COLLECTIVE NEGOTIATION AGREEMENT

THE PUBLIC IS INFORMED:

This COLLECTIVE NEGOTIATION AGREEMENT is made and entered into by and between:

The METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM (MWSS), a government instrumentality duly organized and existing under and by virtue of Republic Act No. 6234, as amended, holding office at Kalipunan Road, Balara, Quezon City, hereinafter represented by its Administrator, SERARDO A.J. ESQUIVEL.

-and-

The METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM LABOR ASSOCIATION (MLA), a duly organized and existing legitimate labor organization with Certificate of Registration No. 900 dated August 28, 2001 duly certified by the Department of Labor and Employment and the Civil Service Commission, holding office at Kalipunan Road, Balara, Quezon City, hereinafter represented by its President, RENE C. ZAPATER.

ANTECEDENTS:

The 1987 Constitution and Executive Order No. 160 recognize and guarantee, among others, the rights of government employees to self-organization and collective negotiations.

MWSS recognizes and supports the right of employees to self-organization and collective negotiations.

Certificate of Accreditation No. 629 dated April 16, 2007 recognizes MLA as the sole and exclusive bargaining agent for all the rank and file employees in MWSS to represent and bind said employees in any negotiation affecting employment.

The MWSS and the MLA desire to enter into a Collective Negotiation Agreement for purposes of establishing, maintaining and regulating the terms and conditions of employment of the employees of the MWSS through the proper observance of democratic practices pursuant to Executive Order No. 160 and its Implementing Rules and Regulations with the view of facilitating peaceful settlement of differences and grievances that may arise between the parties and promote harmony, efficiency, and productivity to the end that the MWSS, the MLA and the general public may all mutually benefit, and finally to promote and guarantee peace and harmony in the bureaucracy in the spirit of cooperation.

ACCORDINGLY, for and in consideration of the foregoing premises, the parties hereby agree and bind themselves as follows:
ARTICLE I
DECLARATION OF PRINCIPLES

SECTION 1. MWSS and MLA recognize the basic rights of all workers to living wage, security of tenure, career development and humane conditions of work.

SECTION 2. MLA recognizes and respects the authority of MWSS in the implementation of existing laws governing terms and conditions of employment, establishment of policies, guidelines, rules and regulations on personnel actions, and the provision and maintenance of employees' welfare and benefits allowed under the law.

SECTION 3. MLA shall be a partner in the formulation of policies, plans and programs affecting the rights, career development, welfare and benefits of employees.

SECTION 4. MLA shall observe existing laws and rules in the exercise of the employees' right to concerted activities.

SECTION 5. MWSS shall not interfere in the administration of the MLA through acts that may tend to control MLA.

SECTION 6. Both parties agree to maintain progressive and harmonious labor-management relations.

ARTICLE II
DEFINITION OF TERMS

SECTION 1. Collective Negotiating Unit (CNU) - this shall comprise of all rank and file employees holding positions of up to salary grade 24 or equivalent rank without regard to their appointment. Unless otherwise qualified, the term "employee" refers only to those within the scope of the CNA.

SECTION 2. MWSS - refers to Metropolitan Waterworks and Sewerage System Corporate Office.

SECTION 3. Membership Fee - refers to one-time payment upon admission as members in the MLA pursuant to its by-laws.

SECTION 4. Association Dues - refers to regular monthly contributions of association members consistent with the MLA by-laws.

ARTICLE III
RECOGNITION

SECTION 1. MWSS recognizes MLA as the sole and exclusive negotiating representative of all MWSS employees.

SECTION 2. MWSS shall guarantee that there shall be no discrimination, in any manner or form, against any employee due to membership in MLA.
SECTION 3. MWSS and MLA shall cooperate with each other on matters and issues affecting the rights, benefits and interest of MWSS employees during the effectiveness of the Agreement.

SECTION 4. Within 15 days from election/designation, MLA shall inform MWSS in writing, the names of its officers duly elected/designated in accordance with its by-laws. Such notice shall contain their functions and duties as defined under MLA rules.

SECTION 5. MWSS shall subject to availability, provide MLA a responsible office space, furniture, a telephone and a sat computer with printer. Supplies and materials necessary for MLA’s operations shall be at the latter’s account.

