



HOUSE OF REPRESENTATIVES

H. No. 6770

BY REPRESENTATIVES GO (M.), SAVELLANO, BULUT-BEGTANG, AGGABAO, CELESTE, DE VENECIA, FARINAS, COSALAN, DY, BATAOIL, CUARESMA, BRAVO (A.), TAMBUNTING, DEL MAR, PRIMICIAS-AGABAS, VARGAS-ALFONSO, SANGCOPAN, BORDADO AND NIETO, PER COMMITTEE REPORT NO. 508

AN ACT INCREASING THE SERVICE INCENTIVE LEAVE OF EMPLOYEES, AMENDING FOR THE PURPOSE ARTICLE 95 OF PRESIDENTIAL DECREE NO. 442, AS AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES

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

1 SECTION 1. Article 95 of Presidential Decree No. 442,
2 as amended, is hereby amended to read as follows:

3 “Article 95. *Right to service incentive leave.* –
4 (a) Every employee who has rendered at least one year of
5 service shall be entitled to a yearly service incentive leave
6 of [five] TEN days with pay.

7 “ (b) This provision shall not apply to those who are
8 already enjoying the benefit herein provided, those
9 enjoying vacation leave with pay of at least [five] TEN

1 days and those employed in establishments regularly
2 employing less than ten employees or in establishments
3 exempted from granting this benefit by the Secretary of
4 Labor after considering the viability or financial condition
5 of such establishment.

6 "(c) The grant of benefit in excess of that provided
7 herein shall not be made a subject of arbitration or any
8 court or administrative action."

9 SEC. 2. *Implementing Rules and Regulations.* - Within
10 ninety (90) days from the approval of this Act, the Department of
11 Labor and Employment shall promulgate the rules and regulations
12 implementing the provisions of this Act which shall take effect
13 thirty (30) days after its publication in any newspaper of general
14 circulation.

15 SEC. 3. *Repealing Clause.* - All laws, decrees, orders, rules
16 and regulations and other issuances or parts thereof which are
17 inconsistent with the provisions of this Act are hereby repealed or
18 amended accordingly.

19 SEC. 4. *Effectivity.* - This Act shall take effect fifteen (15)
20 days after its publication in the *Official Gazette* or in any newspaper
21 of general circulation.

Approved,