

Economic Provisions of Collective Bargaining Agreements in 2020 (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 negotiated contract between a legitimate labor organization and the employer concerning wages, hours of work, and all other terms and conditions of employment in a bargaining unit, including mandatory provisions for grievance and arbitration machinery. As such, a CBA includes economic provisions and non-economic provisions where economic provisions include monetary value of wage increases, loan benefits, bonuses, allowances, retirement plan, and other fringe benefits. Meanwhile, non-economic clauses include union security clauses, grievance procedures, labor-management cooperation schemes, and other provisions without monetary value.

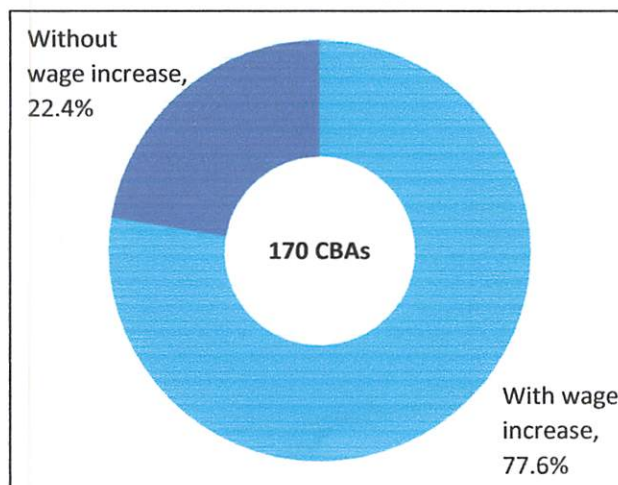
This three-part series of LABSTAT Updates presents administrative data on CBAs gathered, tabulated, and analyzed as sourced from the documents filed at the Bureau of Labor Relations (BLR) of the Department of Labor and Employment (DOLE). Particularly, this second part of a three-part series highlights the economic provisions of 170 CBAs registered in 2020. Further, the CBAs of seafarer unions/associations were excluded from this analysis due to relatively high amount and different currencies in their CBA provisions.

1. Seven (7) out of every nine (9) registered CBAs were granted wage increase provisions in 2020

a. A total of 170 Collective Bargaining Agreements (CBAs) were registered at the Bureau of Labor Relations of the Department of Labor and Employment in 2020. Several economic provisions or monetary benefits were stipulated in the registered CBAs of workers. (Figure 1 and Table 9)

b. The number of registered CBAs that were granted provisions on wage increase was recorded at 132 CBAs or 77.6 percent of the registered CBAs. On the contrary, the remaining 38 CBAs (22.4%) did not stipulate any wage increase to their workers.

Figure 1. Registered CBAs With and Without Wage Increase Provisions, Philippines: 2020



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

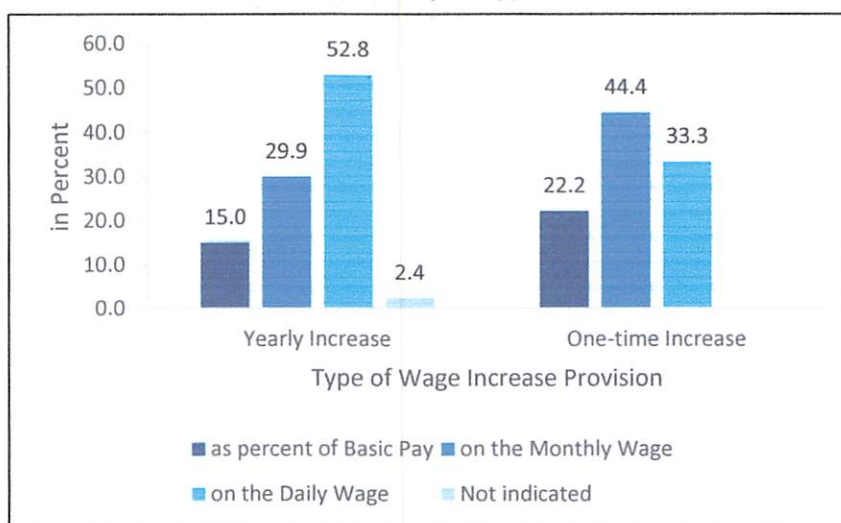
c. Out of the 132 CBAs that were granted wage increase provisions, 127 (96.2%) were classified as yearly wage increase, while nine (6.8%) were granted a one-time increase to the covered workers in the agreement. (Table 10)

