

# Republic of the Philippines DEPARTMENT OF LABOR AND EMPLOYMENT Intramuros, Manila



### LABOR ADVISORY NO. 7



## Payment of Wages for the Special (Non-Working) Day on August 21, 2020 and Regular Holiday on August 31, 2020

Pursuant to Proclamation No. 845 issued by President Rodrigo Roa Duterte on November 15, 2019, the following rules for pay on special (non-working) days and regular holidays shall apply:

#### 1. Special (Non-Working) Day – August 21, 2020 (Ninoy Aquino Day)

- 1.1 If the employee did not work, the "no work, no pay" principle shall apply unless there is a favorable company policy, practice or collective bargaining agreement (CBA) granting payment on a special day;
- 1.2 For work done during the special day, he/she shall be paid an additional 30% of his/her basic wage on the first eight hours of work [(Basic wage x 130%) + COLA];
- 1.3 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 130% x 130% x number of hours worked);
- 1.4 For work done during a special day that also falls on his/her rest day, he/she shall be paid an additional 50% of his/her basic wage on the first eight hours of work [(Basic wage x 150%) + COLA]; and
- 1.5 For work done in excess of eight hours (overtime work) during a special day 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 150% x 130% x number of hours worked).

### 2. Regular Holiday – August 31, 2020 (National Heroes Day)

2.1 If the employee did not work, he/she shall be paid 100% of his/her wage for that day, subject to certain requirements under the

- implementing rules and regulations of the Labor Code, as amended. [(Basic wage + COLA) x 100%]<sup>1</sup>;
- 2.2 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%]<sup>1</sup>;
- 2.3 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];
- 2.4 For work done during a 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
- 2.5 For work done in excess of eight hours (overtime work) during a 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).

However, In view of the existence of a national emergency arising from the Coronavirus Disease 2019 (COVID-19) situation, employers are allowed to defer payment of the holiday pay on August 31, 2020, until such time that the present emergency situation has been abated and the normal operations of the establishment is in place.

Establishments that have totally closed or ceased operation during the community quarantine period are exempted from the payment of the holiday pay under this Advisory.

Be guided accordingly.

19 August 2020

Secretary

Dept. of Labor & Employment
Office of the Secretary

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<sup>&</sup>lt;sup>1</sup> Cost of Living Allowance (COLA) is included in the computation of holiday pay