

Non-Economic Provisions of Collective Bargaining Agreements in 2018

(Third 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, agrees to fix and administer terms and conditions of employment which must not be below the minimum standards fixed by law. This also 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 last part of a three-part series on CBAs specifically highlights the non-economic provisions of the 162 CBAs registered 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.

Almost all of the registered CBAs stipulated non-economic clauses

- In 2018, out of 162 registered CBAs, 95.1 percent had indicated non-economic clauses which include: (1) union security; (2) job security; (3) union privileges; (4) well-being/health and safety programs; (5) leave benefits; (6) productivity enhancement programs and; (7) supplementary benefits. (Table 4)

Union Security Clause

Nine (9) out of every ten (10) CBAs had union security clauses

- Union security clauses intended to protect the institutional life of the unions. These provisions can be seen in almost all (92.0%) of the CBAs in 2018. (Table 1)
- By type of union security clause, union dues check-off was stated in most of the CBAs (82.1%). Check-off is an arrangement by a union with the employer where regular deductions were made from the union members' paycheck or salary for funding union-related activities.

TABLE 1 - Number and Percent Share of CBAs by Union Security Clause, Philippines: 2018

TYPE OF UNION SECURITY CLAUSE	NO. OF CBAs	PERCENT SHARE
Total Registered CBAs	162	100.0
CBAs with Union Security Clause	149	92.0
Check-off:		
Union dues	133	82.1
Agency fees	103	63.6
Special assessment fees	100	61.7
Management right/prerogative	117	72.2
Maintenance of membership	90	55.6
Union right/responsibility	70	43.2

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

- Other deductions included are the collection of agency fees for non-union members and special assessment fees at 63.6 and 61.7 percent shares, respectively. (*Table 1*)
- About three-fourths of the total CBAs (72.2%) upheld management right/prerogative. It is where employers have the freedom/discretion and best judgment to regulate and control all aspects of management and operations in their business organization without discussions with a union.
- Also mentioned in five out of every nine (55.6%) of the total CBAs was the maintenance of union membership. This CBA provision requires the members of the union to maintain their membership in good standing for continued employment in the organization during the duration of the agreement.
- In addition, clauses on union right/responsibility or the rights of the workers to self-organization and collective bargaining, including their duties and responsibilities as union members was cited in some of the CBAs (43.2%).

Job Security Clause

Five (5) out of six (6) CBAs had job security clauses

- For the year covered, 82.1 percent of CBAs specified provisions under job security to assure that employees will have continuity in employment in through the terms specified in their contract of employment, collective bargaining agreement, or labor legislation that prevents arbitrary termination. (*Table 2*)
- Security of tenure is one of the fundamental rights of the workers under the law in which almost two-thirds (66.0%) of the total CBAs stipulated that termination of workers by the employer may be done only upon the existence of a just or an authorized cause and after observance of due process or otherwise known as "just dismissal/lay-off".
- In addition, policies on lay-off were also specified in almost 60 percent (58.6%) of the total registered CBAs.
- Another provision under job security is the non-discriminatory filling-up of vacancies, wherein three out of five CBAs (63.0%) negotiated that vacant positions will be filled-up through promotion of the existing employees in the organization.

TABLE 2 - Number and Percent Share of CBAs by Type of Job Security Clause, Philippines: 2018

NO. OF CBAs	PERCENT SHARE	TYPE OF JOB SECURITY CLAUSE
162	100.0	Total Registered CBAs
133	82.1	CBAs with Job Security Clause
107	66.0	Just Dismissal/Lay-off of workers
95	58.6	Policy on lay-off
		Non-discriminatory filling-up of vacancies through:
102	63.0	Promotion
56	34.6	Hiring of next-of-kin of retired workers
55	34.0	Assignment/Transfer of workers
20	12.3	Rehire/Recall of dismissed workers
11	6.8	Provide skills training

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

- Moreover, one out of three registered CBAs indicated that filling-up of vacancies shall be done through hiring of next-of-kin or immediate family of retired workers at 34.6 percent and assignment or transfer of workers within the company at 34.0 percent.

