

SEVENTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session)
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17 MAY -2 P1:38

SENATE

RECEIVED BY: *[Signature]*S. No. 1421

Introduced by Senator Ralph G. Recto

AN ACT

CREATING THE DEPARTMENT OF OVERSEAS FILIPINO WORKERS, DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

Our Overseas Filipino Workers (OFWs) have always been hailed as 'Bagong Bayani' by the past and present administrations. Their important contribution to our nation is undeniable, from their remittances that account for a significant portion of our gross domestic product to the development, recognition and promotion of Filipino talents worldwide.

It has been said that Filipino hospitality is unparalleled and our countrymen are especially sought after. We find our *kababayans* in the world's most luxurious cruise ships, the most advanced hospitals, the hotels in the biggest cities to the more exotic and remote locales. Yet our government is found lacking in terms of hospitality to our OFWs. There have been an alarming number of incidents reported in the media about the inadequacies of our government in terms of responding to the needs of our OFWs. We have heard of reports of abuse of our countrymen abroad by employers who refuse paying salaries, to our agencies taking an unreasonably long time in processing their repatriation. We have also heard of stories about returning OFWs who struggle to integrate themselves and thrive here from returning abroad after working there for many years.

There are several agencies created and tasked by our government to handle these concerns. Our government has tasked these agencies to answer for the needs of potential OFWs thinking of leaving the country to those who are returning after many years spent working abroad. Yet the government's efforts are still found wanting. One of the most important factors that contribute to our government's inadequacy is the lack of efficient and effective coordination among our agencies that handle OFW concerns.

In a survey conducted by the Commission on Filipinos Overseas in 2013, the number of Filipinos living abroad is pegged at 10 million. The number of overseas Filipino workers is pegged at 2.4 million individuals as of 2016.¹ These numbers are expected to rise in the years to come as the demand for Filipino talents abroad continues to rise. The sheer number of our OFWs alone would justify the creation of a separate department to cater to their needs.

The needs and concerns of our OFWs are highly specialized due to the circumstances and nature of their work. Although we have the appropriate agencies for these concerns, they are still not adequate as these agencies are independent of each other as well as attached to other agencies in which the highly specialized concerns of our OFWs are only secondary. This lack of

coordination results not only to redundancy of work but also to concerns being potentially overlooked especially among multiple agencies having the same jurisdiction.

This bill proposes the creation of the Department of Overseas Filipino Workers to harmonize all national policies and guidelines to ensure the protection of OFWs, among other functions. It is envisioned to serve our OFWs better as their concerns would be given primary attention. It will also result in better management of our resources as processes will be streamlined and redundancies will be reduced thereby promoting efficient and effective service that will adequately serve the needs of our OFWs.

No less than President Rodrigo Duterte himself, speaking to our OFWs in Doha last April 15, 2017, recognized the need for a separate department that would focus on the concerns of our overseas Filipino workers.

It is high time that our 'Bagong Bayanis' be afforded the hero treatment they so rightly deserve after the many sacrifices they have made for our country.

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


RALPH G. RECTO

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¹ Statistical Tables on Overseas Contract Workers (OCW): 2015, Philippine Statistics Authority

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

1 **SECTION 1. *Short Title.*** – This Act shall be known as the “Department of Overseas
2 Filipino Workers (OFW) Act of 2017”.

4 **SEC. 2. *Declaration of Policy.*** – It shall be the policy of the State to enhance its
5 institutional capacity to deliver public goods and services in a more efficient, effective and
6 accountable manner. It shall also be the policy of the State to ensure the protection of the rights
7 of our overseas Filipino workers and promotion of their welfare and safety. In view of this, State
8 shall effect the necessary and proper changes in the agencies and instrumentalities promoting,
9 managing, and protecting the Filipino international migrant workers in order to rationalize and
10 promote efficiency and effectiveness in the delivery of services to our OFWs.

12 **SEC. 3. *Creation of the Department of Overseas Filipino Workers.*** – There shall be
13 created a Department of Overseas Filipino Workers, hereinafter referred to as the Department,
14 which shall be organized structurally and functionally, in accordance with the provisions of this
15 Act.

