



Republic of the Philippines
Professional Regulation Commission
Manila



PROFESSIONAL REGULATORY BOARD OF CHEMISTRY
Resolution No. 11
Series of 2018

**GUIDELINES ON THE GRANT OF HAZARD PAY TO REGISTERED CHEMISTS
AND REGISTERED CHEMICAL TECHNICIANS**

WHEREAS, Republic Act (RA) No. 10657, otherwise known as the Chemistry Profession Act, is the law which regulates the practice of the Chemistry profession in the Philippines;

WHEREAS, Section 7, Article II of RA No. 10657 states that the Professional Regulatory Board of Chemistry (Board) shall have the power and duty to supervise and regulate the practice of the Chemistry profession; determine, in consultation with the Accredited Professional Organization (APO) for the Chemistry profession, private industry and relevant government agencies, the requirements of chemical laboratories, both private and government, and other entities engaged in the practice of Chemistry for registration or renewal of permit, and to issue, together with the Professional Regulation Commission (Commission), the Certificate of Authority to Operate to those that satisfy the requirements; and conduct on-site inspection of Chemistry laboratories and other entities engaged in the practice of Chemistry, among others;

WHEREAS, Section 42, Article IV of RA No. 10657 provides that Chemists and Chemical Technicians who are exposed to chemicals as part of their responsibilities are entitled to hazard pay and insurance coverage commensurate to the risk involved;

WHEREAS, Section 50, Rule XII of Board Resolution No. 07, s. of 2015, or the Implementing Rules and Regulations (IRR) of RA No. 109657 states, to wit: "Chemists and Chemical Technicians exposed to chemicals as part of their regular work and responsibilities are entitled to hazard pay and insurance coverage commensurate to the risks involved. This should be part of the organization's compensation and benefit scheme for such work. Provided, that entities/firms with existing collective bargaining agreement providing for similar benefits and those who have incorporated the hazard pay in the compensation package given to their employees shall no longer be required to pay additional hazard pay. Provided further, that those entities/firms which already provide health and accident insurance policies as part of its usual employees compensation package shall be deemed to have complied with the requirements of the law, unless it has been determined that such health and accident insurance policies are not commensurate to the risk to which the Chemist or Chemical Technician is exposed";

WHEREAS, marked variations¹ were observed in the rates of hazard pay that are being given by laboratories and establishments that had been initially inspected by the Board as herein illustrated: (1) government laboratories covered by the Rules and Regulations on the Grant of Compensation-Related Magna Carta Benefits to Scientists, Engineers, Researchers, and Other Science and Technology (S&T) Personnel provide hazard pay ranging from 10-30% based on the level of risk; (2) one company gives hazard pay equivalent to twenty percent (20%) of the Chemists' salary; (3) two establishments give Two Thousand Five Hundred Pesos (Php 2,500) per month as hazard pay to its

¹ Results of laboratory inspection as of February 2018

Chemists and Chemical Technicians; and (4) two to three companies claim to have already incorporated the hazard pay to the laboratory staff members' salaries;

WHEREAS, series of consultative meetings on the hazard pay were held on the following dates: October 4, 2017², November 28, 2017³ and February 19, 2018⁴ which were attended and participated in by representatives from both the public and private sectors;

IN VIEW WHEREOF, the Board hereby **RESOLVES**, as it so **RESOLVED**, to issue the Guidelines on the Grant of Hazard Pay to Chemists and Chemical Technicians ("Guidelines").

I. DEFINITION OF TERMS:

For purposes of this Guidelines, the following terminologies shall be construed to mean:

- 1.1 *Chemical Laboratory* refers to any facility where chemical analysis and chemical synthesis as respectively defined in Section 3 (d) and 3 (e), Article I of R. A. No. 10657 are performed. Such activities carried out outside of a chemical laboratory, for example, a factory, mobile laboratory or field location, shall likewise be considered a chemical laboratory. Chemical laboratories and other related establishments shall include but not be limited to the following:
- 1.1.1 *Quality Control Laboratory* refers to a laboratory in an industrial establishment where chemical or physico-chemical analyses or tests on raw materials, intermediates, and finished products are conducted;
 - 1.1.2 *Testing Laboratory* refers to a laboratory where chemical or physico-chemical analyses are provided as a service to clients;
 - 1.1.3 *Chemical Research Laboratory* refers to a laboratory where pure and/or applied research is conducted and which utilize chemical or physico-chemical methods
 - 1.1.4 *Chemical Teaching Laboratory* refers to a laboratory in an educational institution that is used for student instruction;
 - 1.1.5 *Chemistry Store/Stockroom* refers to a facility within an establishment where chemicals and chemical apparatus and equipment are held or stored for use within the establishment;
 - 1.1.6 *Chemical Supplier/Distributor* refers to an establishment where chemical and chemical apparatus and equipment are offered for sale.
- 1.2 *Certificate of Authority to Operate* refers to the certificate issued by the Board and the Commission to a chemical laboratory and other covered establishment that complies with the requirements provided under Board Resolution No. 02-2017 or the "Rules and Regulations Implementing Section 35 of Republic Act No. 10657 (Chemistry Profession Act) on the Issuance of the Certificates of Authority to Operate Chemical

² with resource persons from the Bureau of Working Conditions (BWC), and the Integrated Chemists of the Philippines (ICP)

³ with around 850 participants from relevant government agencies, companies and schools

⁴ With around 350 participants from relevant government agencies, companies and schools

Appreciation

Laboratories and other Related Establishments" and such other guidelines as may hereinafter be prescribed;