SECTION 6. Consistent with existing office policies on the utilization of MWSS vehicles, MLA, upon request, may be allowed to use service vehicle in attending official meetings called by any government agency.

SECTION 7. MWSS shall require from employees who will retire, transfer and/or resign clearance from MLA for property and monetary accountabilities and obligation.

SECTION 8. Subject to pertinent rules and regulations, upon prior approval, MLA may be allowed to use the corporate facilities of MWSS for MLA-Management-related functions.

SECTION 9. The MLA representative may be allowed to participate during Management meetings where matters affecting employees welfare and status are discussed.

ARTICLE IV
CHECK-OFF

SECTION 1. MWSS agrees to collect or deduct for the MLA payment for monthly association dues and other fees from the salaries of the MLA member-employees which authorization to deduct is deemed affirmed upon ratification of this Agreement in accordance with the MLA by-laws. Such deduction shall include 5% of the CNA incentives that may be due to the member-employees.

SECTION 2. MWSS agrees to collect or deduct 10% Agency Fee from non-member rank and file employees who benefit from CNA incentives pursuant to PSLMC Resolution No. 15 Series of 2013.

SECTION 3. The check-off collections provided under the preceding paragraphs shall be remitted to MLA within a reasonable period of time provided it shall not be beyond the next succeeding month.

ARTICLE V
MANAGEMENT PREROGATIVE AND SHARED RESPONSIBILITY AND ACCOUNTABILITY

SECTION 1. MLA shall be a partner of MWSS in promoting teamwork and discipline to attain harmony professionalism, productivity and efficiency it shall enjoy at its
members to render and perform to the best of their abilities the duties and responsibilities expected of them in accordance with existing laws, rules and regulations.

ARTICLE VI
RECRUITMENT, PLACEMENT AND PROFESSIONAL GROWTH AND DEVELOPMENT

SECTION 1. The MWSS shall endeavor to implement a continuing Career Development and Training Program for its officials and employees that includes attendance to conferences, seminars, training workshops, fellowships, study grants not only for college education and post graduate studies, but to include vocational training and to appropriate funds therefore, subject to existing rules and regulations and availability of funds. The equitable distribution of career development opportunities shall be observed pursuant to existing rules and regulations.

SECTION 2. The MWSS shall continue to conduct Annual Planning Session to formulate plans/programs/targets for the coming year subject to existing policies and guidelines of the System.

SECTION 3. The MWSS shall endeavor to provide a Subsidized Educational Program for qualified employees and officials, subject to existing rules and regulations and availability of funds.

SECTION 4. The MWSS shall continue to grant Study Leave Privileges to qualified employees/officials enrolled in master/doctoral degree, including thesis writing requirements or in preparation for the board/other examination, subject to existing rules and regulations.

SECTION 5. Subject to existing rules and regulations, MWSS shall inform the MLA of the status of the on-going reorganization and involve MLA in the implementation thereof.

SECTION 6. Designation in acting capacity or as Officer-In-Charge (OIC) to vacant positions shall, as far as practicable, be rotated among qualified next in rank employees. Provided that, in the interest of service, the discretion of the appointing authority shall prevail.

SECTION 7. MWSS shall inform MLA of reassignments and/or transfer of employees within the System.

ARTICLE VII
LABOR EDUCATION

SECTION 1. MLA may conduct at no cost to MWSS an annual training or seminar for all MWSS employees for the purpose of enlightening them of their rights, obligations and responsibilities under the law and this Agreement. Subject to approval of the Administrator, attendance in such training or seminar shall be on official time. Allocated time for this training shall not exceed 40 hours annually.
SECTION 2. Prior to the conduct of any labor education program, MLA shall submit to MWSS the design and course description of such program.

ARTICLE VIII
SPORTS, RECREATION, CULTURE AND SOCIAL INTEGRATION

SECTION 1. Subject to existing rules and regulations and availability of funds, MWSS shall continue to support and sponsor regular summer sports and cultural programs. The cost should not exceed the GAA rate of ₱1,000/employee.

SECTION 2. The MWSS shall endeavour to upgrade the existing fitness gym facilities.

SECTION 3. The MWSS shall continue to provide opportunities for social integration/volunteer activities for all MWSS officials and employees such as annual Anniversary Celebrations, Family Days, and Christmas Celebrations subject to availability of funds.

