

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

HOUSE OF REPRESENTATIVES

H.B. No. 3440



Introduced by Rep. Vilma Santos-Recto
6th District of Batangas

**AN ACT
CREATING THE DEPARTMENT OF OVERSEAS FILIPINO WORKERS,
DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS
THEREFOR, AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Our Overseas Filipino Workers (OFWs) have always been hailed as “Bagong Bayani” by the past and present administrations. Their important contribution to our nation is undeniable – from their remittances that account for a significant portion of our gross national product to the development, recognition and promotion of Filipino talents worldwide.

It has been said that Filipino industriousness, resiliency and cheerfulness are unparalleled and our countrymen are especially sought after abroad. We find our *kababayans* in the world’s most luxurious cruise ships, the most advanced hospitals, the hotels in the biggest cities and to the more exotic and remote locales.

They have sacrificed so much being away from their families, sometimes working in sub-human conditions, adapting to new cultures, and dealing with abusive employers, among many other challenges.

Yet our government is unable to take care of the needs of our OFWs. There have been an alarming number of incidents reported in the media about the inadequacies of our government in terms of responding to the problems of our OFWs. We have heard reports of abuse our countrymen in difficult and sometimes life-threatening situations and of our agencies taking an unreasonably long time in processing their repatriation. We have also

heard of stories about returning OFWs who struggle to integrate themselves and thrive back home from working abroad for many years.

There are several agencies created and mandated by our government to handle OFW concerns. Our government has tasked these agencies to cater to the needs of potential OFWs preparing to leave the country, and to those who are returning after many years spent working abroad. Yet, the government's efforts are still found wanting. One of the most important factors that contribute to our government's inadequacy is the lack of efficient and effective coordination among our agencies that handle OFW concerns.

In a data by the Department of Foreign Affairs, the estimated number of Filipinos overseas as of June 2015 is pegged at 7.8 million.¹ The number of overseas Filipino workers is pegged at 2.3 million individuals as of 2018.² These numbers are expected to increase steadily in the years to come as the demand for Filipino skills and talents abroad continue to rise. The sheer number of our OFWs alone would justify the creation of a separate department to attend to their requirements.

The needs and concerns of our OFWs are specialized due to the circumstances and nature of their work. Although we have the appropriate agencies for these concerns, they are still not adequate as these agencies are working independently of each other. Moreover, they are as attached to other departments in which the specific concerns of our OFWs may only be secondary responsibilities. This lack of coordination and focus result not only in duplication of work but also in concerns being potentially overlooked especially among multiple agencies having the same jurisdiction.

This bill proposes the creation of the Department of Overseas Filipino Workers to harmonize all national policies and guidelines to ensure the protection of OFWs, among other functions. It is envisioned to better serve our OFWs as their concerns would be given primary attention. It will also result in better management of our resources as processes will be streamlined and redundancies will be reduced thereby promoting efficient and effective service delivery that will adequately serve the needs of our OFWs.

¹ Department of Foreign Affairs. *Distribution on Filipino Overseas*. Retrieved from <https://dfa.gov.ph/distribution-of-filipinos-overseas> on July 1, 2018.

² Statistical Tables on Overseas Filipino Workers (OFW): 2018, Philippine Statistics Authority

No less than President Rodrigo Duterte himself, speaking to our OFWs in Doha last April 15, 2017, recognized the need for a separate department that would focus on the concerns of our overseas Filipino workers.

It is high time that our “Mga Bagong Bayani” be afforded the hero treatment they so rightly deserve after their many sacrifices for our country.

In view of the foregoing, the approval of this bill is earnestly sought.



VILMA SANTOS-RECTO

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

1 Section 1. *Short Title.* – This Act shall be known as the “Department of Overseas
2 Filipino Workers (OFW) Act of 2019”.

