

GRIEVANCE HANDLING IN NON-AGRICULTURAL ESTABLISHMENTS

Highlights of Results of 1999 Industrial Relations at the Workplace Survey (Sixth of a Seven-Part Series)

In 1999, the Bureau of Labor and Employment Statistics conducted the second round of the Industrial Relations at the Workplace Survey. The first round was undertaken in 1995. This survey aims to determine the existing employment and wage policies and practices and existing labor-management relations in non-agricultural establishments. In 1999, the survey included inquiries on the mechanisms developed by establishments in coping with the possible effects of globalization and on measures implemented or plan to be implemented to cope with the financial crisis. It covers an estimated 21,527 non-agricultural establishments with at least 20 workers nationwide in 12 major industry groups. Excluded are the establishments in the public sector except government corporations.

This issue, the sixth of a seven-part series describes grievance handling in unionized and in wholly Filipino-owned establishments and those with foreign capital. It includes methods used in settling grievances, types of industrial actions that occurred in 1998 industrial action and issues raised by workers in their industrial actions. Likewise, the duration of the last industrial actions and efforts made to recover their effects are included in this report.

MACHINERY FOR HANDLING GRIEVANCES

- Nearly 4 out of 10 establishments (38.7% or 8,325) have existing machineries for handling grievances. Of the total, 43.1 percent were with union while more than half or 56.9 percent were without union.
- Relative to their percentage share to respective totals, 84.1 percent (3,587) of 4,265 unionized establishments have grievance handling machinery compared to only 27.4 percent (4,738) of 17,262 non-unionized establishments.
- Establishments with grievance machinery were higher among those with foreign capital compared to wholly Filipino-owned (47.3% vs. 37.2%).

METHODS USED IN SETTLING GRIEVANCES

- Grievance machinery/committee (77.8%), labor-management committee (55.7%) and voluntary arbitration (23.9%) were the most common methods used in settling grievances in establishments with union.

Percent Distribution of Establishments by Methods Used in Settling Grievances, With or Without Union and Type of Ownership Philippines: 1999

Method Used	With Union	Without Union	With Foreign Equity	Wholly Filipino-Owned
Grievance machinery/committee	77.8	55.6	65.3	65.1
Labor-Management Committee	55.7	30.4	56.2	38.0
Conciliation by DOLE	19.8	11.8	18.7	14.5
Voluntary arbitration	23.9	16.2	18.7	19.7
Compulsory arbitration	3.4	1.4	2.5	2.2
Voluntary and Compulsory arbitration	12.3	11.2	13.7	11.2

- The same methods of grievance settlement were adopted by non-unionized establishments and in establishments with foreign capital and those in wholly Filipino-owned.

TYPES OF INDUSTRIAL ACTION IN 1998

Respondents were asked if there was any industrial action that occurred in the establishment in 1998. This is to actually determine the number of industrial actions that occurred the previous year of the survey period.

- One out of fifty-three establishments (406 out of 21,527) nationwide experienced different kinds of industrial action staged by their workers in 1998. Of these, 65.8 percent were with union while 34.2 percent were without union.

Percent Distribution of Establishments by Type of Industrial Action, With or Without Union and Type of Ownership, Philippines: 1999

Type of Industrial Action	With Union	Without Union	With Foreign Equity	Wholly Filipino-Owned
Strike	34.8	-	26.4	22.1
Sympathetic strike	8.6	-	13.2	3.0
Boycott	5.2	-	1.9	4.0
Mass leave	7.9	18.0	2.8	6.7
Sitdown strike	2.6	-	2.8	9.4
Slowdown	36.0	61.9	51.9	42.5
Overtime ban	12.7	24.5	30.2	11.7
Others	5.2	-	1.9	4.3

- As to type of ownership, majority (73.6%) emerged from wholly Filipino-owned establishments. The remaining 26.4 percent occurred in establishments with foreign equity.
- As to type of industrial action, workers in unionized firms primarily resorted to *slowdowns* (36.0%), *strikes* (34.8%) and *overtime bans* (12.7%). Meanwhile, workers in most non-unionized establishments underwent *slowdowns* (61.9%) and *overtime bans* (24.5%).
- Among establishments with foreign capital and wholly Filipino-owned the most reported industrial actions staged by their workers were slowdowns (51.9% vs. 42.5%), strikes (26.4% vs. 22.1%) and overtime bans (30.2 vs. 11.7%).

ISSUES RAISED BY WORKERS IN THEIR INDUSTRIAL ACTIONS

- Among the top five issues raised by workers in unionized establishments in their industrial actions were wage increases (55.8%), leave benefits (30.0%) working condition/environment (22.1%) overtime (19.9%) and management practices (19.5%). (*Details in Table 1*)
- Aside from wage increases (45.3%), management practices (31.7%) and change in work practices (25.2%), workers in non-unionized establishments also raised the following issues: overtime (24.5%), and payment of allowances (20.1%). In wholly Filipino-owned establishments, among the issues raised were wage increases (52.5%), management practices (29.4%) and overtime (21.7%). On the other hand, the following issues were raised by most workers in establishments with foreign equity: wage increases (51.9%); leave benefits (36.8%); and occupational safety measures (28.3%).

