



Public Sector Labor-Management Council

Civil Service Commission Central Office Building
Batasang Pambansa Complex, Constitution Hills, Diliman, 1126 Quezon City
Telefax No. 931-4149

CLARIFICATION ON AGENCY FEE
COLLECTED FROM MANAGEMENT
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Number: 1, S2019

Promulgated: 01 APR 2019

PSLMC RESOLUTION

WHEREAS, PSLMC Resolution No. 1, s. 1993 authorizes the assessment and collection of agency fee from rank-and-file employees who are not members of the accredited employees' organization but enjoy or accept benefits under the Collective Negotiation Agreement (CNA);

WHEREAS, Section 1, Rule 1 of the Amended Implementing Rules and Regulations of Executive Order No. 180 defines agency fee as a reasonable assessment equivalent to the dues and other fees paid by members of the sole and exclusive collective negotiating agent deducted from non-employees' organization members who benefited from the terms of the collective negotiation agreement;

WHEREAS, the Council promulgated PSLMC Resolution No. 15, s. 2013 providing for the guidelines in determining the reasonable amount of agency fee to be assessed and collected from rank-and-file employees who benefited from CNA incentives but are not members of the accredited employees' organization;

WHEREAS, Congress Joint Resolution (JR) No. 4, s. 2009¹ provides that Collective Negotiation Agreement (CNA) Incentive "*may be granted to both management and rank-and-file employees of agencies with approved and successfully implemented CNAs in recognition of their efforts in accomplishing performance targets at lesser cost, in attaining more efficient and viable operations through cost-cutting measures and systems improvement*";

WHEREAS, the Council has received numerous requests for a definitive ruling/legal opinion on whether agency fee can be collected from management who received CNA Incentive;

WHEREAS, the management cannot be subjected to agency fee by the accredited employees' organization since they received the benefit pursuant to JR No. 4, s. 2009 and not from the CNA.

¹ Joint Resolution Authorizing the President of the Philippines to Modify the Compensation and Position Classification System of Civilian Personnel and the Base Pay Schedule of Military and Uniformed Personnel in the Government, and for Other Purposes

WHEREAS, there are instances that management agreed to be deducted a certain amount from the incentives and other benefits they received in accordance with the CNA;

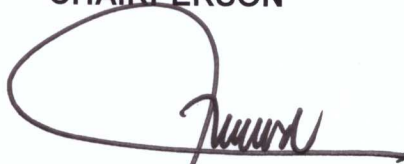
WHEREFORE, the Council **RESOLVES**, as it hereby **RESOLVED**, that agency fee may only be collected from non-members of the sole and exclusive negotiating agent (SENA) who belong in the same negotiating unit. Provided, however a reasonable amount may be collected from the management group if so stipulated in the CNA.

Quezon City.



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Attested by:



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