

NEWS RELEASE

National Conciliation and Mediation Board

08 September 2010

P300-m compromise agreement ends labor dispute at Lourdes Hospital

The management of Our Lady of Lourdes Hospital and its labor union have agreed to a P300-million compromise agreement to put an end to the protracted collective bargaining deadlock in which the Secretary of Labor has assumed jurisdiction.

This developed as the hospital management decided to cease operations beginning November 2010, National Conciliation and Mediation Board (NCMB) Executive Director Reynaldo Ubaldo reported to Labor Secretary Rosalinda Baldoz.

“In the interest of industrial peace and harmony, they (management and union) have agreed to terminate their labor dispute under certain terms and conditions,” Ubaldo said.

Under the agreement signed last September 2, 2010 the management agreed that it would no longer pursue its Motion for Reconsideration on the April 21, 2010 decision of the Labor Secretary granting increases in the salaries and other benefits of hospital employees from June 1, 2008 to May 31, 2010 except on the wage distortions brought by the passage of Wage Order No. 15 that took effect last July 2010.

The Office of the Labor Secretary assumed jurisdiction over the labor dispute in 2008 following the collective bargaining deadlock between the hospital management under the administration of Mission Congregation of the Servants of the Holy Spirit (SSpS) and the Our Lady of Lourdes Hospital Employees Association-Alliance of Filipino Workers.

Among the benefits listed which the management should comply with are uniform allowance, retroactive pay, last salary before retirement, and retirement and separation pay amounting to P300-million for its 487 workers.

“With the impending closure of the hospital under the management of SSpS Sisters, the management agrees to pay each qualified member of the bargaining unit the retirement pay,” Ubaldo said. “With respect to those employees not qualified to receive retirement benefits under the CBA as of October 31, 2010, each one of them shall be paid separation pay as mandated by the Labor Code.”

The NCMB chief further said that as a result of the compromise agreement, the Union shall cause the withdrawal of its petition for review before the Court of Appeals as the issue will be rendered moot and academic with the closure of the hospital.

The management, on the other hand, also does not guarantee that any entity that shall take over the hospital assets or facilities after October 31, 2010 shall take into its labor force the present members of the bargaining unit at the hospital.

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