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Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City

EIGHTEENTH CONGRESS  
First Regular Session

HOUSE RESOLUTION No. 29



Introduced by

BAYAN MUNA Party-List Representatives FERDINAND R. GAITE,  
CARLOS ISAGANI T. ZARATE, and EUFEMIA C. CULLAMAT,  
ACT TEACHERS Party-List Representative FRANCE L. CASTRO,  
GABRIELA Women's Party Representative ARLENE D. BROSAS,  
and KABATAAN Party-List Representative SARAH JANE I. ELAGO

RESOLUTION

URGING THE HOUSE OF REPRESENTATIVES, THROUGH THE  
COMMITTEE ON LABOR AND EMPLOYMENT,  
TO INVESTIGATE, IN AID OF LEGISLATION,  
THE ALLEGED ILLEGAL DISMISSAL, LABOR-ONLY CONTRACTING AND  
INHUMANE WORKING CONDITIONS OF WORKERS OF PEERLESS  
MANUFACTURING CORPORATION (PEPMACO)

**WHEREAS**, on June 24, 2019, workers in Peerless Manufacturing Corporation (PEPMACO), led by the PEPMACO Workers Union-NAFLU-KMU, launched a strike due to labor-only contracting, grave violations of occupational health and safety standards, excessive working hours, union-busting and illegal dismissal of union members and leaders;

**WHEREAS**, on June 28, 2019, the workers' picket line was destroyed and attacked by hundreds of mask-wearing goons and security guards of PEPMACO using batons, rocks and water jets thus seriously injuring 11 workers;

**WHEREAS**, as early as June 2018, PEPMACO reportedly started the retrenchment of workers. Many of the workers have worked in PEPMACO for as long as 12 years. From January up to June 2019 alone, more than 200 workers were laid-off for allegedly not reporting to work during holidays, joining union activities, for being seen in a Mayday video, or not working overtime. The workers were reportedly just informed verbally that they were dismissed and were not allowed to enter the PEPMACO premises. The agency told the workers that they were laid-off by PEPMACO;

**WHEREAS**, PEPMACO, owned by Taiwanese business tycoon Simeon Tiu, manufactures the detergent and fabric conditioner brand Champion, Calla, Hanna shampoo and conditioner and other surfactants for export. In sharp contrast to "Tapat po sa inyo" advertisement of Champion

1 detergent, PEPMACO subjected the workers to slave-like conditions such as 12-hour workdays,  
2 7 days a week, no masks, gloves or any personal protection equipment while handling hazardous  
3 chemicals. Many workers have complained of difficulty in breathing, burns, swelling, redness,  
4 respiratory illness, and itchiness in arms and other exposed body parts;

5  
6 **WHEREAS**, based on the accounts of the workers, there were about 400 agency-hired workers  
7 from Victoria Manpower Services, Luxor Manpower Corporation, and Jer Human Resources  
8 while there were only about 40 regular workers in PEPMACO. The agency-hired workers  
9 perform the “necessary and desirable” jobs in the production area while the regular PEPMACO  
10 workers supervise them and controls the means, manner and methods of their work, either as  
11 chemical engineers or technicians. The tools, equipment and machineries were owned by  
12 PEPMACO;

13  
14 **WHEREAS** such violations of general labor and occupational health and safety standards were  
15 documented by the Department of Labor and Employment Labor Inspector through a report  
16 dated September 7, 2018. However, DOLE Regional Office IV-A dismissed the earlier DOLE  
17 Notice of Results of Inspection based on the position paper/reply and other documents submitted  
18 by PEPMACO and the agencies/contractors. Regional Director John S. Jalbuena, in an Order  
19 dated June 11, 2019, upheld the contractors’ assertion that they have the substantial means and  
20 capital, have direct control and supervision over the workers and that workers are performing  
21 “non-core or non-essential functions” at PEPMACO;

22  
23 **WHEREAS**, PEPMACO refused to recognize the PEPMACO Workers Union despite the union  
24 registration issued by DOLE on January 29, 2019. PEPMACO insisted that there is no employee-  
25 employer relationship. On May 5, 2019, DOLE denied the petition for certification of election  
26 filed by PEPMACO Workers Union as the PEPMACO management already awarded the Sole  
27 and Exclusive Bargaining Agent to Nagkakaisang Lakas ng mga Manggagawa (National Workers  
28 Brotherhood). Most of the officers and leaders of PEPMACO Workers Union were among the  
29 those dismissed by PEPMACO;

30  
31 **WHEREAS**, workers further complained of denial of leave credits, “forced” daily overtime,  
32 arbitrary suspension orders, harassment of union leaders and members, and overcharging and  
33 erratic remittance of SSS, PhilHealth and PAG-IBIG contributions;

34  
35 **WHEREAS**, such unjust and inhumane treatment of workers should not be allowed as these not  
36 only violate labor laws and standards but are in clear violation of the 1987 Constitution that  
37 provides for workers’ “security of tenure, humane conditions of work, and a living wage”;

38  
39 **NOW THEREFORE, BE IT RESOLVED** that the House of Representatives, through the  
40 Committee on Labor and Employment, to investigate, in aid of legislation, the alleged illegal  
41 dismissal, labor-only contracting and inhumane working conditions of workers of Peerless  
42 Manufacturing Corporation (PEPMACO).  
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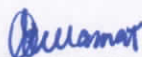
1 *Adopted,*



**REP. FERDINAND R. GAITE**  
BAYAN MUNA Partylist



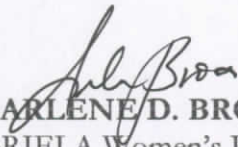
**REP. CARLOS ISAGANI T. ZARATE**  
BAYAN MUNA Partylist



**REP. EUFEMIA C. CULLAMAT**  
BAYAN MUNA Partylist



**REP. FRANCE L. CASTRO**  
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**REP. ARLENE D. BROSAS**  
GABRIELA Women's Party

**REP. SARAH JANE I. ELAGO**  
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