

## Economic Provisions of Collective Bargaining Agreements in 2014 (Last of a three-part series)

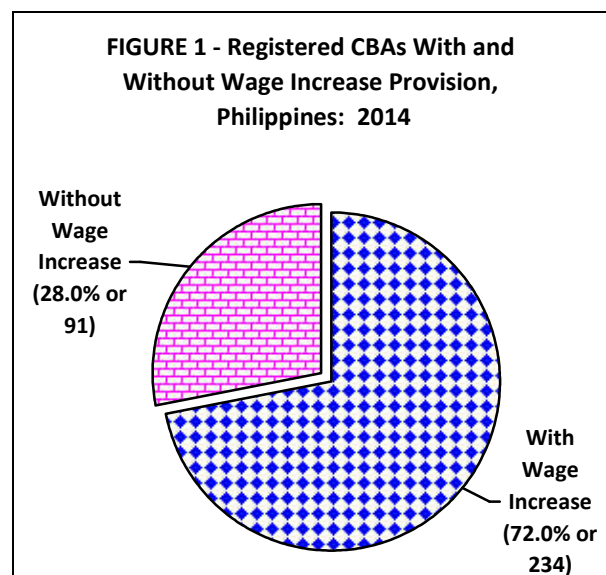
The registration of Collective Bargaining Agreements (CBAs) is closely monitored as an indicator of harmonious labor-management relations and industrial peace in the country. A collective bargaining is simply a process where the parties agree to fix and administer terms and conditions of employment which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

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 data on CBAs gathered from the documents filed at the Bureau of Labor Relations (BLR) of the Department of Labor and Employment (DOLE). Specifically, this issue highlights the economic provisions of the 325 CBAs registered in 2014.

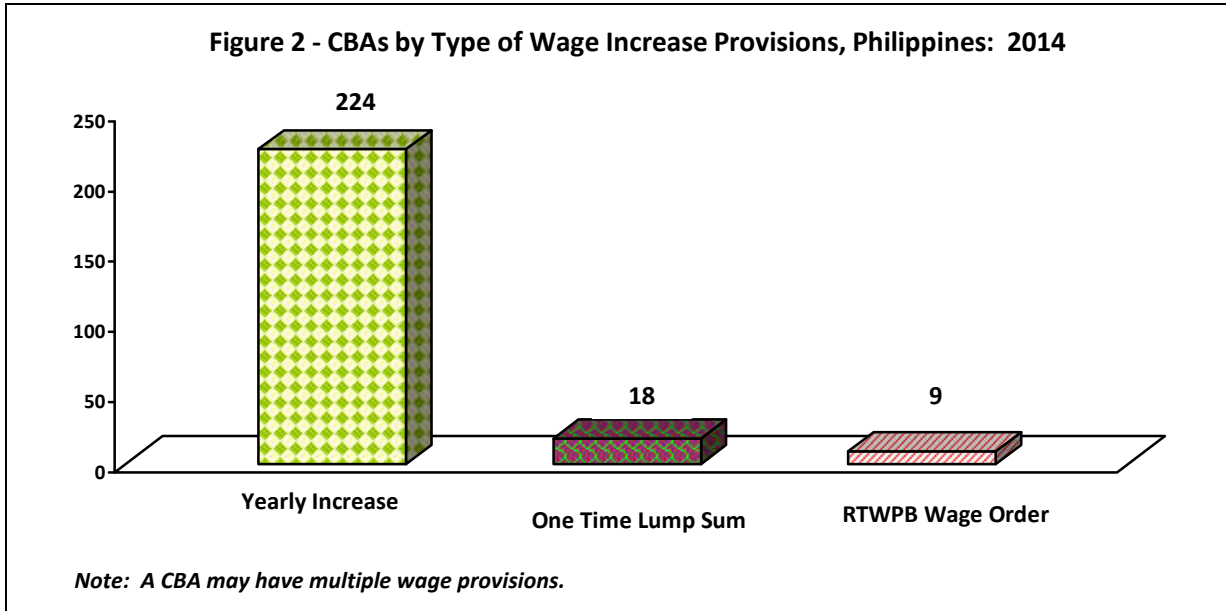
### Seven out of every 10 registered CBAs had provisions for increases in wages of workers

