

CHAPTER 2

SOURCES OF LAW

The main sources of Philippine law are the Constitution, statutes, treaties and conventions, and judicial decisions. The Constitution is the fundamental law of the land and as such, it is authority of the highest order against which no other authority can prevail. Every official action, to be valid, must conform to it. On the other hand, statutes are intended to supply the details which the Constitution, because of its nature, must leave unprovided for. The statutes of the Philippines are numerous and varied in their contents. They are intended to provide rules and regulations which will govern the conduct of people in the face of ever-changing conditions.

Having the same force of authority as legislative enactments are the treaties which the Philippines enters into with other states. A treaty has been defined as a compact made between two or more independent nations with a view to the public welfare.¹ As a member of the family of nations, the Philippines is a signatory to and has concluded numerous treaties and conventions.

Philippine law is also derived from cases because the Civil Code provides that 'judicial decisions applying to or interpreting the laws or the Constitution shall form a part of the legal system of the Philippines'.² Only decisions of its Supreme Court establish jurisprudence and are binding on all other courts.³ Thus, these decisions assume the same authority as the statutes to which they apply or interpret and until authoritatively abandoned, necessarily become, to the extent that they are applicable, the criteria which must control the actuations not only of those called upon to abide thereby but also of those duty-bound to enforce obedience thereto.⁴

To a certain extent, customary law forms part of the Filipino legal heritage because the 1987 Constitution provides that 'the State shall recognise, respect, and protect the rights of indigenous cultural communities to preserve and develop their cultures, traditions and institutions'.⁵ This was true even as early as 1899 because the old Civil Code provided that 'where no statute is exactly applicable to the point in controversy, the custom of the place shall be applied, and in the absence thereof, the general principles of law'.⁶ Although this

¹ See *Adolfo v Court of First Instance*, GR No 30650, July 1970, 34 SCRA 169 (1970).

² Article 8.

³ *Miranda v Imperial*, 77 Phil 1066 (1947).

⁴ *Caltex (Phil) Inc v Palomar*, GR No 19650, 29 September 1966, 18 SCRA 247, 257 (1966).

⁵ Article XIV, S 17.

⁶ Article 6, para 2.

provision was discarded in the new Civil Code⁷ which took effect in 1950. It is believed that the judge may still apply the custom of the place or, in its default, the general principles of law in the absence of any statute governing the point in controversy; otherwise the provision of the same Code which requires him to decide every case even where there is no applicable statute would prove to be a veritable enigma.⁸ The Civil Code also provides that 'customs which are contrary to law, public order or public policy shall not be countenanced', and 'a custom must be proved as a fact according to the rules of evidence'.⁹ Thus, Philippine law takes cognizance of customs which may be considered as supplementary sources of the law.

Philippine Statutes

The statutes of the Philippines are found in the various enactments of the Philippine legislature since its creation in 1900. From the establishment of the American civil government in 1900 to 1935, there were 4,275 laws passed by the Philippine Commission and its bicameral successor, the Philippine Legislature. The Commonwealth period witnessed the enactment of 733 statutes while 6,635 Republic Acts were legislated from 04 July 1946 to 21 September 1972. During the martial law period, a total of 2,035 Presidential Decrees were promulgated as of 20 February 1986. A total of 302 Executive Orders have been issued by President Corazon C Aquino. Congress convened on 27 July 1987 and has enacted 9,338 Republic Acts to date. Thus, there has been a total of 17,574 statutes since 1900.

There are 29 codes in force today; (1) Civil Code;¹⁰ (2) Revised Penal Code;¹¹ (3) Code of Commerce (1888);¹² (4) Administrative Code;¹³ (5) National Internal Revenue Code;¹⁴ (6) Election Code;¹⁵ (7) Tariff and Customs Code;¹⁶ (8) Code of Agrarian Reforms;¹⁷ (9) Land Transportation and Traffic Code;¹⁸ (10) National Building Code;¹⁹ (11) Revised Forestry Code;²⁰ (12) Cooperative

⁷ Rep Act No 386 (1950).

⁸ MJ Gamboa *An Introduction to Philippine Law* (7th edn, 1969) pp 14-15; CIVIL CODE, art 9 which provides 'no judge or court shall decline to render judgment by reason of the silence, obscurity or insufficiency of the laws'.

⁹ Articles 11 & 12.

¹⁰ Rep Act No 386 (1950), as amended.

¹¹ Act No 3815 (1932), as amended.

