


Department of Labor and Employment

# National Conciliation Mediation Board



2007

07 '06 '05 '04 '03 '02 '01 '00

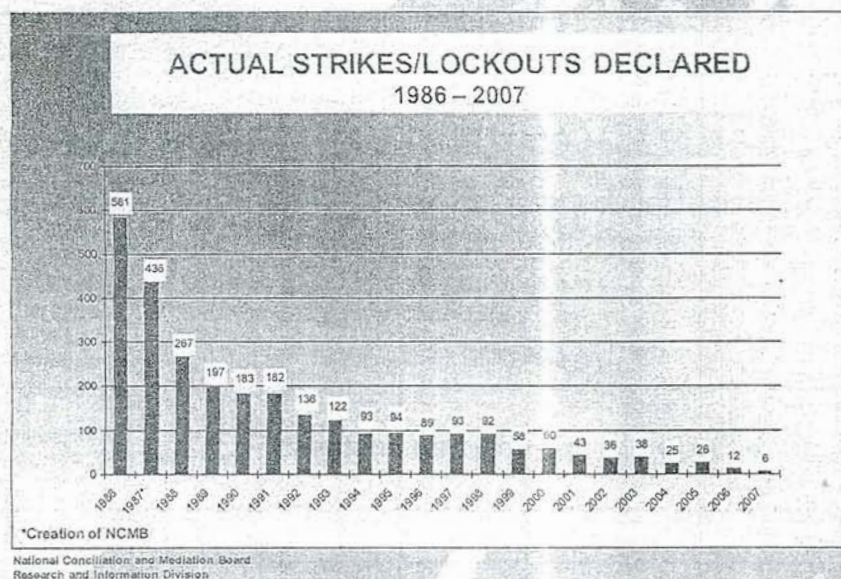
# ANNUAL REPORT



## CONCILIATION MEDIATION

The National Conciliation and Mediation Board effectively maintained a peaceful industrial relations climate towards job preservation by managing to pursue a steady decline in the number of work stoppages. In 2007, the Board reached a milestone in reducing the number of work stoppages, allowing only six new strikes.

### ACTUAL STRIKE/LOCKOUT



The year 2007, marked an unprecedented performance of the NCMB in terms of managing labor disputes. The Board managed to keep the incidence of work stoppages to only six (6) cases, the lowest in Philippine history, indicating a remarkable 50% improvement in the Board's performance. Workers affected by strikes during the period also declined by 35% with only 915 workers as against 1,415 a year ago.

Table 1 . Regional Distribution of Strike/Lockout Cases, Mandays Lost and Workers Affected: 2007

REGION	NO. OF ACTUAL STRIKE/LOCKOUT DECLARED	WORKERS AFFECTED	MANDAYS LOST
NCR	1	130	640
RB-4A	3	405	5,832
RB-7	1	180	5,040
RB-12	1	200	600
<b>TOTAL</b>	<b>6</b>	<b>915</b>	<b>12,112</b>

Three of the six strikes occurred in Region IV A, while the three others occurred in NCR, Region VII and Region XII with one strike each. The other regions were strike and lockout-free during the period, mainly due to functional workplace conflict prevention and settlement schemes (grievance machineries) and workplace cooperation and partnership mechanisms (LMCs).

The 50% reduction in strikes resulted in a corollary decrease in productive workdays lost, 12,112 compared to the 43,519 recorded during the same period last year.

The Board disposed all seven (7) work stoppages (including one carried over from last year) indicating a disposition rate of 100%. Four of these cases were settled through conciliation, giving



# CONCILIATION & MEDIATION

Table 3 . NS/L Cases Filed and Disposed by Labor Unions with Monetary Benefits, 2007

UNION INVOLVED	NEW NS/L FILED	TOTAL HANDLED	DISPOSED	SETTLED	AS	AJ	CCA	SUB	MONETARY BENEFITS			
									CBA economic package	Workers Benefitted	Separation Pay and other Monetary Benefits	Workers Benefitted
INDEPENDENT	182	201	175	150	3	10	10	2	320,763,286	5,120	154,091,442	793
TUCP	66	74	65	56	1	6	2	1	293,979,565	3,713	7,803,477	382
LACC	26	28	28	25	0	1	1	1	56,605,461	697	2,191,765	136
KMU	24	28	23	17	0	4	2	0	7,628,122	192	37,000,000	411
LMLC	20	24	23	19	1	2	1	0	95,565,040	1,824	3,055,110	55
NCL	14	18	16	16	0	0	0	0	5,365,000	250	1,624,393	58
BMP	2	5	5	5	0	0	0	0	291,600	25	0	0
PDMP	2	2	2	2	0	0	0	0	0	0	0	0
APL	4	4	2	0	0	2	0	0	0	0	0	0
TOTAL	340	384	340	290	5	25	16	4	780,198,074	11,821	205,766,207	1,835

