

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Fourteenth Congress



HOUSE BILL No. _____ **4833**

Introduced by

**Gabriela Women's Party Representatives Luzviminda C. Ilagan and Liza L. Maza;
Bayan Muna Partylist Representatives Saturnino C. Ocampo and Teodoro A. Casino;
Anakpawis Partylist Representative Rafael V. Mariano**

EXPLANATORY NOTE

Despite the availability of adequate funds to protect and immediately address the needs of our modern-day heroes, the plight of Overseas Filipino Workers usually gets government attention only in extreme conditions – such as during the height of the war between Lebanon and Israel, when many Filipinos got caught between the cross-fires, and the life and death situations of truck driver in Iraq Angelo dela Cruz and domestic worker in Kuwait Marilou Ranario and May Vecina, to name only a few. All of them risk their lives in foreign lands to address their families' basic necessities that our very own government fail to provide.

Unfortunately, the huge government collections from OFWs are used not mainly for the provision of services, but mainly for its operations and business ventures. By virtue of the Overseas Workers' Welfare Administration's Board Resolution 038 of 2003, now known as the OWWA Omnibus Policies, the government uses the welfare fund in capital enhancement. Already, P6 billion of the Fund has been invested in the Land Bank of the Philippines and the Development Bank of the Philippines; P200 million in Landoil Resources Corporation and Greater Manila Cooperation (year 1983); and P664 million in the Smokey Mountain Project Participation Certificates (SMPPC). The Landoil investment reportedly failed to contribute to the OWWA Fund while the SMPPC was found to have violated a Department of Finance circular that required government-owned and controlled corporations to invest their funds only in qualified government securities.

Meanwhile, only P72 million or 11% of the total OWWA P629 million budget for 2001 was allocated for direct services to OFWs such as airport assistance, insurance and other services. This even went down to only P33 million out of OWWA's P538 million expenditure in 2005, most of the monies having been spent on investments and the operation of OWWA and its overseas offices.

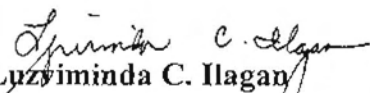
A study by the United Filipinos (Unifil) in Hong Kong reveals that for every P10 spent by the OWWA, P8.80 goes to business and investments, while only sixty centavos are spent for the welfare of the OFWs.

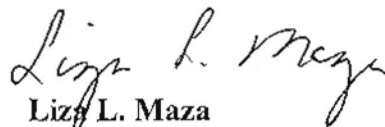
Several services are not covered by the OWWA despite its huge and increasing collections from OFWs. The repatriation responsibility is now being passed on to the private recruitment agency. The Medicare, contrary to popular belief, was never part of the benefits provided for and in fact costs OFWs the mandatory US\$25 per contract. The scholarship program is limited to only 100 OFW beneficiaries. There

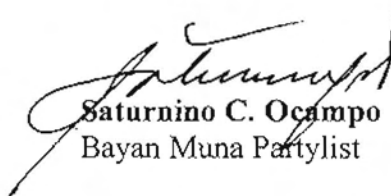
are also reports that the OWWA has suspended various livelihood and loan programs in 20001 o to "lack of funds."

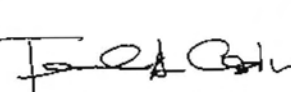
In alarming conditions or not, the monies collected from OFWs should be returned to them in the form of adequate direct services to them and their dependents. It is in this light that the passage of this bill declaring the OWWA Fund as Direct Services for OFWs Fund is earnestly sought.


Approved,


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Gabriela Women's Party


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AN ACT
DECLARING THE OVERSEAS WORKERS' WELFARE ADMINISTRATION
FUND (OWWA FUND) AS DIRECT SERVICES FOR OFWS FUND

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 Direct Services for OFWs Fund Act.

Section 2. Declaration of Principles. The State, while not for the promotion of labor export, shall at all times uphold the welfare and dignity of all its migrant workers. It shall immediately address its migrant workers' needs and ensure the immediate and efficient provision of adequate direct services to them.

The State denounces exaction of numerous fees or any other form from Overseas Filipino Workers (OFWs). Any collection from OFWs shall be justified and acceptable to them. Moreover, the State shall ensure that all contributions and fees paid by OFWs are exclusively used for the provision of direct services and protection to them and their families.

The State shall not profit from nor enter into any business transaction using OFWs' hard-earned monies.

Section 3. Definition of Terms

The Fund – The Fund shall herein refer to the Direct Services for OFWs fund, the aggregate of US\$25 contribution collected from OFWs.

Direct Services – services that migrant workers consider directly beneficial to them and their families. These include, but are not limited to, pre-departure orientations and services, adequate and timely on-site welfare programs, legal and medical services, and repatriation and reintegration services, scholarship for OFW dependents, among others.

Section 4. Direct Services for OFWs Fund.

The OWWA Fund, being a trust fund, is hereby declared as the Direct Services for OFWs Fund. Eighty percent (80%) of the Fund shall be used strictly for the provision

of direct services to OFWs, while twenty percent (20%) shall be used to augment the government-allocated budget for the operations, personnel, and administration of the Overseas Workers' Welfare Administration.

Section 5. Contribution. The US\$25 mandatory fee collected from OFWs shall be a one-time contribution for lifetime membership to the OWWA. There shall be no fee increase and new fees to be imposed.

Section 6. OWWA Administration and Operational Expenses. The OWWA, being a government agency, shall get its administration and operational expenses from the budget of the national government. Only twenty percent (20%) of the Fund may be used as augmentation thereto.

Section 7. Prohibited Acts. The use of any portion of the Fund for business, investments and other purposes other than the provision of direct services to OFWs is strictly prohibited.

Section 8. Penalties. Any person who circumvents or violates any provision of this Act shall be punished with at least five (5) years of imprisonment, a minimum fine of P50,000 and shall be barred from the OWWA Board or any other government office.

Section 9. Implementing Rules and Regulations. The OWWA, in cooperation with OFWs' organizations with proven track record in advancing OFW's rights and welfare, shall promulgate the Implementing Rules and Regulations of this Act.

Section 10. Repealing Clause. All other laws, decrees, rules and regulations, orders, issuances inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 11. Separability Clause. Should any provision herein be declared unconstitutional, the same shall not affect the validity of the other provisions of this Act.

Section 12. Effectivity Date. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper of general circulation in the Philippines.

Approved.