

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

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 740

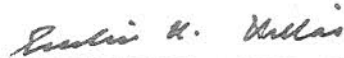
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Introduced by **DIWA Party-list Representative Emmeline Y. Aglipay – Villar**

EXPLANATORY NOTE

The State has an obligation to provide for the families of those persons who have been rendered, in the course of their duties or employment, unable to earn income, either through death or incapacity. While the State mandates compensation in the form of death benefits and disability benefits, this leaves a grey area where a family receives nothing at all: when an employee has gone missing due to work related causes under circumstances which make his or her death likely, but has not been missing for long enough to be legally presumed dead. This situation is all the more unconscionable because those whose loved ones are missing are, in some ways, worse off than those whose loved ones have died or become disabled, in that they lack the continued survival in the latter case, and the sense of closure and finality in the former case.

I believe that provisions must be made for the families of those who go missing in situations where they are in danger of death, due to work connected activity (ex. miners, seafarers). Their situation is analogous to the families of those who suffer permanent total disappearance in the sense that they completely lose the income of the presumed deceased, but are not entitled to any death benefits. This bill seeks to address this disparity, and prevent such families from falling between the cracks of the law.


EMMELINE Y. AGLIPAY – VILLAR
Representative, DIWA Party-list

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**AN ACT PROVIDING FOR BENEFITS TO FAMILIES OF EMPLOYEES
WHO ARE MISSING AND IN DANGER OF DEATH**

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

SECTION 1. - Short Title. This Act shall be known as the "Missing Employees Compensation Act."

SECTION 2. - Declaration of Principles and Policies. It is the policy of the state to provide relief and protection to distressed workers and their families.

The State shall promote and develop a tax-exempt employees' compensation program for dependents of employees who, in a situation where they are in danger of death due to a work-connected activity, go missing. Dependents can secure adequate income benefit from the employees' compensation program even before the missing employees are presumed dead under the law.

SECTION 3. Definition of Terms. - For purposes of this Act, the following terms are defined:

- (a) "Average monthly salary credit" in the case of the SSS means the result obtained by dividing the sum of the monthly salary credits in the sixty-month period immediately following the semester of disappearance due to work-related causes by sixty (60), except where the month of disappearance falls within eighteen (18) calendar months from the month of coverage. In which case, it is the result obtained by dividing the sum of all monthly salary credits paid prior to the month of contingency by the total number of calendar months of coverage in the same period;
- (b) "Beneficiaries" means the dependent spouse until he/she remarries and dependent children, who are the primary beneficiaries. In their absence, the dependent parents and subject to the restrictions imposed on

dependent children, the illegitimate children and legitimate descendants, who are the secondary beneficiaries: Provided, That the dependent acknowledged natural child shall be considered as a primary beneficiary when there are no other dependent children who are qualified and eligible for monthly income budget.

- (c) "Credited years of service" - For a member covered prior to January, 1975, nineteen hundred seventy-five minus the calendar year of coverage, plus the number of calendar years in which six or more contributions have been paid from January, 1975 up to the calendar year containing the semester prior to the contingency. For a member covered on or after January, 1975, the number of calendar years in which six or more contributions have been paid from the year of coverage up to the calendar year containing the semester prior to the contingency;
- (d) "Dependent" means the legitimate, legitimated or legally adopted or acknowledged natural child who is unmarried, not gainfully employed, and not over twenty-one (21) years of age or over twenty-one (21) years of age provided he is incapacitated and incapable of self-support due to a physical or mental defect which is congenital or acquired during minority; the legitimate spouse living with the employee and the parents of said employee wholly dependent upon him for regular support;
- (e) "Employee" means any person compulsorily covered by the GSTS under Commonwealth Act Numbered 186, as amended, including the members of the Armed Forces of the Philippines, and any person employed as casual, emergency, temporary, substitute or contractual, or any person compulsorily covered by the SSS under Republic Act Numbered 1161, as amended;
- (f) "Monthly income benefit" means the amount equivalent to one hundred fifteen percent (115%) of the sum of the average monthly salary credit multiplied by the replacement ratio, and one and a half percent (1 1/2 %) of the average monthly salary credit for each credited year of service in excess of 10 years: Provided, That the monthly income benefit shall in no case be Less than two hundred fifty pesos (Php 250.00);
- (g) "Replacement ratio" - The sum of twenty percent (20%) and the quotient obtained by dividing three hundred (300) by the sum of three hundred forty (340) and the average monthly salary credit;
- (h) "SSS" means the Social Security System created under Republic Act Numbered 1161, as amended;
- (i) "GSIS" means the Government Service Insurance System created under Commonwealth Act Numbered 186, as amended;
- (j) "System" means the SSS or GSIS, as the case may be.

SECTION 4. Missing Employees. - The following conditions must be present to be considered a missing employee which is covered under the missing employees compensation act:

- (1) Their disappearance occurred during the performance of work.
- (2) Their person or bodies have not been found.
- (3) They are not yet legally presumed dead under the Civil Code:
- (4) There must exist any of the following circumstance:
 - (a) An employee on board a vessel lost during a sea voyage, or an aeroplane which is missing;
 - (b) A person in the armed forces who has taken part in war;
 - (c) A person who has been in danger of death under other circumstances.

SECTION 5. Missing Employees Compensation. - Under such regulations as the Commission may approve, the family of any missing employee shall, for each month until his/her death has been confirmed or legally presumed, be paid by the System during such a disability, an amount equivalent to the monthly income benefit, plus ten percent (10%) thereof for each dependent child, but not exceeding five, beginning with the youngest and without substitution:

The monthly income benefit shall be guaranteed for five years, and shall be suspended if the missing employee's body is found and identified, or the missing employee is legally presumed to be dead under the Civil Code.

SECTION 6. Implementing Rules and Regulations. - The Department of Labor and Employment, in consultation with the relevant government agencies and private sector representatives, shall issue the necessary rules and regulations for the effective implementation of this Act within ninety (90) days after its effectivity

SECTION 7. Separability Clause. - If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

SECTION 8. Repealing Clause. - All laws, executive orders, presidential decrees, presidential proclamations, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 9. Effectivity Clause. - This Act shall take effect fifteen (15) days from its publication in the Official Gazette or at least two (2) national newspapers of general circulation.

Approved,