- d. The industry sector recorded the highest number of CBAs with provision on wage increase at 72 (54.5%), followed by Services with 45 CBAs (34.1%) and Agriculture with 15 CBAs (11.4%). (Table 9)

2. Majority of the CBAs stipulated a daily wage increase for each year of the agreement

- a. Of the total 127 registered CBAs with yearly increase, 67 CBAs (52.8%) stipulated for an increase in daily wage. (Figure 2 and Table 10)
- b. Moreover, among the nine registered CBAs with one-time wage increase provision, the most common was a monthly wage increase with 4 CBAs (44.4%), followed by daily wage increase provision with 3 CBAs (33.3%), and by wage increase based on percentage of their basic pay with 2 CBAs (22.2%).

Figure 2. Percent Share of Registered CBAs by Type of Wage Increase Provision, Philippines: 2020



Note: A CBA may have multiple wage increase provisions.

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

3. All CBAs in four industries stipulated a wage increase provision

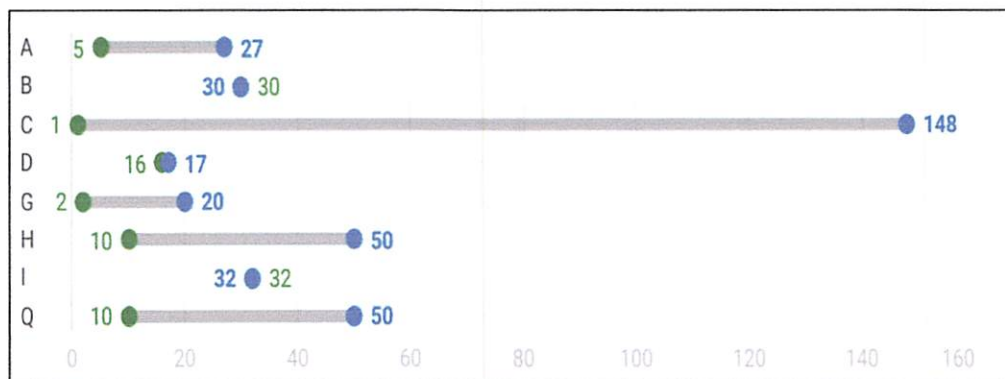
- a. All the registered CBAs in these four industries granted wage increase provisions: Information and Communication (2 CBAs), Financial and Insurance Activities (1 CBA), Human Health and Social Work Activities (10 CBAs), and Other Service Activities (1 CBA). (Table 9)
- b. Among the registered CBAs, the top three industries with wage increase provisions were Manufacturing (68 CBAs), Agriculture, Forestry and Fishing (15 CBAs), and Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles (11 CBAs).
- c. Only the Electricity, Gas, Steam and Air Conditioning Supply recorded a below 50.0 percent of the registered CBAs with wage increase provision.

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4. Majority of CBAs that provided yearly increase in daily and monthly wages belonged to the Manufacturing industry

- a. About 39.4 percent or 67 registered CBAs provided yearly increase for daily wage workers. Among these, 40 CBAs belonged to the Manufacturing industry. (Table 10)
- b. The minimum daily wage increase provided by CBAs varied from PhP 1.00 in Manufacturing to PhP 32.00 in Accommodation and Food Service Activities. (Figure 3 and Table 1)
- c. On the other hand, the maximum daily wage increase provided by CBAs starts at PhP 17.00 in Electricity, Gas, Steam and Air Conditioning Supply up to PhP 148.00 in Manufacturing.