- 1.3 *Hazard Pay* refers to the additional pay or extra compensation to be given to a Chemist or Chemical Technician for performing work under hazardous or dangerous conditions;
- 1.4 *Hazardous or dangerous condition* refer to a condition where the presence of certain factor(s) or circumstance(s) is likely to cause damage, injury or harm, physical or otherwise, to a person who is exposed to such factor(s) or circumstance(s). Hazardous or dangerous condition, as contemplated in this Guidelines, shall be limited to the Chemist's or Chemical Technician's exposure to chemicals as part of his/her regular duty and responsibility.
- 1.5 *Insurance* refers to an agreement or contract whereby one party (Employer), undertakes for a consideration to indemnify another (Chemist or Chemical Technician) against loss, damage or liability arising from an unknown or contingent event (ex. Insurance coverage for work-related injuries and accidents)

II. GENERAL AND SPECIAL PROVISIONS

2.1 Coverage:

All Chemists and Chemical Technicians who are working in chemical laboratories and other related establishments under hazardous and dangerous conditions as herein defined are entitled to receive hazard pay.

Hazard pay shall be provided regardless of the employment status⁵ of the Chemist or Chemical Technician.

2.2 Rate of Hazard Pay:

- 2.2.1. The minimum amount of hazard pay per month is the total Social Security System (SSS) contribution (employee + employer) which is currently at Php 1,760 x (factor related to attendance) x (level of risk)⁶. The determination of the level of risk shall rest on the employer based on its sound internal job hazard risk analysis or own assessment of the conditions in its laboratory or establishment.
- 2.2.2 The above stipulation notwithstanding, a higher amount of hazard pay may be paid by the employer to its Chemist and/or Chemical Technician.
- 2.2.3 Further, nothing herein shall preclude the employer from incorporating the hazard pay in the compensation package of its

⁵ i. e. whether with regular, or contractual appointment or under probation

⁶ Level of risk depends upon the degree of the Chemist's or Chemical Technician's exposure to the hazard

At the discretion



Chemist and/or Chemical Technician: *Provided*, that the hazard pay can be clearly identified among the items or components comprising the compensation package. In such a case, a breakdown of the compensation package showing the amount corresponding to hazard pay shall be submitted to the Board. The BIR 2316 Income Tax Form may be presented and submitted as evidence thereof.

- 2.2.4 The *Principle of Non-Diminution of Benefits* shall apply in the case of an employer already giving hazard pay at rates higher than the prescribed minimum. Pursuant thereto, he/she shall be barred from reducing or diminishing the amount of hazard pay that is being received by its Chemists and/or Chemical Technicians at the time of the effectivity of this Guidelines.
- 2.2.5 The hazard pay shall be treated as a separate item from the insurance coverage as evident in the use of the conjunction “and” in Section 42⁷, Article V of RA No. 10657, and in view of the different purposes for which each of these benefits or entitlements are sought to be given.
- 2.2.6 The rate of hazard pay prescribed in this Guidelines shall be subject to future adjustments as the Board may deem reasonable under the circumstances.

2.3 Monitoring and Imposition of Penalty/Sanction

- 2.3.1 Those laboratories or establishments which have been issued Certificates of Authority to Operate prior to the effectivity of this Guidelines shall be allowed to continue to operate until the expiration of their Certificates of Authority to Operate, *provided*, that they shall be required to comply with the requirements as herein prescribed in their application for renewal.
- 2.3.2 Section 39, Article IV of RA No. 10657 prohibits the undertaking by a laboratory or establishment of any act covered by said law without a valid Certificate of Authority to Operate. The president or the highest-ranking officer of the corporation shall be held liable for the violation. Upon conviction, a penalty of imprisonment for a period of not less than one (1) month but not more than one (1) year, or a fine of not less than One Hundred Thousand Pesos (P100,000.00) but not more than One Million Pesos (P1,000,000.00), or both, shall be imposed, at the discretion of the court.
- 2.3.3 The Board shall inspect chemical laboratories and other covered establishments to ensure compliance with the requirements of RA No. 10657 on the hazard pay and Certificate of Authority to Operate.

⁷ SEC. 42. *Hazard Pay, Health and Accident Insurance, and Legal Assistance.* – Registered chemists and registered chemical technicians who are exposed to chemicals as part of their regular responsibilities are entitled to hazard pay and insurance coverage commensurate to the risk involved. xxx

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III. FINAL PROVISIONS

3.1 Repealing Clause:

All resolutions, orders, circulars, issuances or part/s thereof inconsistent herewith are amended or repealed accordingly.

3.2 Separability Clause:

Should any provision of this Guidelines be declared not constitutional or valid, such shall not invalidate any other provision hereof.

3.3 Effectivity Clause:

This Guidelines shall take effect after fifteen (15) days from the completion of its publication in the Official Gazette or in any newspaper of national circulation.

Let a copy hereof be furnished the UP Law Center and the ICP for information.

Done this 22nd day of May, 2018 in the City of Manila.

A. Resurreccion
ADORACION P. RESURRECCION
Chairperson

[Signature]
SOLEDAD S. CASTAÑEDA
Member

[Signature]
MA.THERESA C. CAYTON
Member

Attested by:

[Signature]
LOVELIKA T. BAUTISTA
Chief, Secretariat to the Professional Regulatory Boards

APPROVED:
[Signature]
TEOFILO S. PILANDO, JR.
Chairman

[Signature]
YOLANDA D. REYES
Commissioner

[Signature]
JOSE Y. CUETO, JR.
Commissioner