

CREATING A NATIONAL LABOR RELATIONS COMMISSION AND FOR OTHER PURPOSES

PRESIDENTIAL DECREE NO. 21, October 14, 1972

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To promote industrial peace, maximize productivity and secure social justice for all the people, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me under the Constitution as Commander-in-Chief of all the Armed Forces of the Philippines, and pursuant to Proclamation No. 1081, dated September 21, 1972, and General Order Nos. 1 and 5, dated September 22, 1972, do hereby order and decree:

SECTION 1. A National Labor Relations Commission is hereby established in the Department of Labor composed of three members with the Undersecretary of Labor or his duly authorized representative as Chairman and the Director of Labor Relations and the Director of Labor Standards or their duly authorized representatives as members. If the Undersecretary of Labor cannot attend, his duly authorized representative shall sit as a member, and the Director of Labor Standards or, in his absence, the Director of Labor Relations shall act as Chairman.

SEC. 2. The Commission shall have original and exclusive jurisdiction over the following:

- 1) All matters involving employee-employer relations including all disputes and grievances which may otherwise lead to strikes and lockouts under Republic Act No. 875;
- 2) All strikes overtaken by Proclamation No. 1081; and
- 3) All pending cases in the Bureau of Labor Relations.

SEC. 3. The parties to any dispute, grievance or issue shall first exhaust all steps in the grievance procedure provided for in the applicable collective bargaining agreement or such other means of dispute settlement mutually agreed upon by them before either or both parties may raise an issue, dispute or grievance to the Commission. The complaining party will be required to show proofs of failure to settle the issue, dispute or grievance under the procedure agreed upon by the parties.

SEC. 4. Before assuming jurisdiction over any issue, dispute or grievance, the Commission or its duly authorized representative shall give the parties a chance to submit their problem for voluntary arbitration. However, if the parties fail to agree on the arbitrator, the Commission may designate an arbitrator to hear and decide such grievance, dispute or issue or itself act as the arbitrator.

SEC. 5. The decision of the Commission shall be immediately executory unless appealed to the Secretary of Labor who shall act on all cases within five (5) days from filing. The latter's decision is appealable to the President.

Outside the Greater Manila Area, the Commission is empowered to designate a representative who, together with a representative of the union and a representative of management to be nominated by the immediate parties to the particular issue, dispute or grievance shall mediate, conciliate and, if necessary, conduct a fact-finding investigation and submit its findings to the Commission within five (5) days from commencement of the

investigation for decision.

SEC. 6. Upon promulgation of this Decree, all collective bargaining agreements shall contain a provision designating a voluntary arbitrator, who may be an individual or a committee, to decide all disputes and grievances arising out of the implementation of the collective bargaining agreements. All existing collective bargaining agreements without such provision shall be duly amended to include such provision. Such amendment shall be reported immediately to the Commission. All lockouts shall be deemed illegal.

SEC. 7. The Commission or any member thereof shall have the power to administer oath, issue subpoena and subpoena duces tecum, and to hold any person in contempt for refusal to comply.

SEC. 8. On recommendation of the Commission, the Secretary of Labor shall designate mediators, fact-finders, representation officers and such other assistants as the Commission may deem necessary from among the existing officials and personnel of the Department of Labor.

SEC. 9. The Commission shall promulgate such rules of procedure and other regulations as would enable it to resolve or terminate all cases within thirty (30) days from filing, as well as rules and regulations governing collective bargaining.

SEC. 10. The President of the Philippines, on recommendation of the Commission and the Secretary of Labor, may order the arrest and detention of any person held in contempt by the Commission for non-compliance and defiance of any subpoena, order or decision duly issued by the Commission in accordance with this Decree and its implementing rules and regulations and for any violations of the provisions of this Decree.

SEC. 11. No employer may shut down his establishment or dismiss or terminate the services of regular employees with at least one year of service without the written clearance of the Secretary of Labor.

SEC. 12. All provisions of existing laws, orders, and regulations contrary to or inconsistent with this Decree are hereby repealed.

Done in the City of Manila, this 14th day of October, in the year of Our Lord, nineteen hundred and seventy-two.

(Sgd.) FERDINAND E. MARCOS
President
Republic of the Philippines

By the President:

(Sgd.) ALEJANDRO MELCHOR
Executive Secretary

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