

[REPUBLIC ACT NO. 9481, May 25, 2007]

AN ACT STRENGTHENING THE WORKERS' CONSTITUTIONAL RIGHT TO SELF-ORGANIZATION, AMENDING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 442, AS AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

SECTION 1. Article 234 of Presidential Decree No. 442, as amended, otherwise known as the Labor Code of the Philippines, is hereby further amended to read as follows:

"ART. 234. *Requirements of Registration.* - A federation, national union or industry or trade union center or an independent union shall acquire legal personality and shall be entitled to the rights and privileges granted by law to legitimate labor organizations upon issuance of the certificate of registration based on the following requirements:

- a. Fifty pesos (P50.00) registration fee;
- b. The names of its officers, their addresses, the principal address of the labor organization, the minutes of the organizational meetings and the list of the workers who participated in such meetings;
- c. In case the applicant is an independent union, the names of all its members comprising at least twenty percent (20%) of all the employees in the bargaining unit where it seeks to operate;
- d. If the applicant union has been in existence for one or more years, copies of its annual financial reports; and
- e. Four copies of the constitution and by-laws of the applicant union, minutes of its adoption or ratification, and the list of the members who participated in it."

SEC. 2. A new provision is hereby inserted into the Labor Code as Article 234-A to read as follows:

"ART. 234-A. *Chartering and Creation of a Local Chapter.* - A duly registered federation or national union may directly create a local chapter by issuing a charter certificate indicating the establishment of the local chapter. The chapter shall acquire legal personality only for purposes of filing a petition for certification election from the date it was issued a charter certificate.

The chapter shall be entitled to all other rights and privileges of a legitimate labor organization only upon the submission of the following documents in addition to its charter certificate:

- a. The names of the chapter's officers, their addresses, and the principal office of the chapter; and
- b. The chapter's constitution and by-laws: Provided, That where the chapter's constitution and by-laws are the same as that of the federation or the national union, this fact shall be indicated accordingly.

The additional supporting requirements shall be certified under oath by the secretary or treasurer of the chapter and attested by its president."

SEC. 3. Article 238 of the Labor Code is hereby amended to read as follows:

"ART. 238. *Cancellation of Registration.* - The certificate of registration of any legitimate labor organization, whether national or local, may be cancelled by the Bureau, after due hearing, only on the grounds specified in Article 239 hereof."

SEC. 4. A new provision is hereby inserted into the Labor Code as Article 238-A to read as follows:

"ART. 238-A. *Effect of a Petition for Cancellation of Registration.* - A petition for cancellation of union registration shall not suspend the proceedings for certification election nor shall it prevent the filing of a petition for certification election.

In case of cancellation, nothing herein shall restrict the right of the union to seek just and equitable remedies in the appropriate courts."

SEC. 5. Article 239 of the Labor Code is amended to read as follows:

"ART. 239. *Grounds for Cancellation of Union Registration.* - The following may constitute grounds for cancellation of union registration:

- a. Misrepresentation, false statement or fraud in connection with the adoption or ratification of the constitution and by-laws or amendments thereto, the minutes of ratification, and the list of members who took part in the ratification;
- b. Misrepresentation, false statements or fraud in connection with the election of officers, minutes of the election of officers, and the list of voters;
- c. Voluntary dissolution by the members."

SEC. 6. A new provision, Article 239-A is inserted into the Labor Code to read as follows:

"ART. 239-A. *Voluntary Cancellation of Registration.* - The registration of a legitimate labor organization may be cancelled by the organization itself: *Provided,* That at least two-thirds of its general membership votes,