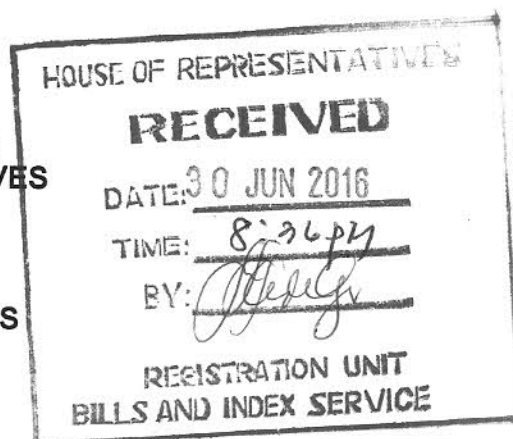


Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

SEVENTEENTH CONGRESS  
First Regular Session

H. B. No. 570



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Introduced by HONORABLE BELLAFLOR J. ANGARA-CASTILLO

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#### EXPLANATORY NOTE

The Special Program for Employment of Students (SPES) was instituted under Republic Act No. 7323 in early 1992 to help poor but deserving students in pursuing their education by encouraging their employment during summer and/or Christmas vacations.

In 2009, Republic Act No. 7323 was amended by Republic Act No. 9547, expanding the coverage of SPES to include poor but deserving students aged 15 to 25 years old to help them pursue their education through employment during summer or Christmas vacations, or anytime of the year for those enrolled in tertiary, vocational or technical education for the period of twenty (20) to fifty-two (52) working days.

While it is recognized that SPES as an employment bridging program has changed the lives of many Filipino youth, it cannot be denied that the implementation of the program has encountered multitude of problems, both procedural and substantial. The current program covers only currently enrolled students, depriving other disadvantaged youth to pursue education. Difficulty is also encountered as to the mode of payment of wages to the beneficiaries.

Thus, this bill proposes to strengthen the program by allowing the employment not only of poor but deserving students but also out-of-school youth, dependents of displaced workers or would-be displaced workers due to business closures or work stoppages intending to enroll in any secondary, tertiary or technical-vocational institutions. The Public Employment Service Offices (PESOs) shall provide employment facilitation services to the applicants.

Also, this bill seeks to change the mode of payment of salaries and wages by the government from vouchers to cash to be paid directly by the Department of Labor and Employment (DOLE) to the student or through financial institutions or other payment facilities. The government share (40%) shall be paid within thirty (30) working days upon submission of the report on the payment of wages or salaries by the participating establishment.

With the improvement and expansion of the Special Program for Employment of Students, it is hoped that this will allow more Filipino youth to pursue their education towards a better future through easy access to the program.

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

  
BELLAFLOR J. ANGARA-CASTILLO  
Representative  
Lone District, Province of Aurora

H. B. No. 570

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Introduced by HONORABLE BELLAFLOR J. ANGARA-CASTILLO

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**AN ACT AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NUMBER 7323, AS AMENDED BY REPUBLIC ACT NUMBER 9547, OTHERWISE KNOWN AS THE SPECIAL PROGRAM FOR EMPLOYMENT OF STUDENTS (SPES), STRENGTHENING AND EXPANDING ITS COVERAGE, AND FOR OTHER PURPOSES**

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

1 **SECTION 1.** Section 1 of Republic Act Number 7323, as amended, is hereby amended to  
2 read as follows:  
3

4 **"Section 1.** Any provision of law to the contrary notwithstanding, any person or entity  
5 employing at least ten (10) persons may employ poor but deserving students, out-of-  
6 school youths, or, dependent/s of a displaced or would-be displaced worker/s due  
7 to business closures or work stoppages intending to enroll in any secondary, tertiary  
8 or technical-vocational institutions, fifteen (15) years of age but not more than thirty  
9 (30) years old, paying them a salary or wage not lower than the minimum wage for  
10 private employers and the applicable hiring rate for the national and local  
11 government agencies: *Provided*, That students enrolled in the secondary level shall  
12 only be employed during summer and/or Christmas vacations, while those enrolled  
13 in the tertiary, vocational or technical education may be employed at any time of the  
14 year: *Provided, further*, That their period of employment shall be from twenty (20) to  
15 fifty-two (52) working days only, except that during Christmas vacation, employment  
16 shall be from ten (10) to fifteen (15) days which may be counted as part of the  
17 students' probationary period should they apply in the same company or agency  
18 after graduation: *Provided, finally*, That students employed in activities related to  
19 their course may earn equivalent academic credits as may be determined by the  
20 appropriate government agencies.  
21

