

Non-Economic Provisions of Collective Bargaining Agreements in 2016 (First 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 the parties 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 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 first part of a three-part series on CBAs specifically highlights the non-economic provisions of the 328 CBAs registered in 2016.

Types of Non-Economic Clauses of CBAs in 2016

- There were 328 CBAs registered in 2016. Most of these CBAs stipulated non-economic clauses which include the following: (1) union security; (2) job security; (3) union privileges; (4) health and safety programs; (5) leave benefits; and (6) productivity enhancement programs.

Union Security Clause

Nine out of every 10 CBAs had union security clauses

- Among all types of non-economic clauses in CBAs, union security clause was the most stipulated clause as specified in 93.6 percent (307 CBAs) of total CBAs (Table 1).
- By type of union security clause, a little over four-fifths (81.7% or 268 CBAs) of total CBAs were check-offs or deductions of union dues

from a workers' paycheck or salary for funding union-related activities. Check-offs deducted include the collection of special assessment fees (60.1% or 197) and agency fees (59.1% or 194), from workers' take-home pay.

TABLE 1 - Number and Percent Share of CBAs by Type of Union Security Clause, Philippines: 2016

Type of Union Security Clause	Number of CBAs	Percent Share
TOTAL REGISTERED CBAs	328	100.0
CBAs with Union Security Clauses	307	93.6
Check-off:		
<i>Union dues</i>	268	81.7
<i>Agency fees</i>	194	59.1
<i>Special assessment fees</i>	197	60.1
Management right/prerogative	192	58.5
Maintenance of membership	181	55.2
Union right/responsibility	111	33.8

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

- About three-fifths (58.5% or 192) of total CBAs contained clauses pertaining to management right or prerogative. These are discretionary rights of employers to exercise functions and prerogatives in the management and operations of the organization without discussions with a union.
- Furthermore, five out of every nine registered CBAs (55.2% or 181) provided clauses for the maintenance of union membership. This provision stipulates that employees must maintain their membership in good standing as a requirement of continued employment in the company.
- Some 111 CBAs (33.8%) had stipulations on union right/responsibility which involves the rights of workers to self-organization and collective bargaining including their duties and responsibilities as union members.

Job Security Clause

- Another non-economic clause stipulated in the registered CBAs in 2016 was job security or the assurance of employees on the continuity of gainful employment during his/her work life.
- Five out of every nine CBAs (55.8% or 183) had provisions on security of tenure of employment in terms of just dismissal/lay-off of workers (*Table 2*). On the other hand, very few CBAs (3.7% or 12) contained lay-off policies in the agreements.

TABLE 2 - Number and Percent Share of CBAs by Type of Job Security Clause, Philippines: 2016

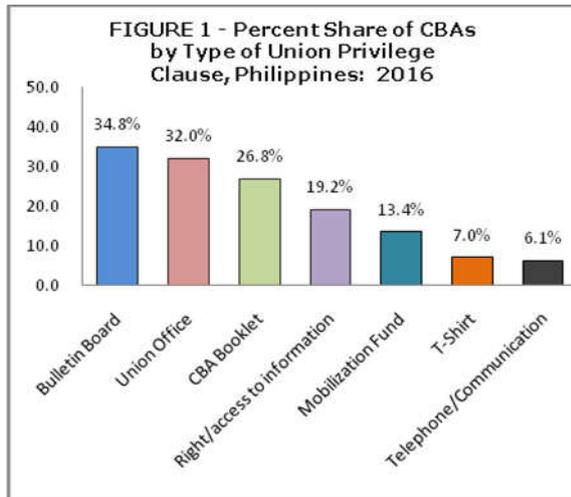
Type of Job Security Clause	Number of CBAs	Percent Share
TOTAL REGISTERED CBAs	328	100.0
Just dismissal/Lay-off of workers	183	55.8
Non-discriminatory filling-up of vacancies through:		
Promotion	204	62.2
Assignment/Transfer of employees	144	43.9
Hiring of next-of-kin of retired employees	103	31.4
Rehire/Recall of dismissed employees	24	7.3
Union referral	5	1.5
Policy on lay-off	12	3.7

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

- Almost two-thirds (62.2% or 204) of registered CBAs provided non-discriminatory filling-up of vacancies through promotion of existing employees. The objective filling-up of vacancies through assignment or transfer of employees within the company's premises was placed at 43.9 percent or 144 CBAs. The hiring of next-of-kin of retired employees in filling-up vacant positions accounted for more than one-fourth (31.4% or 103) of the total.
- In addition, some collective negotiations that stated the rehire/recall of previously dismissed employees and through union referral to fill-up vacancies accounted for 7.3 percent (24) and 1.5 percent (5), respectively.

Union Privilege Clause

- Another non-economic clause specified among registered CBAs is the provision of union privileges which benefitted six out of every ten CBAs (61.0%) comprising 200 CBAs out of the total 328 CBAs in 2016 (Figure 1).