ARTICLE IX
SAFE, HEALTHY AND CONDUCIVE WORK ENVIRONMENT

SECTION 1. MWSS shall provide annual medical/physical/dental examinations to all the officials and employees of the System.

In addition, MWSS shall endeavor to provide Health Service Insurance (HMO) to all qualified MWSS officials and employees, for a 3-year period, through interest-free loan facilities to the employees payable in 36 equal monthly installments. This HMO may be extended to one qualified dependent of an employee provided that said employee shall execute promissory note to pay the said HMO.

SECTION 2. The MWSS shall continuously maintain a Medical Clinic with basic equipment and supplies necessary in providing first-aid facilities and treatment for emergency situations and with regular attending Doctor and a Nurse.

SECTION 3. The MWSS shall endeavor to conform with the standards set under the Occupational Safety and Health Standards (OSHS) relative to a safe and healthy MWSS workplace.

SECTION 4. MWSS shall, with confidentiality, establish and maintain medical/physical and dental record or history of each employee. Each employee shall be furnished the results of any medical, dental or optical examination.

ARTICLE X
OTHER EMPLOYEE PRIVILEGES

SECTION 1. For a smooth transition of responsibilities, a retiring employee may, subject to prior approval by the Administrator within one (1) month before his retirement, be excused from his regular duties to focus on the turn over of his accountabilities to his successor.
SECTION 2. Transactions of employees with government offices such as GSIS, PAG-IRIG, NSO, NBI and Ombudsman for clearances related or incidental to employment shall be considered on official time, subject to the exigencies of the service and the usual approval requirements.

SECTION 3. MWSS shall continue to implement Gliging Flexible Working Hours pursuant to Section 5, Rule XVII, Book V of EO No. 292, such that working hours within MWSS shall start from 7:00 AM and close at 5:00 PM, without incurring tardy or overtime, provided an employee had rendered eight (8) hours work in a day. In the exigency of the service, however, flextime may be suspended or cancelled by Management.

MWSS shall endeavor to implement the appropriate CSC policy on government working time.

SECTION 4. Management shall not unreasonably withhold to an availing qualified employee, authorization to avail of the privileges under certain laws such as Solo Parent Act, Gender and Development Act, and similar laws.

ARTICLE XI
EMPLOYEES BENEFITS PROGRAM

SECTION 1. MWSS Management recognizes the existence of an appeal pending before the Supreme Court entitled "MWSS vs COA, with G.R. No. 195105" and hereby agrees that in the event of a final and executory judgment in favour of the employees- petitioners therein, the Management shall abide by the said final and executory judgment. Same holds true with cases now pending appeal/resolution with the Commission on Audit (COA), regular courts and other similar cases that may be filed thereafter.

SECTION 2. Program on Awards and Incentives for Service Excellence (PRAISE) shall be implemented, independent of CMA, in accordance with CSC rules and regulations.

SECTION 3. Increase of P300.00 to the existing P750.00 Loyalty Pay for every year of service as mandated by CSC MC No. 17, series of 1998.

SECTION 4. The MWSS shall provide bereavement financial assistance to the family of the deceased employee and official in the amount of at least P100,000.00 to augment the funeral benefit given by the GSIS.

SECTION 5. Pursuant to Memorandum Circular No. 174 dated May 13, 2009 issued by the Office of the President, MWSS shall undertake and allocate funds necessary for the realization and establishment within the life of this agreement, the following:
- Provision of four units (4) shuttle service vehicle for MWSS employees.
- Financial assistance to the MWSS Cooperative for the establishment of Ecolink Baysan.
- Provide funding for Scholarship Program for employees' children.
- Financial assistance to the MWSS Cooperative for the establishment of PX Mart.

ARTICLE XII
CNA INCENTIVES

SECTION 1. In recognition of the joint effort of labor and management to attain more
efficient and viable operation, a CNA Incentive shall be granted to employees, pursuant
to PSLMC Resolution No. 2, series of 2003 entitled "Grant of Collective Negotiation
Agreement Incentive for Government-Owned or Controlled Corporations and
Government Financial Institutions". For this purpose, the payment of CNA Incentives
shall be granted as defined in PSLMC Resolution No. 2, a 2003 charged to the
savings wherein the savings referred herein shall always be computed under MWSS-
CO and RO consolidated financial reports. The parties herein shall work together to
generate savings in accordance with the said PSLMC upon approval of this CNA. cash
incentive shall be granted and every year thereafter and during the life of this
agreement, depending on savings.

