

# COVID-19 and Labour Law: Philippines

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## Abstract

The Philippine President upon the recommendation of the Inter-agency Task Force (IATF) on the Management of Emerging Diseases in the Philippines has imposed an enhanced community quarantine in the island of Luzon until 30 April 2020. Strict home quarantine is imposed during this period. Philippine Congress has realigned the national budget to respond to the COVID-19 pandemic providing subsidies through food and cash aid to the affected workers and families.

**Keywords:** Covid-19; Labour Law; Unemployment subsidies; Informal economy workers

## 1. General Framework.

The Philippines recorded its first case of COVID-19 on 30 January 2020 when a 38-year-old female Chinese national arrived from Wuhan, China<sup>1</sup>. On 9 March 2020, Philippine President Rodrigo Duterte issued Presidential Proclamation No. 922<sup>2</sup> declaring a State of Public Health Emergency.

Upon the recommendation of the Inter-agency Task Force (IATF) for the Management of Emerging Diseases in the Philippines, on 12 March 2020, the Philippine Executive Secretary enacted a Memorandum on Stringent Social Distancing Measures and Further Guidelines for the Management of the Coronavirus Disease 2019 (COVID-19) Situation<sup>3</sup>. On 16 March 2020, another Memorandum was enacted expanding the coverage of the earlier Memorandum to the entire island of Luzon<sup>4</sup>.

On 17 March 2020, the Philippine President enacted Presidential Proclamation No. 929 which declared a State of Calamity throughout the Philippines and imposed an Enhanced Community Quarantine throughout Luzon<sup>5</sup>.

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<sup>1</sup> World Health Organization: Philippine Situation Report,  
<https://www.who.int/philippines/emergencies/covid-19-in-the-philippines>, accessed 10 Apr. 2020.

<sup>2</sup> Presidential Proclamation No. 922 (2020),  
<https://www.officialgazette.gov.ph/downloads/2020/03mar/20200308-PROC-922-RRD.pdf>, accessed 10 Apr. 2020.

<sup>3</sup> <https://www.officialgazette.gov.ph/downloads/2020/03mar/20200313-MEMO-RRD.pdf>, accessed 10 Apr. 2020.

<sup>4</sup> <https://www.officialgazette.gov.ph/downloads/2020/03mar/20200316-MEMORANDUM-FROM-ES-RRD.pdf>, accessed 10 Apr. 2020.

<sup>5</sup> Presidential Proclamation No. 929 (2020),

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In effect, the Memorandum imposed the following restrictions in the island of Luzon starting 15 March 2020 until 30 April 2020<sup>6</sup>:

- (i) Classes and all school activities are suspended;
- (ii) Mass gatherings are prohibited;
- (iii) Strict home quarantine is observed in all households. Movement is limited to accessing basic necessities. Provision for food and essential health services is regulated. There is a heightened presence of uniformed personnel to enforce quarantine procedures;
- (iv) Work-from-home and skeletal work force arrangements are implemented except for the Philippine National Police, Armed Forces of the Philippines, Philippine Coast Guard, health and emergency frontline services, border control and other critical services;
- (v) Only those private establishments providing basic necessities and such activities related to food and medicine production, water-refilling stations, manufacturing and processing plants of basic food products and medicines, banks, money transfer services, power, energy, water and telecommunications supplies and facilities, shall be open and shall observe strict social distancing. Business Process Outsourcing establishments and export-oriented industries shall remain operational provided that temporary accommodations will be arranged for personnel. Media personnel is be allowed to travel within the quarantine area and must secure an identification card from the Presidential Communications Operations Office;
- (vi) Mass public transport facilities are suspended; and
- (vii) Land, air and sea travel are restricted.

## **2. Government subsidies and programs addressing workers in the Philippines amid the COVID-19 pandemic.**

On 25 March 2020, Republic Act No. 11469 otherwise known as the Bayanihan Heal as One Act was passed by Congress<sup>7</sup>. Some of the provisions of the Bayanihan Heal as One Act are:

- (i) to provide 18 million low income households a subsidy amount of PhP 5,000.00 to PhP 8,000.00 a month for 2 months;
- (ii) to provide compensation of PhP 100,000.00 to public and private health workers who may contract severe COVID-19 infection and a further

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<https://www.officialgazette.gov.ph/downloads/2020/03mar/20200316-PROC-929-RRD.pdf>, accessed 10 Apr. 2020.

<sup>6</sup> <https://www.philstar.com/headlines/2020/04/07/2006056/duterte-approves-luzon-wide-community-quarantine-until-april-30>, accessed 10 Apr. 2020.

<sup>7</sup> Republic Act No. 11469 (2020), <https://www.senate.gov.ph/Bayanihan-to-Heal-as-One-Act-RA-11469.pdf>, accessed 10 Apr. 2020.

- compensation of PhP 1,000,000.00 to public and private health care workers who may die while fighting the COVID-19 pandemic;
- (iii) to ensure availability of credit to productive sectors of the economy especially in the countryside through measures such as lowering the effective lending rates of interest and reserve requirements of lending institutions;
  - (iv) to prioritize the Department of Labor and Employment's programs such as Tulong Hanapbuhay sa Ating Disadvantaged/Displaced Workers (Support in Finding Jobs for Disadvantages/Displaced Workers) and COVID-19 Adjustment Measures Program (CAMP);
  - (v) to prioritize the Department of Trade and Industry's Livelihood Seeding Program and Negosyo Serbisyo sa Barangay (Entrepreneurship Programmes in Small Towns);
  - (vi) to prioritize the Department of Agriculture's Rice Farmers Financial Assistance Program;
  - (vii) to prioritize Department of Social Welfare and Development's programs such as Assistance to Individuals in Crisis Situations (AICS), distribution of food and non-food items, livelihood assistance grants, and supplemental feeding program for daycare children; and
  - (viii) to provide a minimum of thirty-day grace period on residential rents falling due within the period of the enhanced community quarantine.

