

COLLECTIVE NEGOTIATION AGREEMENT

KNOW ALL MEN AND WOMEN BY THIS PRESENTS:

This **COLLECTIVE NEGOTIATION AGREEMENT (CNA)** entered into by and between:

The **DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT (DILG)**, a national government agency created under Republic Act No. 6975, with principal office at DILG-NAPOLCOM CENTER, EDSA corner Quezon Avenue, Quezon City, represented by **UNDERSECRETARY EDUARDO M. AÑO** in his capacity as OIC, DILG, hereinafter referred to as the "DILG".

-and-

The **DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT EMPLOYEE'S UNION (DILGEU)**, a legitimate public sector labor organization, duly registered and accredited by the Department of Labor and Employment (DOLE) and the Civil Service Commission (CSC), with principal office at DILG-NAPOLCOM CENTER, EDSA corner Quezon Avenue, Quezon City, represented herein by **Mr. KIETH P. LAGMAY** in his capacity as President, herein referred to as the "DILGEU".

WITNESSETH:

WHEREAS, the 1987 Philippine Constitution provides, among others, the right of the people including those employed in the public and private sectors, to form union/associations or societies for purposes not contrary to law (Sec. 18, Art. II, 1987 Philippine Constitution);

WHEREAS, the Constitution also provides, "The State affirms labor as a primary social and economic force. It shall protect the rights of the workers and promote their welfare". (Sec. 8, Art. III, 1987 Philippine Constitution);

WHEREAS, Sections 3, 4 and 5 of the Public Sector Labor Management Council (PSLMC) Resolution No. 04, series of 2002, provides for the payment of an incentive in connection with the forging of the CNA between the union and the management;

WHEREAS, Chapter 6, Title I Book V of the Executive Order No. 292 (Administrative Code of 1987 dated 25 July 1987) authorizes all employees of the government including those in GOCCs with original charters, to form, join or assist employees' organizations of their own choosing for the furtherance and protection of their interests.

WHEREAS, Executive Order No. 180 issued on June 1, 1987 and CSC MC No. 55 series of 1990, also provide that the terms and conditions of employment in the public sector or improvement thereof, except those that are fixed by law, may be subjected to negotiations between legitimate unions and appropriate government authorities;

WHEREAS, the DILGEU is the duly recognized and accredited as the sole and exclusive representative of all DILG rank-and-file employees for collective negotiations and other purposes;

WHEREAS, the DILG recognizes and supports the right of employees to self-organization and to collective negotiation on terms and conditions of employment not fixed by law, including the right to participate in the formulation of policies, plans and programs affecting their rights, welfare and benefits;

WHEREAS, the DILGEU recognizes the prerogative of the Management of the DILG to lay down and implement policies, rules and regulations on employment, personnel action such as hiring, promotion, reassignment, termination as a result of disciplinary action, and the implementation of provision governing employees' welfare and benefits as provided under the law;

WHEREAS, the DILGEU and DILG have agreed to promote the principle of shared responsibility between them on all matters affecting employees' obligations, rights benefits and interests through better employment and contribute to the attainment of an improved, effective and efficient delivery of public service;

WHEREAS, a healthy working relationship between the parties will be promoted by clearly defining the rules; rights and obligations of the DILGEU and the Management of DILG in relation to employee terms and conditions of employment, the interpretation and implementation of the provision of Collective Negotiation Agreement (CNA), the enforcement of office personnel policies, and by creating a grievance machinery to promote harmonious relationships of the parties toward the attainment of a genuine public service.

WHEREAS, there is a need to enter into another **CNA** as the existing **CNA** duly executed by the parties has already expired;

WHEREAS, the parties mutually agreed to renew the **CNA** with modifications;

NOW, THEREFORE, for and in consideration of the foregoing and the stipulations hereunder set forth, the parties hereto agreed and bind themselves on the following terms and conditions:

ARTICLE I

DECLARATION OF PRINCIPLES

Section 1. The DILGEU recognizes the authority and prerogative of the DILG Management in the implementation of existing laws governing terms and conditions of employment in the government and the maintenance of employees' benefits provided by law, and personnel actions such as hiring promotion, reassignment, termination as a result of disciplinary action and in establishing policies, office procedures, rules and regulations, and prerogatives in accordance with law.

Section 2. The DILG shall consult the DILGEU in all matters affecting the basic rights, welfare and other concerns of the rank and file employees.

- Section 3.** The DILGEU shall participate in the formulation of policies, plans and programs affecting their rights, benefits and duties. Its President or its duly authorized representative(s) shall sit as member in the Management Committee, Regional Management Committee and other committees as may be provided for by law and the Civil Service Commission (CSC) rules and regulations.
- Section 4.** Except in the exigency and interest of the service, the DILG shall not interfere in the establishment, organization, functioning, peaceful concerted activities and administration of the DILGEU through acts designed to place the DILGEU under its control.
- Section 5.** Public service is paramount and shall not be prejudiced in any way. Laws and rules governing concerted activities and self-organization in the government service shall be observed.
- Section 6.** The activities of the DILGEU shall be conducted in consonance with its Constitution and By-Laws and shall be consistent with the duty of government to provide effective and dependable service to the public.
- Section 7.** The parties shall promote a progressive and harmonious relationship and uphold the content and spirit of this agreement.

ARTICLE II

SCOPE/COVERAGE

- Section 8.** The parties do hereby agree that the Appropriate Collective Negotiating Unit (CNU) shall consist of all the rank-and-file employees of the DILG with Salary Grade Levels 1 to 25 including contractual, temporary, and coterminous employees who are not performing highly-confidential functions. It is understood that, whenever used in this agreement, the term "employee" refers only to those within the scope of the Collective Negotiation Unit (CNU) herein defined.
- Section 9.** **Union** refers to the duly registered and accredited negotiating unit which is the DILG Employee's Union - Local Government Sector.
- Section 10.** **Management** refers to the DILG Central Office Management.
- Section 11.** **Regional Unions/Associations** refer to the organized unions/associations in the DILG Regional Offices, either registered or not with the CSC and DOLE.
- Section 12.** **Membership Fee** refers to one-time payment of members to the Union upon admission as DILGEU members in accordance with its Constitution and By-Laws.
- Section 13.** **Union Dues** refers to the regular monthly contributions of members to the Union in accordance with its Constitution and By-Laws.

- Section 14.** **Agency Fee** refers to the amount assessed and collected by the DILGEU from DILG non-union members.
- Section 15.** **Highly confidential employee** refers to an employee who occupies a position which requires a high degree of trust and confidence and close intimacy with the appointing authority.

ARTICLE III

UNION RECOGNITION AND SECURITY

- Section 16.** All employees within the Negotiating Unit who are members of the Union on the date of the signing of this agreement, as well as all employees within the negotiating Unit who subsequently become members of the DILGEU during the effectivity of this agreement, shall maintain their membership in good standing with the Union for the duration of this agreement. Employees who are not members of DILGEU hired for position within the Negotiating Unit after the execution of this agreement may at any time join DILGEU.
- Section 17.** The DILG recognizes the DILGEU as the sole and exclusive representative of all rank-and-file employees as defined under Section 1 of Article 2.
- Section 18.** The DILG shall deal only through, and directly with the DILGEU on all matters and issues affecting the obligations, rights, benefits, and interests of all rank- and-file employees.
- Section 19.** The DILG shall not discriminate against any employee due to membership in the DILGEU or for acts performed in accordance with law or pursuant to this Agreement.
- Section 20.** In dealing with the employees, the DILG shall observe fair treatment and apply equally to all employees the policies, discipline, rules and regulations within the agency regardless of position or involvement to the DILGEU.
- Section 21.** The DILG shall allow on official time the holding of the following DILGEU meetings not exceeding the frequency indicated below:
 - a. DILGEU Executive Board Meeting (Central) - every 1st week of the month and/or as the need arises
 - b. Joint DILGEU Board of Officers and Regional Representative Meetings - semestral
 - c. DILGEU Committee Meetings - as the need arises
 - d. DILGEU General Membership Assembly - once a year
- Section 22.** The DILGEU President or his/her representative shall be allowed to sit and actively participate in committees created in relation to the pursuit of employees' welfare and productivity, such as but not limited to:
 - a) Management Committee;
 - b) Human Resource Merit Promotion and Selection Board (HRMPSB);
 - c) Personnel Development Committee;
 - d)

Program on Awards and Incentives for Service Excellence (PRAISE); e) Performance Review and Evaluation Committee; f) Office Uniform Committee; g) such other committees as Boards/Committees that may be created by the DILG affecting the following such as but not limited to promotion, placement, personnel development, employees' rights, obligations, privileges and welfare benefits, sports, cultural, recreational, anniversary and Christmas celebration.

Section 23. Workers Education Program. The DILG shall grant official time and subject to availability of funds, appropriate budget to DILGEU officers or members who shall attend workers' education program, seminar, meetings, convention, conferences, symposia, and others including leadership trainings, workers congresses and similar activities conducted by government and non-government agencies, subject to the prevailing CSC Rules and Regulations and Issuances (CSC MC. Nos. 43 Series of 1993 and 16 Series of 1998).

The DILG-Central Office shall provide equal opportunities for foreign trainings and scholarships especially to the Regional Office and field personnel. Notices for submission of applications for foreign scholarships/trainings and other study grants shall be sent to the Regional Offices two months prior to the deadline of submission, if possible.

Section 24. DILGEU Leave.

- a. The DILG may allow the DILGEU President to avail a full time Union time-off to devote his/her time to the union/association activities. Availment thereof shall always yield to the exigency of the service/priority of public service delivery.
- b. The DILG may grant official time to DILGEU Officers to perform DILGEU activities. An accomplishment report for the said purpose must be submitted to the Administrative Service Director or Chief Administrative Officer, DILGEU Board of Officers or Regional Representatives.

Section 25. DILGEU Office. The DILG shall provide the DILGEU with an office space in the central and regional offices necessary for the representation of employee union officials, representatives and members which shall serve as venue for their regular functions, operations and activities. The DILG shall also provide basic office equipment for the use of the DILGEU and provide maintenance thereof.

The DILG shall, subject to prior arrangements with the Administrative Service of the DILG, be allowed to utilize an area within the DILG building, to be used as a venue in the conduct of trainings, meetings, conferences, and other Union- related activities that will redound to the welfare of the employees.

Likewise, the DILGEU shall be allowed to field one union member per working day or as the need arises on a rotation basis to work at the DILGEU office to be able to assist any DILGEU officer in attending to matters concerning its members.

- Section 26.** Transportation and other facilities. The DILG shall, subject to availability, provide service vehicle for the use of the DILGEU in attending official meetings called by any government agency or any organization duly accredited by but not limited to the Office of the President (OP), Department of Labor and Employment (DOLE) and Civil Service Commission (CSC) on matters concerning the welfare of the employees. Likewise, the DILG shall allow the DILGEU to use its facilities for legitimate union activities even during non-working days and holidays, upon written request of DILGEU at least 3 days prior to the scheduled date of use subject to existing policies of DILG on travel and use of government vehicles.
- Section 27.** The DILG shall furnish the DILGEU copies of reports and all documents which shall affect directly the general welfare of the employees to include yearly-approved performance budget and Commission on Audit's quarterly report, upon a corresponding written request. The DILGEU likewise, agrees to furnish the DILG copy of its plans and programs and audited financial report at the end of the year.
- Section 28.** The DILG shall involve the DILGEU during Orientation Seminars for newly appointed or hired employees to discuss the DILGEU's Constitution and By-Laws, programs, activities and benefits.
- Section 29.** The DILG shall require from DILGEU members who will retire, transfer and/or resign, a clearance from DILGEU for monetary accountabilities and obligations.
- Section 30.** The DILG shall recognize the right of the UNION to resort to check-off through payroll deduction union dues, and other assessment fees as may be legitimately imposed by the DILGEU on its members. The DILG shall remit the dues and other assessments to the DILGEU's treasurer within fifteen (15) working days after deductions have been made, provided that, personal debts and obligation shall be excluded from the check-off authority subject to existing laws, the Civil Service Commission rules and regulations.
- Section 31.** Effective upon registration of this agreement with the Civil Service Commission (CSC), the DILG shall deduct without need of any individual authorization from non-union members covered by the CNA who benefit by way of payment of monetary incentive arising from the signing of this CNA, the amount of One Hundred Twenty (120.00) pesos. In addition, five percent (5%) agency fee shall be deducted from all monetary benefits derived from this CNA by personnel who are non-union members, and officials (directors and presidential appointees and other officials of the DILG) who are not members of the Union by reason of not being rank-and file employees subject to PSLMC Resolution No. 1 series 1993.

Section 32. Bulletin Board and Suggestion Box. The DILG shall allow the DILGEU to put up and maintain its own bulletin board and suggestion box to be conspicuously located within the DILG premises.

Section 33. The DILG shall shoulder all expenses for the printing and distribution of copies of this Agreement to all offices. A copy of the Agreement shall be posted at the Bulletin Board of the DILGEU Office not later than one (1) week from the date of signing. The DILG, shall provide the DILGEU copies of documents and communications, insofar as those directly affecting the general welfare of the employees.

ARTICLE IV

EMPLOYEE OBLIGATIONS AND RESPONSIBILITIES

Section 34. It shall be the obligation of every DILG Union Member to abide with the CSC rules and regulations and all pertinent/laws governing civil servants.

Section 35. It shall also be the obligation of each DILGEU Member to perform his/her respective functions and duties in accordance with his/her plantilla position.

Section 36. Every DILGEU Member shall have the duty to uphold the vision and mission enunciated by the DILG in its commitment to promote peace and order, ensure public safety and strengthen capability of local government units through active people participation and a professionalized corps of civil servants.

Section 37. It shall be the obligation of every DILGEU Member to support the programs and projects of the DILG and to adhere with the existing policies and standards thereof in its effort to carry out its mandated functions.

Section 38. Energy and Water Conservation and Cleanliness. The DILGEU shall assist the DILG in the formulation and adoption of ways to effectively implement energy and water conservation and cleanliness in the office premises.

