

NATIONAL CONCILIATION AND MEDIATION BOARD

Department of Labor and Employment

2019 ANNUAL REPORT

The National Conciliation and Mediation Board continued to sustain the efforts attained in maintaining a stable and peaceful industrial relations climate in the country. It was able to effectively manage the incidence of work stoppages to 18 through the provision of timely, efficient and effective conciliation and mediation services. The 18 actual strike cases monitored in 2019 comprised 5.06% of the 257 total notices of strike/lockouts handled.

The Board likewise heightened its efforts towards the promotion of bipartite plant level cooperation and dispute resolution mechanisms resulting in increased number of Labor Management Cooperation (LMCs) and Grievance Machineries (GMs) operationalized. Its sustained efforts in the promotion of Voluntary Arbitration program also reaped positive results, as seen in the increase in the number of cases submitted to Voluntary Arbitration.

I. LABOR MANAGEMENT PARTNERSHIP AND EMPOWERMENT PROGRAM

A. WORKPLACE COOPERATION AND PARTNERSHIP PROGRAM

LMC provides a channel of communication between employees and management, a means of constructive cooperation between them, and a forum to study and discuss possible solutions to mutual problems affecting labor-management relations.

It is the outcome of a continuing process of enhancing mutual trust and respect through information sharing, discussion, consultation and negotiations as schemes of workers' participation in decision making processes on matters not covered by collective bargaining agreements. It also aims to strengthen tripartism and broaden representation of workers as a tool for attaining employment goals toward productivity gain- sharing and competitiveness.

LMCs help reduce the rate of grievances, speed up resolution of issues between labor and management, and evolve better communication processes to improve the benefits and welfare of workers.

The Board, through its 16 RCMBs, facilitated a total of **388** LMCs, **57** or **15%** of which are from organized and **331** or **85%** are from the unorganized companies in 2019. About **296 (77%)** LMCs facilitated are from the small

and medium enterprises (SMEs), and **86 (23%)** LMCs from the large enterprises.

As of December 31, 2019, there were about **3,941** existing LMCs (**1,572** in organized and **2,369** in unorganized companies) in **3,741** companies nationwide. As to the employment size, **1,688** are Small; **913** are Medium; and **1,140** are Large establishments.

In terms of sustaining LMC mechanism, the Board, through its RCMBs, conducted various plant-level and area-wide enhancement activities to existing LMCs. It was participated in by about **7,075** labor and management representatives, **52%** (3,689) of which are males, and **48%** (3,386) are females. As of December 31, 2019, **1,829** existing LMCs are enhanced, wherein **796** LMCs are from the organized, and **1,033** LMCs are from the unorganized companies nationwide.

Of the total **382** newly facilitated LMCs, **176** LMCs are facilitated through the Convergence Program, of which:

- **110** LMCs in companies with existing productivity programs;
- **165** LMCs in companies with existing occupational safety and health (OSH) programs; and
- **101** LMCs in companies with existing family welfare programs (FWP).

Further, through the Convergence Program, about **1,136** existing LMCs are enhanced through the interventions of the different DOLE offices, to wit:

- **591** LMCs enhanced on productivity programs through the intervention of the National Wages and Productivity Commission (NWPC) or its Regional Tripartite Wages and Productivity Boards (RTWPBs);
- **849** LMCs enhanced on OSH and employees compensation (EC) programs through the intervention of Occupational Safety and Health Center (OSHC) or its Regional Extension Units (OSHC-REUs) and Employees Compensation Commission (ECC); and
- **742** LMCs enhanced on FWP through the intervention of Bureau of Workers with Special Concerns (BWSC), through the DOLE-Regional Offices

B. WORKPLACE DISPUTE PREVENTION AND SETTLEMENT (GRIEVANCE MACHINERY)

NCMB promotes grievance machineries to pursue the policy of minimal government intervention in labor disputes through bipartite plant-level dispute resolution mechanisms that aim to leave the resolution of workplace conflicts to the parties themselves. Unresolved conflicts are elevated to voluntary arbitration.

