

[EXECUTIVE ORDER NO. 126, January 30, 1987]

**REORGANIZING THE MINISTRY OF LABOR AND EMPLOYMENT
AND FOR OTHER PURPOSES**

RECALLING that the reorganization of the government is mandated expressly in Article III of the Freedom Constitution;

HAVING IN MIND that pursuant to Executive Order No. 5 (1986), it is directed that necessary and proper changes in the organizational and functional structures of the government, its agencies and instrumentalities, be effected in order to promote efficiency and effectiveness in the delivery of public services;

CONSIDERING that it has become necessary to introduce critical structural and functional changes in the Ministry of Labor and Employment to make it more responsive to the urgent demands of national economic recovery;

BELIEVING that the same Ministry has to streamline its operation by rationalizing its functions, structure and organization to make it more efficient and effective in undertaking its principal mission of translating the declared policy of the state on labor into meaningful programs on employment promotion, manpower development and utilization, advancement of workers welfare, provision for a decent living wage and other just and humane conditions of work and promotion of sound and stable industrial harmony as essential components of national economic recovery and developments;

RECOGNIZING that women and rural workers have a vital role in nation-building, the same Ministry has to create, promote and develop the conditions for their full utilization, including their protection and welfare.

NOW, THEREFORE, I, CORAZON C. AQUINO, by the powers vested in me by the sovereign will of the Filipino People and the Freedom Constitution, do hereby order:

SECTION 1. Title. This Executive Order shall otherwise be known as the Reorganization Act of the Ministry of Labor and Employment.

SECTION 2. Reorganization. The Ministry of Labor and Employment, hereinafter referred to as Ministry, is hereby reorganized, structurally and functionally in accordance with the provisions of this Executive Order.

SECTION 3. Declaration of Policy. It is the declared policy of the State to afford protection to labor, promote full employment, ensure equal work opportunities regardless of sex, race, or creed, and regulate the relations between workers and employers. The State shall assure the rights of the workers to self-organization, collective bargaining, security of tenure, and just and humane conditions of work.

SECTION 4. Mandate and Objectives. The Ministry shall be the primary policy, programming, coordinating and administrative entity of the Executive Branch of the government in the field of labor and employment. It shall assume primary responsibility for:

- (a) The promotion of gainful employment opportunities and the optimization of the development and utilization of the country's manpower resources;
- (b) The advancement of workers welfare by providing for just and humane working conditions and terms of employment;
- (c) The maintenance of industrial peace by promoting harmonious, equitable, and stable employment relations that assure equal protection for the rights of all concerned parties.

SECTION 5. Powers and Functions. In pursuit of its mandate, the Ministry shall have the following powers and functions:

- (a) Formulate and recommend policies, plans and programs for manpower development, training, allocation, and utilization;
- (b) Protect and promote the interest of every citizen desiring to work locally or overseas by securing for him the most equitable terms and conditions of employment, and by providing social and welfare services;
- (c) Regulate the employment of aliens, including the establishment of a registration and/or permit system for such aliens;
- (d) Formulate general guidelines concerning wage and income policy;
- (e) Recommend necessary adjustments in wage structures with a view to developing a wage system that is consistent with national economic and social development plans;
- (f) Provide for safe, decent, humane and improved working conditions and environment for all workers, particularly women and young workers;
- (g) Maintain harmonious, equitable and stable labor relations system that is supportive of the national economic policies and programs;
- (h) Uphold the right of workers and employers to organize and to promote free collective bargaining as the foundation of the labor relations system;
- (i) Provide and ensure the fair and expeditious settlement and disposition of labor and industrial disputes through collective bargaining, grievance machinery, conciliation, mediation,

voluntary arbitration, compulsory arbitration as may be provided by law, and other modes that may be voluntarily agreed upon by the parties concerned.

SECTION 6. Minister of Labor and Employment. The authority and responsibility for the exercise of the mandate of the Ministry and for the discharge of its powers and functions shall be vested in the Minister of Labor and Employment, hereinafter referred to as the Minister, who shall be appointed by the President and who shall have supervision and control over the Ministry. For such purposes, the Minister shall have the following powers and functions:

- (a) Advise the President on the promulgation of executive/administrative orders, other regulative issuances and legislative proposals on matters pertaining to labor and employment;
- (b) Formulate policies, guidelines, rules and regulations and other issuances necessary to carry out Ministry policies, plans, programs and projects;
- (c) Issue orders, directives, rules and regulations and other issuances to carry out labor and employment policies, plans, programs and projects;
- (d) Provide overall direction, supervision, and control over all offices under the Ministry to ensure effective and efficient implementation of its policies, plans, programs and projects;
- (e) Coordinate with other government offices, labor organizations, employers associations, and any other group to carry out the mandate of the Ministry;
- (f) Evaluate the policy, plans, programs and project accomplishment of the Ministry;
- (g) Prepare reports for the President and for the public;
- (h) Delegate authority for the performance of any function to officers and employees of the Ministry;
- .(i) Exercise such other powers and functions as may be provided by law or assigned by the President.

