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Economic Provisions of Collective Bargaining Agreements in 2012 (Last of a three-part series)

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 set a mechanism for resolving the parties' grievances.

Collective Bargaining Agreement (CBA) is a contract executed upon request of either the employer or the exclusive bargaining representative of the employees incorporating the agreement reached after negotiations with respect to wages, hours of work and all other terms and conditions of employment. Thus, it includes economic provisions (monetary value of wage increases, loan benefits, bonuses, allowances, retirement plan, and other fringe benefits) and non-economic clauses (union security clauses, grievance procedures, labor-management cooperation schemes, and other stipulations without monetary value).

This three-part series of LABSTAT Updates focuses on the statistics on CBAs gathered from the documents filed at the Department of Labor and Employment (DOLE) - Bureau of Labor Relations (BLR). Specifically, this issue provides a descriptive analysis of the economic provisions of the CBAs registered in 2012.

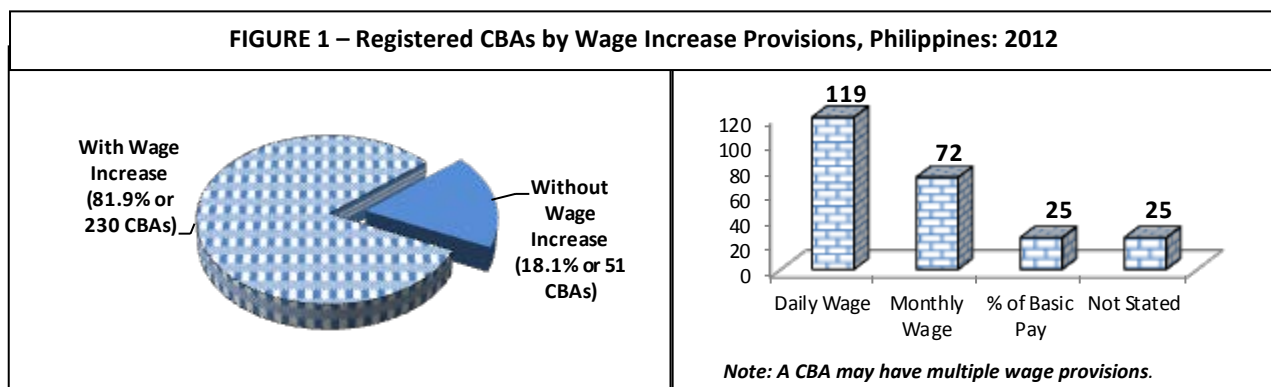
Four out of every five registered CBAs had provisions for wage increases

- Of the 281 registered CBAs from the files of the Bureau of Labor Relations of the Department of Labor and Employment, 81.9% (230) provided for various wage increase benefits to workers. (Figure 1)
- Of the 230 CBAs with wage increase provisions, majority stipulated

specific amount of peso wage increases in daily (119 CBAs) and monthly (72 CBAs) basis. A lesser number (25 CBAs) granted a percentage increase in the basic pay of the workers for the duration of the agreement.

- The remaining (25 CBAs) did not specify the amount of wage increase in the agreement.

FIGURE 1 – Registered CBAs by Wage Increase Provisions, Philippines: 2012



Source of data: Bureau of Labor Relations.

*With contributions from Ms. Cheryll Nikka Z. Gupilan and Ms. Fhaye Beatriz P. Santos, B.S. Statistics, University of the Philippines Los Baños.