In pursuit of this policy, the Board conducts area-wide seminars and skills training on grievance handling, conflict management and joint problem solving processes to help labor and management settle grievances between themselves without government or third party assistance. These seminars and skills training are also geared towards the operationalization (in organized establishments) and institutionalization (in unorganized companies) of grievance machinery that will process employee grievances at the shop floor.

The program aims to strengthen tripartism and broaden representation of workers as a tool for attaining employment goals toward productivity gain-sharing and competitiveness.

It also promotes the primacy of collective bargaining and negotiation in the settlement of disputes through the grievance machinery in organized and unorganized establishments.

The promotion of grievance handling at the workplace has made grievance machineries functional allowing labor disputes to be addressed at the plant level.

In 2019, the Board was able to operationalize 69 and institutionalize 311 GMs, this is 106% of the 357 GMs targeted for the year. It also strengthened 1,829 GMs. As of December 31, 2019, 4,225 grievance machineries are existing (1,883 in organized establishments and 2,342 in unorganized establishments) nationwide.

SEARCH FOR OUTSTANDING LMC FOR INDUSTRIAL PEACE AND SEARCH FOR OUTSTANDING GRIEVANCE MACHINERY FOR INDUSTRIAL PEACE

The Board continuously benchmark on the country's practices in addressing workplace issues and concerns to explore which practices work best from the preventive and proactive approaches. A fitting culmination of this activity is the best practices awards the Board presents every two years, namely: "Search for Outstanding LMC for Industrial Peace" and "Search for Outstanding Grievance Machinery for Industrial Peace". This year, the two Searches were officially launched at the Hotel Jen, Pasay City on 28 March 2019.

The *Search for Outstanding LMC for Industrial Peace* is an award and recognition program of the NCMB given biennially to existing Labor-Management Cooperation Committees/Councils, both from the organized and unorganized companies. The award is in line with the Board's thrust in promoting industrial peace and harmonious labor-management relations through workplace cooperation and partnership mechanisms. It aims to recognize outstanding LMC programs and practices, which have resulted to enhanced labor-management relations, workers' job satisfaction, company's efficiency, productivity competitiveness, and sustained economic growth, among positive outcomes.

The first Outstanding LMC awards were conferred in 1999 during the 2nd National Convention on LMC at Grand Men Seng Hotel, Davao City. Since then, the NCMB recognizes the Outstanding LMCs, in conjunction with the holding of the National Convention on LMC, a joint undertaking of the NCMB and the Philippine League of Labor-Management Cooperation Practitioners, Inc. (PHILAMCOP), the national association of labor-management practitioners in the country.

Most LMCs nominated to this award go beyond being forums for discussion. Champion LMCs become workshops for new ideas, where labor and management teams work together and work smarter. Their joint efforts resulted in higher productivity, enhanced quality of products and services and consequently, improved work life and work conditions.

The maintenance of industrial peace through LMC existing in a workplace is a remarkable contribution in the labor relations front. LMCs help prevent and resolve workplace conflicts/issues, aside from the numerous benefits in productivity and economic growth.

Meanwhile, the Board, in collaboration with the Tripartite Voluntary Arbitration Advisory Council (TVAAC), started the "Search for Best Enterprise-Based Dispute Resolution Practices" in 2013. This was in recognition of the efforts of labor and management in resolving issues at the company level, thereby, contributing greatly in enhancing labor-management relations. The Search was renamed in 2017 as "Search for Outstanding Grievance Machinery for Industrial Peace" for better name recall and to give emphasis on the grievance machinery program of the Board.

The Search, which is now on its 11th year, continues to benchmark best practices and success stories on dispute resolution among the organized and unorganized companies. It aims to highlight the contribution of GMs in enhancing labor-management relations towards company efficiency, productivity, competitiveness, and maintenance of industrial peace as a whole.

