

NATIONAL LABOR RELATIONS COMMISSION (NLRC) - which is a stand alone “COURT OF EXPERTISE IN LABOR LAW”

This is the second in a series of Bulletins that are being published with the aim of providing Members with an understanding of:

- 1) the legal system in the Philippines in general;
- 2) the standing of the National Labor Relations Commission (NLRC), which is a stand alone “Court of Expertise in Labor Law”;
- 3) “Garnishment” – the enforcement of the NLRC Commissioner’s “final and executory” decision.

Below is an overview of the National Labor Relations Commission’s (NLRC) status within the Philippine legal system, so far as Labor disputes are concerned.

The NLRC has not always been the forum with original and exclusive jurisdiction over Filipino seafarer’s claims, as until 1995, the original and exclusive jurisdiction over seafarer’s claims was vested with the Philippine Overseas Employment Administration (POEA), whilst the NLRC exercised appellate jurisdiction over appeals from cases originally decided by the POEA.

However, in 1995 a Filipino domestic helper called Flora Contemplacion was executed in Singapore, which caused a large outcry within the Philippines. The Philippine Government, wishing to demonstrate to the Filipino people that all overseas workers would be protected, enacted into law the Republic Act No. 8042, also known as the Migrants Workers and Overseas Filipinos Act of 1995. In line with the this Act, the original and exclusive jurisdiction for all Labor cases involving monetary claims, transferred from the POEA to the Labor Arbiters of the NLRC, with the NLRC Commissioners retaining appellate jurisdiction over appeals.

Extract of Republic Act 8042:

SEC. 10. MONEY CLAIMS. - Notwithstanding any provision of law to the contrary, the Labor Arbiters of the National Labor Relations Commission (NLRC) shall have the original and exclusive jurisdiction to hear and decide, within ninety (90) calendar days after filing of the complaint, the claims arising out of an employer-employee relationship or by virtue of any law or contract involving Filipino workers for overseas deployment including claims for actual, moral, exemplary and other forms of damages.

The NLRC is an agency attached to the Department of Labor and Employment (DOLE) and is vested by law with quasi-judicial powers to

resolve disputes arising from employer - employee relationships (a quasi-judicial body is an individual or organisation which has powers resembling those of a court of law or judge and is able to remedy a situation or impose legal penalties on a person or organisation). The NLRC has a very similar standing to that of the regular court (the Regional Trial Court (RTC)) and is a commission organised by the Philippine Government to resolve, investigate, and settle disputes between employer and employee, or vice versa.

The NLRC is composed of a Chairman and twenty-three (23) members (Commissioners), with eight (8) divisions. In addition, there are as many Labor Arbiters as is deemed necessary for the effective and efficient operation of the Commission, whose location is dictated by the regional offices, sub-regional branches and extension units of DOLE. According to the Supreme Court, the NLRC is recognised as the Philippine Labor Court and is compulsory arbitration. It has two levels; that of the Labor Arbiter of the NLRC, who is similar in status to a Judge of the Regional Trial Courts (RTC); and the appellate body composed of the Commissioners, who have the same authority as Justices of the Court of Appeals (CoA), to the extent that the special power vested in them is not abused (see final paragraph).

The relationship between the NLRC and the overall legal system of the Philippines can be very confusing. The NLRC has been granted very special powers and is a “stand-alone” court. In essence the government have created certain quasi-judicial bodies, like the NLRC, to address and resolve issues in a specialised field, with more technical knowledge, expertise and dispatch than the regular courts of justice.

The NLRC is therefore defined as a “court of expertise in labor law”. Under Philippine law, the decision of the NLRC Commissioner is “final and executory” 10 calendar days after receiving their written decision (or 10 calendar days after receipt of the Commissioner’s Resolution relating to any Motions for Reconsideration that may be filed) and can thereafter be enforced against the losing party by filing a Motion for the Issuance of a Writ of Execution with the Labor Arbiter.

With the benefit of hindsight, it has been wrong to call cases elevated to the Court of Appeals (CoA) an “appeal”, for technically it is not (an NLRC Commissioner has the same authority as Justices of the Court of Appeals (CoA), provided this authority is not abused). Under the law we can no longer “appeal” the case as a matter of right; this is discretionary on the part of the CoA. Therefore, a case is elevated to the CoA through a Petition for Certiorari (request for Judicial Review) within which it is argued that the Labor Judge of the NLRC has acted without or in excess of their jurisdiction, or with grave abuse of discretion amounting to lack of jurisdiction; and then go on to demonstrate why (the wrong application of Collective Bargaining Agreement (CBA) for example). It is, however, this non-linear legal system that creates much confusion.

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