



# DEPARTMENT OF LABOR AND EMPLOYMENT Manila, Philippines

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# At a glance . . . Unions in the Services Sector

This paper gives a brief description on the profile of 524 unions formed in establishments engaged in, wholesale and retail trade, financing, insurance, real estate and business services and community, social and personal services. It represents 44.0 percent of the total 1,191 active unions in this sector. The report also covers union activities, union-management relations, work negotiations and welfare benefits enjoyed by union officers and members.

This is the 3<sup>rd</sup> of the four-part series presenting the results of the 1997 General Survey on Labor Organizations (GSLO), conducted by the Bureau of Labor and Employment Statistics (BLES). It excludes unions verified either as inactive or non-existent due to business closures or cannot be located due change of address or transfer to another location.

### **Union Profile**

Of the 524 responding unions, a large portion (389 or 74.2%) were organized in Filipino-owned establishments while the rest (135) were formed in companies with foreign ownership. As to their union status, some 292 (55.7%) were affiliated with federations while only 232 (44.3 %) were independent unions.

About 213 or 40.6 percent have been in existence for 10 years or more while 98 (18.7%) have been active for 7 to 9 years. Newly organized unions (less than 7 years) accounted for 26.3 percent (138). Most of the unions covered the rank and file employees (511 or 97.5%). Barely 2.5 percent had supervisors as their bargaining unit. Males

were generally favored as union leaders (76.7%).





Union membership reached a total of 101,858. Females accounted for the majority at 50.9 percent (*51,865*) while males constituted 43.8 percent (*44,622*). Some 5,371 or 5.3 percent members were not disaggregated by sex.

### **Union Activities**

Generally, unions hold general meetings to enable officers and members to discuss issues, problems and other union-related activities. Survey results showed that more than one-fourth (145 or 27.7%) of respondent unions did not conduct meetings regularly. Some 113 unions (21.6%) hold their meetings once a year while the same number conducted meetings every quarter. Others preferred a more frequent schedule, i.e. monthly (15.6%).

Common topics discussed during meetings include union financial report, ratification of CBA, workplace matters in response to management proposal, regular meetings report to members,

# workplace matters raised by members and resolution of grievances.

Several programs were also undertaken by respondent unions to benefit their members. More emphasis were given to the conduct of labor education seminars (84.4%). Other programs focused on the following: establishment of cooperatives (43.7%), skills training (19.8%), housing program (12.0%), and provision of scholarship assistance (10.7%).

Labor education seminars conducted by 442 unions were attended separately/jointly by union officers and members. The following topics were covered: CBA negotiations and contracts, mode of dispute settlement, productivity and work attitude, prevailing labor laws and social legislations, gender sensitivity training, health and safe working condition, labor relations, leadership, labor management cooperation and women issues.

A total of 72 (13.7%) respondentunions have availed of the DOLE's **Workers Organization Development Program** (WODP). The following were the services availed by unions under the program.

Programs	Percent
Grants Use of WODP Training Center Loans under Workers	75.0 12.5
Entrepreneurship	51.4
Livelihood Skills training	15.3

## **Union-Management Relations**

Majority of the 524 responding unions (336) rated their relationship with management as satisfactory. A little less than one-fourth (129) gave unsatisfactory rating and only 11.3 percent (59) gave excellent/outstanding grade. The following were the factors considered by unions in rating labor-management relations.

Factors	Excel- lent	Satis- factory	Unsatis- factory
Management			
concern/treatment			
of employees	88.1	57.7	69.0
Benefits granted	84.7	61.3	48.8
Number of grievances	32.2	40.2	63.6
Openness of			
management	81.4	46.1	40.3
Morale of employees	69.5	45.8	64.3
Physical working			
environment	59.3	45.8	34.9
Termination/layoff	23.7	23.2	45.0
Effect of labor-mgt.			
committee formed	42.4	33.6	18.6
Quality of work			
Performance	52.5	37.2	20.9

To determine the extent of unions' participation in decision-making, a query on the frequency of union-management consultations on various areas of concern were also included.

