

**SOCIAL ACCORD
FOR INDUSTRIAL PEACE AND STABILITY**

KNOW ALL MEN BY THESE PRESENTS:

This Social Accord for Industrial Peace and Stability, entered into by and among:

The **Trade Union Congress of the Philippines (TUCP)**, represented by its President, Atty. Democrito T. Mendoza; its affiliates, the **ALU-VIMCONTU** represented by its Vice-President, Mr. Jovencio G. Avenido; **Associated Labor Union for Metal Workers (ALU Metal)**, represented by its Vice-President, Mr. Gerard R. Seno; **Associated Labor Union for Textile Workers (ALU Textile)**, represented by its Vice President, Mrs. Florencia P. Cabatingan; **Alyansa ng mga Manggagawa at Pilipino Organizado (AMAPO)**, represented by its President, Mr. Roberto A. Flores; **Associated Professional Supervisory, Office and Technical Employees Union (APSOTEU)**, represented by its President, Atty. Cecilio T. Seno; **Association of Trade Unions (ATU)**, represented by its President, Mr. George Alegarbe; **Confederation of Labor and Allied Social Services (CLASS)**, represented by its President, Mr. Concepcion Dodd; **Federation of Unions of Rizal (FUR)**, represented by its President, Mr. Eduardo Asuncion; **Lakas ng Manggagawa ng Kapatirang Haligi ng Alyansa (LIKHA)**, represented by its President, Mr. Jesus Villamor; **National Congress of Unions in the Sugar Industry of the Philippines (NACUSIP)**, **Philippine Agricultural, Commercial and Industrial Workers (PACIWU)**, and **Beverage Industry National Union (BINU)**, represented by their President, Atty. Zoilo dela Cruz; **National Union of Portworkers in the Philippines (NUPP)**, represented by its General Secretary, Atty. Gilbert Lorenzo; **Pambansang Kilusan ng Paggawa (KILUSAN)**, represented by its President, Mr. Avelino Valerio; **Philippine Federation of Labor (PFL)**, represented by its President, Atty. Alejandro Villaviza; **Philippine Government Employees Association (PGEA)**, represented by its President, Ms. Esperanza Ocampo; **Philippine Integrated Industries Labor Union (PIILU)**, represented by its President, Mr. Jose J. Suan; **Philippine Seafarers Union (PSU)**, represented by its Vice-President, Mr. German N. Pascua Jr.; **Philippine Transport and General Workers Union (PTGWO)**, represented by its President, Mr. Victorino F. Balais; **Public Services Labor Independent (PSLINK)**, represented by its President, Ms. Marilyn Ignacio; **Samahang Manggagawang Pilipino-National Alliance of Teachers and Office Workers (SMP-NATOW)**, represented by its General-Secretary, Ms. Milagros Ogalinda; and, **Technical Education and Skills Development Authority - Association of Concerned Employees (TESDA-ACE)**, represented by its President, Ms. Sonia S. Lipio.

The **Federation of Free Workers (FFW)**, represented by its President, Mr. Ramon J. Jabar;

The **Trade Union of the Philippines and Allied Services (TUPAS)**, represented by its President, Mr. Vladimir R. Tupaz;

The **Employers Confederation of the Philippines (ECOP)**, represented by its President, Atty. Rene Y. Soriano; and

The **Department of Labor and Employment (DOLE)**, represented by its Secretary, Ms. Patricia A. Sto. Tomas;

with the support of the following business organizations:

The **Federation of Filipino-Chinese Chamber of Commerce and Industry, Inc. (FFCCCCII)**, represented by its President, Mr. Robin Sy;

The **Federation of Philippine Industries (FPI)**, represented by its Chairman, Mr. Meneleo J. Carlos Jr.;

The **Philippine Chamber of Commerce and Industry (PCCI)**, represented by its Executive Vice-President, Mr. Donald Dee;

The **Philippine Exporters Confederation, Inc. (PHILEXPORT)**, represented by its President, Mr. Sergio Ortiz-Luis, Jr.; and

The **Philippines, Inc.**, represented by its President, Atty. Miguel B. Varela.

WITNESSETH THAT:

Whereas, there is urgent need to help address and resolve the fiscal difficulties of the country towards national recovery, development and prosperity;

Whereas, to establish a unified and effective approach in dealing with the serious consequences of current fiscal difficulties, the social partners pledge a strong and sustained commitment to uphold the harmonized interests of labor and capital;

Whereas, employment preservation and creation, as well as employment facilitation and enhancement, are utmost concerns of the social partners and are within their competence to address collectively and effectively;

Whereas, President Gloria Macapagal-Arroyo has called on all citizens to contribute in the effort to address the current fiscal problems of the country.

WE THEREFORE COMMIT OURSELVES TO THE FOLLOWING:

1. To intensify and broaden current efforts of social dialogues intended to address problems of productivity, competitiveness, industrial peace, compliance with and improvements on existing labor and social standards on a tripartite basis;
2. For the workers' group, to exercise utmost restraint in declaring or staging strikes, work slowdowns, and other forms of concerted work stoppages, which shall be availed only as a last resort.
3. For the employers' group, to exercise utmost restraint in the retrenchment of employees, suspension of operations and lockout of its business, to be availed only as a last resort. All possible alternative measures shall be undertaken to preserve jobs.
4. For the government, through the Quick Response Teams (QRTs) of the Department of Labor and Employment (DOLE), as provided under Department Order No. 7, series of 2001, and subsequent issuances pertaining thereto:
 - a. to monitor job displacements or industrial peace destabilization, and to implement integrated packages of assistance, job placement, job market information, training, access to credit for entrepreneurship, and dispute resolution, subject to reporting to the tripartite assistance and supervising committee (TASC), as created hereunder; and
 - b. to establish and administer an "Industrial Peace and Stability Fund (IPSF)", for purposes of implementing this Accord.
5. To monitor the implementation and compliance with this Accord, a TASC shall be created, consisting of members/representatives from organizations that are signatories to this Accord. It shall perform the following duties:
 - a. to oversee the implementation of this Accord;
 - b. to oversee the functions of the QRTs;
 - c. to employ preventive measures to address possible occurrences of job displacement and industrial peace destabilization;
 - d. to draw up an action plan that shall guide the QRTs;
 - e. to ensure the creation of regional and/or area TASCs; and

- f. to take all necessary measures to inform all workers and employers of this Accord, and assist them in working out mutual agreements or terms of understanding consistent with the spirit and letter of this Accord.
6. To strengthen the delivery of assistance, linkages with the Department of Trade and Industry (DTI), the Department of Interior and Local Government (DILG), Small Business Guaranty Corporation (SBGC), and identified financing and training institutions shall be established. The Memorandum of Agreement forged between the DOLE and the DILG on 11 March 2003 shall be implemented.
7. To ensure full implementation of this Accord, the parties support the establishment of the IPSF.

Signed this 4th day of October 2004, Malacañang Palace, Manila, Philippines.

FOR THE WORKERS:

DEMOCRITO T. MENDOZA
President, TUCP, ALU-TUCP

RAMON J. JABAR
President, FFW

VLADIMIR R. TUPAZ
President, TUPAS

With the support of the following TUCP affiliates:

JOVENCIO G. AVENIDO Vice President, VIMCONTU-TUCP	GERARD R. SENO Vice President, ALU Metal-TUCP President, COWAP
FLORENCIA P. CABATINGAN Vice President, ALU Textile-TUCP	ROBERTO A. FLORES President, AMAPO-TUCP
CECILIO T. SENO President, APSOTEU-TUCP	JORGE ALEGARBES President, ATU-TUCP
CONCEPCION DODD President, CLASS-TUCP	EDUARDO ASUNCION President, FUR-TUCP
JESUS VILLAMOR President, LIKHA-TUCP	ZOILO V. DELA CRUZ, JR. President, (NACUSIP-PACIWU-BINU-TUCP)
GILBERT P. LORENZO General Secretary, NUPP-TUCP	AVELINO VALERIO President, KILUSAN-TUCP
ALEJANDRO C. VILLAVIZA President, PFL-TUCP	ESPERANZA I. OCAMPO President, PGEA-TUCP
JOSE J. SUAN President, PIILU-TUCP	GERMAN N. PASCUA JR. Vice President, PSU-TUCP
VICTORINO F. BALAIS President, PTGWO-TUCP	MARILYN IGNACIO President, PSLINK-TUCP
MILAGROS OGALINDA General Secretary, SMP-NATOW-TUCP	SONIA S. LIPIO President, TESDA-ACE-TUCP

FOR THE EMPLOYER:

RENE Y. SORIANO
President, ECOP

With the support of the following business organizations:

DONALD DEE Executive Vice-President, PCCI	ROBIN SY President, FFCCCI
SERGIO ORTIZ-LUIS, JR. President, PHILEXPORT	MIGUEL B. VARELA President, Phils., Inc.
MENELEO J. CARLOS JR. Chairman, FPI	

FOR THE GOVERNMENT:

PATRICIA A. STO. TOMAS
Secretary, DOLE

Attested by:

H.E. President GLORIA MACAPAGAL-ARROYO