

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

NINETEENTH CONGRESS
2nd Regular Session

House Bill No. **10236**



Introduced by Representatives JOCELYN P. TULFO, ERWIN T. TULFO,
RALPH WENDEL P. TULFO, and EDVIC G. YAP,

EXPLANATORY NOTE

This bill seeks to require employers, particularly contractors, of construction workers to provide for mandatory group personal accident insurance coverage and guarantee the quick and efficient delivery of indemnity to injured workers at a reasonable cost to the employers.

A report by the International Labor Organization showed that only 2.2 million Filipino workers in medium and large enterprises enjoy effective occupational safety and health protection leaving 38.8 million other Filipino workers without safety and health protection¹.

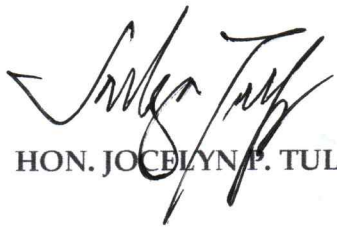
One of these sectors is the construction industry which is among the high-risk establishments under Department Order No. 198 series of 2018 of the Department of Labor and Employment. Despite the dangers and risks construction workers are exposed to everyday, the Bureau of Working Conditions (BWC) reported in 2023 that only 52 out of 95 construction projects inspected between August 1 to 15, 2023 were not compliant with occupational safety and health (OSH) standards².

It is the duty of the State to ensure that our labor force is afforded full protection especially those in high-risk and occupational hazard industries such as construction. Thus, it is incumbent upon the State to legislate laws that will ensure the protection of the health and promotion of the well-being of construction workers. It is crucial to ensure the safe working environment in construction sites and prevent accidents resulting to death or injury to our construction workers.

As such, the immediate passage of this bill is earnestly sought.

¹ <https://www.ilo.org/manila/areasofwork/safety-and-health-at-work/lang--en/index.htm>.

² <https://www.pna.gov.ph/articles/1207975>



HON. JOCELYN P. TULFO




HON. ERWIN T. TULFO



HON. RALPH WENDEL P. TULFO

HON. EDVIC G. YAP

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AN ACT
MANDATING AN ACCIDENT AND LIFE INSURANCE COVERAGE FOR
CONSTRUCTION WORKERS

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

1 **SECTION 1. Short Title.** - This Act shall be known as the "*Construction Workers*
2 *Insurance Act*".
3

4 **SEC. 2. Declaration of Policy.** - It is hereby declared the policy of the State to
5 ensure the safety and promote the welfare of construction workers because of their
6 hazardous and dangerous work environment. To this end, it is the intent of this Act
7 to require employers, particularly contractors, of construction workers to provide for
8 higher mandatory group personal accident insurance coverage and hold them liable
9 for workplace accidents to guarantee the quick and efficient delivery of indemnity to
10 injured workers at a reasonable cost to the employers.
11

12 **SEC.3. Definition of Terms.** - The following terms, for the purposes of this Act,
13 shall be defined as follows:
14

15 a) The term Construction covers:
16

- 17 i. Building, including excavation and the construction, structural
18 alteration, renovation, repair, maintenance (including cleaning and
19 painting) and demolition of all types of buildings or structures; and
20 ii. The erection and dismantling of prefabricated buildings and structures,
21 as well as manufacturing of prefabricated elements on the construction
22 site.
23

- 1 b) Construction worker - refers to a person engaged in construction works
2 who is exposed to considerable risk, danger or hazard while in the line of
3 work.
- 4 c) Contractor - refers to any entity, individual, or company contracted to
5 undertake a construction project or provide construction services for hire
6 and includes corporations, partnerships, limited liability companies,
7 associations, groups of persons, state, city, municipality, school district, or
8 any government subdivision;
- 9 d) Construction site. - refers to any place or location where a building or a
10 structure is being constructed;
- 11 e) Insurance. - refers to a contract wherein one party undertakes to
12 compensate the other for an injury relating to a particular subject as a result
13 of the occurrence of designated hazards;
- 14 f) Group Personal Accident Insurance. - refers to a type of insurance coverage
15 offered to a group of people, which provides benefit to the individual or
16 beneficiaries if the covered individual is permanently disabled or dies
17 during the defined insurance covered period resulting from accidental
18 death, disability, and injuries;
- 19 g) Insurance Company. - a corporation, duly accredited by the Insurance
20 Commission, that provides for the insurance coverage of the construction
21 workers upon payment by the employer of the required insurance premium.
22