The Awarding Ceremony was the highlight of the 12th National Convention on Labor-Management Cooperation held at The Atrium, Limketkai Center, Cagayan De Oro City on 20-21 November 2019. The following are the recipients of the 2019 Outstanding LMC and Grievance Machinery for Industrial Peace awards as the special awardees/winners/hall of famer:

2019 OUTSTANDING LMC FOR INDUSTRIAL PEACE
Category: Organized Establishments

REG	LMC NAME	COMPANY NAME	AWARD/S
X	<i>Nestle CDOF Team Council</i>	Nestle Philippines, Inc.	2019 OUTSTANDING LMC
XI	<i>Davao Doctors Hospital Labor & Management Cooperation (DMLC)</i>	Davao Doctors Hospital (Clinica Hilario Inc.)	2019 OUTSTANDING LMC
XII	<i>Dolefil Kaugnay</i>	Dole Philippines, Inc.	2019 OUTSTANDING LMC; HALL OF FAME

SPECIAL AWARDEE
Category: Organized Establishments

REG	LMC NAME	COMPANY NAME	AWARD/S
II	<i>CAGELCO II Labor Management Organization (CLAMOR)</i>	Cagayan II Electric Cooperative, Inc.	<i>Special Award on Enhanced Corporate Viability</i>
XI	<i>TADECO Bananeros' Family Circle</i>	Tagum Agricultural Development Company, Inc.	<i>Special Award on Innovative Strategic Partnership</i>
XIII	<i>TMC Labor Management Council</i>	Taganito Mining Corporation	<i>Special Award on Effective Organizational Structure</i>

2019 OUTSTANDING LMC FOR INDUSTRIAL PEACE
Category: Unorganized Establishments

REG	LMC NAME	COMPANY NAME	AWARD/S
IV-A	<i>REPI Employee-Management Council (EMC) - Partners</i>	Rohm Electronics Philippines Inc.	2019 OUTSTANDING LMC; HALL OF FAME
IV-A	<i>AMP Employee Council</i>	Ampleon Philippines, Inc.	2019 OUTSTANDING LMC
V	<i>Employee Engagement Committee (EEC)</i>	Phil. Gold Processing & Refining Corp.	2019 OUTSTANDING LMC

SPECIAL AWARDEE
Category: Unorganized Establishments

REG	LMC NAME	COMPANY NAME	AWARD/S
III	<i>Perpetual Prime Mfg. Inc. Labor-Management Unity Circle</i>	Perpetual Prime Mfg. Inc.	<i>Special Award on Effective Organizational Structure</i>
IV-A	<i>Kasama ang Isa't Isa sa Adhikain (KAISA)</i>	Fujitsu Die-Tech Corporation of the Philippines	<i>Special Award on Innovative Strategic Partnership</i>
XI	<i>AMCINERO</i>	Apex Mining Company, Inc.	<i>Special Award on Enhanced Corporate Viability</i>

2019 OUTSTANDING GRIEVANCE MACHINERY FOR INDUSTRIAL PEACE
Category: Organized Establishments

REG	GM NAME	COMPANY NAME	AWARD/S
III	IEWP-Employees Union-Federation of Democratic Trade Union (FDTU)	International Electric Wires Phils. Corp.	2019 OUTSTANDING GRIEVANCE MACHINERY
VII	Carmen Copper Workers' Labor Organization (CCWLO) Grievance Machinery	Carmen Copper Corporation	2019 OUTSTANDING GRIEVANCE MACHINERY
X	Nestle CDO GM	Nestle Philippines, Inc.	2019 OUTSTANDING GRIEVANCE MACHINERY

II. LABOR CASE MANAGEMENT PROGRAM

The NCMB promotes conciliation-mediation as the preferred mode of resolution of unfair labor practice and bargaining deadlock issues raised to avert the same from maturing into actual work stoppages.

In the occurrence of a work stoppage, the NCMB continues to provide conciliation and mediation services in an effort to settle the dispute at the earliest possible time to minimize or prevent its adverse effects to the workers, the company, and the economy.

