

## EMPLOYEE BENEFITS PROVIDED IN COLLECTIVE BARGAINING AGREEMENTS: 2000 – 2002

*The Bureau of Labor and Employment Statistics (BLES), in response to the need for information on collective bargaining agreements has been conducting studies on the profile and employee benefit provisions of CBAs filed at DOLE. This aims to provide workers and employers some information useful for collective bargaining negotiations.*

*This article provides general information on the salient features of the employee benefits provided in the CBAs filed in 2000, 2001 and 2002 and analysis of the CBAs economic and non-economic provisions. The sources of data are actual documents on file at the Bureau of Labor Relations.*

### PROFILE

A total of 386 CBAs were registered in 2002. This represents a 50.8 percent increase from 256 CBAs filed in 2001 and 21.0 percent increase from the 319 CBA registrations in 2000.

Six out of ten CBAs were filed by affiliated unions and the rest were from independent unions. The same pattern was observed for all the covered years.

The bulk of registered CBAs throughout the period were from the manufacturing sector. Transport, storage and communication sector was second at 9.4 percent (30) and 12.1 percent (31) in 2000 and 2001, respectively. Its share however, was only 4.4 percent in 2002. Very few CBAs (less than 10.0 percent) were filed by other sectors. (See Table 1)

**TABLE 1 – Percent Distribution of CBAs by Major Industry Group and Status of Union  
Philippines: 2000 – 2002**

MAJOR INDUSTRY GROUP/ STATUS	2000	2001	2002
<b>All Industries</b>	319	256	386
Agriculture, Hunting and Forestry	9.1	7.8	8.3
Fishing	0.3	0.8	0.2
Mining and Quarrying	0.9	0.4	0.8
Manufacturing	55.2	56.2	60.4
Electricity, Gas and Water Supply	1.6	1.6	2.6
Construction	0.9	-	1.6
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	9.4	8.6	5.7
Hotels and Restaurants	2.2	3.5	3.1
Transport, Storage and Communications	9.4	12.1	4.4
Financial Intermediation	1.6	1.6	2.3
Real Estate, Renting and Business Activities	5.0	1.6	1.8
Education	1.6	2.7	3.6
Health and Social Work	0.6	1.6	2.6
Other Community, Social and Personal Service Activities	2.2	1.6	2.6
Affiliated	56.4	58.6	61.7
Independent	43.6	41.4	38.3

Correspondingly, workers covered by CBAs filed reached 58,865 in 2002. The preceding years, workers coverage stood at 45,675 in 2000 and 46,198 in 2001. (See Table 2)

**TABLE 2 – Percent Distribution of Workers Covered by CBAs by Major Industry Group and Status of Union Philippines: 2000 – 2002**

MAJOR INDUSTRY GROUP/ STATUS	2000	2001	2002
<b>All Industries</b>	45,675	46,198	58,865
Agriculture, Hunting and Forestry	12.2	18.9	20.2
Fishing	2.5	1.3	0.1
Mining and Quarrying	NA	1.2	0.1
Manufacturing	43.6	56.4	52.5
Electricity, Gas and Water Supply	0.4	1.0	1.9
Construction	1.0	-	0.5
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	10.6	2.6	7.1
Hotels and Restaurants	0.7	0.5	1.3
Transport, Storage and Communications	21.8	10.9	6.8
Financial Intermediation	2.0	1.6	1.7
Real Estate, Renting and Business Activities	1.4	0.2	1.1
Education	0.8	2.3	3.3
Health and Social Work	0.7	2.4	2.3
Other Community, Social and Personal Service Activities	2.2	0.6	1.0
Affiliated	54.3	48.2	57.8
Independent	45.7	51.8	42.2
Average Worker per CBA	143	180	152

On the average, around 152 workers were covered by a CBA in 2002; 180 workers in 2001 and 143 workers in 2000.

As expected, workers in the manufacturing industry accounted for the biggest share. They represented 43.6 percent of the total CBA coverage in 2000; 56.4 percent in 2001 and 52.5 percent in 2002.

For the other sectors, an uptrend was observed in terms of coverage in agriculture, hunting and forestry, from 12.2 percent in 2000 to 20.2 percent in 2002. A contrast however, was noted in the transport sector. From a high percentage share of 21.8 percent in 2000, workers covered by CBAs went down to 6.8 percent in 2002. The lowest percentage share came from the fishing and mining and quarrying sectors at 0.1 percent each in 2002.

