

National Labor Relations Commission 2016 PERFORMANCE REPORT

The National Labor Relations Commission's 2016 Accomplishment Report provides the results of the agency's performance in the arbitration and adjudication of labor cases, and demonstrates to the public the commitment to its mission and accountability over the promotion of industrial peace based on social justice through an effective enforcement and economically-viable dispute settlement machinery.

Organization

The National Labor Relations Commission (NLRC) is a quasi-judicial agency attached to the Department of Labor and Employment (DOLE) for program and policy coordination only. It was created under Presidential Decree No. 442, otherwise known as the Labor Code of the Philippines, as amended, which took effect on November 1, 1974. It took over the functions of the Court of Industrial Relations and the Ad Hoc NLRC created under Presidential Decree No. 21.

The NLRC is the principal government agency that hears and decides labor-management disputes. It is tasked to promote and maintain industrial peace by resolving labor and management disputes involving both local and overseas workers through compulsory arbitration after mandatory conciliation-mediation conferences failed. This is in consonance with the mission of the NLRC to resolve labor disputes in the fairest, quickest, least expensive and most effective way possible.

The Commission Proper of the NLRC is tripartite in representation. Under R.A. No. 9347, the Commission Proper has eight (8) Divisions, each is composed of three (3) members with the Presiding Commissioner representing the government sector and the other two members representing the workers' and the employers' sectors.

Of the eight (8) Divisions, the First, Second, Third, Fourth, Fifth and Sixth Divisions handle cases coming from the National Capital Region and other parts of Luzon, and the Seventh and Eight Divisions, cases from the Visayas and Mindanao, respectively.

The Chairman, aided by the Executive Clerk of the Commission, has exclusive administrative supervision over the NLRC, its regional arbitration branches and all its personnel, including the Labor Arbiters.

The Commission Proper sits *en banc* only for purposes of promulgating rules and regulations governing the hearing and disposition of cases, and

formulating policies affecting its administration and operations.

The Commission Proper sitting en banc may, on temporary or emergency basis, allow cases within the jurisdiction of any Division to be transferred to and be heard and decided by any other Division which docket may allow additional workload and such transfer will not expose litigants to unnecessary additional expense.

The Commission Proper through its Divisions have exclusive appellate jurisdiction over all cases decided by Labor Arbiters at the Regional/Sub-Regional Arbitration Branches.

The First, Second, Third, Fourth, Fifth, and Sixth Divisions have their respective offices in the National Capital Region, while the Seventh and Eighth Divisions in the cities of Cebu and Cagayan de Oro, respectively.

The Chairman is the Presiding Commissioner of the First Division. In case of the effective absence or incapacity of the Chairman, the Presiding Commissioner of the Second Division shall be the Acting Chairman.

Summary Table of Performance

The summary table below presents the CY 2016 case disposition per target on the Major Final Output (MFO), to wit:

MFO 1: LABOR DISPUTE RESOLUTION SERVICES (Per FY 2016 GAA)			
Performance Indicators	Target	Actual	%
<u>Quantity: Number of Cases Settled and/or Decided:</u>			
<ul style="list-style-type: none"> • Regional Arbitration Branches: <ul style="list-style-type: none"> (a) Settled by SEADO (SEnA) (b) Settled by Labor Arbiter (CA) (c) Decided by Labor Arbiter (CA) • Commission Proper: <ul style="list-style-type: none"> (a) Decided by Commissioner (Appeal) 	38,700	41,830 11,286 13,277 17,267	108%
<u>Quality: Percentage increase in cases resolved through conciliation-mediation:</u>			
<ul style="list-style-type: none"> • Regional Arbitration Branches: 	50%	59% (24,563)	117%

(a) Settled thru con-med by SEADO (SEnA)		11,286	
(b) Settled thru con-med by Labor Arbiter (CA)		13,277	
<u>Timeliness: Percentage of cases resolved within three (3) months from filing/receipt:</u>			
• Regional Arbitration Branches	60%	72% (30,163)	120%
• Commission Proper	60%	93% (10,342)	154%

In 2016, the NLRC posted an overall case output of **41,830 (108%)** of the **38,700** target major final output (MFO), **11,286** of which were settled by SEADO under the Single-Entry Approach (SEnA); and **13,277** and **17,267** were settled and decided, respectively by Labor Arbiter under the Compulsory Arbitration (CA). On appealed cases, the Commission Proper disposed **11,157 (98%)** of the **11,400** target.

