

COLLECTIVE BARGAINING AGREEMENTS 2001 - 2005

The Labor Code encourages the execution of a collective bargaining agreement (CBA) between workers and employers to promote and maintain industrial peace and stable employment relations. A CBA refers to a negotiated contract between a duly recognized or certified collective bargaining representative and an employer concerning wages, hours of work and other terms and condition of employment in the appropriate bargaining unit, including provision for grievance machinery. It covers all regular employees of an appropriate bargaining unit who are not excluded by law or by express provision of the CBA.

CBA usually contains clauses on economic and non-economic benefits. The economic benefits includes wage increase, allowances, bonuses, longevity pay, insurance, separation pay, monetary assistance, death aid, funeral assistance, and other fringe benefits. The non-economic provisions include leave benefits, retirement plan, union security clauses, grievance procedure, labor-management cooperation scheme, recreational facilities among others. Although the term of a CBA is five (5) years, its economic provisions can be negotiated on the third year after its execution.

Since 1997, the Bureau of Labor and Employment Statistics (BLES) has published studies on the profile of collective bargaining agreements (CBAs) specifically on its economic and non-economic provisions. CBAs covered in this study are based on actual documents available on file at the Bureau of Labor Relations (BLR). Hence, the number of registered CBAs reported here may not tally with the published data.

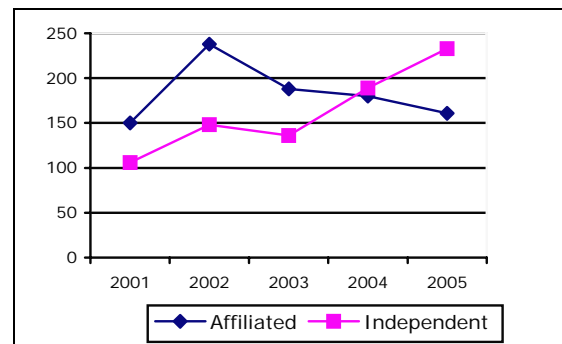
This manuscript provides a descriptive analysis of the profile and welfare benefit provision of CBAs registered from 2001-2005.

Profile

- The study covered a total of 256 CBAs in 2001; 386 in 2002; 324 in 2003; 369 in 2004; and 394 in 2005. These are newly registered CBAs available on file at the Bureau of Labor Relations. (Table 1)
- Majority of the CBAs under review were renewals: 212 in 2001; 307 in 2002; 247 in 2003; 265 in 2004 and 303 in 2005. Only 1 in 5 were first-time CBAs for the past five years.
- In 2004 and 2005, majority of the newly registered CBAs were from independent unions at 51.2% and

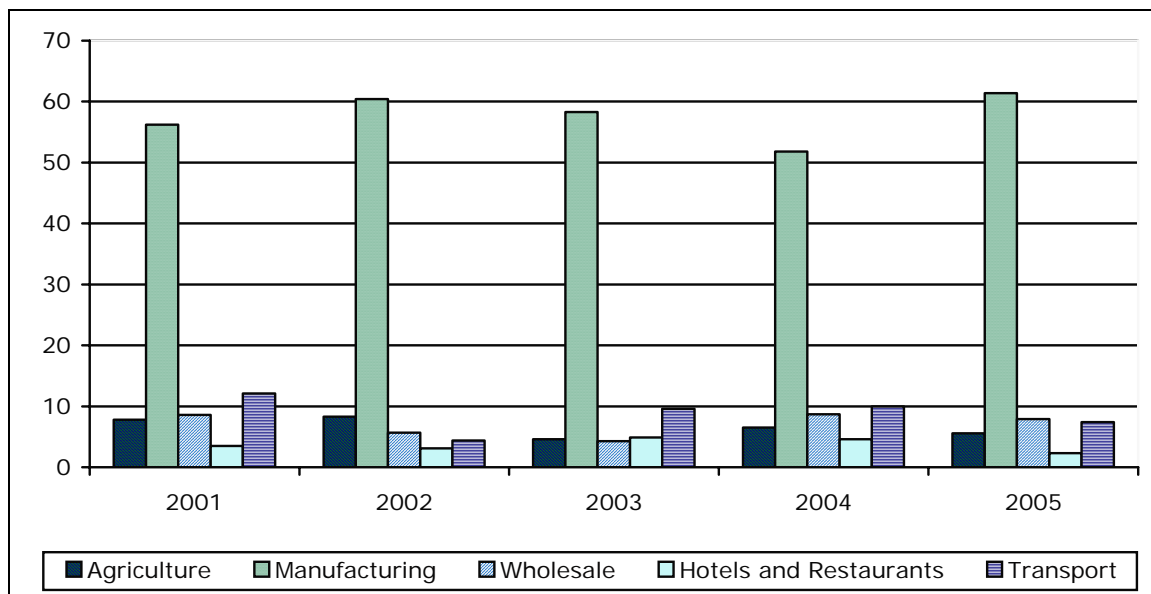
59.1%, unlike in 2001 to 2003, when 3 out of 5 CBAs were filed by affiliated unions. This indicates a shift in the number of newly registered CBAs in favor of the CBAs filed by independent unions.

