

Statutory Monetary Benefits

☀ Tags	Done
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Minimum Wage

- R.A. 6727 “Wage Rationalization Act”
- Basis for wage classification:
 - Agriculture
 - farming in all its branches
 - Retail establishment
 - principally engaged in the sale of goods to end-users
 - regularly engages in wholesale activities loses its retail character
 - Service establishment
 - principally engaged in the sale of service to individuals
- **Regional Tripartite Wages and Productivity Boards (RTWPBs)**
 - authorized to determine the daily minimum wages in different regions based on established criteria
- **Regional Wage Orders**
 - prescribe daily minimum wage rates per industry per locality within the region
 - depends on the number of workers and the capitalization of enterprises
 - provide bases and procedure for application for exemption from compliance
- **Coverage**
 - wage increases apply to:
 - private sector workers receiving daily minimum wage rates or those receiving up to a certain daily wage ceiling

- EXCEPT: workers of Barangay Micro Business Enterprises (BMBEs) with Certificate of Authority
 - an establishment may be exempted from compliance with a Wage Order for at most 1 year
- **Rules in Determining Compensable Working Hours**
 - basis of minimum wage is normal working hours of 8 hours a day
 - Hours worked
 - all time during which an employee is required to be on duty or is permitted to work
 - Principles in determining hours worked
 - All hours are hours worked regardless of whether or not the hours are spent in productive labor or involve physical or mental exertion
 - Rest period is considered when the employee stops working. Employee does not need to leave the premises during rest period
 - The work performed was necessary, benefited the employer, or employee could not abandon his work at the end of his normal working hours due to no replacement, the hours spent is considered work hours, provided that it is upon the knowledge of the employer
 - time during which an employee is inactive due to interruptions in their work beyond their control shall be considered working time
 - Treatment on waiting time
 - waiting time = working time if employee is obligated to wait as part of their work or as tasked by the employer
 - being on call is considered working
 - Attendance at lectures, meetings, training programs, etc.
 - Attendance in such activities are not counted as working time if all conditions are met:
 - attendance is outside employee's regular working hours
 - attendance is voluntary

- employee does not perform productive work during attendance
- **Meal and Rest Periods**
 - employees are entitled to not less than 1 hour time-off for regular meals, except:
 - work is non-manual work or does not involve strenuous physical exertion
 - the establishment regularly operates more than 16 hours a day
 - in case of emergencies or urgent work to be performed on machineries to avoid serious loss
 - the work is necessary to prevent serious loss of perishable goods
 - employees falling onto the aforementioned conditions can be given at least 20 minutes meal period, provided that the shorter meal period is credited as compensable hours worked
 - rest periods of 5 to 20 minutes are considered as compensable working time
- **Monthly-Paid Employees and Daily-Paid Employees**
 - Monthly-paid
 - paid every day of the month
 - including unworked rest days, special days, and regular holidays
 - 365 days in a year is used in determining the equivalent monthly salary
 - Daily-paid
 - paid on the days they actually worked and on unworked regular holidays
- **Estimated Equivalent Monthly Rate (EEMR)**
 - Monthly-paid
 - Factor 365 days in a year is used in determining annual and monthly salary

$$\frac{\text{Applicable Daily Rate (ADR)} \times 365}{12 \text{ months}} = \text{EEMR}$$

- Daily-paid

- for those who are required to work everyday, including Sundays or rest days, special days, and regular holidays

$$\frac{\text{Applicable Daily Rate (ADR)} \times 395.7}{12 \text{ months}} = \text{EEMR}$$

- for those who do not work and are not considered paid on Sundays or rest days

$$\frac{\text{Applicable Daily Rate (ADR)} \times 313}{12 \text{ months}} = \text{EEMR}$$

- for those who do not work and are not considered paid on Saturdays and Sundays or rest days

$$\frac{\text{Applicable Daily Rate (ADR)} \times 261}{12 \text{ months}} = \text{EEMR}$$

- **Subsidized Meals and Snacks**

- employer may provide subsidized meals and snacks to employees
- subsidy must be at least 30% of the fair and reasonable value of the facilities
- employer may deduct at most 70% of the value of the meals and snacks enjoyed by employees

- **Wage of Kasambahay Working as Salesclerk**

- receive wage in accordance with the prescribed minimum wage applicable in retail and service establishments under existing Wage Orders

- **Effect of Reduction of Workdays on Wages**

- in reducing regular working days to prevent losses, employers may deduct wages corresponding to days taken off from the workweek
- consistent with “No Work, No Pay”

