



Economic Provisions of Collective Bargaining Agreements in 2018 (Second of a three-part series)

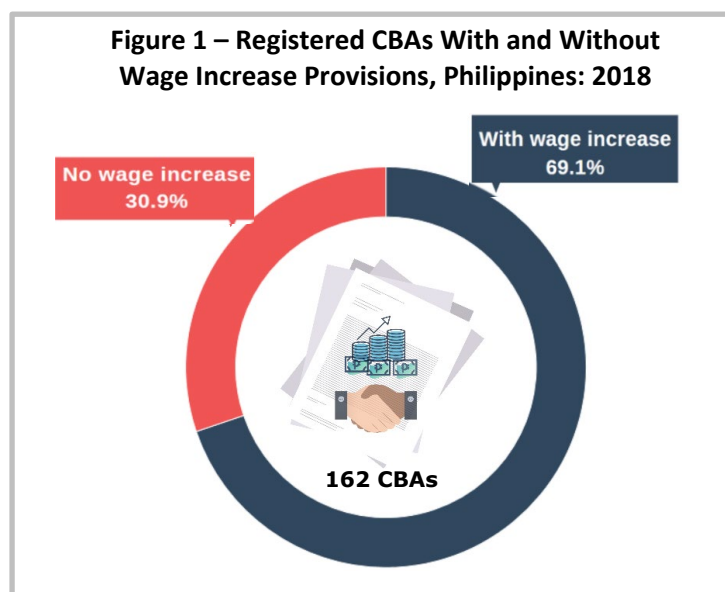
The registration of Collective Bargaining Agreements (CBAs) is closely monitored as an indicator of harmonious labor-management relations and industrial peace in the country. A collective bargaining is a process where both parties, labor, and management, agree to fix and administer terms and conditions 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 or 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. On the other hand, non-economic clauses 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 data on CBAs gathered, tabulated, and analyzed as sourced from the documents filed at the Bureau of Labor Relations (BLR) of the Department of Labor and Employment (DOLE). This second part of a three-part series on CBAs specifically highlights the economic provisions of CBAs registered in 2018. Excluded from this analysis are CBAs filed from seafarer unions/associations due to relatively high amount and different currencies in their CBA provisions.

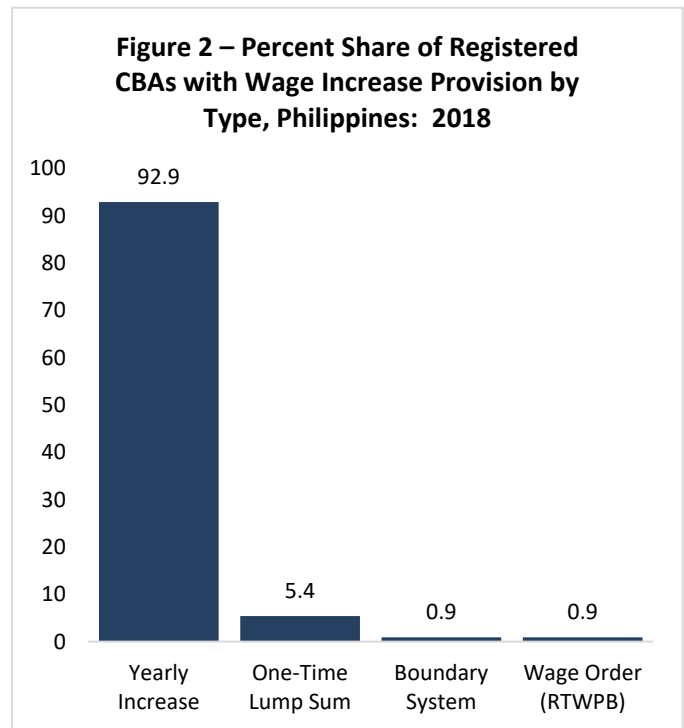
Seven (7) out of every ten (10) registered CBAs provided various wage increases in 2018

