

THIRTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

5 NOV 21 19:32

SENATE

RECEIVED BY: 

S. Bill No. 2167

INTRODUCED BY HONORABLE MAR ROXAS

EXPLANATORY NOTE

This bill seeks to provide consistency and predictability in the schedule of observance of Philippine legal holidays and order in the current government practice of holiday economics, *i.e.*, the adjustment of observance dates of national holidays to give way to longer weekends to encourage domestic tourism.

Tourism, along with transportation and telecommunications, is a 'sunrise industry' because this is an industry where the Philippines can harness its competitive advantage. As a service industry, tourism is lumped in the government's economic accounts under services, which is one of the most promising economic sectors. Tourism also has indirect linkages with other industries such as hotels and other lodging services, food and beverage, cultural services, recreational and other entertainment, passenger transport, utilities, and telecommunication.

Global travel and tourism is expected to generate \$58.5 trillion in global activity by 2010 and could generate 252 million jobs, according to worldwide industry estimates. According to a study conducted by the National Statistical Coordination Board (NSCB), if consumptions in tourism-related industries increased by 10% as a result of extended weekends/holidays, the country could actually experience a 3.5% growth in the level of Gross Domestic Product (GDP). The NSCB likewise reported that if consumption in tourism-related industries increased by 10% due to holiday economics, consumer spending would grow by 4.9%, and the growth levels of trade and food manufacturers would likely expand by 8.8% and 5.5%, respectively.

In the Philippines, there are 15 legal holidays declared to be non-working days for both public and private sector. To promote domestic tourism, holiday economics was introduced in 2001. Legal holidays have been moved from the actual date fixed by law for its observance to dates that would promote longer weekends. While the intent of holiday economics have yielded positive results, the business sector has expressed concern on the unpredictability of the dates set for the actual observance of legal holidays.

The discretion exercised in moving the actual observance of legal holidays to days that would create longer weekends has given way to last-minute holidays. Workers and employees are confused on whether or not to report for work; employers, whether or not to apply the regular rate or the holiday rate in paying the compensation of their daily-wage workers. In the end, erratic declaration of the actual observance of a non-working day

prevents the planning of long weekends to give way to local tourism while prejudicing the productivity of certain industries.

This bill seeks to remedy such confusion by providing a standard schedule for observing non-working holidays. By providing predictability and consistency in holiday economics, the promotion of local tourism and careful consideration of the unique requirements of businesses and industries can be harmonized.

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



M A R Roxas
Senator

THIRTEENTH CONGRESS OF)
THE REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

5 NOV 21 A9:32

SENATE

RECEIVED BY: 

S. Bill No. 2167

INTRODUCED BY HONORABLE MAR ROXAS

AN ACT PROVIDING PREDICTABILITY IN FIXING THE OBSERVANCE OF LEGAL
HOLIDAYS TO PROMOTE DOMESTIC TOURISM AND FOR OTHER PURPOSES

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

Section 1. Title. – This Act shall be known as the “*Holiday Act of 2005.*”

Section 2. Declaration of Policy. – It is hereby declared the policy of the state to promote domestic tourism as tool for attaining sustainable economic growth.

Section 3. Coverage. – (A) This Act shall apply to all regular holidays and special days under Section 26, Chapter 7 of Executive Order No. 292, otherwise known as the Administrative Code of 1987, except the following:

- (1) Movable dates
 - (a) Maundy Thursday
 - (b) Good Friday
 - (c) Eid'l Fitr

- (2) Fixed dates
 - (a) New Year's Day January 1
 - (b) Independence Day June 12
 - (c) All Saints' Day November 1
 - (d) Christmas Day December 25
 - (e) Rizal Day December 30
 - (f) Last day of the year December 31

If the fixed-date holidays enumerated in subparagraph 2 falls on a Saturday or Sunday, the immediately preceding Friday shall also be a holiday.

(B) This Act shall likewise apply to any other legal non-working holiday, except Black Saturday and Easter Sunday.

Section 4. Workers or Employees Covered. – All public and private employees are covered by this Act.

Section 5. Fixing of Non-Working Day. - For purposes of this Act, the day to be declared as non-working day in accordance with the celebration of the following legal holidays shall be:

- | | |
|----------------------------------|-------------------------|
| (1) EDSA People Power Revolution | Last Monday of February |
| (2) Araw ng Kagitingan | First Friday of April |
| (3) Labor Day | First Monday of May |
| (4) Ninoy Aquino Day | Third Monday of August |
| (5) National Heroes Day | Last Friday of August |
| (6) Bonifacio Day | Last Monday of November |

Section 6. Local Holidays. – For local special days, the nearest Friday to it shall be assigned as the non-working day; *Provided* that the declaration by the provincial, city or municipal government is supported by an ordinance from the *sanggunian*.

Section 7. Rules for Computing Compensation. – For the purpose of laws relating to labor standards governing public and private workers or employees, holiday pay shall be computed based on the work done on the date of actual observance of the non-working day.

For a worker or an employee whose basic workweek is other than Monday through Friday, if the holiday falls on his or her scheduled rest day, the worker is entitled to have the rest day on the immediately succeeding workday; *Provided*, that the worker or employee required to work on such immediately succeeding workday shall be entitled to additional compensation as if such worker or employee worked on his scheduled rest day.

Section 8. Separability Clause. – Any portion or provisions of this Act that may be declared unconstitutional or invalid shall not have the effect of nullifying other portions and provisions hereof as long as such remaining portion or provision can still subsist and be given effect in their entirety.

Section 9. Repealing Clause. – All other laws, decrees, executive orders, proclamations and administrative regulations, or parts thereof inconsistent herewith are hereby repealed or modified accordingly.

Section 10. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in at least two (2) national papers of general circulation.

Approved.