

RECENT LEGISLATION

[REPUBLIC ACT NO. 1792]

AN ACT TO AMEND REPUBLIC ACT NUMBERED ELEVEN HUNDRED AND SIXTY-ONE OTHERWISE KNOWN AS "THE SOCIAL SECURITY ACT OF 1954", AND FOR OTHER PURPOSES.

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

SECTION 1. Section Two of Republic Act Numbered Eleven hundred and sixty one, is hereby amended to read as follows:

"SEC. 2. *Declaration of policy.*—It is hereby declared to be the policy of the Republic of the Philippines to develop, establish gradually and perfect a social security system which shall be suitable to the needs of the people throughout the Philippines and shall provide protection against the hazards of disability, sickness, old age and death."

SEC. 2. Section three of Republic Act Numbered Eleven hundred and sixty-one is hereby amended to read as follows:

"SEC. 3. *Social Security System.*—(a) To carry out the purposes of this Act the Social Security System, with principal place of business in Manila, Philippines, is hereby created. The System shall be directed and controlled by a Social Security Commission composed of the Secretary of Labor, the Secretary of Health, the Social Welfare Administrator, the General Manager of the Government Service Insurance System and three other members, one of whom shall represent the labor group and another management group, to be appointed by the President of the Philippines with the consent of the Commission on Appointments. The Chairman of the Commission shall be designated by the President of the Philippines. The term of the appointive members shall be three years: *Provided*, That the terms of the first three appointive members shall be one, two and three years, respectively. All vacancies, except through expiration of the term, shall be filled for the unexpired term only. Members of the Commission who are public officers shall not receive any additional compensation, but members who are private citizens shall receive twenty-five pesos for each meeting actually attended by them: *Provided*, That no compensation shall be paid for more than one meeting a week.

SEC. 3. Paragraphs (a) and (b) of section four of Republic Act Numbered Eleven hundred and sixty-one are hereby deleted and paragraphs (c), (d), (e), (f) and (g), of the same section four are hereby re-designated as paragraphs (a), (b), (c), (d) and (e), respectively, and the following paragraphs to be designated paragraphs (f) and (g) are hereby inserted in the said section four:

"SEC. 4. *Powers and duties of the Commission.*—For the attainment of its main objectives as set forth in section two hereof the Commission shall have the following powers and duties:

* * * *

"(f) To adopt from time to time a budget of expenditures, including salaries of personnel, against all funds available to the System under this Act."

"(g) To set up its accounting system and provide the necessary personnel therefor."

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SEC. 4. Sub-paragraph 7 of paragraph (j) of section eight of Republic

Act Numbered Eleven hundred and sixty-one is hereby deleted and sub-paragraphs eight, nine, ten and eleven of paragraph (j) of section eight are hereby re-designated as sub-paragraphs seven, eight, nine, and ten, respectively, and paragraph (f) of the same section eight is hereby amended to read as follows:

SEC. 8. *Terms defined.*—For the purposes of this Act, the following terms shall, unless the context indicates otherwise, have the following meanings:

* * * *

(f) *Compensation.*—All remuneration for employment, including the cash value of any remuneration paid in any medium other than cash, except that part of the remuneration in excess of five hundred pesos received during the month.

SEC. 5. Section nine of Republic Act Numbered Eleven hundred and sixty-one is hereby amended so as to read as follows:

"SEC. 9. *Compulsory coverage.*—Coverage in the System shall be compulsory upon all employees between the ages of sixteen and sixty years, inclusive, if they have been for at least six months in the service of an employer who is a member of the System: *Provided*, That the Commission may not compel any employer to become a member of the System unless he shall have been in operation for at least two years and has, at the time of admission, if admitted for membership during the first year of the System's operation at least fifty employees and if admitted for membership in the following year of operation and thereafter, at least six employees: *Provided, further*, That any benefits already earned by employees under private benefit plans existing at the time of the approval of this Act shall not be discontinued, reduced or otherwise impaired: *Provided, further*, That private benefit plans which are existing and in force at the time of the compulsory coverage shall be integrated with the plan of the System in such a way that where the employer's contribution to his private plan is more than three and a half per centum, he shall pay to the system only the three and a half per centum required in the Act and he shall continue his contributions to such private plan less the three and a half per centum contributed to the System so that the employer's total contributions to his private benefit plan and to the social security system shall be the same as his contribution to his private plan before the compulsory coverage: *Provided, further*, That any changes, adjustments, modifications, eliminations or improvements in the benefits to be available under the remaining private plan, which may be necessary to adopt by reason of the reduced contribution thereto as a result of the integration, shall be subject to agreements between the employers and the employees concerned: *Provided, further*, That the private benefit plan which the employer shall continue for his employees shall remain under the employer's management and control unless there is an existing agreement to the contrary: *Provided, finally*, That nothing contained in this act shall be construed as a limitation on the right of employers and employees to agree on and adopt benefits which are over and above those provided under this Act.

SEC. 6. Paragraph (b) of section ten of Republic Act Numbered Eleven hundred and sixty-one is hereby deleted.

SEC. 7. Paragraphs (a) (b) and (c) of section twelve of Republic Act Numbered Eleven hundred and sixty-one are hereby amended to read as follows:

SEC. 12. *Retirement Benefits.*—(a) Upon retirement, an employee shall be entitled to a pension credit for each year of membership between the date of coverage and the retirement age equivalent to one-half of one per cent of his average monthly compensation during such year of membership, which pension shall be paid to him as long as he lives but in no case for less than two years. The monthly pension at retirement age shall be the sum of such yearly credits,

with a minimum of twenty-five pesos (P25.00), provided he has been a member of the System for at least two years.

(b) During the re-employment of a retired employee his annuity shall be suspended and he shall be subject again to the provisions of section eighteen hereof, and his employer to section nineteen, provided that such employee receives from his re-employment an average monthly compensation of not more than fifty (P50.00) pesos.

"(c) On reaching the age of sixty years and after having rendered at least two years of service in an employment, a covered employee shall have the option to retire under this Act."

SEC. 8. Paragraph (a) of section thirteen of Republic Act Numbered Eleven hundred and sixty-one is hereby amended so as to read as follows:

"SEC. 13. *Death and disability benefits.*—(a) Upon the covered employee's death or total and permanent disability under such conditions as the Commission may define, before becoming eligible for retirement he or, in case of his death, his beneficiaries as recorded by his employer, shall be entitled to a benefit equivalent to one hundred per centum of the average monthly compensation he has received during the year multiplied by twelve if he has been a member of the System for at least one year, or multiplied by six if he has been a member of the System for less than one year: *Provided*, That in no case shall he be qualified to claim the benefits as herein provided if he has failed to pay his contributions for more than six months before his death or disability: *Provided, finally*, That if the death or disability should occur during such six-month period of grace, he shall be entitled to the corresponding benefits, but any such unpaid contributions shall be deducted from the amount of benefits payable hereunder:

SEC. 9. Section fifteen of Republic Act Numbered Eleven hundred and sixty-one is hereby deleted and sections sixteen, seventeen and eighteen are hereby re-designated as sections fifteen, sixteen and seventeen, respectively.

SEC. 10. Section nineteen of Republic Act Numbered Eleven hundred and sixty-one is hereby re-designated as section eighteen and is amended so as to read as follows:

"SEC. 18. *Employee's contribution.*—Beginning as of the last day of the calendar month immediately preceding the month when an employee's compulsory coverage takes effect and every month thereafter during his employment, there shall be deducted and withheld from the monthly compensation of such covered employee a contribution equal to two and a half *per centum* of his monthly compensation."

SEC. 11. Section Twenty of Republic Act Numbered Eleven hundred and sixty-one is hereby re-designated as section nineteen and amended to read as follows:

SEC. 19. *Employer's contribution.*—Beginning as of the last day of the month immediately preceding the month when an employee's compulsory coverage takes effect and every month thereafter during his employment, his employer shall pay, with respect to such covered employee in his employ, a monthly contribution equal to three and a half *per centum* of the monthly compensation of said covered employee. Notwithstanding any contract to the contrary, an employer shall not deduct, directly or indirectly, from the compensation of his employees covered by the System or otherwise recover from them the employer's contribution with respect to such employees.

SEC. 12. The following new section to be designated section twenty of Republic Act Numbered Eleven hundred and sixty-one is hereby added:

"SEC. 20. *Government contribution.*—As the contribution of the Government to the operation of the System, the Congress shall annually appropriate out of any funds in the national treasury not otherwise appropriated, the necessary sum or sums to meet the estimated expenses of the System for each ensuing year. In addition to this contribution, the Congress shall appropriate from time to time such sum or sums as may be needed to assue the maintenance of an adequate working balance of the funds of the System as disclosed by suitable periodic actuarial studies to be made of the operations of the System.

SEC. 13. The following new section to be designated section twenty-one of Republic Act Numbered Eleven hundred and sixty-one is hereby added:

"SEC. 21. *Government Guarantee.*—The benefits prescribed in this Act shall not be diminished and to guarantee said benefits the Government of the Republic of the Philippines accepts general responsibility for the solvency of the System."

SEC. 14. Sections twenty-one and twenty-two of Republic Act Numbered Eleven hundred and sixty-one are hereby re-designated as sections twenty-two and twenty-three, respectively.

SEC. 15. Section twenty-three of Republic Act Numbered Eleven hundred and sixty-one is hereby re-designated as section twenty-four and amended to read as follows:

"SEC. 24. *Employment records and reports.*—(a) Each employer shall report immediately to the System the names, ages, civil status, occupations, salaries and dependents of all his employees, who are in his employ and who are or may later be subject to compulsory coverage: *Provided*, That if an employee subject to compulsory coverage should die or become sick, disabled without the System having previously received a report about him from his employer, the said employer pay to the employee or his legal heirs damages equivalent to the benefits to which said employee would have been entitled had his name been reported on time by the employer to the System.

SEC. 16. Section twenty-four of Republic Act Numbered Eleven hundred and sixty-one is hereby re-designated as section twenty-five and amended to read as follows:

"SEC. 25. *Deposit and disbursement.*—All moneys paid to or collected by the System every year under this Act and all accruals thereto shall be deposited, administered and disbursed in the same manner and under the same conditions and requirements as provided by law for other public special funds: *Provided*, That of the total yearly collection of such moneys and their accruals, not more than seven *per centum* during the first two years of operation of the System nor more than five *per centum* during any year thereafter shall be disbursed for the payment of salaries and wages and purchase of office equipment and materials and operational expenses."

SEC. 17. Section twenty-five of Republic Act Numbered Eleven hundred and sixty-one is hereby re-designated as section twenty-six and the following paragraph is hereby added thereto:

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(d) In other projects and investments which, in the determination of the Commission, shall redound to the benefit of the System, its members, as well as the public welfare: *Provided*, That any such investments shall be subject to the prior approval of the insurance commissioner in accordance with existing laws governing investments by insurance entities."

SEC. 18. Section twenty-six of Republic Act Numbered Eleven hundred and sixty-one is hereby re-designated as section twenty-seven.

SEC. 19. Section twenty-seven of Republic Act Numbered Eleven hundred and sixty-one is hereby redesignated as section twenty-eight and paragraph (e) thereof is amended to read as follows:

(e) Whoever fails or refuses to comply with the provisions of sections eighteen, nineteen, twenty-two and twenty-four of this Act, or with the rules and regulations promulgated by the System, or whoever fails or refuses to pay any of the contributions provided in this Act or to furnish any report or to permit the inspection thereof, shall be punished by a fine of not less than five hundred pesos nor more than five thousand pesos, or imprisonment for not less than six months nor more than one year, or both, at the discretion of the court.