- **Penalty for Violation of Prescribed Adjustments in Wage Rates**

- fine of P25,000 to P100,000

- imprisonment of 2 to 4 years
- employer is ordered to pay double the unpaid benefits owed to employees
- **Barangay Micro Business Enterprises (BMBEs)**
 - business enterprises engaged in the production, processing, or manufacturing of products or commodities
 - total assets, excluding land, are less than 3M pesos are not covered by the Minimum Wage Law
 - all employees are still entitled to benefits such as SSS and PhilHealth
 - BMBE workers and owners shall agree on the acceptable wage rates
- **Wage of Workers Paid by Results**
 - they receive at least the prescribed minimum wage for the normal working hours not exceeding 8 hours a day
 - it could be a proportion for work less than normal working hours
- **Wage of Apprentices, Learners and Persons with Disability**
 - Wage of apprentices and learners = at least 75% of minimum wage rates
 - apprentices and learners should be those covered by Technical Education and Skills Development Authority (TESDA)
 - PWDs are entitled to the same terms and compensation as a qualified able-bodied person
- **Annual Establishment Report on Wages**
 - all private establishments are required to submit an annual report on a verified itemized listing of their labor component and corresponding salaries and wages
- **Coverage from Income Tax**
 - income payments are exempted from requirement of withholding tax on compensation:
 - for minimum wage earners (MWEs) who work in the private sector and being paid the statutory minimum wage
 - holiday pay, overtime pay, night shift differential pay, and hazard pay earned by MWE is covered by tax exemption

- hazard pay
 - amount paid to MWEs who are exposed to great danger
- annual salary does not exceed P250,000

Holiday Pay

- payment of the regular daily wage for any unworked regular holiday
- **Coverage**
 - applies to all employees, except:
 - government employees
 - retail and service establishments employing less than 10 workers
 - kasambahay
 - managerial employees who follow all criteria:
 - primary duty is to manage the establishment
 - direct the work of two or more employees
 - have the authority to hire or fire; suggestions towards the career status of employees have particular weight
 - officers or members of a managerial staff if they perform the following:
 - perform work directly related to management policies of employer
 - exercise discretion and independent judgment
 - assist a proprietor or managerial employee in the management of establishment, work along technical lines which requires training, experience, or knowledge, and execute special assignments/tasks
 - do not devote more than 20% of hours worked in a workweek towards aforementioned activities
 - field personnel whose time and performance is unsupervised by the employer
- **Regular Holidays**
 - Holidays mandated by law

- for the year 2024 (10 regular holidays):
 - New Year's Day - January 1
 - Maundy Thursday - March 28
 - Good Friday - March 29
 - Araw ng Kagitingan - April 9
 - Labor Day - May 1
 - Independence Day - July 12
 - National Heroes Day - Last Monday of August
 - Bonifacio Day - November 30
 - Christmas Day - December 25
 - Rizal Day - December 30
 - Eidul Adha
 - Eidul Fitr
- **Holiday Pay Rates**
 - entitled to 100% of minimum wage even if unworked
 - worked performed = 200%
 - holiday falling on rest day = 260% (30% from holiday, 30% from rest day)
 - two regular holidays (unworked) = 200%
 - two regular holidays (worked) = 300%
 - two regular holidays falling on rest day (worked) = 390% (30% from each holiday, 30% from rest day)
 - when regular holiday falls on a Sunday, the following Monday is not considered a holiday, unless it is declared a special day
- **Absences**
 - employees on leave of absence with pay on workday before the regular holiday is entitled to holiday pay

- employees on leave of absence without pay on workday before regular holiday may not be paid holiday pay unless they work on that day
- if non-work day or rest day precedes holiday
 - employee is entitled to holiday pay provided that they worked on the day before the non-working day or rest day
- **Successive Regular Holidays**
 - if absent the day before the first holiday ⇒ not entitled for two holiday pays
 - if absent employee works during first holiday ⇒ entitled to holiday pay for second holiday
- **Temporary or Periodic Shutdown of Work**
 - regular holidays fallong within temporary cessation of work (eg., yearly inventory or maintenance) will be compensated
- **Holiday Pay of Certain Employees**
 - employee paid via piece-rate basis
 - holiday pay is at least equal to average daily earning for the past 7 work days before the holiday
 - provided that the holiday pay is not less than the applicable statutory minimum wage rate
 - seasonal workers
 - not paid holiday pay during off-season
 - workers who do not have regular working days
 - entitled to holiday pay

Premium Pay

- additional compensation for work performed within 8 hours on rest days and special days
- **Coverage**
 - all employees, except:

- government employees
- managerial employees (as mentioned in holiday pay)
- officers or members of a managerial staff (as mentioned in holiday pay)
- kasambahay
- workers paid by results
 - paid on piece rate, takay, pakyaw, or task basis
 - other non-time work
- field personnel (as mentioned in holiday pay)
- *Note:* retail and service establishments with less than 10 workers are not exempted
- **Special Days**
 - Special non-working days
 - for the year 2024 (8 special days)
 - Chinese New Year - February 10
 - Black Saturday - March 30
 - Ninoy Aquino Day - August 21
 - All Saints' Day - November 1
 - All Souls' Day - November 2
 - Feast of the Immaculate Conception of Mary - December 8
 - Christmas Eve - December 24
 - Last Day of the Year - December 31
 - Special (Working) Days
 - employee is entitled to only their minimum wage
 - no premium pay since work is considered ordinary workday
- **Premium Pay Rates**
 - “no work, no pay” applies during special days
 - workers not required to work on special days are not entitled to any compensation

- work performed on special days merits additional compensation of at least 30% of basic wage (130%)
- work performed on rest day which is also special day = 150%
- work on a regular holiday falling on rest day = 260%

Overtime Pay

- additional compensation for work performed beyond 8 hours a day
- **Coverage**
 - same as those covered in Premium Pay
- **Overtime Pay Rates**
 - overtime on ordinary working days
 - hourly rate x 125% x number of hours OT work
 - overtime on scheduled rest day or special day
 - hourly rate x 130% x 130% x number of hours OT work
 - overtime on special day falling on rest day
 - hourly rate x 150% x 130% x number of hours OT work
 - overtime on regular holiday
 - hourly rate x 200% x 130% x number of hours OT work
 - overtime on regular holiday falling on rest day
 - hourly rate x 260% x 130% x number of hours OT work
- **Stipulated Overtime Rates**
 - premium pay for work on rest days, special days, or regular holidays is included as part of regular rate in the computation of OT

Night Shift Differential

- NSD is the additional compensation of 10% of an employee’s regular wage for each hour of work performed between 10 PM and 6 AM
- **Coverage**
 - all employees, except:
 - government employees
 - retail and service establishments with at most 5 workers
 - kasambahay
 - managerial employees
 - officers or members of a managerial staff
 - field personnel
- **Night Shift Differential Rate**
 - varies according to the day the night shift work is performed

Service Charges

- **Definition**
 - amount collected by hotels and restaurants that is added to the bills for work or services rendered
- **Coverage**
 - all employees, except managerial employees under direct employ of the establishment
- **Distribution of Service Charges**
 - all service charges shall be distributed completely and equally, based on actual hours or days of service rendered among the covered employees
 - includes those already receiving the benefit of sharing in the service charges
- **Frequency of Distribution**
 - once every two weeks or twice a month
 - intervals not exceeding 16 days

- **Increase in Minimum Wage**

- in case of wage increase, service charges paid to employees shall not be considered in determining compliance with increased minimum wage

Service Incentive Leave

- **Definition**

- paid leave of 5 days
- granted to employees who rendered at least 1 year of service
- may be used for sick, vacation, and other leave purposes

- **Coverage**

- applies to every employee who has rendered at least 1 year of service, except:
 - government employees
 - persons in personal service of another
 - managerial employees
 - officers or members of a managerial staff
 - field personnel
 - those already enjoying this benefit
 - those enjoying vacation leave with pay of at least 5 days
 - those employed in establishments with less than 10 employees

- **Meaning of “one year of service”**

- service within 12 months, whether continuous or broken
- reckoned from the day the employee started working
- period includes absences, unworked weekly rest days, and paid regular holidays

- **Conversion**

- Employee may choose to use leave credits or convert them to their monetary equivalent if not used at the end of the year

- If employee chooses not to use or convert SIL, they are entitled upon resignation or separation to the monetary equivalent of the same
- basis shall be the salary rate at the date of conversion

Maternity Leave

- **Definition**

- paid leave granted to a female employee for every instance of pregnancy, miscarriage, and emergency termination of pregnancy, regardless of frequency

- **Coverage**

- applies to female employees, regardless of civil status, employment status, and legitimacy of her child

- **Duration**

- 105 days with full pay
- 120 days with full pay if solo parent
- in cases of live childbirth
 - mothers can avail 30 days additional leave, but unpaid
- leave may be credited as combinations of prenatal and postnatal leave as long as it does not exceed 105
- compulsory postnatal leave ⇒ at least 60 days
- in case of miscarriage or emergency termination of pregnancy
 - maternity leave for 60 days with full pay

- **Conditions for Entitlement**

- female employee must have at least 3 monthly contributions to the SSS in the 12-month period preceding the semester of childbirth, miscarriage, or emergency termination