¹² A considerable part of this Code has been expressly repealed and superseded by later legislation.

¹³ Executive Order No 292 dated 25 July 1987, as amended. Despite its repealing clause, there are provisions in the Rev Adm Code of 1917 which were not reproduced in this Code.

¹⁴ Presidential Decree No 1158 (1977), as amended.

¹⁵ *Batas Pambansa Blg* 881 (1984).

¹⁶ Presidential Decree No 1464 (1978), as amended.

¹⁷ Rep Act No 3844 (1963), as amended.

¹⁸ Rep Act No 4136 (1964), 61 OG 2168 (14 April 1965).

¹⁹ Rep Act No 6541 (1972), as amended.

²⁰ Presidential Decree No 705 (1978), as amended.

Code;²¹ (13) Labour Code;²² (14) National Code of Marketing Breastmilk Substitutes;²³ (15) Insurance Code;²⁴ (16) Child and Youth Welfare Code;²⁵ (17) Sanitation Code;²⁶ (18) Water Code;²⁷ (19) Philippine Environment Code;²⁸ (20) Muslim Code of Personal Laws;²⁹ (21) Fire Code;³⁰ (22) Coconut Industry Code;³¹ (23) Corporation Code;³² (24) Omnibus Investments Code of 1987;³³ (25) State Auditing Code;³⁴ (26) Local Government Code;³⁵ (27) the Family Code;³⁶ (28) Philippine Fisheries Code of 1998;³⁷ (29) Intellectual Property Code;³⁸ and (30) the Securities Regulation Code.³⁹

The following is a summary of some of the basic codes.

The Code of Commerce

The Code of Commerce became effective on 01 December 1888. largely taken from the Spanish Code of Commerce of 1885, with some modifications to suit local conditions, it has been so modified by several extensive amendments by special commercial laws such as the Corporation Code,⁴⁰ Insolvency Law,⁴¹ Chattel Mortgage Law,⁴² Negotiable Instruments Act,⁴³ Warehouse Receipts Act,⁴⁴ Revised Securities Act,⁴⁵ Trademark Law,⁴⁶ Central Bank Act,⁴⁷ General Banking Law,⁴⁸ and the Omnibus Investments Code,⁴⁹ that only a bare outline of

²¹ Rep Act No 6938 (1990).

²² Presidential Decree No 442 (1974), as amended.

²³ Executive Order No 51 (1986).

²⁴ Presidential Decree No 612 (1974). All insurance laws have been consolidated by Presidential Decree No 1460 (1978), as amended.

²⁵ Presidential Decree No 603 (1975), as amended by Presidential Decree No 1179 (1979) and Executive Order No 91 (1986), 83 OG 92 (January 1987).

²⁶ Presidential Decree No 856 (1975), 79 OG 2732 (May 1983).

²⁷ Presidential Decree No 1067 (1976), 73 OG 3554 (11 May 1977).

²⁸ Presidential Decree No 1152 (1977), 73 OG 7363 (August 1977).

²⁹ Presidential Decree No 1083 (1979), 73 OG 4038 (May 1977).

³⁰ Presidential Decree No 1185 (1977), 73 OG 10292 (October 1977).

³¹ *Batas Pambansa Blg* 61 (1980), 76 OG 2342 No 15 (April 1980).

³² *Batas Pambansa Blg* 68 (1980), 76 OG 4955 (July 1980).

³³ Executive Order No 226 (1987).

³⁴ Presidential Decree No 1445 (1978), 74 OG 6111 (August 1978).

³⁵ Rep Act No 7160 (1991).

³⁶ Executive Order No 209 (1987), as amended.

³⁷ Rep Act No 8550 (1998).

³⁸ Rep Act No. 8293 (1997).

³⁹ Rep Act No 8799 (19__)

⁴⁰ *Batas Pambansa Blg* 68 (1980).

⁴¹ Act No 1596 (1909).

⁴² Act No 1508 (1906).

⁴³ Act No 2031 (1911).

⁴⁴ Act No 2137 (1912).

⁴⁵ *Batas Pambansa Blg* 178 (1982), 78 OG 6437 (November 1982).

⁴⁶ Com Act No 83 (1937), as amended.

⁴⁷ Rep Act No 265 (1948), as amended.

⁴⁸ Rep Act No 337 (1948), as amended.

⁴⁹ Executive Order No 226 (1987), 83 OG 3422-07 (July 1987).

the original code remains. Its unrepealed portions define the qualifications of merchants and acts of commerce in general, letters of credit, joint accounts, mercantile registry and bookkeeping.

