

**[ NCMB RESOLUTION NO. 2, S. 1997, January 06, 1997 ]**

**PROVIDING FOR A REVISED GUIDELINES ON THE FEES AND IN THE PROCESSING AND PAYMENT OF SUBSIDY ENTITLEMENT FOR VOLUNTARY ARBITRATION CASES**

WHEREAS, the present guidelines on schedule of fees for regular voluntary arbitration cases and in the procedures for availment were promulgated on 18 December 1992, amended on 6 August 1993 and further amended on 11 August 1995;

WHEREAS, the schedule of fees for regular voluntary arbitration cases needs to be reviewed periodically to assess its reasonableness in view of the increasing costs of professional service and other expenses incidental to arbitration of labor disputes;

WHEREAS, the need to remove the burden of cost from workers and unions is recognized to promote acceptance of voluntary arbitration;

WHEREAS, there is a need to simplify the procedure for processing of subsidy for regular voluntary arbitration cases to ensure that the Special Voluntary Arbitration Fund is made even more accessible to parties to labor disputes particularly to the union;

WHEREAS, in the Fourth National Convention of Accredited Voluntary Arbitrators held in Davao City last February 23-24, 1996, Convention Resolution No. 3, Series of 1996 was proposed to specifically make possible all intended changes in subsidy of fees for regular voluntary arbitration cases;

WHEREFORE, pursuant to the provisions of Republic Act No. 6715 authorizing the Council to recommend appropriate guidelines on the use of the Special Voluntary Arbitration Fund particularly on subsidy, Resolution No. 2, Series of 1995 is hereby amended to read as follows:

**I.**

**Who May Avail**

The subsidy shall cover all arbitration cases whether involving unionized or non-unionized establishments, including cases involving individual workers not represented by duly recognized union, provided that they do not fall under the Expedited Voluntary Arbitration Proceedings and under the Free Legal Aid and Voluntary Arbitration Services Program (FLAVAS).

**II.**

## **Procedures and Requirements**

The subsidy is payable to the voluntary arbitrator or to the Chairman and its members in case of panel of voluntary arbitrators except in cases of reimbursement for amounts paid to the arbitrator by either party, in which case it shall be paid to the union or the company, as the case may be.

Supporting documents for the processing of the request shall be as follows:

- a. Request for Subsidy Entitlement Form
- b. Copy of Decision/Award which shall contain information on whether it is submitted under FLAVAS or under Expedited or Regular VA proceedings including the date the case was submitted to voluntary arbitration, the number of hearings and the date it was submitted for resolution.
- c. If advance payment by either or both parties was made, proof of partial/full payment to the voluntary arbitrator, shall be presented for reimbursement purposes.
- d. In cases where the arbitrator limits his/her fee to the amount of subsidy, only a copy of the decision or award and a certification under oath stating that he is limiting his fee to the subsidy and he does not charge any other fees to the parties, are to be submitted for purposes of payment of subsidy.

All requests, accompanied by the aforementioned documents shall be filed with the appropriate Regional Branch.

### **III. Amount of Subsidy**

1. As a rule, the amount of the subsidy shall be Ten Thousand Pesos (P10,000.00) for all types of voluntary arbitration cases, except as specified hereunder, to wit:
  - a. Where two or more issues in rights dispute cases are involved, the applicable subsidy shall be P15,000.00 per case.
  - b. The subsidy for bargaining deadlock regardless of the number of issues shall be P15,000.00.
2. In instances where a case is settled, withdrawn or dismissed for lack of interest before a decision is promulgated, the subsidy shall be as follows:
  - a. The voluntary arbitrator shall be entitled to the full subsidy if two or more hearings were held. The application for subsidy shall be supported by a report issued by the arbitrator.
  - b. Twenty-five (25%) percent if withdrawn, settled or dismissed after initial hearing. The application for subsidy shall be supported by a report issued by the arbitrator.
  - c. Where a case is settled or withdrawn before an initial hearing could be heard, no subsidy shall be paid.