Table 4 . Regional Distribution of Notices of Strike/Lockout Cases and Workers Involved: 2007

REGION	NO. OF NOTICES OF STRIKES/ LOCKOUTS FILED	WORKERS INVOLVED
NCR	188	43,274
CAR	1	175
RB-1	15	1,674
RB-2	0	0
RB-3	16	4,184
RB-4A	63	8,414
RB-4B	0	0
RB-5	1	213
RB-6	8	1,619
RB-7	24	3,223
RB-8	11	1,441
RB-9	1	687
RB-10	9	2,561
RB-11	1	84
RB-12	2	4,300
RB-13	0	0
TOTAL	340	71,849

The Board recorded an 88% disposition rate during the period, 1% lower than the 89% achieved in 2006. Settlement rate improved to 75% from 73% registered last year.

The settlement of 289 notices of strike/lockout cases in 2007 resulted in the facilitation of P780.1M in CBA economic packages benefiting 11,821 workers, and P206 million in separation pay and other monetary benefits for 1,835 workers.

The Board settled notices of strike/lockout cases in an average of 45 days, two (2) days faster than it took to settle notices of strike in 2006.



## CONCILIATION MEDIATION

### PREVENTIVE MEDIATION

The NCMB received 507 new preventive mediation cases in 2007, lower by 11% than the 569 cases filed a year ago.

The new preventive mediation cases covered 120,577 workers compared to 129,279 workers during the same period in 2004.

On the issues involved, 448 cases raised unfair labor practice. Deadlock in collective bargaining, mostly on economic issues, was raised in 40 cases. Nineteen (19) cases had both the issues of ULP and BD.

Some 284 the 507 new PM cases were filed by independent unions. Cases filed by unions affiliated with TUCP totaled 96 while those affiliated with KMU accounted for 57. NCL-affiliated unions filed some 30 cases while those allied with LACC account for 21 of the total cases. Federations whose member unions filed minimal number of PM cases include BMP with seven, PDMP with six, and LMLC and APL with three apiece.

The Board disposed 514 of the 548 preventive mediation case handled during the year for a disposition rate of 94%, 1% lower than the 93% registered in 2006. Settlement rate also improved to 90% as against 88% a year ago.

Table 5 . PM Cases Filed and Disposed by Labor Unions with Monetary Benefits, 2007

UNION INVOLVED	NEW NS/L FILED	TOTAL HANDLED	DISPOSED	SETTLED	NS	SUB	MONETARY BENEFITS			
							CBA economic package	Workers Benefitted	Separation Pay and other Monetary Benefits	Workers Benefitted
INDEPENDENT	284	314	295	280	9	4	46,416,868	867	45,185,518	1,359
KMU	96	97	91	87	3	1	296,501,812	3,988	3,623,714	1,044
LACC	57	63	63	62	1	0	6,536,784	252	930,620	88
NCL	30	32	27	27	0	0	15,766,058	30	12,509,635	576
LACC	21	21	19	19	0	0	0	0	0	0
BMP	7	8	7	7	0	0	3,407,532	47	0	0
PDMP	6	7	7	7	0	0	0	0	50,000	5
LMLC	3	3	3	3	0	0	0	0	0	0
APL	3	2	3	3	0	0	0	0	93,000	91
TOTAL	507	540	515	495	13	5	368,629,054	5,184	62,392,487	3,163



## CONCILIATION MEDIATION

### OTHER ACTIVITIES

In 2007, the Board conducted several trainings and seminars for management and labor sectors, to promote the culture of conciliation among the social partners. On 16 February 2007, 65 management representatives attended the seminar on ADR and other labor relations update with Executive Director Reynaldo R. Ubaldo and Undersecretary Luzviminda G. Padilla as resource persons. The activity was sponsored by the Japanese Chamber of Commerce and Industry and held at Shangrila Hotel - Makati.

The Board conducted two more training activities for the Archdiocese of Manila Labor Concerns (AMLC). The first such training benefited 30 participants from the organized/unorganized workers and was held at the Pandacan office of the Caritas, Manila on 22



April 2007. The second training benefited 34 human resource personnel of Catholic Parochial Schools and was conducted on June 7 – 8, 2007. Resource persons from NCMB, HRDS and BWC-DOLE discussed topics on LHP, ADR and labor standards.



The Board also conducted the annual capability development seminar for the Corps of Conciliator-Mediators and Branch Directors, also known as the Labor Dispute Management Course (LDMC) in Pililia, Rizal on May 29 to June 1, 2007. About 55 participants including the Division Chiefs in the Central Office and NCR attended the training.





## GRIEVANCE HANDLING AND VOLUNTARY ARBITRATION

### GRIEVANCE HANDLING

The promotion of grievance handling at the workplace has made grievance machineries functional allowing labor disputes to be addressed at the plant level. This has led to fewer grievances reaching voluntary arbitration, hence the decline in VA cases.

