

## Extent of Unionism and Collective Bargaining in Establishments: 2006

*(First of a five-part series on Industrial Relations Practices)*

*In 2006, the Bureau of Labor and Employment Statistics (BLES) conducted the third round of the BLES Integrated Survey (BITS) in coordination with DOLE Regional Offices. Initially conducted in 2003, the BITS is a nationwide survey covering 7,630 sample non-agricultural establishments employing 20 or more workers. Its main objective is to generate an integrated data set on occupational employment patterns and wage and compensation practices.*

*This report provides brief description of the profile and extent of unionism and collective bargaining in non-agricultural establishments as of June 2006.*

**Union** is defined as any labor organization or association of employees which exist in whole or in part for the purpose of collective bargaining agreements or dealing with employers concerning terms and conditions of employment. **Collective bargaining agreement** on the other hand, refers to any 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.

*Survey results are purely estimates and are not comparable with the published statistics based on administrative reports on union registration and collective bargaining agreements.*



### Establishments with Unions

Survey results show that 12.1% (3,067) of the total 25,349 non-agricultural establishments had unions in 2006. Across industries, electricity, gas and water was the most organized as 27.1% of the 501 establishments were with unions. Manufacturing ranked second with a share of 21.6% (1,385 out of 6,421 establishments). Other sectors such as financial intermediation and mining and quarrying followed closely with 21.4% and 21.3%, respectively. The least was found in establishments engaged in real estate, renting and business activities with only 1.2% share.

As to type of ownership, 23.7% (478 out of 2,020) of establishments with foreign equity have unions. Wholly-foreign-owned, on the other hand, recorded a share of 14.4% out of 1,358 establishments while wholly-Filipino-owned establishments posted the lowest share of only 10.9% (2,393 out of 21,971 establishments).

By employment size, one-third or 3 out of every 10 (30.2%) establishments with unions employed 200 or more workers. Establishments with 100-199 employees came second with 21.7% share. The least organized were establishments employing 20-99 workers at 8.1%. (*Table 1*)



## Establishments with CBAs

About 11.7% or 2,967 non-agricultural establishments had collective bargaining agreements (CBAs) in 2006. As in unionized establishments, those engaged in electricity, gas and water supply had the highest share of CBAs at 24.0%. Other industries with relatively high percentage shares were financial intermediation (21.4%), mining and quarrying (21.3%) and manufacturing (21.0%). The least covered were establishments in real estate, renting and business activities with only 1.2% share.

By type of ownership, 23.6% of establishments with foreign capital were covered by CBAs. Wholly foreign-owned posted share at 14.1% while wholly Filipino-owned had the least share at 10.5%.

By employment size, it was noted that one-half (50.6%) of the establishments with 100 or more workers have CBAs compared to only 7.8% among establishments with 20-99 workers. (*Table 1*)

Of the total establishments with unions, almost all or 96.7% were with CBAs. Specifically, all unions in 7 out of 12 industry groups had CBAs. Least covered were establishments with unions in electricity, gas and water supply at 88.2% and transportation, storage and communications at 87.4%. (*Table 2*)

## Union Membership

A total of 400,669 or 13.9% of the 2.888 million employees were union members. Disaggregated by industry, union membership share was highest in electricity, gas and water supply at 41.3% of the industry's

74,000 employees. Following closely, were workers in mining and quarrying (39.0%) and in transport, storage and communications (34.4%).

Comparatively, more workers in establishments with foreign equity were members of union those in wholly foreign-owned and Filipino-owned establishments. Notably, 19.3% of the 372,000 employees in establishments with foreign capital were members of union, 14.4% in wholly Filipino-owned and 7.7% in wholly foreign-owned establishments.

About 1 out of every 6 workers in establishments with 100 or more workers were union members while only 1 out of every 16 employees (6.3%) in establishments with 20-99 workers joined labor unions. (*Table 3*)

## CBA Coverage

Around 423,000 (14.7%) of the total 2.88 million employees in non-agricultural establishments were covered by CBAs. As in union membership, CBA coverage was highest in electricity, gas and water supply and mining and quarrying with 2 out of every 5 employees. Other sectors with considerably high shares of CBA coverage were financial intermediation and health and social work (1 out of every 4 employees). The least covered were workers in real estate, renting and business activities (1.2%).

