

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWELFTH CONGRESS
First Regular Session

HOUSE BILL NO. 1945

Introduced by Representative Solomon R. Chungalao

EXPLANATORY NOTE

The present number of Divisions (three Divisions) of the National Labor Relations commission in the National Capital Region was created in March 1989 under R.A. 6715 (Labor Code) when the total beginning case load of the Three (3) Divisions was only 2,111 cases. However, as of May 31, 2001, the First, Second and Third Division handled a total of 8,501 cases or an increase of 6,394 cases. Therefore, each Division, each Commissioner, including the Chairman, has an average case load of about 945 cases per year (79 cases per month). Since the decision of each Division is collegial in nature, each Commissioner will still have to review the decision penned by his other two members. Thus, each Commissioner is actually handling 2,835 cases per year. By the sheer volume of cases, there is, therefore, an urgent need to increase the number of Divisions in the National Capital Region.

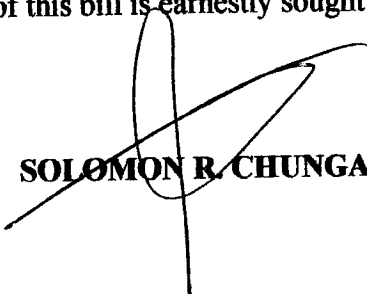
As to the creation of the position of Labor Arbitration Officers to act as reviewers in the Commission, the purpose is to replace the Labor Arbiters who are presently assigned to the Commission as reviewers. By the very nature of their Office, the Labor Arbiters must solely handling cases at the arbitration level.

With the present volume of cases, (as of the year 2000: 42,501 cases were handled in all the RABS, with about 28,000 of which are in the National Capital Region), there is clearly an urgent need to assign more line Labor Arbiters. However, the hiring of additional Labor Arbiters will be avoided if the present forty three (43) Labor Arbiters assigned as reviewers will be given their respective salas at the arbitration level.

As regards the grant of the same retirement benefits to the Labor Arbiters at par with that of the RTC judges, such measure is long overdue. As early as April 10, 1992, the Labor Arbiters from Salary Grade 28 to Salary Grade 29, thus making the Labor Arbiters at par with the Regional Trial Court Judges. At present, the Labor Arbiters and the RTC Judges are receiving the same salaries and the same RATA. However, while the NLRC Chairman and Commissioners are already receiving the same retirement benefits as that of Presiding Justice and Associate Justices of the Court of Appeals, respectively, the Labor Arbiters are not enjoying the same retirement benefits as that of the RTC Judges. This apparent disparity should be corrected.

Finally, in order to harmonize and put into law what is already in practice, the RANK of the Labor Arbiters (as that of the RTC Judges) and that of the NLRC Chairman and Commissioners (as that of the Presiding Justice and Associate Justices of the Court of Appeals) should be explicitly be provided in the Labor Code.

In view of the foregoing, early passage of this bill is earnestly sought.



SOLOMON R. CHUNGALAO

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 1945

Introduced by Representative Solomon R. Chungalao

AN ACT

TO RATIONALIZE THE COMPOSITION AND FUNCTIONS OF THE NATIONAL LABOR RELATIONS COMMISSION THEREBY AMENDING ARTICLES 213, 214, 215 AND 216, BOOK V, TITLE II, OF THE LABOR CODE, AS AMENDED, AND FOR OTHER PURPOSES.

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

SECTION 1. Article 213 is hereby amended to read as follows:

Article 213. National Labor Relations Commission. –
There shall be a National Labor Relations Commission which shall be attached to the Department of Labor and Employment for program and policy coordination only, composed of the Chairman and TWENTY THREE (23) [fourteen (14)] Members.

EIGHT (8) [five (5)] members each shall be chosen from among the nominees of the workers and employers organizations, respectively. The Chairman and the SEVEN (7) [four (4)] remaining members shall come from the public sector, with the latter to be chosen PREFERABLY from among the INCUMBENT EXECUTIVE LABOR ARBITERS AND LABOR ARBITERS AS recommendees of the Secretary of Labor and Employment.

XXX

XXX

XXX

The Commission may sit en banc or in EIGHT (8) [five (5)] divisions, each composed of three (3) members. X X X. Of the EIGHT (8) [five (5)] divisions, the first, second, [and] third, FOURTH, FIFTH AND SIXTH divisions shall handle cases coming from the National Capital Region and other parts of Luzon; and the SEVENTH AND EIGHTH [fourth and fifth] divisions, cases from the Visayas and Mindanao, respectively: x x x.

XXX

XXX

XXX

XXX

XXX

XXX

The Chairman shall be the Presiding Commissioner of the first division and the SEVEN (7) [four (4)] other members from the public sector shall be the Presiding Commissioners of the second, third, fourth, [and] fifth, SIXTH, SEVENTH AND EIGHT divisions, respectively. x x x .

XXX

XXX

XXX

The Commission, when sitting en banc shall be assisted by the same Executive Clerk and, when acting thru its divisions, by said Executive Clerk for its first division and SEVEN (7) [four (4)] other Deputy Executive Clerks for the second, third, fourth, [and] fifth, SIXTH, SEVENTH AND EIGHT divisions, respectively, in the performance of such similar or equivalent functions and duties as are discharged by the Clerk of Court and Deputy Clerks of Court of the Court of Appeals.