Figure 3. Minimum and Maximum Amount of Yearly Increase in Daily Wage Provided in CBAs by Major Industry Group, Philippines: 2020
(In PhP)



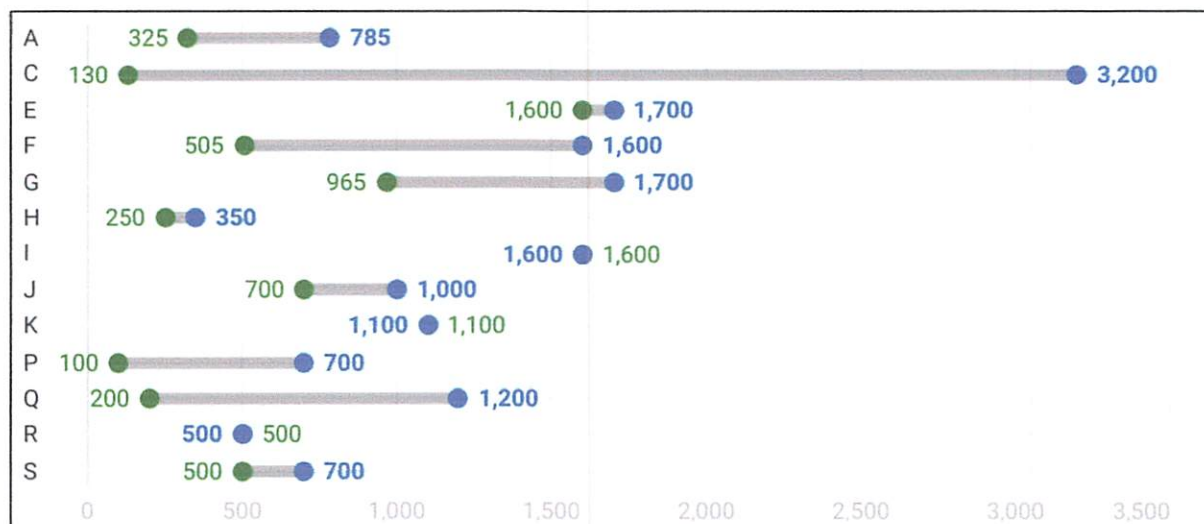
A - Agriculture, Forestry and Fishing
 B - Mining and Quarrying
 C - Manufacturing
 D - Electricity, Gas, Steam and Air Conditioning Supply
 G - Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
 H - Transportation and Storage
 I - Accommodation and Food Service Activities
 Q - Human Health and Social Work Activities

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

- d. Of the total registered CBAs with provisions for yearly increase, 38 CBAs were monthly wage workers. More than half (20 CBAs) of these came from the Manufacturing industry. (Table 10)
- e. The minimum monthly wage increase varies from PhP 100.00 in Education to PhP 1,600.00 in Water Supply; Sewerage, Waste Management and Remediation Activities, and Accommodation and Food Service Activities. (Figure 4 and Table 2)
- f. Meanwhile, the maximum monthly wage increase ranges from PhP 350.00 in Transportation and Storage to PhP 3,200.00 in Manufacturing.

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Figure 4. Minimum and Maximum Amount of Yearly Increase in Monthly Wage Provided in CBAs by Major Industry Group, Philippines: 2020
(In PhP)



A - Agriculture, Forestry and Fishing
 C - Manufacturing
 E - Water Supply; Sewerage, Waste Management and Remediation Activities
 F - Construction
 G - Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
 H - Transportation and Storage
 I - Accommodation and Food Service Activities
 J - Information and Communication
 K - Financial and Insurance Activities
 P - Education
 Q - Human Health and Social Work Activities
 R - Arts, Entertainment and Recreation
 S - Other Service Activities

