

**ORDINANCE NO. 2004 - 025**

**AN ORDINANCE ENJOINING ALL BUSINESS ESTABLISHMENTS, INVESTORS, CONTRACTORS AND THE LIKE TO HIRE A MINIMUM OF 40% OF THEIR WORK FORCE FROM QUALIFIED AND BONAFIDE RESIDENTS OF THE CITY OF SAN FERNANDO, PAMPANGA**

**EXPLANATORY NOTE**

**WHEREAS**, Section 18 of the 1987 Philippine Constitution provides that the State affirms labor as a primary social economic force and as a consequence it shall protect the rights of workers and promote their welfare;

**WHEREAS**, the Labor Code of the Philippines, in its declaration of basic policy, includes not only protection to labor but promoting full employment and ensuring equal work opportunities regardless of sex and creed,

**WHEREAS**, the City Government of San Fernando Pampanga aims to uplift the standard, of living of its constituents by generating employment and enticing income generating activities for its constituents particularly those who are qualified, and able-bodied citizens by taking the cudgels of enjoining investors to hire a certain percentage of employees from bonafide Fernandinos;

**WHEREAS**, it is the commitment of the City Government to promote and provide full employment opportunities to all its qualified and able-bodied residents;

**WHEREAS**, after public consultations and committee hearings conducted for the purpose by the Committee on Ways and Means, this Ordinance would practically help solve the city's unemployment problems.

**NOW THEREFORE, BE IT ENACTED BY THE SANGGUNIANG PANLUNGSOD, in session assembled that:**

**ARTICLE I**

**Section 1. Title** - This Ordinance shall be known and cited as:

**AN ORDANANCE ENJOINING ALL BUSINESS ESTABLISHMENTS, INVESTORS, CONTRACTORS AND THE LIKE TO HIRE A MINIMUM OF 40% OF THEIR WORK FORCE FROM QUALIFIED AND BONAFIDE RESIDENTS OF THE CITY OF SAN FERNANDO, P AMPANGA AND FOR OTHER PURPOSES**

**Section 2. Definition of Terms** As used in this Ordinance, the following terms shall mean:

2.1. 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 in view of gaining profit;

2.2 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 position classified as having 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;

**Section 3. Purpose.** - This Ordinance is enacted for the following purposes:

3. 1. to minimize if not totally eradicate unemployment within the city and provide opportunity to earn a clean and honest living;

3.2. to uplift the standards of living of the Fernandinos by generating employment and enticing income generating activities particularly for those who are qualified and able-bodied citizens by taking the cudgels of enjoining investors to hire a certain percentage of employees from bonafide Fernandinos;

3.3. to promote and provide full employment opportunities to all qualified and able-bodied bonafide residents of the City of San Fernando, Pampanga;

**Section 4. Coverage** – This Ordinance shall find application to the following:

4.1 All business establishments, companies and industries engaged in manufacturing or rendering of service in the ordinary course of trade or business;

4.2 All business establishments employing ten (10) or more rank and file employees;

4.3 All business establishments that are located within the territorial jurisdiction of the City of San Fernando, Pampanga, but who are under agreement with any service or employment agencies or contractors that are located in the City, this notwithstanding, they shall be subject to observe the minimum forty (40) percent manpower requirement of this Ordinance. Such business establishments shall require that the service agency shall provide applicants/employees who are residents of the City of San Fernando, Pampanga.

**Section 5. Security of Tenure** –

5.1 This Ordinance recognizes the right of 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 San Fernando, Pampanga, six (6) months immediately preceding the date when this Ordinance shall have taken effect, that shall subsequently transfer their operations in the City of San Fernando, Pampanga after this Ordinance shall take effect shall also be entitled to the same recognition herein above stated.

5.2 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 by reason of retirement, resignation, removal, retrenchment or other similar events, the qualified applicants who are residents of the City of San Fernando, Pampanga, shall be given preference in acceptance for employment until the required 40% requirement shall have been satisfied or substantially complied with; PROVIDED, That if there are no qualified applicants who are San Fernando residents, the employer shall have the right to employ non-residents;

5.3 Newly established companies that are about to set up their operations in the City after this Ordinance shall have taken effect, shall strictly comply with this manpower requirement.

**Section 6. Proof of Residence** - Voter's Identification Card (or Income Tax Return filed or any 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 me positions: PROVIDED, That the present address of the applicant entered or indicated thereon, must be in the City of San Fernando, Pampanga. PROVIDED FURTHER, that the applicant must have resided in the City of San Fernando, Pampanga for at least one (1) year as certified by the Punong Barangay concerned.

**Section 7. Agency In-Charge** – The City Employment Office in coordination with Office of Community Affairs shall be the agency in-charge of enforcing this Ordinance. The City Human Resource Office is hereby vested the authority to recommend to the City Employment Office.

**Section 8. 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 government. This yearly report shall be submitted to the following offices: City Employment Office, Community Affairs Office, and City Human Resource and Management Office.

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

### **Section 9. Rules on the Issuance of Business Permits and Licenses**

The City Employment Office is hereby authorized to promulgate rules/regulations on the issuance of business licenses and permits, subject to the following:

9.1 Submission of the list of the tank-and-file employees which include the proportion of the City of San Fernando residents employed therein to the Don-residents;

9.2 Nature of the business of the employer/business establishment;

9.3 Information required to be stated in the list of employees

9.3.a. Age of the particular employee

9.3.b. Present Address

9.3.c. Number of years of service with the employer

9.3.d. Present position, brief description of the duties and responsibilities of the employee;

9.3.e Updated list of the retired, retrenched, removed or resigned employees and the list of the persons who replaced them.

**Section 10. Penalty Clause.** - The business establishments found guilty of violating the provisions of this Ordinance shall be liable as follows:

10.1 **For First Offense** - Reprimand that includes an explanation under oath and in writing why the Ordinance was violated;

10.2 **For Second Offense** - A fine of five thousand (5,000.00) pesos and a stern warning that the subsequent violation shall mean closure of the business; and

10.3 **For Third Offense** - closure of the business establishment

**Section 11. Separability Clause** - If for any reason/s, any provision of this Ordinance is declared unconstitutional and or illegal, the remainder of this Ordinance shall not be affected and shall therefore, be in full force and effect.

**Section 12. Repealing Clause** - Local Ordinances, Resolutions, Orders, Rules and Regulations that are inconsistent with this Ordinance are hereby repealed, modified or amended accordingly.

**Section 13. Effectivity Clause** - This Ordinance shall take effect immediately upon satisfaction of its required publication for three consecutive issues in a newspaper of general circulation in the Province of Pampanga and the posting of the same in conspicuous places of the City Hall.

**ADOPTED this 8th day of December 2004.**