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Economic Provisions of Collective Bargaining Agreements in 2015

(Second of a three-part series)

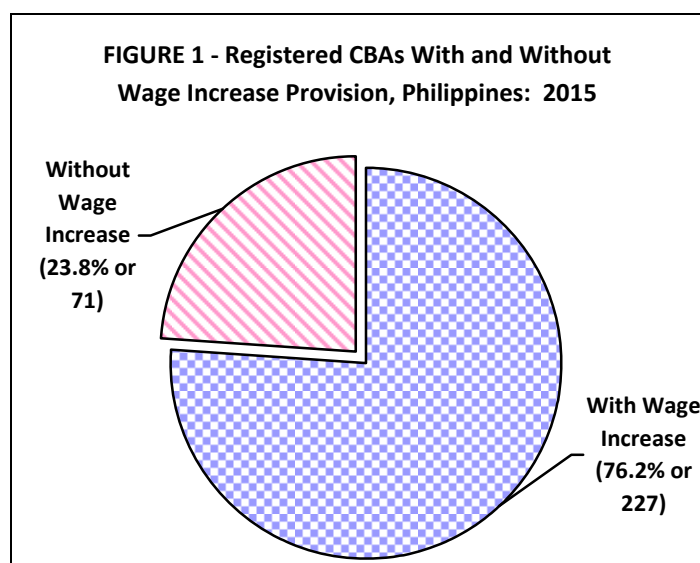
The registration of Collective Bargaining Agreements (CBAs) is closely monitored as an indicator of harmonious labor-management relations and industrial peace in the country. A collective bargaining is a process where both parties, labor and management, agree to fix and administer terms and conditions 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 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 and tabulated from the documents filed at the Bureau of Labor Relations (BLR) of the Department of Labor and Employment (DOLE). This second part of the series specifically highlights the economic provisions of CBAs registered in 2015.

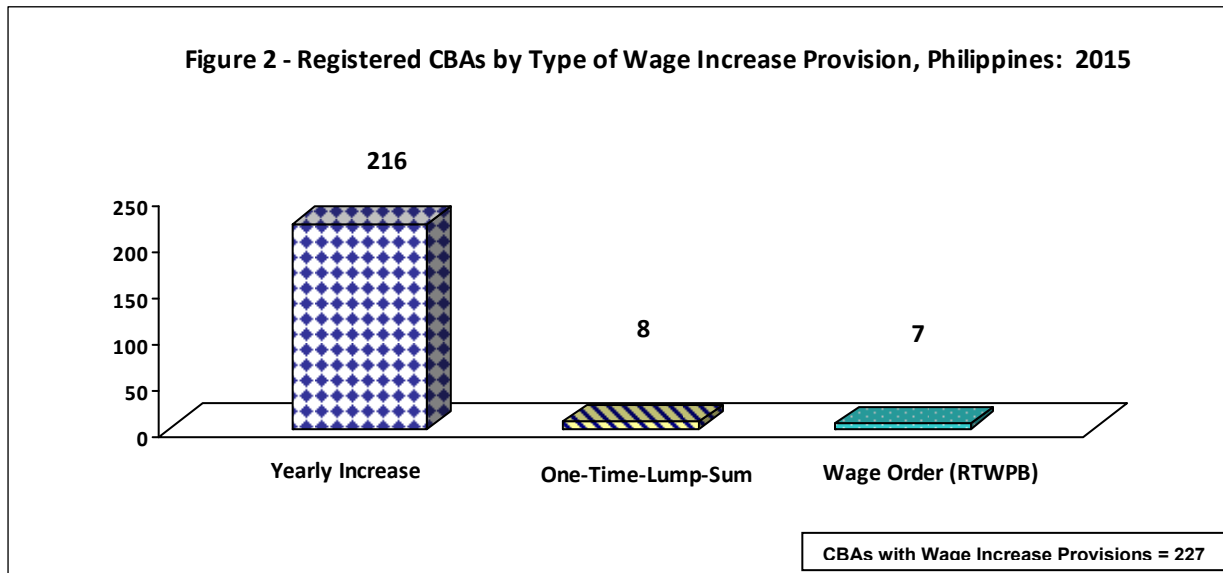
Three out of every four registered CBAs provided various wage increases in 2015