The Corporation Code

The main forms of business organizations in the Philippines are sole proprietorships,⁵⁰ partnerships,⁵¹ and corporations.⁵² The Securities and Exchange Commission (SEC) administers the corporation law and registers corporations, branch offices and partnerships. For sole proprietorships, the prerequisites include registering the business name with the Bureau of Domestic Trade and obtaining a permit from the city, municipality or province where the business is to be located and the payment of a registration fee and a privilege tax. For the registration of a corporation, the major SEC requirements are:

- (1) there must be 5 to 15 directors and a majority should be residents of the Philippines;⁵³
- (2) 25% of the proposed capitalization must be subscribed and 25% of the subscription paid;⁵⁴
- (3) the directors must be stockholders and at least two directors and the secretary must be residents of the Philippines.⁵⁵

A corporation may exist for a period not exceeding 50 years, unless sooner dissolved or extended and not exceeding 50 years in any single instance.⁵⁶

Management of a corporation is vested in a board of directors. The majority of the directors of all corporations organized under the Corporation Code must be residents of the Philippines. At all elections of directors, the owners of majority of outstanding capital stock, or if there be no capital stock, the majority of members entitled to vote must be present. Cumulative voting is provided for. Every director must own at least one share to qualify as director. No person convicted by a final judgment of an offence punishable by imprisonment for a period not exceeding six years, or a violation of the Corporation Code, committed within five years prior to date of election, qualifies as a director or officer of a corporation. Officers which corporations must elect at organization meetings are the president, treasurer and secretary. Only the president is required to be a director of the corporation. Any two or more positions may be held concurrently by the same person, except that no one shall act as president and secretary or president and treasurer at the same time.

⁵⁰ Act No 3883 (1931), as amended by Act No 4147 (1934) and Rep Act No 863 (1953).

⁵¹ CIVIL CODE, arts 1767-1867.

⁵² *Batas Pambansa Blg 68* (1980), otherwise known as the Corporation Code.

⁵³ Corporation Code, s 14(6).

⁵⁴ Corporation Code, s 14.

⁵⁵ Corporation Code, s 23.

⁵⁶ Corporation Code, s 11.

Every corporation incorporated under the Corporation Code has the power and capacity:

- (1) to sue and be sued in its corporate name;
- (2) for succession by its corporate name for a period of time stated in its articles of incorporation and certificate of incorporation;
- (3) to adopt and use a corporate seal;
- (4) to amend its articles of incorporation;
- (5) to adopt by-laws, not contrary to law, morals, or public policy, and to amend or repeal the same;
- (6) in case of stock corporations, to issue or sell stocks to subscribers and to sell treasury stocks and to admit members to the corporation if it is a non-stock corporation;
- (7) to purchase, receive, take or grant, hold, convey, sell, lease, pledge, mortgage and otherwise deal with such real and personal property, including securities and bonds of other corporations, as the transaction of the lawful business of a corporation may reasonably require;
- (8) to adopt a plan of merger or consolidation;
- (9) to make reasonable donations, including those for public welfare, or for charitable, cultural or similar purposes, provided that no corporation, domestic or foreign, gives donations in aid of any political party or candidate;
- (10) to establish pension, retirement, and other plans for the benefit of its directors, trustees, officers and employees;
- (11) to exercise such other powers as may be essential to carry out its purpose or purposes;
- (12) to increase or decrease its capital stock;
- (13) to incur, create or increase bonded indebtedness;
- (14) to sell or otherwise dispose of all or substantially all of its assets;
- (15) to invest corporate funds in another corporation or business or for any other purposes;
- (16) to declare dividends, cash, stock or property;
- (17) to acquire its own shares;
- (18) to extend or shorten its corporate term; and
- (19) to enter into management contracts.

One or more stockholders of a stock corporation may create a voting trust for the purpose of conferring upon a trustee or trustees the right to vote and other rights pertaining to shares for a period not exceeding five years at any one time, provided that in case of a voting trust required as condition in loan agreement, the voting trust may be for a period not exceeding five years but shall automatically expire upon full payment of the loan. No voting trust shall be entered into for the purpose of circumventing the law against monopolies and illegal combinations in restraint of trade or used for purposes of fraud.

Boards of directors of stock corporations may declare dividends out of unrestricted retained earnings which shall be payable in cash, property or stock to all stockholders on the basis of outstanding stock held by them.

