

UNIONISM IN NON-AGRICULTURAL ESTABLISHMENTS: 1999

Highlights of Results of 1999 Industrial Relations at the Workplace Survey (Fifth 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 also 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. The survey covers an estimated 21,527 non-agricultural establishments with at least 20 workers nationwide and in 12 major industry groups. Excluded are the establishments in the public sector except government corporations.

This issue, the fifth of a seven-part series delves on the unionized wholly Filipino-owned establishments and those with foreign capital. It focuses on the privileges provided by management to union officers/ members, frequency of union consultation with management regarding employee relations matters, issues frequently raised by unions, union representative in bargaining negotiations, and subject and outcome of negotiations.

ESTABLISHMENTS WITH UNION

- A total of 4,265 establishments or 19.8 percent were reported with unions. Of these, more than three-fourths were wholly Filipino-owned establishments. The remaining 22.5 percent were establishments with foreign capital.

Percent Distribution of Establishments With Union and With CBA by Type of Ownership, Philippines: 1999

Establishment Specification	Total	With Foreign Equity	Wholly Filipino-Owned
With Union	4,265	22.5	77.5
With CBA	4,085	23.3	76.7

- Of the total unionized establishments, 95.8 percent have collective bargaining agreements (CBAs). More than three-fourths of the establishments with CBAs were wholly Filipino-owned and the remaining 23.3 percent were with foreign equity.

PRIVILEGES PROVIDED BY MANAGEMENT

- The bulk of unionized establishments with foreign capital and those wholly Filipino-owned provided for the following benefits to union officers/members: use of bulletin boards (91.5% vs. 76.8%), time off from work for union business/activities (88.8% vs. 73.8%), access to an office or meeting room (80.0% vs. 72.5%) and access to phone, fax or similar facilities (73.8% vs. 64.8%).

Percent Distribution of Establishments With Union by Privileges Provided by Management to Union Officers/Members and Type of Ownership Philippines: 1999

Privileges Provided	With Foreign Equity	Wholly Filipino-Owned
Access to an office or meeting room	80.0	72.5
Access to secretarial assistance	29.8	36.0
Access to printing or photocopying facilities	63.9	48.7
Access to phone, fax or similar facilities	73.8	64.8
Use of bulletin boards	91.5	76.8
Time off from work for union business/activities	88.8	73.8
None of the above	0.7	3.4

- Nearly two-thirds (63.9%) of the establishments with foreign equity also granted access to printing or photocopying facilities while less than half (48.7%) of the establishments solely owned by Filipinos provided such benefit.

FREQUENCY OF UNION CONSULTATION WITH MANAGEMENT

- Majority of union consultations on employee relations' matters occurred *only when an issue arises*. This was practiced by 6 out of 10 unionized establishments with foreign capital and wholly Filipino-owned.

- Some 26.6 percent and 22.7 percent, respectively conducted their consultations *once a month*. Almost the same proportion (0.3% vs. 0.4%) disclosed had *never* any consultation with management.

Percent Distribution of Establishments With Union by Frequency of Consultation and Type of Ownership, Philippines: 1999

Frequency	With Foreign Equity	Wholly Filipino-Owned
Once a week	7.0	8.6
Once a month	26.6	22.7
Once in 3 months	5.7	5.4
Only when an issue arises	59.9	61.8
Never	0.3	0.4
Not stated	0.3	1.1

ISSUES FREQUENTLY RAISED BY UNIONS

As to what issues were frequently raised by the union with management, below were the responses.

- Among establishments with foreign capital, issues raised by unions concentrated on the following three areas: dismissal/disciplinary measures (59.7%), individual grievances (58.1%) and wage increases (57.0%). *See details in Table 1.*
- Wage increases was the most frequently raised issue in wholly Filipino-owned establishments with a share of 68.2 percent. Dismissal/Disciplinary measures placed second at 47.1 percent while individual grievances ranked third with 43.9 percent.

UNION REPRESENTATIVES DIRECTLY INVOLVED IN BARGAINING NEGOTIATIONS

An inquiry was made as to who from the labor union were involved in bargaining negotiations.

- The most common practice in establishments with foreign equity and in those wholly Filipino-owned (84.0% each) was for the *union officers* to represent the workers in bargaining negotiations. A very small proportion (4.6% vs. 7.2%) specified that only the union president sat in the negotiating panel.