SEC. 20. Sections twenty-eight and twenty-nine of Republic Act Numbered Eleven hundred and sixty-one are hereby redesignated as sections twenty-nine and thirty, respectively.

SEC. 21. Section thirty of Republic Act Numbered Eleven hundred and sixty-one is hereby redesignated as section thirty-one and amended so as to read as follows:

"SEC. 31. *Saving Clause.* — The Congress hereby reserves the right to amend, alter, or repeal any provision of this Act, and no person shall be or shall be deemed to be vested with any property or other right by virtue of the enactment or operation of this Act. After the first two years of operation, an actuarial and financial valuation of the funds and operation of the System shall be made and, based on the results thereof, the President of the Philippines shall determine and recommend to Congress whether additional benefits, such as unemployment, may be included in the System's coverage, and the additional premiums to be imposed commensurate with the additional benefits.

SEC. 22. Section thirty-one of Republic Act Numbered Eleven hundred and sixty-one is hereby redesignated as Section Thirty-two and amended to read as follows.

"SEC. 32. *Appropriation.*—Out of any funds in the National Treasury not otherwise appropriated, the sum of one million pesos or so much thereof as may be necessary is hereby appropriated for the initial operating expenses of the System: *Provided, however,* That not more than sixty per centum of the amount herein appropriated shall be expended for salaries of personnel, equipment and other operating expenses of the System.

SEC. 23. *Effectivity.*—This Act shall take effect upon its approval.

Approved, June 21, 1957.

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[REPUBLIC ACT NO. 1881]

AN ACT AMENDING SECTION ONE OF REPUBLIC ACT NUMBERED SEVEN HUNDRED NINE, ENTITLED "AN ACT DECLARING OBLIGATORY THE TEACHING OF SPANISH IN ALL COURSES OF PUBLIC AND PRIVATE UNIVERSITIES AND COLLEGES IN THE PHILIPPINES.

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

SECTION 1. Section one of Republic Act Numbered Seven Hundred Nine is amended to read as follows:

"SECTION 1. The teaching of Spanish is hereby declared obligatory in all the universities and colleges, public and private, and all students shall be required to complete twelve units at least, in said subject: *Provided, however,*

That in the courses of law, commerce liberal arts, foreign service, and education, the students shall be required to complete at least twenty-four units without increasing the number of years acquired at present for the completion of such courses, which twenty-four units shall include the teaching of the following in their original Spanish versions, to wit, Mabini's *Memorias de la Revolución Filipina*; a compilation of the outstanding speeches in the Congress of Malolos of the First Philippine Republic and a compilation of the great poems of Jose Rizal, Cecilio Apostol, Fernando Ma. Guerrero, Jose Palma, Claro M. Recto, Jesus Balmori, Manuel Bernabe, Flavio Zaragoza Cano, Pacifico Victoriano, and other notable Filipino poets, specially poems of patriotic and nationalistic character as well as those depicting the Philippine scene, the said compilations to be undertaken by the Secretary of Education, the Head of the Department of Spanish in the University of the Philippines, and the Head of the Department of Spanish in any private university who shall be chosen by the Secretary of Education: *Provided, further*, That this shall not include students who, before the approval of this Act, have already obtained units in other foreign languages in order to satisfy existing requirements regarding other foreign languages, in which case said students can continue studying said languages until such requirements shall have been fully satisfied: *Provided, finally*, That Spanish be optional to foreign students."

SEC. 2. This Act shall take effect beginning with the school year 1957-1958.

Approved, June 22, 1957.