Stock corporations are prohibited from retaining surplus profits in excess of 100% of their paid in capital stock, except:

- (1) when justified by corporate expansion projects or programmes approved by the board of directors;
- (2) when the corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its/his consent; or
- (3) when it can be clearly shown that such a retention is necessary under special circumstances.

Non-stock corporations are those where no part of its income is distributable as dividends to its members, trustees, or officers. Any profit which non-stock corporations may obtain shall be used for the furtherance of the purpose or purposes for which the corporation was organized. Provisions governing stock corporations, when pertinent, are applicable to non-stock corporations. Non-stock corporations may be formed for charitable, religious, educational, professional, cultural, fraternal, literary, scientific, social, civil service, or similar purposes, like trade, industry, agriculture, or any combination thereof.

The right of members to vote may be limited, broadened or denied to the extent specified in the articles of incorporation or by-laws. Membership in a non-stock corporation, and all rights arising therefrom, is non-transferable. Termination of membership extinguishes all rights of the member in corporation or in its property.

Under Philippine law, a foreign corporation is one which is incorporated according to the law of a country other than the Philippines whose laws allow Filipino citizens and corporations to do business in its own country.⁵⁷ It must be duly licensed by the SEC in order to do business in the Philippines or to maintain any suit in its courts.⁵⁸ However, there have been instances where a foreign corporation which has never done any business in the Philippines and which is unlicensed and unregistered to do business here has, nevertheless, been allowed to sue in the Philippine courts. This has been allowed where the corporation is widely and favourably known in the Philippines through the use of its products bearing its corporate and trade name. They have been allowed to maintain an action to restrain residents and inhabitants of the Philippines from organizing a corporation bearing the same name as the foreign corporation,

⁵⁷ Corporation Code, s 123.

⁵⁸ Corporation Code, s 125; Omnibus Investments Code, arts 69 and 70.

when it appeared that they had personal knowledge of the existence of such a foreign corporation, and it was apparent that the purpose of the proposed corporation was to deal and trade in the same goods as those of the foreign corporation.⁵⁹

Civil Law

The Civil Code⁶⁰ was drafted by a Code Commission and came into effect on 01 July 1950, replacing the Spanish Civil Code of 1889. It is divided into four books – Persons, Property, Different Modes of Acquiring Ownership, and Obligations and Contracts. Containing 2,270 articles as compared with 1,976 articles of the old Code, approximately 25% are preserved entirely from the old Code while 32% are amended articles and 43% are entirely new provisions. It includes new rules aimed at incorporating Filipino customs and new rights and causes of action such as civil actions for obstruction of civil liberty, moral and nominal damages.

Some of the important changes made by the Civil Code were the elimination of absolute divorce and the dowry; the creation of judicial or extrajudicial family homes; a chapter on Human Rights; the provisions on the quieting of title and the creation of new easements; the holographic will has been revived; the successional rights of the surviving spouse and of illegitimate children have been increased; defective contracts have been reclassified while new quasi-contracts have been created; a new chapter on reformation of contracts; and some implied trusts have been created.

The Family Code of the Philippines came into effect on 03 August 1988.⁶¹ It amended the Civil Code provisions on marriage and the family. Some of the more important changes introduced in the said Code were the grounds for annulment of marriage which now includes 'psychological incapacity to comply with the essential marital obligations...'.⁶² It also allows Filipinos, married to foreigners who later obtain a divorce abroad, to remarry under Philippine Law.⁶³ The Family Code has also changed the property relations between the spouses from that of a conjugal partnership of gains to an absolute community of property in the absence of stipulation in the marriage settlements.⁶⁴ The classification of children has been also simplified into legitimate and illegitimate and adopted.⁶⁵

⁵⁹ *Western Equipment & Supply Co v Reyes* 51 Phil 115 (1927); *American Wire & Cable Co v Director of Patents* GR No 26557, 18 February 1970, 31 SCRA 544 (1970); *Converse Rubber Corp v Jacinto Rubber & Plastics Co Inc* GR Nos 27425 & 30505, 28 April 1980, 97 SCRA 158 (1980); *La Chemise Lacoste SA v Fernandez* GR Nos 63796-97, 21 May 1984, 129 SCRA 373 (1983); *Converse Rubber Corp v Universal Rubber Products & Evalle* GR No 27906, 08 January 1987.

⁶⁰ Rep Act No 386 (1950).

⁶¹ Executive Order No 209 (1988), as amended by Executive Order No 227.