- The total number of registered CBAs filed in 2015 reached 298. With wage provision as one the most discussed concerns during collective bargaining negotiations, several CBAs during the period stipulated different economic provisions in their agreements which mostly focused in the granting of various wage increases to workers.
- More than three-fourths (76.2% or 227) of total 298 registered CBAs provided wage increases for workers covered by the agreement. A little less than one-fourth (23.8% or 71) of these CBAs did not grant any wage increase during the year. (Figure 1)



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

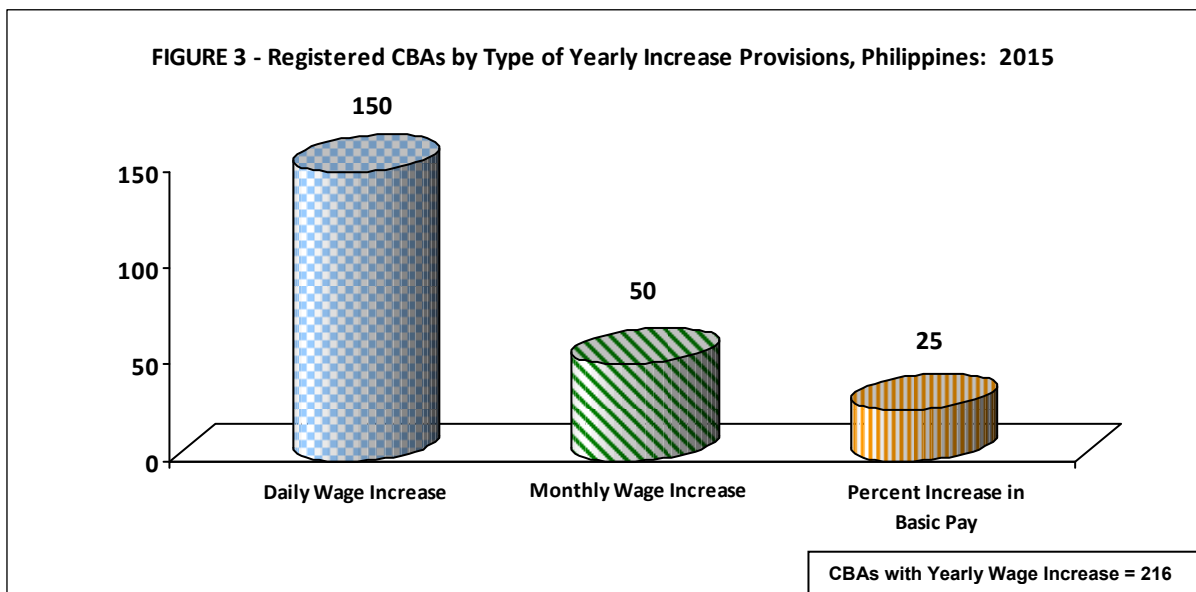
- By type of wage increase provision, almost all (95.2% or 216) of the 227 CBAs with wage increases stipulated yearly wage increase for its workers. (Figure 2)
- Other CBAs with wage increase provisions either granted one-time lump-sum increases (3.5% or 8) or provided wage increases based on the prescribed wage order from the *Regional Tripartite Wages and Productivity Board* (3.1% or 7).



Note: A CBA may have multiple wage increase provisions.

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

- By type of yearly increase provision, more than half of the total 216 CBAs with yearly wage increase granted specific amounts of increase in daily wage (69.4% or 150) and/or monthly wage increase (23.1% or 50).
- Meanwhile, almost one-fifth of these CBAs stipulated a percentage increase in the basic pay of workers (11.6% or 25). (Figure 3)



Note: A CBA may have multiple yearly wage increase provisions.