On 8 April 2020, the Philippine Department of Labor and Employment enacted Department Order No. 212 Series of 2020 prescribing guidelines on the provision of financial assistance of USD 200.00 for each displaced landbased and seabased overseas Filipino worker due to COVID-19<sup>8</sup>.

The National Economic Development Authority has opened an online survey<sup>9</sup> that will be used to assess the impact of COVID-19 and the Enhanced Community Quarantine and aid in the formulation of economic policies to help stimulate the Philippine economy.

### 3. Private sector responding to the COVID-19 crisis.

The Philippine government urged the private sector to release the thirteenth-month pay of all regular employees to cope with the COVID-19 pandemic<sup>10</sup>. In this manner, only the informal economy workers would be covered by the subsidies given by the Bayanihan Heal as One Act. Informal economy workers include directly-hired or occasional workers, subcontracted workers, homeworkers, house helpers, stranded workers, “no work, no pay”

<sup>8</sup> Department of Labor and Employment Order No. 212 Series of 2020, <https://www.dole.gov.ph/news/department-order-no-212-series-of-2020-prescribing-guidelines-on-the-provision-of-financial-assistance-for-displaced-landbased-and-seabased-filipino-workers-due-to-the-coronavirus-covid-2019-d/>, accessed 10 Apr. 2020.

<sup>9</sup> [https://docs.google.com/forms/d/e/1FAIpQLScP9t\\_F6HurK8x5vwjdYQ7eETGHgq5jiCg0dShViwD\\_V6noww/closedform](https://docs.google.com/forms/d/e/1FAIpQLScP9t_F6HurK8x5vwjdYQ7eETGHgq5jiCg0dShViwD_V6noww/closedform), accessed 10 Apr. 2020.

<sup>10</sup> <https://news.abs-cbn.com/business/03/17/20/pay-workers-salary-during-1-month-quarantine-labor-chief-urges-big-business>, accessed 10 Apr. 2020.

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employees, drivers, micro-entrepreneurs, family enterprise owners, farmers and subminimum wage earners<sup>11</sup>.

Some examples of the private sector doing above and beyond what is mandated of them are:

- (i) Grab, a technology company offering ride-hailing transport services in Southeast Asia, is providing economic security to thousands of driver-partners, offering safe mobility solutions for frontliners and providing access to daily essentials while safeguarding the well-being of everyone on the platform<sup>12</sup>;
- (ii) Ayala Corporation, a large Philippine corporation owning real estate, banks and malls, offered to its employees continued salaries, bonuses, leave conversions, and loan deferments<sup>13</sup>; and
- (iii) San Miguel Corporation, a large Philippine corporation which provide food, water, power, petrol products and beverages, has assured all its employees that they will receive their salaries despite any form of work discontinuation<sup>14</sup>.

#### **4. Issues and needs that are not sufficiently addressed by the Philippine government.**

##### **4.1 Timely distribution of food aid**

On 1 April 2020, twenty-one protesters in Quezon City were arrested as they demanded food aid. The food packs are supposed to be distributed by the local government but the protesters claimed that no food aid has arrived in the areas where most informal workers reside<sup>15</sup>.

##### **4.2 Discrepancies in the list of target beneficiaries**

Since the Philippines has no national ID system, government agencies rely on the data of the LGUs regarding their constituents. Some LGUs were saying that the number of beneficiaries approved by the Department of Social Welfare and Development is lower than the actual count in their communities<sup>16</sup>.

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<sup>11</sup> <http://ulap.net.ph/ulap-news/advisories/453-dswd-mc-no-04-series-of-2020.html>, accessed 10 Apr. 2020.

<sup>12</sup> <https://www.grab.com/ph/press/others/grabbayanihan/>, accessed 10 Apr. 2020.

<sup>13</sup> <https://www.ayalaland.com.ph/ayala-unveils-p2-4b-covid-19-response-package/>, accessed 10 Apr. 2020.

<sup>14</sup> <https://www.sanmiguel.com.ph/article/smc-assures-its-food-facilities-will-continue-to-operate-outlines-efforts-to-help-fight-covid-19>, accessed 10 Apr. 2020.

<sup>15</sup> <https://www.cnnphilippines.com/news/2020/4/1/quezon-city-protesters-arrested.html>, accessed 10 Apr. 2020.

<sup>16</sup> <https://www.cnnphilippines.com/news/2020/4/9/dswd-shortcoming-social-amelioration.html>, accessed 10 Apr. 2020.

#### **4.3 Middle income families are currently not covered by subsidies.**

The Philippine government is only currently giving monthly financial assistance to the “poorest of the poor.” The Philippine President is working to provide for the needs of the middle class as well<sup>17</sup>.

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<sup>17</sup> <https://cnnphilippines.com/news/2020/4/7/Duterte-middle-class-income-cash-aid-COVID-19.html>, accessed 10 Apr. 2020