SECTION 7. Office of the Minister. The Office of the Minister shall consist of the Minister and his immediate staff.

SECTION 8. Deputy Minister. The Minister shall be assisted by not more than four (4) Deputy Ministers who shall be appointed by the President upon the recommendation of the Minister. The Minister is hereby authorized to delineate and assign the respective functional areas of responsibility of the Deputy Ministers, provided, that such responsibility, a Deputy Minister shall have the following functions:

- (a) Advise and assist the Minister in the formulation and

implementation of the Ministry's policies, plans, programs and projects;

- (b) Oversee the operational activities of the Ministry
- (c) Coordinate the programs and projects of the Ministry for efficient and effective administration;
- (d) Serve as deputy for the Minister;
- (e) Perform, when so designated, the power and functions of the Minister, during the latter's absence or incapacity;
- (f) Perform such other functions as may be provided by law or assigned by the Minister to promote the efficiency and effectiveness in the delivery of public services.

SECTION 9. Assistant Ministers. The Minister shall likewise be assisted by not more than four (4) Assistant Ministers who shall be appointed by the President upon the recommendation of the Minister. The Minister is hereby authorized to delineate and assign the respective areas of functional responsibility of the Assistant Minister shall assist the Minister and Deputy Ministers in the formulation, determination and implementation of laws, policies, plans, programs and projects on labor and shall oversee the day-to-day administration and supervision of the constituent units of the Ministry.

SECTION 10. Structural Organization. The Ministry shall consist of the Ministry proper comprising the Office of the Minister, the Office of the Deputy and Assistant Ministers, the Services and the Staff Bureau, and its Regional Offices.

SECTION 11. Planning Service. The Planning Service shall provide the Ministry with efficient, effective and economical services relating to planning, programming, project development and evaluation, and the development and implementation of a management information system.

SECTION 12. Administrative Service. The Administrative Service shall provide the Ministry with efficient, effective and economical services relating to records, management, supplies, equipment, collections, disbursements, building administration and maintenance, security and custodial work.

SECTION 13. Human Resource Development Service. The Human Resource Development Service shall provide the Ministry with a program and corresponding projects that shall make available training, education and development opportunities needed to upgrade the levels of competence and productivity of Ministry managers and personnel. It shall absorb the powers and functions of the Administrative Service in relation to the development and administration of personnel programs including selection and placement, development, performance evaluation, employee relations and welfare.

SECTION 14. Financial Management Service. The Financial and Management Service shall be responsible for providing the Ministry with efficient, effective and economical services relating to budgetary, financial, management improvement and internal control matters.

SECTION 15. Legal Service. The Legal Service shall provide legal advice and service to Ministry officers and employees; prepare informative or clarificatory opinions on labor laws, rules and regulations for uniform interpretation thereof; answer legal queries from the public; assist the Office of the Solicitor General in suits involving the Ministry or its officers or employees or acts as their principal counsel in all actions taken in their official capacity of other causes before judicial or administrative bodies.

SECTION 16. International Labor Affairs Service. The International Labor Affairs Service shall be responsible for monitoring the observance and implementation of all obligations, courtesies, and facilities required by international labor affairs, particularly the International Labor Organization, the Conference of Asian Pacific Labor Ministries, the ASEAN Labor Ministers Meeting of which the Philippines is a member, and related international labor standards and agreements reached in various international labor forums, treaties, and other multilateral, bilateral or multi-bilateral agreements in the are of labor and employment; provide staff support and policy guidelines to the Minister in the supervision, monitoring and reporting of the activities of the Philippine overseas labor officers assigned in different countries; serve as the instrumentality of the Ministry for technical cooperation programs and activities with other countries and international institutions.

SECTION 17. Information and Publications Service. The Information and Publication Service shall be responsible for promoting rapport and understanding between the Ministry and the public through the development of public relations programs and the dissemination of accurate and updated information on labor and employment, by means of publications and media coverages of special events and related matters on the Ministry's policies, plans, programs, and projects; shall likewise be responsible for providing answers to queries from the public regarding the Ministry's policies, rules, regulations, programs, activities and services.

SECTION 18. Bureaus. The following staff bureaus of the Ministry are hereby retained and shall continue to have the same functions, except as otherwise provided herein:

- (a) Bureau of Local Employment
- (b) Bureau of Women and Young Workers'
- (c) Bureau of Rural Workers;
- (d) Bureau of Labor Relations, which shall continue to performs its present functions except those to be absorbed by the National Mediation and Conciliation Board as provided under Section 29 (c) hereof; and
- (e) Bureau of Working Conditions.

SECTION 19. Attached Agencies. The following agencies shall continue to be attached to the Ministry for policy and program coordination and administrative supervision: