

DEPARTMENT ORDER NO. 40-03

(Series of 2003)

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**AMENDING THE IMPLEMENTING RULES OF BOOK V
OF THE LABOR CODE OF THE PHILIPPINES**

**RULE XVI
COLLECTIVE BARGAINING**

Section 1. *Policy.* - It is the policy of the State to promote and emphasize the primacy of free and responsible exercise of the right to self-organization and collective bargaining, either through single enterprise level negotiations or through the creation of a mechanism by which different employers and recognized or certified labor unions in their establishments bargain collectively.

Section 2. *Disclosure of information.* - In collective bargaining, the parties shall, at the request of either of them, make available such up-to-date financial information on the economic situation of the undertaking, which is normally submitted to relevant government agencies, as is material and necessary for meaningful negotiations. Where the disclosure of some of this information could be prejudicial to the undertaking, its communication may be made condition upon a commitment that it would be regarded as confidential to the extent required. The information to be made available may be agreed upon between the parties to collective bargaining.

Section 3. *When single enterprise bargaining available.* - Any voluntarily recognized or certified labor union may demand negotiations with its employer for terms and conditions of work covering employees in the bargaining unit concerned.

Section 4. *Procedure in single enterprise bargaining* - A recognized or certified labor union that desires to negotiate with its employer shall submit such intention in writing to the employer, together with its proposals for collective bargaining.

The recognized or certified labor union and its employer may adopt such procedures and processes they may deem appropriate and necessary for the early termination of their negotiations. They shall name their respective

representatives to the negotiation, schedule the number and frequency of meetings, and agree on wages, benefits and other terms and conditions of work for all employees covered in the bargaining unit.

Section 5. *When multi-employer bargaining available.* - A legitimate labor union(s) and employers may agree in writing to come together for the purpose of collective bargaining, provided:

- (a) only legitimate labor unions who are incumbent exclusive bargaining agents may participate and negotiate in multi-employer bargaining;
- (b) only employers with counterpart legitimate labor unions who are incumbent bargaining agents may participate and negotiate in multi-employer bargaining; and
- (c) only those legitimate labor unions who pertain to employer units who consent to multi-employer bargaining may participate in multi-employer bargaining.

Section 6. *Procedure in multi-employer bargaining.* - Multi-employer bargaining may be initiated by the labor unions or by the employers.

- a) Legitimate labor unions who desire to negotiate with their employers collectively shall execute a written agreement among themselves, which shall contain the following:
 - 1) the names of the labor unions who desire to avail of multi-employer bargaining;
 - 2) each labor union in the employer unit;
 - 3) the fact that each of the labor unions are the incumbent exclusive bargaining agents for their respective employer units;
 - 4) the duration of the collective bargaining agreements, if any, entered into by each labor union with their respective employers.

Legitimate labor unions who are members of the same registered federation, national, or industry union are exempt from execution of this written agreement.

- b) The legitimate labor unions who desire to bargain with multi-employers shall send a written notice to this effect to each employer concerned. The written agreement stated in the preceding paragraph, or the certificates of registration of the federation, national, or industry union, shall accompany said notice.

Employers who agree to group themselves or use their existing associations to engage in multi-employer bargaining shall send a written notice to each of their counterpart legitimate labor unions indicating

their desire to engage in multi-employer bargaining. Said notice shall indicate the following:

- 1) the names of the employers who desire to avail of multi-employer bargaining;
 - 2) their corresponding legitimate labor organizations;
 - 3) the fact that each corresponding legitimate union is any incumbent exclusive bargaining agent;
 - 4) the duration of the current collective bargaining agreement, if any, entered into by each employer with the counterpart legitimate labor union.
- c) Each employer or concerned labor union shall express its willingness or refusal to participate in multi-employer bargaining in writing, addressed to its corresponding exclusive bargaining agent or employer. Negotiations may commence only with regard to respective employers and labor unions who consent to participate in multi-employer bargaining;
- d) During the course of negotiations, consenting employers and the corresponding legitimate labor unions shall discuss and agree on the following:
- 1) the manner by which negotiations shall proceed;
 - 2) the scope and coverage of the negotiations and the agreement; and
 - 3) where appropriate, the effect of the negotiations on current agreements or conditions of employment among the parties.

