

A PRELIMINARY ASSESSMENT OF THE PHILIPPINE LABOR MOVEMENT
BASED ON ITS PERFORMANCE IN THE
COLLECTIVE BARGAINING PROCESS

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Chapter 1

INTRODUCTION

The Philippine population -- 15 years old and over -- stood at about 25 million. Of this total, some 61.9 per cent were considered in the labor force, and 38.1 per cent outside the labor force. Of this total also, 67 per cent live in the rural areas, and only 33 per cent in the urban areas.¹

Thus, as of August 1976, the entire labor force in the country was estimated at 15.5 million. Unemployment is seemingly low -- a mere 5.7 per cent of the labor force. That would be about 790,000 people looking for sources of livelihood, but are not able to find any. Underemployment, however, is relatively large -- an outstanding 10.7 per cent of the total employed. That would be 1.6 million part-time or full-time workers still wanting additional work presumably to supplement inadequate earnings from existing employment.²

Taken as a whole, even the employed have to contend with an income -- in most instances -- that is "not enough to raise them above the level of poverty".³

In other words, the greater part of the working population and their families, "especially those in the rural areas, continue to want in the basic needs in life, that is, food, clothing, shelter, health care, and a minimum education".⁴

In the light of such challenges to national development, a group of UPCM students in a Political Science 190 class recently made a modest attempt to examine and evaluate the responsiveness of the labor program and policies of the New Society vis-a-vis such pressing

problem on wages and incomes confronting the Filipino workingman. Based on a research analysis of the latest available data and statistics, the study found out that even while the government has introduced various measures to increase money wages purportedly to protect workers' incomes from the ravages of inflation, the continuous spiralling of prices has rendered these economic benefits ineffective if not altogether meaningless. Furthermore, the study reached the conclusion that given the development strategy it is committed to, the martial law regime has indeed sacrificed -- for some time now and apparently for a long time to come -- certain interests of Philippine labor, especially with respect to wages. Ironic it may seem, the labor policies and programs of the government were designed and adopted primarily to attain rapid industrial expansion of export goods through the massive mobilization of foreign and local capital into the economy. In effect, wages stagnating at the barest minimum levels possible are tolerated if not actually encouraged for the sake of what the martial law government considers as necessary for "national development."

Whatever useful purpose it may have served, such study has opened up new vistas for further social investigation. For a clearer understanding of the labor situation, a social scientist passionately concerned with the concrete needs and aspirations of the Filipino workingman may rightfully ask --- if the government is failing to effectively respond to contemporary labor concerns, what has the Philippine trade union movement done, is doing, and plan to do for and in behalf of the workingman in the face of such an adverse situation?

Specifically, what were the major achievements or victories scored

by labor organizations in the country today for the economic well-being of the working class? How were these labor organizations able to overcome their most difficult struggles, and what strategies or approaches were used?

Is Philippine labor -- in terms of concrete gains or losses -- generally better off now or before the implementation of the New Labor Code in 1974?

What are the future goals of these labor organizations? What is the future of the labor movement as a whole in the country? Who could possibly lead such workers' movement in the next ten years?

These are the principal questions this paper attempts to answer. Stated briefly, this study is an assessment of the Philippine labor movement -- its past, present, and possible future performance in its struggle for workers' rights and welfare -- based mainly on the perceptions of trade union leaders in the country today.

Framework of Analysis

Generally, trade unions or organized labor movements all over the world share one common objective -- to secure the maximum socio-economic benefits for the laboring classes.

In the Philippines, existing labor organizations are limited or confined to so-called "rice-and-fish" functions, e.g., improvement of wages, salaries, and other fringe benefits, shorter working hours, more humane conditions of employment, etc. Oriented and committed more towards economic rather than political unionism, the labor movement strives for the attainment of such immediate economic goals through the collective bargaining process.

As spelled out by the 1974 New Labor Code, a labor organization is "any union or association of employees which exists in whole or in part for the purpose of collective bargaining or of dealing with employers concerning terms and conditions of employment".⁶ Moreover, it is considered legitimate only if it is "duly registered with the Ministry of Labor and includes any branch or local thereof".⁷

From the above, it can be gleaned that practically all union activities are basically related to and connected with the collective bargaining process.

Therefore, the role played by labor organizations in the collective bargaining process -- which is actually its main area of activity -- is the focus of this paper in systematically assessing the past, present, and possible future performance of the trade union movement in its struggle for workers' rights and welfare.

For purposes and analysis of this paper also, the scope and meaning of collective bargaining shall be expanded to include not only actual negotiations between employees and employers on the terms and conditions of employment, but also other union activities. From such a viewpoint, collective bargaining is seen as a process consisting of several successive stages.

The first stage is the organization of the workers within an enterprise or economic unit into a legitimate labor union. Only employees may join, since management personnel are disqualified by law from union membership. At this initial stage of the process, workers receive their formal or informal basic trade union education. It should also be borne in mind that oftentimes, there exists not only one but several other competing labor organizations within the same

enterprise.

The next stage is union recognition by management as the sole collective bargaining representative of all employees in the enterprise -- whether union member or not. Only a labor organization which enjoys the support and endorsement of the majority of employees as their bargaining agent has the exclusive right to negotiate with the management in their behalf. However, it oftentimes happens that management would outrightly refuse to recognize such a union. Frequently also, other unions within the enterprise would question and challenge the claim of a particular union that it possesses majority representation for the purpose of collective bargaining. To settle such disputes, the Bureau of Labor Relations of the Ministry of Labor is empowered by law to decide which union has the majority representation to act as exclusive collective bargaining agent of all employees in the enterprise. After hearing the sides of all contending parties, the Bureau orders and conducts a certification election to clear such question.

If the results of the certification election show that majority of the employees prefer "no union" to represent them in collective bargaining, then such a decision shall be enforced for a period of one year. If, on the other hand, a certain union has been ascertained by secret ballot as the freely chosen collective bargaining representative of the employees concerned, then actual negotiations are set between the union and management. In the course of negotiations on terms and conditions of employment, the union panel is usually assisted by its labor lawyer while the management panel is likewise assisted by its corporate counsel. Should a deadlock occur on vital economic issues, then the dispute is brought to the Bureau of Labor Relations

for voluntary arbitration or to the National Labor Relations Commission for compulsory arbitration. If either one of the parties are dissatisfied with the decision, then they have the right to appeal the case to the proper bodies. However, unlike before, strike and other similar forms of concerted union actions are strictly banned and sanctioned.

Once both parties have arrived at a consensus on all major issues, the collective bargaining is signed into a contract after being duly ratified by the majority of employees within the enterprise. The contract must also be certified by the Bureau of Labor Relations. The major aspects usually covered by the collective bargaining contract range from wages and fringe benefits, grievance procedure, union security including check-offs, duration of the contract, and a variety of bonus and incentive schemes. The most important aspect is the provision on wage increases.