The Board was able to operationalize 289 grievance machineries (GMs) this year while strengthening 534 GMs. Some 102 GMs were also institutionalized in the unorganized establishments. There are 1,591 active and functioning grievance machineries nationwide as of December 31, 2007.

### VOLUNTARY ARBITRATION

Case submission to voluntary arbitration reached 147 in 2007, representing 94% accomplishment of the targeted 156 VA cases. Compared to last year's submission, cases declined by 6%. This is mainly attributable to functional plant-level mechanisms.

In terms of VA case disposition, 135 of the 262 cases handled were disposed, resulting to a 52% disposition rate during the period. Last year of the same period, 145 were disposed out of the 260 cases handled for a disposition rate of 56%.

The decision of AVAs resulted in the grant of P54M in monetary benefits to 483 workers.

Decisions of voluntary arbitrators continue to enjoy wide acceptance. Affirmation rate of appealed cases is computed at 84% while reversal rate is placed at 11%. Other cases are settled amicably at the Court, withdrawn by the filer and remanded to the arbitrator (5%).

Voluntary arbitrators decided cases in an average of 66 days reckoned from date submitted for decision.

Of the 3,958 cases submitted to voluntary arbitration since 1988, 52 cases involved seafarers, 42 of the 52 have been decided with an aggregate arbitral award of US\$1.3 Million awarded to 26 seafarers. Prior to submission to voluntary arbitration, the Board endeavored to conciliation and mediate.

Prospects for voluntary arbitration in the maritime industry continue to grow. During the Philippine Manning convention held on November 13, 2007 at One Esplanade, the major actors in the industry affirmed their commitment and support to the program. The country's biggest maritime associations joined hands to address issues that the industry currently faces.

### Free Legal aid and Voluntary Arbitration Services Program

The Free Legal Aide and Voluntary Arbitration Services (FLAVAS) program continue to be an option for dispute settlement for individual complainants. A total of 489 requests for assistance involving 812 workers were processed under the program. Total cases handled during the year totaled to 549. The settlement of 261 FLAVAS cases benefited 345 workers with more than P4Million in restitution packages.

Table 7. Grievance Machineries Operationalized, Strengthened and Enhanced, 2007

REGION	GMs Institutionalized	GMs Operationalized	GMs Strengthened/Enhanced	
			Organized	Unorganized
NCR	0	149	38	0
CAR	6	1	27	52
RB 1	27	19	7	1
RB 2	0	12	21	0
RB 3	5	12	63	4
RB 4A	15	7	28	4
RB 4B	0	2	2	0
RB 5	1	3	45	1
RB 6	0	14	37	5
RB 7	7	30	80	7
RB 8	2	2	39	0
RB 9	4	4	4	6
RB 10	2	8	35	1
RB 11	2	19	53	9
RB 12	7	5	27	3
RB 13	24	2	28	1
TOTAL	102	289	534	94



## LABOR COOPERATION AND PARTNERSHIP PROGRAM

In 2007, bipartite *workplace cooperation and partnership* (WCP) mechanisms in unorganized companies benefited from the services of the Board in the terms of enhancing workplace relations. The Board enhanced one hundred twenty eight (128) existing WCPs/LMCs through orientation seminars, skills training and/or consultation meetings, and facilitated the setting up of one hundred seventeen (117) WCP/LMC mechanisms. The Board has been active since 2005 in reaching out to non-unionized companies for the establishment of plant-level WCP/LMC mechanisms. There are two hundred eleven (211) WCPs/LMCs existing in non-unionized companies as of December 31, 2007.



The policy of the Board to reach out to unorganized companies in the setting up of WCP/LMC mechanisms, erstwhile under the jurisdiction of the DOLE regional offices, came at the heels of the approval by the Department of Budget and Management in 2005 of NCMB rationalization plan, pursuant to EO 366, which renamed the LMC Division of the Board as "Workplace Relations Enhancement Division".

The Board's intensive promotion of workplace relations enhancement program also resulted in the setting up of 79 WCPs/LMCs in unionized establishments, while some 559 WCPs/LMCs were strengthened or enhanced. There are 1,085 existing WCPs/LMCs in organized companies as of December 31, 2007.