3 Sec. 2. *Declaration of Policy.* – It shall be the policy of the State to enhance its
4 institutional capacity to deliver public goods and services in a more efficient, effective and
5 accountable manner. It shall also be the policy of the State to ensure the protection of the
6 rights of our overseas Filipino workers and promotion of their welfare and safety. In view of
7 this, State shall effect the necessary and proper changes in the organizational structure of
8 agencies and instrumentalities promoting, managing, and protecting the Filipino international
9 migrant workers in order to rationalize and promote efficiency and effectiveness in the
10 delivery of services to our OFWs.

11 Sec. 3. *Creation of the Department of Overseas Filipino Workers.* – There shall be
12 created a Department of Overseas Filipino Workers, hereinafter referred to as the
13 Department, which shall be organized structurally and functionally, in accordance with the
14 provisions of this Act.

15 Sec. 4. *Mandate.* – The Department shall be the primary policymaking, planning,
16 coordinating, implementing, and administrative entity of the Executive Branch of the
17 government in the field of overseas labor and employment. It shall formulate and undertake a
18 systematic program for promoting the welfare of OFWs and monitoring their overseas

1 employment, taking into consideration domestic manpower requirements and the need to
2 protect their rights to fair and equitable employment practices.

3 *Sec. 5. Powers and Functions of the Department.* – The Department shall have the
4 following powers and functions:

5 (a) Formulate and recommend national policies and guidelines and conduct in-depth studies
6 on all policy areas and options that will ensure protection of OFWs in consultation with
7 relevant stakeholders;

8 (b) Assess, review, harmonize and coordinate all OFW-related local policies and procedures,
9 and international agreements to ensure overall consistency and implementation of
10 national policies;

11 (c) Promote, advance and implement general and specific government objectives regarding
12 OFW activities, programs, welfare and interests;

13 (d) Build a strong and harmonious partnership with foreign countries and the private sectors
14 to formulate strategies and implement the same;

15 (e) Represent and negotiate for Philippine interest on matters pertaining to OFW affairs in
16 international bodies;

17 (f) Develop, implement and improve coordination with other countries with OFW presence
18 and monitor foreign developments to ensure the most reasonable working conditions for
19 the OFWs and create a proactive approach in providing assistance to them especially in
20 times of war and civil unrest, whether potential or apparent;

21 (g) Promote knowledge, information and resource sharing, and develop a database to assist
22 OFWs anywhere in the world;

23 (h) Assist and provide technical expertise in the troubleshooting of the OFWs in distress and
24 tap the services of personnel, foreign and local, with expertise on the formulation of
25 strategies and plans concerning OFW activities, if needed;

26 (i) Promote, develop and monitor the continuing education, training and qualification,
27 availability and deployment of OFWs and coordinate with agencies concerned in the
28 training of OFWs to improve their global competitiveness;

29 (j) Coordinate with government agencies concerned in the training of and support to
30 Filipinos who have worked abroad and are returning to the country;

31 (k) Regulate and guide the business activities relative to the deployment of Filipino workers
32 and other related activities;

1 (l) Promulgate rules and regulations for the implementation of its guidelines, policies and
2 related laws;

3 (m) Administer, accept, hold and utilize property, both personal and real, subject to
4 constraints by existing laws, for the purpose of assisting and expediting the work of the
5 Department; and

6 (n) To perform such other functions as maybe needed to achieve its goals and objectives to
7 the fullest and as may be provided in this Act.

8 Sec. 6. *Composition.* – The Department shall be headed by a Secretary. The
9 Department proper shall be composed of the Office of the Secretary, the Offices of the
10 Undersecretaries and the Assistant Secretaries.

