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Profile of Collective Bargaining Agreements in 2018 (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 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.

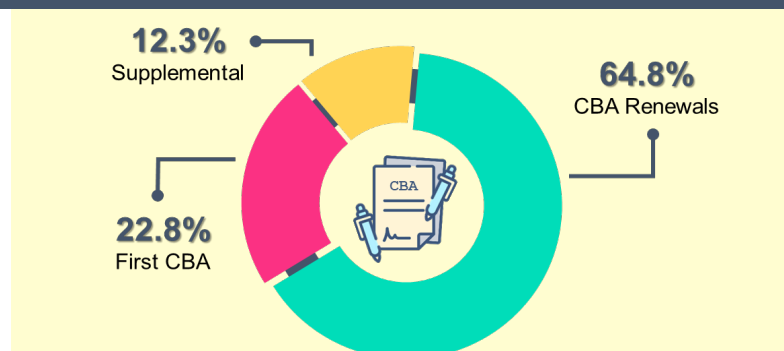
Specifically, a CBA is a contract executed upon incorporating the agreements reached after negotiations with the employer and the exclusive bargaining representative of the employees with respect to wages, hours or work and all other terms and conditions of employment. As such, a CBA includes economic provisions and non-economic provisions. Economic provisions include monetary value of wage increases, loan benefits, bonuses, allowances, retirement plans, 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 and tabulated from the administrative documents filed at the Bureau of Labor Relations (BLR) of the Department of Labor and Employment (DOLE). This first issue specifically highlights the profile of the registered CBAs 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.

Majority or 64.8 percent of the registered CBAs in 2018 were renewals

- A total of 162 CBAs were registered by various labor organizations group in the country in 2018. Majority of the registered CBAs were renewals (64.8%) while about 22.8 percent applied CBAs for the first time. Meanwhile, 12.3 percent of the registered CBAs were supplemental/renegotiated. (Figure 1)

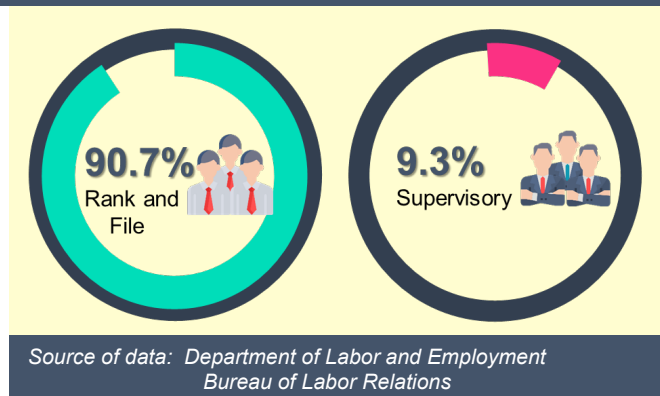
FIGURE 1 - Percent Distribution of Registered CBAs by Type, Philippines: 2018



Note: Details may not add up to 100% due to rounding.
Source of data: Department of Labor and Employment,
Bureau of Labor Relations

- Categorized by scope of bargaining unit, almost all (90.7%) of the CBAs covered rank and file workers. On the other hand, supervisory level positions accounted for less than 10 percent of the total CBAs (9.3%). (Figure 2)

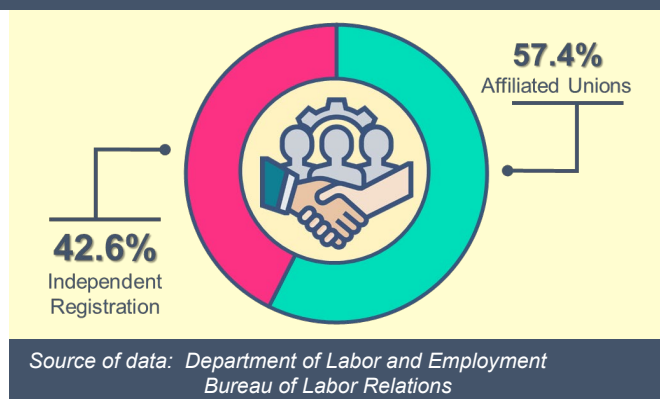
FIGURE 2 - Percent Distribution of Registered CBAs by Scope of Bargaining Unit, Philippines: 2018



More than half of the total CBAs were negotiated by affiliated unions

- By union status, more than half (57.4%) of the total registered CBAs were negotiated by affiliated unions or those unions that are linked with federation, national union or chartered local. However, three of every seven CBAs (42.6%) were negotiated by independent unions that acquired own legal personality. (Figure 3)

FIGURE 3 - Percent Distribution of Registered CBAs by Union Status, Philippines: 2018