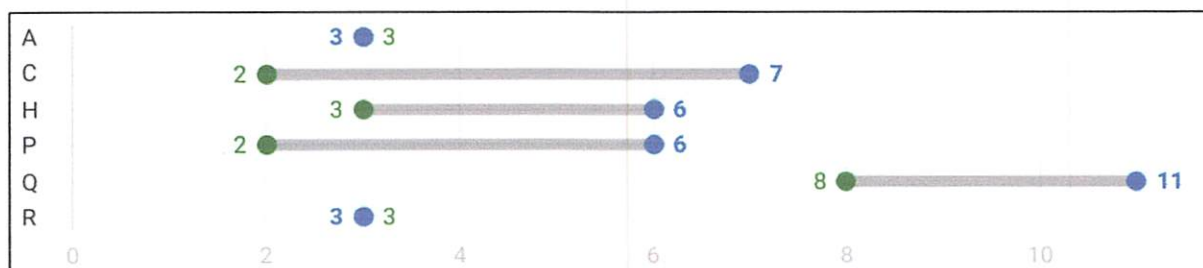
Source: Department of Labor and Employment, Bureau of Labor Relations

5. Manufacturing and Transportation and Storage industries had the highest number of registered CBAs with yearly increase in wages as a percentage of basic pay

- a. A total of 19 out of the 170 registered CBAs provided yearly wage increases based on the percentage of the workers' basic pay. More than half of these came from the combined shares of Manufacturing (7 CBAs) and Transportation and Storage (4 CBAs). (Table 10)
- b. The minimum wage increase ranged from 2.0 percent of basic pay in the Manufacturing and Education industries to 8.0 percent of basic pay in Human Health and Social Work Activities. (Figure 5 and Table 3)
- c. On the other hand, the maximum wage increase ranged from 3.0 percent of basic pay in Agriculture, Forestry, and Fishing, as well as Arts, Entertainment, and Recreation, to 11.0 percent of basic pay in Human Health and Social Work Activities.

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Figure 5. Minimum and Maximum Amount of Yearly Wage Increase Based on Percentage of Basic Pay Provided in CBAs by Major Industry Group, Philippines: 2020
(In Percent)



A - Agriculture, Forestry and Fishing
C - Manufacturing
H - Transportation and Storage
P - Education
Q - Human Health and Social Work Activities
R - Arts, Entertainment and Recreation

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

6. Top three welfare benefits were the provision of uniform, support for hospitalization, and assistance for annual physical examination

- Provision of uniform (47.6%), hospitalization (40.6%), and annual physical examination assistance (31.8%) were among the top welfare benefits cited in the CBAs for 2020. The amount covered for hospitalization support ranged from PhP 500.00 to PhP 2.00 million. However, the minimum and maximum amount intended for uniform and annual physical examination assistance was not indicated in the CBAs. (Table 4)
- Among the less common welfare benefits indicated in the 2020 CBAs were provision of company products/discounts (5.9%), disability assistance (5.3%) and provision of board and lodging (2.9%). A minimum of PhP 25,000.00 up to PhP 200,000.00 coverage was allotted for disability assistance, while no particular amount was cited for availment of company products/discounts and allotment of board and lodging.
- Other welfare benefits negotiated in the agreements include dental treatment/services with coverage range of PhP 100.00 to PhP 55,000.00, medicine allowance with coverage of PhP 400.00 to PhP 55,000.00, and optical/ophthalmologist treatment/services with PhP 500.00 to PhP 55,000.00.

7. Nearly eleven percent (10.6%) of CBAs provided maternity and paternity assistance

- Out of the 170 registered CBAs, 18 CBAs (10.6%) provided assistance related to maternity and paternity depending on the mode of childbirth delivery. (Table 5)
- Among the granted maternity benefits, nine CBAs (5.3%) provided assistance for normal childbirth delivery with coverage amounting to PhP 1,300.00 up to PhP 100,000.00. For caesarean delivery cases, 12 CBAs (7.1 %) provided assistance ranging from PhP 2,600.00 to PhP 150,000.00.

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- c. Meanwhile, only five CBAs (2.9%) granted paternity assistance for cases of normal childbirth delivery of member's wife with an amount of coverage ranging from PhP 1,700.00 to PhP 7,500.00. Fewer CBAs provided support for paternity during wife's childbirth through Caesarean Section at 2 CBAs (1.2%) with a coverage of PhP 15,000.00.
- d. Assistance for miscarriage was specified by only four CBAs (2.4%) with amount ranging from PhP 800.00 to PhP 10,000.00.

