

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

EIGHTEENTH CONGRESS
First Regular Session

House Bill No. 2623



Introduced by

REP. RAYMOND DEMOCRITO C. MENDOZA
Trade Union Congress Party (TUCP PARTYLIST)

EXPLANATORY NOTE

The problem of lack of security of tenure or "endo" of workers in the private sector which President Rodrigo Roa Duterte has promised to end is also a problem of the public sector workers. In fact the private sector employers have repeatedly raised the existence of "double standards" and "unfairness" with the Department of Labor and Employment (DOLE) enforcing compliance with Constitutional guarantee on security of tenure and right to self-organization while national government agencies (NGAs) including DOLE, local government units (LGUs), state universities and colleges (SUCs), government owned and controlled corporations (GOCCs), government financial institutions (GFIs), Congress, judiciary and the Constitutional bodies are not complying on the pretext that by law, there are only two (2) ways of becoming a public employees — by appointment or by election. Hence, hired personnel in government service are not government employees and has no security of tenure. They are workers in the government but with no employer. Their job contracts has stipulation providing the absence of employer-employee relationship with the office that hires, pays their wages, disciplines and exercises control on the manner and method of carrying out their work.

The non-employees in the government service are the 660,390 job orders (JOs), contract of service (COS), or Memorandum Order or Understanding (MOU) personnel as indicated in the 2017 CSC Inventory of Government Human Resources (IGHR). This is an increased of 65,228 personnel from 595,162 in 2016. Their contract provides that there is no employer-employee relationship with the agency/office that hired them despite repeated hiring or working in the agency/office for five (5) years or more.

In the 2017 IGHR, the bulk of the 660,390 JOs/COS can be found in the Local Government Units (LGUs) with 463,551 personnel, the National Government Agencies (NGAs) comes second with 120,273, Government-Owned and Controlled Corporations (GOCCs), State Universities and Colleges (SUCs), and the Local Water Districts (LWDs) have 36,249; 31,639; and 8,678 JOs/COS personnel, respectively. The 2017 IGHR also indicated 96,456 casual and 39,578 contractual employees. In sum, almost a million public sector employees or 796,424 to be exact are in insecure work arrangements in various sectors of the government.

Contractualization in the government is a serious problem. This affects the quality of public service, proliferation of political patronage system and corruption. But the CSC-DBM-COA Joint Circular No. 1, Series of 2017, offered solutions are proven problems in the private sector. Individual contracting as the work arrangement until 2020 does not address the vulnerability of the employees, exploitations and the lack of security of tenure neither would the use of contractors/agency supplied workers.

It is incumbent upon the Government to be the model in promoting decent work and job security. Social justice must be observed by the Government as an employer and the Constitutional guarantee on security of tenure, full protection and full employment sacrosanct.

In view of the foregoing, the passage of this Bill is earnestly sought

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11
12 **AN ACT**
13 **PROVIDING CIVIL SERVICE ELIGIBILITY AND PERMANENT APPOINTMENT TO**
14 **ALL GOVERNMENT CASUAL AND CONTRACTUAL EMPLOYEES UNDER JOB**
15 **ORDERS, CONTRACT OF SERVICE, MEMORANDUM OF**
16 **AGREEMENT/MEMORANDUM ORDER OR UNDERSTANDING AND OTHER**
17 **SIMILAR CONTRACTS WHO HAVE RENDERED AT LEAST FIVE (5) YEARS OF**
18 **OUTSTANDING GOVERNMENT SERVICE**

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

21 **Section 1. Declaration of Policy.** The State upholds the Constitutional guarantee
22 on the right to security of tenure of all workers in private and public sectors and shall
23 afford full employment opportunity, social protection and decent work to public sector
24 employees.

25 **Section 2. Coverage.** - Subject to the provisions of the Constitution and applicable
26 civil service laws, rules and regulations, all incumbent casual and contractual
27 government employees in the first and second levels who have rendered at least five
28 (5) years of continuous and very satisfactory government service as of the date of
29 approval of this Act shall be considered civil service eligible and be provided
30 permanent appointment to the current or similar position or posting; *Provided*, that
31 continuous service shall mean repeated contract engagement whether for long or
32 short duration at intervals of not more than one (1) year; *Provided further*, that very
33 satisfactory government service rating shall be for at least two (2) consecutive
34 performance evaluation cycle based on approved performance standards set.
35 Contractual government employees shall refer to those engaged as Job Orders

1 (JOs), Contract of Service (COS), Memorandum of Agreement or Understanding and
2 similar contracts.

3
4 **Section 3. *Implementing Rules and Regulations.*** The Civil Service Commission,
5 with full participation of public sector confederations or organizations, shall issue the
6 Implementing Rules and Regulations for this Act within ninety (90) days after
7 approval of this Act.

8
9 **Section 4. *Separability Clause.*** If, for any reason, part of this Act shall be rendered
10 unconstitutional or invalid, other parts or provisions hereof which are not thereby
11 affected shall continue to be in effect and full force.

12
13 **Section 5. *Repealing Clause.*** All orders, rules and regulations, issuances or any
14 part thereof inconsistent with the provisions of this Act are hereby repealed,
15 amended or modified accordingly.

16
17 **Section 6. *Effectivity Clause.*** This Act shall take effect fifteen (15) days after
18 publication in the Official Gazette or in at least (2) newspapers of general circulation.

19
20 ***Approved,***