Establishments partly with foreign capital posted the highest CBA coverage at 20.2% (75,000 out of 372,000 workers). Meanwhile, only 15.2% and 8.3% of the workers in wholly Filipino-owned and foreign-owned

establishments, respectively, were covered by CBAs.

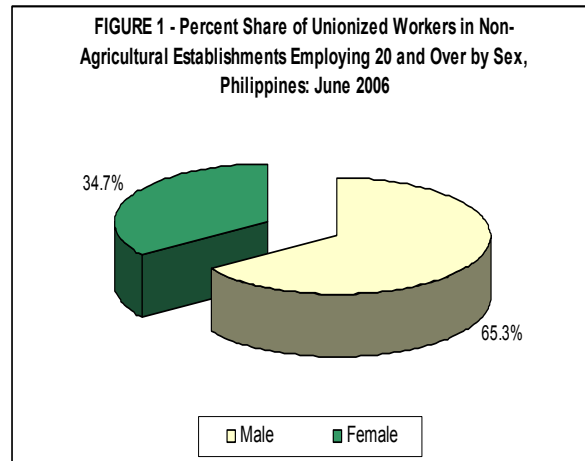
On the other hand, almost one-fifth (18.8%) of the employees covered by CBAs belonged to establishments with 200 or more workers. Lesser proportion (13.6%) were reported among establishments with 100-199 workers. Only 6.5% were covered by CBAs in establishments with 20-99 employees. (Table 3)

**Sex Disaggregation**

Survey results show that 65.3% (261,669) of the total 400,669 unionized workers were males while only 34.7% (139,001) were females. (Figure 1)

Males outnumbered females in almost all industries except in health and social work, private education service and financial intermediation where female union members accounted for 67.4%, 63% and 60.1% of the total, respectively.

As in union membership, the same gender distribution pattern was observed among workers covered by CBAs. (Table 4)



Source of data: Bureau of Labor and Employment Statistics, 2006 BLES Integrated Survey.

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**TABLE 1 – Percent Share of Establishments with Union and with CBA to Total Non-Agricultural Establishments Employing 20 and Over by Major Industry Group, Type of Ownership and Employment Size, Philippines: June 2006**

Indicator	Total Establishments	Percent Share	
		With Union	With CBA
<b>TOTAL</b>	<b>25,349</b>	<b>12.1</b>	<b>11.7</b>
<b>Major Industry Group</b>			
Mining and Quarrying	80	21.3	21.3
Manufacturing	6,421	21.6	21.0
Electricity, Gas and Water Supply	501	27.1	24.0
Construction	734	6.8	6.8
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	5,472	7.8	7.8
Hotels and Restaurants	3,171	8.5	8.5
Transport, Storage and Communications	1,410	15.7	13.8
Financial Intermediation	1,074	21.4	21.4
Real Estate, Renting and Business Activities	2,553	1.2	1.2
Private Education Services	2,591	6.9	6.2
Health and Social Work Except Public, Medical, Dental And Other Health Services	611	7.5	7.5
Other Community, Social and Personal Service Activities	730	10.7	10.7
<b>Type of Ownership</b>			
Wholly Filipino – Owned	21,971	10.9	10.5
Wholly Foreign – Owned	1,358	14.4	14.1
With Foreign Equity	2,020	23.7	23.6
<b>Employment Size</b>			
20 – 99	19,660	8.1	7.8
100 – 199	2,956	21.7	21.0
200 and Over	2,733	30.2	29.6

Source of data: Bureau of Labor and Employment Statistics, 2006 BLES Integrated Survey.