ARTICLE XIII
COST CUTTING MEASURES

SECTION 1. In order to generate the savings needed for the grant of CNA incentives
pursuant to PSLMC Resolution No. 2 & 2003, and as required under Sec. 3 of AO No.
103, the parties shall identify the cost cutting measures and system improvement, so
as to achieve agency targets at lesser costs. MWSS shall strictly adopt austerity
measures for the use of the following:

a) Communications,
b) Repairs and Maintenance,
c) Supplies and Materials, and
d) Utility expenses.

and such other measures that may be mutually agreed upon by the parties.

ARTICLE XIV
GRIEVANCE MACHINERY

SECTION 1. Grievance Machinery - The Parties shall exert diligent efforts to resolve
issues amicably thru mutual consultations. Issues not resolved despite diligent efforts
shall be referred to a Grievance Committee in accordance with existing CSC rules and
regulations.

ARTICLE XV
MISCELLANEOUS PROVISIONS

SECTION 1. This Agreement shall take effect upon signing by the parties.

SECTION 2. This agreement shall continue to be valid and effective for a period of three
(3) years; provided, if no new Agreement is concluded after the (3) three year period
this Agreement shall continue to remain in full force and effect until a new Agreement is
reached.

SECTION 3. For purposes of considering specific proposals, amendments or
negotiations for new term(s) and condition(s), the proposing party shall provide the
other party with a written notice at least sixty (60) days prior to the date of the intended
meeting for the purpose of discussing or considering such proposed amendments. In all
Instances, such amendments or re-negotiation proposals shall only be undertaken after eighteen (18) months from the effectivity of this Agreement.

SECTION 4. In the event that any provision of this CNA is declared not valid by any competent court or authority, or amended by any pertinent law or by legislation, the remaining provisions not affected thereby shall remain valid and continue to be in full force and effect. The parties shall meet not later than thirty (30) days after declaration of invalidity, for the purpose of amending or revising the affected provisions of this CNA.

SIGNED by the parties on 16 DEC 2014 at Quezon City, Metro Manila, Philippines.

METROPOLITAN WATERWORKS
AND SEWERAGE SYSTEM
By:

GERARDO A.I. ESQUIVEL
Administrator

MWSS LABOR ASSOCIATION
By:

RENE C. ZAPITER
President

Signed in the Presence of:

Napoleon I. Quinones

Florencio B. Batasin, Jr

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES
) Quezon City, Metro Manila ) S.S.

BEFORE ME, a Notary Public, for and in Quezon City, this ______ day of ___________ 2014, personally appeared the following:

<table>
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<tr>
<th>Name</th>
<th>I.D. No.</th>
<th>Date of Issue or Expiry Date</th>
<th>Place of Issue</th>
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<tbody>
<tr>
<td>GERARDO A.I. ESQUIVEL</td>
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<tr>
<td>RENE C. ZAPITER</td>
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They are both known to me to be the same persons who signed the foregoing document and acknowledged to me that their signatures prove their free acts and the identities they represent.

SIGNED AND SEALED on 16 DEC 2014 in Quezon City.

NOTARY PUBLIC

Doc. No. 257
Page No. 12
Book No. 7741
Series of 2014.
CERTIFICATE OF REGISTRATION
Collective Negotiation Agreement
No. 846

Pursuant to the Amended Rules and Regulations Governing the Exercise of the Right of Government Employees to Organize, the Collective Negotiation Agreement entered into by and between the

METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM LABOR ASSOCIATION (MLA)

and the

METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM (MWSS)
MWSS Complex, Katipunan Road, Balara, Quezon City

having complied with the prescribed requirements in the abovementioned Rules is registered by the Commission and is binding between the parties thereof during the period of its effectivity from December 18, 2014 to December 18, 2017.

Issued this 20th day of January 2015 in Quezon City.

FRANCISCO T. DUQUE III
Chairman

ROBERT S. MARTINEZ
Commissioner

NIEVES L. OSORIO
Commissioner

Attested by:

ALAN T. ALEGRIA
Director IV
Human Resource Relations Office