Section 39. Vanguard to Any Irregularities. The DILGEU shall police its own ranks and ensure that its members are observing CSC Rules and Regulations. It shall be its avowed obligation and responsibility to report to the Department any irregularities that may be committed by any of its members.

ARTICLE V

ECONOMIC BENEFITS AND PRIVILEGES

Section 40. Sports and Cultural Allowance. The sports and cultural allowance to government employees as provided for by law must be utilized and granted to DILG employees subject to Civil Service Rules and Regulations, and the limitations set forth under the 2018 General Appropriations Act.

Section 41. Anniversary Bonus. In accordance with Administrative Order No. 263 dated March 28, 1996 and DILG Circular No. 2017-22 dated October 11, 2017, an anniversary bonus may be granted to all employees of the Department. Only anniversary bonus during milestone years is allowed.

Section 42. Gender-Fair and Gender-Inclusive Workplace. To promote equality and eliminate gender distinctions among men, women and LGBT employees, DILG employees who belong to LGBT community may be allowed to wear the office uniform styles prescribed by the Department in a manner consistent with their gender identity and gender expression.

Section 43. Hazard Pay. In accordance with Department of Budget and Management (DBM) Circular No. 2005-4 dated July 13, 2005, the Department may grant/allow the payment of hazard pay to officials and employees who are actually assigned to, and performing their duties in strife-torn or embattled areas as may be determined and certified by the Secretary of National Defense. Hazard pay shall only be granted for the duration or existence of such period.

ARTICLE VI

CNA INCENTIVES

Section 44. As provided under DBM Circular 2017-3 dated November 16, 2017, this CNA incentive shall be effective CY 2017 and every year thereafter during the lifetime of this agreement, the DILG shall grant CNA incentive to all employees (management and rank-and-file) and every year thereafter.

In recognition of having and maintaining a harmonious relation between the DILG and the employees, achieving good governance, teamwork and effective partnership, the DILG shall grant a CNA Incentive based on the amount of savings generated by the Department, in the amount of PhP 25,000.00 or the amount identified by the DBM per qualified rank-and-file employees and management covered by this CNA effective 2017 and every year thereafter during the lifetime of this Agreement. Provided that 2% thereof for every CNA incentive received shall be deducted from the DILGEU members and form part of the Special Fund of the DILGEU to be utilized for but not limited to fund raising projects of the UNION, and for other programs and activities. Provided, further, that 5% shall be deducted from personnel who are non-union members, and officials (directors and presidential appointees and other officials of the DILG) payment thereof shall be subject to the availability of funds/savings for the purpose and the usual accounting and auditing rules and regulations.

Section 45. Austerity Measures. During the period covered by the CNA and years thereafter, the DILG and the DILGEU shall jointly undertake the following appropriate cost reduction and productivity improvement measures:

- a. Recycling of Supplies
- b. Switching off of lights, air-conditioning units, computers and related equipment in the workplace if not in use

- c. Ensure that air-conditioning units are switched on only at the appropriate time, as determined by the management, and switch off at 4:30 pm, if possible and if it will not affect the productivity and effectiveness of office operations. Further, said units must be put into low cool mode during noon time break.
- a. Depositing and banning the use of government vehicles during Saturdays, Sundays and Holidays, except for emergency use or in the performance of official duties.
- b. Refraining from attending unnecessary and irrelevant seminars.
- c. Doing away with unnecessary travels by officials and employees.
- g. Limiting the number of employees/officers going on study tours.
- h. Maximizing the use of internet as a form of communication (email instead of fax, email instead of using courier/postal services, viber/other forms of applications instead of long distance calls using landline phones, etc.), and limiting the use of NDD/IDD phone services for purely official business only.

The effect of these cost savings and productivity improvement measures shall be evaluated by the Management-Union Consultative Committee as established under Article XI hereof at the end of calendar year. Savings generated pursuant to pertinent provisions of Section 3 and 5 and Resolution 04, Series of 2002 of the Public Sector Labor Management Council (PSLMC) shall be the basis for appropriate CNA incentives to be given to covered employees at the end of the year. It is understood that the savings under this Article shall be separate and distinct from the overall savings for purpose of the other benefits and year end benefits normally given to all DILG Employees.

ARTICLE VII

PROFESSIONAL DEVELOPMENT/ADVANCEMENT

- Section 46.** Recognition of need for Professional Development. The parties agree in the need to promote professional growth and development in all areas of work. These promotions on professional growth and development shall not be limited to training, course of instruction, seminars and workshops but shall include fellowship, study grants and similar development programs which may be deemed necessary.
- Section 47.** Performance Appraisal. The DILG shall implement a unified and simplified Performance Appraisal System subject to periodic review by the DILG and DILGEU. Any Amendment to the System shall be submitted to the Civil Service Commission for approval.
- Section 48.** Family Welfare Activities/Program. There shall be a yearly DILG Family Day for all the officials and employees of the DILG. The DILG and DILGEU

shall, under the principle of shared responsibility, jointly plan and develop family welfare-oriented activities especially during summer and school breaks for the benefit of the employees' families. A committee composed of representatives from the management and the rank and file as may be mutually identified thereafter, shall be established for this purpose and shall convene thirty (30) days after the ratification of this agreement.

