

## Philippines

### Worker Classifications

A select set of employees (e.g. government, managerial, personal service providers, etc.) are exempt from working hour regulations.

### Fixed Term Contracts

Fixed-term contracts are permitted but are not common in the Philippines. They should be used only for highly educated Workers or highly technical positions.

### Probationary Periods

Probationary periods are allowed for up to six months.

### Holidays

Workers in the Philippines recognize 12 paid public holidays. Work performed on a public holiday is payable at 200%. There are three special holidays (Benigno S. Aquino Jr. Day, All Saints Day, and the last day of the year) which are unpaid holidays. If work is performed on a special holiday, it is payable at 130%.

### Vacation

Workers are entitled to service incentive leave (see "Unique Country Nuances") which can be used for vacation or sick leave. Many employers elect to voluntarily offer 15 days of paid vacation annually.

### Sick Leave

Workers are entitled to service incentive leave (see "Unique Country Nuances") which can be used for vacation or sick leave. Workers who have paid three months of social security contributions in the preceding year and are ill for more than three days are entitled to 90% of wages, to be paid by the employer subject to reimbursable from the government.

### Working Hours

A standard workday is 8 hours per day with a 60-minute lunch break. Nightwork (10:00 p.m. to 6:00 a.m.) must be paid at a premium of 110%. A full 24 hours of rest must be provided after each six consecutive days of work. Work on a rest day must be paid at 130%.

### Overtime

Any hours worked over the standard workday are considered overtime, payable at 125%.

### Mandatory Bonuses

Most Workers are entitled to a 13th-month bonus equal to one month's salary payable in December each year.

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### Termination

Except in cases of serious misconduct or fraud, termination requires just cause, adequate notice generally of at least 30 days, and proper procedure including a hearing. Depending on the reason for termination, severance may also be due. Wrongfully dismissed Workers may be entitled to reinstatement, among other remedies.

### Resignation

Workers may resign for any reason by providing one month's written notice.

### Other End Of Employment Rules

If the termination is for an "authorized cause" such as redundancy or business closure, Workers are entitled to severance.

### Unique Country Nuisances

Every Worker is entitled to five days of paid service incentive leave after one year of service, which can be used for vacation or injury/illness. If not used by the end of the year, it should be paid to the Worker in cash.

### Mandatory Employer Costs

Home Development Mutual Fund (HDMF): a national savings program that also offers shelter financing to its members. Social Security, Social Security Mandatory Provident Fund (SSS MPF): protects its members and beneficiaries too. Members can avail of sickness, maternity, loan, retirement/pension, disability, funeral and death benefits. Philippine Health Insurance Corporation (PHIC): provides Filipinos with financial assistance and access to affordable health services.