- The total number of CBA registrations filed in 2014 reached 325. Of these CBAs, more than two-thirds (72.0% or 234) provided various wage increase benefits to workers covered by the agreement. The remaining 28.0% (91) did not contain any specific wage increase during the term of the agreement. (Figure 1)
- Of the 234 CBAs with wage increase provisions, almost all specified a yearly wage increase (95.7% or 224) for workers.



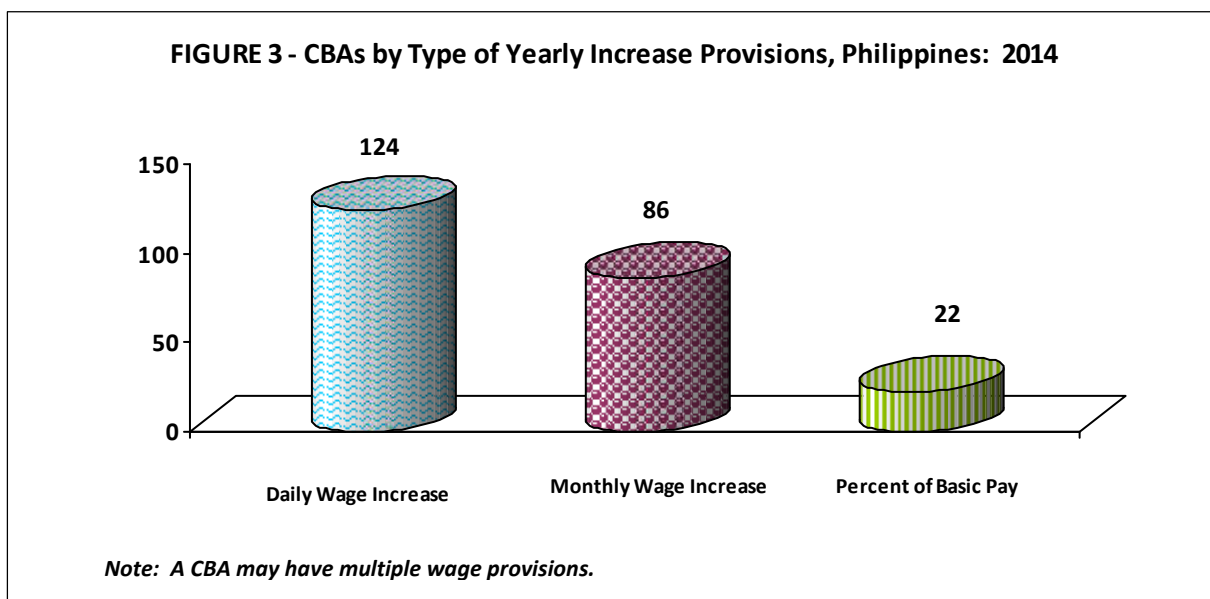
Source of data: Department of Labor and Employment, Bureau of Labor Relations.

- The rest of the CBAs provided a one-time lump-sum increase (7.7% or 18) and wage increases based on the prescribed Regional Tripartite Wages and Productivity Board (RTWPB) wage order (3.8% or 9). (Figure 2)



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

- Among CBAs with yearly wage increase provisions, majority stipulated specific amounts of increases in daily wage (55.4% or 124) and/or monthly wage increases (38.4% or 86). Only a minimal share (9.8% or 22) opted for a percentage increase in the basic pay of workers. (Figure 3)



