

## Non-Economic Provisions of Collective Bargaining Agreements in 2010 (Last of a three-part series)\*

A Collective Bargaining Agreement (CBA) is a contractual agreement between an employer and registered labor organization/s that governs wages, hours of work and working conditions for employees. Such an agreement is ordinarily reached following the process of collective bargaining. Specifically, it contains economic and non-economic provisions and the representation aspect.

The economic provisions refer to those clauses on the terms and conditions of employment with monetary value while the non-economic provisions are stipulations without monetary value and may include union security clauses, grievance procedures, labor-management cooperation schemes, among others. The representation aspect refers to the identity and majority status of the union that negotiated the CBA as the exclusive bargaining representative. A CBA has a life of 5 years for the representation aspect and not more than 3 years for all other provisions (economic and non-economic).

Since 1997, the Bureau of Labor and Employment Statistics (BLES) has published studies on the profile of CBAs specifically on its economic and non-economic provisions. Data were culled from registration documents filed at the Bureau of Labor Relations (BLR).

This issue provides a descriptive analysis on the non-economic provisions of CBAs registered in 2010.

### Union Security

- Almost all CBAs (98.5% or 390 CBAs) of the total 396 CBAs registered in 2010 contained non-economic provisions or stipulations without monetary equivalent. These primarily include union and job security, union privileges, grievance machinery, leave and health care benefits among others.
- On union security clauses, 7 out of every 9 CBAs (77.3%) had provisions on management right/prerogative whereby employers have the sole and exclusive right to exercise the functions and prerogatives in the management and operation of the business.
- About 7 out of every 10 CBAs (70.2%) provided for the maintenance of membership which stipulates that all employees have to maintain their

membership in good standing as a condition of continued employment in the company.

Union Security Scheme	Number	Percent Share
Management Right/ Prerogative	306	77.3
Maintenance of Membership	278	70.2
Union Right/ Responsibility	208	52.5
Check-off		
<i>Union Dues</i>	327	82.6
<i>Special Assessment</i>	311	78.5
<i>Agency Fees</i>	200	50.5

- Union right/responsibility clause was likewise stipulated in more than half (52.5%) of the registered CBAs. This provision emphasizes the right of workers to self-organization and collective bargaining and enjoin them

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to render and perform their duties and responsibilities with due diligence, loyalty and efficiency.

- A large proportion of registered CBAs contained stipulations on check-off of union dues (82.6%); special assessments (78.5%); and agency fees (50.5%). This allows management to make deductions of union dues from the employees' payroll, which shall in turn be remitted by the employer to the union.

**Job Security**

- Over one-half (56.6%) of registered CBAs stipulated that termination of employment by the employer may be done only if there is a reasonable just cause and after observance of due process.

Job Security	Number	Percent Share
Just Dismissal/Lay-off of Workers	224	56.6
Policy on Lay-off	167	42.2
Non-Discriminatory Filling-up of Vacancies Through:		
<i>Promotion</i>	204	51.5
<i>Assignment/Transfer</i>	133	33.6
<i>Hiring of Next Kin of Retired Employees</i>	83	21.0
<i>Rehire/Recall of Dismissed Employees</i>	58	14.6
<i>Reference on Hiring</i>	5	1.3
Provide Skills Training	21	5.3

- About 2 out of every 5 CBAs (42.2%) provided policy on lay-off. As such, dismissal/layoff of workers will only be allowed as a result of merger, sale, consolidation, dissolution, technological changes, business decline, recession, poor market and in other cases beyond employers' control.
- Under the provision on the non-discriminatory filling-up of vacancies, one-half of the registered CBAs specified that the vacancies will be filled-up of through promotion of employees (51.5%) while 1 out of every 3 CBAs (33.6%) provided for the assignment or transfer of employees within the establishment.
- Some CBAs (21.0%) stipulated the hiring of immediate relatives of retired employees in the filling-up of vacancies while rehire or recall of previously dismissed employees was provided in 1 out of every 7 CBAs (14.6%).

- Only a small proportion of CBAs (5.3%) included the provision of skills training as part of job security clause.

**Union Privileges**

- Of the registered CBAs, 72.2% granted union leave for union officers to attend union-related meetings/ concerns outside the establishments' premises.

