



**EXCERPTS FROM THE MINUTES OF
THE FIFTH (5TH) REGULAR COMMISSION MEETING,
EMPLOYEES' COMPENSATION COMMISSION AND OCCUPATIONAL
SAFETY AND HEALTH CENTER, SERIES OF 2019,**

*Occupational Safety and Health Center, North Ave., cor. Agham Rd., Quezon City
Tuesday, 19 November 2019 at 12:00 N.N.*

BOARD RESOLUTION NO. 19-11-42

***Promulgating the Policy on Expanding the Coverage of the Employees'
Compensation Program (ECP) to Land-Based Overseas Filipino Workers
(OFWs) who are Registered Members of the SSS***

WHEREAS, Article II, Section 18 of the 1987 Constitution provides:

***"The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare."
(emphasis supplied)***

WHEREAS, Article 174 of P.D. No. 626, as amended, partly provides:

"ART. 174. Compulsory coverage. - Coverage in the State Insurance Fund shall be compulsory upon all employers and their employees not over sixty years of age..."

WHEREAS, Article 173 (g) of PD No. 626, as amended, partly provides:

***"ART. 167. Definition of terms. - xxx (g) "Employee" means xxx xxx any person compulsorily covered by SSS under Republic Act Numbered Eleven hundred Sixty-One, as amended."
(emphasis supplied)***

WHEREAS, Republic Act (R.A.) No. 8282 was amended by R.A. No. 11199, otherwise known as the "Social Security Law of 2018," which took effect on March 5, 2019;

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**Dianne Lilibeth S. Bautista
Board Secretary III**

WHEREAS, Section 9 (b) of R.A. No. 11199 (“Social Security Law of 2018”) partly states:

“SEC. 9-B. Compulsory Coverage of Overseas Filipino Workers (OFWs)

“(a) Coverage in the SSS shall be compulsory upon all sea-based and land-based OFWs as defined under Republic Act No. 8042, otherwise known as the Migrant Workers and Overseas Filipino Act of 1995, as amended by Republic Act No. 10022: Provided, That, they are not over sixty (60) years of age.

*All benefit provisions under this Act shall apply to all covered OFWs. The benefits include, among others, retirement, **death, disability, funeral, sickness and maternity.**”(emphasis supplied)*

XXX XXX

WHEREAS, considering that under P.D. No. 626, as amended, persons who are compulsorily covered under the prevailing SSS law are also covered under the ECP;

WHEREAS, overseas sea-based workers are already covered by the EC program in accordance with the Memorandum of Agreement between the Department of Labor and Employment and the Social Security System signed on March 24, 1988 and the Standard Terms and Conditions Governing the Overseas Employment of Filipino Seafarers On-Board Ocean-going Vessels which provides, among the duties of the principal, *“to extend coverage to the seafarers under the Philippine Social Security System xxx unless otherwise provided in multilateral or bilateral agreements entered into by the Philippine government with other countries.”*;

WHEREAS, an actuarial study by SSS sent to the ECC Secretariat through a letter dated 30 September 2019 shows that with the proposed coverage of land-based OFWs, the present value of benefits will increase by five billion six hundred thirty million pesos (₱5.63B) with benefits expected to exceed contributions in 2047 which is a year earlier than if there is no coverage for land-based OFWs.

WHEREAS, said actuarial study incorporated in the valuation the benefit enhancements under the EC program in the recent years (*Funeral benefit increase to ₱30,000; ₱1,500 additional benefit for EC pensioners; Carer’s allowance increase from ₱575 to ₱1,000 per month; Physical therapy and professional fees increase; Increase in minimum and maximum limit for EC TTD benefits*) and the mandatory coverage of self-employed workers under the EC program;

WHEREAS, the same study shows that, even if the coverage of land-based OFWs is implemented, the EC Fund life would still last beyond 2080, the end of the valuation period, indicating that the EC fund is financially viable.

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Dianne Lilibeth S. Bautista