## EMPLOYEE BENEFITS

### A. Wage Increases

Provisions for wage increases were expressed either in terms of across the board increases of specified amounts (in pesos) or as a percent increase in basic pay of the workers spread over a period of five (5) years. However, some CBAs have provided for wage increases only for the first 3 years. Provisions for wage increases for the remaining 2 years were subjected to renegotiation not later than three (3) years after its effectivity. (See Table 3)

- ❖ More than three-fifths of the CBAs covered in 2000 (61.1%), 2001 (71.5%) and 2002 (72.5%) had provision for wage increases. CBAs with no specific provision for the granting of wage increases have stipulated compliance to Wage Order issuances during the term of the agreement.
- ❖ Some 159 CBAs in 2000, 141 in 2001, and 212 in 2002 provided peso wage increases for daily paid workers. More than 60.0 percent of the CBAs in covered years provided

for a less than ₱30 increase spread over a period of 3 to 5 years. Accordingly, less than 20.0 percent (14.3% in 2000; 15.5% in 2001 and 17.5% in 2002) granted a wage increase of ₱30.00 – ₱49.99. About 21.0 percent of the CBAs filed in 2001 and 2002 provided for an increase of ₱50 or more.

- ❖ A total of 40 CBAs in 2000, 46 in 2001 and 69 in 2002 had provisions for wage increases covering monthly-paid employees. Of these CBAs, more than 60.0 percent granted an increase of less than ₱3,000 in a span of 3 to 5 years.
- ❖ Less than three percent of the total CBAs have wage increase provisions expressed in percent. Some 50.0 percent in 2000 and 33.3 percent in 2002 provided for a less than 10.0 percent increase in basic wage in a span of 3 to 5 years. Only one CBA in 2001 provided for 20.0 – 29.9 percent increase.



## B. Other Employee Benefits

- ❖ In the three-year period, health care benefits were given more importance by both management and labor as shown by the high percentage shares (more than 50 percent) of CBAs with provisions for medical services, hospitalization plan and dental services. (See Table 4)
- ❖ Monetary assistance in times of bereavement was also provided in most CBAs with 46.4 percent in 2000; 66.4 percent in 2001 and 67.1 percent in 2002.
- ❖ Provision that promotes health and workers' well-being such as family planning services was stipulated in more than half of the CBAs filed. Other provisions like recreational activities, workers education and provisions of health and safety equipment were mentioned in more than one-fourth of the CBAs filed.
- ❖ Provision to increase workers' participation in decision-making and improvement of the productivity performance of companies was also provided in some CBAs. The implementation of bi-partite mechanisms such as LMCs, Quality Circles, Productivity Schemes were stipulated in 21.9 percent of the CBAs filed in 2000, 28.9 percent in 2001 and 39.6 percent in 2002.
- ❖ Direct wage supplement in the form of bonuses was also cited in some CBAs. Aside from the 13<sup>th</sup> month pay, other bonuses with relatively high percentage shares were signing bonus and Christmas bonus.

- ❖ Workers upon retirement, separation or death were also provided some benefits. Retirement benefits were stipulated in 46.4 percent of the CBAs filed in 2000; 57.4 percent in 2001 and 67.9 percent in 2002. Death benefits were also provided in more than one-third of the total CBAs filed during the period.
- ❖ Increasing concern for worker's protection against loss of income due to illness, accident, and birth of child was also noted. The top five leave benefit provisions and their corresponding percent share were as follows:

BENEFIT	2000 (%)	2001 (%)	2002 (%)
Vacation leave	78.0	89.4	94.6
Sick leave	71.5	86.7	92.2
Union leave	43.6	60.5	67.9
Paternity leave	44.5	55.8	60.6
Maternity leave	33.5	45.3	54.1

- ❖ In some CBAs, unions were able to negotiate with their employers the use of bulletin boards, printing of CBA copy, office space for the union and access to office equipment.
- ❖ The provision of bulletin boards where unions can post their official notices and announcements was mentioned in 26.0 percent of the CBAs in 2000. This was also found in 34.4 percent and 37.3 percent of the CBAs in 2001 and 2002, respectively.
- ❖ Provision of office space where union officers can use to discharge their functions was embodied in less than 31.0 percent of the CBAs.