- **Frequency of Availment**

- shall be granted to female employees regardless of frequency

Paternity Leave

- **Definition**
 - refers to paid leave granted to a married male employee to lend support to his lawful wife during her period of recovery and/or in nursing of their newborn child, including miscarriage
- **Coverage**
 - applies to all married male employees regardless of employment status
- **Duration**
 - seven days leave with full pay
 - granted after delivery by wife
 - can be granted before or during delivery, granted that he will not exceed 7 days for each delivery
 - this is not convertible to cash if not availed
 - if male employee is already enjoying the paternity leave benefits by reason of contract, policy, or CBA:
 - the greater paternity benefit shall prevail
 - if existing paternity leave is less than provided, it shall be adjusted to the extent of the difference
 - without contract, policy, or CBA, the paternity leave benefits in the Labor Code shall apply in full
- **Conditions for Entitlement**
 - all married male employees who meet the ff:
 - he is an employee at the time of devlivery of the child
 - cohabiting with his spouse
 - obligation of the husband and wife to live together
 - if not living together because of workstation or occupation, the male employee is still entitled to the paternity leave benefit

- applied for paternity leave with employer within a reasonable period of time from the expected date of delivery
- his wife has given birth or suffered a miscarriage
- **Frequency of Availment**
 - apply to the first four deliveries of the employee's lawful wife

Parental Leave for Solo Parents

- **Definition**
 - paid leave granted to a qualified solo parent
- **Coverage**
 - Categories of solo parents:
 - parent who provides sole parental care of the child due to:
 - birth as consequence of rape without without final conviction
 - death of spouse
 - detention of spouse for at least 3 months or serving a sentence for a criminal conviction
 - physical or mental incapacity of spouse as certified by a medical practitioner
 - legal separation of de facto separation for at least 6 months
 - the solo parent is entrusted with sole parental care
 - annulment of marriage or due to divorce
 - abandonment by the spouse for at least 6 months
 - spouse or any family member of an OFW
 - OFW belongs to the low/semi-skilled worker category and away from the Philippines for an uninterrupted period of 12 months
 - unmarried parent who keeps and rears the child
 - any legal guardian, adoptive or foster parent

- any relative within the 4th civil degree of consanguinity who assumes care as a result of the death, abandonment, disappearance, or absence of the parents for at least 6 months
 - in cases of solo grandparents who have sole parental care over their grandchildren
 - grandchildren who are unmarried and 22 years old or below
 - those 22 years old or over but who are unable to fully take care or protect themselves from abuse, neglect, cruelty, exploitation, or discrimination due to a physical or mental disability
 - pregnant woman who provides sole parental care to unborn children
 - Child or dependents
 - living with and dependent upon the solo parent
 - unmarried and 22 years old or below
 - 22 years old and over who cannot fully take care of themselves due to disability
 - Parental care and support
 - acts of providing for basic needs, health care, mental and physical safety, emotional support and formation of the personality of the child
- **Duration**
 - forfeitable and noncumulative parental leave of not more than 7 working days with pay every year
 - granted to solo parents who have rendered service at least 6 months
 - solo parent shall not lose their status if the other parent provides occasional assistance and/or seasonal gifts
 - is not considered a solo parent when parental care and support are equally shared between a separated mother and father
 - if parental leave is not availed, it is not convertible to cash unless previously agreed upon by employer and employee
 - greater benefit shall prevail if there is an existing or similar benefit under a policy or CBA

- emergency or contingency leave provided under a company policy or CBA shall not be credited as compliance with the parental leave provided for under the Labor Code
- **Conditions for Entitlement**
 - solo parent must:
 - have rendered at least 6 months of service, whether continuous or broken
 - have notified their employer of the availment within a reasonable time
 - have presented a valid Solo Parent Identification Card (SPIC)
- **Frequency of Availment**
 - leave of 7 days with full pay shall be granted every year
 - when a solo parent ceases to be such by reason of change of status and circumstances, they will become ineligible for the benefits.

Leave for Victims of Violence Against Women and Their Children (VAWC)

- **Definition**
 - paid leave granted to a female employee who is a victim of VAWC
- **Coverage**
 - applies to all female employees who are victims of VAWC
 - VAWC
 - any act or series of acts committed by any person against:
 - a woman who is his wife, former wife
 - against a woman with whom they have a sexual or dating relationship
 - with whom they have a common child
 - against their child regardless of legitimacy, with or without family abode
 - results in physical, sexual, psychological harm, economic abuse
- **Duration**

- in addition to other paid leaves, the qualified employee shall be entitled to 10 days leave with full pay.
- leave shall be extended when the need arises, as specified in the protection order issued by the barangay or the court
- **Conditions for Entitlement**
 - victim-employee must present her certification from the barangay chairman, barangay councilor, prosecutor, or Clerk of Court, than an action relative to VAWC is pending
- **Frequency of Availment**
 - usage is at the option of the woman employee
 - if not availed, it is not convertible to cash and is not cumulative