Table 8. Regional Accomplishment on the Workplace Cooperation and Partnership Program, 2007

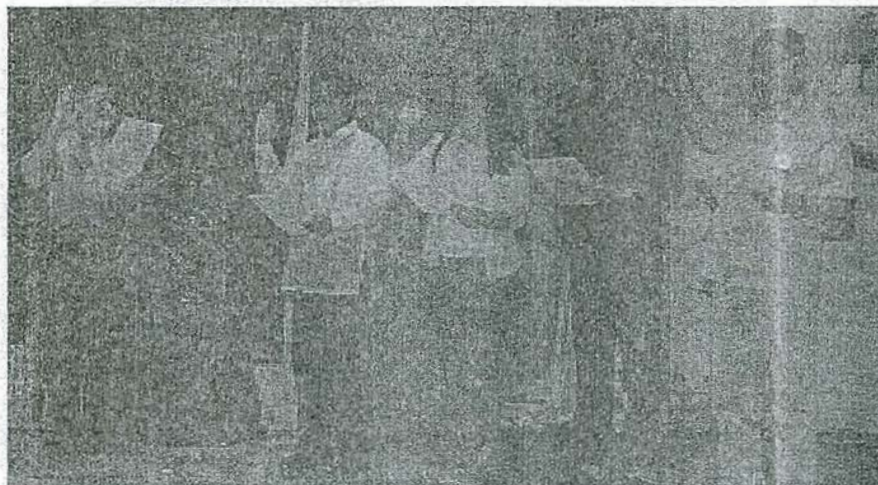
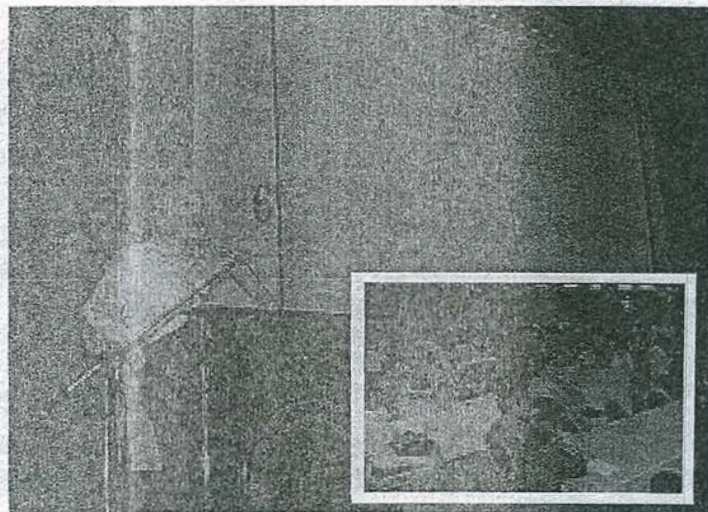
REGION	LMCs Facilitated/ Reactivated		LMCs Strengthened/ Enhanced		Existing LMCs	
	Organized	Unorganized	Organized	Unorganized	Organized	Unorganized
NCR	7	0	69	0	395	19
CAR	1	5	26	16	20	1
RB 1	6	2	29	54	28	2
RB 2	0	0	14	0	13	2
RB 3	7	3	32	9	61	13
RB 4A	3	10	39	9	81	62
RB 4B	1	7	2	2	4	3
RB 5	3	7	45	1	17	1
RB 6	13	34	37	5	80	14
RB 7	6	2	80	7	121	5
RB 8	0	2	38	1	36	2
RB 9	4	4	14	6	11	4
RB 10	8	4	34	2	75	11
RB 11	12	5	38	6	81	12
RB 12	6	8	34	9	44	6
RB 13	2	24	28	1	18	54
TOTAL	79	117	559	128	1,085	211



## LABOR COOPERATION AND PARTNERSHIP PROGRAM

### OTHER ACTIVITIES

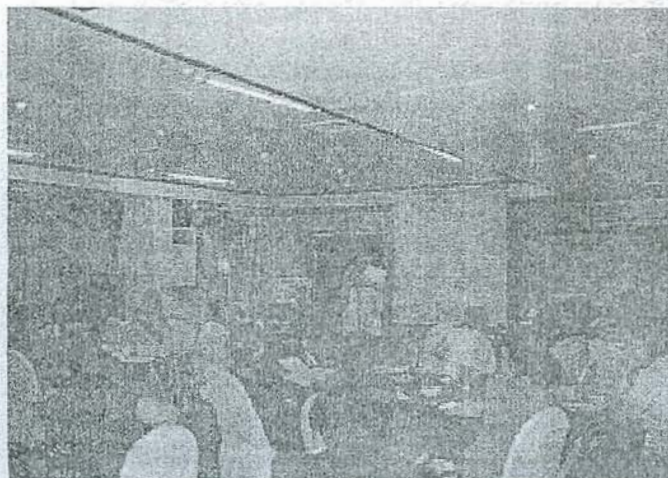
In November 2007, the Board, in collaboration with the PHILAMCOP held the 6<sup>th</sup> National Convention on Labor-Management Cooperation. The Convention was attended by about 500 delegates nationwide. Among the Convention's highlights is the awarding of the winners in the 2007 Search for Outstanding LMCs which was jointly initiated by the the Board and the PHILAMCOP. Winners of the 2007 search include DOLE Philippines, Plantation



(Bukidnon), Energizer Phils. (Cebu), and Mabuhay Vinyl Corp. (Iligan City). The LMC Hall of Fame Award was bestowed on Central Azucarera Don Pedro (Batangas) for having won the award for three successive years.

