

HOUSE OF REPRESENTATIVES

H. No. 7036

BY REPRESENTATIVES AGLIPAY, CASTELO, BELMONTE, FORTUN, GO (M.), VILLANUEVA (E.),
RIVERA, TAMBUNTING, NIETO, DALIPE, SAVELLANO, MANGAOANG, PINEDA, VELASCO AND
ARROYO, PER COMMITTEE REPORT NO. 389

**AN ACT STRENGTHENING THE SECURITY OF TENURE OF WORKERS IN THE PRIVATE
SECTOR, AMENDING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 442, AS AMENDED,
OTHERWISE KNOWN AS THE "LABOR CODE OF THE PHILIPPINES"**

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

1 **SECTION 1. Short Title.** This Act shall be known as the "Security of Tenure Act."

2
3 **SEC. 2.** Article 106 of Presidential Decree No. 442, as amended, otherwise known
4 as the "Labor Code of the Philippines", is hereby amended to read as follows:

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6 **"ARTICLE 106. Contractor [or subcontractor].** – Whenever an employer
7 enters into a contract with another person for the performance of the
8 former's work, the employees of the contractor [and of the latter's
9 subcontractor, if any,] shall be paid in accordance with the provisions of this
10 Code **AND OTHER LAWS.**

11
12 "In the event that the contractor [or subcontractor] fails to pay the wages,
13 **ALLOWANCES AND BENEFITS** of his employees in accordance with this Code
14 **AND OTHER LAWS**, the employer shall be jointly and severally liable with
15 [his] **THE** contractor [or subcontractor] to such employees to the extent of
16 the work performed under the contract, in the same manner and extent that
17 he is liable to employees directly employed by him.