- Rehire or recall of previously dismissed employee was likewise agreed upon by more than 10 percent (12.3%) of CBAs during the reference year. (Table 2)

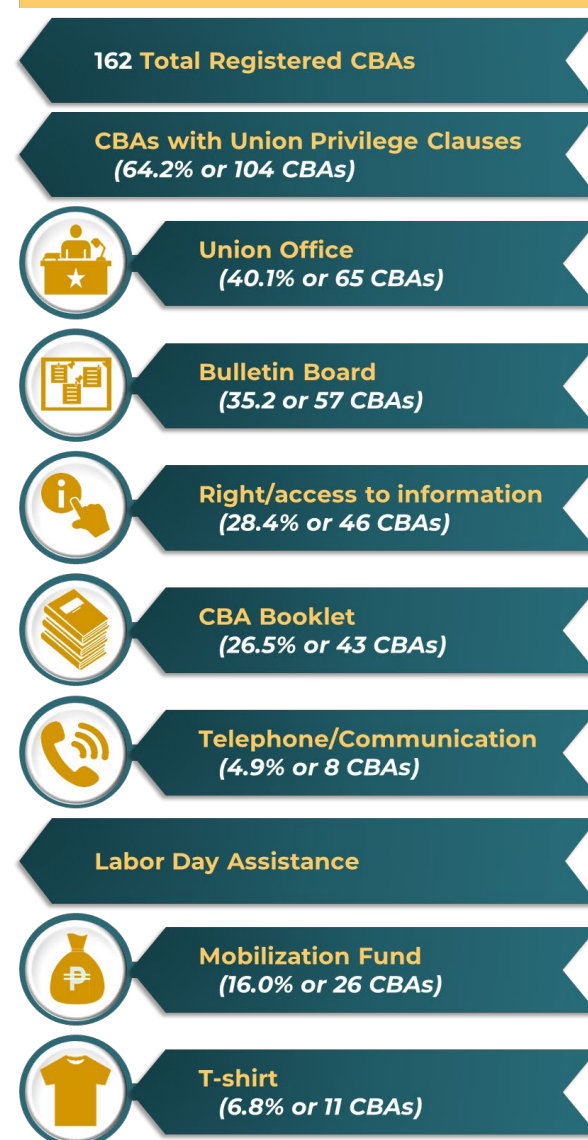
- It should be noted that only few CBAs (6.8%) listed the provision of skills training to employees to further improve, enhance, and upgrade their capabilities to do their jobs effectively.

Union Privilege Clause

Nearly two-thirds of CBAs provided union privileges to their employees

- Another non-economic clause negotiated was the provision of union privileges which was specified by 64.2 percent of the registered CBAs in 2018. (Figure 1, and Table 4)
- Among these privileges, union office space to conduct union-related meetings/activities was the most granted which was seen in two out of five CBAs (40.1%).
- Bulletin boards were also given in 35.2 percent of the CBAs for the posting of announcements and disseminating information to the union members.
- Further, 28.4% of the total registered CBAs incorporated the right/access of unions to company's information. While 26.5 percent of the CBAs allowed the reproduction of CBA booklets at company's expense.
- A lesser share (4.9%) can be seen in the provision of telephone/communication facilities to unions.
- Additionally, in observance of Labor Day celebration, some CBAs included provision of mobilization fund (16.0%) and t-shirts to union members (6.8%).