The Board also extended Secretariat support during regular meetings of the ITCs in the banking, clothing, hotels and restaurant sectors.

NCMB Executive Director Reynaldo R. Ubaldo discussing NCMB programs during the Assessment and Consultation Workshop for NCMB Program Implementers held last October 17-20, 2007 at the Bayview Hotel, Manila.



NCMB Officials pose for a photo with participants to the Assessment and Consultation Workshop for NCMB Program Implementers held last October 17-20, 2007 at the Bayview Hotel, Manila.



### FINANCIAL AND MANAGEMENT

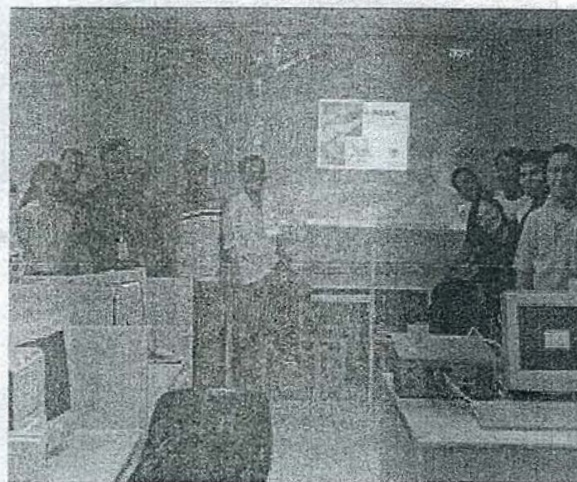
The Board had an appropriations for 2007 amounting to P102,051,000.00 as provided for in the Republic Act 9041 – General Appropriations Act (GAA). This allocation included the Special Account in the General Fund of P400,000.00. However, the total allotment released by the Department of Budget and Management (DBM) was P111,307,629.00. The increase over the appropriations represents the supplemental releases to cover payments of terminal leave benefits in the amount of P 2,407,208.00 and 10% salary increase effective July 1, 2007 of P1,233,421. The total allotment available during the year including allotment carried over from FY 2006 of P230,165.00 was P111,537,794.00.

The Board had a 94% utilization rate, spending a total of P 105,622,262.18 during the year. Of the total utilization, P 62,506,626.54 was incurred for Personal Services (PS) while P40,494,568.37 and P2,616,717.27 were spent for Maintenance and other Operating Expenses (MOOE) and capital Outlay, respectively. On the other hand, a 100% utilization rate was recorded for the year's continuing allotment for Capital Outlay.

This year's unexpended allotment of P1,961,667.27 and P2,035,931.73 will be treated as continuing appropriations for Maintenance and Other Operating Expenses (MOOE) and Capital Outlay, respectively. The said amount is available for obligation until December 31, 2008.

### OTHER ACTIVITIES

In January 2005, the Commission on Audit (COA) launched the Electronic New Government Accounting System (e-NGAS), the computerized version of the New Government Accounting System. The system encompasses the various accounting processes from recording, to classifying, summarizing and communicating all the financial transactions. It also provides templates for common transaction to facilitate their recording, on-line preparation, review, approval and posting of journal entries to the General Ledger (GL) and the respective Subsidiary Ledgers (SL) and electronically generates the depreciation schedule.



With its extensive features and services, e-NGAS simplifies government accounting, yet provides adequate internal controls and reliable and timely financial management information without sacrificing data integrity and fiscal transparency.

The NCMB-Central Office started the project kick-off and pre-implementation planning between the COA and the Board's steering committee on June 18, 2007. This was followed by a series of consultation and system evaluation. In August 2007, the FMD-CO started the parallel run for prior period transactions. Thereafter, the e-NGAS installation was completed after three months.

The Board plans to implement the e-NGAS in the regional branches in 2008. Concerned staffs of RBs NCR, IV-A and IV-B have already attended the functional and technical seminar in preparation for the implementation.



