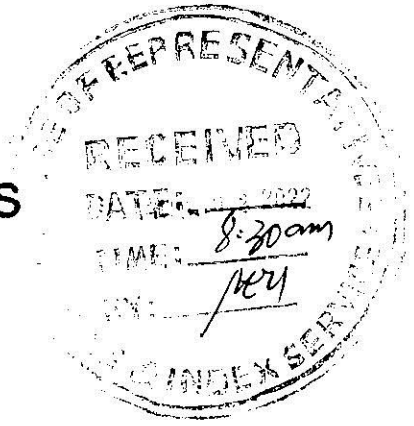




Republic of the Philippines  
**House of Representatives**  
Batasan Hills, Quezon City

Nineteenth Congress  
First Regular Session

HOUSE BILL NO. 2972



Introduced by: **Hon. Josephine Veronique "Jaye" Lacson-Noel and  
Hon. Florencio Gabriel G. Noel**

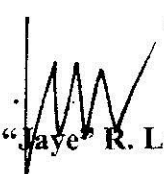
**EXPLANATORY NOTE**

One of the State policies enshrined in the Constitution is the affirmation of labor as a primary social economic force, which entails protecting the rights of workers and promotion of their welfare. Probationary employees should enjoy the same Constitutional guarantee.

Under the Labor Code of the Philippines, employees shall be deemed under probation during the first six months, after which the employee shall become regularized. Probationary employees, while in their first six months, are not guaranteed any form of leave under the law. Currently, the Labor Code provides for five days of Service Incentive Leaves for employees who have rendered at least one year of service, which excludes probationary employees. Grant of leave credits in the form of sick leaves or vacation leaves are left at the discretion of employers, who in usual practice do not grant these benefits to probationary employees.

After the harsh effect of the pandemic COVID-19 towards our livelihood and economy, it is the main goal of this bill help enable and strengthen our workforce through the grant of leave credits to probationary employees. This will boost their morale and increase their efficiency, which will then be beneficial to the labor force, employers and our national economy.

**In view of the foregoing, the approval of this bill is earnestly sought.**

  
Josephine Veronique "Jaye" R. Lacson-Noel

  
Florencio Gabriel G. Noel



Republic of the Philippines

# House of Representatives

Batasan Hills, Quezon City

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## AN ACT

**GRANTING SERVICE INCENTIVE LEAVES TO PROBATIONARY EMPLOYEES,  
AMENDING FOR THE PURPOSE ARTICLE 95 OF PRESIDENTIAL DECREE NO. 442, AS  
AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES**

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

**SECTION 1.** Article 95 of Presidential Decree No. 442, as amended, is hereby amended to read as follows:

*“Art. 95. Right to service incentive leave.*

- (a) Every employee who has rendered at least one year of service shall be entitled to a yearly service incentive leave of five days with pay. **Probationary employees shall be entitled to service incentive leave of three days with pay.**
- (b) This provision shall not apply to those who are already enjoying the benefit herein provided, those enjoying vacation leave with pay of at least five days and those employed in establishments regularly employing less than ten employees or in establishments exempted from granting this benefit by the Secretary of Labor and Employment after considering the viability or financial condition of such establishment.
- (c) The grant of benefit in excess of that provided herein shall not be made a subject of arbitration or any court or administrative action.

**SECTION 2. Implementing Rules and Regulations.** – Within ninety (90) days after the approval of this Act, the Department of Labor and Employment shall prepare and issue the necessary rules and regulations for the effective implementation of this Act.

**SECTION 3. Separability Clause.** – If any of the sections or provisions of this Act is held invalid, all other provisions not affected thereby shall remain valid.

**SECTION 4. Repealing Clause.** – All laws, decrees, issuances, rules and regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SECTION 5. Effectivity Clause.** – This Act shall take effect fifteen (15) days after its complete publication in at least two (2) newspapers of general circulation.

Approved,