- The total number of registered Collective Bargaining Agreements (CBAs) filed in 2018 reached 162. Of these CBAs reported, several economic provisions that involve granting of wage increase to workers were stipulated.
- Majority of the CBAs (69.1%) provided wage increase to workers covered by the agreement while the remaining 30.9% did not contain any specific wage increase. (Figure 1)



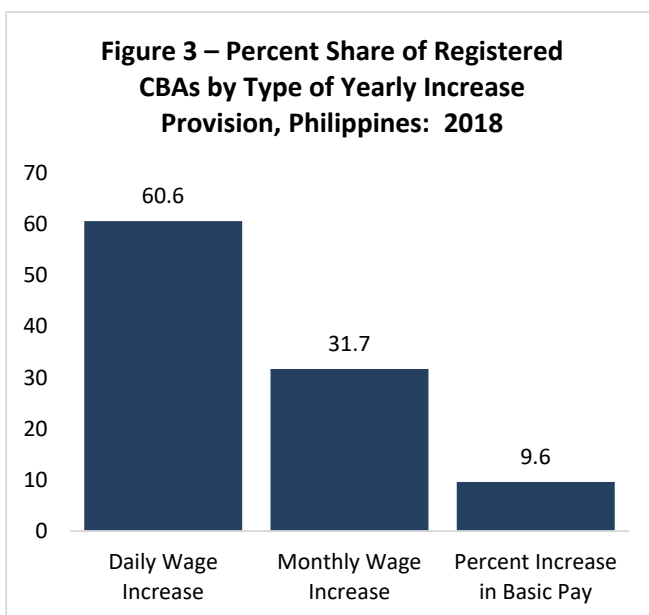
Source of data: Department of Labor and Employment, Bureau of Labor Relations

- Different types of wage increase provisions were stipulated in 112 CBAs in which a great majority (92.9%) specified a yearly wage increase to the covered workers. (Figure 2)
- Other CBAs provided a one-time lump sum increase with 5.4 percent share. Boundary system and wage increases based on the wage orders prescribed by the Regional Tripartite Wages and Productivity Boards (RTWPB) of the National Wages and Productivity Commission (NWPC) both accounted for 0.9 percent share or one CBA during the year.



Note: A CBA may have multiple wage increase provisions.
Source of data: Department of Labor and Employment, Bureau of Labor Relations

- Of the total 104 CBAs with yearly increase, three out of five CBAs (60.6%) granted specific amounts of increase in daily wages while less than 10 percent (9.6%) of CBAs included percentage increases in the basic pay of covered workers. (Figure 3)



Note: A CBA may have multiple wage increase provisions.
Source of data: Department of Labor and Employment, Bureau of Labor Relations