## MANAGEMENT SUPPORT AND SERVICES

### ADMINISTRATIVE DIVISION

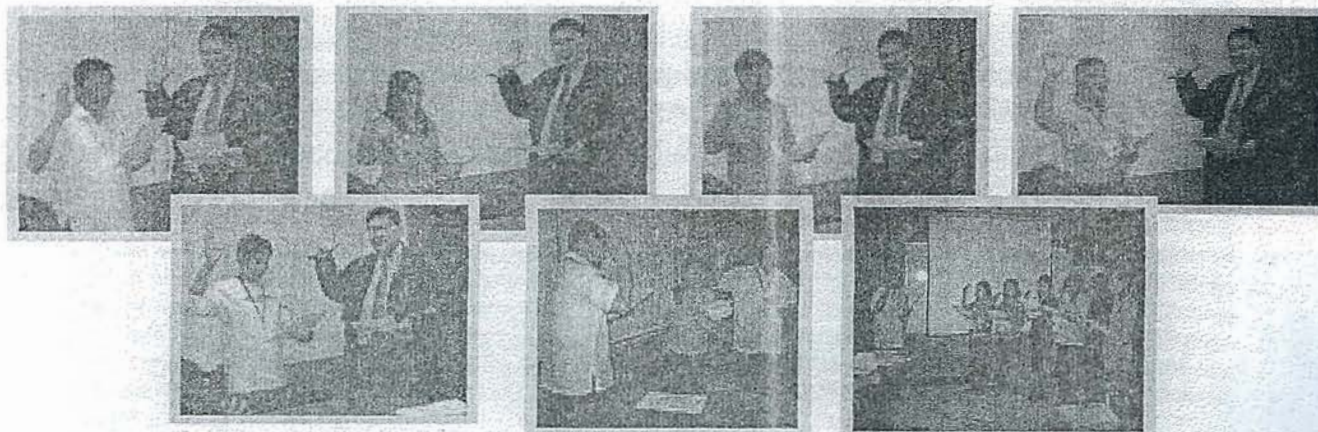
The Board has 197 positions filled up out of a total of 230 plantilla positions as of 31 December 2007.

A total of 15 appointments were issued during the year, broken down as follows:

New Appointment/s	-	1
Promotion	-	12
Renewal	-	2

Fifteen employees were separated from the service, as follows:

Retirement (Compulsory & Voluntary)	-	7
Transfer	-	4
Resignation	-	2
Dropped from the rolls	-	2



The NCMB tandem of Mr. Joselito O. Rivera and Ms. Catherine D. Alcantara emerged as Champion in the 5th Labor Statistics Quiz held at the DOLE Multi-Purpose Hall last October 25, 2007.

NCMB Officials and Staff during the Mid-Year Performance Assessment held last June 2007.





## MANAGEMENT SUPPORT AND SERVICES

### OTHER DEVELOPMENTS



The Board witnessed a transition in its leadership in 2006 when then Executive Director Hans Leo Cacdac left NCMB to assume as Deputy Administrator of the Philippine Overseas Employment Administration. He was succeeded by Deputy Executive Director IV Reynaldo R. Ubaldo who took over as Acting Executive Director, a position he held for almost a year. On January 16, 2007, he formally took his oath as the seventh Executive Director of the Board.

The Board celebrated its 19<sup>th</sup> foundation anniversary during the first week of January 2007 with a mass at the DOLE Executive Building, Multi-Purpose Hall, attended by former and present officials and staff and some guests. The celebration was highlighted by the unveiling of the picture gallery of past and present Executive Directors of the Board, and the awarding of plaques of recognition to past officials.



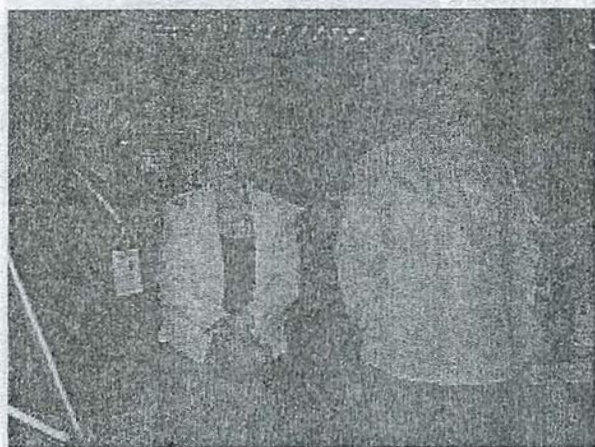
Past and present officials and employees of the NCMB pose for a photo during the Board's 19th anniversary celebration. The group include first NCMB Administrator and former DOLE Secretary and NCMB First Administrator Bienvenido E. Laguesma, former NCMB Exec. Director and Undersecretary Buenaventura C. Magsalin, former NCMB Exec. Director Hans Leo J. Cacdac, current NCMB Executive Director Reynaldo R. Ubaldo, Eleuterio S. Cojuangco, Angel Ancheta, Roberto Gastardo (guest), Auster Agullo, Josefina S. Olais, Leah T. Fortuna and Teresita D. Rulloda.