Special Leave for Women

- **Definition**
 - paid leave granted to a female employee allowing her to recuperate following a surgery caused by gynecological disorders for up to 2 months
- **Coverage**
 - all qualified female employees regardless of age and civil status
 - have undergone surgery due to gynecological disorders
- **Duration**
 - Magna Carta of Women
 - female employee having rendered continuous aggregate service of at least 6 months for the last 12 months
 - Gynecological Disorders
 - disorders that would require surgical procedures such as, but not limited to dilatation and curettage
 - those involving the female reproductive organs as certified by a competent physician
 - include hysterectomy, ovariectomy, mastectomy

- non-cumulative and non-convertible to cash unless provided by a collective bargaining agreement (CBA)
- **Conditions for Entitlement**
 - employee has rendered at least 6 months continuous aggregate service for the past 12 months prior to surgery
 - filed an application for special leave within a reasonable period from the expected date of surgery
 - has undergone surgery due to gynecological disorders as certified by a competent physician
- **Frequency of Availment**
 - may be availed for every instance of surgery due to gynecological disorder
 - maximum leave period of two months or 60 calendar days per year

Thirteenth Month Pay

- **Definiton**
 - 1/12 of the total basic salary earned by an employee within a calendar
- **Coverage**
 - all employers are required to pay their rank-and-file employees 13th month pay regardless of the nature of employment
 - provided that employees worked for at least 1 month during a calendar year
 - Managerial employee
 - vested with powers to lay down and execute management policies
 - power to hire, transfer, suspend, layoff, recall, discharge, assign, or discipline employees
 - Rank-and-file employees
 - those who do not fit the description of managerial employees
 - Employers not covered by 13th month pay compliance

- government and any political subdivisions, except corporations operating as private subsidiaries of the government
- employers who are already paying employees with 13th month pay even before the Presidential Decree
- employers of household helpers and persons in personal service of another
- employers of commission-based employees
 - where workers are paid on a piece-rate basis, the employer shall grant them 13th month pay
- **Amount**
 - not be less than 1/12 of the total basic salary earned by an employee in a calendar year
 - Basic Salary
 - remunerations for services rendered
 - excluding allowances and monetary benefits which are not considered or integrated as part of basic salary
- **Computation**
 - Total basic salary earned during the year divided by 12 months
- **Time of Payment**
 - not later than December 24 of every year
 - employer may give half of the 13th month pay before the opening of the regular school year and the remaining half on or before December 24
- **13th Month Pay for Certain Types of Employees**
 - employees paid on piecework basis are entitled to 13th month pay
 - employees paid a fixed wage plus commission are entitled to 13th month pay based on earnings during the calendar year
 - computation only includes wage, not commission pay as these are considered additional pay
 - employees with multiple employers

- employees working on different enterprises (regardless if part-time or full-time) are entitled to 13th month pay regardless of their total earnings from each employer
- **13th Month Pay of Resigned or Separated Employee**
 - employees who resigned or were terminated at any time before the time of payment is entitled to 13th month pay proportionate to the length of time they worked during the year from the day they started up to their resignation or termination date.
 - eg. a worker who worked from January to September is entitled to 13th month pay equal to 1/12 of total basic salary earned from that period
- **13th Month Pay of Employee on Maternal Leave**
 - salary differential shall be included as part of basic salary for computation of 13th month pay
- **Non-inclusion in Regular Wage**
 - 13th month pay is not included in the regular wage of employees when computing for overtime and premium payments

Separation Pay

- **Definition**
 - compensation given to an employee who is terminated from employment due to authorized causes
- **Coverage**
 - applies to an employee in instances of authorized termination of employment covered by Art. 298 and 299 of the Labore Code
 - entitlement depends on the reason for the termination of service
- **Amount**
 - 1/2 month pay per year of service
 - a fraction of at least 6 months being considered as one whole year
 - any authorized causes:
 - retrenchment to prevent losses

- closure or cessation of operation due to serious losses or financial reverses
 - burden of proof is on the employer to provide financial statements that show that the establishment has been operating even through financial losses for a significant amount of time
- when employee is suffering from a disease not curable within a period of 6 months and their continued employment is prejudicial to their health or the health of others
- lack of service assignment of security guard for a continuous period of 6 months
- lack of service assignment of a worker in a contracting or subcontracting arrangement for a continuous period of 3 months
- one-month pay per year of service
 - employee is entitled to separation pay equivalent to their one-month pay for every year of service
 - at least 6 months being considered as on whole year
 - authorized causes:
 - installation of labor-saving devices
 - redundancy
 - when the position of the employee has been found to be excessive or unnecessary in the operation of the enterprise
 - impossible reinstatement of the employee for reasons not attributable to the fault of the employer:
 - when reinstatement ordered by competent authority cannot be implemented due to closure
 - when the position they are supposed to be reinstated to no longer exists and there is no substantially equivalent position
 - lack of service assignment of security guard by reason of age
- **Computation**
 - computation shall be based on their latest salary rate