⁶² Executive Order No 209 (1988), art 36.

⁶³ Executive Order No 209 (1988), art 36.

⁶⁴ Executive Order No 209 (1988), arts 88 & 91.

⁶⁵ Family Code, art 163.

The Child and Youth Welfare Code which took effect on 10 June 1975⁶⁶ amended certain portions of the Civil Code. It is applied to persons below 21 years of age, except those emancipated in accordance with law. Some of its important features include the rights and responsibilities of the child; parental authority; adoption; the rights, duties and liabilities of parents; foster care; youth welfare; the special categories of children; and the treatment given to the youthful offender. Republic Act No 7610 (1992), otherwise known as the Special Protection of Children Against Child Abuse, Exploitation and Discrimination Act implements the United Nations Convention on the Rights of the Child, which was ratified by the Philippines in July 1990.

The Code of Muslim Personal Laws of the Philippines⁶⁷ promulgated on 04 February 1977, illustrates the government's concern for the customs, traditions, beliefs and interests of the national cultural communities. Recognizing the legal system of the Filipino Muslims and seeking to make Islamic institutions more effective, this code deals with marriage (*nikah*), divorce (*talaq*), paternity and filiation, support (*nafaqa*), parental authority, civil registry, succession and the shari'a courts; jurisdiction for the adjudication, settlement and delivery of legal opinions.

Labour Code

The Labour Code revises and consolidates labour and social laws to afford protection to workers, promote employment and human resources development and ensure industrial peace based on social justice.⁶⁸ It is divided into seven books.

Book I is entitled 'Pre-Employment' and deals with recruitment and placement of workers and the employment of non-resident aliens.

Book II is entitled 'Human Resources Development' and deals with the national manpower development programme, apprenticeship, learners and handicapped workers.⁶⁹

Book III is entitled 'Conditions of Employment' and deals with hours of work, weekly rest periods and wages, as well as provisions for the employment of women, minors househelpers and homeworkers.⁷⁰ The normal hours of work of any employee shall not exceed eight hours a day with 60 minutes time off for their regular meals. Work performed beyond the eight hours merits additional compensation equivalent to his regular wage plus at least 25% thereof.

⁶⁶ Presidential Decree No 603 (1974).

⁶⁷ Presidential Decree No 1083 (1979).

⁶⁸ Presidential Decree No 442 (1974), as amended

⁶⁹ Presidential Decree No 442 (1974), arts 43-81.

⁷⁰ Presidential Decree No 442 (1974), arts 82-155.

Employees enjoy a rest period of not less than 24 consecutive hours after every six consecutive work days. Although the employer determines the weekly rest day, he is required to respect the preference of employees as to their weekly rest day when such preference is based on religious grounds. Usually, work performed on a rest day, such as a Sunday or holiday, shall be paid an additional compensation of at least 30% of his regular wage. However, where the collective bargaining agreement or other applicable employment contract stipulates the payment of a higher premium, then the employer shall pay such a higher rate.⁷¹ Every worker shall be paid his regular daily wage during regular holidays, except in retail and service establishments regularly employing less than ten workers. The employer may require an employee to work on any holiday but such employees shall be paid a compensation equivalent to twice their regular rate. Holidays include New year's Day, Maundy Thursday, Good Friday, 09 April, 01 May, 12 June, 04 July, 30 November, and 25 and 30 December.⁷² Every employee who has rendered at least one year of service is entitled to a yearly service incentive leave of five days leave with pay.⁷³

The minimum wage rates for agricultural and non-agricultural employees and workers in each and every region of the country are those prescribed by the Regional Tripartite Wages and Productivity Board according to relevant factors.⁷⁴

Book IV is entitled 'Health, Safety and Social Welfare Benefits' and deals with medical, dental and occupational safety, employees' compensation and the State Insurance Fund, Medicare and adult education.⁷⁵ The Social Security Act provides for retirement, death, disability and sickness benefits. Coverage is compulsory for all employees from the date of their employment and for employers from their first day of operation. Also covered are all self-employed persons earning P1,800 or more per annum. Its applicability to certain groups of self-employed is determined by the Social Security Commission under such rules and regulations as it may prescribe. Philippine citizens recruited by foreign-based employers for employment abroad may be covered by the Social Security System (SSS) on a voluntary basis.⁷⁶ On the other hand, the government employees are covered by the Government Service Insurance System (GSIS). The National Health Insurance Program covers all Filipinos.⁷⁷

Book V is entitled 'Labour Relations' and covers the National Labour Relations Commission, the Bureau of Labour Relations, Labour organizations, unfair labour practices, collective bargaining and the administration of agreements, strikes and lockouts, foreign involvement in trade union activities

⁷¹ Presidential Decree No 442 (1974), arts 83, 85, 87, 91, & 93.

