

Non-Economic Provisions of Collective Bargaining Agreements in 2020 (Third of a three-part series)

The registration of Collective Bargaining Agreements (CBAs) is closely monitored as an indicator of harmonious labor-management relations and industrial peace in the country. A collective bargaining is a process where both parties, labor and management, agrees to fix and administer terms and conditions of employment which must not be below the minimum standards fixed by law, and sets a mechanism for resolving the parties' grievances.

Specifically, a CBA is a contract executed upon incorporating the agreements reached after negotiations with the employer and the exclusive bargaining representative of the employees with respect to wages, hours of work and all other terms and conditions of employment. As such, a CBA includes economic provisions and non-economic provisions. Economic provisions include monetary value of wage increases, loan benefits, bonuses, allowances, retirement plan, and other fringe benefits for the employees. On the other hand, non-economic provisions include union security clauses, grievance procedures, labor-management cooperation schemes, and other provisions without monetary value.

This three-part series of LABSTAT Updates presents administrative-based data on CBAs gathered from the CBA documents filed by labor organizations at the Bureau of Labor Relations (BLR) of the Department of Labor and Employment (DOLE). This last part of a three-part series on CBAs specifically highlights the non-economic provisions of the 170 CBAs registered in 2020. Excluded from this analysis are CBAs filed from seafarer unions/associations due to relatively high amount and different currencies in their CBA provisions.

1. Almost all (94.7%) of the registered CBAs stipulated non-economic clauses

In 2020, out of the 170 registered CBAs, 94.7 percent had indicated non-economic clauses that include: (1) job security, (2) union privileges, (3) welfare benefits/health and safety programs, and (4) leave benefits. (Table 2)

2. Job Security clauses were present in 65.9 percent of the CBAs

- a. CBAs with job security clauses that aimed to assure that employees will have continuity in their employment were registered at 65.9 percent. (Tables 1 and 2)
- b. Out of 170 registered CBAs, 55 CBAs (32.4%) stipulated that the termination of employment may be done only upon the existence of a just cause and after observance of due process or otherwise known as "just cause dismissal". This CBA stipulation also guaranteed security and tenure of employment of workers.
- c. On the other hand, 76 registered CBAs (44.7%) included policies on lay-off of workers. This implied that a worker maybe separated from work due to the following reasons: result of merger, sale, consolidation, dissolution, technological changes, business decline, recession, poor market, and/or other reasons beyond the control of their employers.
- d. Another type of job security clause provided in some CBAs was on the non-discriminatory filling-up of vacancies. This provision states that vacancies can be filled-up through promotion of existing employees (38.2%), hiring of next-of-kin of retired employees provided they are qualified for the job (28.8%), transfer of employees within the establishment (14.7%), and provision on the skills training of employees to enhance/upgrade their capability to do a job (9.4%). Only a small proportion of the CBAs (8.8%) had provisions to rehire or recall previously dismissed employees.



Table 1. Number and Percent Share of Registered CBAs by Type of Job Security Clause, Philippines: 2020

Type of Job Security Clause	Number of CBAs	Percent Share
Total Registered CBAs	170	100.0
CBAs with Job Security Clause	112	65.9
Policy on Lay-Off	76	44.7
Dismissal – Just Cause	55	32.4
Non-Discriminatory Filling-up of Vacancies Through:		
Promotion	65	38.2
Hiring Next-of-Kin of Retired Employees	49	28.8
Transfer of Workers	25	14.7
Provide Skills Training	16	9.4
Rehire/Recall of Dismissed Employees	15	8.8

Note: Details may not add up to totals due to multiple responses.
 Source: Department of Labor and Employment, Bureau of Labor Relations

3. Most (83.5%) of the registered CBAs had union privilege clauses

- a. Other non-economic clause negotiated was the provision of union privileges which was specified in 83.5 percent of the registered CBAs in 2020. (Table 2)
- b. A large proportion (78.8%) of registered CBAs contained stipulations on union dues or agency fees. This allowed management to make deductions from the employees’ payroll, which shall in turn be remitted by the employer to the union for their activities/operational expenses. (Figure 1 and Table 2)