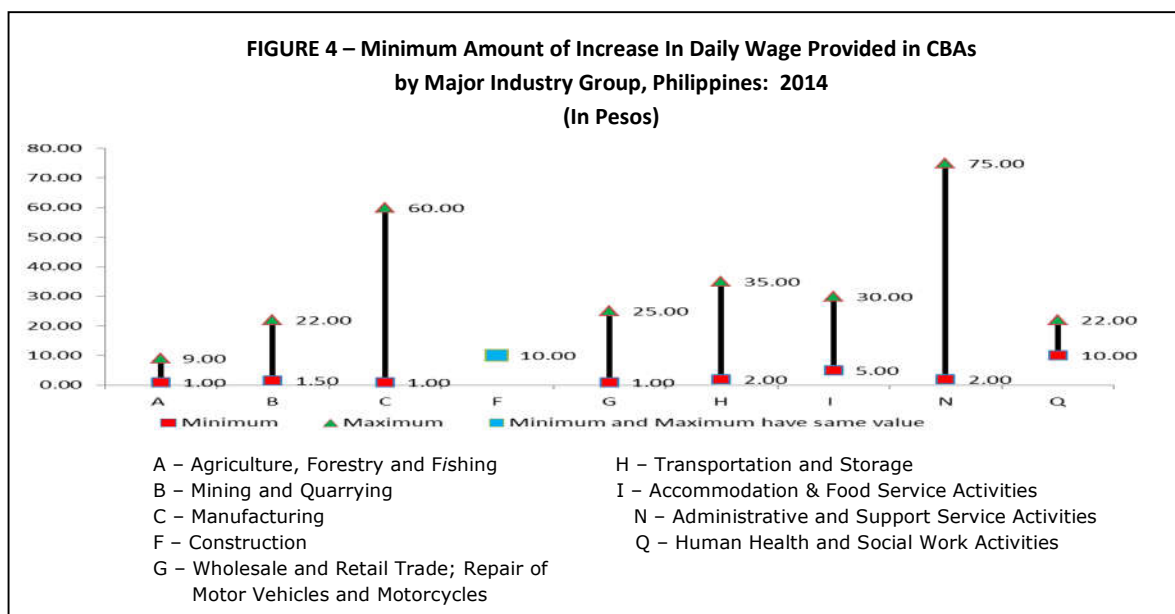
Source of data: Department of Labor and Employment, Bureau of Labor Relations.

**All registered CBAs in seven major industries granted varying wage increases**

- Across industries, increases in wages were stipulated in all registered CBAs in financial and insurance activities (14); electricity, gas, steam & air conditioning supply (12); information and communication (8); mining and quarrying (4); construction (2); professional, scientific & technical activities (2); and arts, entertainment & recreation (1). (Table 5)
- Wage increases were likewise provided in majority of the CBAs in accommodation & food service activities (84.6%); manufacturing (82.1%); transportation & storage (81.5%); human health & social work activities (75.0%); and wholesale & retail trade (64.3%).
- While half of the CBAs had provisions for wage increases in agriculture, forestry and fishing (55.0%) and education (50.0%), only few CBAs had wage increase provisions in administrative & support service activities (14.6%).