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**FOR INQUIRIES:**

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**TABLE 3 - Percent Distribution of CBAs With Provisions on Wage  
Increases, Philippines: 2000 - 2002**

<b>TYPE OF WAGE INCREASE PROVISION</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>
<b>TOTAL CBAs REGISTERED</b>	<b>319</b>	<b>256</b>	<b>386</b>
<b>TOTAL CBAs WITH WAGE PROVISIONS</b>	<b>195</b>	<b>183</b>	<b>280</b>
<b>With Provisions on Wage Increase in Peso Terms</b>	<b>191</b>	<b>182</b>	<b>277</b>
Daily - Paid	159	141	212
< 5.00	6.9	6.4	4.2
5.00 - 9.99	22.6	13.5	15.6
10.00 - 14.99	11.9	14.9	11.3
15.00 - 19.99	10.1	16.3	14.2
20.00 - 24.99	10.7	5.0	8.5
25.00 - 29.99	6.9	7.8	8.0
30.00 - 34.99	5.0	7.1	11.8
35.00 - 39.99	3.1	2.8	1.4
40.00 - 44.99	3.1	2.8	1.9
45.00 - 49.99	3.1	2.8	2.4
50.00 - 99.99	12.6	14.2	15.6
100.00 and over	3.8	6.4	5.2
Monthly Paid	40	46	69
< 500	12.5	6.5	14.5
500 - 999	15.0	10.9	13.0
1000 - 1499	7.5	15.2	10.1
1500 - 1999	10.0	15.2	7.2
2000 - 2499	2.5	13.0	13.0
2500 - 2999	15.0	10.9	14.5
3000 - 3499	7.5	8.7	2.9
3500 - 3999	5.0	6.5	4.3
4000 - 4499	10.0	8.7	8.7
4500 - 4999	2.5	-	4.3
5000 and over	12.5	4.3	7.2
<b>With Provisions on Wage Increases in Percent</b>	<b>4</b>	<b>1</b>	<b>3</b>
< 10.0	50.0	-	33.3
10.0 - 19.9	25.0	-	-
20.0 - 29.9	-	100.0	-
30.0 - 39.9	-	-	-
40.0 - 49.9	25.0	-	33.3
50.0 and over	-	-	33.3

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

**TABLE 4 - Percent Distribution of CBAs With Welfare Benefit Provisions by  
Type of Benefit, Philippines: 2000 - 2002**

WELFARE BENEFITS	2000	2001	2002
<b>TOTAL</b>	<b>319</b>	<b>256</b>	<b>386</b>
<b>Health Care Benefits</b>			
Dental Services	47.0	55.8	56.0
Hospitalization Plan	54.5	62.1	65.8
Medical Services	57.0	68.4	71.2
Medicines/Medical Allowance	11.0	19.5	13.5
Optical Allowance/Service	6.3	8.2	9.3
<b>Allowances, Bonuses and Gratuities</b>			
13th Month Pay	47.0	64.1	68.1
Attendance Bonus	6.3	8.2	11.1
Christmas Bonus	17.9	26.6	29.5
ECOLA	2.2	2.7	3.1
Incentive Pay	6.0	6.6	8.3
Performance Bonus	4.1	6.6	3.1
Rice and corn allowance/subsidy	19.1	27.0	32.4
Signing Bonus	24.1	33.6	33.2
Uniform Allowance	28.2	35.9	50.0
<b>Social Security Schemes</b>			
Accident Insurance	4.1	23.4	30.6
Death Benefit	37.9	36.3	33.9
Gratuity Pay	7.2	17.6	18.9
Retirement Benefits	46.4	57.4	67.9
<b>Leave Benefits</b>			
Birthday Leave	10.3	14.1	18.1
Death/Burial	25.4	30.8	37.0
Emergency Leave	28.8	44.1	39.6
Maternity Leave	33.5	45.3	54.1
Paternity Leave	44.5	55.8	60.6
School/Study Leave	3.1	7.0	2.1
Sick Leave	71.5	86.7	92.2
Union Leave (to attend to seminars, conferences)	43.6	60.5	67.9
Vacation Leave	78.0	89.4	94.6
Wedding Leave	5.0	3.5	3.1
<b>Other Benefits/Schemes</b>			
Burial Aid	46.4	66.4	67.1
Meal Subsidy	13.8	25.0	26.7
Educational Assistance	8.5	14.1	12.4
Educational Loan	8.8	14.1	13.0
Calamity Loan	7.8	9.0	7.5
Recreational Activities	27.9	48.0	50.2
Workers Education	34.2	47.6	46.6
Family Planning Services	56.7	73.8	76.7
Health and safety equipment provision	29.8	35.5	43.5
Health Fund	4.4	9.8	7.5
LMC/Productivity/Quality Circle	21.9	28.9	39.6
Longevity Pay	6.0	10.2	13.7
Merit Increase	8.5	8.6	11.6
Transport Service	12.5	16.4	20.7
Christmas Package/Gift	21.9	20.7	30.6
Labor Day Assistance	10.0	19.5	17.1
Printing of CBA Copy	20.4	30.1	29.8
Use of Bulletin Board	26.0	34.4	37.3
Provision of office space	17.9	27.7	30.0
Access to office equipment	2.2	6.2	7.2

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