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SENATE

S. B. NO. 714

RECEIVED BY: \_\_\_\_\_

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Introduced by **SENATOR JOEL VILLANUEVA**

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**AN ACT FURTHER STRENGTHENING WORKERS' RIGHT TO  
SELF-ORGANIZATION, AMENDING FOR THE PURPOSE  
ARTICLES 240[234](c), 242[235], 243[236], 244[237] AND 285  
[270] OF PRESIDENTIAL DECREE NO. 442, AS AMENDED,  
OTHERWISE KNOWN AS THE LABOR CODE OF THE  
PHILIPPINES AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

This bill gives life to the long overdue commitment of the Philippine Government to bring national legislation in conformity with Articles 2, 3 and 5 of International Labor Organization (ILO) Convention No. 87 (Freedom of Association and Protection of the Right to Organize, ratified by the Philippines on December 29, 1953). It seeks to ensure that there is "no prior restraint or authorization" in the exercise of workers right to self-organization, and thus, proposes to:

- (1) Ease the minimum membership requirements for registration of independent unions under Article 240[234](c), from 20% to 5%, and for federations under Article 244[237], from 10 to 5 duly recognized bargaining agent-local chapters;
- (2) Institutionalize online registration, decentralization of registration process to Department of Labor and Employment (DOLE) Provincial or Field Offices and ensure one-day process cycle time by amending Articles 242[235] and 243[236]; and
- (3) Remove the "prior authority" requirement on foreign assistance to local trade union activities under Article 285[270].

The need to align the said provisions of the Labor Code emanated from the observations of the ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) that the existing 20% membership requirement for registration of an independent union and the 10 local chapters requirement for registration of federations or national unions are excessively high, effectively constituting prior-restraint. The Committee of Experts also noted that the requirement of prior authorization from the Secretary of Labor and Employment on foreign assistance, donations, cash or other forms to trade unions or employers' organization under Article 285[270] of the Philippine Labor Code imposes a restraint on trade union and employers' organization's legitimate activities.

The lowering of the minimum requirements for registration of independent unions and federations will strengthen workers' right to self-organization and would allow workers, through their union representatives, the opportunity to participate in policy and decision making processes, which, in turn, would translate to better protection of their rights and benefits including from exploitative work arrangements such as "Endo." With respect to the removal of prior-authorization on foreign assistance or donations, the repeal of Article 285[270], which is a dead provision, would help strengthen the capacities of both trade unions and employers' organizations.

The immediate passage of this bill is earnestly sought.

  
SENATOR JOEL VILLANUEVA



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**AN ACT FURTHER STRENGTHENING WORKERS' RIGHT TO SELF-ORGANIZATION, AMENDING FOR THE PURPOSE ARTICLES 240[234](c), 242[235], 243[236], 244[237] AND 285 [270] OF PRESIDENTIAL DECREE NO. 442, AS AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES AND FOR OTHER PURPOSES**

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

1 **SECTION 1.** Article 240 [234] (c) of the Labor Code, as amended, is hereby  
2 amended to read as follows:

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“(c) In case the applicant is an independent union, the names of all its members comprising at least FIVE PERCENT (5%) of all the employees in the bargaining unit where it seeks to operate;”

9 **SEC. 2.** Article 242 [235] of the Labor Code, as amended, is hereby amended  
10 to read as follows:

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“ARTICLE 242 [235]. SUBMISSION AND Action on Application. – APPLICATIONS FOR REGISTRATION MAY BE SUBMITTED IN PERSON OR ONLINE TO THE APPROPRIATE DOLE REGIONAL OFFICE OR FIELD OFFICE OR THE BUREAU OF LABOR RELATIONS SUBJECT TO VERIFICATION BY THE APPROPRIATE OFFICE. THE BUREAU SHALL PRESCRIBE SUCH FORMS AS MAY BE NECESSARY FOR THIS PURPOSE.”

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The Bureau OR THE APPROPRIATE DOLE REGIONAL OFFICE OR FIELD OFFICE shall act on all applications for registrations within [30 days from filing] ONE (1) CALENDAR DAY FROM RECEIPT THEREOF.”

**SEC. 3.** Article 243[236] of the Labor Code, as amended, is hereby amended to read as follows:

“ARTICLE 243 [236]. Denial of Registration; Appeal. – The decision of the [Labor Relations Division in the regional office] DOLE REGIONAL OFFICE OR APPROPRIATE FIELD OFFICE denying registration may be appealed by the applicant union to the Bureau within ten (10) days from receipt of notice hereof.”

**SEC. 4.** Article 244 [237] of the Labor Code, as amended, is hereby amended to read as follows:

“ARTICLE 244 [237]. [Additional] Requirements for Federations or National Unions. – [Subject to Article 238,] If the applicant for registration is a federation or a national union, it shall, in addition to the requirements of the preceding Articles, submit the following:

- (a) Proof of affiliation of at least FIVE (5) LOCAL CHAPTERS, each of which must be duly recognized collective bargaining agent in the establishment or industry in which it operates; [supporting the registration of such applicant federation or national union] and
- (b) The names and the addresses of the companies where the LOCAL CHAPTERS operate and the list of all the members in each company involved.”

**SEC. 5.** Article 285 [270], “Regulation of Foreign Assistance” of the Labor Code is hereby REPEALED.

**SEC. 6. Implementing Rules and Regulations.** – Within 60 days from the effectivity of this Act, the Secretary of Labor and Employment, in consultation with relevant stakeholders, shall promulgate the necessary rules and regulations to implement the provisions of this Act.

**SEC. 7. Separability Clause.** – If any part, section or provision of this Act shall be held invalid or unconstitutional, the other provisions not affected by such declaration shall remain in full force and effect.

1 **SEC. 8. Repealing Clause.** – All laws, acts, decrees, executive orders, rules  
2 and regulations or other issuances or parts thereof, which are consistent with  
3 this Act, are hereby modified and repealed.

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5 **SEC. 9. Effectivity.** – This Act shall take effect fifteen (15) days after its  
6 publication in the Official Gazette or in at least two (2) newspapers of national  
7 circulation.

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9 **Approved,**