

**[ REPUBLIC ACT No. 875, June 17, 1953 ]**

**AN ACT TO PROMOTE INDUSTRIAL PEACE AND FOR OTHER PURPOSES.**

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

SECTION 1. *Declaration of Policy.*—It is the policy of this Act:

- a. To eliminate the causes of industrial unrest by encouraging and protecting the exercise by employees of their right to self-organization for the purpose of collective bargaining and for the promotion of their moral, social, and economic well-being.
- b. To promote sound stable industrial peace and the advancement of the general welfare, health and safety and the best interests of employers and employees by the settlement of issues respecting terms and conditions of employment through the process of collective bargaining between employers and representatives of their employees.
- c. To advance the settlement of issues between employers and employees through collective bargaining by making available full and adequate governmental facilities for conciliation and mediation to aid and encourage employers and representatives of their employees in reaching and maintaining agreements concerning terms and conditions of employment and in making all reasonable efforts to settle their differences by mutual agreement; and
- d. To avoid or minimize differences which arise between the parties to collective bargaining by prescribing certain rules to be followed in the negotiation and administration of collective bargaining agreements and by requiring the inclusion in any such agreement of provisions for adequate notice of any proposed changes in the terms of such agreements, for the final adjustment of grievances or questions regarding the application or interpretation of such agreements and other provisions designed to prevent the subsequent arising of such controversies.

SEC. 2. *Definitions.*—As used in this Act—

- a. "Court" means the Court of Industrial Relations established by Commonwealth Act Numbered One hundred and three, as amended, unless another Court shall be specified.
- b. "Service" means the Conciliation Service of the Department of Labor.
- c. The term "employer" includes any person acting in the interest of an employer, directly or indirectly but shall not include any labor organization (otherwise than when acting as an employer) or anyone acting in the capacity of officer or agent of such labor organization.
- d. The term "employee" shall include any employee and shall not be limited to the employee of a particular employer unless the Act explicitly states otherwise and shall include any individual whose work has ceased as a consequence of,

or in connection with, any current labor dispute or because of any unfair labor practice and who has not obtained any other substantially equivalent and regular employment.

- e. "Labor organization" means any union or association of employees which exists, in whole or in part, for the purpose of collective bargaining or of dealing with employers concerning terms and conditions of employment.
- f. "Legitimate labor organization" means any labor organization registered by the Department of Labor, and includes any branch or local thereof.
- g. The term "company union" means a labor organization the formation or administration of which has been assisted by any Act defined in Section four as an unfair labor practice.
- h. "Representative" includes a legitimate labor organization or any officer or agent of such organization whether or not employed by the employer or employees whom he represents.
- i. The term "unfair labor practice" means any unfair labor practice listed in section four.
- j. The term "labor dispute" includes any controversy concerning terms, tenure or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee.
- k. "Supervisor" means any person having authority in the interest of an employer, to hire, transfer, suspend, lay-off, recall, discharge, assign, recommend, or discipline other employees, or responsibly to direct them, and to adjust their grievances, or effectively to recommend such acts if, in connection with the foregoing, the exercise of such authority is not of a merely routinary or clerical nature but requires the use of independent judgment.
- l. "Strike" means any temporary stoppage of work by the concerted action of employees as a result of an industrial dispute.
- m. "Lockout" means the temporary refusal of any employer to furnish work as a result of an industrial dispute.

SEC. 3. *Employees' Right to Self-Organization.*—Employees shall have the right to self-organization and to form, join or assist labor organizations of their own choosing for the purpose of collective bargaining through representatives of their own choosing and to engage in concerted activities for the purpose of collective bargaining and other mutual aid or protection. Individuals employed as supervisors shall not be eligible for membership in a labor organization of employees under their supervision but may form separate organizations of their own.

