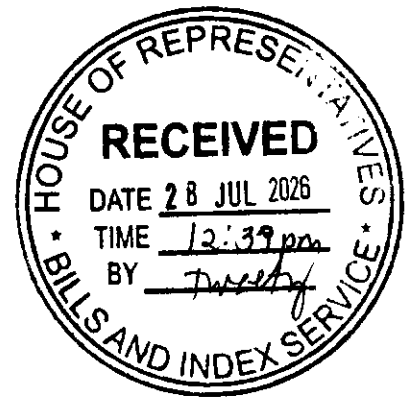


1 Republic of the Philippines
2 **HOUSE OF REPRESENTATIVES**
3 Batasan Hills, Quezon City
4

5
6 **TWENTIETH CONGRESS**
7 Second Regular Session
8

9
10 **HOUSE RESOLUTION No. 1228**
11



12 -----
13 Introduced by
14 **ACT Teachers Party-List Rep. ANTONIO L. TINIO,**
15 **Gabriela Women's Party Rep. SARAH JANE I. ELAGO,**
16 **and KABATAAN Party-List Rep. RENEE LOUISE M. CO**
17 -----

18
19 **RESOLUTION**
20 **DIRECTING THE HOUSE OF REPRESENTATIVES, THROUGH THE**
21 **COMMITTEE ON LABOR AND EMPLOYMENT, TO CONDUCT AN**
22 **INVESTIGATION, IN AID OF LEGISLATION, INTO THE ALLEGED**
23 **UNFAIR LABOR PRACTICE, UNION BUSTING, VIOLATION OF**
24 **WORKERS' RIGHT TO SECURITY OF TENURE AND THE IMPENDING**
25 **MASS LAYOFF OF 800 REGULAR WORKERS PLACED ON FLOATING**
26 **STATUS BY SAN MIGUEL INTEGRATED LOGISTICS SERVICES INC.**
27

28
29 **WHEREAS,** Article II, Section 18 of the 1987 Constitution states that "The State
30 affirms labor as a primary social economic force. It shall protect the rights of workers
31 and promote their welfare;
32

33 **WHEREAS,** Article XIII, Section 3 of the Constitution states that "The State shall
34 afford full protection to labor, local and overseas, organized and unorganized, and
35 promote full employment and equality of employment opportunities for all." It further
36 guarantees the right of all workers to security of tenure, living wage, self-organization,
37 collective bargaining and negotiations, and peaceful concerted activities, including the
38 right to strike;
39

40 **WHEREAS,** Article 294 of the Labor Code provides that regular employees shall not
41 be terminated except for just or authorized causes, and that any unjustly dismissed
42 worker is entitled to reinstatement with full backwages, allowances, and other benefits;
43

44 **WHEREAS,** on July 6, 2026, approximately 800 regular workers of San Miguel
45 Integrated Logistics Services Inc. (SMILSI) in Sta. Rosa City, Laguna were barred

1 from reporting to work after the company placed them on “floating status” without
2 clear guarantees on wages, benefits, or return-to-work arrangements;

3
4 **WHEREAS**, this occurred only two months after the National Labor Relations
5 Commission (NLRC) ordered SMILSI to negotiate a collective bargaining agreement
6 (CBA) with the Unyon ng mga Manggagawa sa San Miguel Logistics–Independent
7 (USMILSI-IND), a union that won a certification election in September 2023 and was
8 recognized as the sole and exclusive bargaining agent by the Department of Labor and
9 Employment (DOLE) in December 2023;

10
11 **WHEREAS**, in its advisory dated July 4, 2026, SMILSI claimed that one of its major
12 customers conducted a review of operations in Sta. Rosa, Laguna, and held a
13 competitive selection or bidding process for warehouse, transport, and bundling
14 activities. SMILSI later received an advisory from that customer that it had lost the
15 bidding. In response, SMILSI informed its workers stating that there will be a change
16 in the current working arrangement, and that they need not report for work starting
17 July 6;

18
19 **WHEREAS**, the same advisory stated that "Sa ngayon, mananatili kang empleyado
20 ng Kumpanya at patuloy mong matatanggap ang inyong sweldo at benefits habang
21 ikaw ay nasa **“no work with pay and benefits”** arrangement," and that the company
22 would look for other vacant assignments within SMILSI operations for which workers
23 are qualified. However, workers reported that this arrangement would only last for one
24 month, and that they are being pressured to sign documents without clear guarantees
25 on their wages, benefits, and eventual return to work;¹

26
27 **WHEREAS**, particularly in Sta. Rosa, Laguna, SMILSI was providing logistics
28 services for Magnolia and Purefoods before it was replaced by Optimove
29 Multiservices Corp, which was founded only in 2026. It is important to note that
30 SMILSI, Optimove, Magnolia and Purefoods are all subsidiaries of San Miguel
31 Corporation, owned by Ramon Ang;

