

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

19TH CONGRESS
First Regular Session

HOUSE BILL NO. 5166



Introduced by Representative Michael L. Romero

EXPLANATORY NOTE

The **Department of Labor and Employment** is mandated to promote gainful employment opportunities, develop human resources, protect workers and promote their welfare and maintain industrial peace.

The **National Labor Relations Commission (NLRC)**, a quasi-judicial agency attached to the Department of Labor and Employment (**DOLE**), is mandated to adjudicate labor and management disputes involving both local and overseas workers through compulsory arbitration and alternative modes of dispute resolution. With a strategic mission firmly in place, the NLRC embarked on a far-reaching labor and employment agenda in previous years, furthering its efforts to be the pre-eminent government agency which has taken the lead in promoting and maintaining industrial peace based on social justice through economically viable dispute settlement machinery. Since the creation of the NLRC, it has been persistent in pursuing the reforms in labor and employment that will improve the services and address the problems in labor adjudication process. The extensive campaign instituted by the NLRC in the past years, which has drawn support from both the public and private sectors, made its accomplishments possible.

This House Bill seeks to provide **Modernization Funding** to the **National Labor Relations Commission (NLRC)**, to ensure that the country fulfills its commitments to all Decent and productive employment for every Filipino worker.

Thus, the early passage of this bill is earnestly requested.

A stylized, handwritten signature in black ink. The signature is fluid and cursive, with a long, sweeping horizontal stroke at the end that extends to the right.

MICHAEL L. ROMERO

Republic of the Philippines
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AN ACT

PROVIDING FOR MODERNIZATION FUNDINGFOR THE **NATIONAL
LABOR RELATIONS COMMISSION (NLRC)**, INCREASING AND
REORGANIZING ITS ADMINISTRATION, AND FOR OTHER
PURPOSES

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

SECTION 1. DECLARATION OF POLICY – It shall hereby be a declared policy of the state to mandate a national government agency to formulate policies, implement programs and services, and serve as the policy-coordinating arm of the Executive Branch in the field of labor and employment.

The state shall foster the organization and functions of the Department of Labor and Employment in accordance with the provisions of Executive Order No. 126, as amended, the **Labor Code of the Philippines**, and other relevant and pertinent legislations.

The Department shall have exclusive authority in the administration and enforcement of labor and employment laws and such other laws as specifically assigned to it or to the Secretary of Labor and Employment.

The state shall provide direction through the development of long and medium-term strategic plans for the Department of Labor and Employment to ensure achievement of its noble mandates.

The state shall also formulate policies for the efficient and effective administration and management of all manpower, skills and competencies to ensure compliance.

SECTION 2. MODERNIZATION FUNDING. – The amount of Five Hundred Million Pesos **(Php 500,000,000.00)** for the operation and administration of the *National Labor Relations Commission* shall be chargeable against funds for the purpose and other sources recommended by the Department of Budget and Management **(DBM)**. Thereafter, appropriations for the *National Labor Relations Commission* shall be included in the budget proposals under the Department of Labor and Employment **(DOLE)**.

Thereafter, the amount needed for the continued implementation of the modernization program, shall be included in the annual General Appropriations Act **(GAA)**.

SECTION 3. NLRC MODERNIZATION FUND – There is hereby created the *National Labor Relations Commission Modernization Fund* to be used exclusively for the *National Labor Relations Commission Modernization Program*.

The *National Labor Relations Commission Modernization Fund* shall be administered by the Secretary of the **DOLE** in accordance with existing government budgeting, accounting and auditing rules and regulations.

SECTION 4. PROGRESS REPORT – The Secretary of the **DOLE** shall prepare an annual report on the status of the implementation of the *National Labor Relations Commission Modernization Programs* which shall be submitted,

to the Office of the President and to the Chairpersons of the Committee on Labor and Employment of the Senate and the House of Representatives.

SECTION 5. PERIOD OF IMPLEMENTATION – The modernization program under this Act shall be implemented for an initial period of two **(2)** years:

Provided, that payments for multi-year contract obligations incurred under this Act may extend beyond this period:

Provided, further, That the **National Labor Relations Commission** shall continue to develop, modernize and constantly update its operational capabilities to keep pace with best global practices.

SECTION 6. TRANSITORY PROVISION – Existing industries, businesses and offices affected by the implementation of this Act shall be given six **(6)** months transitory period from the effectivity of the IRR or such other period as may be determined, to comply with the requirements of this Act.

SECTION 7. IMPLEMENTING RULES AND REGULATIONS. – The departments and agencies charged with carrying out the provisions of this Act shall, within sixty **(60)** days after the effectivity of this Act, formulate the necessary rules and regulations for its effective implementation.

SECTION 8. REPEALING CLAUSE. – All laws, decrees, executive orders, rules and regulations, or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 9. SEPARABILITY CLAUSE. – If, for any reason, any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

SECTION 10. EFFECTIVITY CLAUSE. – This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in at least two (2) national newspapers of general circulation whichever comes earlier.

Approved,