Percent Distribution of Establishments With Union by Representatives Involved in Bargaining Negotiations and Type of Ownership
Philippines: 1999

Representative in Bargaining Negotiations	With Foreign Equity	Wholly Filipino-Owned
Individual union member	13.4	13.5
Union president	4.6	7.2
Committee of union Delegates	28.0	28.5
Union officers	84.0	84.0
Federation/Labor Center	37.7	26.6
Others	2.2	0.9
Not stated	0.3	2.9

- More than one-third (37.7%) of the establishments with foreign equity and a little over one-fourth (26.6%) of the wholly Filipino-owned tapped the federations/labor centers.

SUBJECT OF NEGOTIATIONS

Respondents were asked to enumerate the subjects of negotiations in their collective bargaining and here are their responses.

- Three common subjects of negotiation in unionized establishments with foreign capital and wholly Filipino-owned were wage increase (94.1% vs. 90.2%), leave benefits (76.6% vs. 63.3%) and payment of allowances (51.7% vs. 36.7%).

Percent Distribution of Establishments With Union by Subject of Negotiations and Type of Ownership
Philippines: 1999

Subject of Negotiations	With Foreign Equity	Wholly Filipino-Owned
Wage increase	94.1	90.2
Leave benefits	76.6	63.3
Overtime (<i>hours/pay</i>)	51.8	32.3
Payment of allowances	51.7	36.7
Working condition/ environment	47.8	35.5
Dismissal/Disciplinary measures	44.9	42.4
Occupational safety and health measures	47.4	36.9

- Other concerns raised by unions in establishments with foreign equity were overtime (51.8%) and working condition/environment (47.8%) while matters related to dismissal/disciplinary measures (42.4%), occupational safety and health measures (36.9%) and payment of allowances (36.7%) were negotiated in wholly Filipino-owned establishments.

OUTCOME OF NEGOTIATIONS

As to the outcome of the negotiation, the following results were obtained:

- Some 43.6 percent of the establishments with foreign capital reported that agreements reached in all areas of concern were incorporated in their CBAs. These CBAs were likewise registered with the DOLE.

Percent Distribution of Establishments With Union by Outcomes of Negotiations and Type of Ownership, Philippines: 1999

Outcome of Negotiations	With Foreign Equity	Wholly Filipino-Owned
Agreements reached in all concerns (1)	26.7	21.3
Only some concerns were incorporated (2)	2.2	9.4
CBA registered with the DOLE (3)	9.4	13.3
CBA not registered with the DOLE (4)	0.2	0.2
Negotiation still in process (5)	6.0	8.6
Combination of 1 and 3	43.6	35.9
Combination of 1 and 4	0.7	0.5
Combination of 2 and 3	9.3	6.8
Combination of 2 and 4	-	-
Not stated	1.9	4.0

- A little over one-fourth (26.7%) opined that agreements reached in all concerns were incorporated in their CBAs but made no mention as to whether they were registered with DOLE.
- Some 9.4 percent disclosed that their CBAs were registered with the DOLE. However, reports do not indicate whether all agreements reached were included in the CBAs.
- The same results were observed on negotiations in establishments owned solely by Filipinos.

FOR INQUIRIES:

Regarding this report contact **LABOR RELATIONS STATISTICS DIVISION** at 527-35-78

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**Table 1 - Percent Distribution of Non-Agricultural Establishments by Issues Frequently Raised by Unions with Management and Type of Ownership
Philippines: 1999**

ISSUES FREQUENTLY RAISED	TYPE OF OWNERSHIP	
	With Foreign Equity	Wholly Filipino-Owned
* Dismissal/Disciplinary measures	59.7	47.1
* Individual grievances	58.1	43.9
* Wage increase	57.0	68.2
* Working condition/environment	42.7	36.6
* Occupational safety and health measures	32.5	30.1
* Leave benefits	28.5	29.5
* Change in working time arrangements	27.5	25.4
* Payment of allowances	25.7	21.7
* Change in work practices	23.4	14.9
* Management practices	23.3	19.4
* Overtime (Hours/Pay)	20.9	19.0
* Staffing levels (Hiring/Promotion)	20.7	18.1
* Regularization of casual/contractual employees	20.5	26.4
* Hours of work	20.2	14.0
* Participation in training programs	15.5	16.8
* Intro of new technology	9.9	11.4
* Change in dispute settling procedures	9.9	8.3
* Discriminatory clauses in awards/CBAs	9.6	8.6
* Intro of career paths of employees	6.7	6.7
* Others	2.4	1.7
* Not Stated	1.1	2.4

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