11 Sec. 7. *The Secretary.* – The Secretary shall be appointed by the President, subject to
12 confirmation by the Commission on Appointments. The Secretary shall have the following
13 functions:

14 (a) Provide executive direction and supervision over the entire operations of the Department
15 and its attached agencies,

16 (b) Establish policies and standards for the effective, efficient and economical operation of
17 the Department, in accordance with the programs of government;

18 (c) Review and approve requests for financial and manpower resources of all operating
19 offices of the Department:

20 (d) Designate and appoint officers and employees of the Department, excluding the
21 undersecretaries, assistant secretaries, and regional directors and assistant regional directors,
22 in accordance with the civil service laws, rules and regulations;

23 (e) Exercise disciplinary powers over officers and employees of the Department in
24 accordance with law, including their investigation and the designation of a committee or
25 officer to conduct such investigation:

26 (f) Coordinate with local government units (LGUs), other agencies and public and private
27 interest groups, including nongovernment organizations (NGOs) and people's organizations
28 (POs) on Department policies and initiatives;

29 (g) Prepare and submit to the President through the Department of Budget and Management
30 (DBM) an estimate of the necessary expenditures of the Department during the next fiscal
31 year, on the basis of the reports and estimates submitted by bureaus and offices under
32 him/her;

33 (h) Advise the President on the promulgation of executive and administrative orders and
34 formulation of regulatory and legislative proposals on matters pertaining to the OFWs.

1 (i) Formulate such rules and regulations and exercise such other powers as may be required to
2 implement the objectives of this Act; *and*

3 (k) Perform such other tasks as may be provided by law or assigned by the President.

4 Sec. 8. *The Undersecretaries.* – The Secretary shall be assisted by three (3)
5 undersecretaries, who shall be appointed by the President upon the recommendation of the
6 Secretary: *Provided*, That two (2) of the undersecretaries shall be career officers.

7 Sec. 9. *Assistant Secretaries.* – The Secretary shall be assisted by four (4) assistant
8 secretaries who shall be appointed by the President upon the recommendation of the
9 Secretary: *Provided*, That two (2) of the assistant secretaries shall be career officers.

10 Sec. 10. *Qualifications.* – No person shall be appointed Secretary, Undersecretary, or
11 Assistant Secretary of the Department unless he or she is a citizen and resident of the
12 Philippines, of good moral character, of proven integrity and with competence and expertise
13 in the plans, programs, projects and activities of the government relative to overseas
14 employment.

15 Sec. 11. *Regional Offices.* – The Department may establish, operate, and maintain a
16 regional office in the different administrative regions of the country as the need arises. Each
17 regional office shall be headed by a Regional Director, who may be assisted by one (1)
18 Assistant Regional Director. The Regional Director and Assistant Regional Director shall be
19 appointed by the President. The regional offices shall have, within their respective
20 administrative regions, the following functions:

21 (a) Implement laws, policies, plans, programs, projects, rules and regulations of the
22 Department;

23 (b) Provide efficient and effective service to the people;

24 (c) Coordinate with regional offices of other departments, offices, and agencies;

25 (d) Coordinate with the LGUs; *and*

26 (e) Perform such other functions as may be provided by law or assigned by the Secretary.

27 Sec. 12. *Sectoral and Industry Task Forces.* – The Department may create sectoral
28 and industry task forces, technical working groups, advisory bodies or committees for the
29 furtherance of its objectives. Additional private sector representatives, such as from the
30 academe, NGOs, POs and federation of private industries directly engaged in the deployment
31 of OFWs, as well as representatives of other National Government Agencies (NGAs), LGUs
32 and government owned or controlled corporations (GOCCs) may be appointed to these
33 working groups.

34 Sec. 13. *Transfer of Agencies and Personnel.* –

(a) The following agencies are hereby abolished, and their powers and functions, applicable funds and appropriations, records, equipment, property, and personnel transferred to the Department:

(1) Overseas Workers Welfare Administration;

(2) Philippine Overseas Employment Administration; *and*

(3) Commission on Filipino Overseas.

(b) The laws and rules on government reorganization as provided for in Republic Act No. 6656, otherwise known as the Reorganization Law, shall govern the reorganization process of the Department.

Sec. 14. *Transitory Provisions.* – The Department shall carry out the reorganization of the aforesaid agencies in such a manner that personnel of the agencies absorbed by the Department shall continue to perform their respective duties and responsibilities in a holdover capacity so as not to unduly delay the services provided to the OFWs.

