

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 3035



Introduced by Representative Paolo Henry M. Marcoleta

EXPLANATORY NOTE

The 1987 Philippine Constitution clearly states that it is the duty of the State to protect workers' rights and ensure fair working conditions. The State affirms labor as a primary social economic force of the country. Numerous laws have been enacted to protect the rights and promote the welfare of workers as mandated by the Constitution. Likewise, Article XIII Section 3 paragraph 2 of the 1987 Constitution provides that workers shall be entitled to security of tenure, humane conditions of work, and a living wage.

However, despite these constitutional protections, as of June 2023 the Department of Budget and Management has reported that there are 832,812 contract of service and job order workers in the government. This number is 22.90% higher as compared to the 642,077 workers in the previous year. In addition, the national government employs 173,227 casual workers.¹ This is a clear manifestation of the rampant fixed term employment in government service.

The issue of contractualization, often referred to as "endo" (end of contract) has been a persistent and contentious labor concern. Several measures have been filed before but failed due to budgetary concerns. In fact, Article 296 of the Philippine Labor Code states that employees who continue to work after a six-month probationary period must be regularized, and as such, given benefits like medical insurance, paid leaves, and security of tenure. This provision is often circumvented to save money by outsourcing arrangements allowing agencies to avoid regularization.

¹Alexis Romero, Marcos Extends Service of Government Contractual Workers, PHILSTAR.COM, April 26, 2024, available at <https://www.philstar.com/headlines/2024/04/26/2350532/marcos-extends-service-government-contractual-workers> (last accessed on July 07, 2025).

Emphasis must be given to the verity that the government should be at the forefront in protecting the welfare of Filipino workers, yet in practice it is the contrary that is being done. This proposed measure seeks to correct that contradiction and aims to protect employees who have been deprived of necessary benefits despite their hard work and long years in the government.

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

A handwritten signature in black ink, featuring a large, stylized capital 'P' that loops around the first part of the name, followed by 'H M' and a horizontal line.

PAOLO HENRY M. MARCOLETA
Representative, SAGIP Party-List

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AN ACT
GRANTING BENEFITS TO JOB ORDER, CASUAL, AND CONTRACT
OF SERVICE EMPLOYEES WORKING IN THE GOVERNMENT,
EITHER THROUGH DIRECT HIRE OR THIRD-PARTY SERVICE
CONTRACTING AGREEMENTS

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 "*JOCCOS Workers'*
2 *Benefits Act*".

3
4 **Sec. 2. Declaration of Policy.** – To fully utilize its core human resources,
5 the State shall protect the rights of government workers and ensure and promote
6 their welfare.

7
8 **Sec. 3. Definition of Terms.** – For the purposes of this Act, the following
9 definitions shall apply:

10 a. Casual Appointment - shall refer to an appointment issued to a person to
11 perform essential and necessary services when there are not enough
12 regular staff to meet the demands of the services and for emergency
13 cases and intermittent period not exceeding one (1) year;

14
15 b. Contractual Appointment - shall refer to an appointment issued to a
16 person whose employment is in accordance with a contract to undertake

1 a locally funded or foreign assisted program or project, or to perform a
2 specific work or a job requiring special or technical skills that are not
3 available in the employing agency, to be accomplished within a specific
4 period;
5

6 c. Contract of Service (COS) - shall refer to an engagement of the services
7 of a public agency or a private individual or organization as a consultant,
8 learning service provider or technical expert to undertake a special
9 project or job within a specific period;
10

11 d. Contractor or Service Provider - shall refer to an individual, a
12 government agency or a private or a non-government entity that is duly
13 registered and recognized by authorized agencies to provide services in
14 their respective field of expertise or business; and
15

16 e. Job Order (JO) - shall refer to piece of work (*pakyaw*) or intermittent or
17 emergency jobs and other manual, trades and crafts services to be
18 performed within a short duration of time and to be paid according to an
19 agreed contract amount for the piece of work or on daily wage basis.
20

21 **Sec. 4. Benefits for Long-Time Casual and Contractual Employees of the**
22 *Government.* – It is hereby mandated that all incumbent casual and contractual
23 government employees, who have rendered a minimum of five (5) years of
24 continuous service in government as of the effectivity of this Act shall be entitled
25 to privileges and the benefits namely: a. 13th Month Pay; b. HMO coverage; c.
26 Mid-Year Bonus; d. Performance Based Bonus; e. Productivity Enhancement
27 Incentive; f. Sick leave; g. Philhealth coverage; h. Pag-IBIG membership; i. GSIS
28 contributions; and, j. Year End Bonus/Cash Gift: Provided, however, that said
29 continuous service may be waived if the service of the employees concerned prior
30 to the completion of the said years was interrupted for not more than one (1) year
31 taken cumulatively due to office reorganization.
32

33 **Sec. 5. Positions.** – Positions held by employees covered by this Act shall
34 be deemed necessary and essential for the efficient and effective operation of the
35 government and shall be marked co-terminus with the incumbent employees. The
36 said positions may not be abolished unless vacated by their incumbents.

1
2 **Sec. 6. *Qualifications.*** – COS/JO workers in the government shall be
3 entitled to receive health insurance benefits, PhilHealth and Pag-IBIG
4 Contributions, 13th month pay, productivity bonuses and such other privileges
5 mentioned in Section 3 of this Act, provided they meet the following
6 qualifications:
7

8 a. They are directly hired or engaged by the government through a third-
9 party service contractor for a job or task to be performed on a daily basis
10 and has been in service for at least six (6) months or have been
11 performing the job or task satisfactorily; and
12

13 b. They are earning monthly pay equivalent to or less than the computed
14 Salary Grade 7 in the government service.

15
16 Provided, That such employees shall be accorded adequate protection
17 against unlawful termination to evade payment of the aforementioned benefits.
18 All Contractors or Service Providers are mandated to provide the
19 abovementioned benefits to qualified COS/JO workers. Failure to do so shall
20 result in the cancellation of their accreditation and corresponding fines or
21 penalties.
22

23 **Sec. 7. *Appropriations.*** – The amount necessary to carry out the provisions
24 of this Act shall be charged against the Contingent Fund, the Miscellaneous
25 Personnel Fund, and other applicable current appropriations. Thereafter, the
26 amount needed for the effective implementation of this Act shall be included in
27 the General Appropriations Act and local appropriations ordinance.
28

29 **Sec. 8. *Implementing Rules and Regulations.*** – The Department of Budget
30 and Management, Civil Service Commission, and Commission on Audit, shall
31 jointly promulgate the rules and regulations to effectively implement the
32 provisions of this Act.
33

34 **Sec. 9. *Separability Clause.*** – If any provision or part of this Act is declared
35 invalid or unconstitutional, the remainder thereof not otherwise affected shall
36 remain in full force and effect.

1 **Sec. 10. *Repealing Clause.*** – All laws, presidential decrees, executive
2 orders, letters of instructions, proclamations or administrative regulations that are
3 inconsistent with the provisions of this Act are hereby repealed, amended, or
4 modified accordingly.

5
6 **Sec. 11. *Effectivity.*** – This Act shall take effect fifteen (15) days following
7 its publication in the Official Gazette or in a newspaper of general circulation.

8
9 *Approved,*