**Two out of every five CBAs stipulated increases in the daily wage**

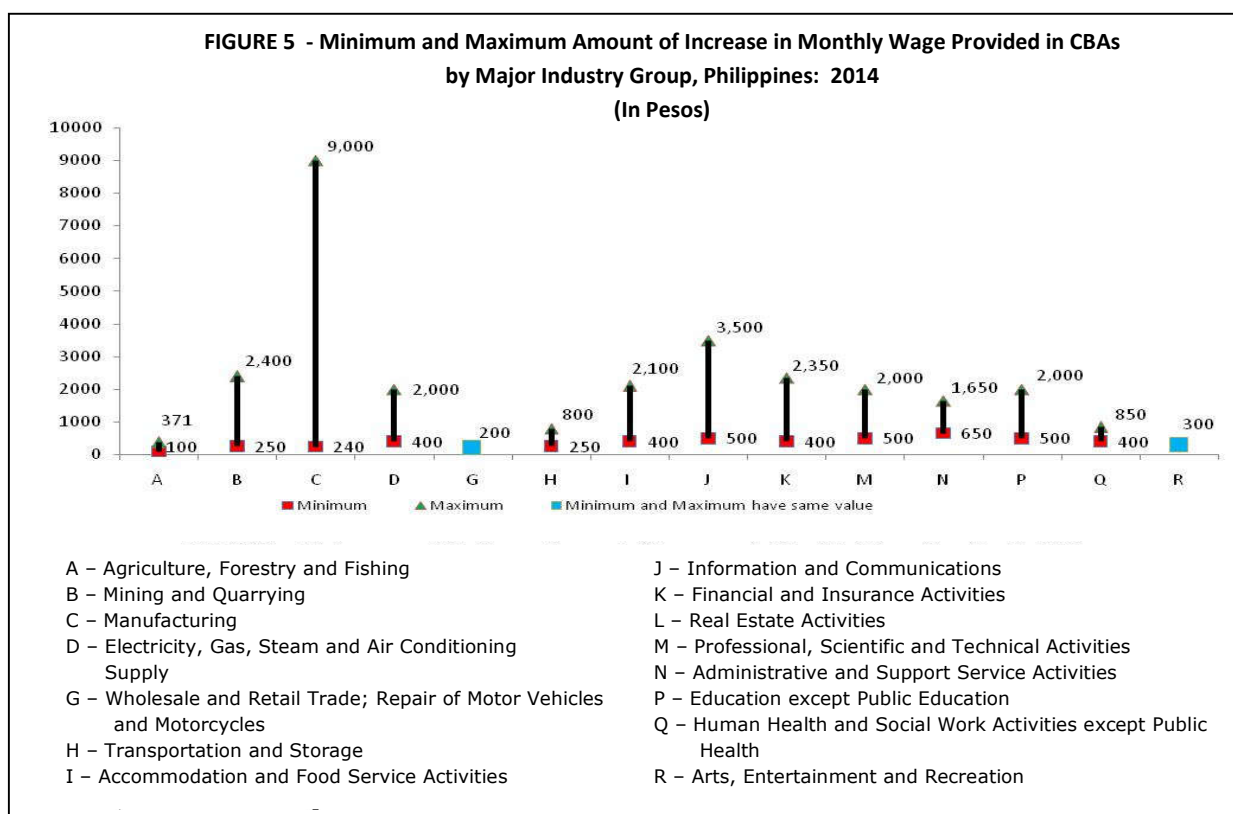
- About two-fifths (38.2% or 124 CBAs) of the registered CBAs provided varying increases in daily wages of employees. This was likewise granted in more than half of the registered CBAs in the following sectors: transportation & storage (59.3% or 16); wholesale and retail trade, repair of motor vehicle & motorcycles (57.1% or 8); and manufacturing (53.8% or 78). (Table 6)
- In terms of amount of increase, the minimum amount of daily wage increase ranged from a low of ₱1.00 (agriculture, forestry & fishing; manufacturing; and wholesale and retail trade; repair of motor vehicle & motorcycles) to ₱10.00 (construction and human health and social work activities). The maximum amount of increase was from ₱9.00 (agriculture, forestry & fishing) to ₱75.00 (administrative and support service activities). (Figure 4)



