

RE : Department of Labor and Employment (“DOLE”) *Advisory no. 17 Series of 2020, entitled “Guidelines on Employment Preservation upon Resumption of Business Operation”*

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WHAT DOES THIS MEAN ?



➤ Instead of resorting to **closure of business** or **termination of employment of their workers**, employers in the private sector allowed to resume business operations under ECQ, GCQ, MECQ, **may**:

1. Adopt any, or a combination, of the following **Alternative Work Schemes**:
 - **Transfer** employees to another branch of the same employer;
 - **Assign** employees to **other functions** or positions in the same or other branch / outlet of the same employer;
 - **Reduce the normal workdays** per day or week;
 - **Job rotation** while alternately providing workers with work within the work week or within the month;
 - **Partial closure** of establishment wherein some units or departments of the establishment are continued while other units or departments are closed; and
 - Other feasible work arrangements

The **Alternative Work Schemes** are **temporary** in nature and shall be adopted only for as long as the **Public Health Crisis** exist.

2. **Temporarily adjust wage** and **wage related benefits** of its employees, upon agreement in writing voluntarily entered to by the employer and employee.
 - This adjustment shall **not exceed six (6) months** or the period agreed upon in the *Collective Bargaining Agreement* (“CBA”), if any.



HERE'S AN EXAMPLE :



➤ **Alternative Work Schemes :**

X company was allowed to resume business operations under the MECQ. To ensure employment preservation amid economic losses brought about by the COVID-19 pandemic, X company adopted an alternative work scheme of **reduction of normal workdays** and **job rotation**.

- Thereafter, President Duterte made a declaration that the **Public Health Crisis** in the Philippines **no longer exists**. X company shall revert to its normal operations and cease in the implementation of its alternative work schemes.



➤ **Adjustment of Wage and Wage Benefits :**

X company resumed business operations under the MECQ. To ensure employment preservation amid economic losses brought about by the COVID-19 pandemic, X company, with a written agreement with its employees, adjusted its employees' **wage** and **wage benefits**.

- Starting **May 18, 2020**, employees of X company will receive 10% less than their usual wage and will no longer receive overtime pay and night shift differential.
- On **November 18, 2020**, or 6 months from the adjustment, employees of X company shall receive their "pre-adjustment" wage and wage benefits, unless a shorter period is provided under the **CBA**.

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