



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

Twentieth Congress
First Regular Session



HOUSE BILL NO. 4435

Introduced by Representative Johanne Monich G. Bautista

EXPLANATORY NOTE

This bill seeks to institutionalize Calamity Pay, an additional thirty percent (30%) compensation, as a form of fair and just compensation for employees who render work in times of natural calamities. It recognizes that in times of calamity, an employee reports to work and renders work in conditions that pose risks to their health and safety, which are not part of their normal work conditions. It compensates employees for the time and energy spent at work, which time could have otherwise been used to prepare for the impact of an upcoming natural disaster, to protect their families, homes, and properties, to recover from the effects of a calamity, and to care for their families in need of support due to calamity.

By providing this additional compensation, the State acknowledges the resilience and dedication of Filipino workers, and fulfills its duty of full protection to labor and promotion of their welfare, especially in times of crisis. This bill is an act of social justice and compassion, recognizing the extraordinary circumstances and sacrifices made by Filipino workers to deliver services not only for the benefit of their employers, but also for the benefit and recovery of their communities.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


JOHANNE MONICH G. BAUTISTA
Representative, TRABAHO Party-List



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**AN ACT PROVIDING FOR ADDITIONAL PAY FOR EMPLOYEES DIRECTLY
AFFECTED BY NATURAL CALAMITIES**

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

SECTION 1. *Short Title.* — This Act shall be known as the “*Calamity Pay Law.*”

SECTION 2. *Declaration of Policy.* — It is the policy of the State to protect the rights of workers and promote their welfare. The State recognizes the right of workers humane conditions of work, and its inherent obligation to ensure that the right of workers to safe and healthful working conditions be upheld at all times, especially during times of calamities or natural disasters.

Towards this end, the State shall institutionalize a mechanism to grant calamity premium pay to employees affected by calamities and are required to work by their employers. This will provide workers both protection and just compensation that the exigencies of time and circumstances require.

SECTION 3. *Definition of Terms.* — Whenever used in this Act, the following terms are defined as follows:

- (1) **Calamity** refers to a natural disaster or occurrence involving significant loss, damage, suffering, or disruption of means of livelihood, roads, or normal way of life within the Philippines, such as, but not limited to, earthquake, volcanic eruption, storm, typhoon, flooding, landslide, severe weather disturbance, and other similar events.

- (2) **Calamity Pay** refers to the additional compensation equivalent to an employee's regular wage plus thirty percent (30%) thereof granted to employees who are directly affected by natural calamity or disaster and are required to physically report to work by their employers.
- (3) **Employee** refers to any person who performs services for an employer, whether in the government or in the private sector, in which either or both mental and physical efforts are used, and who receives compensation for such services, where there is an employer-employee relationship, regardless of the nature of their employment and irrespective of the methods by which their wages are paid.
- (4) **Employer** refers to any person, natural or juridical, domestic or foreign, who carries on in the Philippines any trade, business, industry, undertaking, or activity of any kind, and uses the services of employees, including the Government and any of its political subdivisions, branches or instrumentalities, including corporations owned or controlled by the Government.
- (5) **Immediate Family Members** refer to family members up to second civil degree of consanguinity or affinity, including common law spouses or live-in partners.
- (6) **Severely Affected** refers to a condition involving mass casualty and/or major damages to property, disruption of means of livelihood, roads, and normal way of life of people in the affected areas as a result of the occurrence of the calamity.

SECTION 4. Coverage. — All rights and benefits granted to employees under this Act shall apply to all employees and workers, whether in the government and in the private sector. However, such rights and benefits shall not apply to employees or workers who render services during or on occasion of calamities or disasters by virtue of the nature of their jobs.

Those employed in retail and service establishments regularly employing less than ten (10) employees, or establishments exempted from granting the benefits under this Act by the Secretary of Labor and Employment after considering the viability of such establishment, are not covered by this Act.

Further, this Act shall not apply to those employees who enjoy premium pay or additional compensation for work rendered in times of calamities or emergencies. However, for employees who are enjoying calamity or emergency premium pay or additional compensation of less than thirty percent (30%) of his or her regular wage, the same shall be increased to comply with the calamity pay granted by this Act.

SECTION 5. Work in Times of Calamity. – An employee may be required by his or her employer to physically report to work in times of calamity in any of the following cases:

- (a) Essential public services during emergency or critical situations that would require immediate or quick response;
- (b) Relief, rehabilitation, reconstruction, and other necessary work or services during calamities or disasters;

- (c) When it is necessary to prevent loss of life or property due to an actual or impending emergency in the locality caused by calamity;
- (d) When it is necessary in case of imminent danger to public safety due to an actual or impending emergency in the locality caused by calamity;
- (e) When there is urgent work to be performed on machines, installations, or equipment, in order to avoid serious loss or damage to the government or the employer, or some other cause of similar nature;
- (f) Where the completion or continuation of the work started before the occurrence of the calamity is necessary to prevent serious obstruction or prejudice to the operations of the government or the employer; and
- (g) Other activities analogous to the foregoing.