Figure 1 - Newly Registered CBAs by Union Status, Philippines: 2001 - 2005



- The manufacturing industry accounted more than half of the registered CBAs in 2001 to 2005. Transportation, storage and communications came far second in 2001 (12.1%), 2003 (9.6%) and 2004 (10.0%). However, it ranked third, next to agriculture, hunting and forestry (8.3%) in 2002 and wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods (7.9%) in 2005. The rest were thinly spread among sectors.
- The bulk or more than 95 percent of the CBAs covered rank and file employees in the office, plant and in sales. There were more workers covered by CBAs filed in 2004 than in other years. Workers coverage stood at 62,263 in 2004. The lowest was in 2001 at 46,198 workers. (Table 1)
- On the average, a CBA covered about 180 workers in 2001; 152 workers in 2002; 148 workers in 2003; 169 workers in 2004 and 157 workers in 2005.
- As expected, the largest proportion of workers covered by CBAs (more than 50 percent in covered years except in 2004 with only 42.6 percent) belonged to the manufacturing industry.

Figure 2 – Percent Distribution of Newly Registered CBAs by Selected Industry Group, Philippines: 2001 - 2005



Provisions on Wage Increases

Wage increases in the CBAs are expressed either in terms of *across the board increase of specified amounts (in pesos)* or *as percent increase in basic pay of workers*. Wage increases are spread over a period of 3 to 5 years depending on the terms of

agreements reached by the concerned parties. Increases were considered as partial or full compliance with any wage order, decree or legislation during the term of the agreement. Others grant across-the board increases over and above any legislated mandated increases.

- Seven out of 10 of the newly registered CBAs in 2001 (71.5% or 183); 2002 (72.5% or 280); 2003 (70.4% or 228); 2004 (77.0% or 284) and 2005 (71.8% or 283) had provisions for various wage increases annually. Specifically, all CBAs in 2003 (228) and nearly all in 2001 (99.4%), 2002 (98.9%), 2004 (95.8%) and 2005 (98.2%) provided for wage increases in monetary terms. The rest provided for wage increases in percent.
- Some 141 CBAs in 2001; 212 in 2002; 176 in 2003; 193 in 2004; and 205 in 2005 provided for wage increases (*in pesos*) to daily-paid workers. (Table 2)
- The minimum amount of annual increase in the daily rate of covered employees was ₱1.00 except in 2005 when it was only ₱0.50. Across industries, the minimum increase varied from ₱0.50 (manufacturing) to ₱45.00 (mining and quarrying).
- On the other hand, the maximum amount of yearly increases in the daily rate ranged from ₱1.00 (fishing) to ₱70.00 (transport, storage and communications; and manufacturing).
- As to increases in monthly rate, only about 1 out of 5 CBAs provided for wage increases in the years covered.
- Among industries, the minimum amount of increase provided was ₱16.00 (manufacturing) to ₱1,300.00 (mining and quarrying; and wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods). (Table 3)

- Maximum increases granted varied from a low of ₱70.00 (other community, social and personal service activities) to a high of ₱4,200.00 (transport, storage and communications).

Welfare Benefits Provisions

One of the important provisions in the CBAs is on welfare benefits. The following are some of the welfare benefits provided to workers classified as follows: *wage increases, supplementary benefits, health care benefits, employee assistance, well-being/health promotion program, terminal benefits, leave benefits and other benefits.*

There was no significant change noted in the type of benefits provided for the last 5 years.

Supplementary Benefits

- The most common supplementary benefits provided in CBAs were *13th month pay* (3 out of 5), *signing bonus* (3 out of 10) and *Christmas bonus* (3 out of 10 for all years except in 2005 at only 12.9 percent). (Table 4)
- Other benefits cited were *longevity pay, merit increase, perfect attendance bonus, incentive pay, performance bonus and cost of living allowances.*

Health Care Benefits

Medical expenses may be initially paid by the employee to be refunded by the employer. In cases where expenses exceeded the limit of basic coverage, the excess amount will be shouldered by the

employer but to be paid by the workers on a salary deduction basis.