32
33 **WHEREAS**, the loss of a service contract or customer account does not, by itself,
34 automatically justify the termination of regular employees where the employer
35 continues to operate its business and where reassignment or other lawful alternatives
36 remain available;

37
38 **WHEREAS**, workers reported that the employees of Optimove, the winning bidder,
39 are agency-hired, unlike SMILSI workers who were direct hires of San Miguel
40 Corporation—indicating a clear scheme to replace regular workers with contractual
41 labor;

42

¹ Elcadre, Shan Kenshin. “Mass layoff of 800 San Miguel workers seen as latest blow against union rights.”
Bulalat, 10 July 2026. Retrieved from <https://www.bulatlat.com/2026/07/10/mass-layoff-of-800-san-miguel-workers-seen-as-latest-blow-against-union-rights/>

1 **WHEREAS**, SMILSI workers noted a swift and seamless transition of operations
2 between them and the agency-hired employees. The replacement Optimove employees,
3 who have already undergone training before the layoff took effect, worked
4 immediately after the dismissal of SMILSI workers, leaving no operational gap. This
5 exposes that the mass layoff of regular employees is premeditated aimed to destroy
6 the union while ensuring continuous flow of profit for San Miguel Corporation;

7
8 **WHEREAS**, the company's stated reason—loss of a bidding process for warehouse,
9 transport, and bundling operations—has been questioned by labor rights groups,
10 including the Center for Trade Union and Human Rights (CTUHR), which noted that
11 similar mass layoffs occurred in SMILSI branches in Valenzuela City and San
12 Fernando, Pampanga in 2023, indicating a pattern of anti-union practices by the
13 company;²

14
15 **WHEREAS**, these circumstances strongly indicate that the layoffs are an act of
16 union-busting aimed at destroying the workers' hard-won right to organize and
17 collectively bargain, in violation of the Labor Code and the Constitution;

18
19 **WHEREAS**, the mass layoff has deprived hundreds of Filipino families of their
20 livelihoods at a time when the cost of living continues to rise, and has undermined the
21 constitutional rights to security of tenure and freedom of association;

22
23 **WHEREAS**, labor groups, including Defend Workers Southern Tagalog, have staged
24 protests demanding the immediate reinstatement of all affected workers and the
25 recognition of their union, and have called on DOLE to investigate the company for
26 possible labor law violations;

27
28 **WHEREAS**, on July 24, 2026, the National Conciliation and Mediation Board
29 (NCMB) held its third hearing between the workers and representatives of the SMILSI
30 management. The representatives of the SMILSI management claim that they are
31 doing their 'best effort' to address the issues of the workers. Clearly, this insufficient
32 answer from the management in light of the looming mass layoff is not acceptable for
33 the workers. At 11:30 am, SMILSI workers formally announced the start of their
34 strike;

35
36 **WHEREAS**, there is a grave necessity for Congress to investigate these mass layoffs,
37 and the apparent scheme to replace direct-hired regular employees with contractual
38 workers, with the end view of strengthening the protection of workers from employer
39 retaliation and union-busting, and upholding the right to organize and security of
40 tenure of all workers;

41
42 **NOW, BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that the House of
43 Representatives, through the Committee on Labor and Employment, the alleged unfair
44 labor practice, union busting, violation of workers' right to security of tenure and the

² "Ramon Ang firm's mass layoff indicates union busting." Center for Trade Union and Human Rights, 7 July 2026. Retrieved from <https://ctuhr.org/releases/ramon-ang-firms-mass-layoff-indicates-union-busting/>

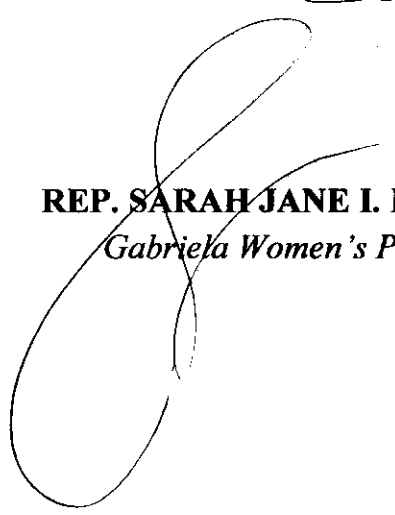
1 impending mass layoff of 800 regular workers placed on floating status by San Miguel
2 Integrated Logistics Services Inc.

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4
5 *Adopted,*
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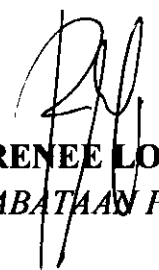
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