At the last stage of the process is enforcement and administration of the contract -- which usually has a 'life-span' of two or three years. For the duration of the contract, both parties are to religiously abide by the provisions, and neither party may reopen negotiations or conclude another collective agreement for such a period of time. All disputes, grievances, or other problems arising out of the implementation and interpretation of the contract are threshed out through the grievance procedure provided for in the contract. If the problem is still not resolved through such means, then the issue is referred to voluntary arbitration the manner of which is also provided for in the contract.

It should also be pointed out that the collective bargaining

agreement contract may be renewed only after the expiration of the contract. The existence of a certified CBA contract constitutes a bar to any question of representation in any collective bargaining as long as the contract is in force and in effect.

From the foregoing, it can be discerned that labor organizations are **not** the only actors playing an active — much more the decisive — role in the collective bargaining process. There are other "actors" which play equally important roles and which affect labor's interest and involvement in the process. As a matter of fact, in the entire collective bargaining process, the whole matrix of interrelationships and interactions of these three "actors" in contemporary Philippine industrial relations — namely, labor through its trade unions; capital through its hierarchy of management; and the government through its labor laws, policies, and programs as well as specialized agencies that deal with labor-management relations -- is amplified and revealed. These groups act according to their perceived interests, and almost always the interests of these groups are not in harmony but clash and conflict with each other. Any study pertaining to industrial relations is actually a study of conflict and conflict-management.⁸

Thus, the main question of this paper is specifically formulated: within such framework of industrial relations in the Philippine setting today, what has the trade union movement achieved for and in behalf of the workingman through the collective bargaining process?

Method of Research

In generating the main data for the study, presidents of labor federations were interviewed. Interviewees were selected from a

from a sampling of every three in the updated list of major labor federations in the country provided for by the Ministry of Labor.

To give depth to the study and to cross-check data being gathered, the heads of federations were also requested to facilitate the interview of any one of their local union leaders.

Except in two cases, such scheme was not followed for various reasons. One federation has locals only in Mindanao. Two federation chiefs failed to contact the local union leader they promised. After setting the time and place for the interview, another local union leader failed to keep his appointment. However, only one top official of a federation angrily refused such request because he claimed his views already represented those of his affiliates.

Thus, the complete list of interviewees were:

1. Cipriano Malonzo -- Mindanao Federation of Labor (MFL)
2. Bonifacio Tupaz -- Trade Unions of the Philippines and Allied Services (T.U.P.A.S.)
3. Antonio Diaz -- Philippine Social Security Labor Union (P S S L U)
4. Democrito Mendoza -- Associated Labor Union - Philippine Congress of Trade Unions (ALU-PHILCONTU)
5. Eulogio Lerum -- National Labor Union (NLU)
6. Avelino Valerio -- Pambansang Kilusan ng Paggawa (KILUSAN)
7. Manolito Paran -- Free Telephone Workers' Union (FWTU)
8. Gabriel Gatchalian -- Philippine Federation of Labor (PFL)
9. Gregorio Celestino -- Hex Industrial Workers' Union - KILUSAN
10. Leoncio Burgos -- Mantrade Workers' Union - P S S L U

Each interview ranged from thirty minutes at the least to an hour and a half at the most depending on the time the interviewee could willingly afford. While all the interviews were interviewed for purposes

of recall, the respondents were assured that nothing expressed in the interview would be directly attributed to them in name in the study. All interviews were conducted from May 10 - May 21, 1979.

The overwhelming majority of the respondents are veteran trade union leaders. Most of them have been in the trade union movement since the 1950's -- the time when collective bargaining was instituted and introduced in Philippine industrial relations by R.A. 875, also known as the Industrial Peace Act and popularly referred to as the Magna Carta of Philippine Labor.

Their wide-range of accumulated experiences in various trade union struggles either at the picket lines or at labor courtrooms qualify these respondents as knowledgeable, if not "experts" on matters regarding the past, present, and possible future of the trade union movement in the country.

Except for one, all the interviewees are at least college graduates. The majority of them are lawyers.

Moreover, most of the interviewees rose from the rank-and-file of labor organizations before assuming leadership in their respective labor federations. These are the people -- because the leadership structure of the labor movement is a highly personalistic one -- who are directly involved in collective bargaining negotiations with all kinds of employers of the various industries all over the country. Needless to say, they can shed light and share their experiences on the labor movement.

Based on the perceptions of these labor leaders, what significant findings did the study yield?

Chapter 2

SUMMARY OF FINDINGS

As mentioned earlier, perceptions and views of current labor leaders were summoned to shed light on the past, present, and possible future performance of the trade union movement in its struggles to uplift the economic well-being of the Filipino workingman through the collective bargaining process.

This chapter is a summary of their responses to the main questions asked in the interview. As much as possible, the interviewees were asked to substantiate their views and comments with specific cases, examples, and other concrete data based on their respective experiences.

With the risk of being simplistic, the presentation of the summary of findings was outlined according to the responses of these selected labor leaders to the main questions in the interview.

Question. What were the major achievements of your labor federation/union?

Most of the interviewees (70%) considered the attainment of socio-economic benefits for the union and its members -- for example, better wages and salaries, night differential pay, Christmas bonus, sick leave, vacation leave, medical care, death benefits, retirement benefits, low-cost rice rationing, job security, better working conditions, union leave, etc. -- as one of the outstanding achievements of their labor organization. A sample of their comments;

"Through our CBAs, we have secured the following benefits from management: 10 per cent general wage increase; vacation leave of 15 days if service with the company ranges from 1-5 years, 17 days if 6-10 years, and 19 days if 11 years or more;

sick leave; union leave of 5 days per year; rice ration for union members wherein the management provides for 70 per cent of the cost and the union 30 per cent; and lastly, retirement benefits equivalent to 15 days pay for every year of service with the company."

". . . in the economic aspect, our workers enjoy substantial wage increases and other benefits through their CBAs . . . in the social aspect, they also get extra benefits from the union like free medical services, and also death benefits in the amount of ₱ 3000. if they pay a union due of ₱ 10.00, ₱ 2000. if ₱ 8.00, and ₱1000. if ₱ 6.00, respectively. . . and we also hold family planning benefits for them . . ."

"During the 1936-1954 period, the following precedents were established by our federation through compulsory arbitration -- recognition of the right of workers to Christmas bonus, to retirement pay, and to night differential pay . . . Also, we have been contributing our leadership as part of the labor movement in obtaining other benefits for the workers, especially with regards to wage increases. For example, in 1965 the minimum wage was increased from ₱4-₱6.00, in 1970 from ₱6-₱8.00, in 1976 from ₱8-₱10.00, in 1978 from ₱10-₱11.00, and in 1979, from ₱11-13.00..."

"Our union fought for the shortening of the working hours from 9-8 hours a day . . . We also fought for wage increases -- for example, in 1936 from ₱1.00 per day to ₱1.50, in 1946 from ₱5.00 to ₱6.40 per day. . . and in 1947, we were already enjoying a monthly salary of ₱170.00. . . In 1979, through our CBA, we had a ₱110.00 general wage increase spread over a three-year period. . . (It is interesting to note that the respondent who said this is a 65 year old veteran union leader. Working in the same firm for more than 40 years now, his monthly salary in 1947 was ₱170.00 while in 1979, only about ₱700.00. In the latter part of the interview he confessed, ". . . 'ala talaga akong inasenso - JDN)."