Section 7. *Posting and registration of collective bargaining agreement.* - Two (2) signed copies of collective bargaining agreement reached through multi-employer bargaining shall be posted for at least five (5) days in two conspicuous areas in each workplace of the employer units concerned. Said collective bargaining agreement shall affect only those employees in the bargaining units who have ratified it.

The same collective bargaining agreement shall be registered with the Department in accordance with the following Rule.

RULE XVII

REGISTRATION OF COLLECTIVE BARGAINING AGREEMENTS

Section 1. *Where to file.* - Within thirty (30) days from execution of a collective bargaining agreement, the parties thereto shall submit two (2) duly signed

copies of the agreement to the Regional Office which issued the certificate of registration/certificate of creation of chartered local of the labor union-party to the agreement. Where the certificate of creation of the concerned chartered local was issued by the Bureau, the agreement shall be filed with the Regional Office which has jurisdiction over the place where it principally operates.

Multi-employer collective bargaining agreements shall be filed with the Bureau.

Section 2. *Requirements for registration.* - The application for CBA registration shall be accompanied by the original and two (2) duplicate copies of the following documents which must be certified under oath by the representative(s) of the employer(s) and labor union(s) concerned:

- a) the collective bargaining agreement;
- b) a statement that the collective bargaining agreement was posted in at least two (2) conspicuous places in the establishment or establishments concerned for at least five (5) days before its ratification; and
- c) a statement that the collective bargaining agreement was ratified by the majority of the employees in the bargaining unit of the employer or employers concerned.

No other document shall be required in the registration of collective bargaining agreements.

Section 3. *Payment of registration fee.* - The certificate of registration of collective bargaining agreement shall be issued by the Regional Office upon payment of the prescribed registration fee.

Section 4. *Action on the application.* - The Regional Office and the Bureau shall act on applications for registration of collective bargaining agreements within one (1) day from receipt thereof, either by: (a) approving the application and issuing the certificate of registration; or (b) denying the application for failure of the applicant to comply with the requirements for registration/notice.

Where the documents supporting the application are not complete or are not verified under oath, the Regional Office or the Bureau shall, within one (1) day from receipt of the application, notify the applicants in writing of the requirements needed to complete the application. Where the applicants fail to complete the requirements within ten (10) days from receipt of notice, the application shall be denied without prejudice.

Section 5. *Denial of registration; grounds for appeal.* - The denial of registration shall be in writing, stating in clear terms the reasons therefor and served upon the applicant union and employer within twenty-four (24) hours

from issuance. The denial by the Regional Office of the registration of single enterprise collective bargaining agreements may be appealed to the Bureau within ten (10) days from receipt of the notice of denial. The denial by the Bureau of the registration of multi-employer collective bargaining agreements may be appealed to the Office of the Secretary within the same period.

The memorandum of appeal shall be filed with the Regional Office or the Bureau, as the case may be. The same shall be transmitted, together with the entire records of the application, to the Bureau or the Office of the Secretary, as the case may be, within twenty-four (24) hours from receipt of the memorandum of appeal.

Section 6. *Period and manner of disposition of appeal.* - The Bureau and the Office of the Secretary shall resolve the appeal within the same period and in the same manner prescribed in Rule XI of these Rules.

Section 7. *Term of representation status; contract bar rule.* - The representation status of the incumbent exclusive bargaining agent which is a party to a duly registered collective bargaining agreement shall be for a term of five (5) years from the date of the effectivity of the collective bargaining agreement. No petition questioning the majority status of the incumbent exclusive bargaining agent or petition for certification election filed outside of the sixty-day period immediately preceding the expiry date of such five-year term shall be entertained by the Department.

The five-year representation status acquired by an incumbent bargaining agent either through single enterprise collective bargaining or multi-employer bargaining shall not be affected by a subsequent collective bargaining agreement executed between the same bargaining agent and the employer during the same five-year period.