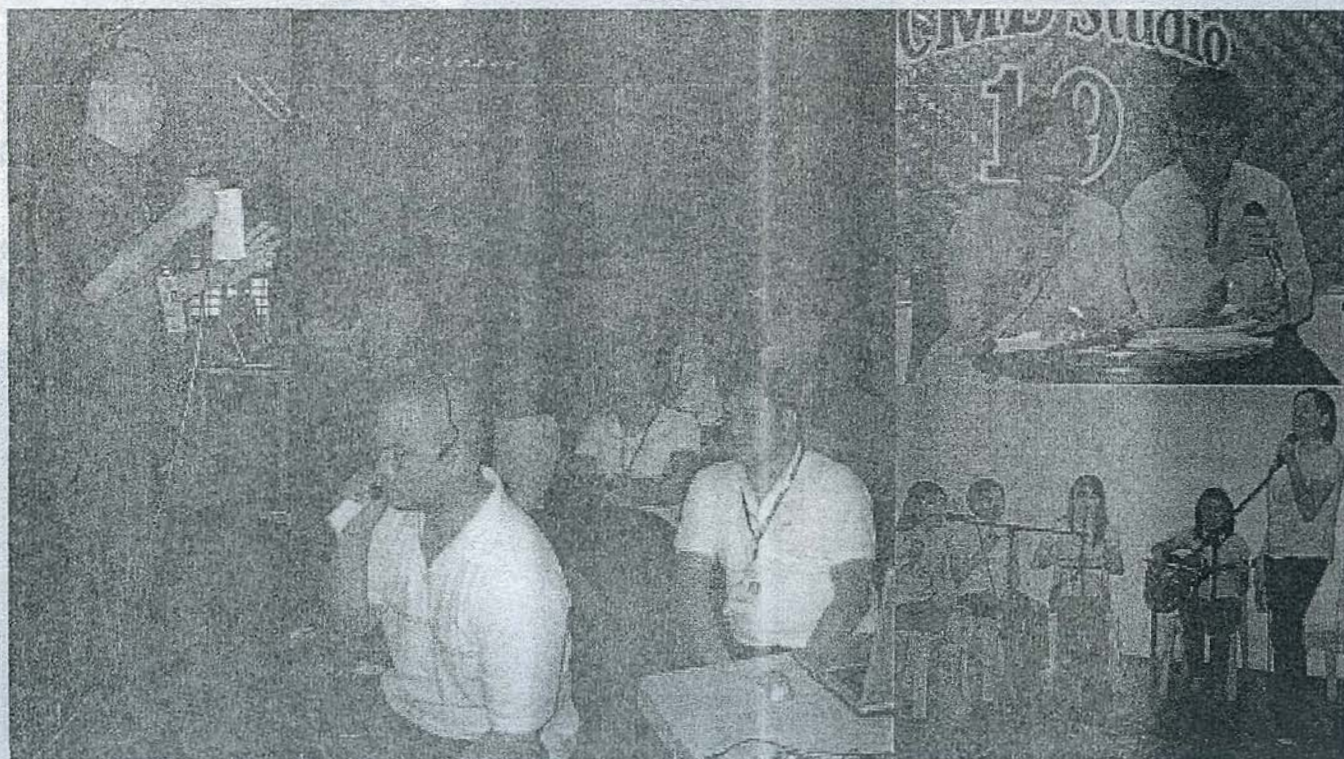
## MANAGEMENT SUPPORT AND SERVICES

### OTHER ACTIVITIES

NCMB also hosted in the DOLE Flag Raising Ceremony on April 16, 2007 and simulated a forum dubbed as Kapihan @ NCMB with Deputy Executive Eliot S. Cojunagco acting as a talkshow host interviewing Secretary Brion, and Undersecretary for Labor Relations, Luzviminda G. Padilla. It was the NCMB's entry to the DOLE's Flag Ceremony Contest 2007 where various offices and attached agencies compete



for the best presentation, with the theme "Marangal at Makataong Pagsisilbi". The concept of the Kapihan as presented by Deputy Executive Directors Cojuangco and Johnson G. Cañete, was based on the story about how we ought to emulate a brewing coffee and positively respond to pressures in life and work. In closing, the talk show host emphasized the concept of the presentation by quoting 'NCMB Executive Director Reynaldo R. Ubaldo,' ang usapang tapat, sa kapihan nagaganap."

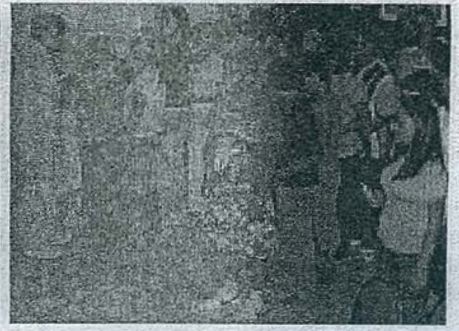
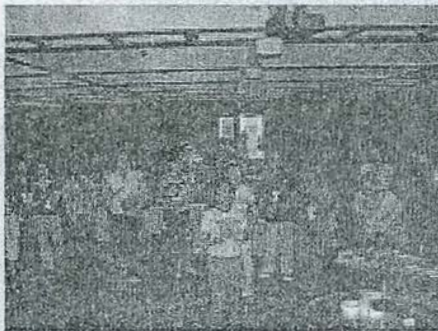
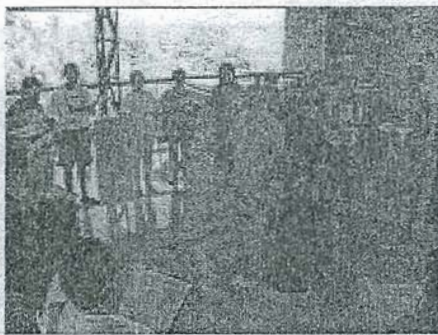