Figure 1. Percent Share of Registered CBAs by Type of Union Privilege Clause, Philippines: 2020



Note: Details may not add up to 100.0 percent due to multiple responses.
 Source: Department of Labor and Employment, Bureau of Labor Relations

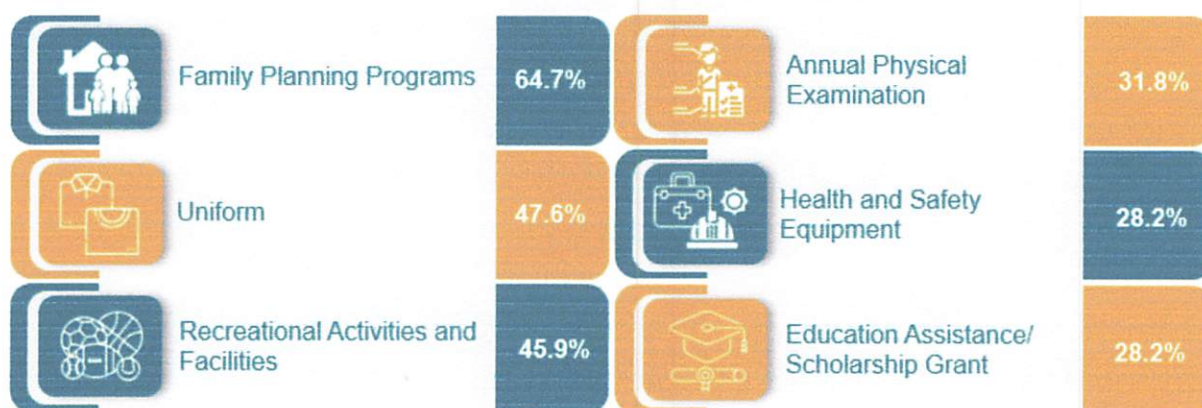
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- c. Provision of office space was also provided to 32.9 percent of the CBAs for union-related meetings/activities.
- d. Bulletin boards were provided to 31.2 percent of the registered CBAs by management where unions can post their formal official notices and other announcements.
- e. Further, 26.5 percent of the CBAs incorporated the right/access of unions to company’s information, while 20.0 percent of the CBAs allowed the reproduction of CBA booklets at the company’s expense.
- f. About 10.6 percent allowed unions to use telephone and other communication facilities of the establishment.

4. Most (89.4%) of the CBAs included welfare benefits/health and safety program clauses

- a. The promotion of health and welfare for the union members through the conduct of family planning programs was stipulated in 64.7 percent of the CBAs. (Figure 2 and Table 2)
- b. Other welfare benefits/health and safety programs that were common among the registered CBAs were: provision of uniforms (47.6%), recreational activities and facilities (45.9%), annual physical examination (31.8%), health and safety equipment (28.2%), and education assistance/scholarship grant (28.2%).

Figure 2. Percent Share of CBAs by Type of Welfare Benefits/Health and Safety Program Clause (Top 6), Philippines: 2020













Note: Details may not add up to 100.0 percent due to multiple responses.
 Source: Department of Labor and Employment, Bureau of Labor Relations

5. Majority (88.8%) of the CBAs provided leave benefits

- a. The most common leave benefits which were given to the workers covered by the agreement were vacation leave (78.2%) and sick leave (77.6%). (Figure 3 and Table 2)
- b. Other types of leaves usually stated in the CBAs were burial/bereavement leave (46.5%), emergency leave (39.4%), birthday leave (25.9%), and calamity leave (10.0%). Meanwhile, other remaining leave benefits accounted for less than 10.0 percent shares each.
- c. Union leave was provided by 55.3 percent of the CBAs to union officers and members for training and educational purposes.