DURATION OF INDUSTRIAL ACTION

- Establishments with unions reported that the last industrial action staged by their workers lasted for 10 or more days (38.2%). Some averred the action occurred only for less than one day (15.0%). Others (12.4%) reported on-going industrial action at the time of survey.

Percent Distribution of Establishments by Duration of Last Industrial Action, With or Without Union and Type of Ownership Philippines: 1999

Duration	With Union	Without Union*	With Foreign Equity	Wholly Filipino-Owned
Less than one day	15.0	2.2	5.7	12.4
One day	7.1	20.9	4.7	14.0
Up to 2 days	10.5	15.1	8.5	13.4
Up to 5 days	10.1	9.4	12.3	9.0
Up to 10 days	6.7	3.6	7.5	5.0
More than 10 days	38.2	22.3	55.7	24.7
On-going	12.4	26.6	5.7	21.4

* Includes all industrial actions except strikes.

- In non-unionized establishments, 26.6 percent reported on on-going work slowdown at the time of survey. More than one-fifth (22.3%) reported industrial actions that lasted for 10 or more days. It took only one day for some 20.9 percent of the establishments without union to resolve their industrial action.
- Among establishments with foreign capital, majority of industrial actions lasted for 10 or more days (55.7%) while others were resolved within 5 days (12.3%) or in 2 days (8.5%). For wholly Filipino-owned establishments, industrial actions lasted from one day (14.0%) up to 10 or more days (24.7%). Some 21.4 percent however, were still on-going as of the survey period.

EFFORTS MADE TO RECOVER EFFECTS OF INDUSTRIAL ACTIONS

- Nearly 7 out of 10 establishments (68.0%) felt the effects of industrial actions in terms of output or service.

Percent Distribution of Establishments by Efforts Made to Recover the Effects of Industrial Actions, With or Without Union and Type of Ownership Philippines: 1999

Efforts Made	With Union	Without Union	With Foreign Equity	Wholly Filipino Owned
Redirect production or service to sister company/ subsidiary	12.8	6.2	6.5	12.6
Use of overtime	33.0	41.7	57.1	27.6
Temporary increase in staff	20.1	21.9	27.3	17.6
Run down of inventories	11.7	11.5	6.5	13.6
Use of mgt. labor	30.7	12.5	26.0	23.6
Use of contract services	21.8	10.4	11.7	20.1
Non-striking employees continue working	48.0	51.0	64.9	42.7
Others	4.5	10.4	-	9.0

- Efforts utilized by unionized establishments in order to offset or recover the effects of industrial actions include the following: non-striking employees continue working (48.0%), use of overtime (33.0%), and use of management labor (30.7%). The top two measures were likewise adopted by 51.0 percent and 41.7 percent, respectively of the non-unionized establishments while some 21.9 percent opted to a temporary increase in staff.
- Establishments with foreign equity and those wholly Filipino-owned also adopted the same measures: non-striking employees continue working (64.9% vs. 42.7%), use of overtime (57.1% vs. 27.6%), use of management labor (26.0% vs. 23.6%) and temporary increase in staff (27.3% vs. 17.6%).

FOR INQUIRIES:

Regarding this report contact **LABOR RELATIONS STATISTICS DIVISION** at 527-3578

Regarding other statistics and technical services contact **BLES Databank** at 527-35-77

Or write to **BLES c/o Databank, 3/F DOLE Bldg. Gen. Luna St., Intramuros, Manila 1002**

FAX 527-35-79, E-Mail: lrsd@manila-online.net

Or Visit our Website at <http://www.manila-online.net/bles>

**Table 1 - Percent Distribution of Establishments by Issues Raised
in Industrial Actions With or Without Union and Type of Ownership,
Philippines: 1999**

Issues Raised	With Union	Without Union	With Foreign Equity	Wholly Filipino-Owned
Wage increases	55.8	45.3	51.9	52.5
Leave benefits	30.0	7.2	36.8	17.1
Working condition/environment	22.1	5.8	23.6	14.0
Overtime (<i>hours/pay</i>)	19.9	24.5	21.7	21.7
Management practices	19.5	31.7	6.6	29.4
Payment of allowances	17.6	20.1	18.9	18.4
Occupational safety and health measures	16.9	19.4	28.3	14.0
Dismissal/disciplinary action	13.9	8.6	13.2	11.7
Layoff/Downsizing	13.1	13.7	11.3	13.7
Change in working time arrangements	10.1	13.7	4.7	13.7
Introduction of or change to dispute settling procedure	9.4	2.2	14.2	4.7
Hours of work	4.9	9.4	11.3	4.7
Change in work practices	3.7	25.2	1.9	14.4
Introduction of new technology	5.2	2.2	14.2	1.0
Organizational structuring	5.2	3.6		5.7
Company merger	1.9	-	4.7	1.3
Shutdown of redundant unit/department	3.7	-		2.3
Regularization of casual/contractual employees	6.7	12.2	8.5	8.4
Government policy pronouncements	1.9	1.4	1.9	1.3
Others	15.4	7.9	30.2	6.7

*Source of data: 1999 Industrial Relations at the Workplace Survey (IRWS)
Bureau of Labor and Employment Statistics.*