The following shows the frequency of union-management consultations by area of concern:

Areas of	Always	Some-	Never
Concern		times	
Staffing or			
manning plans	10.5	34.4	55.2
Wage and allow-			
ances increases	24.0	40.6	35.3
Physical working			
condition	20.8	39.3	39.9
Occupational			
health and safety	24.0	37.8	38.2
Introduction of	40.0		
new technology	13.0	36.2	50.8
Dismissals/			24.0
suspension	29.4	38.7	31.9
Labor contracting/	0.7	45.4	7.0
sub-contracting	8.6	15.1	76.3
Changes in work	440	40.0	44.0
practices	14.3	43.9	41.8
Major change in	44.6	00.4	50.0
product/service	11.6	28.4	59.9
Marketing	10.1	04.7	<b>45.0</b>
strategies	10.1	24.6	65.3
Investment plans	2.9	16.4	80.7
Annual audited			
financial	0.0	20.1	/0.7
statement	9.2	22.1	68.7
Labor-management			
cooperation			
schemes/	22.7	2/ 4	20.0
programs	23.7	36.4	39.9

# **Work Negotiations**

The survey disclosed that 441 or 84.2 percent of total respondent unions have existing collective bargaining agreements (CBAs). More than one-half (*59%*) were from unions affiliated with federations while the remaining 41.0 percent belonged to independent unions. These CBAs covered a total of 115,307 workers comprising 89,597 or 77.7% union members and 25,710 or 22.3 percent non-union members.

During CBA negotiations, some 482 unions (92.0%) had difficulties in negotiating the following terms and conditions of employment:

Terms and Conditions	Percent
Wages	58.5
Allowances	30.3
Limitations of management	
prerogatives	23.0
Scope of bargaining unit	17.6
Union security	16.6
Overtime pay	16.4
Job security	18.2
Termination/Dismissals	17.4
Staffing levels	14.9
Welfare benefits	17.2
Changes in work	
practices	12.9
Disciplinary measures	16.6
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Aside from CBAs, about 10.3 percent (54) of the total responding unions have also other written agreements with management. These agreements include labor-management cooperation program, termination/dismissals, occupational health and safety, training/staff development and equal employment opportunities.

#### **Welfare Benefits**

Union officers enjoyed exclusive benefits from both the union and management. Foremost were attendance to training programs/seminars (34.4%) as provided by unions and educational/study leave (28.4%) granted through CBAs.

Likewise, union members were provided with several benefits both economic and non-economic. The top ranking welfare benefits provided in 441 CBAs were as follows:

Leave Benefits	Percent
Sick leave Vacation leave Maternity leave Paternity leave Bereavement/Burial leave Educational leave Birthday leave	94.8 93.4 89.6 75.3 58.5 29.0 20.9
Sabbatical leave	7.7

Economic Benefits	Percent
Burial Aid	76.9
Separation/Retirement Plan	75.1
Emergency Loan	73.0
Medical/ Dental Allowances	64.4
Christmas Bonus	62.4
Death Benefit	59.4
Hospitalization	57.1
Medical/Dental Services	56.0
Sports/Recreation	55.6
Clothing Allowance	54.4
Medicine	53.3
Meal allowance/Subsidy	46.2
Group Life Insurance	41.7
Accident Insurance	36.7
Workers Education	36.3
Family Planning Services	24.5
Health and Safety Shoes	23.8

Profile of Responding Unions in the Services Sector: 1997	
Indicator	Percent Share
Total Unions	524
Type of Ownership	
Wholly Filipino With Foreign Capital	74.2 25.8
Status	
Independent Affiliated	44.3 55.7
Length of Existence	
1-3 years 4-6 years 7-9 years 10 years and over Not stated	13.9 12.4 18.7 40.6 14.3
Type of Bargaining Unit	
Supervisory Rank and file	2.5 97.5
Union Presidents	
Male Female Not stated	76.7 22.5 0.8
Total Union Membership	101,858
Male Female Not Stated	43.8 50.9 5.3

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