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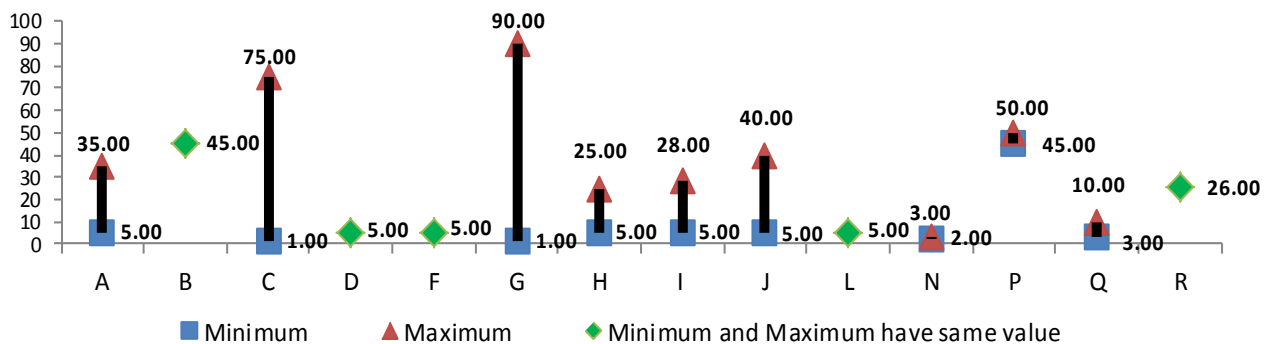
Five industries stipulated for wage increases in all its CBAs

- Wage increases were granted in all the registered CBAs from the following industries: human health and social work activities (6 CBAs); arts, entertainment and recreation (3 CBAs); mining and quarrying; and real estate activities (2 CBAs each); and water supply; sewerage, waste management and remediation activities (1 CBA). (Table 5)
- Wage increases was also provided in more than 80% of the CBAs in financial and insurance activities (91.7% or 11); manufacturing (86.3% or 120); and electricity, gas steam and air conditioning supply (84.6% or 11); information and communication (83.3% or 5).
- Accommodation and food service activities had 64.3% (9 CBAs); while other service activities posted the least with 33.3% (1 CBA).

Two out of every five CBAs provided for increase in daily wage

- A total of 119 CBAs (42.3%) provided for an increase in the daily wage. (Table 6)
- Industry-wise, the increase in the daily wage were provided in more than 60% of the CBAs in construction; administrative and support service activities (66.7% each); and agriculture, forestry and fishing (64.3%).
- Across industries, the minimum amount of increase granted in the daily wage ranged from ₱1.00 (manufacturing; and wholesale and retail trade) to ₱45.00 (mining and quarrying; and education). Meanwhile, the maximum amount of increase ranged from ₱3.00 (administrative and support service activities) to ₱90.00 (wholesale and retail trade; repair of motor vehicles and motorcycles). (Figure 2)

FIGURE 2 - Minimum and Maximum Amount of Increase in Daily Wage Provided in CBAs by Major Industry Group, Philippines: 2012
(In Pesos)