Organizing the unorganized workers into trade unions so as to secure better terms and conditions of employment was cited by two (2) labor leaders as a major achievement of their respective federations. One said specifically:

"Our major achievements are organizing the unorganized to fight for better working conditions, job security, fringe benefits, and the welfare of the laborers . . ."

"For example, worker-management relations were very feudalistic in the rubber plantations in Basilan and Zamboanga. Workers were treated as peons by the plantation lords. Hiring and firing of workers was at the whim of the boss. Housing was

was very bad. Medical care was at the minimum. There was no overtime pay. In 1947, we were able to organize about 3,000 of these plantation workers. After that, housing was improved. Union members began enjoying wages higher than the minimum at that time, medical care, and other fringe benefits. . .

"In major ports in Mindanao. . . we found out that in these places, stevedors were most exploited because of lack of capital by the arrastre companies. The work involved was mostly brawn. Workers were recruited at such low levels dictated by employers. In the early '50s, these workers were organized into unions. Then, all such deplorable conditions changed. Even though the nature of the work was very irregular, the workers enjoyed tenure of work on a permanent basis. The minimum wage was followed. And other benefits like social security were implemented and enforced as laid down by then existing labor laws."

The labor education of their respective union members was cited by three (3) interviewees as concrete accomplishments scored by their organizations. They said:

"Among our workers, we inculcate discipline, good morals, and respect for others' rights. We also educate them on their own rights, impress upon them a sense of unity and the important role of the union in attaining benefits. . . We also tell them to always uphold their dignity and to love their country."

"We regularly conduct education seminars for our workers. We have Sunday seminars, week-end seminars, and five-day live-in seminars. Last year, about 300,000 workers participated in our educational program."

"Last year, participants at the plant level in our education seminars were 2,000. . ."

Participation in Tripartite Conferences sponsored by the Ministry of Labor and held occasionally to discuss wage issues was considered by another three (3) respondents as major achievements of their federation. One interesting remark was:

"We have participated -- in the political aspect -- in tripartite conferences to discuss issues on wages and employment. . . Moreover, we have served as the opposition to the TUCP (Trade Unions ~~Congress~~ of the Philippines) which I believe has a very strange relationship with the government."

The growth of their federation and expansion of organizational operations were offered by two (2) as proof of their achievements.

The two choroused:

"We have established sixteen (16) regional offices all over the country so that workers may avail of trade union services of our federation such as research, education, and legal assistance -- which is most vital now because of the ban on strikes."

"We now have provincial offices in Bacolod, Davao, Lucena, Cebu, and recently we have established a provincial chapter in Cotobato City."

On the other hand, one labor leader (inspite of constant proddings from the interviewer that their organization must have achieved something all these years) humbly admitted --

"Achievements? We have no achievements to speak of. . . only of changes within the union. Foremost of which was the weeding out of our corrupt union officials, who took advantage of their positions and malversed funds of the union amounting from ₱130,000 to ₱250,000. There is still a case going against them at the criminal courts. Since 1977, about 120 union officials have been replaced. Right now, we are painstakingly rebuilding the members trust on their leaders. . ."

Viewing the question from another angle, another respondent said --

"The major achievement of our federation was its establishment in 1969. . . There are no other achievements to speak of because trade unionism in this country is of the "rice-and-fish" type. . . And I say the establishment of our federation is a major achievement because it offers an alternative to the "rice-and-fish" type of unionism. . . We relate the economic struggle of the workers to the national struggle for independence -- the real independence, not the present colonial one. . ."

Question. What were your most difficult struggles? How were these overcome? What strategies and approaches did you use?

Organizing a labor union and having it recognized as the exclusive collective bargaining agent was pointed out by three (3)

respondents as the dominant theme in their difficult struggles. A federation chief shared these experiences:

". . . There was a time when we were organizing the workers of the Sarmiento Lumber Co. in Cotobato. The management was anti-union and one of the most antagonistic to labor. By sheer intimidation and coercion, it succeeded in breaking the union. Union leaders were dismissed from work. This proved traumatic for the other union members. They, too, became demoralized. It was one of the most frustrating experience of our federation. We spent a great deal of our efforts, time, and finances in organizing the union and it all came to naught. Moreover, the representative from Labor worked hand-in-glove with management to defeat the rights of the workers. . . No, we were never really able to surmount our difficulties in that struggle.

"Well, another case was the Zambales Base Co. -- a mining firm in Zamboanga. At the beginning, management-union relations was really very bitter. Management was really anti-union. . . Finally, through compulsory arbitration, a court order endorsed our federation as collective bargaining agent. . . But in the negotiations, we were very frustrated in our economic demands. . . However, now, relations with management are somewhat amicable. . . Strategies and approaches? We made use of compulsory arbitration plus workers' education . . . and there was also that favorable factor of the change in top management which was relatively accomodating to the union . . . But the problems of the union with management still exist."

Three (3) of the interviewees said that their most difficult struggles centered on the issue of renewal or negotiating CBAs.

A veteran labor leader-lawyer related:

"Our difficult struggles must be similar to the other unions. We come across employers who are difficult to deal with, especially when it comes to the renewal and negotiations of CBAs. I say difficult because during those days strikes were resorted to to break deadlocks in negotiations. . . I recall the USIPHIL case in 1970. After we struck, management filed against the union on the ground that the strike was illegal. The courts upheld such charges. Our federation had to appeal and appeal and up to now, the case is still pending. . . Strategies and approaches? Well, the usual methods -- first, we organize the strike and the picket lines, then we fight it out in court."

Two (2) union leaders claimed that their most difficult moments arose when the groundwork was being laid down for the establishment of their federations. Their stories:

" . . . siyempre, 'yung pinakamahirap naming pakikibaka ay 'yung pagtatatag ng aming samahan. Ayon sa mga kuwento ng mga matatandang unyonista, ang unang presidente namin na siya na ring nagtatag at nag-organisa sa samahan ay nakulong pa 'ata noong 1950s sa paratang ng pamahalaan na siya'y komunista . . .
(Except for such brief account, the respondent admitted that he was not really quite aware of their union's history since he joined the union and assumed its presidency only in 1975 -- JDN)."

"Our most difficult struggle was the establishment of the federation itself in 1969. Big, established federations were offering very stiff competition. And we lacked the finances to support our organizers. We really had to sacrifice a lot. We even had to spend money from our own pockets. But all these problems were eventually overcome because of our sheer determination based on our faith in our principles. . . Strategies and approaches? Well, we had to develop the proper consciousness among our members so that they would not transfer to other federations. We exposed to them the fake leaders within the labor movement. . . And we always remind them in seminars or in union meetings that our federation is a real workers' federation --- quite unlike the others which are business enterprises. Ours is an organization of the working class. . ."