22 For purposes of this Act, poor but deserving students and out-of-school youths refer  
23 to those whose parents' combined income, together with their own, if any, does not  
24 exceed the annual regional poverty threshold level for a family of six (6) for the  
25 preceding year as may be determined by the National Economic and Development  
26 Authority (NEDA).  
27

28 Employment facilitation services for applicants to the program shall be done by the  
29 Public Employment Service Office (PESO).  
30

31 Participating employers in coordination with the PESO, must inform their SPES  
32 employees of their rights, benefits, and privileges under existing laws, company  
33 policies, and employment contracts."  
34

35 **SEC. 2.** Section 2 of the same Act is hereby amended to read as follows:  
36

1 "Section 2. Sixty per centum (60%) of the said salary or wage shall be paid by the  
2 employers in cash and forty per centum (40%) by the government also in the form of  
3 cash directly to the student, or through financial institutions or other payment  
4 facilities, subject to the existing rules on procurement, which shall be applicable in  
5 the payment for the students' tuition fees, books, and other education-related  
6 expenses, including their daily allowance in going to school: *Provided*, That local  
7 government units (LGUs) may assume responsibility for paying in full his salary or  
8 wages. The 40% share shall be paid within thirty (30) working days upon submission  
9 of the partner-employer or participating establishment of their report on payment of  
10 salary or wages which shall be the basis of the 40% salary or wages to be paid by  
11 the government through the department of labor and employment.

12  
13 In case of sickness, absence, or death of the SPES beneficiary, the immediate heirs  
14 may claim his/her salary: *Provided*, That proof to this effect has been clearly  
15 established by the SPES beneficiary.

16  
17 The SPES beneficiary shall be entitled to social protection by virtue of an insurance  
18 coverage with the Government Service and Insurance Commission (GSIS) for a  
19 period of one (1) year."

20  
21 **SEC. 3.** Section 3 of the same Act is hereby amended to read as follows:

22  
23 "Section 3. The Department of Labor and Employment shall issue the implementing  
24 rules and regulations to carry out the purposes of this Act. Further, the Secretary of  
25 the Department of Labor and Employment may issue additional guidelines which  
26 may be deemed appropriate and as necessity arises: *Provided*, That the issuance is  
27 in the form of a department order."

28  
29 **SEC. 4.** Section 4 of the same Act is hereby deleted.

30  
31 **SEC. 5.** Section 5 of the same Act is hereby renumbered to Section 4, and amended to read  
32 as follows:

33  
34 "Section 4. The Secretary of the Department of Labor and Employment shall  
35 include in the Department's program the operationalization of the expanded Special  
36 Program for Employment of Students, including the maintenance of an online  
37 database registry for monitoring of SPES beneficiaries.

38  
39 The amount necessary to carry out the purposes of this Act is hereby authorized to  
40 be appropriated in the General Appropriations Act for 1992 and the subsequent  
41 annual general appropriations acts: *Provided*, That the appropriation, for the  
42 purposes of this Act shall not be reduced by Congress below the amount  
43 appropriated for the previous year and, after approval; shall be automatically and  
44 regularly released: *Provided, further*, That the appropriation herein shall be  
45 increased by at least 20 *per centum* (20%) annually."

46  
47 **SEC. 6.** Section 6 of the same Act is hereby renumbered to Section 5.

48  
49 **SEC. 7. Repealing Clause.** – All laws or parts thereof, decrees, orders, rules and  
50 regulations deemed inconsistent with the provisions of this Act are hereby repealed or  
51 modified accordingly.

52  
53 **SEC. 8. Separability Clause.** – If any provision of this Act is declared unconstitutional or  
54 invalid, the other provisions not affected thereby shall remain in full force and effect.

55  
56 **SEC. 9. Effectivity Clause.** – This Act shall take effect fifteen (15) days after its publication  
57 in the Official Gazette or in a newspaper of general circulation.

58  
59 Approved,