Section 8. *Re-negotiation of collective bargaining agreements.* - All provisions of a collective bargaining agreement, except the representation status of the incumbent bargaining agent shall, as a matter of right, be renegotiated not later than three (3) years after its execution.

The re-negotiated collective bargaining agreement shall be ratified and registered with the same Regional Office where the preceding agreement was registered. The same requirements and procedure in the registration of collective bargaining agreements prescribed in the preceding rules shall be applied.

RULE XVIII

CENTRAL REGISTRY OF LABOR ORGANIZATIONS AND COLLECTIVE BARGAINING AGREEMENTS

Section 1. *Forms for registration.* - Consistent with the policy of the State to promote unionism, the Bureau shall devise or prescribe such forms as are necessary to facilitate the process of registration of labor organizations and collective bargaining agreements or of compliance with all documentary or reporting requirements prescribed in these Rules.

Section 2. *Transmittal of records; central registry.* - The Labor Relations Division of the Regional Offices shall, within forty-eight (48) hours from issuance of a certificate of creation of chartered locals or certificate of registration of labor organizations and collective bargaining, transmit to the Bureau a copy of such certificates accompanied by a copy of the documents supporting registration.

The Labor Relations Division of the Regional Office shall also transmit to the Bureau a copy of every final decision canceling or revoking the legitimate status of a labor organization or collective bargaining agreement, indicating therein the date when the decision became final.

In cases of chartering and affiliation or compliance with the reporting requirements under Rule V, the Regional Office shall transmit within two (2) days from receipt thereof the original set of documents to the Bureau, retaining one set of documents for its file.

RULE XIX

GRIEVANCE MACHINERY AND VOLUNTARY ARBITRATION

Section 1. *Establishment of grievance machinery.* - The parties to a collective bargaining agreement shall establish a machinery for the expeditious resolution of grievances arising from the interpretation or implementation of the collective bargaining agreement and those arising from the interpretation or enforcement of company personnel policies. Unresolved grievances will be referred to voluntary arbitration and for this purpose, parties to a collective bargaining agreement shall name and designate in advance a voluntary arbitrator or panel of voluntary arbitrators, or include in the agreement a procedure for the selection of such voluntary arbitrator or panel of voluntary arbitrators, preferably from the listing of qualified voluntary arbitrators duly accredited by the Board.

In the absence of applicable provision in the collective bargaining agreement, a grievance committee shall be created within ten (10) days from signing of the collective bargaining agreement. The committee shall be composed of at least two (2) representatives each from the members of the bargaining unit and the employer, unless otherwise agreed upon by the parties. The representatives from among the members of the bargaining unit shall be designated by the union.

Section 2. *Procedure in handling grievances.* - In the absence of a specific provision in the collective bargaining agreement or existing company practice prescribing for the procedures in handling grievance, the following shall apply:

- (a) An employee shall present this grievance or complaint orally or in writing to the shop steward. Upon receipt thereof, the shop steward shall verify the facts and determine whether or not the grievance is valid.
- (b) If the grievance is valid, the shop steward shall immediately bring the complaint to the employee's immediate supervisor. The shop steward, the employee and his immediate supervisor shall exert efforts to settle the grievance at their level.
- (c) If no settlement is reached, the grievance shall be referred to the grievance committee which shall have ten (10) days to decide the case.

Where the issue involves or arises from the interpretation or implementation of a provision in the collective bargaining agreement, or from any order, memorandum, circular or assignment issued by the appropriate authority in the establishment, and such issue cannot be resolved at the level of the shop steward or the supervisor, the same may be referred immediately to the grievance committee.

Section 3. *Submission to voluntary arbitration.* - Where grievance remains unresolved, either party may serve notice upon the other of its decision to submit the issue to voluntary arbitration. The notice shall state the issue or issues to be arbitrated, copy thereof furnished the board or the voluntary arbitrator or panel of voluntary arbitrators named or designated in the collective bargaining agreement.