8. *Three in every five CBAs stipulated provisions for assistance to bereaved families of deceased employees*

- a. A total of 112 CBAs (65.9%) provided assistance for bereaved families of deceased employees with amounts ranging from PhP 700.00 up to PhP 320,000.00. (*Table 6*)
- b. For cases of death of a worker's family member, 80 CBAs (47.1%) provided assistance with an amount ranging from PhP 200.00 to PhP 50,000.00.
- c. Moreover, 21 CBAs (12.4%) indicated provision for funeral aid with an amount of PhP 1,000.00 up to PhP 75,000.00.

9. *Emergency loan, educational loan, and calamity loan were the most common types of loan benefits granted*

- a. The top three monetary assistance through loans were emergency loan, educational loan, and calamity loan. Monetary assistance through grant of emergency loans were provided by 28 CBAs (16.5%) with an allowable amount ranging from PhP 1,500.00 to PhP 75,000.00. This was followed by grant of education loans by 24 CBAs (14.1%) with allowable loans ranging from PhP 2,000.00 to PhP 350,000.00, and calamity loans granted by 20 CBAs (11.8%) with amount ranging from PhP 6,000.00 to PhP 55,000.00. (*Table 7*)
- b. On the other hand, the least common monetary assistance were vehicle/car loan (0.6%) with loan amount of PhP 450,000.00, medical loan (1.8%) with loan amount ranging from PhP 20,000.00 to PhP 50,000.00, and bereavement loan (1.8%) with amount ranging from PhP 25,000.00 to PhP 50,000.00.

10. *Signing bonus was the most frequent type of bonus granted by CBAs*

- a. The total number of CBAs that granted monetary benefit through signing bonus was 69 or 40.6 percent of the registered CBAs with amount ranging from PhP 400.00 to PhP 75,000.00. This was followed by perfect attendance bonus and Christmas bonus with 24 CBAs (14.1%) and 20 CBAs (11.8%), respectively. The amount of perfect attendance bonus ranged from PhP 100.00 to PhP 10,000, while Christmas bonus ranged from PhP 1,500.00 to PhP 25,000.00. (*Table 8*)
- b. Other common bonuses negotiated included performance bonus granted by 16 CBAs (9.4%) with an amount ranging from PhP 400.00 to PhP 30,000.00, and mid-year bonus granted by 14 CBAs (8.2%) ranging from PhP 1,000 to PhP 10,000.

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- c. Monetary benefit in the form of goodwill bonus (e.g., de minimis benefits or benefits other than those provided by law, etc.), company bonus, and 14th month pay had less than 5.0 percent of CBAs each.



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Regarding other statistics, contact **KNOWLEDGE MANAGEMENT AND COMMUNICATIONS DIVISION** at 8462-6600 local 834
Or visit our website at <https://www.psa.gov.ph>

Table 1. Minimum, Maximum and Range Values of Yearly Increase in Daily Wages by Major Industry Group, Philippines: 2020
(In PhP)

Scale			
0 148			
Major Industry Group	Minimum	Maximum	Range
Agriculture, Forestry and Fishing	5	27	22
Mining and Quarrying	30	30	0
Manufacturing	1	148	147
Electricity, Gas, Steam and Air Conditioning Supply	16	17	1
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	2	20	18
Transportation and Storage	10	50	40
Accommodation and Food Service Activities	32	32	0
Human Health and Social Work Activities	10	50	40

Source: Department of Labor and Employment, Bureau of Labor Relations
Created with Datawrapper


Table 2. Minimum, Maximum and Range Values of Yearly Increase in Monthly Wages by Major Industry Group, Philippines: 2020
(In PhP)