- Medical service that include x-ray/ laboratory, check-up, consultation, free medication and other clinical services was the most popular health care benefit. It was stipulated in more than 65% of the total CBAs filed during the period. *(Table 4)*
- Hospitalization assistance/ medical reimbursement was the second most mentioned benefit in all years. Another benefit with relatively high percentage share is the provision of dental services. This includes cleaning, annual check-up and tooth extraction.

Employee Assistance

- Burial aid (3 out of 5), rice allowance/subsidy (3 out of 10) and educational assistance were the most favored assistance extended by the employer to their employees. Workers can also avail of educational and calamity loan in times of need. *(Table 4)*

Well Being/Health Promotion Programs

- The top 5 benefits concerning the well-being and health of workers in all years were family planning program; recreational activities such as sports vents and outings; the conduct of workers education; provision of health and safety equipment and life/accident insurance. *(Table 4)*

Terminal Benefits

- Payments given to separated employees due to retirement were stipulated in more than half of the CBAs filed in all the years covered. A few (less than 20%) provided for gratuity pay. *(Table 4)*

Leave Benefits

- Paid leave benefits were also provided to workers. The most common of which were paid vacation and sick leave benefits. *(Table 4)*
- Union leave were also enjoyed by union officers/members whenever they attend seminar/ conferences.
- A relatively high proportion of CBAs contained provision for paternity leave maternity leave, emergency leave and burial leave.
- Some CBAs included other leave benefit such as birthday leave, school/study leave and wedding leave.

Other Benefits

- Other benefits mentioned in the CBAs were uniform/clothing allowance, labor day assistance/ mobilization fund, Christmas package/gift and transport service. *(Table 4)*
- In some CBAs, unions were provided office space, use of bulletin board, access to office equipment and printing of CBA copy.

FOR INQUIRIES:

Regarding this report contact **LABOR RELATIONS STATISTICS DIVISION at 527-30-00 local 319**
 Regarding other statistics and technical services contact **BLES DATABANK at 527-30-00 local 317**
 Or Write to BLES c/o **Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila, 1002**
 Fax **527-55-06** E-mail: bleslrsd@bles.dole.gov.ph Website at <http://www.bles.dole.gov.ph>

TABLE 1 - Summary Statistics on Newly Registered Collective Bargaining Agreements, Philippines: 2001 – 2005

Indicator	2001		2002		2003		2004		2005	
	No. of CBA	Workers Covered	No. of CBA	Workers Covered	No. of CBA	Workers Covered	No. of CBAs	Workers Covered	No. of CBA	Workers Covered
TOTAL NUMBER OF CBAs	256	46,198	386	58,865	324	47,875	369	62,263	394	61,890
By CBA Status										
First CBA	44	NA	79	NA	77	NA	104	NA	91	NA
Renewal	212	NA	307	NA	247	NA	265	NA	303	NA
By Union Status										
Affiliated	150	22,265	238	33,997	188	22,919	180	25,547	161	22,730
Independent	106	23,933	148	24,868	136	24,956	189	36,716	233	39,160
By Scope of Bargaining Unit										
Supervisory	8	NA	13	NA	12	NA	9	NA	18	NA
Rank and File	248	NA	373	NA	312	NA	360	NA	376	NA
By Major Industry Group										
Agriculture, Hunting and Forestry	20	8,714	32	11,908	15	2,673	24	4,822	22	6,256
Fishing	2	602	1	39	-	-	-	-	3	403
Mining and Quarrying	1	557	3	67	2	207	-	-	3	2,406
Manufacturing	144	26,057	233	30,914	189	25,859	191	26,498	242	32,620
Electricity, Gas and Water Supply	4	448	10	1,142	12	4,038	6	1,266	11	2,577
Construction	-	-	6	293	6	331	12	2,054	2	148
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	22	1,203	22	4,164	14	1,615	32	2,791	31	2,869
Hotels and Restaurants	9	250	12	790	16	1,087	17	1,234	9	498
Transport, Storage and Communications	31	5,044	17	4,015	31	5,722	37	5,614	29	5,572
Financial Intermediation	4	753	9	1,018	12	2,548	14	13,051	6	1,520
Real Estate Renting and Business Activities	4	119	7	664	7	338	6	801	5	660
Education	7	1,063	15	1,972	10	1,308	19	3,211	11	806
Health and Social Work	4	1,124	9	1,306	5	1,088	1	63	11	4,395
Other Community, Social and Personal Service Activities	4	264	10	573	5	1,061	10	858	9	1,160

NA – Not available.