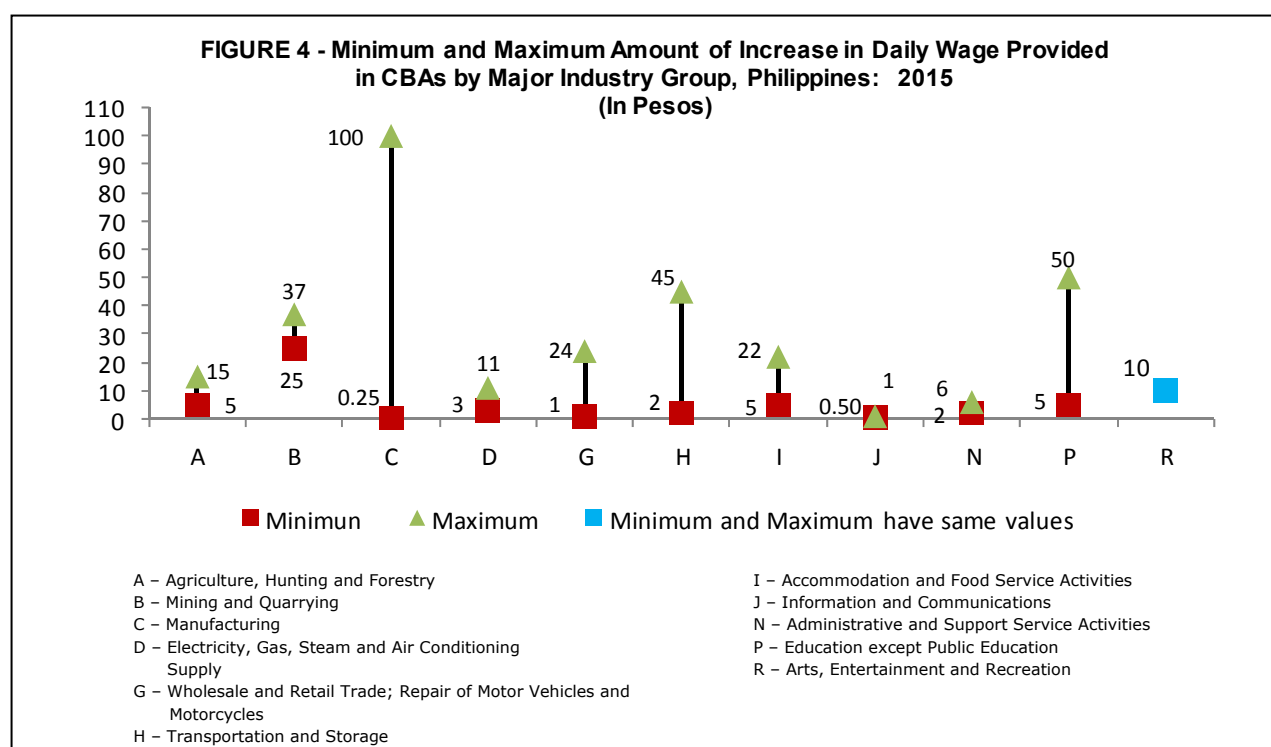
Source of data: Department of Labor and Employment, Bureau of Labor Relations.

All registered CBAs in 3 major industries provided wage increases to its employees

- Across industries, increase in wages were stipulated in all registered CBAs in information and communication (5 CBAs); construction (1 CBA); and other service activities (1 CBA). (Table 5)
- Likewise, majority of registered CBAs in the following industries provided wage increases: financial and insurance activities (90.9%); accommodation and food service (84.6%); with education; human health and social work activities; and arts, entertainment and recreation industries all at 80.0 percent.
- Meanwhile, only 45.5 percent or 5 out of 11 CBAs in the electricity, gas, steam and air conditioning supply stipulated wage increases in the agreement.

