

## A Closer Look at . . . 2005 CBA Provisions

*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 conditions 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 include wage increases, allowances, bonuses, longevity pay, insurance, separation pay, monetary assistance, death aid, funeral assistance, and other fringe benefits. The non-economic provisions, on the other hand, include leave benefits, retirement plan, union security clauses, grievance procedure, labor-management cooperation scheme, recreational activities 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 study provides information on both the monetary and non-monetary benefits enjoyed by workers covered by 394 CBAs registered in 2005 and on file at the Bureau of Labor Relations.*

### Health Care Benefits

- Medical services is the most popular health care benefit stipulated in CBAs. This was provided in about 7 out of 10 CBAs in 2005. Medical services include x-ray/ laboratory, check-up/ consultation, free medicines and other clinical services. (Table 1)
- Hospitalization assistance/medical reimbursement was also mentioned in 3 out of 5 (57.4%) CBAs. The amount granted ranged from ₱200 to ₱90,000.



- Hospitalization plan which includes room and board, check-up/consultation, surgical and physicians services was cited in 3 out of 10 CBAs.
- The provision of first-aid medicines was also stipulated in 1 out of 5 (22.8%) CBAs.
- Dental services such as annual check-up, tooth extraction and cleaning were mentioned in 73 or 18.5 percent of the CBAs.
- Other health care benefits also specified were medicine allowance (20 CBAs); health fund (16); maternity assistance (15); optical assistance (10) and paternity assistance (5). The medicine

allowance which ranged from ₱100 to ₱12,500 is given in cash by the employer for a specified period of time or until the limit amount is reached.

**Workers Assistance**

- The most mentioned monetary benefit was burial assistance.



One out of 2 CBAs (55.1%) provided for such assistance in case of death of an employee. The

amount of assistance given to the surviving family of the deceased employee varied from ₱500 to ₱75,000. In the case of death of an immediate family member, an amount ranging from ₱50 to ₱25,000 is given to the employee for funeral expenses. (Table 2)

- Other assistance in the form of loans such as emergency loan (16.8%); educational loan (10.4%); housing loan (5.6%); cash advance (4.8%) and car loan (0.8%) were included in some CBAs. Housing loans/equity assistance benefit varied from ₱8,000 to ₱6.0 million (1 CBA only) while car loans ranged from ₱100,000 to ₱700,000.
- Provisions for rice allowance and rice subsidy were also mentioned in 36 CBAs and 72 CBAs, respectively.
- Rice allowance was given in the form of cash. The amount ranged from a minimum of ₱550 to a maximum of ₱18,000 a year. Rice subsidy, on the other hand, was in the form of 12 to 22 sacks of rice per year.

**Well-Being/Health Promotion Program**

Other CBAs specifically provided programs for the promotion of the well-being and health of the workers. The most common benefits and their corresponding percentage share to total CBAs filed were as follows:

Family Planning Promotion/ Services	63.7%
Recreational Activities	40.4%
Health and Safety Promotion	34.3%

**Leave Benefits**

Protection against loss of income due to illness, injury and birth of child was provided to workers through the provision of paid leaves.

**Vacation/Sick Leave**

- Paid vacation/sick leave benefits were provided in terms of either fixed number of days per year or based on employee’s length of service. Some 26 CBAs had varying provisions every year. (Table 3)
- A total of 321 CBAs had provisions for vacation leave. Of these, 57.9% (186) granted fixed paid vacation leave ranging from 5 days to 40 days.
- About 7 out of 10 (66.6%) CBAs with provisions for sick leave subscribed to a fixed number of paid sick leave. Days granted ranged from a minimum of 2 days to a maximum of 30 days. The rest of the CBAs conformed to a graduated scale depending on the worker’s length of service.

### Union Leave

- Time-off from work without loss of pay or fringe benefits for attending union meetings, training courses, seminars and conferences were some of the other benefits enjoyed by union officers/members in 212 CBAs. Union leave ranged from a minimum of 1 manday to a maximum of 400 mandays per year.

### Paternity Leave

- Every married male employee is entitled to a paternity leave with full pay for the first four (4) deliveries of his legitimate spouse. This provision was stipulated in 209 CBAs (53.1%). Paternity leave entitlement ranged from 7 to 15 days.

### Maternity Leave



- Maternity leave for normal childbirth was provided in 170 CBAs. Meanwhile, some 154 CBAs had provisions for caesarian section delivery.
- The number of days of maternity leave varied accordingly, 45-67 days for normal delivery; and 78-93 days for caesarian section delivery.

### Emergency/Burial Leave

- Some CBAs provided emergency leave (139 or 35.3%) and burial leave (132 or 33.5%). The maximum allowable number of days was 15 days for emergency leave and 11 days for burial leave.

### Other Types of Benefits Job Security

- Job security clauses were also among the important provisions included in CBAs. Some 316 (80.2%) stipulated that no employee shall be terminated from employment or shall be subjected to any disciplinary action except for a just cause and only after the required due process has been observed. **(Table 4)**
- Majority of the CBAs (61.7%) cited that in filling-up vacancies, priority shall be given to present employees, either through lateral transfer or promotion.
- Some 3 out of 10 CBAs mentioned giving preference to employees' qualified dependents. About 1 out of 5 preferred hiring/recalling laid-off workers to fill-up vacated positions, provided however, that said employee meets the basic qualification requirements of the position set by the company.
- Some 29 CBAs included provision of skills training to workers in case of some forms of automation with the institution of new systems and machines adopted by the company.