From January to December of this year, 18 work stoppages were monitored. These include five (5) wildcat strikes conducted by Regent Foods Corporation, Saint Anthony of Padua Bus Transport System and Prime WorldWide Paper Packaging Corporation (NCR), Mode Nissin Corporation and NutriAsia Inc. (RCMB IV-A). The 18 strike cases raised the issue of unfair labor practice (ULP). The Board disposed of 71% or 15 of the 18 work stoppages handled and settled 52% or 11 cases for the said period.

The Board docketed 221 new notices of strike/lockout during the said period with 74,754 workers involved. Of the 218 new cases filed, 149 raised the issue of unfair labor practice, 55 involved deadlock in bargaining negotiations and 17 had a combination of both issues.

The Board disposed of 81% or 209 cases of the total 257 NS/L handled in 2019. Settlement rate on the other hand is 68% or 176 cases.

The Board received 495 new preventive mediation cases in 2019 with 103,904 workers involved. The Board handled a total of 524 PM cases during the said period.

Of the 495 total cases filed, 406 involved unfair labor practice. Deadlock in collective bargaining totaled to 47, mostly on economic issues, while 42 cases raised both ULP and BD.

The Board disposed of 94% or 495 cases of the 524 preventive mediation cases handled this year. Settlement rate was recorded at 90% or 474 cases.

Single Entry Approach (SENA) program is a reform measure institutionalized through Department Order No. 107-10 to effect a faster, fairer, and less expensive settlement of labor issues and to prevent such issues from maturing into actual labor cases. Single Entry Approach is an option provided by the Department for workers in the filing of cases with conciliation as the entry point. If settlement is not reached within 30 days, the parties can elevate the issue to the appropriate offices of the Department.

In 2019, the Board received a total of 5,742 requests for assistance (RFAs) under SENA with a total 12,631 workers involved. The Board handled a total of 6,067 SENA RFAs during the said period.

The Board disposed of 96% or 5,817 of the 6,067 RFAs handled during the period, and settled 63% or 3,837 RFAs.

Voluntary Arbitration (VA) is a third party settlement of labor disputes involving the mutual consent by the representatives of the company and the labor union involved in a labor dispute to submit their case to a neutral third party who decides the case based on merits. The program is a terminal step in the parties' grievance machinery.

For the said period, there have been 468 cases resolved out of the 988 VA cases handled for a disposition rate of 47%.

Facilitated monetary benefits resulting from case settlement of conciliation-mediation and voluntary arbitration cases are as follows:

AS/L	-	P 5,788,508.00 benefitting 262 workers
NS/L	-	P 4,625,391,929 benefitting 8,646 workers
PM	-	P 64,207,372.08 benefitting 2,069 workers
SENA	-	P 214,517,261.15 benefitting 5,276 workers
VA	-	P 1,258,953,860.12 benefitting 403 workers

OTHER ACCOMPLISHMENTS:

- ✓ As program manager of the Single Entry Approach (SEnA) Program and Project DOLE Speedy and Efficient Delivery of Labor Justice (Project Speed), the NCMB Central Office, supervised, monitored, and evaluated the implementation of the project in member agencies, consolidated and submitted reports to the Office of the Secretary through the Office of the Undersecretary of Labor Relations.

- ✓ Provided continuous technical assistance, and maintained close coordination and linkages with other DOLE offices/agencies and various social partners, such as the Philippine League of Labor and Management Cooperation Practitioners, Inc. (PHILAMCOP), Regional LMC associations, and private companies. The Board likewise attended to invitations to act as resource speaker on topics related to workplace cooperation and partnership/labor-management cooperation to further advocate this bi-partite mechanism to various stakeholders of the Board.
- ✓ Coordinated with the Tripartite Voluntary Arbitration Advisory Council (TVAAC) and Philippine Association on Voluntary Arbitration (PAVA) to maintain AVAs' integrity and enhance their capability in handling VA cases. Yearly, the Board conducts continuing education seminar for AVAs to keep them abreast of the trends on VA.

