
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, September 16, 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 R.A. 6715 (Labor Code, as amended). 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 B.P. 129, reiterated in R.A. 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.¹

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

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AN ACT
RATIONALIZING RELIEFS FROM AN EXECUTION OF FINAL DECISIONS AND
AWARDS OF THE NATIONAL LABOR RELATIONS COMMISSION AND THE
LABOR ARBITERS, THEREBY AMENDING FOR THAT PURPOSE ARTICLES 223
AND 224 OF THE LABOR CODE.

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

SECTION 1. Article 223 is hereby amended to read as follows:

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

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

A) If there is prima facie evidence of abuse of discretion on the part of the Labor Arbiter;

B) If the decision, order or award was secured through fraud or coercion, including graft and corruption;

C) If made purely on question of law; and

D) If serious errors in the findings of facts are raised which would cause grave or irreparable damage or injury to the appellant.

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

In any event, the decision of the Labor Arbiter reinstating a dismissed or separated employee, insofar as the reinstatement aspect is concerned, shall

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

9 To discourage Frivolous or dilatory appeals, the Commission or the Labor
10 Arbiter shall impose reasonable penalty, including fines or censures, upon erring
11 parties.

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

15 The decision of the commission shall be final and executory after ten (10)
16 calendar days from receipt thereof by the parties. IN CASE A MOTION FOR
17 RECONSIDERATION IS FILED, THE DECISION SHALL BE EXECUTORY
18 AFTER TEN (10) CALENDAR DAYS FROM RECEIPT OF THE
19 RESOLUTION OF SUCH MOTION.

20 SECTION 2. Article 224 is hereby amended to read as follows:

21 Articles 224. Execution of decisions, orders or awards.

22 A) DECISIONS, RESOLUTIONS OR AWARDS OF THE
23 COMMISSION SHALL BE UNAPPEALABLE AND REVIEWABLE ONLY
24 BY THE SUPREME COURT ON CERTIORARI UNDER RULE 65 OF THE
25 RULES OF COURT SOLELY ON QUESTIONS OF LAW OR JURISDICTION.

26 B) The Secretary of Labor and Employment, or any Regional Director
27 xxx.

1 C) The Secretary of Labor and Employment, and the Chairman of the
2 Commission xxx.

3 SECTION 3. *Repealing Clause.* - All laws, decrees, executive orders, rules and
4 regulations or any part thereof which are inconsistent herewith are hereby deemed repealed or
5 modified accordingly.

6 SECTION 4. *Effectivity.* - This Act shall take effect fifteen (15) days after its complete
7 publication in the Official Gazette or in at least two (2) national newspapers of general
8 circulation, whichever comes earlier.

Approved.