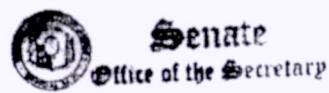


EIGHTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session



SENATE
S. No. 593

'19 JUL 17 P 6:04

RECEIVED BY: *J*

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**

EXPLANATORY NOTE

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 national product to the development, recognition and promotion of Filipino talents worldwide.

It has been said that Filipino industriousness, resiliency and cheerfulness are unparalleled and our countrymen are especially sought after abroad. We find our *kababayans* in the world's most luxurious cruise ships, the most advanced hospitals, the hotels in the biggest cities and to the more exotic and remote locales.

They have sacrificed so much being away from their families, sometimes working in sub-human conditions, adapting to new cultures, and dealing with abusive employers, among many other challenges.

Yet our government is unable to take care of the needs of 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 problems of our OFWs. We have heard reports of abuse our countrymen in difficult and sometimes

life-threatening situations and of 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 back home from working abroad for many years.

There are several agencies created and mandated by our government to handle OFW concerns. Our government has tasked these agencies to cater to the needs of potential OFWs preparing to leave the country, and 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 data by the Department of Foreign Affairs, the estimated number of Filipinos overseas as of June 2015 is pegged at 7.8 million.¹ The number of overseas Filipino workers is pegged at 2.3 million individuals as of 2018.² These numbers are expected to increase steadily in the years to come as the demand for Filipino skills and talents abroad continue to rise. The sheer number of our OFWs alone would justify the creation of a separate department to attend to their requirements.

The needs and concerns of our OFWs are 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 working independently of each other. Moreover, they are as attached to other departments in which the specific concerns of our OFWs may only be secondary responsibilities. This lack of coordination and focus result not only in duplication of work but also in 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 better serve our OFWs as their concerns

¹ Department of Foreign Affairs. *Distribution on Filipino Overseas*. Retrieved from <https://dfa.gov.ph/distribution-of-filipinos-overseas> on July 1, 2018.

² Statistical Tables on Overseas Filipino Workers (OFW): 2018, Philippine Statistics Authority

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 delivery 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 "Mga Bagong Bayani" be afforded the hero treatment they so rightly deserve after their many sacrifices for our country.

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



RALPH G. RECTO

/mabm
/mfho

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THEREFOR, AND FOR OTHER PURPOSES**

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
2 Overseas Filipino Workers (OFW) Act of 2019".

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

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

1 Sec. 4. *Mandate.* – The Department shall be the primary policymaking,
2 planning, coordinating, implementing, and administrative entity of the Executive
3 Branch of the government in the field of overseas labor and employment. It shall
4 formulate and undertake a systematic program for promoting the welfare of OFWs
5 and monitoring their overseas employment, taking into consideration domestic
6 manpower requirements and the need to protect their rights to fair and equitable
7 employment practices.

8 Sec. 5. *Powers and Functions of the Department.* – The Department shall
9 have the following powers and functions:

- 10 (a) Formulate and recommend national policies and guidelines and conduct in-depth
11 studies on all policy areas and options that will ensure protection of OFWs in
12 consultation with relevant stakeholders;
- 13 (b) Assess, review, harmonize and coordinate all OFW-related local policies and
14 procedures, and international agreements to ensure overall consistency and
15 implementation of national policies;
- 16 (c) Promote, advance and implement general and specific government objectives
17 regarding OFW activities, programs, welfare and interests;
- 18 (d) Build a strong and harmonious partnership with foreign countries and the private
19 sectors to formulate strategies and implement the same;
- 20 (e) Represent and negotiate for Philippine interest on matters pertaining to OFW
21 affairs in international bodies;
- 22 (f) Develop, implement and improve coordination with other countries with OFW
23 presence and monitor foreign developments to ensure the most reasonable
24 working conditions for the OFWs and create a proactive approach in providing
25 assistance to them especially in times of war and civil unrest, whether potential
26 or apparent;
- 27 (g) Promote knowledge, information and resource sharing, and develop a database
28 to assist OFWs anywhere in the world;
- 29 (h) Assist and provide technical expertise in the troubleshooting of the OFWs in
30 distress and tap the services of personnel, foreign and local, with expertise on
31 the formulation of strategies and plans concerning OFW activities, if needed;

- 1 (i) Promote, develop and monitor the continuing education, training and
- 2 qualification, availability and deployment of OFWs and coordinate with agencies
- 3 concerned in the training of OFWs to improve their global competitiveness;
- 4 (j) Coordinate with government agencies concerned in the training of and support to
- 5 Filipinos who have worked abroad and are returning to the country;
- 6 (k) Regulate and guide the business activities relative to the deployment of Filipino
- 7 workers and other related activities;
- 8 (l) Promulgate rules and regulations for the implementation of its guidelines, policies
- 9 and related laws;
- 10 (m) Administer, accept, hold and utilize property, both personal and real, subject to
- 11 constraints by existing laws, for the purpose of assisting and expediting the work
- 12 of the Department; and
- 13 (n) To perform such other functions as maybe needed to achieve its goals and
- 14 objectives to the fullest and as may be provided in this Act.