- it would be an error not to integrate the allowance with the basic salary. base salary + regular allowances = separation pay
- **Notice of Termination**
 - termination of employment due to authorized causes may be done by serving a written notice on the employee and DOLE through its regional office at least 1 month before the intended date of termination
- **Coverage from Income Tax of Separation Pay**
 - any amount received as a consequence of separation due to death, sickness, or other physical disability or for any cause beyond the control of the employee shall not be included in the gross income and is therefore exempted from taxation

Retirement Pay

- **Definition**
 - compensation given to a retiring employee
- **Coverage**
 - retirement age ⇒ 60-65 years old
 - compulsory retirement age ⇒ 65 years old
 - must have served in the establishment for at least 5 years
 - applies to all employees, except:
 - government employees
 - employees of retail, service and agricultural establishments regularly employing at most 10 employees
- **Amount**
 - minimum pay is equivalent to 1/2 month salary for every year of service, 6 months being considered as one whole year
- **Computation**
 - 1/2 month salary includes:
 - 15 days salary based on latest salary rate

- cash equivalent of 5 days service incentive leave
 - 1/12 of the 13th month pay
- 1/2 month salary = 22.5 days salary
- Formula: Daily rate x 22.5 x years in service
- **Retirement Benefit under CBA or Contract**
 - retirement benefits on CBA and contracts should not be less than that required by the Labor Code and if it is less than stipulated in the Labor Code, the employee must pay the deficiency
 - If employee also contributes to the retirement fund, the employer's total contributions and accrued interest should not be less than the total retirement benefit had there been no such retirement fund. If the total retirement benefit is lesser than the retirement fund, the employer must pay the deficiency
- **Retirement Benefit of Workers Paid by Results**
 - the basis for the salary for 15 days (1/2 month) shall be their average daily salary
 - derived by dividing the total salary for the last twelve months from the date of retirement by the number of actual working days in that particular period
- **Retirement Benefit of Part-time Workers**
 - they are also entitled to 1/2 month salary for every year of service, provided:
 - there is no retirement plan between the employer and employee
 - employee should be at least 60 years old and has rendered at least 5 years of service
- **Retirement Benefit of Underground or Service Miners**
 - retirement age ⇒ 50-60 years old
 - compulsory retirement age ⇒ 60 years old
 - must have served for at least 5 years as a miner
- **Retirement Benefit of Racehorse Jockeys**
 - compulsory retirement age ⇒ 55
 - must have served for at least 5 years as racehorse jockey and has paid additional premium to SSS

- **Other Benefits upon Retirement**
 - retirement benefits in Labor Code are separate from those granted by SSS
 - employee is also entitled to proportionate 13th month pay for the calendar year and cash equivalent of accrued leave benefits
- **Coverage from Income Tax of Retirement Pay**
 - retirement benefits covered by Art. 302 are exempted

Employees' Compensation Program

- **Employees' Compensation Program**
 - government program that provides a package of benefits to all workers and/or their beneficiaris in the event of work-related sickness, injury, disability, or death
 - implemented by Employees' Compensation Commission (ECC)
- **Coverage**
 - ECP covers the ff:
 - private sector workers who are compulsory members of SSS including sea-based OFWs and kasambahays. They are covered starting on the first day of employment
 - government sector employees who are mandatory members of GSIS, including uniformed personnel from AFP, PNP, BJMP, BFP, and Philippine Coast Guard
 - active self-employed members of the SSS
- **Conditions of Compensability**
 - Compensable Diseases
 - if sickness is included in the List of Occupational Diseases and conditions for compensability are met
 - if conditions are not met or the claimed ailment is not on the list, proof must be shown that the risk of contracting the disease is increased by the working conditions (increased risk theory)
 - COVID-19 compensability conditions:

