



Republic of the Philippines  
**House of Representatives**  
Quezon City, Metro Manila



TWENTIETH CONGRESS  
First Regular Session

**HOUSE BILL No. 3731**

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Introduced by: **HON. CARL NICOLAS C. CARI**

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**EXPLANATORY NOTE**

Survivorship benefits are payments of retirement or pension benefits to the beneficiaries of a deceased individual, ensuring that a surviving spouse or dependents receive financial support after the individual's death. It is not an extraordinary retirement benefit; in fact, it is one of the most common benefits enjoyed by all government employees under the GSIS law. It is also being enjoyed as part of the retirement benefit under the SSS law.

Unfortunately, since the year 2008, the Commissioners and Labor Arbiters of the National Labor Relations Commission (NLRC) have been denied a survivorship benefit. In the years preceding 2008, NLRC Officials were enjoying survivorship benefits under the GSIS law. The passage of Republic Act No. 9347 on 27 July 2006 granted equality in rank, salaries, retirement benefits, and other privileges to NLRC Officials with those of their judicial counterparts. Consequently, sometime in 2008, to implement their special retirement privileges under R.A. 9347, NLRC Officials were taken out of GSIS and their retirement benefits were placed under the Department of Budget and Management (DBM). In the process, the survivorship benefits previously entitled to NLRC Officials were not carried over.

Under the circumstances, there exists an ongoing and continuing distortion of retirement benefits, as NLRC Officials are denied survivorship benefits, while NLRC staff and employees, as well as other government employees of the same or lower rank, enjoy survivorship benefits. There is also an undisputed diminution of benefits, for while Section 4 of R.A. 9347 expressly provided that no diminution of benefits should happen in the implementation of the said law, the survivorship benefit was inadvertently discontinued and not carried over when R.A. 9347 was implemented.

A Declaratory Relief case was filed before the Regional Trial Court of Manila. Unfortunately, the RTC recently ruled against the NLRC's claim for survivorship benefits in parity with their judicial counterparts. It is therefore ironic that these NLRC Officials, who are tasked by law to enforce and correct, among other things, the diminution or distortion of benefits for employees, find themselves helpless against the very distortion and diminution of the benefits they should enjoy.

It is noted that the judiciary counterparts of the NLRC also lost their survivorship benefits upon the enactment of their special retirement law, R.A. 910. However, their survivorship benefits were eventually restored through R.A. 9946. In recognition of correcting the survivorship benefits, R.A. 9946 was made applicable to justices and judges who retired before its enactment, but with a prospective application. It is under the same grant as part of the parity in rank, retirement, and benefits that the NLRC Officials seek the enforcement of their survivorship benefits to correct the denial of their survivorship benefits.



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This bill, therefore, is a curative measure not only to correct the continuing distortion and diminution of benefits, but to once and for all restore the mandated parity in ranks, annual salaries, and entitlement to the same allowances, emoluments, retirement and other benefits and privileges between the NLRC Officials and their Judiciary counterparts. In turn, this should enjoin more lawyers of exceptional competence and indisputable integrity to join the NLRC and uphold labor justice.

The passage of this bill should only entail minimal appropriations since there are only twenty-nine (29) existing widows and widowers of NLRC Officials, with a prospective application in the computation of the survivorship benefits; and there are only twenty-four (24) incumbent NLRC Commissioners, and 142 incumbent Labor Arbiters at a given time.

Time is of the essence for the still living survivors of NLRC Officials, and it is in this view that the immediate passage of the bill is earnestly sought.

A handwritten signature in black ink, consisting of stylized, overlapping loops and flourishes, representing the name Carl Nicolas C. Cari.

**CARL NICOLAS C. CARI**  
Representative  
5<sup>th</sup> District, Leyte



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**AN ACT GRANTING SURVIVORSHIP AND ALL OTHER ADDITIONAL BENEFITS IN FAVOR OF THE CHAIRPERSON, COMMISSIONER OR LABOR ARBITER OF THE NATIONAL LABOR RELATIONS COMMISSION PROVIDED UNDER R.A. 9946, PROVIDING FUNDS THEREFOR, AMENDING FOR THE PURPOSE PRESIDENTIAL DECREE 442, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES, AND FOR OTHER PURPOSES**

*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 “An Act Confirming the Additional Retirement, Survivorship, and Other Benefits Provided Under R.A. 9946 to NLRC Officials”.

**SECTION 2. *Parity in Salaries, Retirement, Benefits, and Other Privileges.*** – Article 223 as renumbered (formerly Art. 216), Chapter I, Title II, Book Five, of Presidential Decree No. 442, otherwise known as the Labor Code of the Philippines, as amended, is hereby amended to read as follows:

**ART. 223. *Salaries, Retirement, Benefits, Emoluments, and Other Privileges.*** – The Chairman and members of the Commission shall have the same rank, receive an annual salary equivalent to, and be entitled to the same allowances, retirement and benefits as those of the Presiding Justice and Associate Justices of the Court of Appeals, respectively. Labor Arbiters shall have the same rank, receive an annual salary equivalent to, and be entitled to the same allowances, retirement and other benefits and privileges as those of the judges of the Regional Trial Courts. **The Chairperson, members of the Commission, and the Labor Arbiters shall receive the Survivorship and Other Benefits under Republic Act No. 9946, entitled “An Act Granting Additional Retirement, Survivorship, And Other Benefits To Members Of The Judiciary, Amending For The Purpose Republic Act No. 910, As Amended, Providing Funds Therefor And For Other Purposes”.**

*The following rule on survivorship shall specifically govern under this Act:*

In case of the death of the Chairman, a member of the Commission or a Labor Arbiter during his/her retirement or any such official who is eligible to retire optionally at the time of death, the surviving legitimate spouse and/or dependent children of said deceased member shall be entitled to receive all the retirement benefits that the deceased was receiving or entitled to receive.



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As used in this Act, “dependent” refers to a legitimate, illegitimate or legally adopted child who is chiefly dependent on the said deceased official if such dependent is not more than twenty-one (21) years of age, unmarried and not gainfully employed, or if such dependent, regardless of age, is incapable of self-support because of any mental or physical defect or condition.

The surviving legitimate spouse shall continue to receive during his or her lifetime said retirement benefits until such spouse remarries: Provided, That the surviving spouse and/or dependent children shall each equally share the retirement benefits; *provided, further*, that in case the deceased chairperson, commissioner, or labor arbiter was unmarried, survivorship benefits shall be paid as follows:

- a. When the deceased retiree was a solo parent, as defined under RA No. 8972, otherwise known as the Solo Parents' Welfare Act of 2000, and survived by dependent children or other children under the care of the deceased retiree as stipulated under RA No. 9262, otherwise known as the Anti-Violence Against Women and Their Children Act of 2004, including children who have reached the age of majority but are unable to fully take care of themselves or protect themselves from abuse, neglect, cruelty, exploitation, or discrimination because of a physical or mental disability as defined under RA No. 7610, otherwise known as the Special Protection of Children Against Abuse, Exploitation and Discrimination Act, the dependent children shall be entitled to receive on a monthly basis all the retirement benefits that the deceased retiree was receiving at the time of death under the provisions of applicable retirement laws then in force. The minor dependent children shall be disqualified from receiving the benefits upon reaching the age of majority. Any subsequent death or disqualification of any of the dependent children shall not result in the accrual of the forfeited benefits to the other beneficiaries.
- b. When the retiree died without issue, the surviving parents, if any, or unless otherwise disqualified by law, the dependent next-of-kin nominated by the chairman, commissioner, or labor arbiter prior to or on the date of retirement, shall receive on a monthly basis all the retirement benefits that the deceased retiree was receiving or is entitled to receive at the time of the death under the provisions of applicable retirement laws then in force; Provided, That the nominee shall be limited to two (2) persons only. Provided, further, That, the rules on disqualification applicable to the primary beneficiaries shall likewise be applicable to the nominees; Provided, finally, That, any subsequent death or disqualification of any of the foregoing beneficiaries shall not result in the accrual of the forfeited benefits to the other beneficiaries.

In no case shall the provision of this Act result in the diminution of the existing salaries, allowances, retirement, benefits and other privileges of the aforementioned officials.



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**SECTION 3.** The benefits under this Act shall be granted to all those who have retired prior to the effectivity of this Act: *Provided* That the benefits to be granted shall be prospective.

**SECTION 4. *Implementing Rules.*** – The National Labor Relations Commission *En Banc* shall promulgate the necessary implementing rules and regulations, which shall become effective fifteen (15) days after publication at the Office of the National Administrative Register (ONAR) of the UP Law Center

**SECTION 5. *Appropriations.*** – The amount necessary for the continuing implementation of this Act shall be programmed by the Commission to be included in the General Appropriations Act.

**SECTION 6. *Repealing Clause.*** - All laws, executive orders, presidential decrees, proclamations, rules, regulations, issuances, and enactments of parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

**SECTION 7. *Effectivity.*** - This Act shall take effect fifteen (15) days from its complete publication in the Official Gazette of in a newspaper of general circulation in the Philippines, whichever comes earlier.

**APPROVED,**