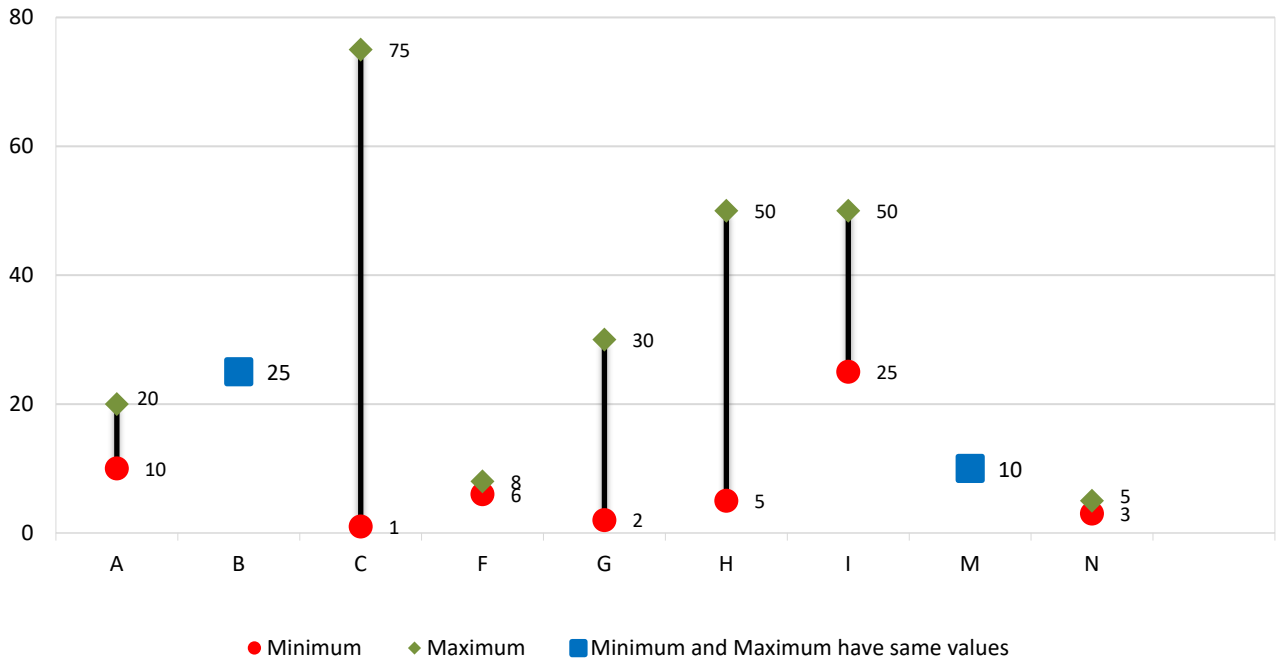
All registered CBAs in two major industries granted varying wage increases

- Across industries, increases in wage were stipulated in all registered CBAs in information and communication (3 CBAs); and mining and quarrying (2 CBAs). (Table 6)
- Wage increases were likewise provided in majority of the CBAs in wholesale and retail trade; repair of motor vehicles and motorcycles (90.0%); manufacturing (78.3%); and financial and insurance activities (75.0%).
- Meanwhile, least percentage of CBAs with wage increase provision is observed in education sector (25.0%).

Two (2) out of every five (5) CBAs provided increase in the daily wage

- About two-fifths (38.9%) or 63 CBAs of the registered CBAs stipulated varying increases in daily wages of covered employees. (*Table 7*)
- By major industry group, wholesale and retail trade; repair of motor vehicles and motorcycles had the highest percentage of total CBAs that provided increases in the daily wage of workers (80.0%). This was followed by mining and quarrying; construction; professional, scientific and technical activities; and administrative and support service activities both with 50.0 percent each.
- In terms of the amount increased, daily minimum increase ranged from PhP 1.00 (manufacturing) to PhP 25.00 (mining and quarrying; and accommodation and food service activities). On the other hand, the maximum amount of increase ranged from PhP 5.00 (administrative and support service activities) up to PhP 75.00 (manufacturing). (*Figure 4*)

FIGURE 4 - Minimum and Maximum Amount of Increase in Daily Wage Provided in CBAs by Section, Philippines: 2018 (In Pesos)