Section 49. Sexual Harassment. The DILG shall continuously implement and institutionalize, existing legislation and standards on the requirements of sexual harassment- free environment.

Section 50. The DILG shall as far as practicable, establish and provide free quarter or dormitory at the DILG-NAPOLCOM CENTER for the use of Regional/Provincial/Field personnel.

Section 51. The DILG shall allow a prospective retiree to be relieved from his/her official duties and responsibilities at least one (1) month to four (4) months prior to his/her retirement, without prejudice to existing laws, rules and regulations.

Section 52. The DILG and the DILGEU shall exert best efforts to allocate funds and jointly implement programs designed to enhance employees' moral, spiritual, mental, physical, material and social development through activities such as but not limited to, sports and recreation, team-building, social, religious, informative and other similar activities. For this purpose, the DILG shall provide and maintain a multi-purpose hall.

Section 53. The DILG and DILGEU shall jointly endeavor to look for possible Resources so as to provide for a daily shuttle service for its employees to and from the latter's respective approximate areas of domicile and the office.

Section 54. Gender Sensitivity Seminars. The DILGEU shall continue to support and implement gender sensitivity programs that will promote understanding and awareness on gender issues among the employees. It shall likewise be represented in the committee created to implement the guidelines on the law of sexual harassment.

Section 55. Gender and Development, Senior Citizen and Persons with Disability. The DILG shall apply all the national policies on Gender and Development (GAD), Senior Citizens and Persons with Disability in the recruitment, selection and placement process. There shall be no discrimination in the selection of employees on account of age, sex, sexual orientation and gender identity, civil status, disability, religion, ethnicity, or political affiliation.

The DILG shall, as far as practicable, support and allocate one percent (1%) of its total budget to implement programs/activities/projects for elderly persons and persons with disabilities (A.O. 266 and DBM-DSWD Joint Circular 2003-01 dated April 28, 2003).

Section 56. DILG Canteen/Mess Hall. The DILG shall provide space for the operation of DILG Canteen/mess hall.

Section 57. Subject to availability of funds, the DILG shall continue upgrading the library in the Central Office and put into operation those in the Regional Offices by allocating funds for this purpose.

Section 58. Study Leave. Pursuant to the pertinent provisions of the Civil Service Commission, the DILG shall grant to its qualified officials and employees study Leave Privileges of not more than six months with pay during his employment with the Department for purpose of Bar/Board licensure review/examination, thesis/dissertation, writing requirements for completion of masters or doctoral degrees subject to the following requirements:

1. Must have graduated with a Bachelor's Degree requiring board/bar or any similar licensure examinations prior to the date of examination. For Baccalaureate/Masters and Doctorate degrees requiring thesis or dissertation writing must have a proposal approved by the college and graduate school;
2. Must be permanent or temporary employee of the Department and must have rendered at least two (2) years of service in the Department with at least very satisfactory (VS) performance for the last two rating periods immediately preceding the application;
3. Must have no pending administrative or criminal charges;
4. Must have no pending foreign or local scholarship grant;
5. Must have completely rendered the service obligation of any previous scholarship and training contract; and
6. Sign a scholarship contract with the Department covering the terms and conditions of the study leave.

Section 59. The DILG shall exert best efforts to provide review classes for organic, personnel taking CEO examinations or its equivalent and other examinations as may be agreed upon by the parties for the advancement of their professional careers.

Section 60. The DILG shall give the rank-and-file employees equal opportunity to attend local/foreign training/seminars and provide funds for incidental expenses incurred therein. It shall also encourage and allow the participation of employees in symposia, conventions and assemblies conducted by non-governmental organizations, people's organizations and private institutions on official time designed to improve public service.

Section 61. The DILG shall, as far as practicable, adopt and implement job-rotation as means for developing and enhancing the potentials of people in an organization by exposing them to the other work functions of the DILG (Sec. 6 (d) Rule III of the CSC Omnibus Rules Book V). Job rotation shall mean the movement of personnel from one office to another within the

central office, or from one division to another within the central or regional office, if any, or from central to regional/field/provincial offices and vice versa. The duration of job rotation program shall be within the period prescribed by the Department Head/Regional Director but shall not exceed twelve (12) months.

Section 62. The DILG and the DILGEU shall endeavor to implement other developmental programs for the benefit of its officials and employees such as Livelihood Programs, Health and Nutrition and Family Planning.

