

**No to OFW Compulsory Insurance Scam!
Migrants and Workers Groups Urge Congress to scrap this proposal in RA 8042**

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Migrants and workers organizations have expressed their strong opposition to a proposed amendment to the Migrant Workers Act of 1995, or RA 8042, seeking to make it mandatory for recruitment agencies to insure the workers they send abroad.

“The compulsory insurance coverage in the proposed amendment looks good on paper, but in the guise of a benefit for our overseas Filipino workers (OFWs), it is actually an added burden to them,” said an alliance of migrant worker organizations and trade unions. “On closer inspection, the insurance actually protects, not our OFWs, but the recruitment agencies, absolving them of liability should anything happen to the worker abroad.”

They added that “Government figures show that only some 26% of land-based OFWs deployed every year have agencies. A greater number of them are rehires, who renew their contracts on their own without agencies. How can this law be applied equally when it will cover only one-fourth of our migrant workers?”

The migrants and workers groups also added that government should not legislate an insurance policy for OFWs, because this is already being provided by some agencies, and in some cases, as a benefit by the employers themselves in the host countries.

The proposed mandatory insurance policy for OFWs, covering accidental and natural death, permanent disability, repatriation and other cases, states that the insurance coverage should be provided by the recruitment at no cost to the workers.

However, migrants and trade union groups highly doubted whether recruitment agencies would not pass on this cost to the already overcharged OFWs.

“Many of the provisions of RA 8042, including the provision against the overcharging of placement fees, the no-placement fee policy for household service workers, and the non-collection of the US\$25 OWWA contribution from the OFWs have until now not been efficiently implemented by the Philippine Overseas Employment Administration (POEA) and the Overseas Workers Welfare Administration (OWWA). We question the ability of these government

agencies to successfully monitor the implementation of these policies. It thus creates another opportunity for unscrupulous recruitment and insurance companies to make more money at the expense of our OFWs,” the worker groups added.

The proposed insurance amendment is in the final stages of discussion at the joint Senate and House Bicameral Conference Committee, which is scheduled to meet later this week.

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