

September 05, 1985

**MEMORANDUM OF AGREEMENT BETWEEN THE GOVERNMENT OF
THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF
THE UNITED STATES OF AMERICA AMENDING THE AGREEMENT
OF 27 MAY 1968 RELATING TO THE EMPLOYMENT OF
PHILIPPINE NATIONALS IN THE UNITED STATES MILITARY
BASES IN THE PHILIPPINES**

The Memorandum of Agreement dated 1 June 1983 between the Government of the Philippines and the Government of the United States which amended the Military Bases Agreement, provides, among others, as follows:

"Representatives of the Government of the Philippines and the Government of the United States shall meet to discuss possible revisions of or alterations in the Agreement of May 27, 1968, concerning the employment of Philippine nationals by the United States Forces in the Philippines in the light of the critical contribution made by the Philippine national work force to the effective operation of the United States Facilities and with a view to ensuring that labor relations involving the Philippine national work force remain harmonious and productive. These discussions shall be conducted on the basis of the principles of equality of treatment, the right to organize and bargain collectively, and respect for the sovereignty of the Republic of the Philippines,"

Discussions between representatives of the Government of the Philippines and the Government of the United States on a number of issues commenced in Manila on 15 December 1983. Based on the discussions, the Government of the Philippines and the Government of the United States hereby agree to the following amendments to the RP-US Base Labor Agreement of 1968:

1. Article I. Add new paragraph 8. Arbitration. - Procedures will be established to arbitrate disputes arising when employees are suspended or separated for cause. These procedures will recognize the following principles:
 - a. An arbitration process shall provide for the consideration of the issues upon the filing of a complaint of any aggrieved employee after a disciplinary decision has been made.
 - b. During the arbitration process, the employee shall have full and adequate opportunity to present evidence concerning his employment and any facts in dispute. The process shall also permit management an opportunity to fully explain its decision and present relevant evidence.
 - c. Within 30 days of an arbitration decision, either party may appeal the decision to the Joint Labor Committee established under Article III. Pending appeal, the arbitration decision shall not take effect.