Section 63. Personnel Development Committee. The DILG and DILGEU shall establish a Personnel Development Committee which shall provide support functions to management in terms of participation in trainings and scholarship programs in accordance with existing Civil Service Policies and Standards whose composition shall be in accordance with the provision of the Civil Service Laws, rules and regulations.

Section 64. Fitness Center. The DILG, shall as far as practicable, provide for a space to be utilized as a mini gymnasium for the utilization of the employees, including provisions for equipment, facilities, instructor/consultant including salaries thereof. The DILGEU on the other hand shall manage and maintain the fitness center.

Section 65. Suspension of Wearing Office Uniform. For justifiable reasons and upon request of the DILGEU, the DILG may suspend the regulation of the wearing of prescribed office uniforms during the summer months of April to May and during the whole month of December.

ARTICLE VIII

SAFETY AND HEALTH

Section 66. The DILG shall continuously comply with the applicable regulations requiring safety, health and sanitary working condition prescribed by the Civil Service Commission and other government regulatory entities. Congruently, the DILGEU undertakes to actively advocate to the employees, promote and preserve a safe, healthy and clean working environment.

Section 67. The DILG shall continuously adhere to the rules and regulations on safe, sanitary and healthy working conditions, including but not limited to the provision of clean water, the observance of proper air/floor space and office lighting and ventilation; the welfare of senior citizens and persons with disabilities; and the propagation of a sexual harassment free environment for all employees.

Section 68. Adequate medical and dental services, including annual physical, dental, and optical check-ups, drug test and neuro-psychiatric test shall be made available to all employees in the Central and Regional Offices. The DILG shall establish and maintain a medical/physical and dental record or history of each employee and shall be furnished the result thereof. The

DILG shall upgrade its medical and dental services, to include annual physical, dental and optical check-ups for the duration of this Agreement and subject to the pertinent rules on the matter, the DILG shall assume the annual medical check-up of all rank-and-file employees under the provision at PSLMC resolution No.4, series of 2002.

- Section 69.** Pregnant employees starting from their sixth month of pregnancy shall be exempted from their physical strenuous work provided that after delivery or miscarriage, said employee shall perform her normal functions. Furthermore, in case of a highly critical and special condition of the pregnant employee like threatened abortion, as certified by the health officer or her attending physician which usually occurs on the first three (3) months of pregnancy, she shall be exempted from physical strenuous work assignments.
- Section 70.** The DILG, in order to ensure the physical/healthy well-being of the employees and subject to the recommendation of the DILGEU, develop and establish at its own option an appropriate health card provider for all employees, subject to the pertinent rules and regulations on the matter.
- Section 71.** DILG and DILGEU shall jointly coordinate with appropriate institutions or concern agencies to provide a total wellness program which includes spiritual, mental, emotional, physical and social well-being of DILG employees.
- Section 72.** DILG shall also provide personnel assistance to employees in the form of transport support during wake, emergency situation wherein the employee's health and life is at stake and medical and health visits.

ARTICLE IX

RECRUITMENT, PROMOTION, TRANSFER AND TERMINATION

- Section 73.** The DILG shall continue to adhere strictly to the recruitment, promotion, transfer and termination policies under existing laws, rules and regulations.
- Section 74.** Recruitment to improve the quality of recruits. The DILG through the Personnel Division, Administrative Service, shall, as far as practicable, conduct a competitive and qualifying entrance examination to all applicants to determine their merit and fitness and to ensure that only those who successfully passed the examination shall be considered for hiring.
- Section 75.** Promotion. The parties hereby agree that the existing Merit Selection and Promotion Plan of the Department shall be adopted, provided however, that if there will be any revision or amendment to be made thereof, the same shall be in coordination with the DILGEU. Consequently, in case of vacancy in a higher regular position, the qualified next-in-rank employee shall become automatic contender to the position. However, other organic employees may apply and be considered for the position, subject only to the condition that they meet the minimum qualifications provided under existing law.

Section 76. Issues on Promotions. Any issues arising from the conduct of promotion shall be subject to the grievance machinery provided in this Agreement.

ARTICLE X

WORKING HOURS, SALARIES AND OTHER RELATED MATTERS

Section 77. Hours of Work. All employees shall render the required forty hours (40) a week or the maximum daily work schedule of eight hours (8) a day. Sliding flexi time work schedule between 7:00 am to 6:00 pm shall be allowed. Provided, that during Mondays, except on justifiable ground, all officials and employees are enjoined to attend the flag-raising community.

Section 78. Salary of regular Employees. The DILG shall continue to pursue and exert efforts to upgrade positions of all regular and deserving employees.

Section 79. Rate of Casual/Temporary/Contractual Employee. The DILG shall pay all casual/temporary/contractual employees the applicable rate and other benefits allowed by the law.