One out of every two registered CBAs provided increase in the daily wage of workers

- One-half (50.3% or 150) of the total 298 registered CBAs granted varying amounts of daily wages to its employees. By major industry group, 2 out of every 3 CBAs (66.7%) in both administrative and support service activities and mining and quarrying provided increase in daily wage of workers. This was followed by CBAs in manufacturing (61.5% or 104 out of 169); and wholesale and retail trade; and repair of motor vehicle and motorcycles (60.9% or 14 out of 23). (Table 6)
- In terms of amount of the increase, the minimum amount of daily wage increase ranged from a low of ₱0.25 (manufacturing) to ₱25.00 (mining and quarrying). The maximum amount of increase ranged from ₱1.00 (information and communication) to ₱100.00 (manufacturing). (Figure 4)

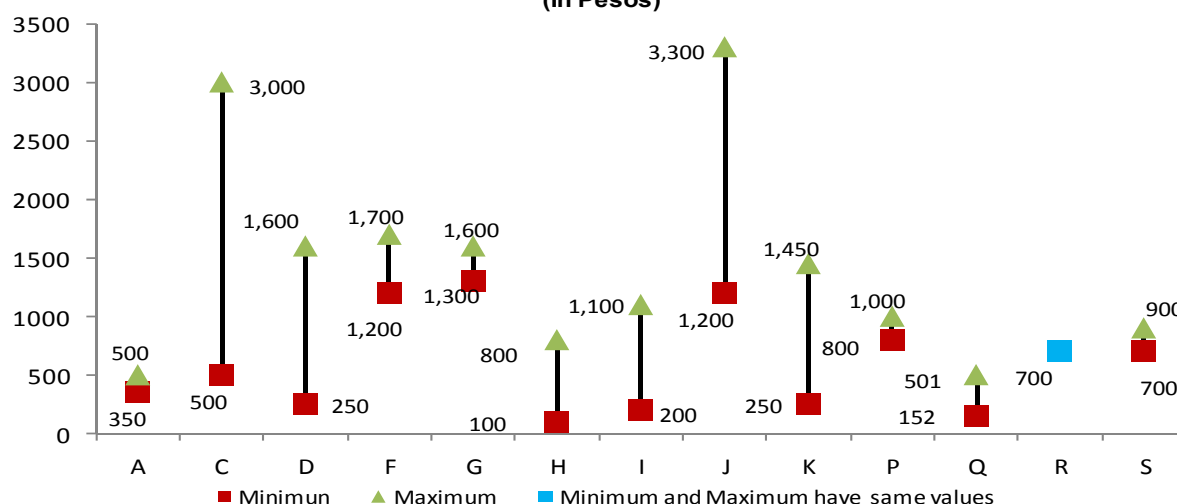


Source of data: Department of Labor and Employment, Bureau of Labor Relations.

***One out of every six CBAs provided increase
in monthly wage of workers***

- Only few of the registered CBAs (16.8% or 50 out of 298) provided monthly increase in wages of workers. (*Table 6*)
- By industry classification, majority of registered CBAs specified monthly wage increases in information and communication (80.0% or 4) and financial and insurance activities (72.7% or 8).
- The amount of monthly wage increase varies across industries with the minimum amount of ₱100.00 in transportation and storage to ₱1,300 in wholesale and retail trade; repair of motor vehicle & motorcycles. (*Figure 5*)
- On the contrary, the maximum increase in monthly wage ranged from ₱500.00 (agriculture, hunting and forestry) to ₱3,300 (information and communications).

**FIGURE 5 - Minimum and Maximum Amount of Increase in Monthly Wage
Provided in CBAs by Major Industry Group, Philippines: 2015
(In Pesos)**