Other significant issues mentioned by the rest of the respondents which were the focus of their various difficult struggles were union-raiding by rival labor federations, the refusal of management to comply with existing labor standards, protracted delays in the adjudication of labor disputes and grievances. Their accounts:

"There was a time when union-raiding was rampant. We almost lost all our locals, e.g., JRS Enterprises, Luzon Brokerage, etc. We foiled these attempts by the big unions and federations by seeking assistance from labor authorities. . . We also frequently held meetings with our members . . . And we were quite successful."

"Difficulties? When management would engage the union in unnecessary legal battles. . . It becomes really very difficult if the company lawyer is anti-labor and anti-union. . . Labor disputes undergo a lengthy process of resolution from the grievance procedure to voluntary or compulsory arbitration and etc."

"Ang aming mahihirap na pakikipaglaban ay 'yung patungkol sa sahod at iba pang mga benepisyo na ipinagkakaloob ng batas sa manggagawa. Mangyari, ang iba nito ay hindi ipinapatupad ng management. Halimbawa na lang, 'yung PD 1123 ay ayaw dati pairalin ng management sa pagawaan at hindi namin natanggap ang

ang aming emergency allowance. Ang ginawa namin ay nakipagpali-
wanagan muna sa management. Kaya lang umabot pa ang usapin sa
korte (NLRC) kasi naman ang abogado ng kompanya ay kailangang
ipaglaban ang kaso ng management. Bagama't may katagalan lang
nga dahil marami pa ring kasong iba ang labor, napairal din naman
itong batas."

From these testimonies, seventy per cent (70%) put the blame on the "anti-union", "hostile", and "antagonistic" management as the source of difficulties. Of these seven, four (4) charged that management used coercion, intimidation, and sometimes force against the union and its leaders; two (2) said that management was simply stubborn in dealing with the union; and one alleged that management used black propaganda against trade union leaders. Another said that management used its lawyers to engage the union in circuitous legal battles. A federation head recounted his most unforgettable experience:

" . . . a certain establishment in Caloocan hired Boy Golden to liquidate me at the Bureau of Labor Relations. Although he failed in his mission, I was badly mauled and bruised that I was hospitalized for a month."

A prominent labor leader summed it all up:

" . . . Union struggles are unending. In the past, we experience strikes wherein many of our workers were arrested, jailed, wounded, or died in the defense of their rights. Our sources of difficulties in these struggles are: first, there are the hostile and anti-union companies who treat workers like commodities -- to be controlled and exploited, to be used and abused in any manner they chose. . . . These employers do not understand that a responsible union helps their business to prosper; . . . Then, there are the hostile and corrupt union, or I should say, labor officials Then, there are also labor leaders who are frauds and head company-dominated unions. . . . There is also the problem of educating the workers -- many of whom are unlettered. These sources of difficulties still exist up to this day, and the impact of these to labor is tremendous as it is real. . . . We also face difficulties when we are organizing workers who have heard of anomalies committed by some labor leaders. Then management exploits such a situation and it also uses black propaganda against the union. But we all solve these through the education of the workers through teach-ins or seminars. After a long while, workers are not any more afraid to join the union."

It is also interesting to note that four (4) of the interviewees stated that their difficulties with management are compounded when certain labor officials collude with each other to prejudice the legitimate interests of the union. A trade union leader had this to tell:

" . . . in the Dole Philippines case. . . In 1957, there was a strike in this company. After more than twenty years, the Supreme Court ordered the reinstatement with full back wages of some 600 dismissed strikers. Some of these workers, however, could no longer be accounted for. . . Recently, there was a certification election in the company. I filed a case with the Supreme Court for the enfranchisement of these workers. I won the case. But management in connivance with the town mayors launched a campaign against our federation. However, we were able to force a run-off election. Eventually, we lost by only 227 votes out of the total of 12000 workers. . . And only after, management and the mayors brought 3200 of our supporters to a certain place so they could not vote. . . In spite of the outcome and considering the odds against us, I still consider it a victory. . . Our strategy and approach? Simply sipag! Because we had no money to buy votes unlike the other contending unions but only our principles of serving the workers . . . And lastly, I would like to point out also that the Ministry of Labor failed to act upon hundreds of petition of our federation on this case!"

Other sources of difficulties cited by the interviewees were: strong competition from other existing labor federations (2), fake union leaders within the movement (2), lack of finances (2), and lack of education of the workers (1).

As strategies or approaches, four (4) labor leaders relied on the education and organization of the workers, three (3) in winning the goodwill of management or maintaining a "harmonious" relationship between management and the union, three (3) made use of the existing process in adjudicating labor disputes, such as "fighting it out in court", two (2) sought the help of labor authorities; one (1) relied on sipag or perseverance.

One federation head recounted a struggle that didn't seem to

involve any comparative difficulty. He said:

"Our most difficult struggle? . . . where money is involved, of course. We merely take into consideration the financial condition and progress of the company during CBA negotiations. . . We were quite successful with this method. . . For example, at the Philippine Manufacturing Co. -- where management is very good -- the starting pay of workers there is P25.00. After six months, the regulars receive P32.00. . ."

Question. How would you compare labor's achievements before and after the implementation of the New Labor Code?

Of the ten interviewees, only one (1) declared categorically:

"PD 442 (a.k.a. the New Labor Code) is much better now because the President (Ferdinand E. Marcos) is receptive to the needs of labor."

Be that as it may, the other nine labor leaders were not ^{that} confident to give such kind of an answer to the question. Specifically, they explained the advantages and disadvantages brought about by the changes instituted in the New Labor Code. The typical initial comments were:

"Well, there are advantages and disadvantages. . ."

"In some aspects, we have improved. . ."

". . . it's the best labor legislation so far despite some defects which must be corrected."

When advantages or gains to labor are referred to, respondents generally speak of the socio-economic benefits granted to the workers by the New Labor Code. As a matter of fact, six (6) of the interviewees specifically mentioned this. While five (5) of the six considered these socio-economic benefits as solid gains for labor, only one (1) said that "although there are benefits granted the worker in the Code, the provision on wages is not enough". Some of the comments of the more grateful ones:

"PD 442 has granted some monetary benefits to the workers."

". . . specifically, the minimum wage was increased three times, and an emergency allowance was provided for. . ."

"Yes, there are improvements. . . like wage increases, fringe benefits, etc. . ."

The curtailment of the right to strike was another major change noted by six (6) labor leaders. It was viewed as a great drawback for the trade union movement. Their opinions on the matter:

"Before, there was the right to strike. Now, it is curtailed."

"Before, workers had the right to strike . . . It was their ultimate weapon and it has no alternative. . . Now, we have to sacrifice a little for the good of the nation, for national development."

". . . the right to strike should not be substituted with voluntary and compulsory arbitration."

". . . dahil walang strike, management just gives what it wants to give to the workers. Hindi na natatakot ang management ngayon sa aming unyon . . . at marami silang nilalabag na mga labor laws."