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

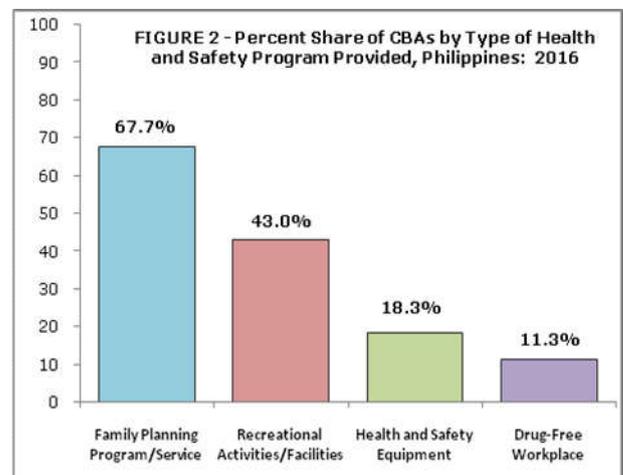
- Specifically, around one-third of total CBAs (34.8% or 114 CBAs) allowed the privilege using the company’s bulletin boards for the posting of union-related notices or announcements.
- Two out of every five CBAs (32.0%) had stipulations regarding the use of union office. Such office is being utilized in the conduct of union-related meetings/activities.
- In order to disseminate information, almost one-fourth of CBAs (26.8%) specified particular support to unions in the reproduction of CBA booklets for union members as a form of union privilege.
- Meanwhile, one out of every five CBAs (19.2%) granted the right/access to company’s information.
- In observance of Labor Day celebration, some CBAs included the granting of assistance through the provision of mobilization fund

(13.4%) and distribution of t-shirts (7.0%) to union members.

- The provision of telephone and other communication facilities to unions accounted for only a small proportion of 6.1 percent of total CBAs.

Health and Safety Program Clause

- As part of the well-being, health and safety program among union members, the conduct of family planning program/service was specified in two out of every three CBAs (67.7%) in 2016 (Figure 2).



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

- Three-seventh (43.0%) of total CBAs included recreational activities/facilities for the covered employees while about 18.3 percent granted the use of health and safety equipment. Moreover, 11.3 percent specified drug-free workplace programs in the agreement.

Leave Benefit Clause

- Almost all of the registered CBAs in 2016 had provisions concerning various types of leave benefits for workers. Specifically, vacation leave (88.7% or 291) and sick leave (87.5% or 287) were the topmost leave benefits granted in most CBAs during the year (Table 3).

TABLE 3 - Number and Percent Share of CBAs by Type of Leave Benefit Provided, Philippines: 2016

Type of Leave Benefit Provided	Number of CBAs	Percent Share
Vacation Leave	291	88.7
Sick Leave	287	87.5
Union Leave	236	72.0
Emergency Leave	128	39.0
Burial/Bereavement Leave	125	38.1
Birthday Leave	81	24.7
Study Leave	22	6.7
Calamity Leave	18	5.5
Time-off	17	5.2
Service Incentive Leave	10	3.1
Wedding Leave	10	3.1
Pulmonary/Tuberculosis Leave	7	2.1
Legal/Court Leave	2	0.6
Personal Leave	1	0.3
Military Training Leave	-	-

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

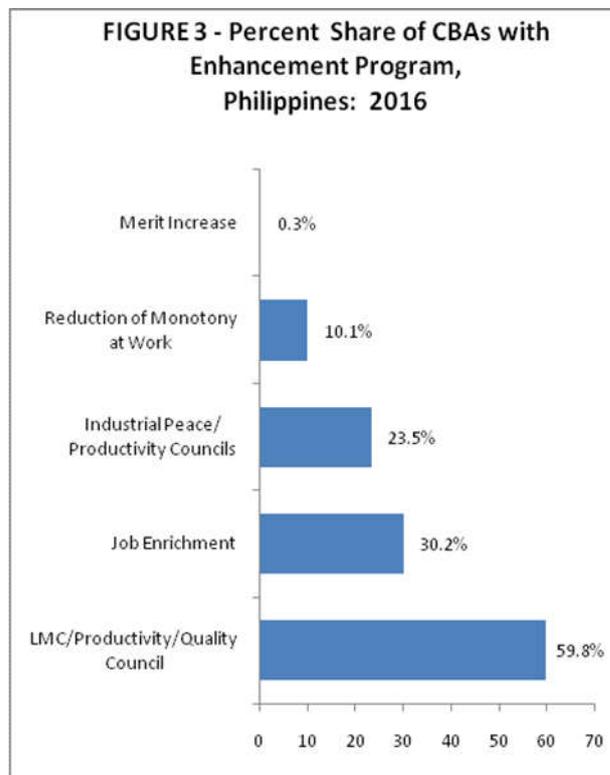
- Five out of every seven CBAs (72.0%) provided union leaves to employees for participating in union-related activities. Emergency leave was likewise specified in 128 CBAs (39.0%).
- Other leave benefits negotiated by both unions and management in the CBAs include burial/bereavement leave (38.1%); birthday leave (24.7%); study leave (6.7%); calamity leave (5.5%); and time-off (5.2%) with the other remaining leave benefits accounting for less than 5.0 percent share each of the total registered CBAs.

Productivity Enhancement Program Clause

- Among the various types of productivity enhancement programs stipulated in CBAs registered in 2016,

the provision of productivity enhancement programs involving labor management committees (LMCs)/productivity/quality councils was the most specified program among total CBAs at 59.8 percent (Figure 3). These types of productivity enhancement programs were designed to improve efficiency and labor management relations at the workplace.

- Programs involving job enrichment were also included in one out of every three CBAs (30.2%). Furthermore, one-fifth (23.5%) of the CBAs included the creation of industrial peace councils.
- Meanwhile, only a small proportion of total CBAs granted productivity programs relating to reduction of monotony at work (10.1%) and merit increase (0.3%).



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

FOR INQUIRIES

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