Scale			
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Major Industry Group	Minimum	Maximum	Range
Agriculture, Forestry and Fishing	325	785	460
Manufacturing	130	3,200	3,070
Water Supply; Sewerage, Waste Management and Remediation Activities	1,600	1,700	100
Construction	505	1,600	1,095
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	965	1,700	735
Transportation and Storage	250	350	100
Accommodation and Food Service Activities	1,600	1,600	0
Information and Communication	700	1,000	300
Financial and Insurance Activities	1,100	1,100	0
Education	100	700	600
Human Health and Social Work Activities	200	1,200	1,000
Arts, Entertainment and Recreation	500	500	0
Other Service Activities	500	700	200

Source: Department of Labor and Employment, Bureau of Labor Relations
Created with Datawrapper

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Table 3. Minimum, Maximum and Range Values of Yearly Wage Increase Provision Based on Percentage of Basic Pay by Major Industry Group, Philippines: 2020
(In Percent)

Scale 			
Major Industry Group	Minimum	Maximum	Range
Agriculture, Forestry and Fishing	3	3	0
Manufacturing	2	7	5
Transportation and Storage	3	6	3
Education	2	6	4
Human Health and Social Work Activities	8	11	3
Arts, Entertainment and Recreation	3	3	0

Source: Department of Labor and Employment, Bureau of Labor Relations
Created with Datawrapper

Table 4. Number of Registered CBAs by Type of Welfare Benefits and Minimum/Maximum Amount Granted, Philippines: 2020

Type of Welfare Benefits	Number	Percent Share (%)	Amount granted (Php)	
			Min.	Max.
Total No. of CBAs	170	100.0		
Uniform	81	47.6	-	-
Hospitalization	69	40.6	500	2,000,000
Annual Physical Examination	54	31.8	-	-
Dental Treatment/Services	51	30.0	100	55,000
Longevity Pay/Service or Loyalty Award	42	24.7	-	-
Retirement Plan	33	19.4	-	-
Medicine allowance	32	18.8	400	55,000
Shuttle service	27	15.9	-	-
Gratuity Pay	26	15.3	-	-
Optical/Ophthalmologist Treatment/Services	21	12.4	500	55,000
Hazard Pay	17	10.0	-	-
Company Products/Discounts	10	5.9	-	-
Disability assistance	9	5.3	25,000	200,000
Board and lodging	5	2.9	-	-

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

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

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Table 5. Number of Registered CBAs by Maternity/Paternity Benefits and Minimum/Maximum Amount Granted, Philippines: 2020

Maternity/Paternity Benefits		Number	Percent Share (%)	Amount Granted (Php)	
				Min.	Max.
Total No. of CBAs		170	100.0	-	-
No. of CBAs with either Maternity/Paternity Benefits		18	10.6	-	-
Maternity	Normal	9	5.3	1,300	100,000
	Caesarean	12	7.1	2,600	150,000
	Either Normal or Caesarean Delivery	5	2.9	750	30,000
Paternity	Normal	5	2.9	1,700	7,500
	Caesarean	2	1.2	15,000	15,000
	Either Normal or Caesarean Delivery	-	-	-	-
Miscarriage		4	2.4	800	10,000

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

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

Table 6. Number of Registered CBAs by Death/Funeral Benefits and Minimum/Maximum Amount Granted, Philippines: 2020

Death/Funeral Benefits	Number	Percent Share (%)	Amount Granted (Php)	
			Min.	Max.
Total No. of CBAs	170	100.0	-	-
Employee's death	112	65.9	700	320,000
Death of a family member	80	47.1	200	50,000
Funeral Aid	21	12.4	1,000	75,000

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

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

Table 7. Number of Registered CBAs by Type of Loan Benefits and Minimum/Maximum Amount Granted, Philippines: 2020

Type of Loan Benefits	Number	Percent Share (%)	Amount Granted (Php)	
			Min.	Max.
Total No. of CBAs	170	100.0	-	-
Emergency loan	28	16.5	1,500	75,000
Educational loan	24	14.1	2,000	350,000
Calamity loan	20	11.8	6,000	55,000
Cash Advance/VALE	13	7.6	3,000	300,000
Multi Purpose loan	11	6.5	5,000	200,000
Housing loan	7	4.1	13,000	300,000
Company loan	5	2.9	18,000	7,500,000
Bereavement loan	3	1.8	25,000	50,000
Medical loan	3	1.8	20,000	50,000
Vehicle/Car loan	1	0.6	450,000	450,000

