

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



'16 JUL 20 P 2:54

SENATE  
S.B. No. 649

RECEIVED BY: 

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Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

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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

Contractual employment has been a contentious topic for the longest time. The general consensus is that Filipino employees whether regular or contractual, must be protected against exploitation and given the full benefits of employment as stated by the labor code.


Most organizations including government offices require a combination of permanent employees, otherwise known as plantilla positions, and short-term or non-regular workers commonly referred to as job order, since the nature of some services are seasonal and would not require a full-time employee.

Still, all Filipino workers' welfare must be protected and government offices ought to be the frontrunners in championing the fair treatment of non-regular employees.

This bill seeks to protect non-regular employees in government by mandating all government agencies to uphold their right to holiday pay, 13th month pay, multi-purpose leave credits, and offering them the right to membership in HDMF (Pag-Ibig), GSIS and PhilHealth.

By doing so, non-regular employees of government may enjoy stability in their employment and may be able to better plan for their future with the security of these benefits.

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

  
Senator Paolo Benigno "Bam" A. Aquino IV

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**FOR THIS PURPOSE REPUBLIC ACT NO. 8291, AND FOR OTHER PURPOSES**

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

1           **SECTION 1. Declaration of Policy.** – It is the policy of the State to promote a just and  
2 dynamic social order free from poverty through policies that promote full employment  
3 geared towards a rising standard of living and an improved quality of life for all. It is also the  
4 policy of the State to protect temporary employees of the government from any form of  
5 exploitation.

6           **SEC. 2. Definition of Terms.** – For purposes of this Act, the following terms shall  
7 mean:

- 8           a) *Employer* – any of the branches, subdivisions, instrumentalities and agencies of  
9 the Government, including local government units and government-owned or  
10 controlled corporations with original charters.  
11           b) *Non-regular employees* – any person directly receiving compensation from an  
12 employer as a result of rendering services on official time, including those  
13 without employee-employer relationships.  
14           c) *Multi-purpose leave* – day off a regular schedule of work; this has a monetary  
15 value of an employee of an employee's daily computation of his/her salary.  
16           d) *Wage* – daily computation of a non-regular employee's monthly salary. The  
17 following shall be the formula to be used in determining the wage:  
18                                       (monthly salary)/22 days = daily wage

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

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

- 1 1. Right to holiday pay – Every non-regular employee shall be paid his/her regular  
2 daily wage computation during regular and special holidays: the employer may  
3 require an employee to work on any holiday but such employee shall be paid a  
4 compensation equivalent to 200% of his regular daily wage rate on regular  
5 holidays and 150% on special holidays;
- 6 2. Right to 13<sup>th</sup> month pay – Every non-regular employee shall be entitled to the  
7 annual 13<sup>th</sup> month pay.
- 8 3. Right to multi-purpose leave credits – A non-regular employee shall be entitled  
9 to avail of non-cumulative multi-purpose leave credits of ten (10) days per year.  
10 Monetization of these non-cumulative leave credits shall be allowed at the end  
11 of each fiscal year, subject to availability of funds/savings for the agency.
- 12 4. Right to membership of the National Health Insurance Program (NHIP) – All non-  
13 regular employees shall be automatic members of the NHIP through the  
14 Philippine Health Insurance Corporation and shall be subject to compliance with  
15 RA 7875, as amended or the National Health Insurance Act.
- 16 5. Right to membership to the Home Development Mutual Fund (HDMF)/PAG-IBIG  
17 Fund – All non-regular employees shall be automatic members of the  
18 HDMF/PAG-IBIG Fund and shall be subject to compliance with RA 9679 or the  
19 Home Development Mutual Fund Law of 2009.
- 20 6. Right to membership to the Government Service Insurance System (GSIS) – All  
21 non-regular employees shall be automatic members of the GSIS and shall be  
22 subject to compliance with RA 8291 or the Government Service Insurance System  
23 Act of 1997, as amended.

24 **SEC. 5.** For purposes of item number 6 of the preceding Section, Paragraph 1 Section  
25 3 of RA 8291 is hereby amended to read as follows:

26 “SECTION 3. Compulsory Membership. – Membership in the GSIS shall be  
27 compulsory for all employees receiving compensation who have not reached the  
28 compulsory retirement age, irrespective of employment status **INCLUDING**  
29 **CONTRACTUALS WHO HAVE NO EMPLOYEE-EMPLOYER RELATIONSHIP**, except  
30 members of the Armed Forces of the Philippines and the Philippine National Police,  
31 subject to the condition that they must settle first their financial obligation with the  
32 GSIS[, and contractuels who have no employer and employee relationship with the  
33 agencies they serve].”

34 “ X X X ”

35 **SEC. 6. Implementing Rules and Regulations.** – Within sixty (60) days after the  
36 effectivity of this Act, the Civil Service Commission and the Department of Budget and  
37 Management, in consultation with the GSIS, HDMF and the PHILHEALTH, shall promulgate  
38 the necessary rules and regulations for the implementation of this Act.

39 **SEC. 7. Separability Clause.** - Should any provision herein be declared  
40 unconstitutional, the same shall not affect the validity of the other provisions of this Act.

41 **SEC 8. Repealing Clause.** - All laws, decrees, orders, rules, and regulations or

1 other issuances or parts inconsistent with the provisions of this Act are hereby repealed  
2 or modified accordingly.

3 **SEC 9. Effectivity.** - This Act shall take effect fifteen (15) days following its  
4 publication in the Official Gazette or in two (2) newspapers of general circulation  
5 in the Philippines.

6 *Approved,*