Source of basic data: Bureau of Labor Relations (BLR), CBA documents.

TABLE 2 - Number of Registered CBAs With Provisions for Wage Increases in Daily Rate by Major Industry Group, Philippines: 2001 – 2005

Major Industry Group	2001			2002			2003			2004			2005		
	No. of CBA	Minimum (P)	Maximum (P)	No. of CBA	Minimum (P)	Maximum (P)	No. of CBA	Minimum (P)	Maximum (P)	No. of CBA	Minimum (P)	Maximum (P)	No. of CBA	Minimum (P)	Maximum (P)
Agriculture, Hunting and Forestry	13	1.00	27.00	18	2.00	30.00	7	1.00	8.00	11	1.00	25.00	12	1.50	24.00
Fishing	-	-	-	-	-	-	-	-	-	-	-	-	1	1.00	1.00
Mining and Quarrying	-	-	-	2	15.00	45.00	1	45.00	45.00	-	-	-	2	22.00	50.00
Manufacturing	89	1.00	60.00	161	1.00	70.00	129	1.00	65.00	131	1.00	70.00	151	0.50	60.00
Electricity, Gas and Water Supply	1	7.00	7.00	-	-	-	1	7.50	7.50	-	-	-	2	4.50	15.00
Construction	-	-	-	3	5.00	16.00	3	3.00	24.00	4	1.00	15.00	1	15.00	25.00
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	16	1.00	20.00	12	1.00	15.00	8	1.00	35.00	15	2.00	45.00	15	1.00	20.00
Hotels and Restaurants	6	1.00	5.00	5	3.00	27.00	9	1.00	50.00	10	1.00	50.00	6	1.00	12.00
Transport, Storage and Communications	13	1.00	27.00	4	1.00	8.00	12	1.00	70.00	15	1.00	25.00	10	2.00	30.00
Financial Intermediation	-	-	-	-	-	-	1	5.00	10.00	-	-	-	-	-	-
Real Estate Renting and Business Activities	2	2.00	12.00	2	2.50	12.00	1	40.00	50.00	2	3.00	15.00	2	8.00	20.00
Education	-	-	-	-	-	-	1	6.00	6.00	-	-	-	-	-	-
Health and Social Work	-	-	-	3	2.00	40.00	2	5.50	29.00	-	-	-	1	2.00	4.00
Other Community, Social and Personal Service Activities	1	25.00	25.00	2	1.00	5.00	1	2.00	3.00	5	5.00	30.00	2	10.00	16.00

NOTE: Wage increases are spread over a period of 3 to 5 years depending on the terms of the agreement reached by the concerned parties. Increases are considered partial or in full compliance with any wage order, decree, or legislation during the term of the agreement. Others grant across-the-board increases over and above any legislated or mandated increases.

Source of basic data: Bureau of Labor Relations (BLR), CBA documents.

TABLE 3 - Number of Registered CBAs With Provisions for Wage Increases in Monthly Rate by Major Industry Group, Philippines: 2001 – 2005

Major Industry Group	2001			2002			2003			2004			2005		
	No. of CBA	Minimum (P)	Maximum (P)	No. of CBA	Minimum (P)	Maximum (P)	No. of CBA	Minimum (P)	Maximum (P)	No. of CBA	Minimum (P)	Maximum (P)	No. of CBA	Minimum (P)	Maximum (P)
Agriculture, Hunting and Forestry	5	450	850	3	90	425	2	178	188	-	-	-	-	-	-
Fishing	1	225	225	-	-	-	-	-	-	-	-	-	-	-	-
Mining and Quarrying	1	1,300	1,300	2	391	1,173	-	-	-	-	-	-	1	900	1,150
Manufacturing	21	201	2,000	36	30	2,700	28	16	3,500	32	240	2,800	44	100	2,000
Electricity, Gas and Water Supply	4	1,000	1,300	6	100	2,250	6	500	2,320	4	500	1,500	8	200	2,000
Construction	-	-	-	2	100	800	2	400	800	5	300	1,000	1	200	200
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	2	260	1,200	1	300	300	2	1,300	1,500	6	50	550	3	40	700
Hotels and Restaurants	-	-	-	1	800	800	1	165	165	3	350	1,600	1	700	1,250
Transport, Storage and Communications	2	350	500	1	150	150	5	300	3,700	10	100	4,200	5	350	1,560
Financial Intermediation	2	500	1,000	6	100	3,500	5	80	1,300	10	500	1,250	6	300	1,800
Real Estate Renting and Business Activities	1	200	200	2	400	700	3	350	1,150	2	1,100	2,500	-	-	-
Education	2	500	1,000	1	550	550	1	200	200	6	100	1,700	5	125	1,250
Health and Social Work	3	600	852	4	200	1,100	4	500	1,150	1	550	550	4	200	1,200
Other Community, Social and Personal Service Activities	2	290	450	4	70	1,000	4	290	2,200	5	375	3,650	4	300	1,500

NOTE: Wage increases are spread over a period of 3 to 5 years depending on the terms of the agreement reached by the concerned parties. Increases are considered partial or in full compliance with any wage order, decree, or legislation during the term of the agreement. Others grant across-the-board increases over and above any legislated or mandated increases.