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Figure 3. Percent Share of CBAs by Leave Benefit Clause (Top 10), Philippines: 2020

TYPE OF LEAVE BENEFIT CLAUSE	PERCENT SHARE
Total Registered CBAs	100.0
 Vacation Leave	78.2
 Sick Leave	77.6
 Union Leave	55.3
 Burial/Bereavement Leave	46.5
 Emergency Leave	39.4
 Birthday Leave	25.9
 Calamity Leave	10.0
 Maternity Leave	9.4
 Paternity Leave	9.4
 Wedding Leave	9.4

*Note: Details may not add up to 100.0 percent due to multiple responses.
Source: Department of Labor and Employment, Bureau of Labor Relations*

6. Almost half (47.1%) of the CBAs stated the creation of Labor-Management Cooperation, while around three-fourths (77.6%) established grievance machinery

- a. In 2020, almost half (47.1%) of the registered CBAs included the creation of labor-management cooperation scheme. This provision is designed to improve efficiency and labor-management relations at the workplace. (Table 2)
- b. Grievance machinery on the other hand, was established in 77.6 percent of the total CBAs in 2020. This benefit serves as a forum wherein employers and employees may express/discuss their respective concerns to resolve conflict in an expeditious manner.



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Table 2. Number and Percent Share of Selected Indicators on Non-Economic Clauses/Provisions of Registered Collective Bargaining Agreements (CBAs), Philippines: 2020

Indicator	Number of CBAs	Percent Share
Total Registered CBAs	170	100.0
CBAs with Non-Economic Clauses/Provisions	161	94.7
Labor-Management Cooperation Scheme	80	47.1
Grievance Machinery	132	77.6
✓ CBAs with Job Security Clause	112	65.9
▪ Policy on Lay-Off	76	44.7
▪ Dismissal – Just Cause	55	32.4
▪ Non-discriminatory filling-up of vacancies through:		
- Promotion	65	38.2
- Hiring of next-of-kin of retired workers	49	28.8
- Transfer of workers	25	14.7
- Provide Skills Training	16	9.4
- Rehire/Recall of dismissed workers	15	8.8
✓ CBAs with Union Privilege Clause	142	83.5
▪ Union Dues/Agency Fees	134	78.8
▪ Union Office	56	32.9
▪ Bulletin Board	53	31.2
▪ Right/Access to Information	45	26.5
▪ CBA Booklet	34	20.0
▪ Telephone/Communication	18	10.6
✓ CBAs with Welfare Benefits/Health and Safety Program Clause	152	89.4
▪ Family Planning Programs	110	64.7
▪ Uniform	81	47.6
▪ Recreational Activities and Facilities	78	45.9
▪ Annual Physical Examination	54	31.8
▪ Health and Safety Equipment	48	28.2
▪ Education Assistance/Scholarship Grant	48	28.2
▪ Labor Day Benefits	43	25.3
▪ Rice	42	24.7
▪ Team Building/Company Outing	30	17.6
▪ Drug Free Workplace	29	17.1

Table 2. Number and Percent Share of Selected Indicators on Non-Economic Clauses/Provisions of Registered Collective Bargaining Agreements (CBAs), Philippines: 2020 (Cont'd)

Indicator	Number of CBAs	Percent Share
Total Registered CBAs	170	100.0
CBAs with Non-Economic Clauses/Provisions	161	94.7
✓ CBAs with Leave Benefit Clause	151	88.8
▪ Vacation Leave	133	78.2
▪ Sick Leave	132	77.6
▪ Union Leave	94	55.3
▪ Burial/Bereavement Leave	79	46.5
▪ Emergency Leave	67	39.4
▪ Birthday Leave	44	25.9
▪ Calamity Leave	17	10.0
▪ Maternity Leave	16	9.4
▪ Paternity Leave	16	9.4
▪ Wedding Leave	16	9.4
▪ Paid Leave	8	4.7
▪ Study Leave	7	4.1
▪ Military Training Leave	7	4.1
▪ Pulmonary Tuberculosis Leave	7	4.1
▪ Professional Seminar Leave	6	3.5
▪ Service Incentive Leave	4	2.4
▪ Solo Parent Leave	4	2.4
▪ Personal Leave	4	2.4
▪ Legal/Court Leave	2	1.2
▪ Other Leave	25	14.7

Notes: Details may not add up to totals due to multiple responses.

Source: Department of Labor and Employment, Bureau of Labor Relations.