### Union Security

- Check-off was cited in 86.6% of the concluded CBAs in 2005. It states that the company agrees to make payroll deductions of regular dues, special assessments and fines from all union members. The money to be remitted to the duly authorized union official.
- Maintenance of union membership in good standing for the duration of the agreement was one of the

conditions for their continued employment with the company. It was stipulated in 4 out of 5 CBAs.

- The inclusion of the clause on management prerogative was present in almost 9 out of 10 CBAs. Meanwhile, union prerogative was noted in about 7 out of 10 (67.8%) CBAs.

**Union Privilege**

Some CBAs also granted privileges or benefits specifically to unions. These benefits were as follows:

Copy of CBA	28.2%
Union office space/rental subsidy	23.1%
Use of bulletin board	17.0%
Use of office equipment	12.2%
Labor Day mobilization fund	11.9%
Right to information	11.7%
Access to company premises	9.1%

- About 1 of every 2 CBAs incorporated the formation for labor-management cooperative schemes.
- Uniform (clothing) was provided in 44.9% (2 out of 5) of the total CBAs.
- To help defray expenses for the education of workers and their family, some 18.8% of the CBAs allocate funds for workers education while 11.2% provided for school opening financial assistance.
- Very few CBAs provided for uniform allowance (7.1%) and cooperative fund (4.3%).

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**FOR INQUIRIES:**

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 Regarding other statistics and technical services contact **BLES DATABANK at 527-30-00 local 317**  
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**TABLE 1 – Number and Percent Share of CBAs With Health Care Benefit Provisions by Amount of Benefits, Philippines: 2005**

Health Care Benefit	Number of CBAs	Percent Share	Amount of Benefits (₱)	
			Minimum	Maximum
<b>TOTAL</b>	394	100.0		
Medical Services (e.g., annual physical examination, consultation and other clinical services)	286	72.6		
Hospitalization Assistance/Medical Reimbursement	226	57.4	200	90,000
Hospitalization Plan (HMO)	104	26.4		
Provision of First-aid Medicine	90	22.8		
Dental Services	73	18.5		
Medicine Allowance	20	5.1	100	12,500
Health Fund	16	4.1	150	224,000
Maternity Assistance	15	3.8	500	35,000
Optical Assistance/Services	10	2.5	500	4,000
Paternity Assistance	5	1.3	300	10,000

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

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

**TABLE 2 – Number and Percent Share of CBAs With Provisions for Workers Assistance by Amount of Benefits, Philippines: 2005**

Workers Assistance	Number of CBAs	Percent Share	Amount of Benefits (₱)	
			Minimum	Maximum
<b>TOTAL</b>	394	100.0		
Burial Assistance				
<i>Death of employee</i>	217	55.1	500	75,000
<i>Death of employee's immediate family member</i>	182	46.2	50	25,000
Emergency Loan	66	16.8	1,000	30,000
Educational Loan	41	10.4	2,750	40,000
Rice Allowance	36	9.1	550	18,000
Housing Loan/Equity Assistance	22	5.6	8,000	6,000,000
Cash Advance	19	4.8	1,000	5,000
Car Loan	3	0.8	100,000	700,000
Rice Subsidy	72	18.3	12 (sacks)	22 (sacks)

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

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

**TABLE 3 – Number and Percent Share of CBAs With Leave Benefit Provisions by Number of Paid Leave Days, Philippines: 2005**

Leave Benefit	Number of CBAs	Percent Share	Paid Leave Days	
			Minimum	Maximum
<b>TOTAL</b>	394	100.0		
Vacation Leave	321	81.4		
<i>Fixed number of days per year</i>	186	57.9	5	40
<i>Varies based on year of service</i>	120	37.4		
<i>Varies every year of CBA</i>	15	4.7		
Sick Leave	305	77.4		
<i>Fixed number of days per year</i>	203	66.6	2	30
<i>Varies based on year of service</i>	91	29.8		
<i>Varies every year of CBA</i>	11	3.6		
Union Leave ( <i>mandays</i> )	212	53.8	1	400
Paternity Leave	209	53.1	7	15
Maternity Leave	170	43.1		
<i>Normal</i>	170	100.0	45	67
<i>Caesarian</i>	154	90.6	78	93
Emergency/Calamity Leave	139	35.3	1	15
Burial Leave	132	33.5	1	11
Birthday Leave	71	18.0	1	-
Wedding/Matrimonial Leave	16	4.1	1	15
PTB Leave	11	2.8	90	180
Solo Parent Leave	3	0.8	7	-

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

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

**TABLE 4 – Number and Percent Share of CBAs by Other Type of Benefit Provisions, Philippines: 2005**

Other Types of Benefit	Number of CBAs	Percent
<b>TOTAL</b>	<b>394</b>	<b>100.0</b>
Job Security		
Just dismissal/lay-off of workers	316	80.2
Non-discriminatory filling-up of vacancies thru:		
- transfer/promotion	243	61.7
- employment of next of kin	130	33.0
- rehire/recall of laid-off workers	85	21.6
Provision of skills training	29	7.4
Union Security		
Check-off	341	86.6
Maintenance of membership	337	85.5
Management Prerogative	340	86.3
Union Prerogative	267	67.8
Union Privileges		
CBA booklet	111	28.2
Union office space/rental subsidy	91	23.1
Use of bulletin board	67	17.0
Use of office equipment	48	12.2
Labor day	47	11.9
Access to company premises	36	9.1
Other Miscellaneous Provisions		
Labor-management cooperation scheme	190	48.2
Uniform (clothing)	177	44.9
Education fund	74	18.8
School opening financial assistance	44	11.2
Uniform allowance	28	7.1
Cooperative fund	17	4.3

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

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