

# [ PRESIDENTIAL DECREE NO. 21, October 14, 1972 ]

## CREATING A NATIONAL LABOR RELATIONS COMMISSION AND FOR OTHER PURPOSES

To promote industrial peace, maximize productivity and secure social justice for all the people, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me under the Constitution as Commander-in-Chief of all the Armed Forces of the Philippines, and pursuant to Proclamation No. 1081, dated September 21, 1972, and General Order Nos. 1 and 5, dated September 22, 1972, do hereby order and decree:

**SECTION 1.** A National Labor Relations Commission is hereby established in the Department of Labor composed of three members with the Undersecretary of Labor or his duly authorized representative as Chairman and the Director of Labor Relations and the Director of Labor Standards or their duly authorized representatives as members. If the Undersecretary of Labor cannot attend, his duly authorized representative shall sit as a member, and the Director of Labor Standards or, in his absence, the Director of Labor Relations shall act as Chairman.

**SEC. 2.** The Commission shall have original and exclusive jurisdiction over the following:

- 1) All matters involving employee-employer relations including all disputes and grievances which may otherwise lead to strikes and lockouts under Republic Act No. 875;
- 2) All strikes overtaken by Proclamation No. 1081; and
- 3) All pending cases in the Bureau of Labor Relations.

**SEC. 3.** The parties to any dispute, grievance or issue shall first exhaust all steps in the grievance procedure provided for in the applicable collective bargaining agreement or such other means of dispute settlement mutually agreed upon by them before either or both parties may raise an issue, dispute or grievance to the Commission. The complaining party will be required to show proofs of failure to settle the issue, dispute or grievance under the procedure agreed upon by the parties.

**SEC. 4.** Before assuming jurisdiction over any issue, dispute or grievance, the Commission or its duly authorized representative shall give the parties a chance to submit their problem for voluntary arbitration. However, if the parties fail to agree on the arbitrator, the Commission may designate an arbitrator to hear and decide such grievance, dispute or issue or itself act as the arbitrator.

**SEC. 5.** The decision of the Commission shall be immediately executory unless appealed to the Secretary of Labor who shall act on all cases within five (5) days from filing. The latter's decision is appealable to the President.

Outside the Greater Manila Area, the Commission is empowered to designate a representative who, together with a representative of the union and a representative of management to be nominated by the immediate parties to the