

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS
Second Regular Session

House Bill No. 10200



Introduced by Honorable Ma. Alana Samantha Taliño Santos

AN ACT PROVIDING 13th MONTH PAY TO GOVERNMENT CONTRACT OF SERVICE/JOB ORDER PERSONNEL

EXPLANATORY NOTE

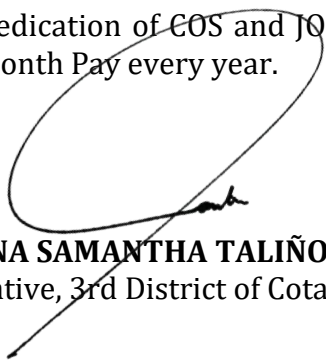
In the Philippines, Contract of Service (COS) or Job Order (JO) employees are often hired by government agencies to perform specific tasks or projects for a limited duration. These employees are typically not regular or permanent employees of the government and are engaged on a contractual basis.

According to Joint Circular No. 2, s. 2020, dated 20 October 2020, of the Commission on Audit and Department of Budget and Management, “contract of service” has been referred to *as the engagement of the services of an individual, private firm, other government agency, non-governmental agency or international organization as consultant, learning service provider or technical expert to undertake special project or job within a specific period.* Meanwhile, “job order” was referred to as *intermittent or emergency jobs such as clearing of debris on the roads, canals, waterways, etc. after natural/ man-made disasters/occurrences, and other manual/trades and crafts services such as carpentry, plumbing, electrical, and the like.*

Contract of Service or Job Order arrangements are commonly used by government agencies to address short-term staffing needs, temporary projects, or workload fluctuations. However, they have been a subject of scrutiny and criticism due to concerns about job security and lack of benefits.

It must be reiterated that COS and JO are only entitled to benefits such as premium of up to 20% of their salary or wage¹ and gratuity pay². Other than those, COS or JO employees are yet to be afforded with adequate protections and benefits, including the possibility of regularization.

Thus, to at least give back to the hardwork and dedication of COS and JO employees, this measure proposes that they be granted with 13th Month Pay every year.


HON. MA. ALANA SAMANTHA TALIÑO SANTOS
Representative, 3rd District of Cotabato

¹ Joint Circular No. 1, s. 2017, dated 15 June 2017, Civil Service Commission, Commission on Audit, and Department of Budget and Management

² Administrative Order No. 13, s. 2023

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AN ACT PROVIDING 13th MONTH PAY TO GOVERNMENT CONTRACT OF SERVICE/JOB ORDER PERSONNEL

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

Section 1. **Short Title.** – This Act shall be known as the “13th Month Pay Law for Contractual and Job Order Personnel.”

Section 2. **Declaration of Policy.** - The State affirms labor as a primary and social economic force. It shall protect the rights of workers and promote their welfare, regardless of their status of employment.

Section 3. **Coverage.** – This Act shall cover all government employees with contract of service or job order status regardless of period of engagement.

Section 4. **Definitions.** – The following terms as used in this Act shall have the following meaning:

- a. Contract of Service/Job Order – refers to the engagement of the services of a person, private firm nongovernmental agency or international organization to undertake a specific work or job requiring special or technical skills not available in the agency to be accomplished within a specific period not exceeding one (1) year. The person engaged performs or accomplishes the specific work or job under his own responsibility and with minimum supervision by the hiring agency. For purposes of this issuance, contract of services shall include the hiring of consultants and personnel engaged to perform work for special projects whether funded by the agency itself or externally funded.³
- b. Job Order - refers to the hiring of a worker for piece work or intermittent job of short duration not exceeding six months and pay is on a daily or hourly basis. It is to be understood that the piece work or job to be performed requires special or technical skills not available in the agency and the same is to be accomplished under the worker’s own responsibility and with minimum supervision by the hiring agency.⁴

³ Civil Service Commission Resolution No. 021480 Re: Clarifications on Policy Guidelines for Contracts of Services dated 12 November 2002

⁴ Ibid

- c. **13th Month Pay** - shall mean one twelfth (1/12) of the basic salary of an employee within a calendar year Clarifications on Policy Guidelines for Contracts of Services,

Section 5. ***Mandatory Payment of 13th Month Pay.*** - All government employees regardless of their employment status, contractual or job order personnel, shall be entitled to 13th month pay every year.

Section 6. ***Minimum Amount.*** - The minimum amount of the 13th-month pay for contractual and job order personnel shall not be less than one-half of the monthly salary by the employee based on his/her current contract with the government.

Section 7. ***Implementing Rules.*** - Within sixty (60) days from the enactment of this law, the Department of Budget and Management (DBM) shall promulgate the guidelines for this Act.

Section 8. ***Separability Clause.*** - If any provision or part thereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

Section 9. ***Repealing Clause.*** -Any law, presidential decree or issuance, executive order, letter of instruction, rule or regulation inconsistent or contrary to the provision of this Act is hereby repealed or modified accordingly.

Section 10. ***Effectivity Clause.*** - This Act shall take effect after fifteen (15) days following its publication in the Official Gazette or a newspaper of general circulation.

Approved