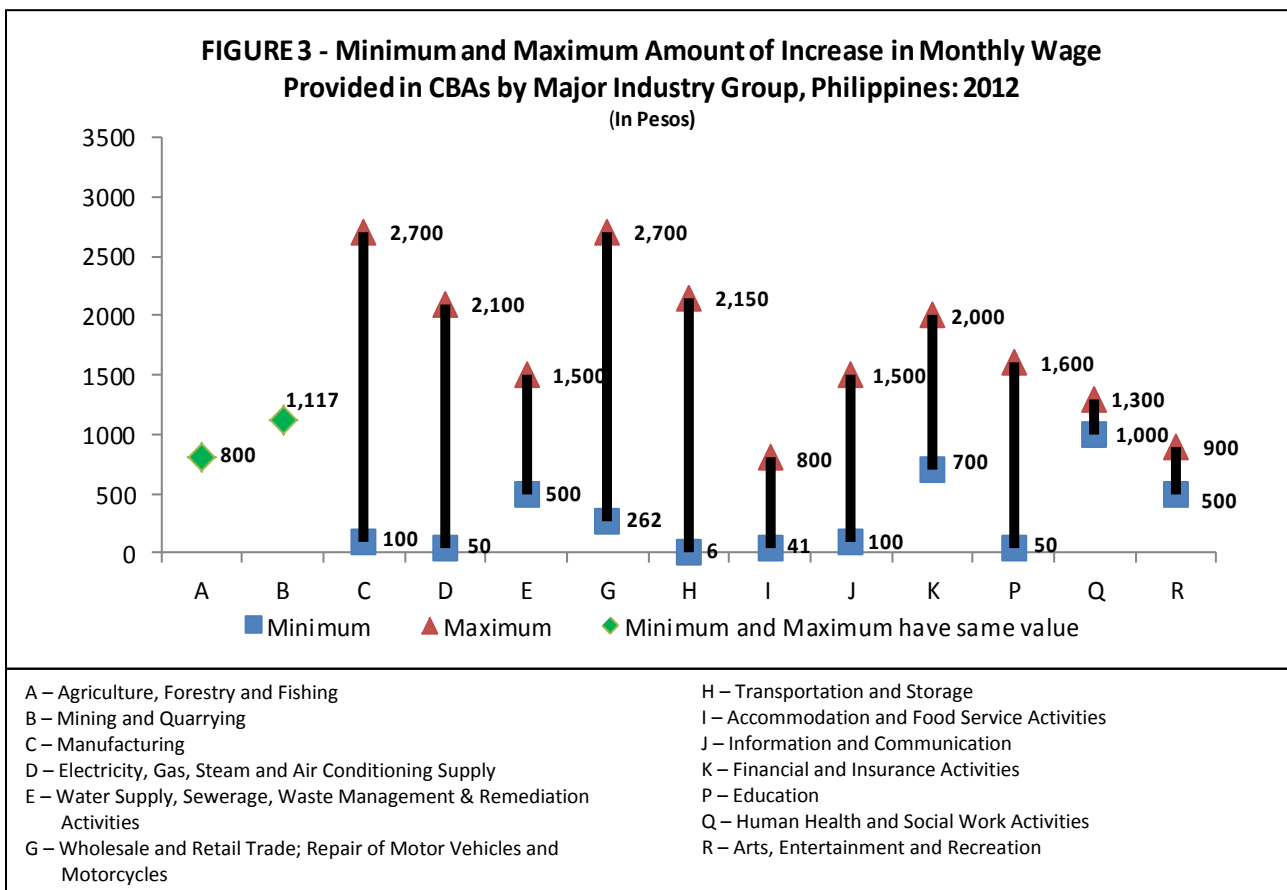
A – Agriculture, Forestry and Fishing	I – Accommodation and Food Service Activities
B – Mining and Quarrying	J – Information and Communication
C – Manufacturing	L – Real Estate Activities
D – Electricity, Gas, Steam and Air Conditioning Supply	N – Administrative and Support Service Activities
F – Construction	P – Education
G – Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	Q – Human Health and Social Work Activities
H – Transportation and Storage	R – Arts, Entertainment and Recreation

Source of data: Bureau of Labor Relations.

One-fourth of the CBAs provided increase in monthly wage

- Monthly peso wage increase was stipulated in the only CBA from water supply, sewerage, waste management and remediation activities industry. This was likewise provided in 69.2% of the CBAs in electricity, gas, steam and air conditioning supply; and in two-thirds of the CBAs in financial and insurance activities; and arts, entertainment and recreation (66.7% each). (Table 6)

- The amount of increase in the monthly wage granted varied across industries. The minimum amount ranged from ₱6.00 (transportation and storage) to ₱1,117.00 (mining and quarrying). The maximum increase on the other hand, ranged from ₱800.00 (agriculture, forestry and fishing; and accommodation and food service activities) to ₱2,700.00 (manufacturing; and wholesale and retail trade, repair of motor vehicles and motorcycles). (Figure 3)



Source of data: Bureau of Labor Relations.

