

[DOLE DEPARTMENT ORDER NO. 114-11, May 07, 2012]

**AMENDING THE IMPLEMENTING RULES AND REGULATIONS OF
REPUBLIC ACT NO. 6982**

Pursuant to the authority vested in the Secretary of Labor and Employment under Section 11 of Republic Act No. 6982, otherwise known as the Sugar Amelioration Act of 1991, and upon recommendation of the National Tripartite Council in the Sugar Industry and consultations with the District Tripartite Councils, the Department of Labor and Employment hereby issues the following amended rules and regulations implementing Republic Act No. 6982.

RULE I

DEFINITION OF TERMS

SECTION 1. Definition of Terms.

As used in the Sugar Amelioration Act of 1991 and these Implementing Rules and Regulations, as amended, the following terms shall be defined as follows:

- a) *Act*— refers to Republic Act No. 6982;
- b) *Affiliated Planter*—refers to one who is a member of or is affiliated with a planter association or cooperative;
- c) *Bureau*—refers to the Bureau of Workers with Special Concerns as a result of a merger between the Bureau of Rural Workers and the Bureau of Women and Young Workers in compliance to Executive Order No. 366, s. 2007;
- d) *Cash Bonus Fund or CBF*— refers to the eighty percent (80%) share of the lien given as social amelioration bonus to the covered sugar workers, including any and all incomes or interests derived therefrom;
- e) *Crop Year*— refers to the 12-month milling period declared by the SRA. The crop year commences September 1 of the current crop year and ends August 31 of the following year;
- f) *Department*—refers to the Department of Labor and Employment;
- g) *Delivery*—refers to the culmination of human pregnancy or gestation period with the birth of one or more newborn infants from woman's uterus;
- h) *Distribution*—refers to the actual delivery to and receipt by the covered sugar workers of the cash bonus as evidenced by a special

payroll;

- i) *DTC*—refers to the District Tripartite Council created by the Secretary upon recommendation of the STC;
- j) *Field Worker*—refers to one who is employed in any manner in a sugarcane farm;
- k) *Forfeited Amount*—refers to the portion of the unclaimed and undistributed cash bonuses of covered sugar workers which, having been unclaimed during the three-year prescriptive period, is forfeited in favor of the socio-economic programs and projects for the sugar workers;
- l) *Lien*—refers to the P5.00 levy collected from every picul of sugar produced or P3.9526 per 50-kilogram (Lkg.) bag and when applicable, the automatic additional lien that may be imposed by the Secretary, upon consultation with STC, to support the Social Amelioration Program for workers in the sugar industry;
- m) *Managerial Employee*—refers to one who is vested with powers or prerogatives to lay down and execute management policies and/or to hire, transfer, suspend, lay-off, recall, discharge, assign or discipline employees, pursuant to Rule 1, Book V of the Implementing Rules and Regulations of the Labor Code, as amended;
- n) *Migratory Sugar Worker*— refers to a person who is transported from one province to another in the same region or is transported from one region to another to harvest canes in sugar farms or plantations;
- o) *Mill District*—refers to a centrifugal sugar mill together with all plantations adherent thereto. A plantation is deemed adherent by virtue of sugarcane being delivered to a mill regardless of contract relation between the mill and the plantation owner and/or any other persons cultivating sugarcane in the plantation contiguous to the mill;
- p) *Mill Worker*—refers to one who is employed in any manner by a sugar mill or central;
- q) *Mill*—refers to the sugar mill or central;
- r) *Miller*—refers to any person, firm, corporation or combination thereof, owning or operating a sugar mill or central;
- s) *Milling Season*—refers to the period of grinding sugarcane in a mill districts. Depending on the size of the mill, the milling period averages from six (6) to seven (7) months in a crop year;
- t) *National Organization of Sugar Producers*—refers to the national

federation or confederation of sugarcane planters or millers' associations or cooperatives;