Union Privileges	Number	Percent Share
Union Leave	286	72.2
Labor Day Assistance		
<i>Mobilization Fund</i>	227	57.3
<i>T-shirt</i>	200	50.5
Bulletin Board	152	38.4
Union Office	133	33.6
CBA Booklet	114	28.8
Right to Information	68	17.2
Telephone/Communication Facilities	32	8.1

- Some CBAs specifically provided for Labor Day assistance, in the form of mobilization fund (57.3%) and free T-shirts (50.5%) to union members.
- Close to 40.0% of the CBAs allowed union access to facilities such as the use of bulletin board (38.4%) for posting of announcements/notices and a space for the union office (33.6%) within the premises of the establishment.
- To enhance information dissemination among union members, management provided assistance in the reproduction of CBA booklets as stipulated in 2 out of every 7 CBAs (28.8%), while 1 out of every 6 CBAs (17.2%) upheld the right of the union members' access to information.
- Only 8.1% of the registered CBAs allowed unions to use the telephone and other communications facilities of the establishment.

**Grievance Machinery**

- As a forum for employers and employees to settle disagreements on CBA implementation and personnel concerns the creation of grievance machinery was specified in almost all CBAs (96.2%).

**Well-Being/Health Promotion Program**

- The promotion of health and well-being of employees through the conduct of family planning seminars was stipulated in 5 out of every 7 CBAs (72.5%). Almost half (47.0%) of CBAs had stipulations on health and safety awareness, while a little more than two-fifths (41.2%) provided for life/accident insurance of employees.

Well-Being/Health Promotion Program	Number	Percent Share
Family Planning Seminars	287	72.5
Health and Safety Awareness	186	47.0
Life/Accident Insurance	163	41.2
Workers' Education	87	22.0
Skills Training	21	5.3

**Health Care Benefits**

- Foremost health care benefits provided under the 2010 CBAs were dental services (48.2%); hospitalization assistance (41.9%); and physical examination (39.6%). Only 3.5% of the total CBAs had health fund for its employees.

Health Care Benefits	Number	Percent Share
Dental Services	191	48.2
Hospitalization Assistance	166	41.9
Physical Examination	157	39.6
Medicine Allowance	62	15.7
Optical Assistance	43	10.9
Medical Reimbursement	36	9.1
Health Fund	14	3.5

**Leave Benefits**

- A large proportion of CBAs had provisions on leave benefits to be enjoyed by employees. Seven out of every 8 CBAs provided for vacation leave (86.9%) while 6 out of every 7 CBAs (84.8%) included sick leave benefit provisions.
- Other leave benefits granted in CBAs were union leave (72.2%); paternity leave (61.6%); maternity leave (54.5%); emergency leave (42.9%); burial leave (35.4%) and birthday leave (18.9%).

Leave Benefits	Number	Percent Share
Vacation Leave	344	86.9
Sick Leave	336	84.8
Union Leave	286	72.2
Paternity Leave	244	61.6
Maternity Leave	216	54.5
Emergency Leave	170	42.9
Burial Leave	140	35.4
Birthday Leave	75	18.9
Solo Parent Leave	31	7.8
Calamity Leave	23	5.8
School/Study Leave	19	4.8
Service Incentive Leave	17	4.3
Marriage Leave	7	1.8
Military Leave	5	1.3
Pulmonary Tuberculosis Leave	1	0.3

**Retirement/Termination Benefits**

- Retirement benefits were provided in more than two-thirds (67.2%) of the total registered CBAs while 2 out of every 5 CBAs (41.9%) included provision on separation/severance pay.
- One out of every 6 CBAs (18.2%) contained provision for voluntary resignation pay.

Retirement/Termination Benefits	Number	Percent Share
Retirement Benefits	266	67.2
Separation/Severance Pay	166	41.9
Voluntary Resignation	72	18.2

**Supplemental Benefits**

- More than three-fifths (61.1%) granted uniform allowance/clothing to employees. Other supplemental benefits stipulated in CBAs include service/loyalty award/longevity pay (26.0%); and christmas package (12.9%).

Supplemental Benefits	Number	Percent Share
Uniform Allowance/Clothing	242	61.1
Service/Loyalty Award/Longevity Pay	103	26.0
Christmas Package	51	12.9
Cost of Living Allowance (COLA)	22	5.6

**FOR INQUIRIES**

Regarding this report contact **LABOR RELATIONS STATISTICS DIVISION** at 527-3000 local 319  
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