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

**One out of every four CBAs provided increases in monthly wage**

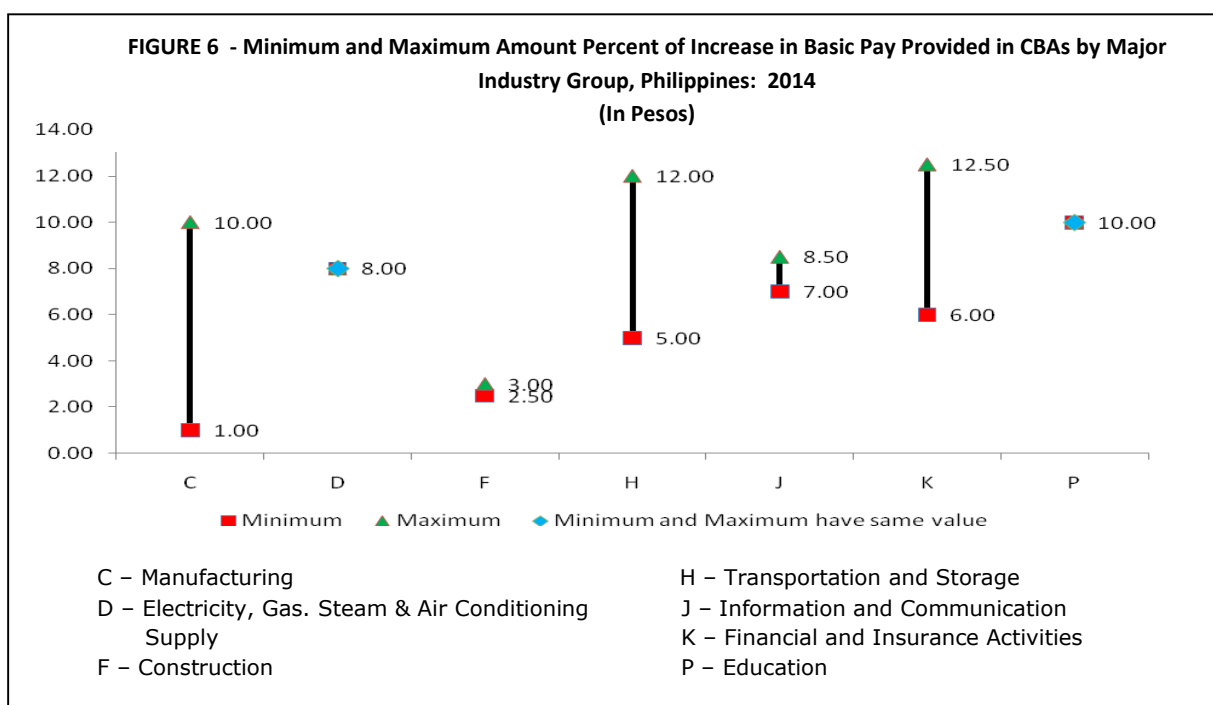
- More than one-fourth (26.5% or 86) of the total 325 CBAs provided increases in the monthly wage of workers. (Table 6)
- By industry, an increase in the monthly wage was stipulated in all the CBAs in information & communication (8); professional, scientific and technical activities (2); and arts, entertainment and recreation (1).
- Monthly wage increases were likewise provided in majority of the CBAs in financial and insurance activities (92.9% or 13); electricity, gas, steam and air conditioning supply (83.3% or 10); and accommodation and food service activities (61.5% or 8).
- The amount of monthly wage increases varies across industries with the minimum amount of ₱100.00 (agriculture, forestry & fishing) to ₱650.00 (administrative and support service activities). (Figure 5)
- On the other hand, the maximum increase ranged from ₱200.00 (wholesale and retail trade, repair of motor vehicle and motorcycles) to ₱9,000 (manufacturing).



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

**Less than 7 percent had percent increase in the basic pay**

- Only 22 CBAs or 6.8 percent out of the total 325 registered CBAs provided percentage increases in the basic pay of workers. (Table 6)
- This type of yearly percentage increase provision was granted in seven industries.
- The minimum percentage increase in the basic pay provided ranged from 1 percent (manufacturing) to 7 percent (information and communication). Meanwhile, the maximum increase ranged from 3.0 percent (construction) to 12.5 percent (financial and insurance activities). (Figure 6)



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

**Three out of every five registered CBAs granted medical treatment/services**

- Medical treatment and services were the primary medical benefits negotiated in 207 CBAs (63.7%) out of 325 registered CBAs. Top services provided were hospitalization (49.8% or 162); dental services (46.6% or 151); annual physical examination (39.4% or 128); and hospitalization assistance (37.2% or 121). (Table 1)
- Meanwhile, more than one-third of the registered CBAs provided medical reimbursement (35.7% or 116) in the amount of ₱200 to ₱700,000. Medicine allowance (16.6% or 54) was likewise included in some CBAs, the amount of which ranged from ₱100 to ₱60,000.
- Other CBAs had stipulations for the following medical benefits: disability (14.8% or 48) in the amount of ₱10,000 to ₱200,000; optical assistance (7.1% or 23) in the amount of ₱500 to ₱10,000; and health fund (4.3% or 14) in the amount of ₱2,400 to ₱140,000.