Under the ***“Double-Barreled (Two-Cycle) Conciliation-Mediation Program”*** (a program wherein venue for settlement of all labor disputes is done and exhausted through the following: (a) mandatory conciliation-mediation prior to compulsory arbitration pursuant to the Single-Entry Approach (SEnA) Rules of Procedure; and, (b) mandatory conciliation-mediation during compulsory arbitration pursuant to the 2011 NLRC Rules of Procedure, as amended), the NLRC settled **24,563** labor disputes, benefitting a total of **35,475** number of workers involved, with settlement award of **P4,666,112,162.15**. The table below presents the summary of accomplishment of the program:

DOUBLE-BARRELED (TWO-CYCLE) CONCILIATION-MEDIATION PROGRAM (Settled Labor Disputes)			
Regional Arbitration Branches	No. of Settled Labor Disputes	No. of Workers Benefitted	Judgment Award
Mandatory conference under the SEnA	11,286	13,513	1,520,486,865.49
Mandatory conference under the Compulsory Arbitration	13,277	21,962	3,145,625,296.66
TOTAL	24,563	35,475	4,666,112,162.15

The following table presents the regular accomplishment of the NLRC based on inflow of cases under the compulsory arbitration services:

REGULAR INFLOW AND OUTFLOW OF CASES (Excluding SEnA)						
Level	Beginning Balance (2016)	Total Cases Received regardless of age (2016)	Cases Handled (2016)	Cases Disposed (2016)	%	Ending Caseload (2016)
RABs	8,406	30,342	38,748	30,544	79%	8,204
Commission	845	10,970	11,815	11,157	94%	658
Total(RABs & CP)	9,251	41,312	50,563	41,701	82%	8,862

Under the compulsory arbitration services of the NLRC Regional Arbitration Branches, of **30,544** cases disposed of, **19,759 (65%)** were resolved in favor of labor, and **10,785 (35%)** in favor of management. Amount of judgment awards reached **P7.176B**, benefitting **36,353** workers. Of the total amount awarded and workers benefitted, **P3.146B** were awarded through settlement, benefitting **21,962** number of workers involved, and **P4.030B** through decisions on the merit, benefitting **14,391** number of workers involved.

On appealed cases, the Commission Proper disposed **11,157, 7,833 (70%)** of which were resolved in favor of labor and **3,324 (30%)** in favor of management. Amount of judgment awards reached **P17.564B**, benefitting **18,852** number of workers involved.

JUDGMENT IN FAVOR OF LABOR AND MANAGEMENT (Excluding SEnA Settled)					
Level	Case Disposition	Case Disposition in Favor of:			
	Actual	Labor (Employee)	%	Management (Employer)	%
RABs	30,544	19,759	65%	10,785	35%
Commission	11,157	7,833	70%	3,324	30%
TOTAL	41,701	27,592	66%	14,109	34%

In terms of comparative inflow and outflow of regular cases, the NLRC Regional Arbitration Branches disposed of **30,544 (79%)** of **38,748** cases handled in **2016**, as compared to **30,863 (79%)** of **39,269** cases handled in **2015**. Percent of accomplishment is just maintained from 2015 to 2016 thus, the ending caseload of the NLRC RABs has decreased from **8,406** cases in **2015** to **8,204** cases in **2016**, or a decreased of **202 (2%)** cases. Of the **8,204** ending caseload of NLRC RABs by the end of 2016, **7660** or **93%** are newly-filed cases (“current” cases) or cases filed from April to December 2016 pursuant to the 9-month process cycle time of original cases.

Comparative Accomplishment of Regional Arbitration Branches				
Comparative Years	Total Handled	Total Disposed		Ending Caseload
		No.	%	
2015	39,269	30,863	79%	8,406
2016	38,748	30,544	79%*	8,204*
			<i>*Maintained</i>	<i>*Decreased of 2%</i>

At the Commission level, in terms of total cases handled, the Divisions disposed of **11,157 (94%)** of **11,815** cases handled in **2016**, as compared to **11,019 (93%)** of **11,864** cases handled in **2015**. Thus, there is an increase of **1%** accomplishment from previous year. As a result of **1%** increase of number of cases disposed of, the ending caseload of the Divisions has decreased from **845** cases in **2015** to **658** cases in **2016**, or a decreased of **187 (22%)** cases. Of the **658** ending caseload of the Commission by the end of 2016, **656** or **99.7%** are newly-filed cases (“current” cases) or cases filed from July to December 2016 pursuant to the 6-month process cycle time of appealed cases.

Comparative Accomplishment of Commission Proper				
Comparative Years	Total Handled	Total Disposed		Ending Caseload
		No.	%	
2015	11,864	11,019	93%	845
2016	11,815	11,157	94%	658*
			<i>*Increased of 1%</i>	<i>*Decreased of 22%</i>

The table below presents the breakdown of 2016 ageing of cases:

Regional Arbitration Branches (RABs) - NCR to RAB XIII AGE OF ENDING CASELOAD		
9-Month Process Cycle Time	Actual	%
1-3 months old (Oct. to Dec. 2016)	4,689	57%
4-6 months old (Jul. to Sep. 2016)	2,220	27%
7-9 months old (Apr. to Jun. 2016)	751	9%
10 months old & above (Mar. 2016 & earlier)	544	7%
Total	8,204	100%

Commission Proper (1 st to 8 th Divisions) AGE OF ENDING CASELOAD		
6-Month Process Cycle Time	Actual	%
1-3 months old (Oct. to Dec. 2016)	574	87.2%
4-6 months old (Jul. to Sep. 2016)	82	12.5%
7 months old & above (Jun. 2016 & earlier)	2	0.3%
Total	658	100%

-oOo-

Prepared by:

Date:


PURDEY P. PEREZ
OIC, RIPD

February 16, 2017