

Republic of the Philippines

House of Representatives
Quezon City

SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **1994**



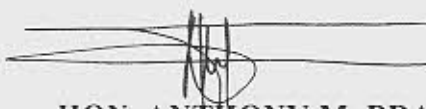
**Introduced by Honorable Anthony M. Bravo and Honorable
Cresente C. Paez**

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, power-generation 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, leave 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.


HON. ANTHONY M. BRAVO


HON. CRESENTE C. PAEZ

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AN ACT

MANDATING 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.

Article 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 evinced a desire to reside therein
permanently.

Article 44. Corporations, 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.

Article 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 fifteen (15) days after its publication in a newspaper of general circulation.

Approved.