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THIRTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

COPY: 

SENATE

COMMITTEE REPORT NO. 104

Submitted by the Committee on Labor, Employment and Human Resources Development
on 19 SEP 2006

RE : SB No. 2467 prepared by the Committee.

Recommending its approval in substitution of S. B. No. 1773, taking into consideration H. B. No. 372.

Sponsor : Senator J. Estrada

MR. PRESIDENT:

The Senate Committee on Labor, Employment and Human Resources Development to which was referred Senate Bill No. 1773, introduced by Senator J. Estrada, *entitled:*

**“AN ACT
PROVIDING FOR RELIEF FROM AND EXECUTION OF FINAL
DECISIONS AND AWARDS OF THE NATIONAL LABOR RELATIONS
COMMISSION AND THE LABOR ARBITERS THEREBY AMENDING
FOR THIS PURPOSE ARTICLE 223 OF THE LABOR CODE”**

taking into consideration H. B. No. 372, introduced by Representatives Barinaga and Chungalao, *entitled:*


**“AN ACT
PROVIDING FOR RELIEFS FROM AND EXECUTION OF FINAL
DECISIONS AND AWARDS OF THE NATIONAL LABOR RELATIONS
COMMISSION AND THE LABOR ARBITERS, AMENDING FOR THE
PURPOSE ARTICLES 223 AND 224 OF PRESIDENTIAL DECREE NO.
442, AS AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF
THE PHILIPPINES”**

have considered the same and have the honor to report them back to the Senate with the recommendation that the attached SB No. 2467, prepared by the Committee, *entitled:*

"AN ACT"
PROVIDING FOR RELIEFS FROM AND EXECUTION OF FINAL DECISIONS AND AWARDS OF THE NATIONAL LABOR RELATIONS COMMISSION AND THE LABOR ARBITERS, AMENDING FOR THIS PURPOSE ARTICLES 223 AND 224 OF PRESIDENTIAL DECREE NO. 442, AS AMENDED, OTHERWISE KNOWN AS THE LABOR CODE"

be approved in substitution of S. B. No 1773 taking into consideration H. B. No. 372 with Senator J. Estrada as author thereof.

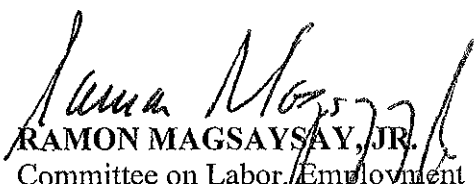
Respectfully submitted:


JINGGOY EJERCITO ESTRADA
Chairman
Committee on Labor, Employment and
Human Resources Development

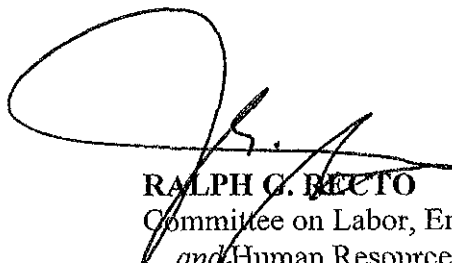
MEMBERS:


RICHARD D. GORDON
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FRANKLIN M. DRILON
Committee on Labor, Employment
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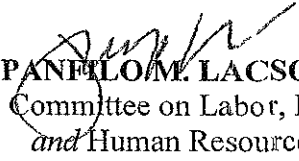

RAMON MAGSAYSAY, JR.
Committee on Labor, Employment
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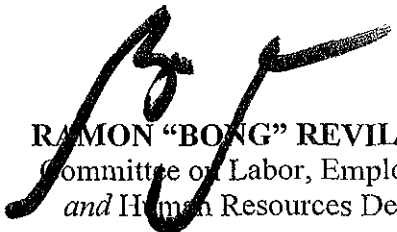

MANUEL "LITO" M. LAPID
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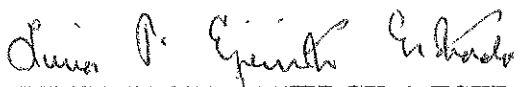
SERGIO R. OSMEÑA III
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Minority Floor Leader

MANNY VILLAR
Senate President
Pasay City

THIRTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)

SENATE

S. B. No. 2467

Introduced by Senator J. Estrada

**AN ACT PROVIDING FOR RELIEF FROM AND EXECUTION OF
FINAL DECISIONS AND AWARDS OF THE NATIONAL LABOR
RELATIONS COMMISSION AND THE LABOR ARBITERS
THEREBY AMENDING FOR THIS PURPOSE ARTICLES 223 AND
224 OF P.D. 442, AS AMENDED OTHERWISE KNOWN AS THE
LABOR CODE.**

