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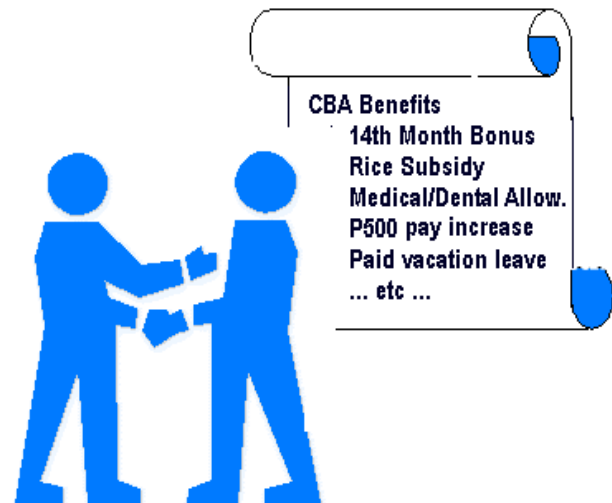
Highlights of Economic Provisions

The BUREAU OF LABOR AND EMPLOYMENT STATISTICS (BLES) conducted a study on the profile of collective bargaining agreements (CBAs) in 1996.

The sources of data were registered CBA documents from 1993 to 1995. A total of 774 in 1993, 765 in 1994 and 815 in 1995 were indexed and processed from the files of the Bureau of Labor Relations and DOLE-NCR.

This manuscript is the second of a three-part series. It focuses on the comparative analysis of the different economic benefits enjoyed by the covered workers in the said years. Part I which touches on the general features of the CBAs was published in LABSTAT Updates (Vol. 1 No.8) in July 1997. Part III centers on the profile of non-economic provisions.

The following are some of the highlights of economic provisions.



Wage Increases

Provisions for salaries and wages are 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. In 1993, 309 CBAs provided for wage increases in peso terms. An almost equal number (308) included this provision in 1994. A relatively higher number (478) incorporated the same in 1995. Very few CBAs (14 in 1993; 16 in 1994; and 32 in 1995) provided for pay increments in percent. Other CBAs did not include provisions for wage increases.

- ***Daily-wage earners as provided in most CBAs receive additional pay up to ₱19***

A total of 237 CBAs in 1993, 249 in 1994 and 403 in 1995 provided peso wage increases to daily-paid

workers. In these CBAs, more than 50.0 percent (162 in 1993; 164 in 1994; and 262 in 1995) granted increases below ₱20.00 to be spread over a period of three to five years depending on the terms of the agreements reached by the concerned parties. Very few CBAs (less than 9.0%) provided for an increase of ₱50 or more in all years.

- ***Monthly-paid employees get an increase in pay from a low of less than ₱500 to as high as ₱5,000 or more***

CBAs with provisions for peso-wage increases covering the monthly-paid employees numbered 70 in 1993, 69 in 1994 and 77 in 1995. With these, three out of ten provided for an increase of less than ₱500 spread over the three to five year period. Few CBAs granted increases as high as ₱5,000 or more (3 in 1993; 2 in 1994; and 4 in 1995).

- ***Some CBAs provide for increases up to 29.0 percent of basic pay***

Of the CBAs with provisions for wage increases in terms of percent, 8 out of 14 in 1993, 11 out of 16 in 1994 and 17 out of 32 in 1995, granted pay increments of less than 30.0 percent spread over a period of three to five years. Three CBAs posted increases in basic pay within the 50.0 percent or more bracket in 1993. Only one (1) CBA in 1994 and in four (4) CBAs in 1995 provided for the same pay increase.

Overtime Premium Rates

Though the government has devised a minimum standard for overtime pay, still compensation for any work rendered in excess of eight hours or during rest days and holidays are

deliberated on. This may either be in the form of subscribing to the prescribed minimum standard or clamoring for a higher premium rate.

As shown in the table below minimum standard overtime pay rates vary according to the day the overtime work is performed.

Statutory Overtime Pay Rates	
a. For work in excess of eight hours performed on ordinary days	= +25% of the hourly rate of workers
b. For work performed on:	
rest day	= 130% of basic hourly rate
special day	= 130% of basic hourly rate
regular holiday	= 200% of basic hourly rate
c. For work in excess of eight hours performed on a scheduled rest day, a special day and a regular holiday	= +30% of the hourly rate on said days

- ***Most CBAs subscribe to statutory overtime pay rates***

In 1993, 1994 and 1995 CBAs, 78.4 percent, 87.5 percent and 78.0 percent, respectively had provisions on overtime pay rates for ordinary days. Relatively few (ranging from 14.7% to 36.0%) CBAs specified an agreement on premium pay for work performed on employee's rest day or on special day or regular holiday.