If the party upon whom the notice is served fails or refuses to respond favorably within seven (7) days from receipt thereof, the voluntary arbitrator or panel of voluntary arbitrators designated in the collective bargaining agreement shall commence voluntary arbitration proceedings. Where the collective bargaining agreement does not so designate, the board shall call the parties and appoint a voluntary arbitrator or panel of voluntary arbitrators, who shall thereafter commence arbitration proceedings in accordance with the proceeding paragraph.

In instances where parties fail to select a voluntary arbitrator or panel of voluntary arbitrators, the regional branch of the Board shall designate the voluntary arbitrator or panel of voluntary arbitrators, as may be necessary, which shall have the same force and effect as if the parties have selected the arbitrator.

Section 4. *Jurisdiction of voluntary arbitrator or panel of voluntary arbitrators.*

- The voluntary arbitrator or panel of voluntary arbitrators shall have exclusive and original jurisdiction to hear and decide all grievances arising from the implementation or interpretation of the collective bargaining agreements and those arising from the interpretation or enforcement of company personnel policies which remain unresolved after exhaustion of the grievance procedure.

They shall also have exclusive and original jurisdiction, to hear and decide wage distortion issues arising from the application of any wage orders in organized establishments, as well as unresolved grievances arising from the interpretation and implementation of the productivity incentive programs under RA 6971.

The National Labor Relations Commission, its regional branches and Regional Directors of the Department of Labor and Employment shall not entertain disputes, grievances or matters under the exclusive and original jurisdiction of the voluntary arbitrator or panel of voluntary arbitrators and shall immediately dispose and refer the same to the appropriate grievance machinery or voluntary arbitration provided in the collective bargaining agreement.

Upon agreement of the parties, any other labor dispute may be submitted to a voluntary arbitrator or panel of voluntary arbitrators. Before or at any stage of the compulsory arbitration process, the parties may opt to submit their dispute to voluntary arbitration.

Section 5. *Powers of voluntary arbitrator or panel of voluntary arbitrators.*

- The voluntary arbitrator or panel of voluntary arbitrators shall have the power to hold hearings, receive evidence and take whatever action is necessary to resolve the issue/s subject of the dispute.

The voluntary arbitrator or panel of voluntary arbitrators may conciliate or mediate to aid the parties in reaching a voluntary settlement of the dispute.

Section 6. *Procedure.* - All parties to the dispute shall be entitled to attend the arbitration proceedings. The attendance of any third party or the exclusion of any witness from the proceedings shall be determined by the voluntary arbitrator or panel of voluntary arbitrators. Hearing may be adjourned for cause or upon agreement by the parties.

Unless the parties agree otherwise, it shall be mandatory for the voluntary arbitrator or panel of voluntary arbitrators to render an award or decision within twenty (20) calendar days from the date of submission for resolution.

Failure on the part of the voluntary arbitrator to render a decision, resolution, order or award within the prescribed period, shall upon complaint of a party, be sufficient ground for the Board to discipline said voluntary arbitrator, pursuant to the guidelines issued by the Secretary. In cases that the recommended sanction is de-listing, it shall be unlawful for the voluntary arbitrator to refuse or fail to turn over to the board, for its further disposition, the records of the case within ten (10) calendar days from demand thereof.

Section 7. *Finality of Award/Decision.* - The decision, order, resolution or award of the voluntary arbitrator or panel of voluntary arbitrators shall be final and executory after ten (10) calendar days from receipt of the copy of the award or decision by the parties and it shall not be subject of a motion for reconsideration.

Section 8. *Execution of Award/Decision.* - Upon motion of any interested party, the voluntary arbitrator or panel of voluntary arbitrators or the Labor Arbiter in the region where the movant resides, in case of the absence or incapacity for any reason of the voluntary arbitrator or panel of voluntary arbitrators who issued the award or decision, may issue a writ of execution requiring either the Sheriff of the Commission or regular courts or any public official whom the parties may designate in the submission agreement to execute the final decision, order or award.