SEC. 4. *Unfair Labor Practices.*—

a. It shall be unfair labor practice for an employer:

- 1. To interfere with, restrain or coerce employees in the exercise of their rights guaranteed in section three;
- 2. To require as a condition of employment that a person or an employee shall not join a labor organization or shall withdraw from one to which he belongs;
- 3. To initiate, dominate, assist in or interfere with the formation or administration of any labor organization or to contribute financial or other support to it;

4. To discriminate in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization: Provided, That nothing in this Act or in any other Act or statute of the Republic of the Philippines shall preclude an employer from making an agreement with a labor organization to require as a condition of employment membership therein, if such labor organization is the representative of the employees as provided in section twelve;
5. To dismiss, discharge, or otherwise prejudice or discriminate against an employee for having filed charges or for having given or being about to give testimony under this Act;
6. To refuse to bargain collectively with the representatives of his employees subject to the provisions of sections thirteen and fourteen.

b. It shall be unfair labor practice for a labor organization or its agents:

1. To restrain or coerce employees in the exercise of their rights under section three, provided that this paragraph shall not impair the right of a labor organization to prescribe its own rules with respect to the acquisition or retention of membership therein;
2. To cause or attempt to cause an employer to discriminate against an employee in violation of sub-section (a) (4) or to discriminate against an employee with respect to whom membership in such organization has been denied or terminated on some ground other than the usual terms and conditions under which membership or continuation of membership is made available to other members.
3. To refuse to bargain collectively with the employer, provided it is the representative of the employees subject to the provisions of sections thirteen and fourteen.
4. To cause or attempt to cause an employer to pay or deliver or agree to pay or deliver any money or other thing of value, in the nature of an exaction, for services which are not performed or not to be performed.

**SEC. 5. *Unfair Labor Practice Cases.*—**

- a. The Court shall have jurisdiction over the prevention of unfair labor practices and is empowered to prevent any person from engaging in any unfair labor practice. This power shall be exclusive and shall not be affected by any other means of adjustment or prevention that has been or may be established by an agreement, code, law or otherwise.
- b. The Court shall observe the following procedure without resort to mediation and conciliation as provided in section four of Commonwealth Act Numbered One hundred And three, as amended, or to any pre-trial procedure. Whenever it is charged by an offended party or his representative that any person has engaged or is engaging in any such unfair labor practice, the Court or any agency or agent designated by the Court must investigate such charge and shall have the power to issue and cause to be served upon such person a complaint stating the charges in that respect and containing a notice of hearing before the Court or a member thereof, or before a designated Hearing Examiner at the time and place fixed therein not less than five nor more than ten days after serving the said complaint. The person complained of shall have the right to file an answer to the complaint and to appear in person or otherwise (but if the Court shall so request, the appearance shall be personal)

and give testimony at the place and time fixed in the complaint. In the discretion of the Court, a member thereof or a Hearing Examiner, any other person may be allowed to intervene in the said proceeding and to present testimony. In any such proceeding, the rules of evidence prevailing in courts of law or equity shall not be controlling and it is the spirit and intention of this Act that the Court and its members and Hearing Examiners shall use every and all reasonable means to ascertain the facts in each case speedily and objectively and without regard to technicalities of law or procedure. In rendering its decisions, the Court shall not be bound solely by the evidence presented during the hearing but may avail itself of all other means such as (but not limited to) ocular inspections and questioning of well-informed persons which results must be made a part of the record. In the proceeding before the Court or a Hearing Examiner thereof, the parties shall not be required to be represented by legal counsel and it shall be the duty and obligation of the Court or Hearing Examiner to examine and cross-examine witnesses on behalf of the parties and to assist in the orderly presentation of the evidence.