[REPUBLIC ACT NO. 1700]

**AN ACT TO OUTLAW THE COMMUNIST PARTY OF THE PHILIPPINES
AND SIMILAR ASSOCIATIONS, PENALIZING MEMBERSHIP THEREIN,
AND FOR OTHER PURPOSES.**

WHEREAS, the Communist Party of the Philippines although purportedly a political party, is in fact an organized conspiracy to overthrow the Government of the Republic of the Philippines not only by force and violence but also by deceit, subversion and other illegal means, for the purpose of establishing in the Philippines a totalitarian regime subject to alien domination and control;

WHEREAS, the continued existence and activities of the Communist Party of the Philippines constitutes a clear, present and grave danger to the security of the Philippines; and

WHEREAS, in the face of the organized, systematic and persistent subversion, national in scope but international in direction, posed by the Communist Party of the Philippines and its activities, there is urgent need for special legislation to cope with this continuing menace to the freedom and security of the country: Now, therefore,

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

Section 1. This Act shall be known as Anti-Subversion Act.

Section 2. The Congress hereby declares the Communist Party of the Philippines to be an organized conspiracy to overthrow the Government of the Republic of the Philippines for the purpose of establishing in the Philippines a totalitarian regime and place the Government under the control and domination of an alien power. The said party and any other organization having the same purpose and their successors are hereby declared illegal and outlawed.

Section 3. As used in this Act, the term "Communist Party of the Philippines" shall mean and include the organizations now known as the Communist

Party of the Philippines and its military arm, the HUKBONG MAPAGPALAYANG BAYAN, formerly known as HUKBALAHAPS, and any successors of such organizations.

Section 4. After the approval of this Act, whoever knowingly, willfully and by overt acts affiliates himself with, becomes or remains a member of the Communist Party of the Philippines and/or its successors or of any subversive association as defined in section two hereof shall be punished by the penalty of arresto mayor and shall be disqualified permanently from holding any public office, appointive and elective, and from exercising the right to vote; in case of a second conviction, the principal penalty shall be prision correccional, and in all subsequent convictions the penalty of prision mayor shall be imposed; and any alien convicted under this Act shall be deported immediately after he shall have served the sentence imposed upon him: PROVIDED, That if such member is an officer or a ranking leader of the Communist Party of the Philippines or of any subversive association as defined in section two hereof, or if such member takes up arms against the Government, he shall be punished by prision mayor to death with all the accessory penalties provided therefor in the Revised Penal Code: And provided, finally, That one who conspires with any other person to overthrow the Government of the Republic of the Philippines or the government of any of its political subdivisions by force, violence, deceit, subversion or other illegal means, for the purpose of placing such Government or political subdivision under the control and domination of any alien power, shall be punished by prision correccional to prision mayor with all the accessory penalties provided therefor in the same Code.

Section 5. No prosecution under this Act shall be made unless the city or provincial fiscal, or any special attorney or prosecutor duly designated by the Secretary of Justice, as the case may be finds after due investigation of the facts, that a prima facie case for violation of this Act exists against the accused, and thereafter presents an information in court against the said accused in due form, and certifies under oath that he has conducted a proper preliminary investigation thereof, with notice, whenever it is possible to give the same to the party concerned, who shall have the right to be represented by counsel, to testify, to have compulsory process for obtaining witnesses in his favor, and to cross-examine witnesses against him: PROVIDED, That the preliminary investigation of any offense defined and penalized herein by prision mayor to death shall be conducted by the proper Court of First Instance.

Section 6. Any person who knowingly furnished false evidence in any action brought under this Act shall be punished by prision correccional.

Section 7. No person shall be convicted of any of the offenses penalized herein with prision mayor to death unless on the testimony of at least two witnesses to the same overt act or on confession of the accused in open court.

Section 8. Within thirty days after the approval of this Act, any person who is a member of the Communist Party of the Philippines or of any such association or conspiracy, who desires to renounce such membership, may do so in writing and under oath before a municipal or city mayor, a provincial governor, or a person authorized by law to administer oaths. Such renunciation shall exempt such person or persons from the penal sanction of this Act, but the same shall in no way exempt him from liability for criminal acts or for any violation of the existing laws of the Republic of the Philippines committed before this Act takes effect.

Section 9. Nothing in this Act shall be interpreted as a restriction to freedom of thought, of assembly and of association for purposes not contrary to law as guaranteed by the Constitution.

Section 10. This Act shall take effect upon its approval.

Approved, JUNE 20, 1957.