FIFTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

SENATE SFFICE OF THE SECRETARY

First Regular Session

SENATE

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10 AUG -2 P5:01

P. S. Res. No. <u>60</u>

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Introduced by Sen. Ralph G. Recto

A RESOLUTION

DIRECTING THE SENATE COMMITTEE ON PUBLIC SERVICES AND ON LABOR, EMPLOYMENT AND HUMAN RESOURCE DEVELOPMENT TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE LABOR DISPUTE AT THE PHILIPPINE AIRLINES (PAL) THAT HAS RESULTED IN THE DISRUPTION OF SERVICES OF THE COUNTRY'S FLAG CARRIER TO THE DETRIMENT OF THOUSANDS OF PASSENGERS, WITH THE END VIEW OF PREVENTING SIMILAR OCCURRENCES IN THE FUTURE

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

WHEREAS, of equal importance is the constitutional mandate that the State recognize the indispensable role of the private sector in nation-building;

WHEREAS, the Philippine Airlines (PAL), established in 1941, is the country's flag carrie and is Asia's first airline;

WHEREAS, PAL currently has a fleet of 38 aircraft that flies to 46 domestic and international destinations;

WHEREAS, in the past two weeks, there had been an exodus of 25 pilots from PAL to higherpaying jobs abroad, causing massive disruption of services being provided by the flag carrier and leaving around 5,000 passengers stranded;

WHEREAS, the resignation of PAL's 13 captains and 12 first officers flying its Airbus A319s and A320s has forced the airline to cancel regional and domestic flights;

WHEREAS, PAL has rejected the resignations of these pilots and ordered them to report back to work or risk facing criminal and administrative charges;

WHEREAS, news reports indicated that low salaries are only a part of the reason for the mass resignation of pilots in PAL and that tenure and a lack of union representation are also being cited as justifications;

WHEREAS, due to the gravity of the situation and its effects on public interest, no less than President Benigno Simeon Aquino III interceded to resolve the labor dispute;

WHEREAS, the President reportedly set a meeting with his concerned department secretaries, such as transportation, labor and justice, to discuss the matter, while a separate one is being eyed with pilots who left PAL;

WHEREAS, there is a need for Congress to inquire into the circumstances surrounding the labor dispute in PAL because it involves public interest, the flag carrier being the largest airline company in the country and services thousands of passengers on a daily basis;

WHEREAS, disruption in PAL's services affects our tourism efforts and also has a significant effect on business activities and our economy as a whole;

WHEREAS, Congress also needs to determine if legislation is necessary in the areas of labor and franchise laws in order to prevent a similar occurrence in the future;

Now Therefore, Be It Resolved, by the Philippine Senate, to direct the Senate Committees on Public Services and on Labor, Employment and Human Resource Development to conduct an inquiry, in aid of legislation, on the labor dispute at the Philippine Airlines (PAL) that has resulted in the disruption of services of the country's flag carrier to the detriment of thousands of passengers, with the end view of preventing similar occurrences in the future.

Adopted,

RAMPH G. REETO