FIGURE 1 - Number and Percent Share of CBAs by Type of Union Privilege Clause, Philippines: 2018

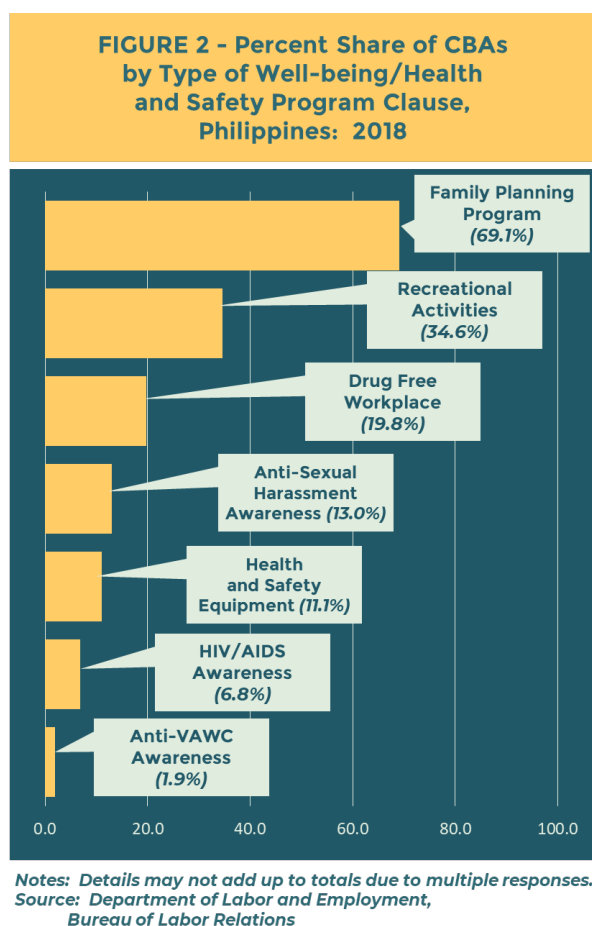


Notes: Details may not add up to totals due to multiple responses.
Source: Department of Labor and Employment,
Bureau of Labor Relations

Well-being/Health and Safety Program Clause

Family planning program/services was the most common welfare program

- As part of the well-being programs/services for the union members, conduct of family planning was cited in almost 70 percent (69.1%) of the CBAs. This was followed by recreational activities at 34.6 percent share. (Figure 2, and Table 4)



- Other well-being/health and safety programs stipulated with less than 20 percent shares of the registered CBAs were Drug-Free Workplace (19.8%); Anti-Sexual Harassment Awareness (13.0%); Health and Safety Equipment (11.1%); HIV/AIDS Awareness (6.8%); and Anti-Violence Against Women and Children Awareness (1.9%).

Leave Benefit Clause

Vacation leave granted in almost three-fourths of CBAs

- The most common leave benefit which was given to the workers covered by the agreement was vacation leave (74.1%). Sick leave (67.3%) and union leave for either union officers or union members (66.0%) followed subsequently. (Table 3)

TABLE 3 - Number and Percent Share of CBAs by Leave Benefit Clause, Philippines: 2018

TYPE OF LEAVE BENEFIT CLAUSE	NO. OF CBAs	PERCENT SHARE
Total Registered CBAs	162	100.0
Vacation Leave	120	74.1
Sick Leave	109	67.3
Union Leave	107	66.0
Burial Leave	66	40.7
Emergency Leave	60	37.0
Birthday Leave	30	18.5
Service Incentive Leave	11	6.8
Paid Leave	10	6.2
Calamity Leave	10	6.2
Time-off	9	5.6
Wedding Leave	8	4.9
Pulmonary TB Leave	5	3.1
Study Leave	4	2.5
Military Training Leave	2	1.2
Legal Court Leave	1	0.6
Personal Leave	1	0.6
Other Leave	41	25.3