". . . with the strike ban, it is a little difficult now to deal with management."

"Before, there was the right to strike. True, this was abused and misused by some labor leaders to make money and to compete for leadership in the movement. Now, there is no right to strike so as to contribute to so-called national development. However, management has become so powerful . . . walang laban ang manggagawa."

Four (4) interviewees commented on the change in concept of "unfair labor practice" as spelled out in the New Labor Code. No longer interpreted as a criminal offense with sanctions of fine and/or imprisonment but merely an administrative one with sanction of merely a fine, such change was deemed by the respondents as another loss to the cause of labor. They said:

"In R.A. 875 (also known as the Industrial Peace Act or more

popularly, the Magna Carta of Philippine Labor), unfair labor practice was considered a criminal act. Now, in the New Labor Code, it is merely an administrative offense. Thus, there is no deterrent to management."

"This is unfair. . . If workers go on strike, they are arrested. If management commits labor violations, it is not arrested. And management is using the strike ban to bust unions. . . so an unfair labor practice must be considered a criminal offense."

". . . management is no longer afraid because of the strike ban. It has committed many labor violations but it is not jailed."

"The New Labor Code doesn't really satisfy the workers because it does not provide criminal sanctions for unfair labor practice. On the question of sanctions, I am not in favor of only a fine but also imprisonment so that management will not violate the Code."

Four (4) of the respondents touched on the issue of voluntary and compulsory -- the dominant method of settling labor disputes under the present dispensation. Three (3) of these said that such peaceful scheme of adjudicating labor disputes may also be advantageous to labor, while one said -- as previously noted -- disagreed with such views. The three said:

". . . Now, there is voluntary and compulsory arbitration which may be used to compel management to recognize the union and negotiate with it."

". . . dahil dito (voluntary and compulsory arbitration) mahusay naman at nakukuha namin ang aming mga kahilingan."

". . . it (voluntary and compulsory arbitration) also solves workers' problems."

How did the labor leaders rate the performance of the Ministry of Labor when it comes to enforcement of labor laws? Four (4) commented on the issue. They said:

"Before, we had to reckon with corrupt labor officials. Now, it (corruption) is somewhat minimized."

"Ang Ministry of Labor ay sinusunod ang batas, kaya lang nga may kabagalan."

" . . . kung idedemanda mo naman ang management, mabubulok ang kaso mo sa Labor. Totoo, ang mga batas natin ay magaganda. Pero, ang tao ang nagpapatupad sa mga batas na ito. At ang tao ay subject sa corruption. . . Kung hindi papalitan itong mga taong ito na corrupt, wala ring mangyayari sa mga mabubuting batas."

"The Ministry of Labor, I'm afraid, is getting worse than the CIR (Court of Industrial Relations)."

Other comments on the New Labor Code with respect to the trade union movement:

" . . . another improvement was the institution of the agency fee thereby eliminating free riders in the union. . . Also, the incorporation of the provision making it illegal for labor contractors to operate without the permit of the Ministry of Labor."

Question. Would you say workers are better off now or before the implementation of the New Labor Code in 1974?

In their overall assessment of the labor situation relative to the periods before and after the implementation of the New Labor Code, only three (3) of the interviewees explicitly stated that the Filipino workingman is better off now than before PD 442.

Their comments:

" . . . in my own experience, workers' conditions have improved. And viewed in a larger context, the workers' lives are better now."

"Given the advantages and disadvantages, we have to accept the realities of the existing situation. It could not be worse now. . . Yes, there are difficulties but we could rally the workers given the favorable factors of the situation."

"Labor is certainly better off now than before!"

While no respondent actually said that labor is worse now than before the implementation of the New Labor Code, neither could the other seven (7) interviewees really say that labor is really better off now. Very ambivalent and non-committal in their

answers, they nonetheless enumerated the specific gains and losses to labor as a result of the changes introduced and instituted in PD 442. Typical comments are:

"There are advantages and disadvantages. . . well, there can really be no black-or-white answer to the question because the problems are different now."

"In some aspects, PD 442 has given benefits to workers; in some other aspects, amendments are needed."

"Maaring hindi sapat ang sahod. . . pero kung sa ibang benepisyo, mas mahusay ang manggagawa ngayon."

"Economically, workers are better off. . . Politically, they are not because the right to strike has been curtailed."

"I can not say we are better off, inspite of the benefits, because if we had the right to strike, we certainly could obtain more."

Be that as it may, it was also observed that the frequency of the negative losses or disadvantages to labor -- as cited by the interviewees -- greatly outnumbered the positive gains.

True, six (6) respondents conceded that the wage increases as well as wage supplements and other fringe benefits granted to labor by presidential legislation are positive gains to the laboring classes. However, five (5) respondents also have the opinion that inspite of such increases, the real wages of workers as well as their livelihood have deteriorated because of the ill effects of inflation.

Moreover, five (5) of the labor leaders are convinced that the strike ban is a great loss for labor. Furthermore, another disadvantage cited by two (2) other respondents was the change in concept of unfair labor practice from a criminal offense to an administrative one.

While three (3) of the interviewees have the opinion that there is expeditious settlement of labor cases by the Ministry of Labor and its various agencies, these same respondents claimed that lately there has been an increasing backlog of undecided cases or delays in the adjudication of labor disputes.

Other positive indicators mentioned once by respondents as proof that labor now is in a relatively favorable situation are: freedom of collective bargaining inspite of martial law, and labor leaders and union members are more knowledgeable now of labor laws.

Other negative indicators cited once by respondents as evidence of the unfavourable situation labor at present finds itself in are: anti-union management continue to fight workers in court even if it is on the wrong side, curtailment of the freedom of association because of martial law, and the diminution of other social benefits previously enjoyed by workers like social security and maternity benefits.

Question. What do you think are the most pressing problems of the Filipino workers today?

Majority of the labor leaders interviewed (70%) believe that the major problem confronting the Filipino workingman today is inadequate wages. Workers generally suffer because of low incomes. Their incomes are low because of inflation. Because of their problem on wages, their basic needs are not met. A survey of their comments:

"Real wages have decline -- inspite of the increases in money wages -- because of high prices."

". . . workers need decent housing, better food and health care, etc. . ."

"Wages, as provided by the decrees, are not sufficient to meet workers' needs. In our case, our union members receive an average wage of ₱30.00 per day. But they have also experienced the impact of inflation. Their livelihood declined tremendously. Halimbawa, dati-rati'y kaya pa nila mapaaral ang kanilang mga anak sa mga private schools. Ngayon, napilitan na lang sila sa public na muna paaralin ang mga ito. . . E, kasi naman sila, nasanay na sa mariwasang buhay, kaya ngayon nahihirapan tuloy mag-adjust."

Other problems faced by the Filipino workers, explained one trade union leader are: the disunity of the labor movement, lack of education among the workers, government interference in the unification and restructuring of the movement, and the problem of labor representation in such political processes as the Tripartite Conferences because some top labor leaders are at the same time government-employed.