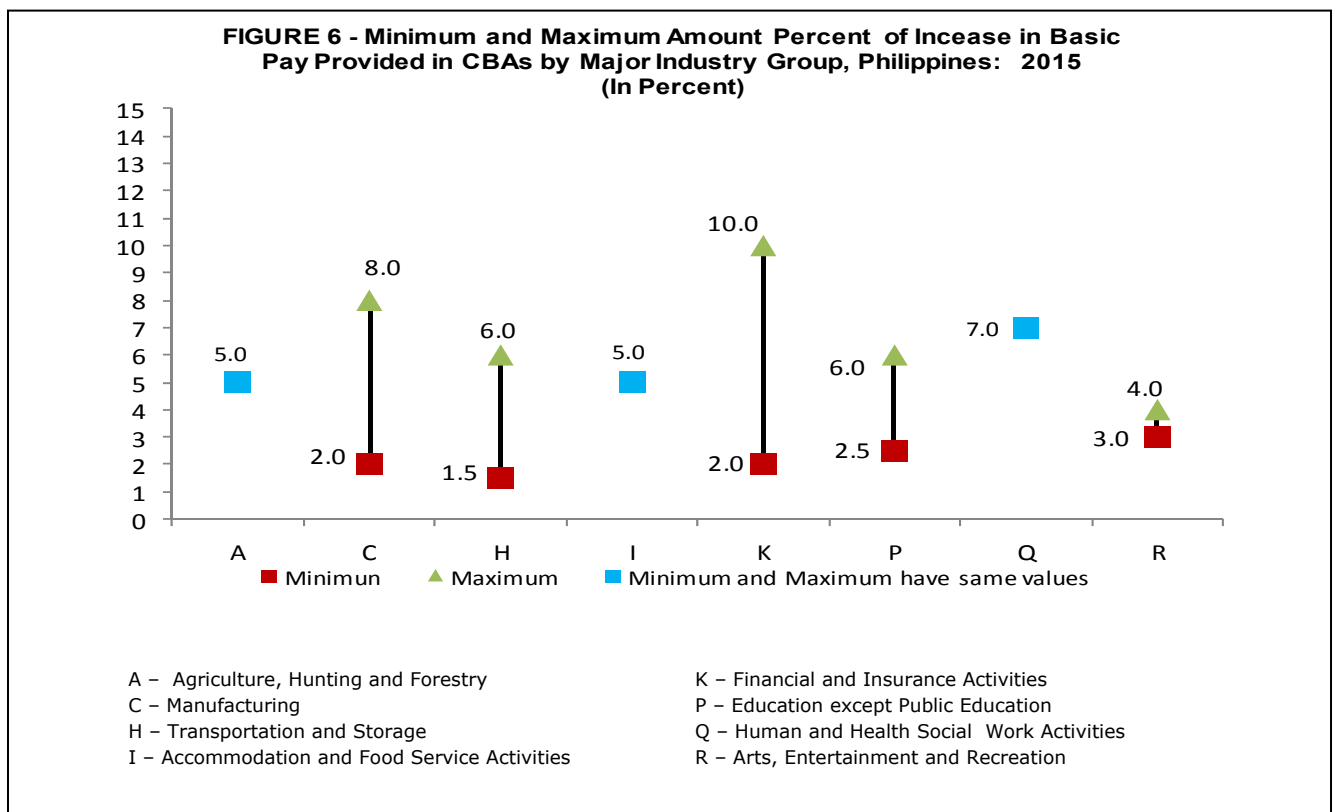
A - Agriculture, Hunting and Forestry
 C - Manufacturing
 D - Electricity, Gas, Steam and Air Conditioning Supply
 F - Construction
 G - Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
 H - Transportation and Storage
 I - Accommodation and Food Service Activities
 J - Information and Communications
 K - Financial and Insurance Activities
 P - Education except Public Education
 Q - Human Health and Social Work Activities
 R - Arts, Entertainment and Recreation
 S - Other Service Activities

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

Only 8.7 percent of total registered CBAs granted percent increase in the basic pay of employees

- A total of 25 CBAs (8.4%) of the total 298 registered CBAs provided percentage increases in the basic pay of workers. Of this, 7 CBAs were in manufacturing; 6 in education; and 4 in financial and insurance activities. (Table 6)
- Meanwhile, the minimum percentage increase in the basic pay

provided ranged from 1.5 percent (transportation and storage) to 7.0 percent (human health and social work activities). On the other hand, the maximum increase ranged from 4.0 percent (arts and entertainment) to 8.0 percent (manufacturing). (Figure 6)



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

Almost half of the registered CBAs included medical treatment/services to workers

- Medical treatment and services were the major medical benefits enjoyed by workers in 140 CBAs (47.0%) out of the total 298 registered CBAs. Other medical services includes

hospitalization (41.3% or 123); annual physical examination (40.3% or 120); and dental services (35.2% or 105). (Table 1).