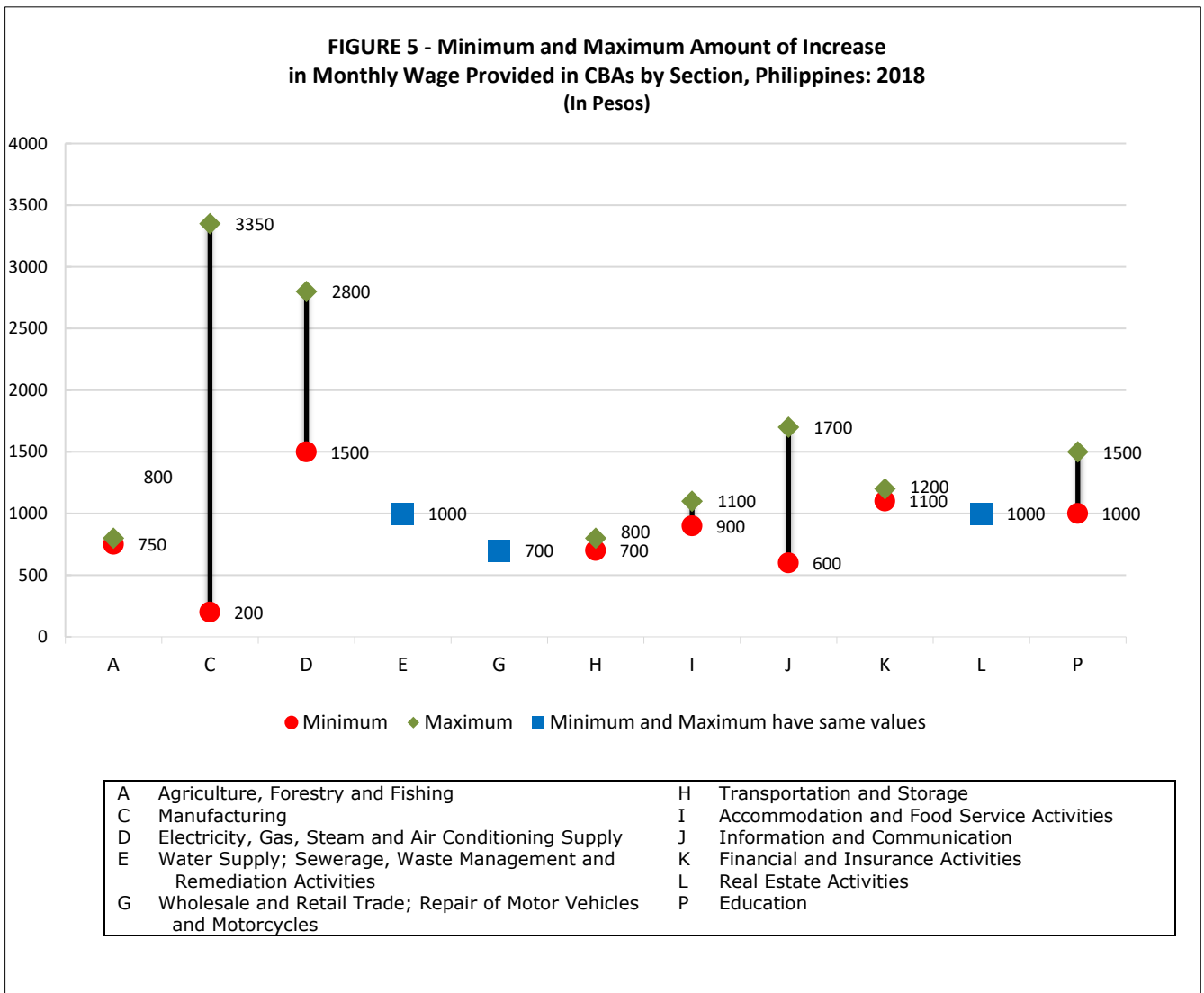


A	Agriculture, Forestry and Fishing	H	Transportation and Storage
B	Mining and Quarrying	I	Accommodation and Food Service Activities
C	Manufacturing	M	Professional, Scientific and Technical Activities
F	Construction	N	Administrative and Support Service Activities
G	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles		

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

One (1) out of five (5) registered CBAs granted increase in monthly wage of workers