Two (2) interviewees said that another major problem of the workers today is the ban on strikes.

Another interviewee discussed the questioned lengthily. He said:

"The problem of Filipino workers can be said in a few words: protection to labor without prejudice to the rights and interests of management. . . If you go to factories, you will hear workers complain that protection of their rights is inadequate. . . Why? Labor problems exist because there is no harmonious relationship between labor and management. . . Management continues to use its money, influence, and even force to defeat the rights of workers. Many company lawyers today continue to fight for the interests of management even though they are fully aware that the workers' demands are very legitimate. . .

"For example, in Las Buenas Fabrica de Tabacalera. One union official was dismissed by management. Naturally, the union defended his right in court. Despite the order of reinstatement with full back wages by the Ministry of Labor and the NIRC, management still appealed the case to the Office of the President. Again, an order of reinstatement with full back wages was issued. And still, management filed a motion of reconsideration at the Office of the President. Up to now, the case is still unresolved after four (4) years!

"Management also tries to gain influence from the labor officials through the padrino system. This is happening now and will continue to happen perhaps five or ten years from now.

However, the situation is changing towards a more "harmonious relationship between labor and capital", where both understand that they have roles to perform as partners in national development . . . Pero, sa ngayon, mahirap pa mangyari ito. . ."

Corrupt labor leaders within the movement was cited by another as a major problem faced by Philippine labor.

Only one leader of a major federation dared to explain the issue with breadth and depth. He said:

" . . . Causes of workers' problems can be rooted in the socio-political structure of the country. Workers are finding out that there can be no development for them unless our economy is controlled by transnational corporations. . . Even our economy itself is oriented towards their (the TNC's) needs and interests because of the policy of the government. That is why the workers should relate their economic struggles to the national struggle for real independence - economically and politically."

Question. What can you say on the wages of Filipino workers?

The overwhelming majority(90%) of the labor leaders interviewed are of the opinion that Filipino workers today have low incomes. In spite of the increases provided for by legislation, wages are grossly insufficient to meet the basic needs of workers and their families. In recent years, real wages have drastically declined because of the high rate of inflation. Their comments:

" . . . hindi sapat (ang sahod)."

"The workers today suffer from low income."

"There is an imbalance in the prices of prime commodities and the wages they are receiving."

" . . . the earning capacity of workers, despite wage increases provided for by presidential decrees, continue to be eroded because of inflation."

Only one labor leader interviewed answered in a self-contradictory fashion:

"Well, on the issue on wages. . .The Filipino workers are in a better situation now than before, although still in a bad situation. The daily cost-of-living has gone very high these days, whereas before it was tolerable."

Question. How responsive is P.D. 1614 to the Filipino workers' problem of low wages?

In reply to the query, one labor leader gave a somewhat detailed background to P.D. 1614 which was the result of the 'consensus' reached by the 1979 Tripartite Conference in Tagaytay held early this year:

"The 1979 Tripartite Conference in Tagaytay was guided by the principle that new adjustments in wages should be done so as to maintain wages at their 1974 levels taking into account the purchasing power of the peso for that year (1974). Thus the prevailing effective daily rate of ₱21.75 - as provided for by P.D. 1614 - supposedly approximates the ₱8.00 minimum wage in 1974. Also such principle presumes that current inflation rate would only average 5%. But now, as far as I know, it is already hitting the 9% mark so that the effective daily rate declined already by ₱2.00 in expectations. . ."

Seventy percent (70%) of the interviewees commented that P.D. 1614 is not that responsive enough to the Filipino workers' problem on wages. While acknowledging the increase in wages and wage supplements of the decree, these respondents also added that present wage levels could hardly cope up with the needs of workers and their families. To demonstrate further the inadequacy of the decree, two (2) of these respondents presented their own proposals. The significant remarks to the question:

". . .yes, it (the new wage increases provided for by P.D. 1614) is concrete, but it is not enough."

". . .hindi sapat pa rin!"

". . .the improvements on wages granted by the decree has been eroded again by the sudden rise in prices. Seemingly, there is a vicious cycle: prices go up, then we try to raise wages, and then again, prices go up. . ."

"Kalimitan ang mga increases na 'yan sa sahod at emergency allowance ay para lang sa mga minimum wage earners. How about those who are not affected by the decree? They also suffered from the bad effects of inflation! The middle income group are not protected by law and this is compounded by the strike ban."

"It (P.D. 1614) improved workers' wages, but it is not enough. Sure, there was an increase in the minimum wage from ₱ 13.00 to ₱ 15.00. But is this enough for a worker with a family of five children? This may be adequate if prices are being stabilized. Of course, there are also emergency allowance increases. . . But in the Tripartite Conference in Tagaytay, our federation asked for ₱18.00 plus the allowances so that workers may live decently with the economic conditions of the country considered. . ."

"Hindi kami sang-ayon sa P.D. 1614 . . . In the Tripartite Conference, we suggested that the current wages should be adjusted to their 1971 levels taking into consideration the purchasing power of the peso for that year. . . plus another increase in wages to make up for the present inflation rate. . . Concretely, our proposal was: integrate the basic salary, cost-of-living allowance, and the thirteenth month pay plus an additional 15% increase in current wages (to cover up for the loss in the value of the peso since 1971) plus another 13% increase in current wages (to make up for the current inflation rate). . . With the added proviso, if there are increases in prices, wages should likewise be adjusted so as to maintain the livelihood of the workers."

While claiming that P.D. 1614 is not that responsive to workers' needs, two (2) interviewees qualified such comments by saying that the government should not be blamed for such state of affairs. Why? Here is the reason of one labor leader:

". . . But the government is not entirely to blame because inflation is beyond its control. The biggest culprits for such problem as inflation are the owners of oil. . . although I also hope the government should do something to arrest inflation."

Ambivalence in the response of another interviewee was expressed this way:

"As far as we (the labor federation) are concerned, it has been responsive. But to the recipients --- because of the imbalance in prices and wages --- P.D. 1614 is not responsive."

Question: What can you say on the issue of the workers' right to strike?

Seventy per cent (70%) of the trade union leaders interviewed recognized the exercise of the right to strike as the most important -- and oftentimes, decisive -- weapon in the workers' struggle for rights and welfare through the collective bargaining process. Many of these respondents justified such contention with concrete cases and instances from their past experiences. Not in favor of the ban on strikes, they immediately called for its immediate restoration. Their comments on the issue:

"The right to strike should be restored. It is our only effective weapon against management."

"It (the strike ban) is a major problem faced by the Filipino worker today. . . I can cite to you one concrete case wherein our inability to exercise such a right has proven disadvantageous to the workers' cause. . . There is our case with the Zambo Wood Products based in Zamboanga City. This company in the last five years has earned a net income of ₱ 70 million. In our current CBA negotiations, they are offering the workers only a 2 per cent increase in daily wages or approximately ₱ 0.35/day! Now, had we the right to strike, we could have forced management to accept our very legitimate demands."