17 **SEC. 4. *Mandate.*** – The Department shall be the primary policymaking, planning,
18 coordinating, implementing, and administrative entity of the Executive Branch of the
19 government in the field of overseas labor and employment. It shall formulate and undertake a
20 systematic program for promoting the welfare of OFWs and monitoring their overseas
21 employment, taking into consideration domestic manpower requirements and the need to protect
22 their rights to fair and equitable employment practices.

24 **SEC. 5. *Powers and Functions of the Department.*** – The Department shall have the
25 following powers and functions:

27 (a) Formulate and recommend national policies and guidelines and conduct in-depth studies on
28 all policy areas and options that will ensure protection of OFWs in consultation with relevant
29 stakeholders;

- 1 (b) Assess, review, harmonize and coordinate all OFW-related local policies and procedures and
2 international agreements to ensure overall consistency and implementation of national
3 policies;
- 4
- 5 (c) Promote, advance and implement general and specific government objectives regarding
6 OFW activities, programs, welfare and interests;
- 7
- 8 (d) Build a strong and harmonious partnership with foreign countries and the private sectors to
9 formulate strategies and implement the same;
- 10
- 11 (e) Represent and negotiate for Philippine interest on matters pertaining to OFW affairs in
12 international bodies;
- 13
- 14 (f) Develop, implement and improve coordination with other countries with OFW presence and
15 monitor foreign developments to ensure the most reasonable working conditions for the
16 OFWs and create a proactive approach in providing assistance to them especially in times of
17 war and civil unrest, whether potential or apparent;
- 18
- 19 (g) Promote knowledge, information and resource sharing, and develop a database to assist
20 OFWs anywhere in the world;
- 21
- 22 (h) Assist and provide technical expertise in the troubleshooting of the OFWs in distress and tap
23 the services of personnel, foreign and local, with expertise on the formulation of strategies
24 and plans concerning OFW activities, if needed;
- 25
- 26 (i) Promote, develop and monitor the continuing education, training and qualification,
27 availability and deployment of OFWs and coordinate with agencies concerned in the training
28 of OFWs to improve their global competitiveness;
- 29
- 30 (j) Coordinate with government agencies concerned in the training and support of Filipinos who
31 have worked abroad and are returning to the country;
- 32
- 33 (k) Regulate and guide the business activities relative to the deployment of Filipino workers and
34 other related activities;
- 35
- 36 (l) Promulgate rules and regulations for the implementation of its guidelines, policies and
37 related laws;
- 38
- 39 (m) Administer, accept, hold and utilize property, both personal and real, subject to constraints by
40 existing laws, for the purpose of assisting and expediting the work of the Department; and
- 41
- 42 (n) To perform such other functions as maybe needed to achieve its goals and objectives to the
43 fullest and as may be needed to achieve its goals and objectives to the fullest and as may be
44 provided by this Act.

45

46 **SEC. 6. Composition.** – The Department shall be headed by a Secretary. The Department
47 proper shall be composed of the Office of the Secretary, the Offices of the Undersecretaries and
48 the Assistant Secretaries.

1 **SEC. 7. *The Secretary.*** – The Secretary shall be appointed by the President, subject to
2 confirmation by the Commission on Appointments. The Secretary shall have the following
3 functions:

- 4 (a) Provide executive direction and supervision over the entire operations of the Department and
5 its attached agencies;
- 6 (b) Establish policies and standards for the effective, efficient and economical operation of the
7 Department, in accordance with the programs of government;
- 8 (c) Review and approve requests for financial and manpower resources of all operating
9 offices of the Department;
- 10 (d) Designate and appoint officers and employees of the Department, excluding the
11 undersecretaries, assistant secretaries, and regional directors and assistant regional directors, in
12 accordance with the civil service laws, rules and regulations;
- 13 (e) Exercise disciplinary powers over officers and employees of the Department in accordance
14 with law, including their investigation and the designation of a committee or officer to conduct
15 such investigation;
- 16 (f) Coordinate with local government units (LGUs), other agencies and public and private
17 interest groups, including nongovernment organizations (NGOs) and people's organizations
18 (POs) on Department policies and initiatives;
- 19 (g) Prepare and submit to the President through the Department of Budget and Management
20 (DBM) an estimate of the necessary expenditures of the Department during the next fiscal year,
21 on the basis of the reports and estimates submitted by bureaus and offices under him/her;
- 22 (h) Advise the President on the promulgation of executive and administrative orders and
23 formulation of regulatory and legislative proposals on matters pertaining to the OFWs.
- 24 (i) Formulate such rules and regulations and exercise such other powers as may be required to
25 implement the objectives of this Act: *and*
- 26 (k) Perform such other tasks as may be provided by law or assigned by the President.

27 **SEC. 8. *The Undersecretaries.*** – The Secretary shall be assisted by three (3)
28 undersecretaries, who shall be appointed by the President upon the recommendation of the
29 Secretary: *Provided*, That two (2) of the undersecretaries shall be career officers.

30 **SEC. 9. *Assistant Secretaries.*** – The Secretary shall be assisted by four (4) assistant
31 secretaries who shall be appointed by the President upon the recommendation of the
32 Secretary: *Provided*, That two (2) of the assistant secretaries shall be career officers.

33 **SEC. 10. *Qualifications.*** – No person shall be appointed Secretary, Undersecretary, or
34 Assistant Secretary of the Department unless he or she is a citizen and resident of the
35 Philippines, of good moral character, of proven integrity and with competence and expertise in
36 the plans, programs, projects and activities of the government relative to overseas employment.

1 **SEC. 11. *Regional Offices.*** – The Department may establish, operate, and maintain a
2 regional office in the different administrative regions of the country as the need arises. Each
3 regional office shall be headed by a Regional Director, who may be assisted by one (1) Assistant
4 Regional Director. The Regional Director and Assistant Regional Director shall be appointed by
5 the President. The regional offices shall have, within their respective administrative regions, the
6 following functions:

7 (a) Implement laws, policies, plans, programs, projects, rules and regulations of the
8 Department;

9 (b) Provide efficient and effective service to the people;

10 (c) Coordinate with regional offices of other departments, offices, and agencies;

11 (d) Coordinate with the LGUs; *and*

12 (e) Perform such other functions as may be provided by law or assigned by the Secretary.

13 **SEC. 12. *Sectoral and Industry Task Forces.*** – The Department may create sectoral and
14 industry task forces, technical working groups, advisory bodies or committees for the furtherance
15 of its objectives. Additional private sector representatives, such as from the academe, NGOs,
16 POs and federation of private industries directly engaged in the deployment of OFWs, as well as
17 representatives of other National Government Agencies (NGAs), LGUs and government owned
18 or controlled corporations (GOCCs) may be appointed to these working groups.

19 **SEC. 13. *Transfer of Agencies and Personnel.*** –

20 (a) The following agencies are hereby abolished, and their powers and functions,
21 applicable funds and appropriations, records, equipment, property, and personnel transferred to
22 the Department:

23 (1) Overseas Workers Welfare Administration;

24 (2) Philippine Overseas Employment Administration; *and*

25 (3) Commission on Filipino Overseas.

26 (b) The laws and rules on government reorganization as provided for in Republic Act No.
27 6656, otherwise known as the Reorganization Law, shall govern the reorganization process of
28 the Department.

29 **SEC. 14. *Transitory Provisions.*** – The Department shall carry out the reorganization of
30 the aforesaid agencies in such a manner that personnel of the agencies absorbed by the
31 Department shall continue to perform their respective duties and responsibilities in a holdover
32 capacity so as not to unduly delay the services provided to the OFWs.

33 **SEC. 15. *Structure and Staffing Pattern.*** – Subject to the approval of the DBM, the
34 Department shall determine its organizational structure and create new divisions or units as it
35 may deem necessary, and shall appoint officers and employees of the Department in accordance
36 with the civil service law, rules, and regulations.

