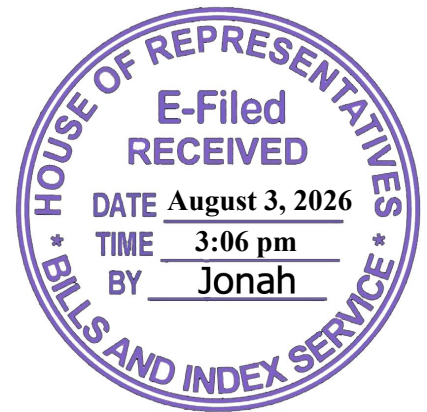


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session

HOUSE BILL NO. 10513



Introduced by **HON. JORGE DANIEL S. BOCOBO**

EXPLANATORY NOTE

Carry each other's burdens, and in this way you will fulfill the law of Christ.

- Galatians 6:2

In many Filipino homes, one worker's salary helps carry the weight of an entire family. It pays for the food on the table, rent, electricity, children's school needs, medicines for aging parents, and the small daily expenses that keep a household going. For many workers, especially those who serve as the primary support of their families, every day of work is not merely a means of earning, but an act of love and responsibility for the people who depend on them.

When a worker dies, the loss is therefore more than the passing of a loved one. It may also mean the sudden loss of the family's main source of support. In the middle of grief, those left behind must confront funeral expenses, unpaid bills, continuing household needs, and the uncertainty of how to move forward without the income that once sustained them.

As part of a humane system of labor protection, the law should recognize the worker's years of service through a clear minimum benefit for the family left behind. While no amount can answer for the loss of a loved one, such benefit gives practical recognition to the dignity of work and the sacrifices made in the course of employment.

For this reason, this bill amends Article 284 of the Labor Code to provide separation pay in case of death of an employee. Under the measure, when an employee who has rendered at least one (1) year of service dies, the employer shall be liable for separation pay equivalent to one-half (1/2) month salary for every year of service.

The bill also provides reasonable exemptions, taking into account existing employer-provided death benefits, the capacity of small establishments, and circumstances directly attributable to the employee's own acts or gross negligence.

The separation pay may be claimed by the family of the deceased in the following order: the surviving spouse; the legitimate, legitimated, legally adopted, or illegitimate children; the parents of the deceased employee; and the brothers and sisters of the deceased employee.

This proposal rests on the truth that a worker's service is never rendered in isolation. It is tied to the family sustained by the worker's daily labor. While no benefit can answer for the loss of a loved one, this measure provides practical help to the family left behind and eases the immediate burdens that follow.

For every Filipino worker, and for the loved ones who depend on them, the passage of this bill is earnestly sought.



JORGE DANIEL S. BOCOBO

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AN ACT
TO PROMOTE FURTHER PROTECTION TO LABOR, AMENDING FOR THIS
PURPOSE ARTICLE 284 OF PRESIDENTIAL DECREE NO. 442, AS AMENDED,
OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES

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

SECTION 1. Article 284 of Presidential Decree No. 442, as amended, otherwise known as the Labor Code of the Philippines, is hereby amended and modified to read as follows:

Article 284-**A. Disease as ground for termination.** An employer may terminate the services of an employee who has been found to be suffering from any disease and whose continued employment is prohibited by law or is prejudicial to his health as well as to the health of his co-employees: Provided, That he is paid separation pay equivalent to at least one (1) month salary or to one-half (1/2) month salary for every year of service, whichever is greater, a fraction of at least six (6) months being considered as one (1) whole year.

ARTICLE 284-B. SEPARATION DUE TO DEATH OF EMPLOYEE. WHEN A RANK-AND-FILE EMPLOYEE WHO HAS RENDERED AT LEAST ONE (1) YEAR OF SERVICE DIES, THE EMPLOYER SHALL BE LIABLE FOR SEPARATION PAY EQUIVALENT TO ONE-HALF (1/2) MONTH SALARY FOR EVERY YEAR OF SERVICE.

THE IMMEDIATELY PRECEDING SECTION SHALL NOT APPLY IN THE FOLLOWING CASES:

- (A) WHEN THE EMPLOYEE IS COVERED BY AN EMPLOYER-PROVIDED INSURANCE POLICY OR COVERAGE WITH DEATH BENEFITS;**
- (B) WHEN THE DECEASED EMPLOYEE WAS A “MANAGERIAL EMPLOYEE” OR “SUPERVISORY EMPLOYEE” AS DEFINED UNDER ARTICLE 219 (M) OF THIS CODE;**

(C) WHEN THE ESTABLISHMENT OR EMPLOYER IS EMPLOYING LESS THAN TEN (10) EMPLOYEES;

(D) WHEN THE ESTABLISHMENT IS DULY REGISTERED AS A BARANGAY MICRO BUSINESS ENTERPRISE UNDER REPUBLIC ACT NO. 9178, OTHERWISE KNOWN AS THE “BARANGAY MICRO BUSINESS ENTERPRISES ACT OF 2002”; OR

(E) WHEN THE DEATH WAS CAUSED BY ANY OF THE FOLLOWING:

- (1) THE EMPLOYEE’S INTOXICATION OR DRUG ABUSE;
- (2) THE EMPLOYEE’S WILLFUL INTENTION TO INJURE OR KILL HIMSELF OR HERSELF, OR ANOTHER; OR
- (3) THE EMPLOYEE’S GROSS NEGLIGENCE.

FOR PURPOSES OF ARTICLE 284-B, THE SEPARATION PAY MAY BE CLAIMED ONLY BY THE FOLLOWING PERSONS AND IN THE FOLLOWING ORDER:

1. THE SURVIVING SPOUSE;
2. THE LEGITIMATE, LEGITIMATED, LEGALLY ADOPTED, OR ILLEGITIMATE CHILDREN;
3. THE PARENTS OF THE DECEASED EMPLOYEE;
4. THE BROTHERS AND SISTERS OF THE DECEASED EMPLOYEE.

SECTION 2. *Rule-Making Authority.*— The Secretary of Labor and Employment is hereby authorized to promulgate such rules and regulations as may be necessary to implement the provisions of this Act.

SECTION 3. *Repealing Clause.*— All laws, decrees, executive orders, rules and regulations inconsistent with any provision of this Act are hereby repealed, modified, superseded, or amended accordingly.

SECTION 4. *Separability Clause.*— If any provision of this Act or the application of such provision to any person or circumstance is held invalid for any reason, the remainder of this Act or the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 5. *Effectivity.*—This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) national newspapers of general circulation, whichever comes earlier.

Approved,