THE COMMISSION AND ITS EIGHT (8) DIVISIONS, SHALL BE ASSISTED BY THE LABOR ARBITRATION OFFICERS IN ITS APPELLATE AND ADJUDICATORY FUNCTIONS WHOSE TERM SHALL BE CO-TERMINUS WITH THE COMMISSIONERS WITH WHOM THEY ARE ASSIGNED. THE LABOR ARBITRATION OFFICERS SHALL BE MEMBERS OF THE PHILIPPINE BAR. THEY SHALL RECEIVE ANNUAL SALARIES AND SHALL BE ENTITLED TO THE SAME ALLOWANCES AND BENEFITS AS THOSE FALLING UNDER SALARY GRADE TWENTY SEVEN (SG 27). THERE SHALL BE AS MANY LABOR ARBITRATION OFFICERS AS MAY BE NECESSARY FOR THE EFFECTIVE AND EFFICIENT OPERATION OF THE COMMISSION BUT IN NO CASE LESS THAN THREE (3) ASSIGNED TO THE OFFICE OF THE CHAIRMAN AND EACH COMMISSIONER.

SECTION 2. ART. 214. is hereby amended to read as follows:

ART. 214. Headquarters, Branches and Provincial Extensions Units. - The Commission and its First, Second, [and] Third, FOURTH, FIFTH AND SIXTH divisions shall have their main offices in Metropolitan Manila, and the SEVENTH AND EIGHT [fourth and fifth] divisions in the Cities of Cebu and Cagayan de Oro, respectively. x x x.

SECTION 3. Article 215 is hereby amended to read as follows:

Article 215. Appointment and Qualifications.

The Chairman and other Commissioners shall be members of the Philippine Bar and must have been engaged in the practice of law in the Philippines for at least fifteen (15) years, with at least five (5) years experience or exposure in the filed of labor-management relations, and shall preferably be residents of the region where they shall hid office. The Executive Labor Arbiters and Labor Arbiters shall

likewise be Members of the Philippine Bar and must have been engaged in the practice of law in the Philippines for at least TEN (10) [seven (7)] years, with at least three (3) years experience or exposure in the field of labor-management relations; Provided, however, [that the incumbent Executive Labor Arbiters and Labor Arbiters shall likewise be Members of the Philippine Bar and must have been engaged in the practice of law in the Philippine for at least TEN (10) [seven (7)] years, with at least three (3) years experience or exposure in the field of labor-management relations; Provided, however, [that the incumbent Executive Labor Arbiters who have been engaged in the practice of law for at least five (5) years may be considered as already qualified for purposes of reappointment as such under this Act.]

xxx

xxx

xxx

The Chairman, the Division Presiding Commissioners and other Commissioners shall all be appointed by the President. [subject to confirmation by the Commission on Appointments.] Appointment to any vacancy shall come from the nominees of the sector which nominated the predecessor. The Executive Labor Arbiters and Labor Arbiters shall also be appointed by the President, upon recommendation of the Secretary of Labor and Employment, TO SPECIFIC ARBITRATION BRANCHES PREFERABLY IN THE REGIONS WHERE THEY ARE RESIDING, and shall be subject to the Civil Service Law, rules and regulations: PROVIDED, HOWEVER, THAT THE INCUMBENT EXECUTIVE LABOR ARBITERS AND LABOR ARBITERS WHO ARE PRESENTLY HOLDING OFFICE IN THE REGIONS WHERE THEY ARE RESIDENTS SHALL BE DEEMED APPOINTED THEREAT.

SECTION 4. Article 216, as Amended, is hereby further amended to read as follows:

Article 216. Salaries, benefits and emoluments. -

The Chairman and members of the Commission shall HAVE THE SAME RANK, receive an annual salary at least equivalent to, and be entitled to the same allowances, RETIREMENT, and OTHER benefits AND PRIVILEGES as, those of the Presiding Justice and Associates of the Court of Appeals, respectively. The Executive Labor Arbiters AND LABOR ARBITERS shall HAVE THE SAME RANK, receive an annual salary at least equivalent to AND BE ENTITLED TO THE SAME ALLOWANCES, RETIREMENT AND OTHER BENEFITS AND PRIVILEGES AS THAT OF THE JUDGES OF THE REGIONAL TRIAL COURTS. [that of an Assistant Regional Director of the Department of Labor and Employment and shall be entitled to the same allowances and benefits as that of a Regional Director of the said department. The Labor Arbiters shall receive an annual salary at least equivalent to, and be entitled to the same allowances and benefits as, that of an Assistant Regional Director of the Department of Labor and Employment.] In no case, however, shall the provision of this Article result in the diminution of the existing salaries, allowances and benefits of the above-mentioned officials.

SECTION 5. Repealing Clause. - All laws, decrees, executive orders, rules and regulations or any part thereof which are inconsistent herewith are hereby deemed repealed or modified accordingly.

SECTION 6. Effectivity. - This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) national newspapers of general circulation, whichever comes earlier.

Approved.