**TABLE 2 – Percent Share of Establishments with CBAs to Total Establishments with Union by Major Industry Group, Philippines: June 2006**

Major Industry Group	Number of Establishments		Percent Share with CBA
	With Unions	With CBAs	
<b>TOTAL</b>	<b>3,067</b>	<b>2,967</b>	<b>96.7</b>
<b>Major Industry Group</b>			
Mining and Quarrying	17	17	100.0
Manufacturing	1,385	1,347	97.3
Electricity, Gas and Water Supply	136	120	88.2
Construction	50	50	100.0
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	427	426	99.8
Hotels and Restaurants	269	269	100.0
Transport, Storage and Communications	222	194	87.4
Financial Intermediation	230	230	100.0
Real Estate, Renting and Business Activities	30	30	100.0
Private Education Services	178	161	90.4
Health and Social Work Except Public, Medical, Dental and Other Health Services	46	46	100.0
Other Community, Social and Personal Service Activities	78	78	100.0

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

Source of data: Bureau of Labor and Employment Statistics, 2006 BLES Integrated Survey.

**TABLE 3 – Number and Percent Share of Union Membership and CBA Coverage to Paid Employees in Non-Agricultural Establishments Employing 20 and Over By Major Industry Group, Type of Ownership and Employment Size, Philippines: June 2006**  
(In thousands except percent)

Indicator	Total Employed	Union Membership		CBA Coverage	
		Number	Percent Share	Number	Percent Share
<b>TOTAL</b>	<b>2,888</b>	<b>401</b>	<b>13.9</b>	<b>423</b>	<b>14.7</b>
<b>Major Industry Group</b>					
Mining and Quarrying	14	6	39.0	6	39.3
Manufacturing	1,059	176	16.7	186	17.6
Electricity, Gas and Water Supply	74	30	41.3	30	40.6
Construction	100	6	5.7	12	12.4
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	360	34	9.4	34	9.6
Hotels and Restaurants	163	12	7.3	12	7.5
Transport, Storage and Communications	170	58	34.4	56	33.0
Financial Intermediation	116	29	25.2	30	26.2
Real Estate, Renting and Business Activities	491	4	0.7	6	1.2
Private Education Services	213	22	10.3	24	11.3
Health and Social Work Except Public, Medical, Dental & Other Health Services	70	16	23.0	18	25.6
Other Community, Social and Personal Service Activities	58	8	13.3	9	14.8
<b>Type of Ownership</b>					
Wholly Filipino – Owned	2,027	291	14.4	307	15.2
Wholly Foreign – Owned	488	38	7.7	41	8.3
With Foreign Equity	372	72	19.3	75	20.2
<b>Employment Size</b>					
20 – 99	791	50	6.3	51	6.5
100 – 199	407	54	13.3	55	13.6
200 and Over	1,689	296	17.6	317	18.8

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

Source of data: Bureau of Labor and Employment Statistics, 2006 BLES Integrated Survey.

**TABLE 4 – Percent Share of Unionized Workers in Non-Agricultural Establishments Employing 20 and Over by Major Industry Group, and Sex, Philippines: June 2006**

Major Industry Group	Union Members			CBA Coverage		
	Both Sexes	Male (%)	Female (%)	Both Sexes	Male (%)	Female (%)
<b>TOTAL</b>	<b>400,669</b>	<b>65.3</b>	<b>34.7</b>	<b>423,305</b>	<b>64.3</b>	<b>35.7</b>
<b>Major Industry Group</b>						
Mining and Quarrying	5,608	94.9	5.1	5,649	94.7	5.3
Manufacturing	176,412	65.4	34.5	186,209	65.0	35.0
Electricity, Gas and Water Supply	30,432	83.5	16.5	29,910	82.8	17.2
Construction	5,635	90.3	9.7	12,314	74.8	25.2
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal & Household Goods	33,791	54.7	45.3	34,464	53.3	46.7
Hotels and Restaurants	11,910	72.7	27.3	12,222	71.3	28.7
Transport, Storage and Communications	58,406	85.5	14.5	55,926	84.8	15.2
Financial Intermediation	29,217	39.9	60.1	30,356	37.6	62.4
Real Estate, Renting and Business Activities	3,667	85.0	15.0	5,803	88.5	11.5
Private Education Services	21,908	37.0	63.0	24,058	37.3	62.7
Health and Social Work Except Public, Medical, Dental and Other Health Services	15,985	32.6	67.4	17,823	32.3	67.7
Other Community, Social and Personal Service Activities	7,698	67.7	32.3	8,571	69.2	30.8

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

Source of data: Bureau of Labor and Employment Statistics, 2006 BLES Integrated Survey.