SECTION 6. *Entitlement to Calamity Pay.* – An employee is entitled to premium pay in the amount of thirty percent (30%) of his or her regular wage if he or she was required to work and has rendered work in the following cases:

- (a) When there is a declaration of a State of Calamity by the President of the Philippines or by the Local Sanggunian, pursuant to Section 16 of Republic Act No. 10121 or the Philippine Disaster Risk Reduction and Management Act, in the province, city, or municipality of the place of work or the place of residence of the employee;
- (b) In case the province, city, or municipality of the place of work or the place of residence of the employee was not declared to be under a state of calamity, but was nonetheless severely affected by a calamity;
- (c) When the province, city, or municipality of the place of work is placed by the appropriate government agency under at least Typhoon Signal No. 3, or under a Red Rainfall Warning, or such equivalent level or classification of calamity;
- (d) When there is work suspension due to calamity in the province, city, or municipality of the place of work or the place of residence of the employee; and
- (e) Other causes analogous to the foregoing.

SECTION 7. *Verification and Validation.* – The grant of calamity pay under this Act shall be the duty of the head of office or the employer upon verification of the employee's eligibility thereto.

In determining the eligibility of an employee for calamity pay, the head of office or the employer shall take into consideration the following:

- (a) The place of residence of the affected employee, based on latest available records with the employer;
- (b) Availability of and access to public transportation;

- (c) Road closures or unpassable roads due to calamity along the route taken and could be taken by the employee to and from work;
- (d) Whether the province, city, or municipality of the place of work or the place of residence of the employee is covered by a declaration of state of calamity by the proper government agency, pursuant to Section 16 of Republic Act No. 10121 or the Philippine Disaster Risk Reduction and Management Act;
- (e) The situation and extent of damage caused by the calamity to the affected employee; and
- (f) Other matters that may aid the employer in his or her decision on the eligibility of the employee to avail of the said grant.

SECTION 8. *No liability in case of Tardiness, Failure or Refusal to Work.* — There shall be no diminution of pay for all employees who are tardy due to calamity. Further, employees who fail or refuse to work by reason of imminent danger resulting from calamities shall not be subject to any disciplinary action.

SECTION 9. *Non-diminution of Benefits.* — Benefits granted under this Act shall not in any manner mean any reduction, diminution, discontinuation, or elimination of other existing benefits already enjoyed by the employees. Rights already vested prior to the effectivity of this Act shall remain to be in full force and effect upon the passage of this Act.

Where the collective bargaining agreement, company policy or practice, or other applicable contract stipulates the payment of a higher premium pay or additional compensation than that prescribed under this Act, the employer shall pay such higher rate.

SECTION 10. *Penalty for Violation.* Any employer found to be in violation of any provision under this Act, or the rules and regulations promulgated pursuant to this Act, or through deliberate failure or refusal to provide Calamity Pay to its qualified employees shall be punished by a fine not exceeding One Hundred Thousand Pesos (PhP100,000.00), or imprisonment of not less than six (6) months nor more than one (1) year.

If the violation is committed by a corporation, trust or firm, partnership, association, or any entity, the penalty of imprisonment shall be imposed on the entity's responsible officers, including, but not limited to, the president, vice-president, chief executive officer, general manager, managing director, or partner directly responsible therefor.

Failure on the part of any corporation, trust or firm, partnership, association, or any entity to comply with the provisions of this Act shall be a ground for non-renewal of business permits.

SECTION 11. *Construction in favor of labor.* — All doubts in the interpretation and implementation of the provisions of this Act shall be resolved in favor of labor.

SECTION 12. *Implementing Rules and Regulations.* — The Civil Service Commission, in coordination with the National Disaster Risk Reduction and Management Council, the Department of Interior and Local Government, and the Department of Budget and

Management, shall promulgate the necessary implementing rules and regulations applicable to employees in the public sector within sixty (60) days from the effectivity of this Act.

The Department of Labor and Employment, in consultation with the National Disaster Risk Reduction and Management Council and other relevant government agencies charged with the administration and enforcement of this Act, shall promulgate the necessary implementing rules and regulations applicable to employees in the private sector within sixty (60) days from the effectivity of this Act.

SECTION 13. *Separability Clause.* — If, for any reason, any section or provision of this Act is declared unconstitutional or invalid, the other sections or provisions which are not affected shall continue to be in full force and effect.

SECTION 14. *Repealing Clause.* — All laws, decrees, executive orders, proclamations, rules and regulations or parts thereof inconsistent herewith are repealed, amended or modified accordingly.

SECTION 15. *Effectivity.* — This Act shall take effect fifteen (15) days from the date of its publication in the Official Gazette or in a newspaper of general circulation.

Approved,