COMMITTEE REPORT NO. 401

Submitted by the Committee on Labor and Employment on AUG 05 2020
Re: House Bill No. 309
Recommending its approval without amendment
Sponsors: Representatives Enrico A. Pineda and Joey Sarte Salceda

Mr. Speaker:

The Committee on Labor and Employment, to which was referred House Bill No. 309, introduced by Representative Joey Sarte Salceda, entitled:

AN ACT INSTITUTING A THIRTY-FIVE (35) HOUR WORKING WEEK SCHEME AS AN ALTERNATIVE WORK ARRANGEMENT FOR EMPLOYEES IN THE PRIVATE SECTOR,

HB No. 309 on 35 hour working week scheme

Respectfully submitted,

ENRICO A. PINEDA
Chairperson
Committee on Labor and Employment

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY
AN ACT
INSTITUTING A THIRTY-FIVE (35) HOUR WORKING WEEK SCHEME
AS AN ALTERNATIVE WORK ARRANGEMENT FOR EMPLOYEES
IN THE PRIVATE SECTOR

EXPLANATORY NOTE

The British economist John Maynard Keynes predicted that technological advancements will eventually lead to shorter working days and forecasted that by 2030 workers would be able to enjoy abundant leisure time. Indeed, progress in technology has considerably altered social structures and affected human activity. Among these are those in the world of work where new arrangements have begun to evolve. One notable development is the growing trend of flexible working time and the gradual shift from the standard forty (40) hour working week to a shorter one.

While this growing trend may seem counter-productive, Anna Coote of the New Economics Foundation in Australia, among other academics, suggests that a shorter, more flexible working week actually increases productivity and strengthens the economy. Citing various reports, she concludes that part-time workers are physically and mentally healthier, and are thus more productive. Observations like these have enjoined other parts of the world to make policy changes that would test whether a reduction in the number of weekly work hours can boost employee productivity.

While increased productivity seem to be a main benefit, both employers and employees who have participated in shorter weekly work hour schemes have cited other less obvious but just as important gains. For example, flexibility in workplaces accommodated the special needs of families, mothers, and older workers. Shorter work hours saved on utility bills, and resulted to fewer cars on the road during rush hours. In a study conducted by the Swedish government, workers in stressful environments such as nurses who were working six hours a day were more active and less sick than those working eight-hour days.

In light of the aforementioned, this bill proposes to institute a thirty-five (35) hour working week for employees in the private sector as an alternative work arrangement. This is
in line with the policy of the State to promote not only higher levels of productivity but also the welfare of workers. With this bill this representation envisions a more robust economy, and happier workers in healthier workplaces.

It is for these foregoing premises that the approval of this bill is earnestly sought.

JOEY SARTE SALCEDA
Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 309

Introduced by Representative JOEY SARTE SALCEDA

AN ACT
INSTITUTING A THIRTY-FIVE (35) HOUR WORKING WEEK SCHEME
AS AN ALTERNATIVE WORK ARRANGEMENT FOR EMPLOYEES
IN THE PRIVATE SECTOR

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

SECTION 1. An employer in the private sector may, upon request of its employees or on a voluntary basis, implement a thirty-five (35) hour working week arrangement for its employees upon such terms and conditions as they may mutually agree upon, including arrangements for flexible working time: Provided, That such terms and conditions shall not be less than the minimum labor standards set by law.

In all cases, the employer shall ensure that the employees under a thirty-five (35) hour working week scheme shall:

(a) receive a rate of pay, including overtime, night shift differential and other similar monetary benefits, not lower than those provided in applicable laws, and collective bargaining agreements;

(b) have the right to rest periods as provided for by law;

(c) have equivalent workload and the same performance standards as those of comparable employees in the company; and

(d) be provided by the employer with written information on the terms and conditions of the thirty-five (35) hour working week scheme adopted, and the corresponding responsibilities of the employees under such arrangement.
SEC. 2. The parties to a thirty-five (35) hour working week arrangement shall be primarily responsible for its administration. In cases of conflict during implementation of the scheme, the differences shall be resolved under the grievance mechanism of the company. For companies without grievance machineries or whose mechanisms are inadequate, the grievance shall be referred to the Department of Labor and Employment for resolution. For this purpose, employers shall keep and maintain, as part of their records, documents proving that a thirty-five (35) hour working week arrangement was adopted.

SEC. 3. Within sixty (60) days from the effectivity of this Act, the Secretary of Labor and Employment shall, in consultation with the National Tripartite Industrial Peace Council and relevant stakeholders, issue the appropriate implementing rules and regulations of this Act.

SEC. 4. All laws, decrees, orders, rules and regulations and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 5. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper of general circulation.

Approved,
FACT SHEET
House Bill No. 309
(As approved by the Committee on May 27, 2020)

AN ACT INSTITUTING A THIRTY-FIVE (35) HOUR WORKING WEEK SCHEME AS AN ALTERNATIVE WORK ARRANGEMENT FOR EMPLOYEES IN THE PRIVATE SECTOR


Committee Referral: COMMITTEE ON LABOR AND EMPLOYMENT
Committee Chairperson: HON. ENRICO A. PINEDA

OBJECTIVES:

- To institute a thirty-five (35)-hour working week scheme for employees in the private sector as an alternative work arrangement
- To strengthen the country’s economy through increased productivity of labor forces

SALIENT FEATURES:

- Establishes a voluntary flexible work week scheme to boost employee productivity and welfare
- Requires employers to provide monetary and work-related benefits to their employees under a thirty-five (35)-hour working week scheme such as: overtime pay and night shift differential, right to rest periods as stipulated in the Labor Code, and have an equivalent work load and performance standards comparable to other employees in the company
- Necessitates a written information on the terms and conditions of the adopted working scheme for the information of both employer and employee
- Provides grievance mechanism within the company to resolve cases of conflict between the employer and employee in the implementation of the working scheme
- Improves quality of life to families, mothers and the elderly workers

RELATED LAWS:

- Presidential Decree No. 442 - “Labor Code of the Philippines”