

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS

First Regular Session

House Bill No. 2455

Introduced by HON. EXEQUIEL B. JAVIER

EXPLANATORY NOTE

This bill seeks to provide employment in communities where extractive industries are engaged in the development and exploitation of natural resources. More often than not, these extractive industries such as mining, quarrying, cement manufacture, logging, generation for power by steam (geothermal) or water (hydro-electric) cart off the national wealth without even sharing their profits in the form of benefits with local residents. In fact, in most cases, these extractive industries, after they had taken away the natural wealth of these communities, left these communities poorer than before the extraction of their wealth.

The Constitution in Article X, Section 7, however, gives the mandate that local governments shall have an equitable share in the proceeds derived from the utilization and development of the natural resources, including the sharing of revenue with the inhabitants by way of direct benefits. This Congress can do no less, by enacting legislation to enhance this constitutional mandate for the benefit of the residents of these communities.

In substance, this bill seeks to amend the Labor Code, as amended, to compel these extractive industries to provide preferential employment to residents of these communities where they exploit and utilize the natural wealth.

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


HON. EXEQUIEL B. JAVIER
Representative
Lone District of Antique

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THIRTEENTH C O N G R E S S

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AN ACT
REQUIRING INDUSTRIES ENGAGED IN THE
EXPLOITATION OF NATURAL RESOURCES TO
GIVE PREFERENTIAL EMPLOYMENT TO LOCAL
RESIDENTS, AMENDING FOR THE PURPOSE THE
LABOR CODE OF THE PHILIPPINES

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

SECTION 1. A new title is hereby added to Book I of the Labor Code of the Philippines which shall read as follows:

"Title III

Employment of Residents in Industries Engaged
in the Development and Exploitation of Natural
Resources.

Art. 43. Definition. Industries engaged in the development and exploitation of natural resources shall include corporations, partnerships, associations, individuals engaged in mining, quarrying, manufacture of cement, logging, generation of power by steam (geothermal) or water (hydro-electric), oil drilling and other extractive activities.

Residents shall mean those who have resided for a period of at least one (1) year in the Province or City where the

activity is conducted and have a evinced a desire to reside therein permanently.

Art. 44. Corporation, partnerships, associations or individuals engaged in the development and exploitation of natural resources as defined in the preceding section shall give preference to the employment of residents of the Province or City where such activities are conducted ; Provided, however, that the employment of managerial employees, shall only be made upon certification by the Bureau of Employment Services that no residents are qualified for such positions.

Art. 45. A violation of the preceding section shall be deemed unlawful and shall be prosecuted and punished under Articles 288 and 289 of this Code.

SECTION 2. Section 43 is hereby renumbered as Section 46, Section 46 as Section 47 and the succeeding sections of the Labor Code of the Philippines are hereby renumbered accordingly.

SECTION 3. Effectivity. - This Act shall take effect five (5) days after its publication in a newspaper of general circulation.

Approved.