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

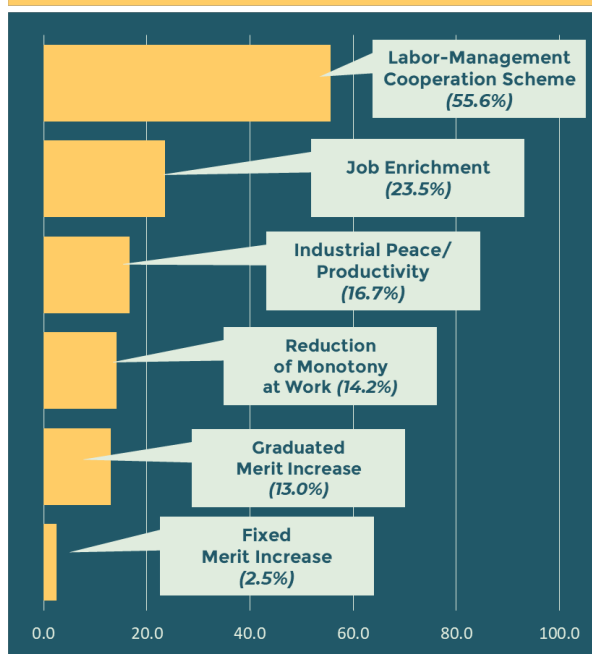
- Other types of leaves usually stated in the CBAs were burial/bereavement leave (40.7%); emergency leave (37.0%); and birthday leave (18.5%). While other remaining leave benefits accounted for less than 10 percent shares each.

Productivity Enhancement Program Clause

More than 50 percent of the CBAs stipulated the creation of Labor-Management Cooperation (LMC) Scheme

- Among the various productivity enhancement programs negotiated in CBAs, the topmost was the creation of labor-management cooperation scheme at 55.6 percent. These types of productivity enhancement programs were designed to improve efficiency and labor-management relations at the workplace. (Figure 3, and Table 4)

FIGURE 3 - Percent Share of CBAs by Productivity Enhancement Program, Philippines: 2018



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

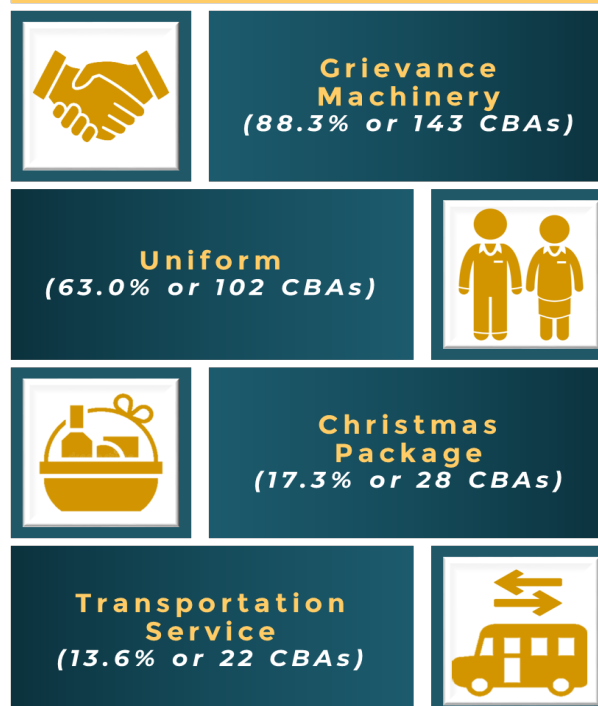
- Programs involving job enrichment (23.6%) and industrial peace/productivity council (16.7%) were also mentioned in some of the agreements in the CBAs.
- Other programs cited in the covered CBAs were reduction of monotony at work (14.2%) and merit increase either graduated (13.0%) or fixed (2.5%) term.

Supplementary Benefits/Clause

Seven (7) out of eight (8) CBAs had grievance machinery clauses

- In order to secure a lasting industrial peace, the Department of Labor and Employment (DOLE) actively encourages the creation of labor-management councils and the presence of grievance machinery in the CBA.
- Grievance machinery was established in almost 90 percent of the total registered CBAs (88.3%) in 2018. This benefit serves as a forum wherein employers and employees may express/discuss their respective concerns to resolve conflict in an expeditious manner. (Figure 4, and Table 4)
- Other supplementary benefits/clauses that were common in the registered CBAs were: uniform (63.0%), Christmas package (17.3%), and transportation service (13.6%).