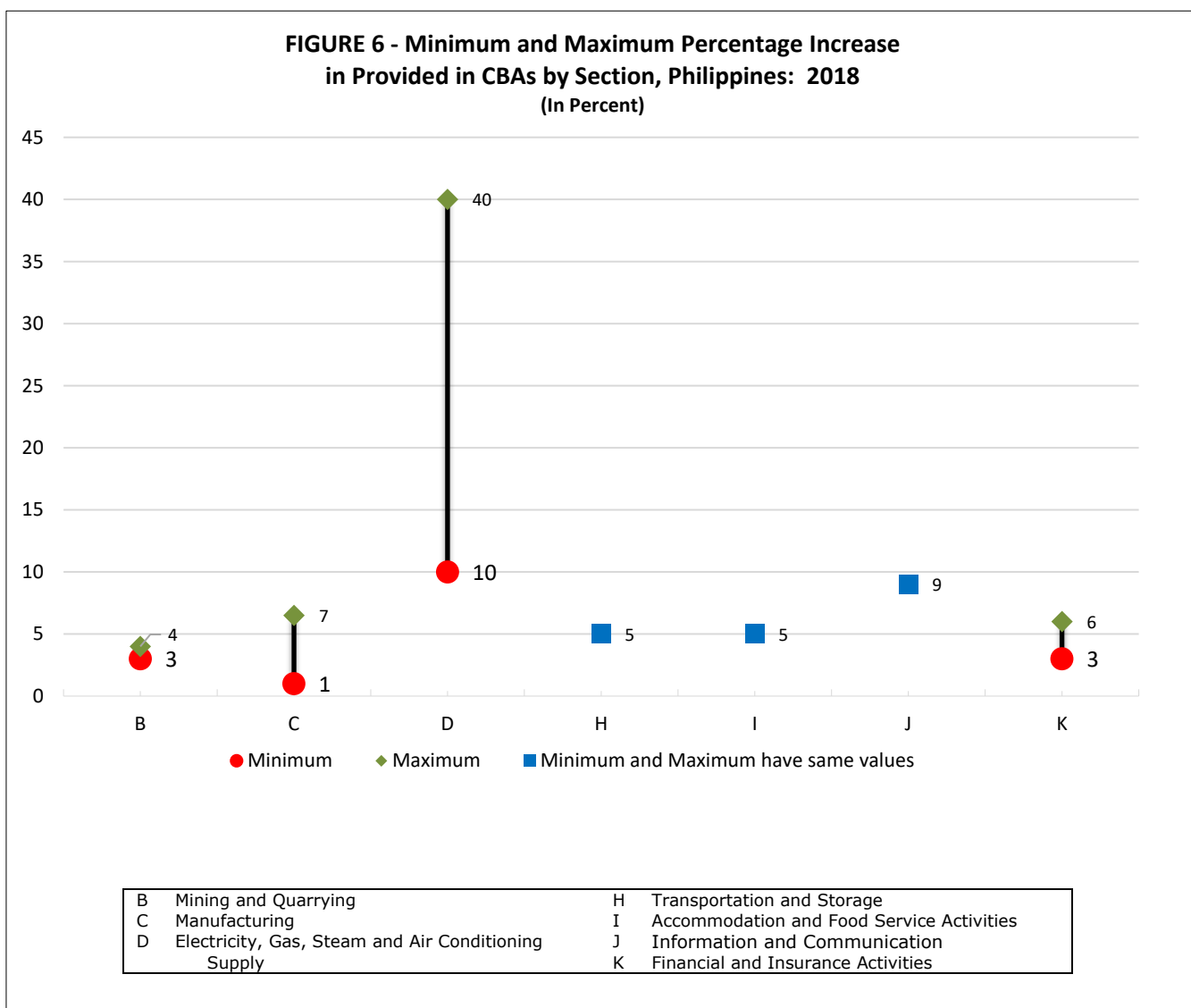
- One-fifth (20.4%) or 33 of the total 162 CBAs provided increases in the monthly wage of workers. (Table 7)
- Across industries, majority of registered CBAs in information and communication (66.7%) specified monthly wage increases. This was followed by water supply, sewerage, waste management; and real estate activities both with 50.0 percent each.
- The amount of monthly wage increases varies across sections ranging from a minimum amount of PhP 200.00 (manufacturing) to PhP 1,500.00 (electricity, gas, steam and air conditioning supply). (Figure 5)
- Conversely, maximum increases in monthly wage ranged from PhP 700.00 (wholesale and retail trade; repair of motor vehicles and motorcycles) to PhP 3,350.00 (manufacturing).



