EIGHTEENTH CONGRESS  
REPUBLIC OF THE PHILIPPINES  
Second Regular Session  

HOUSE OF REPRESENTATIVES  

Introduced by Representative Rufus B. Rodriguez  

House Res No. 1310  

A RESOLUTION  
URGING THE NATIONAL GOVERNMENT, SPECIFICALLY THE DEPARTMENT OF LABOR AND EMPLOYMENT TO PROVIDE FUNDS FOR DISTRESSED EMPLOYERS IN ORDER FOR THEM TO BE ABLE TO PAY THE 13TH MONTH PAY OF THEIR EMPLOYEES AS MANDATED BY LAW  

WHEREAS, Labor Laws in the Philippines require employers to pay all their employees a 13th-month pay not later than December 24 of every year;  

WHEREAS, 2020 has been a very bad year for most Filipinos because of COVID-19 and its effects on their health, employment and income;  

WHEREAS, during this COVID-19 pandemic and due to the quarantine restrictions being imposed by the government, many businesses are forced to close down, some temporarily and some permanently;  

WHEREAS, many Filipinos are unable to work and some have lost their jobs;  

WHEREAS, because of this, many are deprived of their opportunity to earn resulting in them being unable to pay their bills, including rent and utilities;  

WHEREAS, to make matters worse, many businesses and employers are suffering losses and do not have enough funds to pay the mandatory 13th Month pay even if they are willing to do so;  

WHEREAS, the government, specifically the Department of Labor and Employment (DOLE) should come in, implement a subsidy program and provide funds for qualified and distressed businesses and employers, specifically the micro and small enterprises;  

WHEREAS, Republic Act No. 9501 or the Magna Carta for Micro, Small and Medium Enterprises (MSMEs) defines Micro enterprises as any business activity or enterprise engaged in industry, agribusiness and/or services, whether single proprietorship, cooperative,
partnership or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity’s office, plant and equipment are situated, must have value of not more than Php 3,000,000;

WHEREAS, the same law defines Small enterprises as any business activity or enterprise engaged in industry, agribusiness and/or services, whether single proprietorship, cooperative, partnership or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity’s office, plant and equipment are situated, must have value of Php 3,000,001 – Php 15,000,000;

WHEREAS, the DOLE estimates that there are 1.5 million workers who are impacted by the coronavirus pandemic based on their data while data from the Philippine Statistics Authority (PSA) would show that there are about 5.1 million affected workers;

WHEREAS, with these data, DOLE Secretary Silvestre Bello III has stated that they might need anywhere from Php 5 billion to Php 13.7 billion to subsidize the 13th month pay of employees from micro and small enterprises;

NOW THEREFORE BE IT RESOLVED, by the House of Representatives to urge the National Government, specifically the Department of Labor and Employment to provide funds in the amount of Php 13.7 billion for distressed employers in micro and small enterprises in order for them to be able to pay the 13th month pay of their employees as mandated by law.

Adopted,

RUFUS B. RODRIGUEZ