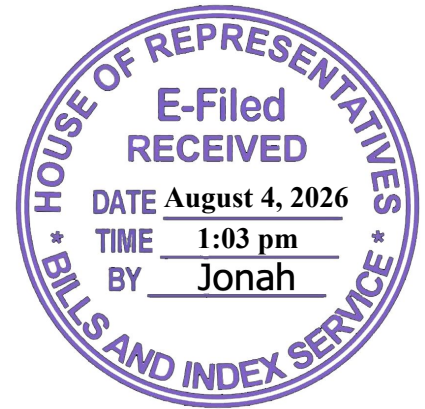


Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

TWENTIETH CONGRESS
Second Regular Session

House Bill No. 10565



INTRODUCED BY REP. PATRICK MICHAEL “PM” D. VARGAS

AN ACT
GRANTING BENEFITS TO NON-REGULAR EMPLOYEES OF THE
GOVERNMENT, AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 8291,
AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The Constitution guarantees the promotion of a just and dynamic social order free from poverty through policies that promote full employment geared towards a rising standard of living and an improved quality of life for all. It also recognizes temporary employees of the government as part of the Civil Service, and the same shall also be accorded the protection as may be provided for by law.

At present, non-regular employees (i.e., job order and contract of services personnel) are not covered by Civil Service law, rules and regulations, and are only covered by Commission on Audit (COA) rules. Since the services they render are not covered by civil service regulations, most, if not all, of the non-regular employees in the government do not enjoy an employee-employer relationship and are excluded from being covered by the Labor Code and the benefits therein. These reasons, in effect, put the non-regular personnel in limbo – an arena where they are more vulnerable to exploitation.

As the largest employer in the country, the government should take the lead in ensuring that its employees are well taken care of and protected from possible exploitation. The State must acknowledge the rights and welfare of its workers and institute better benefits and programs for them.

This bill seeks to promote and uphold decent work and labor rights and address the needs of the non-regular employees in the government for more work benefits.

As we envision the progressive realization of security of tenure for all government workers, this bill ought to give noble workers of the country what is due to their hard work. Consequently, we hope to encourage more bright and young minds to continue to work for and with the government.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



REP. PATRICK MICHAEL "PM" D. VARGAS

Fifth District, Quezon City

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

SECTION 1. Declaration of Policy. – It is a policy of the State to promote a just and dynamic social order free from poverty through policies that promote full employment geared towards a rising standard of living and an improved quality of life for all.

It is also a policy of the State to protect temporary employees of the government from any form of exploitation.

SECTION 2. Definition of Terms. – For purposes of this Act, the following terms are hereby defined:

- a) ‘*Employer*’ refers to any of the branches, subdivisions, instrumentalities, and agencies of the Government, including local government units and government-owned or controlled corporations with original charters.
- b) ‘*Non-regular employee*’ refers to any person directly receiving compensation from an employer as a result of rendering services on official time, including those without employee-employer relationships
- c) ‘*Multi-purpose leave*’ refers to a day off a regular schedule of work; this has a monetary value of an employee’s daily computation of his/her salary

- d) 'Wage' refers to the daily computation of a non-regular employee's monthly salary. The following shall be the formula to be used in determining the wage:

$$\frac{(\text{monthly salary})}{22 \text{ days}} = \text{Daily Wage}$$

SECTION 3. Coverage. – This Act shall cover all the branches, subdivisions, instrumentalities, and agencies of the Government, including local government units and government owned or controlled corporations with original charters.

SECTION 4. Benefits. – The following benefits shall be granted to all non-regular employees of the Government:

- a) *Right to holiday pay.* Every non-regular employee shall be paid his/her regular daily wage computation during regular and special holidays: the employer may require an employee to work on any holiday but such employee shall be paid a compensation equivalent to 200% of his regular daily wage rate on regular holidays and 150% on special holidays;
- b) *Right to 13th month pay.* Every non-regular employee shall be entitled to the annual 13th month pay.
- c) *Right to multi-purpose leave credits.* A non-regular employee shall be entitled to avail of a non-cumulative multi-purpose leave credits of ten (10) days per year. Monetization of these non-cumulative leave credits shall be allowed at the end of each fiscal year, subject to availability of funds/savings of the agency.
- d) *Right to membership to the National Health Insurance Program (NHIP).* All non-regular employees shall be automatic members of the NHIP through the Philippine Health Insurance Corporation and shall be subject to compliance with R.A 9679.
- e) *Right to membership to the Home Development Mutual Fund (HDMF)/Pag-IBIG Fund.* All non-regular employees shall be automatic members of the HDMF/Pag-IBIG Fund and shall be subject to compliance with R.A 7432, as amended.
- f) *Right to membership to the Government Service Insurance System (GSIS).* All non-regular employees shall be automatic members of the GSIS and shall be subject to compliance with R.A 7432, as amended.

SECTION 5. *Amendatory Provision.* – For purposes of item F of the preceding Section, Paragraph 1 Section 3 of R.A 8291 is hereby amended to read as follows:

“SECTION 3. Compulsory Membership. – Membership in the GSIS shall be compulsory for all employees receiving compensation who have not reached the compulsory retirement age, irrespective of employment status, INCLUDING CONTRACTUAL EMPLOYEES WHO HAVE NO EMPLOYEE-EMPLOYER RELATIONSHIP, except members of the Armed Forces of the Philippines and the Philippine National Police, subject to the condition that they must first settle their financial obligation with the GSIS.

SECTION 6. *Implementing Rules and Regulations.* – The Civil Service Commission and the Department of Budget and Management, in consultation with the Government Service Insurance System, the Home Development Mutual Fund, and the Philippine Health Insurance Corporation, shall issue within one hundred twenty (120) days after the approval of this Act the necessary rules and regulations for its proper implementation.

SECTION 7. *Repealing Clause.* – All laws, decrees, rules, and regulations or parts thereof, which are contrary to or inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 8. *Separability Clause.* – If any provision of this law or the application thereof to any person or circumstance, is held invalid, the remainder of this law, or the application of such provision or part to other persons of circumstances, shall not be affected thereby.

SECTION 9. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,