## MANAGEMENT SUPPORT AND SERVICES

Deputy Executive Director Johnson G. Canete led the training team composed of two other staffs of NCMB and conducted two seminar-workshops on **CREATIVITY THINKING AND STRESS MANAGEMENT** in February and April 2007. The twin seminars benefited the directors, conciliators and administrative staff of NCMB nationwide. The program

was intended to enhance the innate creativity of NCMB personnel by improving their imaginative and innovative skills and was expected to open up wider possibilities for the agency to continue its pursuit for innovative approaches and techniques toward enhancement of labor-management relations.



NCMB officials and staff also joined personnel from other DOLE offices in celebrating DOLE's 74<sup>th</sup> anniversary which was held with a thanksgiving mass, followed by a program at the Rizal Memorial Stadium, Malate, Manila on December 8, 2007.

In December, NCMB officials and staff based at the Central Office got together during a Christmas party with the motif of "Hawaiian" which was held at the New NCMB NCR Office, in Intramuros, Manila.

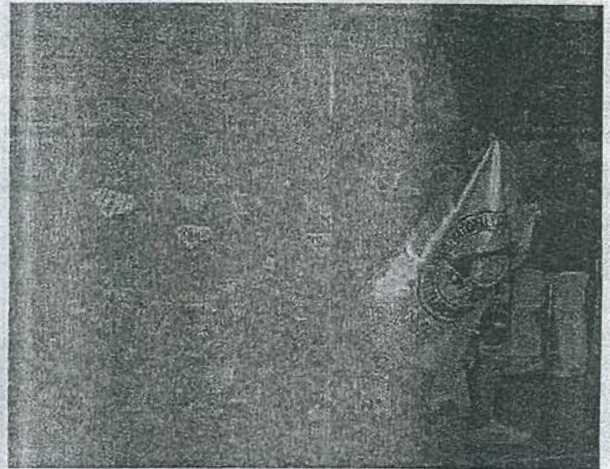
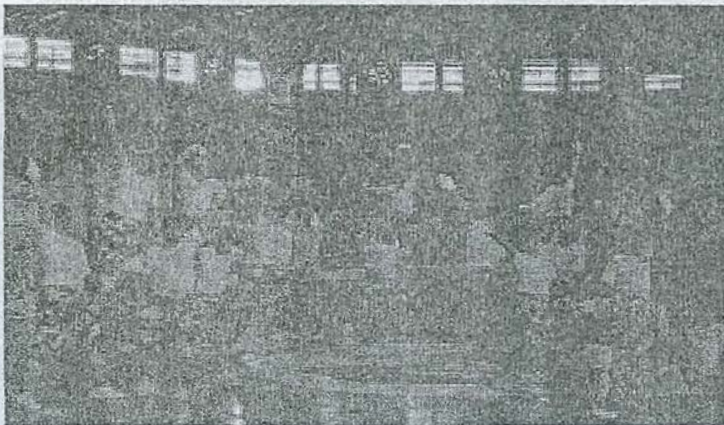




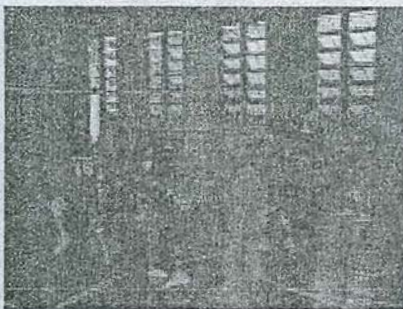
## MANAGEMENT SUPPORT AND SERVICES

### SPORTSFEST

NCMB employees also took time out of their daily tasks to participate in the DOLE Sports fest that was held from May to December 2007. Team NCMB participated in basketball, volleyball (ladies and men), scrabble, bowling darts, table tennis, golf, cheering and dance competitions.



The Board won third place in the Cheering Competition and second place in the dance contest. The ladies' volleyball team garnered first-runner up honors while table tennis (ladies), basketball (executive), bowling (men's) and dart teams all placed second runner up in their respective events.



Team Enhancement Exercises for NCMB Officials and staff held last June 14-16, 2007 at Candelaria, Zambales.