



Public Sector Labor-Management Council

Civil Service Commission Central Office Building
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AUTHORITY OF NEGOTIATING PARTY TO APPROVE THE COLLECTIVE NEGOTIATION AGREEMENT (CNA)

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PSLMC RESOLUTION

WHEREAS, the 1987 Constitution provides as one of the state policies in Article II, Section 18 that *"The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare";*

WHEREAS, the right of the employees in the public sector to form unions is guaranteed under Article III (Bill of Rights), Section 8 of the 1987 Constitution which states that *"The right of the people, including those employed in the public and private sectors, to form unions, associations, or societies for purposes not contrary to law shall not be abridged";*

WHEREAS, Sections 1 and 2 of Rule I (Coverage) of the Implementing Rules and Regulations of Executive Order No. 180 and its amendments provides that the employees of all branches, subdivisions, instrumentalities, and agencies of the Government, including government-owned or controlled corporations with original charters can form, join or assist employees' organizations of their own choosing for the furtherance and protection of their interests;

WHEREAS, Section 4 (Effectivity of CNA) of RULE XII (Collective Negotiations) of the Amended Rules and Regulations of Executive Order No. 180 states that the Collective Negotiation Agreement (CNA) shall take effect upon its signing by the parties and ratification by the majority of the rank-and-file employees in the negotiating unit;

WHEREAS, it has been observed by the Council that numerous problems, such as delay and inaction are encountered by the contracting parties when the respective BOARD OF DIRECTORS/TRUSTEES of GOCCs with Original Charters, including Local Water Districts and Economic Zone Authorities, SANGGUNIAN MEMBERS of Local Government Units, REGENTS or TRUSTEES of State Universities and Colleges and COUNCILS subjected the Collective Negotiation Agreement (CNA) to their final approval;

WHEREAS, PSLMC Resolution No. 1, s. 2014 (Clarification on the Automatic Renewal of Collective Negotiation Agreement) provides that *"All rights,*

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privileges and benefits under the previous CNA shall be enjoyed by the rank-and-file employees pending negotiations for the renewal of the CNA and until conclusion of a final agreement within six (6) months from its expiration”;

WHEREAS, the following laws and implementing rules and regulations define the powers of the BOARD OF DIRECTORS/TRUSTEES of GOCCs with Original Charters, including Local Water Districts and Economic Zone Authorities, SANGGUNIAN MEMBERS of Local Government Units, REGENTS or TRUSTEES of State Universities and Colleges and COUNCILS in their exercise of corporate powers:

- a. Section 5 (Board Directly Vested with Corporate Powers) of Title III (Governing Board) and Section 25 (Respect for and Obedience to the Constitution and the Law) of Title V (Duties and Obligation of Directors and Officers) of GCG Memorandum Circular No. 2012-07 or the Code of Corporate Governance for GOCCS;
- b. Section 22, par. 6 (Corporate Powers) of Local Governments under Republic Act. No. 7160 or the Local Government Code of 1991, as amended;
- c. Section 4 (Powers and Duties of Governing Boards) of Republic Act No. 8292 or Higher Education Modernization Act of 1997;
- d. Batas Pambansa Bilang No. 68 or the Corporation Code of the Philippines, as amended;

WHEREFORE, the Council **RESOLVES**, as it hereby **RESOLVED** to implement the following guidelines in the approval of the Collective Negotiation Agreement (CNA):

- A. As a general rule, the parties to negotiate and approve the CNA are: (1) the President / Local Chief Executive / General Manager / Chief Operating Officer or any authorized representative of GOCCs with Original Charters, including Local Water Districts and Economic Zone Authorities, Local Government Units, State Universities and Colleges - representing the Management; and (2) the President of the “Accredited Employees Organization” – representing the rank-and-file employees. The CNA shall only be elevated to the BOARD OF DIRECTORS/ TRUSTEES/ SANGGUNIAN/ REGENTS OR COUNCIL MEMBERS for its confirmation on any of the following:
 1. If it is clearly stated in its respective charter that a Collective Negotiation Agreement (CNA), and such other agreements are subject to the confirmation of its BOARD OF DIRECTORS/



TRUSTEES/ SANGGUNIAN/ REGENTS OR COUNCIL MEMBERS;

2. If the authority of the President / Local Chief Executive / General Manager / Chief Operating Officer or any authorized representative to negotiate specifically reserves the power to confirm the Collective Negotiation Agreement (CNA) to its BOARD OF DIRECTORS/ TRUSTEES/ SANGGUNIAN/ REGENTS or COUNCIL MEMBERS; or
3. If the Collective Negotiation Agreement (CNA) includes benefits, rights and privileges not granted under existing implementing rules and regulations of E.O. 180, but are within the authority of the agency under its respective charter to grant the same.

However, additional benefits, rights and privileges allowed under special laws/ court jurisprudence and doctrines, although not granted under E.O 180, shall not require confirmation.

- B. The inaction of the BOARD OF DIRECTORS / TRUSTEES / SANGGUNIAN / REGENTS or COUNCIL MEMBERS shall result in the approval of the Collective Negotiation Agreement (CNA) after the lapse of three (3) months from its submission.

The employees' organization has one (1) month from confirmation of the BOARD OF DIRECTORS / TRUSTEES / SANGGUNIAN / REGENTS or COUNCIL MEMBERS or after the lapse of three (3) months from submission of the CNA without any action from the BOARD OF DIRECTORS / TRUSTEES / SANGGUNIAN / REGENTS or COUNCIL MEMBERS to register their CNA with the Civil Service Commission.

RESOLVED further that the respective agencies' Board of Directors / Trustees / Sanggunian or Council shall not issue any resolution to incapacitate the parties from pursuing their goal of concluding an agreement in fostering industrial peace and motivating PSUs as partners of management for effective governance.

Quezon City, Philippines.


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