Section 80. Overtime Work. Overtime work occurs when an employee renders services at the direction of proper authority and the performance of such service(s) is/are:

- a. In excess of the regular hours of work.
- b. On any day which is observed as a legal holiday or special public holiday; and
- c. Done during typhoons and other calamities.

The DILG shall ensure that employees, particularly security personnel, drivers, mechanics and carpenters, and other employees who are directed to render overtime services by their respective heads of offices are duly compensated for the same in accordance with existing rules and regulations

Section 81. Commutable Leave Credits. The DILG shall grant non-commutable leave, credits or compensatory day-off in lieu of overtime pay pursuant to CSC rules and regulations.

Section 82. Allowance for Employee Designated in Acting Capacity to a Higher Position. The DILG, subject to appurtenant CSC and COA policies, rules and regulations, shall grant the allowances appurtenant to the position of the employees designated in acting capacity for one (1) month or more to a higher position.

ARTICLE XI

MANAGEMENT-UNION CONSULTATIVE COMMITTEE

Section 83. Consultative Committee. Composition for purposes of maintaining continuous flow of communication, consultation and dialogue between

DILG and DILGEU, a management-union consultative committee will be created to be composed of the following:

- a. One (1) Undersecretary/Assistant Secretary or the Head Executive Assistant who shall act as a Chairman and Presiding Officer;
- b. Three (3) representatives from the DILG Management; and
- c. Three (3) representatives from the DILGEU

A Regional Consultative Committee shall likewise be created to be composed of the following:

- a. Assistant Regional Director who shall act as the chairman;
- b. Three (3) Division Chiefs; and
- c. Three (3) representatives from the DILGEU. In the absence of a Union or Association at the Regional Level, the elected first and second level representatives at the Regional Human Resource Merit Promotion and Selection Board (HRMPSB) shall represent the employees.

Section 84. The following are the functions and responsibilities of the Committee:

- a. Convene once every three (3) months or as need arises;
- b. Implement the provisions of the CNA and, monitor and evaluate the implementation thereof;
- c. Discuss and mutually agree on the resolution of any controversy arising from the interpretation and enforcement of this agreement. In case of conflict, in the interpretation and implementation of the Agreement, the standard Arbitration Procedure shall apply provided, however, that interpretation of the provisions of this Agreement shall be resolved in favor of the welfare of the employees;
- d. Discuss and agree on the initiation of any program relative to productivity;
- e. Discuss all DILG policies affecting employees' welfare not covered by this Agreement and shall be subjected to consultation with the DILGEU prior to its implementation; and
- f. Recommend such other courses of action to the Secretary and other management officers concerned on any matter affecting the terms and condition of employment covered or included in the Collective Negotiation Agreement.

ARTICLE XII

GRIEVANCE MACHINERY AND DISCIPLINE

Section 85. All employees of the Department shall have the right to present their complaints and/or grievances to the management through the DILGEU and to have the complaints settled as expeditiously as possible to the best interest of the employee, DILGEU, DILG and the government as a whole.

Section 86. The Grievance Machinery aims to accomplish the following objectives:

- a. To provide a mechanism for the promotion of a wholesome and desirable relationship between employees and supervisors and the improvement of morale;
- b. To enhance the right of the employees to present their complaints and/or grievances to their supervisors and to have them fairly, equitably and expeditiously settled; and
- c. To pre-empt employee discontent and dissatisfaction.

Section 87. Grievance Principles. The grievance procedures must be in accordance with the following principles:

- a. An employee may, without resort to availment of grievance procedures, discuss informally any problem relating to his/her concern of employment with his/her supervisor.
- b. In presenting a complaint or grievance, the employee shall be assured freedom from coercion, discrimination or reprisal and of a speedy and impartial settlement of such complaint or grievance.
- c. Complaints and/or grievances shall be resolved at the lowest level possible in the agency.
- d. Grievance proceedings shall be conducted as simple as possible and shall not be bounded by the formal legal rules and technicalities.
- e. The employees shall have the right to appeal decisions on grievance to competent authorities.
- f. A complaint or grievance shall be considered not only in relation to the alleged object but in relation to the personal situation of the complainant.
- g. The grievance proceedings shall be aimed at determining what is right and not who is right.

Section 88. Grievance Procedures. All complaints and grievance of employees shall be processed in accordance with the following procedures:

- a. Oral Discussion. A complaint shall be presented orally in the first instance to the employee's immediate supervisor who shall within three (3) days from the date of presentation inform the employee orally of his/her decision/s.
- b. Grievance in Writing. If the employee is not satisfied with the decision of the immediate supervisor, he may submit his grievance in writing through his immediate supervisor, or to the higher official who shall within five (5) days from the date of receipt of the written grievance, inform the employee in writing of his decision through the immediate supervisor.
- c. Appeal to the DILG Head. If the employee is not satisfied with the previous decision/s relative to his grievance, within five (5) working

days from receipt of the decision, he may submit through the committee to top management who shall make the decision within ten (10) working days after the receipt of the grievance. Provided, however, that where the object of the grievance is the top management, the aggrieved may bring his or her grievance directly to the Civil Service Commission Regional Office.

