

SEVENTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



Senate  
Office of the Secretary

'16 SEP 20 P6:16

SENATE

RECEIVED BY: 

S. B. No. 1164

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Introduced by SENATOR JOEL VILLANUEVA

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**AN ACT  
PROVIDING FOR A PERMANENT APPOINTMENT TO ALL CASUAL  
AND CONTRACTUAL EMPLOYEES OF THE GOVERNMENT WHO  
HAVE RENDERED THE PRESCRIBED YEARS OF SERVICE IN THE  
NATIONAL GOVERNMENT AGENCIES AND THE LOCAL  
GOVERNMENT UNITS AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

The 1987 Constitution explicitly provides that workers shall be entitled to security of tenure, humane conditions of work, and a living wage (Article XIII, Section 3).

In spite of this provision, the practice of contractualization remains prevalent in both the public and private sectors. The Department of Labor and Employment (DOLE) reported that contractors and subcontractors employ a total of 416,343 workers. Surprisingly, the biggest employer of these contractuels is the government. According to the Confederation for Unity, Recognition and Advancement of Government Employees (COURAGE), close to 160,000 government workers are considered contractuels. Reports also showed that more than 60% of these contractuels are employed by Local Government Units (LGUs).

Furthermore, the Commission on Audit revealed in its 2015 audit reports that there are 32,770 job order positions in the Department of


Public Works and Highways (DPWH) and 8,580 contractuels in the Department of Social Works and Development (DSWD). On various occasions, other government agencies admitted that they are employing contractuels. Needless to say, the government cannot be effective in addressing private sector violations on contractualization if government agencies themselves do not "walk the talk" or follow labor laws.

This bill seeks to institutionalize the right to security of tenure of all casual and contractual employees of the government who have rendered the prescribed time period. All incumbent casual and contractual government employees who have rendered at least three (3) years of continuous service in the national government and five (5) years of continuous service in the case of local government units, shall be given permanent appointment.

All affected positions currently held by covered employees shall be deemed necessary and/or desirable for the efficient operation of the government and shall be marked as co-terminous with the incumbents. Also, all covered employees may not be separated or terminated from their positions except for just or lawful cause and with due process of law.

To attract the best and the brightest workers in the government, this bill provides that permanent appointment shall be given to an incumbent casual and contractual government employee who has gained national and/or international recognition or who has conducted a study which led to the improvement of public service either in the local or national level. Furthermore, an automatic grant of civil service eligibility shall be awarded to an on-the-job trainee (OJT) or apprentice in any government agency who has gained the same status and whose study or research contributed greatly to the efficiency and effectiveness of government programs and services.

Immediate passage of this bill is earnestly sought.

  
SENATOR JOEL VILLANUEVA



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**PROVIDING FOR A PERMANENT APPOINTMENT TO ALL CASUAL**  
**AND CONTRACTUAL EMPLOYEES OF THE GOVERNMENT WHO**  
**HAVE RENDERED THE PRESCRIBED YEARS OF SERVICE IN THE**  
**NATIONAL GOVERNMENT AGENCIES AND THE LOCAL**  
**GOVERNMENT UNITS AND FOR OTHER PURPOSES**

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

1 **SECTION 1. Declaration of Policy.** The State shall harness its human resources  
2 to cope with the rapid economic development and population growth. Government  
3 workers, being very important components of the State's human resources, shall be  
4 given the equal opportunity to quality education, justice and security of tenure.  
5

6 **SEC. 2. Permanent appointment for long-time casual and contractual**  
7 **employees.** Subject to the provisions of the Constitution and applicable civil service  
8 laws, rules and regulations, it is hereby mandated that all incumbent casual and  
9 contractual government employees who have rendered at least three (3) years of  
10 continuous service in the case of national government agencies or a total of five (5)  
11 years of continuous service in the case of local government units as of the date of  
12 the approval of this Act shall be entitled to security of tenure; *Provided*, that said  
13 requirement of continuous service may be waived if the service of the official/  
14 employee concerned prior to the completion of the said years, was interrupted by not  
15 more than three (3) years, taken cumulatively, due to either abolition of his position,  
16 reorganization of the office wherein he was phased out, or reduction in force:  
17 *Provided further*, that in the case of officials/employees who have been previously  
18 employed in the same government agency in any capacity, the said requirement of  
19 continuous service may likewise be waived if the interruption of their service is not  
20 more than eighteen (18) months, taken cumulatively, so long as the minimum  
21 required period is met.