Section 9. *Cost of voluntary arbitration and voluntary arbitrator's fee.* - The parties to a collective bargaining agreement shall provide therein a proportionate sharing scheme on the cost of voluntary arbitration including the voluntary arbitrator's fee. The fixing of fee of voluntary arbitrators or panel of voluntary arbitrators, whether shouldered wholly by the parties or subsidized by the Special Voluntary Arbitration Fund, shall take into account the following factors:

- (a) Nature of the case;
- (b) Time consumed in hearing the case;
- (c) Professional standing of the voluntary arbitrator;
- (d) Capacity to pay of the parties; and
- (e) Fees provided for in the Revised Rules of Court.

Unless the parties agree otherwise, the cost of voluntary arbitration proceedings and voluntary arbitrator's fee shall be shared equally by the parties.

Parties are encouraged to set aside funds to answer for the cost of voluntary arbitration proceedings including voluntary arbitrator's fee. In the event the said funds are not sufficient to cover such expenses, an amount by way of subsidy taken out of the Special Voluntary Arbitration fund may be availed of by either or both parties subject to the guidelines on voluntary arbitration to be issued by the Secretary.

Section 10. Maintenance of case records by the Board. - The Board shall maintain all records pertaining to a voluntary arbitration case. In all cases, the Board shall be furnished a copy of all pleadings and submitted to the voluntary arbitrator as well as the orders, awards and decisions issued by the voluntary arbitrator.

The records of a case shall be turned over by the voluntary arbitrator or panel of voluntary arbitrators to the concerned regional branch of the Board within ten (10) days upon satisfaction of the final arbitral award/order/decision.

RULE XX

LABOR EDUCATION AND RESEARCH

Section 1. *Labor education of workers and employees.* - The Department shall develop, promote and implement appropriate labor education and research programs on the rights and responsibilities of workers and employers.

It shall be the duty of every legitimate labor organization to implement a labor education program for its members on their rights and obligations as unionists and as employees.

Section 2. *Mandatory conduct of seminars.* - Subject to the provisions of Article 241, it shall be mandatory for every legitimate labor organization to conduct seminars and similar activities on existing labor laws, collective agreements, company rules and regulations and other relevant matters. The union seminars and similar activities may be conducted independently of or in cooperation with the Department and other labor education institutions.

Section 3. *Special fund for labor education and research.* - Every legitimate labor organization shall, for the above purpose, maintain a special fund for labor education and research. Existing strike funds may, in whole or in part, be transformed into labor education and research funds. The labor organization may also periodically assess and collect reasonable amounts from its members for such funds.

RULE XXI

LABOR-MANAGEMENT AND OTHER COUNCILS

Section 1. *Creation of labor-management and other councils.* - The Department shall promote the formation of labor-management councils in organized and unorganized establishments to enable the workers to participate in policy and decision-making processes in the establishment, insofar as said processes will directly affect their rights, benefits and welfare, except those which are covered by collective bargaining agreements or are traditional areas of bargaining.

The Department shall promote other labor-management cooperation schemes and, upon its own initiative or upon the request of both parties, may assist in the formulation and development of programs and projects on productivity, occupational safety and health, improvement of quality of work life, product quality improvement, and other similar scheme.

In line with the foregoing, the Department shall render, among others, the following services:

- a) Conduct awareness campaigns;
- b) Assist the parties in setting up labor-management structures, functions and procedures;
- c) Provide process facilitators upon request of the parties; and
- d) Monitor the activities of labor-management structures as may be necessary and conduct studies on best practices aimed at promoting harmonious labor-management relations.

Section 2. *Selection of representatives.* - In organized establishments, the workers' representatives to the council shall be nominated by the exclusive bargaining representative. In establishments where no legitimate labor organization exists, the workers representative shall be elected directly by the employees at large.

RULE XXII

CONCILIATION, STRIKES AND LOCKOUTS

Section 1. *Conciliation of labor-management disputes.* - The board may, upon request of either of both parties or upon its own initiative, provide conciliation-mediation services to labor disputes other than notices of strikes or lockouts. Conciliation cases which are not subjects of notices of strike or lockout shall be docketed as preventive mediation cases.