Section 89. Grievance Committee. The Grievance Committee of the DILG shall be composed of the following:

- a. Assistant Secretary - as Chairperson
- b. Director of the Administrative Service
- c. Director of Legal Service
- d. The President of the DILGEU or his duly authorized representative.

In the case of the Regional Offices concerned the DILGEU President shall represent the aggrieved party in the Committee.

Section 90. Settlement of Dispute. Any party not satisfied with the decision/resolution of his case after undergoing the grievance procedure, or the grievance remains unresolved after exhausting all the available remedies under existing laws and procedure, the parties may jointly refer the dispute to the Merit Systems Protection Board of the Public Sector Labor-Management Council through the: Office of the Personnel Relations, for appropriate action.

ARTICLE XIII

ENTIRETY AND MODIFICATION CLAUSE

Section 91. The parties hereby agree that the terms and conditions herein constitute the entire agreement between the DILG and the DILGEU and shall supersede all previous communications, representations or agreements, either oral or written. Provisions on economic benefits shall be the subject of re-negotiation after a period of one (1) year. If, during the effectivity of this agreement, certain improvements are found to be appropriate and beneficial to officials and employees, amendments shall be introduced subject to the mutual agreement of both parties and Section 103, Article XVI of this Agreement.

ARTICLE XIV

SAVING CLAUSE

Section 92. If any of the provisions on this Agreement or any application thereof to any employee or group of employees is held contrary to law by a court of competent jurisdiction, all other provisions or applications not affected thereby shall continue to be in force and in effect. Both parties shall discuss the subject provisions not later than fifteen (15) days thereof.

ARTICLE XV

REPEALING CLAUSE

Section 93. All prior issuances in conflict with the provisions of this Agreement are hereby deemed repealed or modified accordingly.

ARTICLE XVI

EFFECTIVITY AND AMENDMENT CLAUSE

Section 94. This Agreement shall take effect immediately upon signing hereof and for a period of three (3) years thereafter.

Section 95. Approval of any the amendments to this Agreement shall be subject to a new ratification by the majority of the members of the DILGEU.

Section 96. The parties shall negotiate for new Agreement, within sixty (60) working days prior to the expiration of this CNA. If both parties fail to enter into a new Agreement after the expiration thereof the provisions of this Agreement shall continue to remain in force and in effect until a new one has been approved.

Section 97. For the purpose of information dissemination of this CNA to all DILG employees, a printed copy of this CNA shall be prepared and distributed to all DILG Operating Unit at DILG's expense.

IN WITNESS WHEREOF, the parties have hereunto set their hand this 25th day of April 2018, in Quezon City.

**DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT**

DILG EMPLOYEE'S UNION

BY:


BY:

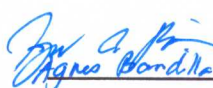

USEC EDUARDO M. AÑO
OIC, DILG
ID No. 03071

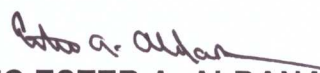

KIETH P. LAGMAY
President
ID No. 00211




SIGNED IN THE PRESENCE OF:


USEC AUSTERE A. PANADERO
Undersecretary for Local Government
DILG ID #00055


Agnes Bonilla **RANDY REYES** **RICHARD STEVEN S. LANSANG**
Board of Director
(DILG NCR, MIMAROPA, CALABARZON)
DILG ID#12042; DILG ID#3958; DILG ID#3684


ASEC ESTER A. ALDANA, CESO II
Assistant Secretary for Administration
and Finance
DILG ID# 17044


JOSELITO S. MAGUMUN
Board of Director
DILG ID# 13699


ACKNOWLEDGEMENT

Republic of the Philippines)
Quezon City) S.S.

BEFORE Me, a Notary Public for and in Quezon City, this April 30, 2018 day of _____ 2018, above named parties personally appeared before me, known to me to be the same persons who executed the foregoing instrument, where the acknowledgement is written and signed by them and their instrumental witnesses and acknowledged to me that the same is their free and voluntary acts.

Witness my hand and seal this 30th day of April, 2018 at Quezon City.

Doc. No. 174
Page No. 34
Book No. 2
Series of 2018.


ATTY. ANA MAE P. PEDREGOSA
NOTARY PUBLIC FOR AND IN QUEZON CITY
21st Floor, LLLS, DILG-NAPOLCOM Center
EDSA corner Quezon Avenue, QC
ADM. MATTER NO. NP-297
Roll of Attorney No. 66631
IBP No. 021845; Iloilo City
PTR No. 5609820; 1-8-18; Quezon City
My Commission Expire on December 31, 2018