



Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City



TWENTIETH (20<sup>TH</sup>) CONGRESS  
First Regular Session

HOUSE RESOLUTION NO. 501

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Introduced by KAMANGGAGAWA Partylist  
Representative **ELIJAH R. SAN FERNANDO**

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**RESOLUTION**

**DIRECTING THE HOUSE COMMITTEE ON LABOR AND EMPLOYMENT AND OTHER APPROPRIATE COMMITTEES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE PERSISTENT NONCOMPLIANCE OF BUS OPERATORS WITH DEPARTMENT ORDER NO. 118-12 OF THE DEPARTMENT OF LABOR AND EMPLOYMENT (DOLE), WITH THE END VIEW OF IDENTIFYING GAPS AND STRENGTHENING ENFORCEMENT MECHANISMS TO PROMOTE ROAD SAFETY AND PROTECT DRIVERS AND CONDUCTORS FROM PATTERNS OF LABOR RIGHTS VIOLATIONS, EXPLOITATIVE WORKING CONDITIONS, AND OTHER ABUSIVE PRACTICES**

**WHEREAS**, Article XIII, Section 3 of the 1987 Constitution guarantees the right of workers to self-organization, collective bargaining, and security of tenure, and mandates the State to protect labor and promote the welfare of workers;

**WHEREAS**, the Labor Code mandates the protection of all employees against unjust terms and conditions of employment, proscribes illegal deductions, requires the observance of minimum wage standards, and prohibits excessive or hazardous work arrangements;

**WHEREAS**, in recognition of the public interest in road safety and the welfare of public utility bus drivers and conductors, the Department of Labor and Employment (DOLE) formulated Department Order No. 118, series of 2012 (DO 118-12), prescribing rules and regulations governing the employment and working conditions of drivers and

conductors in the public utility bus transport industry; key provisions include a mandatory written employment agreement, a part-fixed-part-performance compensation scheme, maximum hours of work and required rest periods, minimum benefits, occupational safety and health obligations, social protection coverage, training and certification, tripartite monitoring, and enforcement mechanisms.

**WHEREAS**, the Supreme Court in G.R. No. 202275, decided on July 17, 2018, upheld the constitutionality of DOLE DO 118-12 and related issuances, affirming that a part-fixed-part-performance-based wage scheme is a valid exercise of state regulatory authority intended to promote the welfare of drivers and conductors and to enhance road safety, recognizing the policy rationale that a guaranteed fixed wage reduces dangerous competition under the traditional boundary scheme while the variable component can incentivize safe driving and business performance;

**WHEREAS**, notwithstanding the explicit obligations in DOLE DO 118-12 and the Supreme Court's affirmation thereof, complaints and reports persist from drivers and conductors alleging noncompliance with the Order and with prevailing labor standards, particularly by public utility bus companies such as Fermina Express Corporation and other similarly situated bus operators, revealing patterns of labor rights violations, exploitative working conditions, and practices inconsistent with law and regulation;

**WHEREAS**, notwithstanding the explicit obligations in DOLE DO 118-12 and the Supreme Court's affirmation thereof, complaints and reports persist from drivers and conductors alleging noncompliance of public utility bus companies with the Order and with prevailing labor standards, revealing patterns of labor rights violations, exploitative working conditions, and practices inconsistent with law and regulation;

**WHEREAS**, one such case is the drivers and conductors of Fermina Express Corporation who reported being compelled to work between 18 and 21 hours per day under a quota system that results in wages falling below the minimum when quotas are unmet, and have further reported being required to shoulder costs that legally fall under employer responsibility, such as the washing of bus units and the payment of fuel when trip allocations are exceeded, which constitute illegal deductions, cost shifting, and diminution of wages in violation of the Labor Code, DOLE DO 118-12, and Republic Act No. 6727;

**WHEREAS**, the gravity and persistence of these violations have compelled the workers of Fermina Express Corporation to stage an ongoing strike and picket in protest of these unlawful labor practices;

**WHEREAS**, these documented violations, combined with the continuing public protest and ongoing picket of workers of Fermina Express Corporation, demonstrate persistent implementation and enforcement gaps that allow unlawful employment practices to continue despite the presence of a clear legal and regulatory framework;

**WHEREAS**, an inquiry is necessary to determine the extent of implementation gaps, enforcement failures, employer practices that circumvent or defy the Order, the adequacy of penalties and administrative remedies available to workers, and whether amendments or supplemental legislation are required to protect bus drivers and conductors from exploitative labor practices and ensure public safety;

**NOW THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES**, that the Committee on Labor and Employment and other appropriate committees are directed to conduct an inquiry, in aid of legislation, on the persistent noncompliance of bus operators with DOLE DO 118-12, with the end view of identifying gaps and strengthening enforcement mechanisms to promote road safety and protect drivers and conductors from patterns of labor rights violations, exploitative working conditions, and other abusive practices.

*Adopted,*



**ELIJAH R. SAN FERNANDO**  
*Representative*  
KAMANGGAGAWA PARTYLIST