1 **SEC 3. Status of covered employees and affected positions.** All of the positions  
2 affected by this Act currently held by the covered employees shall be deemed  
3 necessary and/or desirable for the efficient operation of the government and shall be  
4 marked as co-terminus with the incumbents. All covered employees may not be  
5 separated or terminated from the said positions except for just or lawful cause and  
6 with due process of law nor can their positions be abolished except when the same  
7 are vacated by their incumbents.  
8

9 **SEC 4. Personnel, agencies, and offices covered.** This Order shall apply to the  
10 civilian personnel occupying contractual, or casual positions, on full-time or part-time  
11 basis, provided they have employer-employee relationship with the agencies  
12 concerned and whose compensation are charged against Personnel Services  
13 appropriations in the following:  
14

- 15 a. National Government Agencies (NGAs) including SUCs;
- 16
- 17 b. The Congress of the Philippines, Judiciary, Civil Service Commission (CSC),  
18 Commission on Audit (GOA), Commission on Election (COMELEC), and the  
19 Office of the Ombudsman (OMB);
- 20
- 21 c. Government-Owned and Controlled Corporations (GOCCs), including Local  
22 Water Districts (LWDs), and Government Financial Institutions (GFIs); and
- 23
- 24 d. Local Government Units (LGUs).  
25

26 **SEC. 5. Permanent appointment for outstanding casual and contractual**  
27 **employees and automatic grant of civil service eligibility to OJTs or**  
28 **apprentices.** A permanent appointment shall be awarded to a casual or contractual  
29 employee and an automatic grant of civil service eligibility shall be given to an on-  
30 the-job trainee or apprentice who have excelled and gained national and  
31 international recognition in any field or who have conducted research or study which  
32 contributed greatly to the improvement of government programs and services.  
33

34 **SEC. 6. Implementing Rules and Regulations.** The Civil Service Commission, in  
35 consultation with the Department of Budget and Management, shall issue the rules  
36 and regulations necessary to implement the provisions of this Act. Said  
37 implementing rules and regulations shall be promulgated within ninety (90) days after  
38 the approval of this Act.  
39

40 **SEC. 7. Penal Provisions.** Any government employee who shall apply for  
41 entitlement to security of tenure under the provisions of this Act on the basis of false  
42 claims and/or documents as well as any government officer or employee who will  
43 make or issue false certifications, attestations, endorsements and/or spurious  
44 documents in relation to any such application shall suffer the penalty of  
45 imprisonment of one (1) to three (3) years or a fine in amount up to One hundred  
46 thousand pesos (P100,000.00) or both, at the discretion of the judge, in addition to  
47 perpetual disqualification from public office. Said employees may also be  
48 administratively charged under existing civil service laws, rules and regulations.  
49  
50

1 **SEC. 8. Separability Clause.** If any provision of this Act is held as invalid or  
2 unconstitutional, the remaining provision of this Act not otherwise affected shall  
3 remain valid and subsisting.  
4

5 **SEC. 9. Repealing Clause.** All laws, decrees, executive orders, department or  
6 memorandum orders and other administrative issuance or parts thereof which are  
7 inconsistent with the provisions of this Act are hereby modified, superseded or  
8 repealed accordingly.  
9

10 **SEC. 10. Effectivity Clause.** This Act shall take effect fifteen (15) days after its  
11 publication in at least two (2) newspapers of general circulation.  
12

13  
14 Approved,