Source of basic data: Bureau of Labor Relations (BLR), CBA documents.

TABLE 4 - Percent Share of Newly-Registered CBAs With Welfare Benefits Provisions by Type of Benefit, Philippines: 2001 - 2005

Welfare Benefit/Provision	2001	2002	2003	2004	2005
TOTAL NUMBER OF CBAs	256	386	324	369	394
Supplementary Benefits					
13th Month Pay	64.1	68.1	62.7	58.0	56.8
Signing Bonus	33.6	33.2	36.1	32.0	34.0
Christmas Bonus	26.6	29.5	29.0	26.0	12.9
Longevity Pay	10.2	13.7	12.0	11.9	14.0
Merit Increase	8.6	11.6	15.1	11.6	6.8
Attendance Bonus	8.2	11.1	10.5	6.0	7.6
Incentive Pay	6.6	8.3	-	5.4	6.3
Performance Bonus	6.6	3.1	3.7	6.5	3.3
COLA	2.7	3.1	3.4	4.1	5.1
Health Care Benefits					
Medical Services	68.4	71.2	67.6	69.9	72.6
Hospitalization Assistance/Medical Reimbursement	62.1	65.8	63.3	53.1	57.4
Dental Services	55.8	56.0	52.5	47.4	18.5
Medicines/Medical Allowance	19.5	13.5	15.1	12.7	5.1
Optical Allowance/Service	8.2	9.3	9.3	9.2	2.5
Employee Assistance					
Burial Aid	66.4	67.1	61.7	66.1	55.4
Rice Allowance/Subsidy	27.0	32.4	33.6	27.6	29.9
Educational Loan	14.1	13.0	11.7	15.4	10.4
Educational Assistance	14.1	12.4	7.7	6.2	11.2
Calamity Loan	9.0	7.5	10.2	9.5	8.4
Well-Being/Health Promotion Programs					
Family Planning Program	73.8	76.7	68.8	65.8	63.7
Recreational Activities	48.0	50.2	40.1	43.4	40.4
Workers Education	47.6	46.6	42.3	44.7	39.1
Health and Safety Equipment Provision	35.5	43.5	39.5	42.3	34.3
Life/Accident Insurance	23.4	30.6	38.6	32.0	36.0
Health Fund	9.8	7.5	8.6	3.5	4.1
Terminal Benefits					
Retirement Benefits	57.4	67.9	61.1	59.9	60.4
Gratuity Pay	17.6	18.9	16.4	16.0	18.5
Leave Benefits					
Vacation Leave	89.4	94.6	90.1	87.0	81.4
Sick Leave	86.7	92.2	84.6	81.6	77.4
Union Leave (to attend seminars, conferences)	60.5	67.9	61.7	55.0	53.8
Paternity Leave	55.8	60.6	59.3	57.2	53.0
Maternity Leave	45.3	54.1	46.6	48.5	43.1
Emergency Leave	44.1	39.6	44.1	39.0	20.8
Death/Burial Leave	30.8	37.0	39.8	37.7	33.5
Birthday Leave	14.1	18.1	18.8	20.0	18.0
School/Study Leave	7.0	2.1	4.3	4.3	4.1
Wedding Leave	3.5	3.1	5.6	3.5	4.1
Other Benefits					
Uniform/Clothing Allowance	35.9	50.0	48.1	49.3	40.3
Use of bulletin board	34.4	37.3	35.5	36.0	17.0
Printing of CBA Copy	30.1	29.8	34.3	26.8	28.2
Provision of office space	27.7	30.0	31.8	28.7	23.1
Christmas Package/Gift	20.7	30.6	29.0	29.8	33.2
Labor Day Assistance/Mobilization Fund	19.5	17.1	17.6	15.2	10.4
Transport Service	16.4	20.7	16.7	15.2	17.0
Access to office equipment	6.2	7.2	6.8	7.0	12.2

Source of basic data: Bureau of Labor Relations (BLR), CBA documents.