TABLE 1 - Number of CBAs by Type of Medical Benefit and Minimum/Maximum Amount Granted, Philippines: 2015

MEDICAL BENEFIT	No. of CBAs	Amount Granted (₱)	
		Min.	Max.
Medical Treatment/ Services	140	-	-
Hospitalization	123	-	-
Annual Physical Examination	120	-	-
Dental Services	105	-	-
Hospitalization Assistance	45	-	-
Medical Reimbursement	45	300	60,000
Medicine Allowance	35	200	15,000
Optical Assistance	20	500	9,600
Health fund	13	60	100,000
Disability	11	10,000	25,000

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

Less than 10 percent of registered CBAs provided maternity assistance to employees

- Only few registered CBAs (9.4% or 28) granted maternity assistance in 2015. Normal delivery and caesarian delivery were both included in the negotiations made for 17 (5.7%) CBAs, in which the amount ranged from ₱5,000 to ₱30,000 for normal delivery and ₱1,500 to ₱45,000 for caesarian delivery. (Table 2)
- Moreover, 7 registered CBAs had provided paternity assistance amounting from ₱1,000 to ₱5,000.

TABLE 2 - Number of CBAs by Maternity/ Paternity Benefits and Minimum and Maximum Amount Granted, Philippines: 2015

MATERNITY/PATERNITY BENEFITS	No. of CBAs	Amount Granted (₱)	
		Min.	Max.
Maternity/Paternity Assistance	28	-	-
Normal Delivery	17	5,000	30,000
Caesarian Delivery	17	1,500	45,000
Paternity Assistance	7	1,000	5,000

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

Nearly half of total registered CBAs had provisions on death benefits for employees and their families

- Almost half (47.7% or 142) of registered CBAs had provisions on death benefits to workers. In case of death of an employee, the amount given ranged from ₱700 to ₱600,000. In case of death of immediate family member, the benefit ranged from ₱400 to ₱300,000. (Table 3)
- Aside from death benefits, 2 out of every 5 registered CBAs (39.3% or 117)

provided funeral/burial aid to employees and their families. In case of death of an employee, the funeral/burial aid amounted from ₱450 to ₱275,000.

- For the death of the employee's immediate family member, funeral/burial aid ranged from ₱500 to ₱50,000.

TABLE 3 – Number of CBAs by Death/Funeral Benefits and Minimum/Maximum Amount Granted Philippines: 2015

DEATH/FUNERAL BENEFITS	Number of CBAs	Amount Granted (₱)	
		Minimum	Maximum
Death	142	-	-
Death of employee	131	700	600,000
Death of immediate family member	70	400	300,000
Funeral/burial aid	117	-	-
Death of employee	98	450	275,000
Death of immediate family member	63	500	50,000

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

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

Three out of every seven CBAs provided monetary assistance to workers in the form of loans

- Different types of loans were likewise provided in 127 out of 298 CBAs (42.6%) in 2015. Emergency loan was the most popular form of monetary aid as granted in more than one-fifth of the CBAs (21.8% or 65). The loanable amount ranged from ₱500 to ₱250,000. (*Table 4*)
- Similarly, educational loan was provided in 41 CBAs (13.7%) with amount ranging from ₱1,000 to ₱35,000. This was followed by cash advance/vale which was stipulated in 21 CBAs with loanable amount of ₱300 to ₱10,000.

