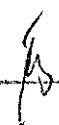


FOURTEENTH CONGRESS OF THE REPUBLIC )  
 OF THE PHILIPPINES )  
 First Regular Session )

8 MAY 15 1927

SENATE  
 S. B. No. 2242

RECEIVED BY: 


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Introduced by Senator Miriam Defensor Santiago

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#### EXPLANATORY NOTE

This bill seeks to provide employment in communities where extractive industries are engaged in the development and exploitation of natural resources. More often than not, these extractive industries such as mining, quarrying, cement manufacture, logging, generation for power by steam (geothermal) or water (hydro-electric) part of the national wealth without even sharing their profits in the form of benefits with local residents. In fact, in most cases, these extractive industries, after they had taken away the natural wealth of these communities, left these communities poorer than before the extraction of their wealth.

The Constitution in Article X, Section 7, however, gives the mandate that local governments shall have an equitable share in the proceeds derived from the utilization and development of the natural resources, including the sharing of revenue with the inhabitants by way of direct benefits. This Congress can do no less, by enacting legislation to enhance this constitutional mandate for the benefit of the residents of these communities.

In substance, this bill seeks to amend the Labor Code, as amended, to compel these extractive industries to provide preferential employment to residents of these communities where they exploit and utilize the natural wealth.

This is a senate counterpart bill to the one filed in the House of Representatives by Rep. Exequiel Javier.

  
 MIRIAM DEFENSOR SANTIAGO

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FOURTEENTH CONGRESS OF THE REPUBLIC )  
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First Regular Session )

8 MAY -5 2015

SENATE  
S.B. No. 2242

RECEIVED BY: PA

Introduced by Senator Miriam Defensor Santiago

1 AN ACT  
2 REQUIRING INDUSTRIES ENGAGED IN THE EXPLOITATION OF NATURAL  
3 RESOURCES TO GIVE PREFERENTIAL EMPLOYMENT TO LOCAL RESIDENTS,  
4 AMENDING FOR THE PURPOSE THE LABOR CODE OF THE PHILIPPINES

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

7 SECTION 1. A new title is hereby added to Book I of the Labor Code of the  
8 Philippines which shall read as follows:

9 Title III. Employment of Residents in Industries Engaged in the Development  
10 and Exploitation of Natural Resources.

11 Article 43. Definition. Industries engaged in the development and exploitation of  
12 natural resources shall include corporations, partnerships, associations, individuals  
13 engaged in mining, quarrying, manufacture of cement, logging, generation of power by  
14 steam (geothermal) or water (hydro-electric), oil drilling and other extractive activities.

15 Residents shall mean those who have resided for a period of at least one (1) year  
16 in the Province or City where the activity is conducted and have a evinced a desire to  
17 reside therein permanently.

18 Article 44. Corporation, partnerships, associations or individuals engaged in  
19 the development and exploitation of natural resources as defined in the preceding section  
20 shall give preference to the employment of residents of the Province or City where such  
21 activities are conducted; provided, however, that the employment of managerial  
22 employees, shall only be made upon certification by the Bureau of Employment Services  
23 that no residents are qualified for such positions.

24 Article 45. A violation of the preceding section shall be deemed unlawful and  
25 shall be prosecuted and punished under Articles 288 and 289 of this Code.

1           SECTION 2. Section 43 is hereby renumbered as Section 46, Section 46 as  
2 Section 47 and the succeeding sections of the Labor Code of the Philippines are hereby  
3 renumbered accordingly.

4           SECTION 3. Effectivity. – This Act shall take effect fifteen (15) days after its  
5 publication in a newspaper of general circulation.

6           Approved.