15 Sec. 6. *Composition.* — The Department shall be headed by a Secretary. The
16 Department proper shall be composed of the Office of the Secretary, the Offices of
17 the Undersecretaries and the Assistant Secretaries.

18 Sec. 7. *The Secretary.* — The Secretary shall be appointed by the President,
19 subject to confirmation by the Commission on Appointments. The Secretary shall
20 have the following functions:

- 21 (a) Provide executive direction and supervision over the entire operations of the
- 22 Department and its attached agencies,
- 23 (b) Establish policies and standards for the effective, efficient and economical
- 24 operation of the Department, in accordance with the programs of government;
- 25 (c) Review and approve requests for financial and manpower resources of all
- 26 operating offices of the Department;
- 27 (d) Designate and appoint officers and employees of the Department, excluding the
- 28 undersecretaries, assistant secretaries, and regional directors and assistant regional
- 29 directors, in accordance with the civil service laws, rules and regulations;
- 30 (e) Exercise disciplinary powers over officers and employees of the Department in
- 31 accordance with law, including their investigation and the designation of a
- 32 committee or officer to conduct such investigation:

- 1 (f) Coordinate with local government units (LGUs), other agencies and public and
- 2 private interest groups, including nongovernment organizations (NGOs) and people's
- 3 organizations (POs) on Department policies and initiatives;
- 4 (g) Prepare and submit to the President through the Department of Budget and
- 5 Management (DBM) an estimate of the necessary expenditures of the Department
- 6 during the next fiscal year, on the basis of the reports and estimates submitted by
- 7 bureaus and offices under him/her;
- 8 (h) Advise the President on the promulgation of executive and administrative orders
- 9 and formulation of regulatory and legislative proposals on matters pertaining to the
- 10 OFWs.
- 11 (i) Formulate such rules and regulations and exercise such other powers as may be
- 12 required to implement the objectives of this Act; *and*
- 13 (k) Perform such other tasks as may be provided by law or assigned by the
- 14 President.

15 Sec. 8. *The Undersecretaries.* – The Secretary shall be assisted by three (3)

16 undersecretaries, who shall be appointed by the President upon the recommendation

17 of the Secretary: *Provided*, That two (2) of the undersecretaries shall be career

18 officers.

19 Sec. 9. *Assistant Secretaries.* – The Secretary shall be assisted by four (4)

20 assistant secretaries who shall be appointed by the President upon the

21 recommendation of the Secretary: *Provided*, That two (2) of the assistant secretaries

22 shall be career officers.

23 Sec. 10. *Qualifications.* – No person shall be appointed Secretary,

24 Undersecretary, or Assistant Secretary of the Department unless he or she is a

25 citizen and resident of the Philippines, of good moral character, of proven integrity

26 and with competence and expertise in the plans, programs, projects and activities of

27 the government relative to overseas employment.

28 Sec. 11. *Regional Offices.* – The Department may establish, operate, and

29 maintain a regional office in the different administrative regions of the country as

30 the need arises. Each regional office shall be headed by a Regional Director, who

31 may be assisted by one (1) Assistant Regional Director. The Regional Director and

1 Assistant Regional Director shall be appointed by the President. The regional offices
2 shall have, within their respective administrative regions, the following functions:
3 (a) Implement laws, policies, plans, programs, projects, rules and regulations of the
4 Department;
5 (b) Provide efficient and effective service to the people;
6 (c) Coordinate with regional offices of other departments, offices, and agencies;
7 (d) Coordinate with the LGUs; *and*
8 (e) Perform such other functions as may be provided by law or assigned by the
9 Secretary.

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

17 Sec. 13. *Transfer of Agencies and Personnel.* –

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

21 (1) Overseas Workers Welfare Administration;
22 (2) Philippine Overseas Employment Administration; *and*
23 (3) Commission on Filipino Overseas.

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

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

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

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

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

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

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

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

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

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

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

17 Sec. 18. *Implementing Rules and Regulations.* – The Department of Labor
18 and Employment, Department of Foreign Affairs, Department of Budget and
19 Management, Overseas Workers Welfare Administration, Philippine Overseas
20 Employment Administration and Commission on Filipino Overseas shall formulate the
21 implementing rules and regulations of this Act within ninety (90) days after its
22 approval. Such rules and regulations shall take effect fifteen (15) days after its
23 publication in a newspaper of general circulation in the Philippines.

24 Sec. 19. *Separability Clause.* — If any part, section or provision of this Act is
25 declared invalid or unconstitutional, no other parts, sections or provisions hereof
26 shall be affected thereby.

27 *Sec. 20. Repealing Clause.* – All laws, decrees, ordinances, rules, regulations,
28 other issuances or parts thereof which are inconsistent with this Act are hereby
29 repealed or modified accordingly.

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

Approved,