⁷² Presidential Decree No 442 (1974), art 94.

⁷³ Presidential Decree No 442 (1974), art 95.

⁷⁴ Presidential Decree No 442 (1974), art 99, as amended by Rep Act No 6727 (1989).

⁷⁵ Presidential Decree No 442 (1974), Arts 156-210.

⁷⁶ Rep Act No 7875 (1995) as amended by Rep. Act No 9241 (2004).

⁷⁷ Presidential Decree No 1519 (1978).

and special provisions.⁷⁸ The National Labour Relations Commission was established in the Department of Labour and Employment, is composed of a chairman and five members representing employers, four members representing the public, and five members representing employees. The Commission exercises appellate jurisdiction over all cases decided by labour arbiters.⁷⁹

The labour arbiters exercise exclusive jurisdiction to hear and decide within 30 calendar days of submission for decision, without extension, the following matters:

- (1) unfair labour practice cases;
- (2) termination disputes;
- (3) if accompanied by a claim for reinstatement, those cases that workers may file regarding wages, rates of pay, hours of work and other terms and conditions of employment;
- (4) claims for actual, moral, exemplary, and other forms of damages arising from employer-employee relations;
- (5) cases arising from any violation of article 264 of the Labour Code, including questions involving the legality of strikes and lockouts; and
- (6) except for employees' compensation, social security, medicare and maternity benefits, all other claims arising from employer-employee relations, including those of persons in domestic or household service, involving an amount exceeding P5,000.

Cases arising from the interpretation or implementation of the collective bargaining agreement (CBA) and those arising from the interpretation or enforcement of company personnel policies shall be disposed of by the labour arbiter by referring them to the grievance machinery and voluntary arbitration, as may be provided for in agreements.⁸⁰

All persons employed in commercial, industrial and agricultural enterprises, including religious, charitable, medical, or educational institutions, whether operating for profit or not, have the right to self-organisation and to form, join, or assist in labour organizations of their choosing for the purpose of collective bargaining.⁸¹ Exempted from joining are managerial employees, government employees from agencies established by law,⁸² and members of co-operatives.⁸³

Parties to a CBA will include in the agreement, provisions that will ensure the mutual observance of its term and conditions. The CBA should contain the

⁷⁸ Com Act No 186 (1936), as amended.

⁷⁹ LABOUR CODE, art 213, as amended.

⁸⁰ LABOUR CODE, art 217, as amended.

⁸¹ LABOUR CODE, art 243, as amended.

⁸² LABOUR CODE, arts 244 * 245, as amended.

⁸³ *Benguet Electric Co-operative Inc v Calleja* GR No 79025, 29 December 1989, 180 SCRA 740 (1989).

machinery for the adjustment and resolution of grievances arising from the interpretation or implementation of their CBA and those arising from the interpretation or enforcement of company personnel policies. If grievances are not settled within seven calendar days of submission, they are automatically referred to voluntary arbitration as prescribed in the CBA. The voluntary arbitration or panel of voluntary arbiters have exclusive jurisdiction to hear and decide all unresolved grievances arising from the interpretation or implementation of the CBA or company personnel policies. Violations of a CBA, except those which are gross in character, shall no longer be treated as unfair labour practice but are resolved as grievances under the CBA. The award or decision of the voluntary arbitrator is final and executory after ten calendar days from receipt of the copy of the award or decision by the parties.⁸⁴ Appeals can be made to the Court of Appeals⁸⁵ and only to the Supreme Court by certiorari on questions of law.

Book VI is entitled 'Post-Employment' and deals with security of tenure, regular, casual and probationary employment, termination by employer or employee, closure of establishments and reduction of personnel, and retirement from service.⁸⁶

Book VII contains the 'Transitory and Final Provisions' which includes panel provisions as well as prescription of offences and claims.⁸⁷

⁸⁴ LABOUR CODE, arts 260-262, as amended, (A) & (B).

⁸⁵ *St. Martin Funeral Home v NLRC* GR No 130866, 16 September 1998.

⁸⁶ LABOUR CODE, arts 278-287, as amended.

⁸⁷ LABOUR CODE, arts 288-302, as amended.