

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



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SENATE
S. No. 1843

RECEIVED BY: *ja*

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The primary aim of this measure is to eliminate one layer of appellate body, the Court of Appeals, as regards decisions of the National Labor Relations Commission (NLRC) which has just recently been instituted thru judicial legislation. For the sole purpose of de-clogging its docket, the Supreme Court, in the case of *St. Martin Funeral Homes vs. NLRC* (G.R. No. 130866, 16 September 1998) ruled that the decisions of the National Labor Relations shall be appealable to the Court of Appeals. Consequently, the mandate of providing speedy labor justice is hereby negated particularly as regards the workers who could ill afford a protracted, costly and frustration litigation in another level of appeal. This additional layer of appeal affects the whole workforce in the country, including overseas contract workers, agricultural workers and domestic helpers.

This must be corrected in order to put to rest the clear intent of Congress in enacting the Labor Code. Being a special social legislation, it is the intent of Congress to afford speedy labor justice to the party litigants to "ensure industrial peace." Thus, decisions of the Labor Arbiters, who act as labor judges at the arbitral level, are appealable to the National Labor Relations Commission.

By providing that "the decision of the Commission shall be final and executory after ten (10) calendar days from receipt thereof by the parties," Congress has intended not to allow further appeal from the decision of the National Labor Relations Commissions. However, considering the constitutional review power of the Supreme Court over all decisions of regular courts and quasi-judicial bodies, such as the NLRC, it has long been the practice by the Court to entertain petitions filed by the aggrieved parties via special civil action of Certiorari. This

practice is pursuant to paragraph three (3), Section 9 of Batas Pambansa Blg. 129, reiterated in Republic Act No. 7902, which specifically exempts the decision of the National Labor Relations Commission from the appellate jurisdiction of the Court of Appeals.

It is therefore clear that the Legislature has intended not to provide for an appeal from the decisions of the Commission. However, an aggrieved party may still avail of the special civil action of Certiorari only on questions of law and/or jurisdiction, by filing the said petition direct to the Supreme Court pursuant to Rule 65 of the Rules of Court. This is what this bill intends to put into law.*

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO
av.

* This bill was originally filed during the 14th Congress 1st Regular Session

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SENATE
S. No. 1843

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Introduced by Senator Miriam Defensor Santiago

1 AN ACT
2 RATIONALIZING RELIEFS FROM THE EXECUTION OF FINAL DECISIONS AND
3 AWARDS OF THE NATIONAL LABOR RELATIONS COMMISSION AND THE
4 LABOR ARBITERS, THEREBY AMENDING FOR THAT PURPOSE ARTICLES 223
5 AND 224 OF THE LABOR CODE OF THE PHILIPPINES

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

6 SECTION 1. Article 223 of the Labor Code of the Philippines is hereby amended to read
7 as follows:

8 "Article 223. Appeal. - Decisions, awards, or orders of the Labor Arbiter
9 are final and executory unless appealed to the Commission by any or both parties
10 within ten (10) calendar days from receipt of such decisions, awards or orders.

11 Such appeal may be entertained only on any of the following grounds.

- 12 1. If there is prima facie evidence of abuse of discretion on the part of
13 the Labor Arbiter;
- 14 2. If the decision, order or award was secured through fraud or
15 coercion, including graft and corruption;
- 16 3. If made purely on question of law; and
- 17 4. If serious errors in the findings of facts are raised which would
18 cause grave or irreparable damage or injury to the appellant.

19 In case of judgment involving monetary award, an appeal by the employer
20 may be perfected only upon posting of a cash or surety bond issued by a reputable
21 bonding company duly accredited by the Commission in the amount equivalent to
22 the monetary award in the judgment appealed from.

1 In any event, the decision of the Labor Arbiter reinstating a dismissed or
2 separated employee, insofar as the reinstatement aspect is concerned, shall
3 immediately be executory, even pending appeal. The employee shall either be
4 admitted back to work under the same terms and conditions prevailing prior to his
5 dismissal or separation or, at the option of the employer, merely reinstated in the
6 payroll. **IN CASE THE EMPLOYER SHALL OPT FOR PAYROLL**
7 **REINSTATEMENT, THE EMPLOYEE SHALL BE PAID HIS**
8 **SALARIES/WAGES DURING THE PENDENCY OF THE APPEAL IN**
9 **THE COMMISSION.** The posting of a bond by employer shall not stay
10 execution reinstatement provided herein.

11 To discourage frivolous or dilatory appeals, the Commission or the Labor
12 Arbiter shall impose reasonable penalty, including fines or censures, upon erring
13 parties.

14 In all cases, the appellant shall furnish a copy of the memorandum of
15 appeal to the other party who shall file an answer not later than ten (10) calendar
16 days from receipt thereof.

17 The Commission shall decide all cases within twenty (20) calendar days
18 from receipt of the answer of the appellee. The decision of the Commission shall
19 be final and executory after ten (10) calendar days from receipt thereof by the
20 parties. **IN CASE A MOTION FOR RECONSIDERATION IS FILED,**
21 **THE DECISION SHALL BE EXECUTORY AFTER TEN (10) CALENDAR**
22 **DAYS FROM RECEIPT OF THE RESOLUTION OF SUCH MOTION.**

23 Any law enforcement agency may be deputized by the Secretary of Labor
24 and Employment or the Commission in the enforcement of decisions, awards or
25 orders.”

26 SECTION 2. Article 224 of the same law is hereby amended to read as follows:

27 “Articles 224. Execution of decisions, orders or awards.

1 1. The Secretary of Labor and Employment or any Regional Director,
2 the Commission or any Labor Arbiter, or Med-Arbiter or Voluntary Arbitrator
3 may, motu proprio or on motion of any interested party, issue a writ of execution
4 on a judgment within five (5) years from the date it becomes final and executory,
5 requiring a sheriff or a duly deputized officer to execute or enforce final
6 decisions, orders or awards of the Secretary of Labor and Employment or regional
7 director, the Commission, the Labor Arbiter or med-arbiter, or voluntary
8 arbitrators. In any case, it shall be the duty of the responsible officer to separately
9 furnish immediately the counsels of record and the parties with copies of said
10 decisions, orders or awards. Failure to comply with the duty prescribed herein
11 shall subject such responsible officer to appropriate administrative sanctions.

12 2. The Secretary of Labor and Employment, and the Chairman of the
13 Commission may designate special sheriffs and take any measure under existing
14 laws to ensure compliance with their decisions, orders or awards and those of the
15 Labor Arbiters and voluntary arbitrators, including the imposition of
16 administrative fines which shall not be less than P500.00 nor more than
17 P10,000.00.

18 **3. DECISIONS, RESOLUTIONS OR AWARDS OF THE**
19 **COMMISSION SHALL BE UNAPPEALABLE, AND REVIEWABLE**
20 **ONLY BY THE SUPREME COURT ON CERTIORARI UNDER RULE 65**
21 **OF THE RULES OF COURT SOLELY ON QUESTIONS OF LAW OR**
22 **JURISDICTION.”**

23 SECTION 3. *Separability Clause.* - If any provision or part hereof is held invalid or
24 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
25 valid and subsisting.

1 SECTION 4. *Repealing Clause.* - All laws, decrees, executive orders, rules, and
2 regulations or any part thereof which are inconsistent with this Act are hereby deemed repealed,
3 modified, and amended accordingly.

4 SECTION 5. *Effectivity.* - This Act shall take effect fifteen (15) days after its complete
5 publication in least two (2) newspapers of general circulation.

Approved,