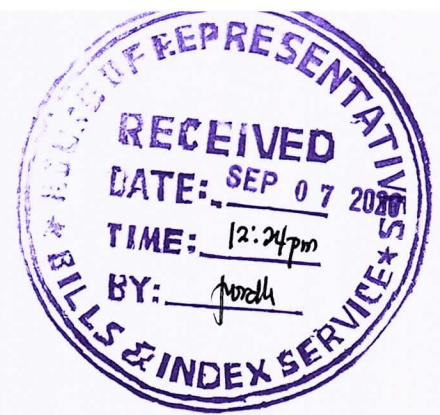


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 7591



Introduced by Representative Edgar Mary S. Sarmiento

EXPLANATORY NOTE

The 1987 Constitution paints a clear picture on how the State should promote labor. Article II Section 18 states that the State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare. On the other hand, Article XII Section 3 declares that the State shall afford full protection to labor and promote full employment and equality of employment opportunities for all.

Countries all over the world are now bearing the brunt of the COVID-19 pandemic. Its devastating effects have seeped to other sectors of society. Aside from our health sector, the it has taken its toll on every country's economy. As we continuously fight the disease, we must also place temporary measures which would alleviate the conditions of our countrymen. As the number of Returning OFWs and unemployed individuals returning to the provinces grows, the government must find a way to increase job opportunities, even in the provinces.

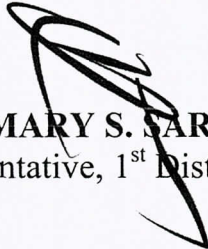
We have long known that infrastructure investment creates a multiplier effect which substantially boosts economic growth. The Presidential Adviser for Flagship Programs, Vivencio Dizon, said that, "Infrastructure projects will continue to generate more jobs for Filipinos amid the global health crisis." Furthermore, the government also aims to focus on the "Build, Build Build" program to generate local employment.¹

¹ <https://www.pna.gov.ph/articles/1114288>

The bill creates a mechanism wherein local infrastructure investment will directly translate into job generation. It mandates that ten percent (10%) of the project cost for local infrastructure project will be allotted for labor-intensive items of work designated as "COVID-19 Items of Work." The program shall be handled by the Department of Public Works and Highways. The COVID-19 Items of Work shall involve minor construction work related to the infrastructure project composed of pure labor tasks which require minimal skill. Through this bill, those who were temporarily displaced through the pandemic will be able to find work within the vicinity of their current residence.

The bill aims to address two pressing concerns First, as what was stated, it will address unemployment. Second, it will benefit the community as the infrastructure projects are communal.

In view thereof, approval of this bill is earnestly sought.



EDGAR MARY S. SARMIENTO
Representative, 1st District Samar

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Eighteenth Congress
Second Regular Session

HOUSE BILL NO. 7591

Introduced by **Rep. Edgar Mary Sarmiento**

**AN ACT MANDATING LOCAL GOVERNEMENT INFRASTRUCTURE
PROJECTS TO HAVE AN ALLOTMENT AT LEAST TEN PERCENT OF
THE TOTAL PROJECT COST FOR LABOR-INTENSIVE ITEMS OF
WORK TO BE CALLED “COVID-19 ITEMS OF WORK”**

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

SEC. 1. Short Title. This Act shall be known as the “Employment Generation
Through Infrastructure Investment Program (EGTIIP) Act”

SEC. 2. Declaration of Policy. The State recognizes that infrastructure
investments have a multiplier effect for the economy. To be able to maximize
employment generation through infrastructure investment, it must be ensured that
the policy to be adopted will directly translate to more workers being hired.

Due to the effects of the pandemic, numerous individuals have been
unemployed especially Overseas Filipino Workers. They have been returning to
their home provinces without work opportunities. The government could create
more job opportunities through infrastructure projects if a more labor-intensive
approach is taken instead of the usual equipment-oriented approach. The labor-
intensive approach is a temporary measure to alleviate displaced individuals who
currently have no source of income.

Thus, it is the policy of the government to adopt a program which promotes gainful employment for its citizens during a period of economic recession while improving infrastructure for the benefit of the general public.

SEC. 3. *Employment Generation Through Infrastructure Investment Program (EGTIIP).* The Employment Generation Through Infrastructure Investment Program requires the creation of Labor-Intensive Items of Work, which shall be called “COVID-19 Items of Work,” under the local infrastructure projects of the Department of Public Works and Highways (DPWH) covered by this Act.

The COVID-19 Items of Work shall take up ten percent (10%) of the total project cost. It shall be composed of pure labor tasks which require minimal skill that are needed in the implementation of a portion of the infrastructure project. The COVID-19 Items shall be identified by the DPWH.

The COVID-19 Items of Work involves minor construction work related to the infrastructure project, such as but not limited to, construction of foot paths, construction/ rehabilitation/ improvement of sanitation facilities, construction/ rehabilitation of community facilities, installation of small-scale water supply system of schools etc. It should not involve Items of Work which necessitates the use of equipment.

SEC. 4. *Responsibilities of the Department of Public Works and Highways.* The DPWH shall serve as the primary planning, implementing, and monitoring body of this Program.

In the implementation of this Act, the DPWH shall perform the following functions:

- a) Identify the appropriate COVID-19 Items of Work for different types of infrastructure projects
- b) Identify the qualified infrastructure projects for each LGU where COVID-19 Items of Work may be placed
- c) Coordinate with the Local Government Units to identify residents of the LGUs that may be hired under the program
- d) Coordinate with the Local Government Units to identify the projects needed in their areas of jurisdiction

- e) Monitor the implementation of this Act

SEC. 5. *Contractor Requirement.* All private contractors, including subcontractors, to whom awards are made for the undertaking of infrastructure projects covered by this Act must comply with the requirements found in Section 3 of this Act and those that are identified by the DPWH to fulfill the objectives of this Act during the implementation of the construction project as stipulated in the Program of Work and contract.

SEC. 6. *Infrastructure Projects Covered.* The DPWH shall identify local infrastructure projects that could qualify under this program. It excludes highly technical projects which necessitates the use of machines and foreign-funded projects.

SEC. 7. *Penal Clause.* Violations under this Act shall be penalized in accordance with the following provisions:

- a) Failure of the DPWH and the LGU to comply with the provisions of this Act shall merit a disallowance of the project. Administrative and criminal cases in accordance with existing laws shall be filed against the erring officials involved in the implementation of the project.
- b) Failure of the contractor or subcontractor to comply with Section 3 and 7 of this Act shall be penalized by a fine of Two Hundred Thousand Pesos for every contract and a suspension for two (2) years from participating in public works bidding counted from the date of the end of the contract period involving the latest infraction. The penalty shall be without prejudice to the other criminal and administrative cases that may be filed against the erring contractor or subcontractor

SEC. 8. *Monitoring.* The DPWH and the LGU shall be responsible in monitoring compliance with this Act. Failure to ensure that government contracts comply with the requirements of Section 3 shall warrant filing of administrative and criminal cases in accordance with existing laws against the erring government officials.

SEC. 9. *Interpretation.* Nothing in this Act shall be construed to reduce or remove the requirements mandated by Republic Act No. 6685 and Republic Act No. 9184.

SEC. 10. *Rules and Regulations.* The Secretary of the Department of Public Works and Highways (DPWH) shall, after consultation with duly accredited national constructors associations, Secretary of National Economic and Development Authority, and the Secretary of Labor, issue implementing rules and regulations within sixty (60) days upon approval of this Act.

SEC. 11. *Sunset Clause.* Unless sooner revoked or extended by Congress, the law shall cease its effectivity by December 2024.

SEC. 12. *Separability Clause.* If, for any reason, any part or provision of this Act is declared invalid such declaration shall not affect other provisions of this Act.

SEC. 13. *Repealing Clause.* Any law, presidential decree or issuance, executive order, administrative order, rule or regulation contrary to, or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

SEC. 14. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,