Sec. 15. *Structure and Staffing Pattern.* – Subject to the approval of the DBM, the Department shall determine its organizational structure and create new divisions or units as it may deem necessary, and shall appoint officers and employees of the Department in accordance with the civil service law, rules, and regulations.

Sec. 16. *Early Retirement, Separation Pay and Other Benefits.* – Personnel of the merged agencies who will not be absorbed into the new staffing pattern due to redundancy or failure to comply with the standards of competence and proficiency, or who will be offered positions under the new staffing pattern but who decline such appointment by reason of diminution in rank, benefits and work conditions, or who are offered positions under the new staffing pattern without any diminution in rank, benefits and work conditions but who decline such appointment, if qualified, shall be given the option to avail themselves of any of the following, whichever is beneficial to them:

(a) Retirement gratuity provided under Republic Act No. 1616 (An Act Further Amending Section Twelve of Commonwealth Act Numbered One Hundred Eighty-Six, As Amended, By Prescribing Two Other Modes Of Retirement And For Other Purposes), as amended, payable by the last employer of the affected personnel, plus the refund of retirement premiums payable by the Government Service Insurance System (GSIS), without the incentive herein provided.

(b) Retirement benefit under Republic Act No. 660 (An Act To Amend Commonwealth Act Numbered One Hundred And Eighty-Six, Entitled “An Act To Create And Establish A

1 Government Service Insurance System, To Provide For Its Administration, And To
2 Appropriate The Necessary Funds Therefor,” And To Provide Retirement Insurance And For
3 Other Purposes) or applicable retirement, separation or unemployment benefit provided under
4 Republic Act No. 8291 (An Act Amending Presidential Decree No. 1146, As Amended,
5 Expanding And Increasing The Coverage And Benefits Of The Government Service
6 Insurance System, Instituting Reforms Therein And For Other Purposes) if qualified, plus the
7 following applicable incentives:

8 (b.1.) 1/2 month of the present basic salary for every year of government
9 service and a fraction thereof, for those who have rendered twenty (20) years of
10 service and below;

11 (b.2.) 3/4 month of the present basic salary for every year of government
12 service and a fraction thereof, computed starting from the 1st year, for those who have
13 rendered twenty-one (21) to less than thirty-one (31) years of service; and

14 (b.3.) 1 month of the present basic salary for every year of government service
15 and a fraction thereof, computed starting from the 1st year, for those who have
16 rendered thirty-one (31) years of service and above.

17 In addition, the affected personnel shall be entitled to the refund of Pag-IBIG contributions,
18 and the commutation of unused vacation and sick leave credits.

19 *Sec. 17. Appropriations.* – The amount necessary for the effective implementation of
20 the provisions of this Act shall be taken from funds available to the agencies enumerated in
21 Section 13 hereof. Additional requirements shall be charged to the applicable appropriations
22 under the current General Appropriations Act. Thereafter, such sum as may be needed for the
23 continued implementation of this Act shall be included in the annual General Appropriations
24 Act.

25 *Sec. 18. Implementing Rules and Regulations.* – The Department of Labor and
26 Employment, Department of Foreign Affairs, Department of Budget and Management,
27 Overseas Workers Welfare Administration, Philippine Overseas Employment Administration
28 and Commission on Filipino Overseas shall formulate the implementing rules and regulations
29 of this Act within ninety (90) days after its approval. Such rules and regulations shall take
30 effect fifteen (15) days after its publication in a newspaper of general circulation in the
31 Philippines.

32 *Sec. 19. Separability Clause.* – If any part, section or provision of this Act is declared
33 invalid or unconstitutional, no other parts, sections or provisions hereof shall be affected
34 thereby.

1 Sec. 20. *Repealing Clause.* – All laws, decrees, ordinances, rules, regulations, other
2 issuances or parts thereof which are inconsistent with this Act are hereby repealed or
3 modified accordingly.

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5 Sec. 21. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
6 complete publication in at least two (2) newspapers of general circulation or the *Official*
7 *Gazette.*

 Approved,