

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

DEPARTMENT ADVISORY No. 2
Series of 2009

DEPARTMENT OF LABOR AND EMPLOYMENT	
Administrative Service Central Records Section-630	
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Guidelines on the Adoption of Flexible Work Arrangements

I. Purpose

This Advisory is being issued to assist and guide employers and employees in the implementation of various flexible work arrangements as one of the coping mechanisms and remedial measures in times of economic difficulties and national emergencies. Adoption of flexible work arrangements is considered as a better alternative than the outright termination of the services of the employees or the total closure of the establishment. Anchored on voluntary basis and conditions mutually acceptable to both the employer and the employees, it is recognized as beneficial in terms of reduction of business costs and helps in saving jobs while maintaining competitiveness and productivity in industries.

II. Concept

The Department recognizes the desirability and practicality of flexible work arrangements that may be considered by employers after consultation with the employees, taking into account the adverse consequence of the situation on the performance and financial condition of the company.

Flexible work arrangements refer to alternative arrangements or schedules other than the traditional or standard work hours, workdays and workweek.

The effectivity and implementation of any of the flexible work arrangements provided herein shall be temporary in nature.

III. Flexible Work Arrangements

The following are the flexible work arrangements which may be considered, among others:

1. *Compressed Workweek* refers to one where the normal workweek is reduced to less than six (6) days but the total number of work-hours of 48 hours per week shall remain. The normal workday is increased to more than

eight hours but not to exceed twelve hours, without corresponding overtime premium. The concept can be adjusted accordingly depending on the normal workweek of the company pursuant to the provisions of Department Advisory No. 02, series of 2004, dated 2 December 2004.

2. *Reduction of Workdays* refers to one where the normal workdays per week are reduced but should not last for more than six months.
3. *Rotation of Workers* refers to one where the employees are rotated or alternately provided work within the workweek.
4. *Forced Leave* refers to one where the employees are required to go on leave for several days or weeks utilizing their leave credits if there are any.
5. *Broken-time schedule* refers to one where the work schedule is not continuous but the work-hours within the day or week remain.
6. *Flexi-holidays schedule* refers to one where the employees agree to avail the holidays at some other days provided there is no diminution of existing benefits as a result of such arrangement.

Under these flexible work arrangements, the employers and the employees are encouraged to explore alternative schemes under any agreement and company policy or practice in order to cushion and mitigate the effect of the loss of income of the employees.

IV. Administration of Flexible Work Arrangements

The parties to the flexible work schemes shall be primarily responsible for its administration. In case of differences of interpretation, the following guidelines shall be observed:

1. The differences shall be treated as grievances under the applicable grievance mechanism of the company.
2. If there is no grievance mechanism or if this mechanism is inadequate, the grievance shall be referred to the Regional Office which has jurisdiction over the workplace for appropriate conciliation.

3. To facilitate the resolution of grievances, employers are required to keep and maintain, as part of their records, the documentary requirements proving that the flexible work arrangement was voluntarily adopted.

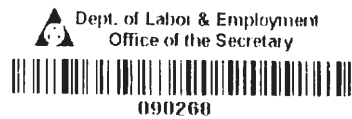
V. Notice Requirement

Prior to its implementation, the employer shall notify the Department through the Regional Office which has jurisdiction over the workplace, of the adoption of any of the above flexible work arrangements. The notice shall be in the Report Form attached to this Advisory.

The Regional Office shall conduct an ocular visit to validate whether the adoption of the flexible work arrangements is in accordance with this issuance.

Manila Philippines, 29 January, 2009.


MARIANITO D. ROQUE
Secretary



Republic of the Philippines
Department of Labor and Employment
 Intramuros, Manila

REPORT ON THE ADOPTION OF FLEXIBLE WORK ARRANGEMENTS DURING ECONOMIC DIFFICULTIES AND NATIONAL EMERGENCIES

1. Name of establishment: _____ Address: _____ Tel. No. _____
 2. Nature of business: _____ Total no. of employees: _____ Male: _____ Female: _____
 3. Scheme/s adopted: _____ Departments/Sections affected _____ Employees affected _____

	date start	date end	Male	Female
a. Compressed workweek	[]	_____	_____	_____
b. Reduction of workdays	[]	_____	_____	_____
c. Rotation of employees	[]	_____	_____	_____
d. Forced leave	[]	_____	_____	_____
e. Broken-time schedule	[]	_____	_____	_____
f. Flexi-holiday schedule	[]	_____	_____	_____
g. Other arrangements	[]	_____	_____	_____

Note: Please attach a comparison of regular work schedule and new work schedule per scheme except (d) Forced Leave.

4. Implication of the scheme/s adopted on:

a. Employees (describe briefly)

b. Employer (describe briefly)

5. The scheme is agreed upon voluntarily by the employees.

_____ Employees' Representative
 (print name & signature)

_____ Employer/Representative
 (print name & signature)

_____ Date accomplished