23 **SEC. 4. Mandatory Insurance Coverage.** - All construction workers employed
24 in a construction project or site shall be provided a group personal accident insurance
25 coverage by the employer, particularly contractors. The duration of the insurance shall
26 start from the commencement of the service of the construction worker until the
27 completion of the construction project or upon the termination of the employment
28 contract.
29

30 The insurance coverage mandated by this Act shall be higher and shall provide
31 for financial assistance, including, but not limited to, the following:
32

- 33 a) For natural death, the amount of One Hundred Fifty-Thousand Pesos
34 (P150,000.00);
- 35 b) For accidental death, the amount of Two Hundred Fifty Thousand Pesos
36 (P250,000.00);
- 37 c) For death in the line of work, the amount of Three Hundred Fifty Thousand
38 Pesos (P350,000.00);
- 39 d) For loss of both hands, the amount of One Hundred Twenty-Five Thousand
40 Pesos (P125,000.00);
- 41 e) For loss of both feet, the amount of One Hundred Twenty-Five Thousand
42 Pesos (P125,000.00);
- 43 f) For the loss of sight of both eyes, the amount of One Hundred Twenty-Five
44 Thousand Pesos (P125,000.00);
- 45 g) For the loss of one hand and one foot, the amount of One Hundred Twenty-
46 Five Thousand Pesos (P125,000.00);

- 1 h) For the loss of one hand and the sight of one eye, the amount of One
2 Hundred Twenty-Five Thousand Pesos (P125,000.00);
3 i) For the loss of one foot and sight of one eye, the amount of One Hundred
4 Twenty-Five Thousand Pesos (P125,000.00);
5 j) For the loss of one hand or one foot, the amount of Seventy-five Thousand
6 Pesos (P75,000.00); and
7 k) For the loss of sight of one eye, the amount of Seventy-five Thousand Pesos
8 (P75,000.00).
9

10 Provided, that the Secretary of Labor and Employment (SOLE) shall regularly adjust
11 to inflation such amounts every five (5) years, based on data reported by the
12 Philippine Statistics Authority.
13

14 **SEC. 5. Health Insurance.** - In addition to the compensation that shall accrue
15 to the worker in the preceding section, every construction worker shall likewise be
16 entitled to receive fair and prompt medical benefits in cases where the illness is
17 directly attributable to or was developed in the course of employment. This is meant
18 to cover loss of wages due to workplace exposure.
19

20 **SEC. 6. Contractor Liability for Workplace Accidents.** - Contractors shall be
21 held strictly liable for workplace accidents involving their employed construction
22 workers. In the event of an accident resulting in injury or death, the contractor shall
23 be responsible for providing immediate assistance, including medical attention, and
24 financial compensation to the affected worker or the worker's family.
25

26 **SEC. 7. Penalties.** - Any contractor who fails to comply with the mandatory
27 insurance coverage and contractor liability provisions of this Act shall, upon
28 conviction, suffer the following penalties:
29

- 30 a) For the first violation, a fine of not less than Three Hundred Thousand Pesos
31 (P300,000.00) but not more than Five Hundred Thousand Pesos (P500,000.00);
32 and
33 b) For any subsequent violation, a fine of not less than Five Hundred Thousand
34 Pesos (P500,000.00) but not more than One Million Pesos (P1,000,000.00).
35

36 If the offender is an alien or foreigner, he shall be deported immediately upon
37 service of sentence without further proceedings.
38

39 Upon filing of the appropriate complaint or information, the SOLE shall request
40 the appropriate local government unit to cancel or revoke the business permit, permit
41 to operate, and other similar privileges granted to any contractor that fails to abide by
42 or violates the provisions of this Act. The contractor shall also be blacklisted and
43 barred from engaging in any construction-related projects in the Philippines for a
44 period of not less than five (5) years from the date of the conviction.
45

1 **SEC. 8. *Implementing Rules and Regulations.*** – Within ninety (90) days from
2 the effectivity of this Act, the SOLE shall promulgate the implementing rules and
3 regulations as may be necessary to ensure the sufficient and effective implementation
4 of this Act.

5
6 **SEC. 9. *Separability Clause.*** – If any provision of this Act is declared invalid or
7 unconstitutional, the provisions not affected thereby shall remain in full force and
8 effect.

9
10 **SEC. 10. *Repealing Clause.*** – All laws, presidential decrees, executive orders,
11 presidential proclamations, rules and regulations, or parts thereof contrary to or
12 inconsistent with this Act are hereby repealed or modified accordingly.

13
14 **SEC. 11. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
15 publication in the Official Gazette or in a newspaper of general circulation in the
16 Philippines.

17
18 *Approved.*
19