- c. The testimony taken by the Court or such member of the Court or the Hearing Examiner shall be reduced to writing and filed with the Court. If, after investigation, the Court shall be of the opinion that any person named in the complaint has engaged in or is engaging in any unfair labor practice, then the Court shall state its findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such unfair labor practice and take such affirmative action as will effectuate the policies of this Act, including (but not limited to) reinstatement of employees with or without back-pay and including rights of the employees prior to dismissal including seniority. Such order may further require such person to post the Court's order and findings in a place available to all the employees and to make reports from time to time showing the extent to which the Court's order has been complied with. If after investigation the Court shall be of the opinion that no person named in the complaint has engaged in or is engaging in any such unfair labor practice, then the Court shall state its findings of fact and shall issue an order dismissing the said complaint, if the complaining party withdraws its complaint, the Court shall dismiss the case.
- d. The Court shall decide all incidental motions raised in any unfair labor practice cases within fifteen days from submission of the same. All other matters relative to such disputes including the main case shall be decided within thirty days after the submission of the case. This provision shall be considered as mandatory in character.
- e. The Court or any judge thereof shall have all the inherent power of a Court of Justice provided in Rule One hundred and twenty-four of the rules of court as well as the power to punish direct and indirect contempt as provided in Rule sixty-four of the Rules of Court, under the same procedure and penalties provided therein. Any violation of any order or decision of the Court shall constitute contempt of court.

**SEC. 6. *Unfair Labor Practice Cases—Appeals.***—Any person aggrieved by any order of the Court may appeal to the Supreme Court of the Philippines within ten days after the issuing of the Court's order but this appeal shall not stay the order of the Court and the person or persons named in the Court order shall meanwhile obey said order. The findings of the Court with respect to questions of fact if supported by substantial evidence on the record shall be conclusive. The appeal to the Supreme Court shall be limited to questions of law only.

SEC. 7. *Fixing Working Conditions by Court Order.*—In order to prevent undue restriction of free enterprise for capital and labor and to encourage the truly democratic method of regulating the relations between the employer and employee by means of an agreement freely entered into in collective bargaining, no court of the Philippines shall have the power to set wages, rates of pay, hours of employment, or conditions of employment except as in this Act is otherwise provided and except as is provided in Republic Act Numbered Six hundred two and Commonwealth Act Numbered Four hundred forty-four as to hours of, work.

SEC. 8. *Private Contracts Contravening Employee Rights.*—Every undertaking or promise hereafter made, whether written or oral, express or implied, constituting or contained in any contract or agreement of hiring or employment between any individual firm, company, association or corporation and any employee or prospective employee of the same shall be null and void if thereby—

- a. Either party to such contract or agreement undertakes or promises not to join, become or remain a member of any labor organization or of any employer organization; or
- b. Either party to such contract or agreement undertakes or promises that he will withdraw from an employment relation in the event that he joins, becomes or remains a member of any labor organization or of any employer organization.
- c. Either party undertakes or promises to permit the commission of any of the unfair labor practices denned in section four hereof.

SEC. 9. *Injunctions in Labor Disputes.*—

- a. No Court, Commission or Board of the Philippines shall have jurisdiction except as provided in section ten of this Act to issue any restraining order, temporary or permanent injunction in any case involving or growing out of labor dispute to prohibit any person or persons participating or interested in such dispute from doing, whether singly or in concert, any of the following acts:
  1. Ceasing or refusing to perform any work or to remain in any relation of employment;
  2. Becoming or remaining a member of any labor organization or of any employee organization regardless of any undertaking or promise as is described in section eight of this Act;
  3. Paying or giving to, or withholding from, any person participating or interested in such labor dispute, any strike or unemployment benefits or insurance, or moneys or things of value;
  4. By all lawful means aiding any person participating or interested in any labor dispute who is being proceeded against in, or is prosecuting any action or suit in any court of the Philippines;
  5. Giving publicity to the existence of, or the facts involved in any labor dispute, whether by advertising, speaking, patrolling, or by any method not involving fraud or violence;
  6. Assembling peaceably to act or to organize to act in promotion of their interests in a labor dispute;
  7. Advising or notifying any person of an intention to do any of the acts heretofore specified;
  8. Agreeing with other persons to do or not to do any of the acts heretofore specified; and