Most (more than 75.0%) of the CBAs with provisions for overtime pay rates in 1993, 1994 and 1995 subscribed to the standard overtime rates imposed on regular holidays, rest days, and on regular holidays falling on rest days. However, for overtime rendered on ordinary days, majority of the CBAs in 1993 (61.9%) and 1994 (61.3%) provided for overtime rates higher than the one prescribed by law. In 1995, more than half (61.5%) adhered to the mandatory rate.

Welfare Benefits

- *Provision for family planning services tops the list of welfare benefits for workers*

Registered CBAs in the three years under review came up with a package full of benefits for the welfare of the covered workers. The top five welfare benefits and their corresponding percentage shares to the total number of registered CBAs in 1993, 1994, and 1995 are as follows:

Welfare Benefits	Percent Share		
	1993	1994	1995
Family planning Services	82.3	83.9	83.9
Medical/dental Services	82.0	83.4	70.2
Workers Education	76.6	74.6	75.1
Sports Activities	76.6	78.8	78.7
Burial Aid	76.4	74.4	66.3

The above figures show an underlying pattern in negotiating for welfare benefits. In the three-year period, the same types of welfare benefit provisions were given importance by

both labor and management. The most popular was the provision of family planning services to members. This was stipulated in more than 80.0 percent of the CBAs filed during the period under review. Education, training and development of workers were also given equal importance as these were incorporated in more than 70.0 percent of the CBAs in the said years. This reflects a growing maturity of labor unions in negotiating for welfare benefits.

Supplementary Benefits

- *Provision of uniform is mentioned in most CBAs*

A total of 541 (69.9%) CBAs included provisions for supplementary benefits in 1993. And 355 (46.4%) in 1994. Whereas in 1995, CBAs with supplementary benefits numbered 407. These benefits were provided to workers either in monetary or non-monetary form.

Among the supplementary benefits enjoyed by workers, worth mentioning was the provision of a set of uniform. This was mentioned in 87.8 percent (475), 78.0 percent (277), and 78.1 percent (318) of the total CBAs in 1993, 1994 and 1995, respectively. Many CBAs in 1994 (66.8% or 237) and in 1995 (320 or 78.6%) granted Christmas bonus. It was cited only in 37.7 percent (204) of the CBAs in 1993. More than 25.0 percent of the CBAs included provisions for signing bonus in 1994 and merit increase in 1995.

Leave Benefits

- *Provision for vacation leave is cited in most CBAs*

Among the leave benefit provisions, the granting of vacation leave was the most popular. It was cited in 671 (86.7%) CBAs in 1993; in 706 CBAs (92.3%) in 1994; and in 690 (84.7%) CBAs in 1995. Sick leave was the second most mentioned leave benefit provision in all years. Recognizing the importance of child bearing and child rearing, maternity and paternity leaves were also included in some CBAs. The following shows the top five leave benefit provisions and their corresponding percentage shares to the total number of registered CBAs in 1993, 1994 and 1995.

Leave Benefits	Percent Share		
	1993	1994	1995
Vacation leave	86.7	92.3	84.7
Sick leave	41.3	45.2	63.4
Maternity leave	18.6	21.3	29.0
Paternity leave	15.9	20.0	26.9
Burial leave	17.6	17.1	23.4

- *Most CBAs favor total conversion of all unused vacation and sick leaves into cash*

Generally, the number of days entitlement of workers to paid vacation and sick leaves are stipulated in CBAs. More than 75.0 of the CBAs with provision for vacation leave and in more than 70.0 percent of the CBAs providing for sick leave benefit in 1993, 1994 and 1995 subscribed to a fixed number of paid vacation and sick leaves regardless of the length of service of the workers. The rest adhered to a graduated scale depending on the workers' years of service.

Some CBAs included a specific clause as to whether such leave benefits could be converted into cash or can be accumulated if unused for a certain period of time. About seven out of ten CBAs in 1993, 1994 and 1995 favored the conversion of unused vacation and sick leaves into cash.

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