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

Low proportion of total registered CBAs granted percent increases in the basic pay of covered employees

- A total of 10 out of the 162 registered CBAs provided percentage increases in the basic pay of workers. (Table 7)
- This was most granted by half (50.0%) of the total registered CBAs in mining and quarrying; and financial and insurance activities.
- Meanwhile, the minimum percentage increase in the basic pay provided ranged from 1.0 percentage point (manufacturing) to 10.0 percentage points (electricity, gas, steam and air conditioning supply), while the maximum increase ranged from 4.0 percentage points (mining and quarrying) to 40.0 percentage points (electricity, gas, steam and air conditioning supply). (Figure 6)



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

Almost half of the registered CBAs included medical treatment services to covered workers

- Medical benefits composing of medical treatment and services were negotiated in 43.8 percent of registered CBAs. The top medical services provided to workers was the provision of annual physical examination, granted by 62 CBAs or 38.3 percent share. (Table 1)
- Other medical benefits stated in the CBAs covered include hospitalization and health fund with 41.4 percent and 4.9 percent shares, respectively.
- Meanwhile, other CBAs provided monetary grants on the following medical benefits: annual optical assistance from PhP 400.00 to PhP 10,000.00 with 17.9% percent share; medical reimbursement from PhP 400.00 to PhP 160,000.00 (17.9%); and medicine allowance with benefits ranging from PhP 700 to PhP 10,000 (9.3%).

TABLE 1 – Number of CBAs by Type of Medical Benefit and Minimum/Maximum Amount Granted, Philippines: 2018				
MEDICAL BENEFIT	No. of CBAs	Percent Share	Amount Granted (PhP)	
			Min.	Max.
Total No. of CBAs	162	100.0		
Medical Treatment Services	71	43.8	-	-
Annual Physical Examination	62	38.3	-	-
Dental Services	61	37.7	-	-
Annual Optical Assistance	29	17.9	400	10,000
Hospitalization	67	41.4	-	-
Hospitalization Assistance	29	17.9	-	-
Medical Reimbursement	29	17.9	400	160,000
Medicine Allowance	15	9.3	700	10,000
Health Fund	8	4.9	2,000	1,000,000
Disability	4	2.5	-	-

Note: Details do not add up to total due to multiple responses.

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

One (1) out of nine (9) registered CBAs included maternity assistance benefits

TABLE 2 – Number of CBAs by Maternity/Paternity Benefits and Minimum/Maximum Amount Granted, Philippines: 2018				
MATERNITY/PATERNITY BENEFITS	No. of CBAs	Percent Share	Amount Granted (PhP)	
			Min.	Max.
Total No. of CBAs	162	100.0		
Maternity Assistance	23	14.2		
Normal Delivery	18	11.1	2,000	35,000
Caesarian Delivery	18	11.1	3,500	40,000
Either Normal or Caesarian Delivery	5	3.1	1,000	15,000
Paternity Assistance	7	4.3		
Normal Delivery	5	3.1	2,500	7,500
Caesarian Delivery	5	3.1	3,500	15,000
Either Normal or Caesarian Delivery	-	14.2	-	-

Note: Details do not add up to total due to multiple responses.

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

- Maternity assistance, another economic benefits, was likewise stipulated in 23 CBAs in 2018. Normal delivery and caesarian delivery assistance were both provided in the negotiations made for 18 CBAs, equivalent to 11.1% percent share. The amount ranged from PhP 2,000.00 to PhP 35,000.00 for normal delivery while PhP 3,500.00 to PhP 40,000.00 for caesarian delivery. (Table 2)
- On the other hand, paternity assistance was provided in seven (4.3%) CBAs amounting from PhP 2,500.00 to PhP 7,500.00 for normal delivery and PhP 3,500.00 to PhP 15,000.00 for caesarian delivery.