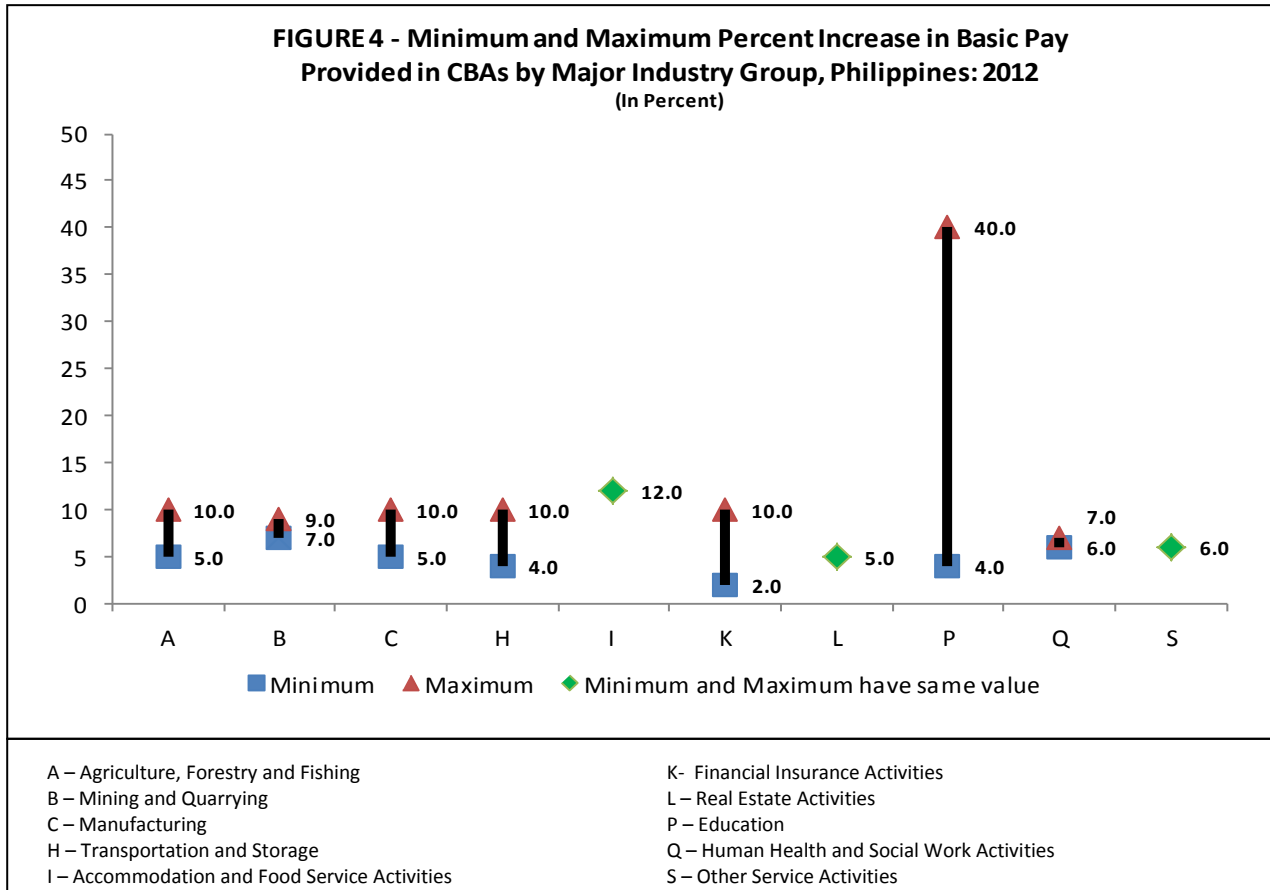
Less than 10% granted percentage increase in basic pay

- Notably, percentage increase in basic pay were stipulated in only half of the CBAs in mining and

quarrying; and real estate activities (50.0% each) and in one-third of the CBAs in other service activities (33.3%). (Table 6)

- The minimum increase granted in the basic pay ranged from 2% (financial and insurance activities) to 12% (accommodation and food services activities) while the

maximum increase ranged from 5% (real estate activities) to 40% (education). (Figure 4)



Source of data: Bureau of Labor Relations.

Welfare benefits also included in some CBAs; hospitalization assistance most provided at 41.3%

- A combination of welfare benefits for the workers and their families were included in some of the CBAs. The benefits also include medical services, maternity and paternity assistance, death/funeral aid and/or loan assistance.
- Aside from hospitalization assistance, other medical benefits granted include medical reimbursement (33.5%), medicine allowance (18.1%), optical

assistance (13.5%); and health fund (5.0%). (Table 1)

TABLE 1 – Number of CBAs by Medical Services Benefits and Minimum/Maximum Amount Granted, Philippines: 2012

