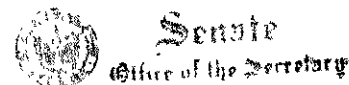
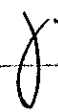


SIXTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
Second Regular Session )



15 JUN -8 P4 :20

SENATE  
S. No. 2815

RECEIVED BY: 

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Introduced by Senator Miriam Defensor Santiago

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

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) cart 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, Article 10, 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.

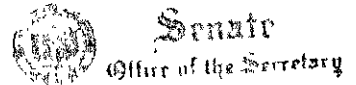
This is a senate counterpart bill to the one filed in the House of Representatives by Rep. Exequiel Javier.<sup>1</sup>

  
MIRIAM DEFENSOR SANTIAGO  
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<sup>1</sup> This was originally filed during the Fourteenth Congress, First Regular Session, and refiled during the Fifteenth Congress, First Regular Session.

SIXTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
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AN ACT  
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AMENDING FOR THE PURPOSE THE LABOR CODE OF THE PHILIPPINES

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

1 SECTION 1. A new title is hereby added to the Labor Code of the Philippines,

2 Book I which shall read as follows:

3 **TITLE III. EMPLOYMENT OF RESIDENTS IN INDUSTRIES**  
4 **ENGAGED IN THE DEVELOPMENT AND EXPLOITATION OF**  
5 **NATURAL RESOURCES.**

6  
7 **ARTICLE 43. DEFINITION. – INDUSTRIES ENGAGED IN**  
8 **THE DEVELOPMENT AND EXPLOITATION OF NATURAL**  
9 **RESOURCES SHALL INCLUDE CORPORATIONS,**  
10 **PARTNERSHIPS, ASSOCIATIONS, INDIVIDUALS ENGAGED IN**  
11 **MINING, QUARRYING, MANUFACTURE OF CEMENT,**  
12 **LOGGING, GENERATION OF POWER BY STEAM**  
13 **(GEOTHERMAL) OR WATER (HYDRO-ELECTRIC), OIL**  
14 **DRILLING AND OTHER EXTRACTIVE ACTIVITIES.**

15  
16 **RESIDENTS SHALL MEAN THOSE WHO HAVE RESIDED**  
17 **FOR A PERIOD OF AT LEAST ONE (1) YEAR IN THE PROVINCE**  
18 **OR CITY WHERE THE ACTIVITY IS CONDUCTED AND HAVE A**  
19 **EVINCED A DESIRE TO RESIDE THEREIN PERMANENTLY.**

20  
21 **ARTICLE 44. CORPORATION, PARTNERSHIPS,**  
22 **ASSOCIATIONS OR INDIVIDUALS ENGAGED IN THE**  
23 **DEVELOPMENT AND EXPLOITATION OF NATURAL**  
24 **RESOURCES AS DEFINED IN THE PRECEDING SECTION**  
25 **SHALL GIVE PREFERENCE TO THE EMPLOYMENT OF**  
26 **RESIDENTS OF THE PROVINCE OR CITY WHERE SUCH**  
27 **ACTIVITIES ARE CONDUCTED; PROVIDED, HOWEVER, THAT**  
28 **THE EMPLOYMENT OF MANAGERIAL EMPLOYEES, SHALL**  
29 **ONLY BE MADE UPON CERTIFICATION BY THE BUREAU OF**

1           EMPLOYMENT SERVICES THAT NO RESIDENTS ARE  
2           QUALIFIED FOR SUCH POSITIONS.

3           **ARTICLE 45. A VIOLATION OF THE PRECEDING**  
4           **SECTION SHALL BE DEEMED UNLAWFUL AND SHALL BE**  
5           **PROSECUTED AND PUNISHED UNDER ARTICLES 288 AND 289**  
6           **OF THIS CODE.**

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

10          SECTION 3. *Repealing Clause.* – All laws, decrees, orders, and issuances, or  
11          portions thereof, which are inconsistent with the provisions of this Act, are hereby  
12          repealed, amended or modified accordingly.

13          SECTION 4. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after  
14          its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

          Approved,

/tdp3Jun2015