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NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES Third Regular Session

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SENATE

P.S.R. No. 1059

INTRODUCED BY SENATOR RISA HONTIVEROS

RESOLUTION

CALLING FOR THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INVESTIGATION IN AID OF LEGISLATION INTO THE LABOR POLICY IMPLICATIONS OF THE IMPENDING CLOSURE OF THE SOFITEL PHILIPPINE PLAZA

WHEREAS, it was recently reported in the media that the Sofitel Philippine Plaza – one of the country's most iconic hotels – would be ceasing operations on July 1, 2024;

WHEREAS, this was around one month after it was likewise reported that Philippine Plaza Holdings Inc. ("PPHI") – the owner of the hotel currently being managed by Accor S.A., a French multinational hospitality company – was requesting the Government Service Insurance System ("GSIS") – the owner of the lot upon which the hotel is built - for a 25-year extension of its current lease until 2066;

WHEREAS, last year, it was also reported that GSIS and PPHI had amended their existing lease contract to encompass the original building landsite, and what are described as complementary lots;

WHEREAS, on May 10, 2024, the hotel announced in an official communique that it was closing down permanently, despite brisk business, citing risks flagged by safety auditors involving the age of the building as well as existing structural defects;

WHEREAS, on June 6, 2024, Department of Labor and Employment ("DOLE") Secretary Bienvenido Laguesma announced that his agency, through the National Conciliation and Mediation Board ("NCMB"), was conducting hearings with representatives of the hotel and the employees to determine whether the closure would be permanent or temporary;

WHEREAS, on June 3, 2024, during a solidarity rally with the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations ("IUF"), the Center of United and Progressive Workers ("SENTRO") – the representative of 2 Sofitel union chapters - called for greater transparency from PPHI, and alleged that the impending closure of the hotel was being used as a pretext to "bust" the hotel's union;

WHEREAS, in an online statement, SENTRO and IUF raised issues regarding the legitimacy of the closure: "If hotel operations can proceed while the renovations are ongoing, then a closure is not necessary. If the safety concerns are serious enough to warrant a closure, then why is Sofitel still accepting guests and deploying workers in the hotel? Has it been knowingly putting both guests and workers at risk?"

WHEREAS, the 1987 Philippine Constitution guarantees full protection to labor, local and overseas, organized and unorganized, and the promotion of full employment and equality of employment opportunities for all; and

WHEREAS, the permanent closure of the hotel will also no doubt affect its 500 employees, some of whom have already been terminated from their employment.

NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED TO CALL FOR THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INVESTIGATION IN AID OF LEGISLATION INTO THE LABOR POLICY IMPLICATIONS OF THE IMPENDING CLOSURE OF THE SOFITEL PHILIPPINE PLAZA.

Adopted.

RISA HONTIVEROS

Senator