CAPABILITY BUILDING PROGRAMS

- ✓ Conducted the Labor Dispute Management Course XXIII at Dawal Resort, Bo. Uacon, Candelaria Zambales on April 1- 5, 2019
- ✓ In coordination with the Department of Information and Communication Technology (DICT), the Board conducted a 2-day Users' Training on Archives and Records Management Information System (ARMIS) held at Brentwood Suites on May 2-3, 2019. The users' training is part of the Board's ISSP for this year aimed to improve the management of the Board's digital documents.
- ✓ Conducted the following capacity building programs aimed to improve performance and delivery exemplary service to clientele:
 - "Exploring/Rediscovering Potentials to Bridge the GAPS and Build-High Performance Work Teams at Villa Escudero Plantations and Resorts, Inc., Tiaong, Quezon on May 8-10, 2019
 - Luzon Cluster Team Enhancement Exercises held in Tugawe Cove, Caramoan, Camarines Sur on March 20-2, 2019
 - Visayas Cluster capacity building seminar-workshop held at Sta. Fe, Bantayan, Island, Cebu on June 5-6, 2019
 - Mindanao Cluster team enhancement exercises and GAD staff competency development held at Villa Paraiso Apartelle, Camiguin on April 24-26, 2019
- ✓ Conducted a Trainers' Training for NCMB Program Implementers on May 21-24, 2019 at Ramada Manila Central, Binondo, Manila participated by 49 personnel (33 female and 16 male) of the NCMB and its Regional Branches.

- ✓ Regional Conciliation Mediation Branch (RCMB–9) in partnership with the Department of Labor and Employment Regional Office – 9 (DOLE) conducted a 2-day Basic Cum Enhancement Single Entry Approach (SEnA) Training for Single Entry Assistance Desk Officers (SEADOs) held at Marcian Garden Hotel, Zamboanga City, on June 26-27, 2019, and attended by 24 participants from DOLE and attached agencies.
- ✓ NCMB conducted a seminar-workshop on gender analysis with emphasis on the use of the Harmonized Gender and Development Guidelines (HGDG) and Gender Mainstreaming Evaluation Framework (GMEF) in Quezon City last July 8 – 10, 2019 to strengthen the capacity of gender focal point systems and their alternates in all regional branches.
- ✓ In coordination with the Government Procurement Policy Board (GPPB), the Board conducted a three-day seminar-workshop on Republic Act No. 9184 known as the Government Procurement Reform Act (GPRA) and its 2016 Revised Implementing Rules and Regulations (IRR) held at Robbinsdale Residences in Quezon City on July 24-26, 2019.
- ✓ In coordination with the Department of Budget and Management (DBM), the Board attended a two-day Power Users' Training on the budget execution function of the Budget and Treasury Management System (BTMS) held at Little President Building, San Miguel, Manila last September 26-27, 2019. The users' training is part of the preparation of the Board to equip the NCMB officials and staff to test run the functionality of the BTMS in preparation for its full implementation in 2020. A users' training for personnel of the regional branches is on December 9 - 12, 2019.
- ✓ Conducted a Seminar-Workshop on during the Seminar-Workshop on Comprehensive Digital Photography and Storytelling in Photography held at Hotel Elizabeth, Baguio City on October 7-11, 2019 to enable LIOs to acquire the necessary knowledge, skills and attitude in understanding the different perspectives in photography and the ability to translate captured photos into moving and captivating success stories of NCMB programs.
- ✓ Conducted a Special Training for Conciliator-Mediators at AXIAA Hotel Manila, Quezon City on November 26-29, 2019.
- ✓ In coordination with the Department of Budget and Management (DBM), the Board conducted a Power Users' Training on the budget execution function of the Budget and Treasury Management System (BTMS) for RCMBs held at Robbinsdale Residences in Quezon City on December 9 - 12, 2019.