**TABLE 1 - Number of CBAs by Medical Benefits and Minimum/Maximum Amount Granted, Philippines: 2014**

MEDICAL BENEFITS	No. of CBAs	Amount Granted (₱)	
		Min.	Max.
<b>Medical Treatment/ Services</b>	<b>207</b>	-	-
Hospitalization	162	-	-
Dental Services	151	-	-
Annual Physical Examination	128	-	-
Hospitalization Assistance	121	-	-
Medical Reimbursement	116	200	700,000
Medicine Allowance	54	100	60,000
Disability	48	10,000	200,000
Optical Assistance	23	500	10,000
Health fund	14	2,400	140,000

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

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

**Only 6 percent of CBAs provided maternity assistance to employees**

- Very few CBAs had stipulation on maternity assistance (20 out of 325) to women workers in 2014. For normal delivery, 6.2% or 20 CBAs specified medical assistance ranging from ₱1,000 to ₱60,000. For caesarian procedure, 5.8% or 19 CBAs granted maternity benefits ranging from ₱1,000 to ₱100,000. (Table 2)
- Only one CBA granted paternity assistance in the amount of ₱1,500.

**TABLE 2 – Number of CBAs by Maternity/Paternity Benefits and Minimum/Maximum Amount Granted, Philippines: 2014**

MATERNITY/PATERNITY BENEFITS	No. of CBAs	Amount Granted (₱)	
		Min.	Max.
<b>Maternity Assistance</b>	<b>20</b>	-	-
Normal Delivery	20	1,000	60,000
Caesarian Delivery	19	1,000	100,000
<b>Paternity Assistance</b>	<b>1</b>	1,500	1,500

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

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

**Almost six out of 10 CBAs had provision on death benefits**

- More than half (57.8% or 188) of the registered CBAs included provisions on death benefits to workers. In case of death of an employee, the amount given ranged from ₱1,000 to ₱2.3M. In case of death of immediate family member, the benefit ranged from ₱500 to ₱60,000. (Table 3)
- Other than death benefits, two-fifths (41.8% or 136) of the CBAs provided funeral/burial aid to employees. In case of death of an employee, the funeral/burial aid ranged from ₱500 to ₱150,000. For the death of the employee's immediate family member, funeral/burial aid ranged from ₱300 to ₱75,000.

**TABLE 3 – Number of CBAs by Death/Funeral Benefits and Minimum/Maximum Amount Granted Philippines: 2014**

DEATH/FUNERAL BENEFITS	No. of CBAs	Amount Granted (₱)	
		Min.	Max.
Death	188	-	-
Death of employee	177	1,000	2,300,000
Death of immediate family member	84	500	60,000
Funeral/burial aid	136	-	-
Death of employee	125	500	150,000
Death of immediate family member	65	300	75,000

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

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

**Two out of every 5 CBAs provided monetary assistance  
to workers in the form of loans**

- Emergency loan was the most common form of monetary aid as provided in 1 out of every 7 CBAs (14.8% or 48). The loanable amount ranged from ₱1,500 to ₱1M. (Table 4)
- Educational loan was the next most granted assistance as provided in 39 out of 325 CBAs (12.0%). The assistance granted ranged from ₱500 to ₱1M. This was followed by housing loan which was stipulated in 28 CBAs the loanable amount of which ranged from ₱8,000 to ₱2.5M.
- Other loan benefits negotiated among the rest of the CBAs include cash advance/vale, calamity loan, car loan, multipurpose loan, company loan, bereavement loan and livelihood loan