- u) *Picul*—refers to a unit of measurement which is equivalent to 63.25 kilograms or 1.265 Lkg.;
- v) *Planter*—refers to a sugarcane farm owner, lessee, operator or administrator;
- w) *Planters' Association or Cooperative*—refers to the organization of sugarcane planters in a particular mill district;
- x) *Regional Office*—refers to the Regional Office of the Department including its District, Provincial and other extension offices;
- y) *Rules*— refers to the Implementing Rules and Regulations of Republic Act No. 6982;
- z) *SAP*—refers to the Social Amelioration Program in the sugar industry which aims to improve the social and economic conditions of the sugar workers and their families. The SAP is funded by the lien collected from raw sugar produced as provided under the Act;
- aa) *Secretary*—refers to the Secretary of Labor and Employment;
- bb) *SIFI*—refers to the Sugar Industry Foundation, Inc.;
- cc) *Socio-Economic Program-Related Funds*—refers to the twenty percent (20%) share of the lien allocated for socio-economic programs, including any and all incomes or interests derived therefrom;
- dd) *Small Farm Cultivator*—refers to a planter tilling land with an area not exceeding five (5) hectares;
- ee) *Special Payroll*—refers to the payroll required to evidence the distribution of the cash bonus provided under Republic Act No. 6982. This is also called cash bonus fund special payroll;
- ff) *SRA*—refers to the Sugar Regulatory Administration;
- gg) *STC*—refers to the National Tripartite Council in the Sugar Industry created under the Act. It is also known as the Sugar Tripartite Council;
- hh) *Sugar Worker*— refers to one who works in a sugarcane farm or sugar mill;
- ii) *Sugar Quedan*—refers to a negotiable warehouse receipt evidencing ownership of sugar stock issued by the mill to the planters and to itself upon production of raw sugar;

- jj) *Therapeutic Abortion*—refers to a medical procedure that terminates pregnancy which is performed by a licensed medical doctor to save the life of the pregnant woman;
- kk) *Trust Receipt Agreement or TRA*— refers to the instrument establishing the responsibilities and obligations of the parties in the release and distribution of cash bonus fund executed by and between the: (1) DOLE and mill, and planters' association, (2) mill and planters' association, (3) mill and unaffiliated planters, and (4) planters' association and planter-members;
- ll) *Unaffiliated Planter*— refers to one who is not-a member of or affiliated with a planters' association or cooperative. He is also called an "independent planter".

RULE II

COVERAGE

SEC. 1. Employers Covered.

All sugarcane millers and all sugarcane planters are covered under the Social Amelioration Program.

SEC. 2. Employees Covered.

All mill and field workers employed in any manner by the sugar mill or planter and who are covered under Rule VII and Sections 2 and 3 of Rule IX.

RULE III

NATIONAL TRIPARTITE COUNCIL IN THE SUGAR INDUSTRY

SECTION 1. Composition.

1.1 The STC shall consist of ten (10) members composed of the Secretary or his duly authorized representative as ex-officio Chairman; one (1) representative from the SRA, who shall likewise sit in an ex-officio capacity; two (2) representatives from the planters' sector; two (2) representatives from the miller's sector; two (2) representatives from the mill workers' sector; and two (2) representatives from the field workers' sector, as members.

1.2 The representatives from the planters, miller and workers sectors; shall be appointed by the Secretary from among the nominees of the planters, millers' and workers organizations, respectively.

SEC. 2. Functions, Duties and Responsibilities of the STC.

The STC shall:

- a) Serve as the advisory body to the Department relative to the effective implementation of social and economic programs for sugar; workers;
- b) Hold regular meetings once every three (3) months at a place, date and time fixed by it; Provided, that it may conduct special meetings called upon by the Chairman, or upon written request to the Chairman of at least three (3) of its members;
- c) Recommend to the Secretary, whenever necessary, the creation of a DTC in each milling district in the Philippines pursuant to Sec. 6 of the Act;
- d) Recommend to the Secretary the suspension or reduction of the amount of the automatic additional lien pursuant to Sec. 7 of the Act;
- e) Recommend to the Secretary the manner of implementing the utilization of the twenty percent (20%) share of the lien allocated for socio-economic programs and any and all incomes or interests thereon pursuant to Sec. 10 of the Act;
- f) Advise the Secretary in the promulgation of implementing rules and regulations pursuant to the provisions of the Act including schemes for the efficient collection, monitoring and equitable distribution of the lien and such benefits as provided or allowed therein;
- g) Recommend to the Secretary the manner of utilization of the forfeited amount, including the interest earnings thereof pursuant to Section 9 of the Act, for the development of projects or programs in favor of the sugar workers;
- h) Adopt rules of its own proceedings; and
- i) Perform such other functions necessary in pursuance of the Act and these implementing rules and regulations.

SEC. 3. Entitlement to and Payment of Traveling Expenses and Per Diems.

The Chairman or his authorized representative and the members of the STC shall be entitled to reimbursement of reasonable travelling expenses. The representatives from the planters', millers and workers sectors shall, in addition, be entitled to per diem for meetings attended by them; Provided, that payments thereof shall be chargeable to the STC share in the lien pursuant to Section 10 (d) of the Act.

RULE IV

DISTRICT TRIPARTITE COUNCILS

SECTION 1. Creation of DTC.