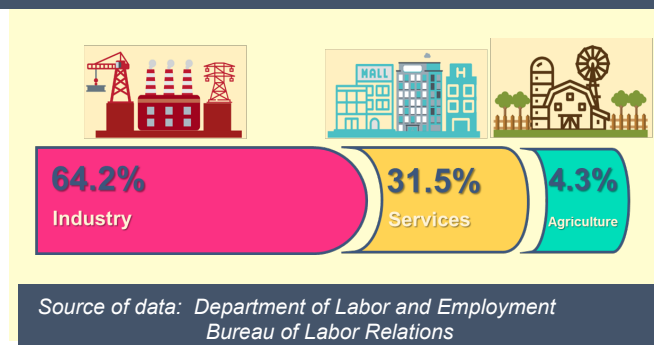


Industry sector recorded the highest registered CBAs among sectors

- Classified by sector, the industry sector registered the highest number of CBAs in

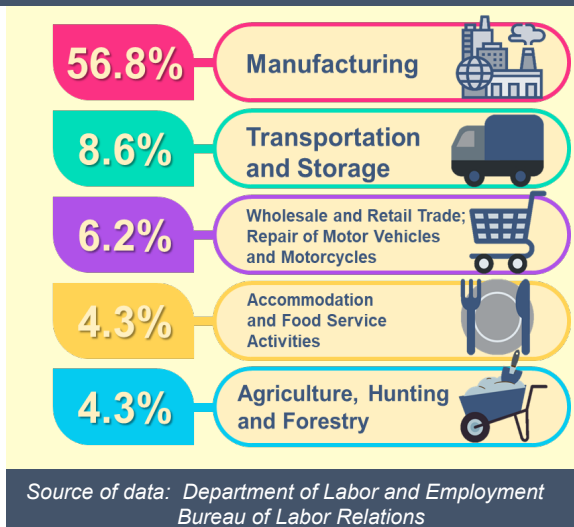
2018 with about two-thirds (64.2%) of the total CBAs. This was followed by the services and the agriculture sector with 31.5 percent and 4.3 percent shares, respectively. (Figure 4)

FIGURE 4 - Percent Distribution of Registered CBAs by Sector, Philippines: 2018



- Grouped by major industry group, manufacturing had the biggest share accounting for more than half (56.8%) of the total CBAs. Transportation and storage followed at 8.6 percent and wholesale and retail trade; repair of motor vehicles and motorcycles at 6.2 percent. (Figure 5)

FIGURE 5 - Percent Share of Top 5 Registered CBAs by Major Industry Group, Philippines: 2018

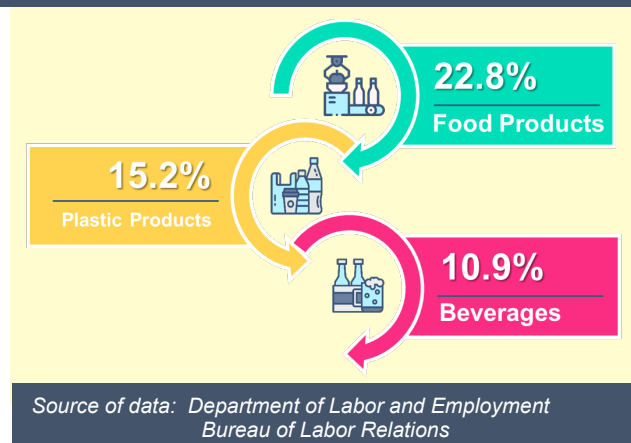


- The remaining industries with registered CBAs accounted for less than five percent share each. Other services activities reported the least share of CBAs at 0.6 percent. (Table 1)

***CBA*s were prevalent in the manufacturing of food products**

- By sub-industry grouping of the manufacturing industry, CBAs were commonly negotiated in the manufacture of food products at 22.8 percent. Followed by manufacturing of rubber and plastic products (15.2%), and beverages (10.9%). Contrariwise, the manufacture of fabricated metal products except machinery and equipment, and the manufacture of furniture both accounted for the least share with 1.1 percent of the total CBAs. (Table 2)

FIGURE 6 - Percent Share of Top 3 Manufacturing Sub-Industry Groups with CBAs, Philippines: 2018



A total of 34,627 workers were covered by the CBAs in 2018

- Of the total 162 CBAs reported in 2018, 34,627 workers benefitted from the several CBA provisions. Five out of nine (54.7%), or equivalently 18,935 workers, were members of renewed CBAs. Further, the supplemental CBAs covered 10,806 workers or 31.2 percent of the total union members while one out of every seven or 4,886 workers (14.1%) were covered by newly-registered CBAs. (Table 1)
- Classified by scope of bargaining unit, 32,507 workers or 93.9 percent of the total CBAs covered rank and file employees while the remaining 6.1 percent were the 2,120 supervisors.

