

Good News
Department of Labor and Employment
Bureau of Working Conditions
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RULES FOR PAY ON MAY 1 – LABOR DAY

In observation of the nationwide Labor Day on the 1st of May, employers and workers alike are reminded on the rules for pay on a regular holiday.

On August 15, 2018, President Rodrigo Roa Duterte issued Proclamation No. 555 whereby it provided for the list of national regular holidays and special non-working days for the year 2019. Among of the enumerated national regular holidays is the observation of Labor Day on May 1.

The rules for pay on the said regular holiday are as follows:

1. If the employee did not work, he/she shall be paid 100% of his/her wage for that day, subject to certain conditions under the implementing rules and regulations [(Basic wage + COLA) x 100%]¹;
2. For work done during the regular holiday, the employee shall be paid 200% of his/her wage for that day for the first eight hours [(Basic wage + COLA) x 200%];
3. For work done in excess of eight hours (overtime work), he/she shall be paid an additional 30% of his/her hourly rate on said day [Hourly rate of the basic wage x 200% x 130% x number of hours worked];
4. For work done during the regular holiday that also falls on his/her rest day, he/she shall be paid an additional 30% of his/her basic wage of 200% [(Basic wage + COLA) x 200%] + [30% (Basic wage x 200%)]; and
5. For work done in excess of eight hours (overtime work) during the regular holiday that also falls on his/her rest day, he/she shall be paid an additional 30% of his/her hourly rate on said day (Hourly rate of the basic wage x 200% x 130% x 130% x number of hours worked).

As reference for all employers and workers, labor advisories on rules for pay may be downloaded at the website of the Bureau of Working Conditions.

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¹ Cost of Living Allowance (COLA) is included in the computation of holiday pay