- direct connection between the offending agent or even and the worker based on epidemiologic criteria and occupational risk (healthcare workers, contact tracing teams, etc.)
- tasks assigned to the worker would require frequent face-to-face and close proximity interactions with the public or with confirmed cases for healthcare workers
- transmission occurred in the workplace
- transmission occurred while commuting to and from work
- Compensable Injuries
 - Injury is compensable when it takes place within the period of employment at a place where the employee may reasonably be in the performance of their duties
 - Accident may be considered to have arisen out of and in the course of employment if it happened:
 - at the workplace
 - while performing official functions
 - outside of the workplace, but performing an order/instruction of the employer
 - when going to or coming home from work; while ministering to personal comfort
 - while in a company shuttle bus
 - during a company sponsored activity
 - No compensation if injury, sickness, disability, or death is due to:
 - intoxication
 - willful intention to injure or kill himself or another
 - notorious negligence
- **Benefits**
 - Sickness/disability benefits
 - Temporary total disability (TTD)

- prevents an employee for working for a continuous period not exceeding 120 days
- 90% of employee's average daily salary credit
- Permanent total disability (PTD)
 - monthly income benefit granted for disabilities, such as, but not limited to:
 - complete loss of sight for both eyes
 - loss and function loss of both limbs
 - brain injury resulting to imbecility or insanity
 - amount of benefit shall be determined by Systems based on average monthly salary credit or average monthly compensation
- Permanent partial disability (PPD)
 - monthly income benefit granted for disabilities that result in physical loss (amputation) or functional loss of a body part
 - number of monthly pensions is based on the corresponding body part loss or functional loss
- Medical benefits
 - includes reimbursement of the cost of medicines for the illness or injury, payment to providers of medical care, hospital care, surgical expenses, and costs of rehabilitation appliances and supplies
- Carers' allowance
 - supplemental pension of P1,000/month
 - granted to pensioners under ECP who suffer from PPD and PTD
- Rehabilitation services/KaGabay Program (Katulong at Gabay sa Manggagawang May Kapansanan)
 - remedial treatment, vocational assessment, and preparation designed to meet individual needs of handicapped employees to restore them to suitable employment
 - helps each person with work-related disability (PWRD) to develop their mental, vocational, or social potential

- availed directly at ECC once employee has approved employee compensation claim from Systems
- Rehabilitation services:
 - medical-surgical management
 - hospitalization
 - necessary appliances and supplies
 - physical restoration
 - psychosocial counseling
 - psychiatric evaluation
 - skills training
 - entrepreneur training
 - hearing impairment evaluation
 - visual impairment evaluation
 - job referral
- Death benefit
 - beneficiaries of deceased employee are entitled to income benefit if employee died due to work-related injury or sickness
 - benefit paid at the beginning of the month of death and will continue for as long as they are entitled to it
- Funeral benefit
 - amount of P30,000 may be granted for the private and public sectors upon the death of an employee who died as a result of work-related accident or disease
- **Notification and Filing of Claims**
 - employer should be notified of employee's sickness, injury, or death within five days from the occurrence of the contingency
 - notice is not necessary if contingency happened during working hours at the workplace with the knowledge of the employer or representative

- for private sector employees:
 - claims for EC benefits are filed at any SSS branch office nearest the employee’s residence or workplace

- **Contribution**

- employers pay for the EC contributions
- for every covered employee in the private sector, their employer shall remit to SS a monthly contribution in accordance with the following schedule:

Range of Compensation	Employers' Contribution
P1,000.00 - P 14,749.99	P10.00
P14,750.00 and above	P30.00

- when covered employee dies during employment or is separated, the employer’s obligation to monthly contribute arising from that employment shall cease on the last day of the month of contingency
- when a covered employee becomes disabled during employment, the employer’s obligation to pay monthly contribution shall be suspended during the months that the employee is not receiving salary or wages

SSS Benefits

- **Definition**

- composed of package of benefits under the SSS in the event of death, disability, sickness, maternity, old age, and unemployment
- social security provides replacement for income lost on account of aforementioned contingencies

- **Coverage**

- covers all employees including kasambahays or domestic workers not over 60 years of age and their employer

- **Benefits**

- provided that contributions are being paid regularly, you will be entitled to the ff:
 - **Sickness**
 - daily cash allowance paid for the number of days a member is unable to work due to sickness or injury
 - **Maternity**
 - daily cash allowance granted to a female who is unable to work due to childbirth or miscarriage/emergency termination of pregnancy
 - **Retirement**
 - cash benefit granted - either as monthly pension or lump sum amount - to a member who can no longer work due to old age
 - **Disability**
 - cash benefit granted - either as monthly pension or lump sum amount - to a member who becomes permanently disabled, either partially or totally
 - **Death**
 - cash benefit granted - either as monthly pension or lump sum amount - to the beneficiaries of a deceased member or pensioner
 - **Funeral**
 - cash benefit given to whomever paid for the burial expenses of the deceased member or pensioner
 - **Unemployment**
 - cash benefit granted to eligible employees (including househelpers and OFWs) who were involuntarily unemployed or separated from employment
- **Contribution**
 - minimum salary credit increased to P4,000 and maximum to P30,000

