

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. **3978**



Introduced by Representative Richard I. Gomez, DPA

EXPLANATORY NOTE

When Republic Act No. 9347 took effect in July 2006, officials of the National Labor Relations Commission (NLRC) were granted the same status, compensation, retirement benefits, and privileges as those accorded to members of the judiciary. In order to implement this parity, the retirement system of NLRC Commissioners and Labor Arbiters was later transferred from the Government Service Insurance System (GSIS) to the Department of Budget and Management (DBM).

While this shift was meant to give effect to their special retirement scheme under the law, it inadvertently excluded the grant of survivorship benefits to their qualified dependents. As a result, since 2008, surviving spouses and beneficiaries of NLRC officials have been denied the financial support that they rightfully deserve and had previously enjoyed under the GSIS system.

Survivorship benefits are a core component of retirement privileges, ensuring that the families of deceased public servants continue to receive financial security. These benefits are not extraordinary entitlements, but standard features of retirement systems both in government and in the private sector. The absence of such support for NLRC officials' families has created a glaring inequality, especially since other NLRC personnel and government employees of lower rank continue to receive survivorship pensions.

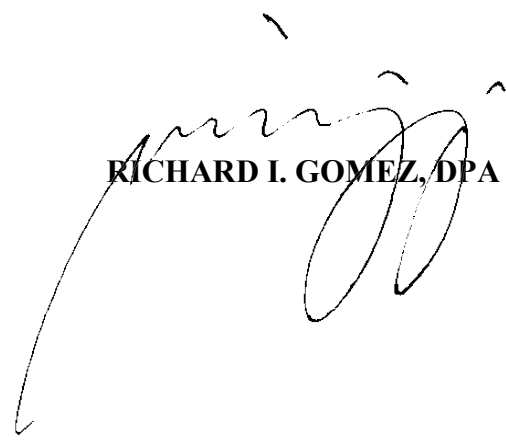
This has produced a distorted situation where widows of NLRC officials who retired before 2008 remain entitled to survivorship pensions, while those whose spouses retired thereafter are unjustly excluded. Such an outcome constitutes a clear diminution of benefits, contrary to Section 4 of R.A. 9347 which expressly prohibits the reduction of existing benefits in the course of implementing the law.

The proposed measure seeks to remedy this inequity by restoring survivorship benefits to the dependents of NLRC Commissioners and Labor Arbiters. It is intended to correct a long-

standing oversight, uphold the principle of equal treatment, and fulfill the legislative intent of granting parity between NLRC officials and members of the judiciary.

Failure to address this anomaly not only perpetuates discrimination against the affected families but also undermines the prestige of the NLRC as an institution and discourages highly qualified lawyers from entering its service.

In view of the importance and urgency of this legislative intervention, its swift passage into law is earnestly sought.



RICHARD I. GOMEZ, DPA

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. **3978**

Introduced by Representative Richard I. Gomez, DPA

AN ACT
GRANTING SURVIVORSHIP AND ALL OTHER ADDITIONAL BENEFITS
IN PARITY WITH THEIR COUNTERPARTS IN THE JUDICIARY, IN
FAVOR OF THE CHAIRPERSON, COMMISSIONER OR LABOR ARBITER
OF THE NATIONAL LABOR RELATIONS COMMISSION, 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 House of Representatives of the Philippines in Congress assembled.

SECTION 1. *Short Title.* – This Act shall be known as the “*Survivorship Benefits for NLRC Act.*”

SECTION 2. *Parity in Salaries and Benefits.* – Article 223, 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, Benefits, and Emoluments.* – **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 LIKEWISE RECEIVE 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”*.

"UPON THE DEATH OF THE CHAIRPERSON, MEMBER OF THE COMMISSION OR LABOR ARBITER, IF SUCH OFFICIAL HAS RETIRED, OR WAS ELIGIBLE TO RETIRE OPTIONALLY AT THE TIME OF DEATH, THE SURVIVING LEGITIMATE SPOUSE SHALL BE ENTITLED TO RECEIVE ALL THE RETIREMENT BENEFITS THAT THE DECEASED SAID OFFICIAL WOULD HAVE RECEIVED HAD HE OR SHE NOT DIED. THE SURVIVING SPOUSE SHALL CONTINUE TO RECEIVE SUCH RETIREMENT BENEFITS UNTIL THE SURVIVING SPOUSE'S DEATH OR REMARRIAGE.

IN THE ABSENCE OF A SURVIVING SPOUSE, THE SURVIVORSHIP BENEFIT SHALL TRANSFER TO THE SURVIVING CHILD OR CHILDREN OF THE SAID OFFICIAL, DIVIDED EQUALLY IF MORE THAN ONE (1), UNTIL THEY REACH THE AGE OF TWENTY-ONE (21), OR IN CASE OF CHILDREN WHO HAVE REACHED THE AGE OF MAJORITY BUT ARE UNABLE TO FULLY TAKE CARE OF OR PROTECT THEMSELVES AS DEFINED UNDER REPUBLIC ACT NO. 7610, UNTIL SUCH TIME THAT SUCH INFIRMITY IS REMOVED.

IN THE ABSENCE OF A SURVIVING SPOUSE OR CHILDREN, THE SURVIVORSHIP BENEFITS SHALL TRANSFER TO THE SAID OFFICIAL'S SURVIVING PARENT OR PARENTS, DIVIDED EQUALLY IF MORE THAN ONE (1), UNTIL THE REST OF THE PARENT'S NATURAL LIFE.

THE ABOVE STATED OFFICIALS SHALL ALSO BE ENTITLED TO ALL OTHER ALLOWANCES, RETIREMENT AND OTHER BENEFITS AND PRIVILEGES GRANTED IN FAVOR OF THEIR JUDICIARY COUNTERPARTS AS MAY HAVE BEEN OR HEREINAFTER GRANTED BY LAW, RULES OR REGULATIONS. In no case, however, shall the provision of this Article result in the diminution of the existing salaries, allowances and benefits of the aforementioned officials.

SECTION 3. *Coverage.* – The benefits under this Act shall be granted to all the said NLRC Officials who have retired prior to the effectivity of this Act, *Provided that*, the benefits shall accrue only upon the effectivity of this Act.

SECTION 4. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the NLRC shall issue the necessary rules and regulations for the effective implementation of this Act.

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. *Separability Clause.* - If any provision of this Act, or any parts thereof, is declared unconstitutional, the same shall not affect the validity and effectivity of the other portions.

SECTION 7. *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 8. *Effectivity.* - This Act shall take effect fifteen (15) days from its complete publication in the Official Gazette or in a newspaper of general circulation in the Philippines, whichever comes earlier.

APPROVED.