- Majority of workers (51.7%) covered by CBAs were members of independent unions. Meanwhile, almost half (48.3%) were members of affiliated unions. (Table 1)

More than half of workers covered by CBAs were from the industry sector in 2018

- Four of every seven workers registered in 2018 CBAs were from the industry sector (57.4%) with 19,874 workers. The 12,856 employees in the services sector covered by CBAs accounted for 37.1 percent of the total share. The remaining 5.5 percent share were the 1,897 agricultural workers. (Table 1)
- Categorized by major industry group, half of the total workers covered by CBAs were from the manufacturing industry with 17,500 workers (50.5%), followed by transportation and storage with 3,469 workers (10.0%), and information and communications with 3,316 workers (9.6%). (Table 1)

FIGURE 7 - Percent Distribution of Workers Covered by CBAs by Sex, Philippines: 2018



Disaggregated by sex, about seven out of every ten workers (68.0%) covered by CBAs were males with 23,547 count, while only one out of every three were females (32.0%) or equivalent to 11,080 workers. (Figure 7)

Definition of Terms:

Union - any registered group or association of employees that exists in whole or in part for the purpose of collective bargaining or dealing with employers concerning terms and conditions of employment. It also refers to a union whose registration is still in process as of reference date.

Collective Bargaining Agreement (CBA) - the 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.

Bargaining Unit - a group of employees sharing mutual interest within a given employer, comprise of all or less than all of the entire body of employees in the employer unit or any specific occupational or geographical grouping with such employer unit. According to law a bargaining unit or scope of bargaining unit can be the following:

- **Rank and File Employees** - an employee whose functions are either managerial or supervisory in nature.
- **Supervisory Employees** - an employee who, in the interest of the employer, effectively recommends managerial actions and the exercise of such authority is not merely routinary or clerical but requires the use of independent judgement.

Independent Union - a union operating in an establishment by itself. It is not identified with a federation nor a national union.

Affiliated Union - a local or an independently registered union affiliated with a federation or a national union.

TABLE 1 – Number and Percent Distribution of Collective Bargaining Agreements (CBAs) and Workers Covered by Type, Scope of Bargaining Unit, Union Status, Sector/Major Industry Group and Sex, Philippines: 2018

INDICATOR	Collective Bargaining Agreements		Workers Covered	
	Number	Percent	Number	Percent
TOTAL	162	100.0	34,627	100.0
Type of CBA				
First-Time CBA	37	22.8	4,886	14.1
Renewal	105	64.8	18,935	54.7
Supplemental/Renegotiated	20	12.3	10,806	31.2
Scope of Bargaining Unit				
Supervisory Level	15	9.3	2,120	6.1
Rank and File Employees	147	90.7	32,507	93.9
Union Status				
Independent	69	42.6	17,897	51.7
Affiliated	93	57.4	16,730	48.3
Sector/Major Industry Group				
Agriculture	7	4.3	1,897	5.5
Agriculture, Hunting and Forestry	7	4.3	1,897	5.5
Industry	104	64.2	19,874	57.4
Mining and Quarrying	2	1.2	1,729	5.0
Manufacturing	92	56.8	17,500	50.5
Electricity, Gas, Steam and Air Conditioning Supply	6	3.7	317	0.9
Water Supply; Sewerage	2	1.2	186	0.5
Construction	2	1.2	142	0.4
Services	51	31.5	12,856	37.1
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	10	6.2	1,914	5.5
Transportation and Storage	14	8.6	3,469	10.0
Accommodation and Food Service Activities	7	4.3	279	0.8
Information and Communication	3	1.9	3,316	9.6
Financial and Insurance Activities	4	2.5	1,748	5.0
Real Estate Activities	2	1.2	441	1.3
Professional, Scientific and Technical Activities	2	1.2	197	0.6
Administrative and Support Service Activities	2	1.2	216	0.6
Education	4	2.5	558	1.6
Human Health and Social Work Activities	2	1.2	704	2.0
Other Service Activities	1	0.6	14	*
Sex				
Men			23,547	68.0
Women			11,080	32.0

Note: Details may not add up to totals due to rounding.

** Less than 0.05 percent but not equal to zero.*

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

TABLE 2 – Number and Percent Distribution of Collective Bargaining Agreements (CBAs) in the Manufacturing Sub-Industry Group, Philippines: 2018

Manufacturing Sub-Industry Group	Number of CBAs	Percent Share
TOTAL	92	100.0
Food Products	21	22.8
Rubber and Plastic Products	14	15.2
Beverages	10	10.9
Chemicals and Chemical Products	5	5.4
Basic Metals	5	5.4
Electrical Equipment	5	5.4
Leather and Related Products	4	4.3
Other Non-Metallic Mineral Products	4	4.3
Textiles	3	3.3
Wearing Apparel	3	3.3
Paper and Paper Products	3	3.3
Basic Pharmaceutical Products and Pharmaceutical Preparation	3	3.3
Tobacco Products	2	2.2
Wood Products	2	2.2
Printing and Reproduction of Recorded Media	2	2.2
Computer, Electronic and Optical Products	2	2.2
Machinery and Equipment Not Elsewhere Classified	2	2.2
Fabricated Metal Products	1	1.1
Furniture	1	1.1

Note: Percent share may not add up to total due to rounding.

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 8462-6600 local 834

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