Almost two (2) of every five (5) registered CBAs provided for death benefit/assistance for their employees

- Nearly forty percent (38.3%) or 62 CBAs of the registered CBAs included provisions on death benefits to covered workers. In case of death of employee, the amount given ranged from PhP 2,000.00 to PhP 150,000.00. In case of death of employees' immediate family member, the benefit ranged from PhP 1,200.00 to PhP 60,000.00. (Table 3)
- Provisions on funeral/burial aid was likewise provided to almost half (47.5%) or 77 CBAs of the registered CBAs. The amount granted in case of death of an employee ranged from PhP 500.00 to PhP 300,000.00. In case of death of employees' immediate family member, the amount given ranged from PhP 250.00 to PhP 75,000.00.

TABLE 3 – Number of CBAs by Death/Funeral Benefits and Minimum/Maximum Amount Granted Philippines: 2018				
DEATH/ FUNERAL BENEFITS	No. of CBAs	Percent Share	Amount Granted (PhP)	
			Min.	Max.
Total No. of CBAs	162	100.0		
Death	62	38.3		
Death of employee	60	37.0	2,000	150,000
Death of immediate family member	32	19.8	1,200	60,000
Funeral/ burial aid	77	47.5		
Death of employee	73	45.1	500	300,000
Death of immediate family member	52	32.1	250	75,000

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

Emergency loan was the most common monetary assistance to workers

- Another economic benefit negotiated among CBAs is the provision of loans to members. This was stipulated in 55 (34.0%) CBAs in 2018. (Table 4)
- By type of loan, emergency loan (14.8%) was the most common monetary aid granted to workers with loanable amount ranging from PhP 2,000.00 to PhP 150,000.00. Far second loan assistance is calamity loan (7.4%) with PhP 3,000.00 to PhP 30,000.00.
- This was followed by educational loan (6.8%) with loanable amount ranging from PhP 5,000.000 up to PhP 40,000.00.

TABLE 4 – Number of CBAs by Type of Loan Benefits Granted and Minimum/Maximum Amount Granted Philippines: 2018				
TYPE OF LOAN	No. of CBAs	Percent Share	Amount Granted (PhP)	
			Min.	Max.
Total No. of CBAs	162	100.0		
Total No. of CBAs with Provision of Loans	55	34.0		
Emergency Loan	24	14.8	2,000	150,000
Calamity Loan	12	7.4	3,000	30,000
Educational Loan	11	6.8	5,000	40,000
Housing Loan	9	5.6	50,000	500,000
Cash Advance/ Vale	7	4.3	500	3,000
Multi-Purpose Loan	6	3.7	30,000	500,000
Vehicle/ Car Loan	4	2.5	150,000	500,000
Company Loan	2	1.2	2,000	100,000
Bereavement Loan	2	1.2	10,000	30,000

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

- In terms of the amount granted, it was also worth noting that housing loan, multi-purpose loan and vehicle/car loan had the highest maximum loanable at PhP 500,000.00.
- Other assistance includes the signing bonus (40.7%), with amount of benefit ranging from PhP 500.00 to PhP 85,000.00. (Table 5)
- Yearly rice allowance with amount of benefit ranging from PhP 500.00 to PhP 18,000.00 per year was likewise stipulated with 40.1 percent share.
- Other economic benefits provided to covered employees includes birthday gift (PhP 200.00 to PhP 2,000.00); education assistance (PhP 350.00 to PhP 300,000.00); and incentive pay (PhP 195.00 to PhP 3,960.00).