Section 2. *Privileged communication.* - Information and statements given in confidence at conciliation proceedings shall be treated as privileged communications. Conciliators and similar officials shall not testify in any court or body regarding any matter taken up at conciliation proceedings conducted by them.

Section 3. *Issuance of subpoena.* - The Board shall have the power to require the appearance of any parties at conciliation meetings.

Section 4. *Compromise Agreements.* - Any compromise settlement, including those involving labor standard laws, voluntarily agreed upon by the parties

with the assistance of the Board and its regional branches shall be final and binding upon the parties. The National Labor Relations Commission or any court shall not assume jurisdiction over issues involved therein except in case of non-compliance thereof or if there is prima facie evidence that the settlement was obtained through fraud, misrepresentation, or coercion. Upon motion of any interested party, the Labor Arbiter in the region where the agreement was reached may issue a writ of execution requiring a sheriff of the Commission or the courts to enforce the terms of the agreement.

Section 5. *Grounds for strike or lockout.* - A strike or lockout may be declared in cases of bargaining deadlocks and unfair labor practices. Violations of collective bargaining agreements, except flagrant and/or malicious refusal to comply with its economic provisions, shall not be considered unfair labor practice and shall not be strikeable. No strike or lockout may be declared on grounds involving inter-union and intra-union disputes or without first having filed a notice of strike or lockout or without the necessary strike or lockout vote having been obtained and reported to the Board. Neither will a strike be declared after assumption of jurisdiction by the Secretary or after certification of submission of the dispute to compulsory or voluntary arbitration or during the pendency of cases involving the same grounds for the strike or lockout.

Section 6. *Who may declare a strike or lockout.* - Any certified or duly recognized bargaining representative may declare a strike in cases of bargaining deadlocks and unfair labor practices. The employer may declare a lockout in the same cases. In the absence of a certified or duly recognized bargaining representative, any legitimate labor organization in the establishment may declare a strike but only on grounds of unfair labor practices.

Section 7. *Notice of strike or lockout.* - In bargaining deadlocks, a notice of strike or lockout shall be filed with the regional branch of the Board at least thirty (30) days before the intended date thereof, a copy of said notice having been served on the other party concerned. In cases of unfair labor practice, the period of notice shall be fifteen (15) days. However, in case of unfair labor practice involving the dismissal from employment of any union officer duly elected in accordance with the union constitution and by-laws which may constitute union-busting where the existence of the union is threatened, the fifteen-day cooling-off period shall not apply and the union may take action immediately after the strike vote is conducted and the results thereof submitted to the appropriate regional branch of the Board.

Section 8. *Contents of notice.* - The notice shall state, among others, the names and addresses of the employer and the union involved, the nature of the industry to which the employer belongs, the number of union members and of the workers in the bargaining unit, and such other relevant data as may

facilitate the settlement of the dispute, such as a brief statement or enumeration of all pending labor disputes involving the same parties.

In cases of bargaining deadlocks, the notice shall, as far as practicable, further state the unresolved issues in the bargaining negotiations and be accompanied by the written proposals of the union, the counter-proposals of the employer and the proof of a request for conference to settle the differences. In cases of unfair labor practices, the notice shall, as far as practicable, state the acts complained of and the efforts taken to resolve the dispute amicably.

In case a notice does not conform with the requirements of this and the foregoing section/s, the regional branch of the Board shall inform the concerned party of such fact.

Section 9. *Action on Notice.* - Upon receipt of the notice, the regional branch of the Board shall exert all efforts at mediation and conciliation to enable the parties to settle the dispute amicably. The regional branch of the Board may, upon agreement of the parties, treat a notice as a preventive mediation case. It shall also encourage the parties to submit the dispute to voluntary arbitration.

During the proceedings, the parties shall not do any act which may disrupt or impede the early settlement of the dispute. They are obliged, as part of their duty to bargain collectively in good faith and to participate fully and promptly in the conciliation meetings called by the regional branch of the Board.

A notice, upon agreement of the parties, may be referred to alternative modes of dispute resolution, including voluntary arbitration.