FIGURE 4 - Percent Share of CBAs by Type of Supplementary Benefits/Clause, Philippines: 2018



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

TABLE 4 – Percent Share of Selected Indicators on Non-Economic Clauses/Provisions of Collective Bargaining Agreements (CBAs), Philippines: 2018

INDICATOR	NO. OF CBAS	PERCENT SHARE
Total Registered CBAs	162	100.0
<i>CBAs with Non-Economic Clauses/Provisions</i>	154	95.1
✓ CBAs with Union Security Clause	149	92.0
▪ Check off:		
- <i>Union dues</i>	133	82.1
- <i>Agency fees</i>	103	63.6
- <i>Special assessment fees</i>	100	61.7
▪ Management right/prerogative	117	72.2
▪ Maintenance of membership	90	55.6
▪ Union right/responsibility	70	43.2
✓ CBAs with Job Security Clause	133	82.1
▪ Just Dismissal/Lay-off of workers	107	66.0
▪ Policy on lay-off	95	58.6
▪ Non-discriminatory filling-up of vacancies through:		
- <i>Promotion</i>	102	63.0
- <i>Hiring of next-of-kin of retired workers</i>	56	34.6
- <i>Assignment/Transfer of workers</i>	55	34.0
- <i>Rehire/Recall of dismissed workers</i>	20	12.3
▪ Provide skills training	11	6.8
✓ CBAs with Union Privilege Clause	104	64.2
▪ Union Office	65	40.1
▪ Bulletin Board	57	35.2
▪ Right/access to information	46	28.4
▪ CBA Booklet	43	26.5
▪ Telephone/Communication	8	4.9
▪ Labor Day Assistance		
- <i>Mobilization Fund</i>	26	16.0
- <i>T-shirt</i>	11	6.8
✓ CBAs with Well-being/Health and Safety Program Clause	127	78.4
▪ Family Planning Program/Services	112	69.1
▪ Recreational Activities/Facilities	56	34.6
▪ Drug Free Workplace	32	19.8
▪ Anti Sexual Harassment Awareness	21	13.0
▪ Health and Safety Equipment	18	11.1
▪ HIV/AIDS Awareness	11	6.8
▪ Anti-VAWC Awareness	3	1.9

TABLE 4 – Percent Share of Selected Indicators on Non-Economic Clauses/Provisions of Collective Bargaining Agreements (CBAs), Philippines: 2018 (Cont'd)

INDICATOR	NO. OF CBAS	PERCENT SHARE
Total Registered CBAs	162	100.0
CBAs with Non-Economic Clauses/Provisions	154	95.1
✓ CBAs with Leave Benefit Clause	104	64.2
▪ Vacation Leave	120	74.1
▪ Sick Leave	109	67.3
▪ Union Leave	107	66.0
▪ Burial Leave	66	40.7
▪ Emergency Leave	60	37.0
▪ Birthday Leave	30	18.5
▪ Service Incentive Leave	11	6.8
▪ Paid Leave	10	6.2
▪ Calamity Leave	10	6.2
▪ Time-off	9	5.6
▪ Wedding Leave	8	4.9
▪ Pulmonary Tuberculosis Leave	5	3.1
▪ Study Leave	4	2.5
▪ Military Training Leave	2	1.2
▪ Legal Court Leave	1	0.6
▪ Personal Leave	1	0.6
▪ Other Leave	41	25.3
✓ CBAs with Productivity Enhancement Program	109	67.3
▪ Labor-Management Cooperation Scheme	90	55.6
▪ Job Enrichment	38	23.5
▪ Industrial Peace/Productivity	27	16.7
▪ Reduction of Monotony at Work	23	14.2
▪ Merit Increase		
- <i>Graduated</i>	21	13.0
- <i>Fixed</i>	4	2.5
✓ CBAs with Supplementary Benefits/Clause		
▪ Grievance Machinery	143	88.3
▪ Uniform	102	63.0
▪ Christmas Package	28	17.3
▪ Transportation Service	22	13.6

Notes: Details may not add up to totals due to multiple responses.

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

FOR INQUIRIES

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