"We have strongly asked for the liberalization if not the full restoration of the right to strike so as to protect the rights of labor. . . Right now, in the collective bargaining process, workers are not able to use all their resources and capabilities to fight for their interests, whereas management is not that restricted. . . Labor should not be tied on its back while management uses all the resources at their disposal to fight for its own interests. . . Moreover, management is abusing and exploiting the situation to its own advantage. . ."

"It (the right to strike) is important, as far as we are concerned because it is the most effective instrument of labor as far as CBA negotiations are concerned. . . If there is this right, we certainly can obtain more for the workers. . . Now, management can simply hide behind its doctored financial statements . . . The strike ban must be lifted."

"It (the right to strike) must be restored. It is very important to the workers. . . In all the unions we are organizing now, once management got wind of such plans -- they immediately dismiss the set of union officers! And if we file a complaint with the Ministry of Labor, how long do you think could the dismissed union officers wait for the adjudication of such reinstatement cases? Meanwhile, the cause of unionization is already lost because the members are already demoralized. . . Management is not afraid now to commit such unfair labor practices unlike before when we could freely exercise the right to strike to protect the interests of the union."

" . . . Kung may strike, madali lang. Halimbawa, bago mag-martial law, nakaranas ang aming unyon ng tatlong strike. Isang beses, ipinaglaban namin ang aming kahilingan na ₱ 35.00 na living allowance. Dahil sa strike, nagkaroon ng hearing sa CIR (Court of Industrial Relations). Napansin ng management ang isyu at nakipagtawaran sa aming unyon. Nanalo kami! . . . E, ngayon, walang strike. Wala ring immediate action sa mga problemang inihaharap ng unyon sa management. Kadalasan, binabale-wala na lang kami. . . Ganyan din sa Labor ngayon. . . "

Two trade union leaders -- while recognizing also the importance of the right to strike --- have seemingly adapted to the changes brought about by the existing situation. One said:

"Strike? E, kung makukuha naman sa usapan, bakit hindi? Sa aming karanasan, napapakiusapan naman ang management. Sa mga pagkakataon namang hindi, ibinibigay naman ng Labor sa amin ang aming mga kahilingan tulad noong ₱ 60.00 na emergency allowance."

But the most different answer from the sample was the one given by a head of a major labor federation. He said:

"I agree with the President that the strike ban should not not be lifted. . . The rich labor leaders will use and abuse this right again to extort money from the companies, and also against the small unions. . . However, if the labor leaders will use the right to strike to improve the lot of the workers, I will be 100 per cent in favor of its restoration. . . But, this is not the case at present. The labor leaders are not yet prepared and matured enough to use the right to strike properly. The trend is still to misuse and abuse it if the the strike ban is lifted. . . And I will still hold such views even if there are many delays in the government machinery in adjudicating labor disputes."

Question. How do you think should the Filipino workingman confront these pressing problems of low wages and the strike ban?

"Wages must be adjusted yearly in consideration of the economic trends and needs of the people. . . The right to strike should be restored by the government."

"The problem on wages will follow -- once the right to strike has been restored. . . Because management will not think twice before acceding to the demands of labor. . ."

"Talagang 'ala nang magagawa sa problemang 'yan. Besides, Philippine labor is weak. Low wages are caused by inflation. And as far as inflation is concerned, it is not within the power and responsibility of the labor movement to effectuate a solution. Such power and responsibility belongs to the realm of government. . . And even inflation is way beyond the power of the government to control. . . Well, the strike ban has been neutralized by the imposition of compulsory and voluntary arbitration. . . E, gawain na lang ang lahat ng magagawa sa pamamagitan ng voluntary at compulsory arbitration."

The above views of trade union leaders best exemplified the manner by which seventy per cent (70%) of the respondents perceived the question. Apparently not recognizing the huge numbers of Filipino workers as active agents of change, these labor leaders could not offer any concrete method of work to the laboring masses in facing such problems. At best, the labor movement -- through its leaders -- could only offer suggestions to the government, which they consider has the sole power and responsibility in finding solutions to these problems. As revealed by their comments, the current leaders of the labor movement seemed so helpless and passive over the existing situation. Other views:

"The government should increase wages. . . and restore the right to strike."

"Efforts should be made by both government and management to keep the prices of prime commodities down so as to justify the current policy on low wages. . . In fact, we have asked the President (Ferdinand E. Marcos) to restore the right to strike but since he said it's ~~not~~ yet time to do so -- we, then, asked

him to enact a decree that would make the commission of unfair labor practice by management a criminal offense with sanctions of fine and imprisonment (up to now there is no such decree -- JDN)."

"Makiisa na lang tayo sa management at makipagtulungan sa kanila sa paglutas nitong mga problema ng manggagawa. . ."

Sad to note, only two (2) of the interviewees offered concrete steps to the Filipino workingman in solving their problems of low incomes and the restriction of labor's right to strike. They said:

". . . on the problem on wages, workers must now learn to be resourceful and thrifty. Iba naman mag-side line na lang kayâ -- kung kaya pa. Or through the strength of their unions, workers can fight for increases through their CBAs. . . On the question of the right to strike, the workers may and can assert this right, if it is really necessary. Marami naman diyan nag-strike maski bawal, 'di ba? What the people need now are guts and their guts should be developed!"

"Well, organized labor should make a united stand on these issues so that the government shall listen. . . Subali't, ibang manggagawa diyan nagmumungkahi ng general strike. Iba naman one-day prayer daw. But these are signs that workers are already contemplating solutions to their own problems. . . Ano? Kung hindi pa rin makikinig ang pamahalaan? E, kami rito sa pederasyon mababait -- Ha! Ha!"

Question. What are the concrete goals of your labor organization in the next ten years?

Some of the interviewees thought that "the next ten years" is a time span too long, if not beyond their foresights. So, in some instances, the question was altered to "the immediate future".

Be that as it may, most of the labor organizations' top officers said that their goals are directed towards the attainment of more socio-economic benefits for the workers, either at the union level, federation level, or the labor movement as a whole.

One of the interviewees answered briefly but not concrete enough:

"It (the goals of labor organizations) is always the same: improvement of the lot of workers."

Along somewhat the same line, another said:

"...Mga layunin? Pare-pareho naman 'yan maski anong unyon, di ba? . . . Work for the upliftment of the economic well-being of the union members like higher wages, shorter working hours, better working conditions, etc. Kaya lang sa aming unyon sa kasalukuyan, kailangang maimulat ang kahalagahan ng samahan sa pakikipaglaban para makamit ang mga karapatang ito. Kailangang mapatayang din ang mga miyembro dahil dulot na rin ng martial law ang kasalukuyang kalagayan nila ngayon. . ."

Another union official had the following objectives in mind in their next collective bargaining negotiations with their employer:

"... Work for the expansion of the medical program of the company for its employees -- because of the present high cost of hospitalization -- in the 1980 CBA. As of now, medical service offered to us by the company is merely limited to free medical examinations. . . Also, work for the incorporation into the 1980 CBA the provision for retirement benefits of workers so that when they retire, they get a lump sum of money so as to enable them to engage in business if they want."