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

1 **SECTION 1.** Article 223 of the Labor Code, as amended, is hereby further
2 amended to read as follows:

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

6 **NO APPEAL OR PETITION FROM THE DECISIONS, AWARDS OR ORDERS**
7 **OF THE LABOR ARBITER SHALL BE ENTERTAINED BY ANY COURT OR**
8 **AGENCY, EXCEPT BY THE COMMISSION.** Such appeal OR PETITION may be
9 entertained only on any of the following grounds:

- 1 (a) If there is prima facie evidence of abuse of discretion on the part of the
2 Labor Arbiter;
- 3 (b) If the decision, order or award was secured through fraud or coercion,
4 including graft and corruption;
- 5 (c) If made purely on questions of law; and
- 6 (d) If serious errors in the findings of facts are raised which would cause
7 grave or irreparable damage or injury to the appellant.

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

12 In any event, the decision of the Labor Arbiter reinstating a dismissed or
13 separated employee insofar as the reinstatement aspect is concerned, shall
14 immediately be executory, even pending appeal. The employee shall either be
15 admitted back to work under the same terms and conditions prevailing prior to
16 his dismissal or separation or, at the option of the employer, merely reinstated in
17 the payroll. **IN CASE THE EMPLOYER SHALL OPT FOR PAYROLL**
18 **REINSTATEMENT, THE DISMISSED EMPLOYEE SHALL BE PAID HIS**
19 **SALARIES/WAGES AND OTHER BENEFITS DURING THE PENDENCY OF**
20 **THE APPEAL IN THE COMMISSION."** The posting of a bond by the employer
21 shall not stay the execution of the reinstatement provided herein.

1 “To discourage frivolous or dilatory appeals, the Commission or the Labor
2 Arbiter shall impose reasonable penalty, including fines or censures, upon the
3 erring parties.

4 “In all cases, the appellant shall furnish a copy of the memorandum of
5 appeal to the other party who shall file an answer not later than ten (10)
6 calendar days from receipt hereof.

7 The Commission shall decide all cases within [twenty (20)] **THIRTY (30)**
8 calendar days from receipt of the answer of the appellee.

9 The decision of the Commission shall be final and executory after ten (10)
10 calendar days from receipt thereof by the parties. **IN CASE A MOTION FOR**
11 **RECONSIDERATION IS FILED, THE DECISION SHALL BE EXECUTORY**
12 **AFTER TEN (10) CALENDAR DAYS FROM RECEIPT OF THE RESOLUTION**
13 **OF SUCH MOTION.**

14 “Any law enforcement agency may be deputized by the Secretary of Labor
15 and Employment or the Commission in the enforcement of decisions, awards, or
16 orders.”

17 **SEC. 2.** Article 224 of Presidential Decree No. 442, as amended. Is
18 hereby further amended to read as follows:

19 “ART. 224. Execution of Decisions, Orders, or Awards. –

20 “(A) **DECISIONS, RESOLUTIONS OR AWARDS OF THE COMMISSION**
21 **SHALL BE REVIEWABLE ONLY BY THE SUPREME COURT ON**
22 **CERTIORARI UNDER RULE 65 OF THE RULES OF COURT SOLELY ON**

1 **QUESTIONS OF LAW OR JURISDICTION IN THE EXERCISE OF ITS**
2 **POWERS UNDER PARAGRAPH (1) SECTION 5, ARTICLE VIII OF THE**
3 **CONSTITUTION.**

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

16 **“[(b)] (C)** The Secretary of Labor and Employment, and the Chairman of
17 the Commission may designate special sheriffs and take any measure under
18 existing laws to ensure compliance with their decisions, orders or awards and
19 those of Labor Arbiters and Voluntary Arbitrators or panel of Voluntary
20 Arbitrators, including the imposition of administrative fines which shall not be
21 less than five hundred pesos (P500.00) nor more than ten thousand pesos (P10,
22 000.00)”

23 **SEC. 3.** If any provision of this Act is declared unconstitutional, the same
24 shall not affect the validity and effectivity of the other provisions hereof.

1 **SEC. 4.** All laws, executive orders, presidential decrees, presidential
2 proclamations, rules and regulations or any part thereof inconsistent with the
3 provisions of this Act are hereby repealed or modified accordingly.

4 **SEC. 5.** This Act shall take effect fifteen (15) days after its complete
5 publication in the Official Gazette or in at least two newspapers of national
6 circulation.

7 Approved.