



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Bonifacio Drive, Port Area, Manila

097.13 DPWH  
10-12-90

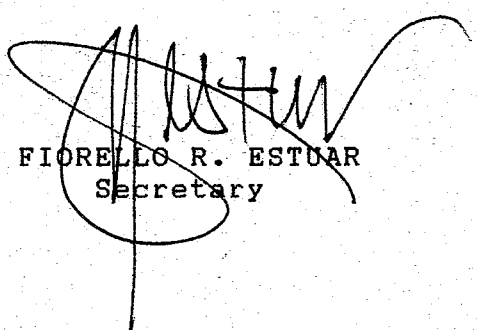
11 October 1990

DEPARTMENT ORDER)      SUBJECT:    MONITORING OF COMPLIANCE TO THE  
No. **210**      PROVISIONS OF REPUBLIC ACT NO.  
Series of 1990      6685, REQUIRING EMPLOYMENT OF  
                                         LOCAL LABOR

For effective monitoring and management of the implementation of Republic Act No. 6685 and its Implementing Rules and Regulations under D.O. No. 51, Series of 1990, the following additional instructions are hereby issued:

1. The implementing offices shall include all DPWH Regional, District, City, and Project Management Offices.
2. All implementing offices shall submit a quarterly summary report to the PMO-Central Labor-Based Unit (CLBU), to be received not later than one week after the end of quarter, indicating therein, the names of the contractors and their awarded projects, and the number of laborers employed among the bona fide residents of the Barangay, Municipality, and Province where the project is located using the attached format.
3. The PMO-CLBU shall determine compliance of the contractor by review of the submitted report, by spot inquiry of the residents and by sampling review of the "Certificate of Compliance" submitted by the contractor, which certificate must be made available when demanded.

This memorandum shall take effect immediately.

  
FIORELLO R. ESTUAR  
Secretary

# SAMPLE REPORT

| NAME AND LOCATION<br>OF PROJECT          | CONTRACTOR'S NAME AND<br>CONTRACT COST | BARANGAY AND CORRESPONDING<br>NUMBER OF RESIDENTS<br>EMPLOYED | REMARKS                                                  |
|------------------------------------------|----------------------------------------|---------------------------------------------------------------|----------------------------------------------------------|
| Aglao Bridge,<br>San Marcelino, Zambales | Juan Diaz, Inc.<br>P 250,000           | Aglao - 6<br>Pob. San Marcelino - 5                           | Insufficient number of<br>laborers in Barangay<br>Aglao. |

Republic of the Philippines  
Congress of the Philippines  
Metro Manila

Second Regular Session

Began and held in Metro Manila, on Monday, the twenty-fifth day of July, nineteen hundred and eighty-eight.

[REPUBLIC ACT NO. 6685]

AN ACT REQUIRING PRIVATE CONTRACTORS TO WHOM NATIONAL, PROVINCIAL, CITY AND MUNICIPAL PUBLIC WORKS PROJECTS HAVE BEEN AWARDED UNDER CONTRACT TO HIRE AT LEAST FIFTY PERCENT OF THE UNSKILLED AND AT LEAST THIRTY PERCENT OF THE SKILLED LABOR REQUIREMENTS TO BE TAKEN FROM THE AVAILABLE BONA FIDE RESIDENTS IN THE PROVINCE, CITY OR MUNICIPALITY IN WHICH THE PROJECTS ARE TO BE UNDERTAKEN, AND PENALIZING THOSE WHO FAIL TO DO SO

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Contractor Requirement.* — All private contractors, including subcontractors, to whom awards

are made for the undertaking of national and local public works projects funded by either the National Government or any local government unit including foreign-aided projects must hire at least fifty percent (50%) of the unskilled and thirty percent (30%) of the skilled labor requirements from the unemployed bona fide and actual residents in the province, city and municipality who are ready, willing and able as determined by the governor, city mayor or municipal mayor concerned where the projects are to be undertaken: *Provided*, That labor used or to be used for the manufacture of prefabricated construction materials and other materials premade outside the place of project implementation and skilled manpower utilized or to be utilized for the preparation of engineering designs and project plans and layouts shall be exempted from the labor requirements herein imposed: *Provided, further*, That where the number of available resources is less than the required percentages provided herein, said requirements shall be based on the maximum number of locally available labor resources which fact shall be certified by the municipal, city, provincial or district engineer as sufficient compliance with the labor requirements under this Act.

SEC. 2. *Public Works Projects Involved.* — Public works projects referred to include national, provincial, city, municipal, and barangay projects including but not limited to roads, schools, power and water systems, piers, airports and similar projects.

SEC. 3. *Excluded Projects.* — Any scientific project of a highly technical nature, all defense and military installations which fall under security requirements, any public works project that may be assigned to and which can be undertaken by the engineering battalions of the Armed Forces of the Philippines shall be excluded: *Provided*, That where such strategic projects are to be undertaken by private contractors, the same shall require the clearance and permission of the Chief of Staff of the Armed Forces

of the Philippines and/or the Secretary of the Department of Science and Technology, and the provisions of Section 1 shall apply.

**SEC. 4. Notice of Labor Requirements.** — The contractor and/or subcontractor shall post in conspicuous areas to be specified and designated by proper district, provincial, city or municipal authorities, a notice in either Filipino, English or the local dialect, that local residents are needed for the project. Applicants shall bring their voter's identification card or any reliable document of identification or submit a certification from the barangay captain or any other member of the barangay council in the absence of the barangay captain to prove that they are bona fide and actual residents of the locality where the project will be undertaken. Furthermore, applicants shall pass reasonable performance requirements of the contractor.

**SEC. 5. Certificate of Compliance.** — The contractor and/or subcontractor shall submit to the district, provincial or city engineer, among the requirements for every progress billing, a certificate of compliance with the above requirement duly sworn to, including a list of names of residents hired from the locality where the project was undertaken.

**SEC. 6. Penalty.** — Failure without good cause by the contractor or subcontractor to comply with the requirements of Sections 1, 4 and 5 of this Act shall be penalized by a fine of Twenty thousand pesos (P20,000) for the first offense; suspension for one (1) year from participating in public works bidding for the second offense; and perpetual disqualification from participating in public works bidding for the third offense. The penalty clause as provided for in this Act shall be included in all contracts to be entered into by and between the national, provincial, city and municipal governments and the contractor upon approval of this Act.

**SEC. 7. Rules and Regulations.** — The Secretary of the Department of Public Works and Highways (DPWH) shall, after consultation with duly accredited national constructors associations and the Secretary of Labor, issue implementing rules and regulations within sixty (60) days upon approval of this Act.

**SEC. 8. Effectivity.** — This Act shall take effect upon its complete publication in at least two (2) national newspapers of general circulation.

Approved,

JOVITO R. SALONGA  
President of the Senate

RAMON V. MITRA  
Speaker of the House  
of Representatives

This Act which originated in the House of Representatives was finally passed by the House of Representatives and the Senate on November 23, 1988 and October 18, 1988, respectively.

EDWIN P. ACOBA  
Secretary of the Senate

QUIRINO D. ABAD SANTOS, JR.  
Secretary of the House of  
Representatives

Approved: December 12, 1988

CORASON C. AQUINO  
President of the Philippines