TABLE 5 - Number of CBAs by Other Assistance Provided by Minimum/Maximum Amount Granted, Philippines: 2018				
OTHER ASSISTANCE PROVIDED	No. of CBAs	Percent Share	Amount Granted (PhP)	
			Min.	Max.
Total No. of CBAs	162	100.0		
Signing Bonus	66	40.7	500	85,000
Yearly Rice Allowance	65	40.1	500	18,000
Longevity Pay/Service or Loyalty Award	50	30.9	3,000	63,360
Daily Meal Allowance	39	24.1	5	100
Gratuity	24	14.8	5,000	25,000
Perfect Attendance	20	12.3	200	8,000
Birthday Gift	18	11.1	200	2,000
Education Assistance	17	10.5	350	300,000
Incentive Pay	15	9.3	195	3,960

Note: Details do not add up to total due to multiple responses.

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

TABLE 6 – Number and Percent Share of Registered Collective Bargaining Agreement (CBAs) With and Without Wage Increase Provision by Section, Philippines: 2018

SECTION	Registered CBAs	With Wage Increase Provision	Percent Share	Without Wage Increase; On Moratorium; No Specific Provision
ALL SECTIONS	162	112	69.1	50
Agriculture, Forestry and Fishing	7	4	57.1	3
Mining and Quarrying	2	2	100.0	-
Manufacturing	92	72	78.3	20
Electricity, Gas, Steam and Air Conditioning Supply	6	2	33.3	4
Water Supply; Sewerage, Waste Management and Remediation Activities	2	1	50.0	1
Construction	2	1	50.0	1
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	10	9	90.0	1
Transportation and Storage	14	9	64.3	5
Accommodation and Food Service Activities	7	3	42.9	4
Information and Communication	3	3	100.0	-
Financial and Insurance Activities	4	2	50.0	2
Real Estate Activities	2	1	50.0	1
Professional, scientific and technical activities	2	1	50.0	1
Administrative and Support Service Activities	2	1	50.0	1
Education	4	1	25.0	3
Human Health and Social Work Activities	2	0	0.0	2
Other Service Activities	1	0	0.0	1

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

TABLE 7 - Number of Registered Collective Bargaining Agreements (CBAs) with Wage Increase Provision by Type of Wage Increase Provided and Section, Philippines: 2018

SECTION	Registered CBAs	CBAs With Wage Increase Provision						
		Type of Yearly Wage Increase Provided				One Time Lump Sum	Boundary System	RTWPB Wage Increase
		TOTAL	Increase in Daily Wage	Increase in Monthly Wage	Percent Increase in Basic Pay			
ALL SECTIONS	162	104	63	33	10	6	1	1
Agriculture, Forestry and Fishing	7	3	2	1	-	-	-	-
Mining and Quarrying	2	2	1	-	1	-	-	-
Manufacturing	92	66	42	22	3	6	-	1
Electricity, Gas, Steam and Air Conditioning Supply	6	2	-	1	1	-	-	-
Water Supply; Sewerage, Waste Management and Remediation Activities	2	1	-	1	-	-	-	-
Construction	2	1	1	-	-	-	-	-
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	10	9	8	1	-	-	-	-
Transportation and Storage	14	8	6	1	1	-	1	-
Accommodation and Food Service Activities	7	3	1	1	1	-	-	-
Information and Communication	3	3	-	2	1	-	-	-
Financial and Insurance Activities	4	2	-	1	2	-	-	-
Real Estate Activities	2	1	-	1	-	-	-	-
Professional, scientific and technical activities	2	1	1	-	-	-	-	-
Administrative and Support Service Activities	2	1	1	-	-	-	-	-
Education	4	1	-	1	-	-	-	-
Human Health and Social Work Activities	2	-	-	-	-	-	-	-
Other Service Activities	1	-	-	-	-	-	-	-

Note: Details do not add up to total due to multiple responses.

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

FOR INQUIRIES

Regarding this report, contact **LABOR STANDARDS AND RELATIONS STATISTICS DIVISION** at 8376-1921

Regarding other statistics, contact **KNOWLEDGE MANAGEMENT AND COMMUNICATIONS DIVISION** at 462-6600 local 834

Or visit our website at <https://www.psa.gov.ph>