

ORDINANCE REQUIRING ALL BUSINESS ESTABLISHMENTS TO HAVE MINIMUM RANK AND FILE MANPOWER, AT LEAST SEVENTY PERCENT (70%) OF WHICH SHOULD BE RESIDENTS OF THE CITY OF MANILA.

Be it ordained by the City of Manila, *THAT*:

SECTION 1. All business establishments shall hereby be required to have minimum rank and file manpower, at least seventy percent (70%) of which should be residents of the City of Manila.

SEC. 2. *Definition of Terms.* -

- (a) **Business Establishments** - refers to companies or franchises and branches of all the establishments, and all other similar establishments that undertake organized production or rendering services with the end view of earning profit.
- (b) **Rank and File Employees** - refers to those employees who are under the direct supervision and control of a supervisor, and shall not include those employees who are occupying positions classified as having effective recommendatory powers, or those with the power to recommend to management, the exercise of management prerogatives, as defined in the Labor Code of the Philippines. The definition in the existing Collective Bargaining Agreement in the business establishment may also be adopted.

SEC. 3. *Coverage and Scope.* -

- (a) All business establishments, companies and industries engaged in manufacturing or rendering of service in the ordinary course of trade or business;
- (b) All business establishments employing ten (10) or more rank and file employees;
- (c) All business establishments that are located within the territorial jurisdiction of the City of Manila, but who are under agreement with any service or employment agencies or contractors that are located outside the City, this notwithstanding, they shall be subject to observe the minimum seventy percent (70%) manpower requirement of this Ordinance. Such business establishment shall require that the service agency shall provide applicants/employees who are residents of Manila.

SEC. 4. *Security of Tenure.* -

- (a) This Ordinance recognizes the right of the existing employees to security of tenure, in establishments that are already operating within the City. The business establishments that are operating in places other than the City of Manila, six (6) months immediately preceding the date when this Ordinance shall have taken effect, that shall subsequently transfer their operations in the City of Manila after this Ordinance shall take effect shall also be entitled to the same recognition herein above stated;
- (b) If the establishments referred to in letter (a) of this section are subsequently going to increase their manpower, or are going to replace the employees who were dismissed or removed, due to business expansion or due to vacancies in several positions created by reason of retirement, resignation, removal, retrenchment or other similar events, the qualified applicants who are residents of Manila, shall be given preference in acceptance for employment until the required seventy percent (70%)-rate shall have been satisfied or substantially complied with: *PROVIDED, That* if there are no qualified applicants who are Manila residents, the employer shall have the right to employ non-residents;

- (c) Newly established companies that are about to set up their operations in the City after this Ordinance shall take effect, shall comply with the required seventy percent (70%) rate of rank and file employees.

SEC. 5. Proof of Residence. – Voter's Identification Card (or Income Tax Return filed or any other written statement under oath showing the complete address, in the absence of the former) shall be a requirement in accepting a person for employment for rank and file positions: *PROVIDED, That* the present address of the applicant entered or indicated thereon, must be in the City of Manila: *PROVIDED FURTHER, That* the applicant must have resided in the City of Manila for at least 6 months.

SEC. 6. Agency in Charge. – The Business Promotion and Development Office shall be the agency in charge of enforcing this Ordinance. The Recruitment and Employment Services Division of the City Personnel Office is hereby vested with the authority to recommend to the Business Promotion and Development Office.

SEC. 7. Reportorial Requirements. – The business establishments that are already existing and have been established prior to the passage of this Ordinance are required to submit a yearly report on the complete list of its employees before they are issued a business license by the City. This yearly report shall be submitted to the following offices: Business Promotion and Development Office, Office of the Recruitment and Employment Services Division, and the City Council Committee on Labor, Employment and Human Resources, on or before the last working day of the year.

The said report shall be a condition precedent for the issuance and/or renewal of business licenses or permits to operate.

SEC. 8. Rules on the Issuance of Business Permits and Licenses. – The Business Promotion and Development Office is hereby authorized to promulgate rules and regulations on the issuance of business licenses and permits, subject to the following:

- (a) Submission of the list of rank-and-file employees which include the proportion of the Manila residents employed therein to the non-residents
- (b) Nature of the business of the employer/business establishment
- (c) Information required to be stated in the list of employees:
 1. Age of the particular employee
 2. Present address
 3. Number of years of service with the employer
 4. Present position, brief description of the duties and responsibilities of the employee
 5. Updated list of the retired, retrenched, removed or resigned employees, and the list of the persons who replaced them

SEC. 9. Penalty Clause. – The business establishment found guilty of violating the provisions of this Ordinance shall be liable as follows:

- (a) First violation – Reprimand that includes an explanation under oath and in writing as to why the Ordinance was violated
- (b) Second violation – A fine of Five Thousand Pesos (PhP 5,000.00) and a stern warning that the subsequent violation shall mean closure of business
- (c) Third violation – Closure

: *PROVIDED, That*, in addition to the fine imposed on the next preceding paragraph, the employer, manager or any officer found to be responsible for the violation of this Ordinance shall be punished with imprisonment of not less than four (4) months, but not more than six (6) months, in the discretion of the court.

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SEC. 10. *Separability Clause*.- If for any reason/reasons, any part or provision of this Ordinance shall be held unconstitutional or invalid, other parts or provisions hereof, which are not affected thereby, shall continue to be in full force and effect.

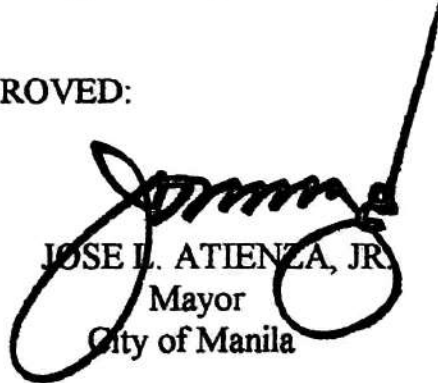
SEC. 11. *Repealing Clause*.- Any ordinance or any provision thereof, inconsistent with or contrary to the provisions of this Ordinance is hereby repealed.

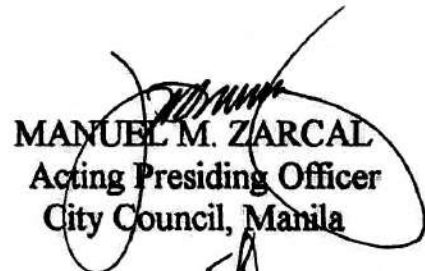
SEC. 12. *Effectivity Clause*.- This Ordinance shall take effect after the approval and after fifteen (15) days following its complete posting and publication in a newspaper of general circulation within the City of Manila.

Enacted by the City Council of Manila at its regular session today, November 18, 2004.


Approved by His Honor, the Mayor on, 7th December, 2004.

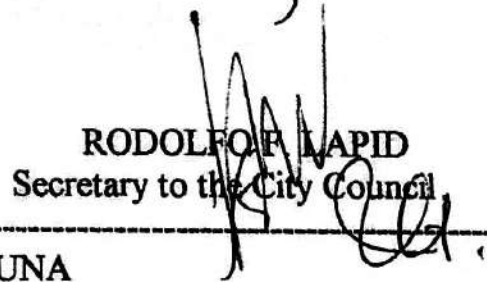
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