Section 10. *Strike or lockout vote.* - A decision to declare a strike must be approved by a majority of the total union membership in the bargaining unit concerned obtained by secret ballot in meetings or referenda called for the purpose. A decision to declare a lockout must be approved by a majority of the Board of Directors of the employer, corporation or association or the partners in a partnership obtained by a secret ballot in a meeting called for the purpose.

The regional branch of the Board may, at its own initiative or upon request of any affected party, supervise the conduct of the secret balloting. In every case, the union or the employer shall furnish the regional branch of the Board and the notice of meetings referred to in the preceding paragraph at least twenty-four (24) hours before such meetings as well as the results of the voting at least seven (7) days before the intended strike or lockout, subject to the cooling-off period provided in this Rule.

Section 11. *Declaration of strike or lockout.* - Should the dispute remain unsettled after the lapse of the requisite number of days from the filing of the

notice of strike or lockout and of the results of the election required in the preceding section, the labor union may strike or the employer may lock out its workers. The regional branch of the Board shall continue mediating and conciliating.

Section 12. *Improved offer balloting.* - In case of a strike, the regional branch of the Board shall, at its own initiative or upon the request of any affected party, conduct a referendum by secret balloting on the improved offer of the employer on or before the 30th day of strike. When at least a majority of the union members vote to accept the improved offer, the striking workers shall immediately return to work and the employer shall thereupon re-admit them upon the signing of the agreement.

In case of a lockout, the regional branch of the Board shall also conduct a referendum by secret balloting on the reduced offer of the union on or before the 30th day of the lockout. When at least a majority of the board of directors or trustees or the partners holding the controlling interest in the case of partnership vote to accept the reduced offer, the workers shall immediately return to work and the employer shall thereupon readmit them upon the signing of the agreement.

Section 13. *Peaceful picketing.* - Workers shall have the right to peaceful picketing. No person engaged in picketing shall commit any act of violence, coercion or intimidation or obstruct the free ingress to or egress from the employer's premises for lawful purposes, or obstruct public thoroughfares.

No person shall obstruct, impede or interfere with, by force, violence, coercion, threats or intimidation, any peaceful picketing by workers during any labor controversy or in the exercise of the right to self-organization or collective bargaining or shall aid or abet such obstruction or interference. No employer shall use or employ any person to commit such acts nor shall any person be employed for such purpose.

Section 14. *Injunctions.* - No court or entity shall enjoin any picketing, strike or lockout, except as provided in Articles 218 and 263 of the Labor Code.

The Commission shall have the power to issue temporary restraining orders in such cases but only after due notice and hearing and in accordance with its rules. The reception of evidence for the application of a writ of injunction may be delegated by the Commission to any Labor Arbiter who shall submit his recommendations to the Commission for its consideration and resolution.

Any ex parte restraining order issued by the Commission, or its chairman or Vice-Chairman where the Commission is not in session and as prescribed by its rules, shall be valid for a period not exceeding twenty (20) days.

Section 15. *Criminal prosecution.* - The regular courts shall have jurisdiction over any criminal action under Article 272 of the Labor Code.

RULE XXIV

EXECUTION OF DECISIONS, AWARDS OR ORDERS

Section 1. *Execution of decisions, orders or awards.*

- a. The Secretary or the Bureau or Regional Director, the Labor Arbiter, the Med-Arbiter or Voluntary Arbitrator may, upon his/her own initiative or on motion of any interested party, issue a writ of execution on a judgment within five (5) years from the date it becomes final and executory, requiring the Sheriff or the duly deputized officer to execute or enforce their respective final decisions, orders and awards.
- b. The Secretary and the Chairman of the Commission may designate special sheriffs and take any measure under existing laws to ensure compliance with their decisions, orders or awards and those of the Labor Arbiters and voluntary arbitrators, including the imposition of administrative fines, which shall not be less than five hundred (P500.00) pesos nor more than ten thousand (P10,000.00) pesos.
- c. Alternatively, the Secretary, the Commission, any Labor Arbiter, the Regional Director or the Director of the Bureau of Labor Relations in appropriate cases may deputize the Philippine National Police or any law enforcement agencies in the enforcement of final awards, orders or decisions.