37

1 **SEC. 16. Early Retirement, Separation Pay and Other Benefits.** – Personnel of the
2 merged agencies who will not be absorbed into the new staffing pattern due to redundancy or
3 failure to comply with the standards of competence and proficiency, or who will be offered
4 positions under the new staffing pattern but who decline such appointment by reason of
5 diminution in rank, benefits and work conditions, or who are offered positions under the new
6 staffing pattern without any diminution in rank, benefits and work conditions but who decline
7 such appointment, if qualified, shall be given the option to avail themselves of any of the
8 following, whichever is beneficial to them:

9 (a) Retirement gratuity provided under Republic Act No. 1616 (An Act Further
10 Amending Section Twelve Of Commonwealth Act Numbered One Hundred Eighty-Six, As
11 Amended, By Prescribing Two Other Modes Of Retirement And For Other Purposes), as
12 amended, payable by the last employer of the affected personnel, plus the refund of retirement
13 premiums payable by the Government Service Insurance System (GSIS), without the incentive
14 herein provided.

15 (b) Retirement benefit under Republic Act No. 660 (An Act To Amend Commonwealth
16 Act Numbered One Hundred And Eighty-Six, Entitled “An Act To Create And Establish A
17 Government Service Insurance System, To Provide For Its Administration, And To Appropriate
18 The Necessary Funds Therefor,” And To Provide Retirement Insurance And For Other Purposes)
19 or applicable retirement, separation or unemployment benefit provided under Republic Act No.
20 8291 (An Act Amending Presidential Decree No. 1146, As Amended, Expanding And Increasing
21 The Coverage And Benefits Of The Government Service Insurance System, Instituting Reforms
22 Therein And For Other Purposes) if qualified, plus the following applicable incentives:

23 (b.1.) 1/2 month of the present basic salary for every year of government service
24 and a fraction thereof, for those who have rendered twenty (20) years of service and
25 below;

26 (b.2.) 3/4 month of the present basic salary for every year of government service
27 and a fraction thereof, computed starting from the 1st year, for those who have rendered
28 twenty-one (21) to less than thirty-one (31) years of service; and

29 (b.3.) 1 month of the present basic salary for every year of government service
30 and a fraction thereof, computed starting from the 1st year, for those who have rendered
31 thirty-one (31) years of service and above.

32 In addition, the affected personnel shall be entitled to the refund of Pag-IBIG contributions, and
33 the commutation of unused vacation and sick leave credits.

34 **SEC. 17. Appropriation.** – The amount necessary for the effective implementation of the
35 provisions of this Act shall be taken from funds available to the agencies enumerated in Section
36 13 hereof. Additional requirements shall be charged to the appropriations under the current
37 General Appropriations Act. Thereafter, such sum as may be needed for the continued
38 implementation of this Act shall be included in the annual General Appropriations Act.

39 **SEC. 18. Implementing Rules and Regulations.** – The Department of Labor and
40 Employment, Department of Foreign Affairs, Department of Budget and Management, Overseas
41 Workers Welfare Administration, Philippine Overseas Employment Administration and
42 Commission on Filipino Overseas shall formulate the implementing rules and regulations of this

1 Act within ninety (90) days after its approval. Such rules and regulations shall take effect fifteen
2 (15) days after its publication in a newspaper of general circulation in the Philippines.

3 **SEC. 19. Separability Clause.** – If any part, section or provision of this Act is declared
4 invalid or unconstitutional, no other parts, sections or provisions hereof shall be affected thereby.

5 **SEC. 20. Repealing Clause.** – All laws, decrees, ordinances, rules, regulations, other
6 issuances or parts thereof which are inconsistent with this Act are hereby repealed or modified
7 accordingly.

8 **SEC. 21. Effectivity Clause.** – This Act shall take effect fifteen (15) days after its
9 complete publication in at least two (2) newspapers of general circulation or the *Official Gazette*.

Approved,