**TABLE 4 – Number of CBAs by Type of Loan  
Benefits Granted and Minimum/Maximum  
Amount Granted Philippines: 2014**

TYPE OF LOAN	Amount Granted (₱)		
	No. of CBAs	Min.	Max.
<b>Total</b>	<b>124</b>		
Emergency Loan	48	1,500	1,000,000
Educational Loan	39	500	1,000,000
Housing Loan	28	8,000	2,500,000
Cash Advance/Vale	22	100	70,000
Calamity Loan	19	2,000	50,000
Vehicle/Car Loan	17	3,000	2,500,000
Multipurpose Loan	15	30,000	2,000,000
Company Loan	9	1,000	6,000,000
Bereavement Loan	7	2,500	50,000
Livelihood Loan	1	200,000	200,000

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

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**FOR INQUIRIES**

Regarding this report contact **LABOR STANDARDS AND RELATIONS STATISTICS DIVISION** at telefax 376-1921  
Regarding other statistics contact **Knowledge Management and Communications Division** at 462-6600 loc 832  
Or visit our website at <http://www.psa.gov.ph>

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**TABLE 5 – Percent Share of Registered Collective Bargaining Agreement (CBAs) With and Without Wage Increase Provision by Major Industry Group, Philippines: 2014**

MAJOR INDUSTRY GROUP	Registered CBAs	With Wage Increase Provision	Percent Share	No Wage Increase; On Moratorium; No Specific Provision
<b>ALL INDUSTRIES</b>	<b>325</b>	<b>234</b>	<b>72.0</b>	<b>91</b>
Agriculture, Forestry and Fishing	20	11	55.0	9
Mining and Quarrying	4	4	100.0	-
Manufacturing	145	119	82.1	26
Electricity, Gas, Steam and Air Conditioning Supply	12	12	100.0	-
Construction	2	2	100.0	-
Wholesale and Retail Trade; Repair of Motor Vehicle and Motorcycles	14	9	64.3	5
Transportation and Storage	27	22	81.5	5
Accommodation and Food Service Activities	13	11	84.6	2
Information and Communication	8	8	100.0	-
Financial and Insurance Activities	14	14	100.0	-
Professional, Scientific and Technical Activities	2	2	100.0	-
Administrative and Support Service Activities	41	6	14.6	35
Education	14	7	50.0	7
Human Health and Social Work Activities	8	6	75.0	2
Arts, Entertainment and Recreation	1	1	100.0	-

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

**TABLE 6 – Number of Registered Collective Bargaining Agreements (CBAs) with Wage Increase Provision by Type of Wage Increase Provided and Major Industry Group, Philippines: 2014**

MAJOR INDUSTRY GROUP	Registered CBAs	CBAs With Wage Increase Provision					
		Type of Yearly Wage Increase Provided				RTWPB Wage Increase	One Time Lump Sum
		Total	Increase in Daily Wage	Increase in Monthly Wage	Percent Increase in Basic Pay		
<b>ALL INDUSTRIES</b>	<b>325</b>	<b>224</b>	<b>124</b>	<b>86</b>	<b>22</b>	<b>9</b>	<b>18</b>
Agriculture, Forestry and Fishing	20	11	9	2	-	-	-
Mining and Quarrying	4	4	2	2	-	1	-
Manufacturing	145	114	78	28	12	4	12
Electricity, Gas, Steam and Air Conditioning Supply	12	12	1	10	1	-	1
Construction	2	2	1	-	1	-	-
Wholesale and Retail Trade; Repair of Motor Vehicle and Motorcycles	14	9	8	1	-	-	-
Transportation and Storage	27	20	16	2	2	2	1
Accommodation and Food Service Activities	13	10	2	8	-	1	-
Information and Communication	8	8	-	8	1	-	1
Financial and Insurance Activities	14	14	1	13	3	-	1
Professional, Scientific and Technical Activities	2	2	-	2	-	-	-
Administrative and Support Service Activities	41	5	4	2	-	-	2
Education	14	6	-	4	2	1	-
Human Health and Social Work Activities	8	6	2	4	-	-	-
Arts, Entertainment and Recreation	1	1	-	1	-	-	-

Note: Details do not add up to total due to multiple wage increase provisions.

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