MEDICAL SERVICE BENEFITS	Number of CBAs	Amount Granted (₱)	
		Minimum	Maximum
TOTAL	192	-	-
Hospitalization assistance	116	-	-
Medical reimbursement	94	400	500,000
Medicine allowance	51	70	50,000
Optical assistance	38	650	10,000
Health fund	14	60	90,000

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

- The amount granted for medical reimbursement ranged from ₱400 (transportation and storage) to ₱500,000 (manufacturing). For medicine allowance, the benefits ranged from ₱70 to ₱50,000, both were provided in CBAs in the manufacturing industry.
- Optical assistance on the other hand, were provided in the amount of ₱650 to ₱10,000 (manufacturing) and health fund in the amount of ₱60 (accommodation and food service activities) to ₱90,000 (wholesale and retail trade; repair of motor vehicles and motorcycles).

One out of every 10 CBAs granted maternity/paternity assistance benefits

- Of the CBAs with maternity/paternity assistance, the benefit covered child delivery by normal or caesarean procedure. The amount provided ranged from ₱1,200 (manufacturing) to ₱20,000 (financial & insurance activities) in case of normal delivery and ₱2,000 to ₱25,000 in the same industries, respectively for caesarean procedure. (Table 2)
- Paternity assistance in the amount of ₱15,000 was provided only in 2 CBAs (0.7%) in the manufacturing industry.

TABLE 2 – Number of CBAs by Maternity/Paternity Benefits and Minimum/Maximum Amount Granted, Philippines: 2012

MATERNITY/PATERNITY BENEFITS	Number of CBAs	Amount Granted (₱)	
		Minimum	Maximum
Maternity Assistance	29	-	-
Normal delivery	29	1,200	20,000
Caesarian delivery	18	2,000	25,000
Paternity Assistance	2	15,000	15,000

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

Three in every five CBAs provided for death and/or funeral aid benefits

- Provisions on death benefits were included in 56.2% of the registered CBAs. In case of death of an employee, the amount of benefits ranged from ₱2,000 (agriculture, forestry and fishing; electricity, gas steam and air conditioning supply; and accommodation and food service activities) to ₱200,000 (transportation and storage). (Table 3)

TABLE 3 – Number of CBAs by Death/Funeral Benefits and Minimum/Maximum Amount Granted Philippines: 2012

DEATH/FUNERAL BENEFITS	Number of CBAs	Amount Granted (₱)	
		Minimum	Maximum
TOTAL	178	-	-
Death of employee	158	2,000	200,000
Death of immediate family member	84	500	55,000
Funeral/burial aid	129	-	-
Death of employee	107	500	200,000
Death of immediate family member	66	500	35,000

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

- In the case of death of immediate family member, the benefit ranged from ₱500 (manufacturing; and financial and insurance activities) to ₱55,000 (manufacturing).
- Aside from death benefit, almost half (45.9% or 129 CBAs) provided funeral/burial aid to employees. In case of the death of employee, the aid ranged from ₱500 (manufacturing) to ₱200,000 (transportation and storage); and ₱500 (real estate activities; and administrative and support service activities) to ₱35,000 (manufacturing) for the death of employee's immediate family member.

Monetary assistance to workers in the form of loans included in almost half (44.5% or 125) of the CBAs

- Emergency loan emerged as the most common form of monetary assistance to workers as provided in CBAs. This was granted in 1 out of every 6 CBAs (16.0% or 45 CBAs). The amount granted ranged from ₱1,000 (manufacturing; and wholesale and retail trade; repair of motor vehicles and motorcycles) to ₱100,000 (manufacturing). (Table 4)
- Educational loan was second as stipulated in 1 out of every 9 CBAs (11.4% or 32 CBAs). The assistance granted ranged from ₱2,500 (construction) to ₱250,000 (financial and insurance activities). Other CBAs provided calamity loan (9.6% or 27); cash advance and housing loan (8.5% each).

- In terms of the amount of loan assistance provided the highest were for livelihood loans granted by the manufacturing industry (₱60,000 to ₱2.5M) and housing loans ranging from ₱8,000 (manufacturing) to ₱1.5M (financial and insurance activities).