TABLE 4 – Number of CBAs by Type of Loan Benefits Granted and Minimum/Maximum Amount Granted Philippines: 2015

TYPE OF LOAN	No. of CBAs	Amount Granted (₱)	
		Min.	Max.
Total	127	-	-
Emergency Loan	65	500	250,000
Educational Loan	41	1,000	35,000
Cash Advance/Vale	21	300	10,000
Housing Loan	12	20,000	1,500,000
Multipurpose Loan	12	2,000	80,000
Calamity Loan	12	2,000	250,000
Company Loan	11	2,000	100,000
Bereavement Loan	11	2,000	30,000
Calamity Assistance	10	1,500	40,000
Vehicle/Car Loan	5	450,000	550,000

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

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

- Relatively high loanable amounts for housing loan (₱20,000-₱1.5M) and vehicle/car loan (₱450,000-₱550,000) were likewise granted in 12 CBAs and 5 CBAs, respectively.
- Meanwhile, some registered CBAs provided some other assistance to their workers. Specifically, these other assistance include travel/vacation allowance (₱5,700-₱60,000); calamity assistance (₱1,500-₱40,000); teller's allowance (₱7,000-₱9,600); wedding gift/cash (₱500-₱6,500); and cellphone load (₱150-₱300). (Table 5)

TABLE 5 - Number of CBAs by Other Assistance Provided by Amount Granted, Philippines: 2015

Other Assistance	No. of CBAs	Amount Granted (₱)	
		Min.	Max.
Calamity Assistance	10	1,500	40,000
Wedding Gift/Cash	2	500	6,500
Cellphone Load	2	150	300
Teller's Allowance	2	7,000	9,600
Travel/Vacation Allowance	2	5,700	60,000

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

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>

TABLE 5 - Percent Share of Registered Collective Bargaining Agreement (CBAs) With and Without Wage Increase Provision by Major Industry Group, Philippines: 2015

MAJOR INDUSTRY GROUP	Registered CBAs	With Wage Increase Provision	Percent Share	Without Wage Increase; On Moratorium; No Specific Provision
ALL INDUSTRIES	298	227	76.2	71
Agriculture, Hunting and Forestry	14	9	64.3	5
Mining & Quarrying	3	2	66.7	1
Manufacturing	169	135	79.9	34
Electricity, Gas, Steam & Air Conditioning Supply	11	5	45.5	6
Construction	1	1	100.0	-
Wholesale & Retail Trade; Repair of Motor Vehicles & Motorcycles	23	17	73.9	6
Transportation & Storage	24	13	54.2	11
Accommodation & Food Service Activities	13	11	84.6	2
Information & Communication	5	5	100.0	-
Financial & Insurance Activities	11	10	90.9	1
Administrative & Support Service Activities	3	2	66.7	1
Education	10	8	80.0	2
Human Health & Social Work Activities	5	4	80.0	1
Arts, Entertainment & Recreation	5	4	80.0	1
Other Service Activities	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: 2015

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		
ALL INDUSTRIES	298	216	150	50	25	7	8
Agriculture, Hunting and Forestry	14	9	7	1	1	-	-
Mining & Quarrying	3	2	2	-	-	-	-
Manufacturing	169	126	104	20	7	6	4
Electricity, Gas, Steam & Air Conditioning Supply	11	5	2	3	-	-	1
Construction	1	1	-	1	-	-	-
Wholesale & Retail Trade; Repair of Motor Vehicles & Motorcycles	23	17	14	3	-	-	-
Transportation & Storage	24	13	8	3	3	1	-
Accommodation & Food Service Activities	13	10	7	2	1	-	1
Information & Communication	5	5	1	4	-	-	-
Financial & Insurance Activities	11	10	-	8	4	-	-
Administrative & Support Service Activities	3	2	2	-	-	-	-
Education	10	8	2	1	6	-	-
Human Health & Social Work Activities	5	3	-	2	1	-	2
Arts, Entertainment & Recreation	5	4	1	1	2	-	-
Other Service Activities	1	1	-	1	-	-	-

Note: The total number of CBAs with wage increase provision in 2015 is 227.

Four (4) CBAs of which had multiple wage increase provision during the year.

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