Pag-Ibig Benefits

- **Home Development Mutual Fund**

- Pagtutulungan sa Kinabukasan: Ikaw, Bangko, Industriya at Gobyerno (PAG-IBIG), is a GOCC that provides the Filipino workers access to a secured savings and affordable home financing
- **Coverage**
 - membership is mandatory for all employees covered by the SSS and GSIS; uniformed members of AFP, BFP, BJMP, and PNP; and Filipinos employed by foreign-based employers
- **Programs and Benefits**
 - Provident Savings
 - Pag-IBIG Regular Savings
 - monthly mandatory membership savings
 - gives members high annual dividend earnings
 - contribution is minimum P100 from monthly income, while employers match their contributions with a share of P100
 - members can withdraw savings and dividend earnings upon retirement or after 20 years or equivalent to 240 monthly contributions
 - Modified Pag-IBIG 2 (MP2) Savings
 - voluntary savings facility open to all active Pag-IBIG members who wish to save more and earn higher dividends in addition to regular savings
 - 5-year maturity period
 - members can contribute as low as P500 per remittance
 - dividends earned are tax-free and can be withdrawn annually or after the 5-year maturity period
 - Short-Term Loans
 - Pag-IBIG Multi-Purpose Loan
 - qualified members can borrow up to 80% of their total Pag-IBIG Regular Savings (includes monthly contributions, employer contributions, and accumulated dividends earned)

- loan is payable in 24 or 36 monthly installments at a low interest rate of 10.5% per year
- Pag-IBIG Calamity Loan
 - provide immediate financial assistance to members affected by calamities and are residing in areas declared under State of Calamity
 - members may borrow up to 80% of total Pag-IBIG Savings
 - it is offered at a rate of 5.95% per annum and is payable over a period of up to 3 years, with a grace period of 3 months
- Home Financing
 - Retail
 - Pag-IBIG Housing Loan
 - allows members to borrow up to P6 Million at low interest rates with borrower-friendly terms, and a max repayment period of up to 30 years
 - Pag-IBIG Affordable Housing Loan for Minimum-Wage Earners
 - designed for members who earn up to P15,000 a month within the NCR and earn up to P12,000 per month outside the NCR
 - offers a subsidized rate of 3% per annum for home loans up to P580,000 in socialized subdivision projects and special low rates for home loans of up to P750,000 for socialized condominium projects
 - Pag-IBIG Home Equity Appreciation Loan (HEAL)
 - low-interest loan for members with updated payments for Pag-IBIG Housing Loan
 - eligible members can borrow an amount based on the net value of their mortgaged property with Pag-IBIG Fund to help fund life goals
 - Pag-IBIG Home Saver Programs
 - provides options to Pag-IBIG Housing Loan borrowers who have missed payments to update their accounts and save their homes from foreclosure
 - Institutional

- Direct Developmental Loan
 - provides loan financing for property/real-estate developers/proponents to develop residential subdivisions or medium-rise residential buildings, and housing units eligible for mortgage financing under Pag-Ibig Housing Loan
- Direct Developmental Loan Program for the Pambansang Pabahay Para sa Pilipino Housing (4PH) Program
 - provides access to affordable financing mechanism for property developers, LGUs, contractors, and joint venture entities for the development of residential subdivision/condominium housing projects, and construction of housing units
 - aims to help reduce the 6 million housing backlog of the country
- Rental Housing Construction Loan
 - financing facility which may be used to fund the site development and construction of residential units meant for rental housing
 - may include staff houses, dormitories, and other similar dwellings
 - open to employers, whether private or from government
- Other Programs and Benefits
 - Pag-IBIG Loyalty Card Plus
 - Virtual Pag-IBIG for Members
 - Virtual Pag-IBIG for Developers
 - Virtual Pag-IBIG for Employers
 - Virtual Pag-IBIG Mobile App
- **Membership Contribution**
 - Monthly Compensation
 - refers to the basic salary and other allowances, where basic salary means wages received in a month

- Maximum monthly compensation to be used in computing employee and employer contributions shall not be more than P5,000
- Employers shall remit 2% of the monthly compensation of the contributing member as counterpart contribution. They are not entitled to deduct from wages of the employee
- Full-time spouses who volunteer to be covered by Pag-IBIG membership shall contribute 1/2 of the monthly compensation income of the employed spouse. Full-time spouse shall not be required to pay the employer's contribution
- In the case of two or more employers, member shall contribute monthly to the Fund a percentage of their monthly compensation per employer, which shall be matched by respective employers