providing for the loaning out of any tools and equipment necessary for project development to the qualified individuals.

SEC. 7. *Types of Works and Activities under the Program.* – Employment activities for this purpose shall be designed to mobilize eligible individuals, families and communities to finish a project within a given time period. These projects may include, but are not limited to the following:

1 (a) Development, rebuilding/rehabilitation of agri-based livelihood assets
2 damaged, destroyed or lost due to natural disasters, such as desilting of
3 irrigation canals, development of paddy dikes, and rehabilitation of water
4 impounding dams;

5 (b) Development or rehabilitation of common service facilities, which are being
6 shared and used by poor families as production or consolidation centers like
7 post-harvest facilities, and public markets;

8 (c) Development or rehabilitation of physical assets to open up access to areas
9 necessary to transport rural products, such as construction of farms to market
10 roads and bridges; and

11 (d) Protection of natural and productive assets through mitigation and disaster
12 risk reduction measures, such as mangrove planting and rehabilitation, tree
13 planting and similar activities.

14 Additionally, the DSWD shall provide an updated list of projects that may be
15 undertaken as well as the projects not covered under this law. This list shall be readily
16 made available to potentially qualified individuals who have expressed their desire to
17 participate in the REAP.

18 **SEC. 8. *Rate of Assistance.*** – Every person qualified under this Program shall be
19 entitled to receive compensation for each day of work at the rate of not less than seventy-
20 five percent (75%) of the prevailing minimum wage set by the concerned Regional
21 Tripartite Wages and Productivity Board (RTWPB). LGUs concerned may also provide
22 for additional allowances to the beneficiaries in order to cover for other expenses such as
23 transportation and food.

24 **SEC. 9. *Micro-insurance Benefits.*** – Qualified individuals are granted the option to
25 access micro-insurance as a form of social security in the event of accidental death or
26 dismemberment, medical reimbursement, and bereavement assistance at a socialized
27 cost. Toward this end, the DSWD shall provide liaison services necessary to enable

1 qualified individuals access to these social services. LGUs concerned may also provide
2 additional allowance to participants to cover insurance costs.

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

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

11 **SEC. 11. Implementing Rules and Regulations.** – Within ninety (90) days after the
12 approval of this Act, the Secretary of the DSWD shall, in consultation with the Secretary
13 of the Department of the Interior and Local Government, issue the necessary rules and
14 regulations for the effective implementation of this Act.

15 **SEC. 12. Separability Clause.** – If any provision of this Act is declared invalid or
16 unconstitutional, the other provisions not affected by such declaration shall remain in full
17 force and effect.

18 **SEC. 13. Repealing Clause.** – All laws, executive orders, administrative orders, and
19 rules and regulations inconsistent with this Act are hereby repealed or amended
20 accordingly.

21 **SEC. 14. Effectivity Clause.** – This Act shall take effect fifteen (15) days after its
22 complete publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,