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

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

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Table 8. Number of Registered CBAs by Type of Bonuses and Minimum/Maximum Amount Granted, Philippines: 2020

Type of Bonuses	Number	Percent Share (%)	Amount Granted (Php)	
			Min.	Max.
Total No. of CBAs	170	100.0	-	-
Signing bonus	69	40.6	400	75,000
Perfect attendance bonus	24	14.1	100	10,000
Christmas bonus	20	11.8	1,500	25,000
Performance bonus	16	9.4	400	30,000
Mid-year bonus	14	8.2	1,000	10,000
Goodwill bonus	3	1.8	2,000	15,000
Company bonus	3	1.8	2,000	2,500
14th Month Pay	2	1.2	-	-

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

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

Table 9. Number and Percent Share of Registered CBAs With and Without Wage Increase Provision by Major Industry Group, Philippines: 2020

Major Industry Group	Number of Registered CBAs	Wage Increase			
		With Provision		Without Provision; On Moratorium; No Specific Provision	
		Number	Percent Share to Registered CBAs (%)	Number	Percent Share to Registered CBAs (%)
ALL INDUSTRIES	170	132	77.6	38	22.4
Agriculture, Forestry and Fishing	17	15	88.2	2	11.8
Industry	92	72	78.3	20	21.7
Mining and Quarrying	2	1	50.0	1	50.0
Manufacturing	81	68	84.0	13	16.0
Electricity, Gas, Steam and Air Conditioning Supply	5	1	20.0	4	80.0
Water Supply; Sewerage, Waste Management and Remediation Activities	2	1	50.0	1	50.0
Construction	2	1	50.0	1	50.0
Services	61	45	73.8	16	26.2
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	12	11	91.7	1	8.3
Transportation and Storage	18	10	55.6	8	44.4
Accommodation and Food Service Activities	4	2	50.0	2	50.0
Information and Communication	2	2	100.0	-	-
Financial and Insurance Activities	1	1	100.0	-	-
Administrative and Support Service Activities	1	-	-	1	100.0
Education	10	7	70.0	3	30.0
Human Health and Social Work Activities	10	10	100.0	0	0.0
Arts, Entertainment and Recreation	2	1	50.0	1	50.0
Other Service Activities	1	1	100.0	-	-

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

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Table 10. Number of Registered CBAs With Wage Increase Provision by Type of Wage Increase Provided and Major Industry Group, Philippines: 2020

Major Industry Group	Number of CBAs		One-time Increase			Yearly Increase			
	Registered CBAs	With Wage Increase Provision	Percent of Basic Pay	Monthly	Daily	Percent of Basic Pay	Monthly	Daily	Not Indicated
ALL INDUSTRIES	170	132	2	4	3	19	38	67	3
Agriculture, Forestry and Fishing	17	15	-	-	1	3	1	10	1
Mining and Quarrying	2	1	-	-	-	-	-	1	-
Manufacturing	81	68	-	2	1	7	20	40	1
Electricity, Gas, Steam and Air Conditioning Supply	5	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	12	11	-	-	-	-	2	7	1
Transportation and Storage	18	10	1	-	-	4	1	4	-
Accommodation and Food Service Activities	4	2	-	-	-	-	1	1	-
Information and Communication	2	2	-	1	-	-	1	-	-
Financial and Insurance Activities	1	1	-	-	-	-	1	-	-
Administrative and Support Service Activities	1	-	-	-	-	-	-	-	-
Education	10	7	1	1	-	3	3	-	-
Human Health and Social Work Activities	10	10	-	-	1	1	5	3	-
Arts, Entertainment and Recreation	2	1	-	-	-	1	-	-	-
Other Service Activities	1	1	-	-	-	-	1	-	-

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

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

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