

**DATE** : 07 February 2024  
**TO** : All Officers / Staff  
**FROM** : The Human Resource Department  
**SUBJECT** : **RATIONALIZED COMPENSATION AND BENEFITS STANDARDS-  
SUPERVISORS NOT ENTITLED TO OVERTIME PAY AND OTHER BENEFITS  
UNDER Art. 83- 96 of the Labor Code**

---

In order to rationalize the administration of certain COMPENSATION AND BENEFITS STANDARDS particularly the **OVERTIME PAY AND OTHER BENEFITS UNDER Art. 83-96 of the Labor Code**, please be advised of the following HR/Management Concepts/Principles of Law:

**1.0 WHO ARE OFFICERS OR MEMBERS OF THE MANAGERIAL STAFF?**

Answer: **Supervisory employees, commonly known as supervisors**, are employees who are generally considered as **members of the managerial staff** because they are granted the authority to recommend managerial actions, provided that the exercise of such is not merely routine or clerical but requires the use of independent judgment.

**2.0 Art. 82 of the Labor Code** - mentions the **persons who are entitled or not entitled to the employment benefits (overtime pay/other benefits** under Title 1, covering Art. 82-96.

Among the employees **EXCLUDED** from the coverage are **MANAGERS** and **MEMBERS OF THE MANAGERIAL STAFF** as per the IRR of the Labor Code.

**3.0 IS A SUPERVISOR PART OF THE MANAGERIAL STAFF?**

Answer: The established jurisprudence under **G.R. No. 101761 dated March 24, 1993** ruled that “a **SUPERVISOR** is part of the **managerial staff** and therefore **NOT ENTITLED TO OVERTIME PAY** and **OTHER BENEFITS** under said Art. 83 through 96”.

Please be guided accordingly.



**DENNIS ANTONIO D. AYTONA**  
Human Resource Director

Recommending approval:



**ALEXIS I. CABALDA**  
Financial Controller

Approved by:



**PATRICK H. CORPUZ**  
Managing Director