TABLE 4 – Number of CBAs by Loan Benefits and Minimum/Maximum Amount Granted
Philippines: 2012

LOAN BENEFITS	Number of CBAs	Amount Granted (₱)	
		Minimum	Maximum
TOTAL	125	-	-
Emergency loan	45	1,000	100,000
Educational loan	32	2,500	250,000
Calamity loan	27	3,000	60,000
Cash advance	24	500	1,000,000
Livelihood loan	3	60,000	2,500,000
Housing loan	24	8,000	1,500,000
Multi-Purpose loan	10	10,000	60,000
Car loan	10	150,000	750,000
Company loan	8	5,000	500,000
Bereavement loan	4	13,400	30,000

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

FOR INQUIRIES

Regarding this report contact **Labor Relations Statistics Division** at 527-3000 local 319 (Telefax)
Regarding other statistics and technical services contact **BLES Data Bank** at 527-9311 (Telefax)
Or Write to BLES c/o **Data Bank**, 3/F DOLE Bldg., Gen. Luna St., Intramuros, Manila, 1002
Fax: 527-5506 E-mail: bles_lrsd@dole.gov.ph Website: <http://www.bles.dole.gov.ph>

TABLE 5 – Number and Percent Share of Registered CBAs With Provisions for Wage Increase by Major Industry Group, Philippines: 2012

MAJOR INDUSTRY GROUP	Registered CBAs	CBA With Wage Increase Provision	Percent Share
ALL INDUSTRIES	281	230	81.9
Agriculture, Forestry and Fishing	14	11	78.6
Mining and Quarrying	2	2	100.0
Manufacturing	139	120	86.3
Electricity, Gas, Steam and Air Conditioning Supply	13	11	84.6
Water Supply; Sewerage, Waste Management and Remediation Activities	1	1	100.0
Construction	3	2	66.7
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	24	18	75.0
Transportation and Storage	21	16	76.2
Accommodation and Food Service Activities	14	9	64.3
Information and Communication	6	5	83.3
Financial and Insurance Activities	12	11	91.7
Real Estate Activities	2	2	100.0
Administrative and Support Service Activities	3	2	66.7
Education	15	10	66.7
Human Health and Social Work Activities	6	6	100.0
Arts, Entertainment and Recreation	3	3	100.0
Other Service Activities	3	1	33.3

Source of data: Bureau of Labor Relations.

TABLE 6 – Number of Registered Collective Bargaining Agreements With Wage Increase Provision by Type of Wage Increase Provided by Major Industry Group, Philippines: 2012

MAJOR INDUSTRY GROUP	Registered CBAs	CBAs With Wage Increase Provision					
		Total	Type of Wage Increase Provided				Not Stated
			Total	Increase in Daily Wage	Increase in Monthly Wage	Percent Increase in Basic Pay	
ALL INDUSTRIES	281	230	205	119	72	25	25
Agriculture, Forestry and Fishing	14	11	11	9	1	2	-
Mining and Quarrying	2	2	2	1	1	1	-
Manufacturing	139	120	103	72	28	6	17
Electricity, Gas, Steam and Air Conditioning Supply	13	11	10	1	9	-	1
Water Supply; Sewerage, Waste Management and Remediation Activities	1	1	1	-	1	-	-
Construction	3	2	2	2	-	-	-
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	24	18	18	14	5	-	-
Transportation and Storage	21	16	14	7	4	6	2
Accommodation and Food Service Activities	14	9	6	3	3	1	3
Information and Communication	6	5	4	3	1	-	1
Financial and Insurance Activities	12	11	11	-	8	3	-
Real Estate Activities	2	2	2	1	-	1	-
Administrative and Support Service Activities	3	2	2	2	-	-	-
Education	15	10	10	1	7	3	-
Human Health and Social Work Activities	6	6	5	2	2	1	1
Arts, Entertainment and Recreation	3	3	3	1	2	-	-
Other Service Activities	3	1	1	-	-	1	-

Note: Breakdown of total CBAs by type of wage increase provision may not add up to totals due to multiple responses as one CBA may have multiple wage increase provisions.

Source of data: Bureau of Labor Relations.