Another local union president defined the goals of their organization congruent with the interest of the company:

"Kailangang makiisa na tumulong ang unyon sa pagiging mahusay ng trabaho. . . Dahil kung hindi mahusay ang trabaho, mahina ang negosyo. . . Kung hihina ang negosyo, hindi namin makukuha ang aming mga kahilingan sa kompanya."

Other federation leaders were more ambitious in their pronouncements. Moreover, their conceived goals were broader in scope.

For example, one claimed his federation is planning to set up a workers' bank -- aside from organizing credit unions and cooperatives to alleviate the impact of inflation to the workers' livelihood.

Still another revealed that their federation is planning to buy 1,000 hectares of land in Mindanao to benefit retiring workers who want to own land and are willing to finance the project with

their retirement benefits. In the port of Zamboanga, the federation is also planning to form and organize a worker-owned arrastre firm operated on a cooperative basis among the stevedors. However, workers education and organization would be the keys to the success of these projects according to this particular respondent. Moreover, he said, financial help from the government might also be needed.

Aside from improving the CBAs administered by their federation, another labor leader said that plans are being readied for the construction of a worker-owned building. The same respondent also promised to work for the incorporation into the New Labor Code the provision that would consider the commission of unfair labor practice by management as a criminal offense. He also added that he is not contented with the sanctions of fines for such act as in the present; there must also be the sanction of imprisonment. Furthermore he pledged to work for the restoration of the right to strike.

Another interviewee set the goals of his federation along the line and thinking of the incumbent martial law government. He said:

" . . . First, to engage in labor activities along the concept of the New Society. Secondly, to establish labor-management relations responsive to the economic development of the country. Thirdly, to see to it that there is cordiality in deeds and feelings among the Filipino workers."

Another president of a major labor organization spelled out the future goals of his federation in this fashion;

" . . . First, to bring more benefits to the workers so as to make their lives more desirable. The contentment of the worker and his family must be ensured. . . Secondly, it is not enough that we fight in the bargaining table. The labor movement should also involve itself in making the Filipino way of life a decent one. . . and lastly, to make the Filipino worker a responsible citizen. A sense of oneness and belonging must be impressed upon the Filipino worker."

Another federation head assigned an historically important role for his particular labor organization:

"The immediate aim of this labor federation is to strengthen it and expand it. Its members must be educated so that they will be a great factor in the development of the labor movement to one which is truly united!"

Question. What do you foresee is the future of the labor movement in the country? What possible directions will it take? What strategies and approaches will it use?

"The future is generally bright because the country is committed towards development, and workers will surely benefit from this development. . . at hindi matutulog ang kilusang bagawa upang makamtan ang kapakanan ng manggagawa. . . . It shall always support the rights of workers and oppose those forces which are anti-worker."

Five other leaders of major labor federations explicitly expressed and shared in the optimism of the future of the trade union movement, especially if it follows the direction of unification and adopts the strategy of restructuring on a one-union one-industry basis. ¹ On the question of restructuring, three of these agreed with the proposal of the government, while two oppose such policy "imposed by the Ministry of Labor". Here are the comments of the more "optimistic" ones:

"I am always optimistic in labor's future because it will not stop in asking and asking until it gets what it is asking . . . If the labor movement is successful in implementing the unification and restructuring policy, then this will eliminate intra and inter-union rivalries as well as expensive certification elections. This will also strengthen the collective bargaining power of labor in its negotiations with management. . . Those who oppose restructuring are only a handful and very insignificant."

"Labor leaders are realizing that only through united labor will it gain respect and recognition by society. Those who are against restructuring should come out with its proposals on implementing rules and regulations. . . You see, the

main problem in restructuring is the human factor because most of the labor leaders want to be secure in their present jobs and place in the movement. The leaders of the big federations should help and assist the leaders of the small federation so that these people will change their attitude that the big ones are out to swallow the small ones. . .

"Two possibilities exist for the labor movement. If it is given the right climate by the government, understanding by management, and cooperation by all sectors of society, then there will be industrial peace and we can all move forward in the task of nation-building. The government should see to it that it is both fair to labor and management: while it encourages investments, workers should also enjoy good wages and salaries. . . Otherwise if labor is not given its fair share in wealth and progress -- as the recent Iranian experience has just proven -- the future may not be bright as expected."

"The labor movement has a bright future if it would be restructured. Then, labor can get united and it will not use its resources to fight each other but in organizing the unorganized. At present, the movement is weak and it can only create nuisances and inconveniences. If in the future, it will be united, then it will gain economic and political strength. After that, it can elect its own officials to the legislative and even executive bodies of government. Moreover, it will not be antagonized any more by the politicians because these people will curry favor with labor since it can deliver the votes. . . Well, yes, labor has at present representatives to the IBP -- and I think they are an asset to the country -- but there is also a big number of politicos and so power is still concentrated in their hands. . ."

Be that as it may, another interviewee charged that attempts by the Ministry of Labor to interfere and impose its own implementing rules and regulations on restructuring is the stumbling block to the real unification of the labor movement in the country. This same interviewee offered some guidelines to the issue of restructuring: first, it must be made more voluntary; secondly, it must be democratic so as to allow all unionized workers to participate through the scheme of one delegate per one hundred workers in industry-wide unification conventions; and thirdly, proxy-voting must not be allowed. Once such real unity is achieved plus the education of the

workers, he implied, then the movement will overcome the ban on strikes and workers' conditions will surely improve. However, he qualified, such unity must co-exist with other favorable factors such as the successful curbing of the problem of over-population. Otherwise, if the local industries could not absorb a great number of people into the labor force, then the populace will be hard-up and this will certainly affect the trade union movement.

Still on the issue of unity through restructuring, another interviewee expressed this view:

" . . . The idea of restructuring is good, but not necessarily the one imposed on labor. . . . However, I hope that in the next ten years, organized labor in the country will get united. The impediments to such unity are the current labor leaders themselves who keep on fighting with each other because of their various orientations and who raid each others' unions. . . . However, the situation is changing -- not only in the attitude of these labor leaders towards unity, but also in the attitude of the masses of workers towards unity. But, the masses will be the decisive factor in pushing their leaders to follow their sentiments. . . . Once unity is attained, the movement will gain political power to fight for the interest of labor in relation to the national interest. Labor -- which is the most important sector of society -- will then have a say in policy decision-making, just like the capitalists, intellectuals, and other sectors of society."

Based on his limited experience in the local union, one respondent has this to say on the future of the labor movement:

"Dapat ang manggagawang Pilipino ay makiisa sa kilusan para magkaroon ng proteksiyon ang kabuhayan ng manggagawa at tumaas ang sahod. Kailangan magkaroon ng magandang pakikipag-ugnayan sa management. Makipag-usap sa management tungkol ating buhay at kahirapan ng ating pamilya. . . . Sa palagay ko, makikinig naman ang management. . . ."

But, the other outstanding finding --- with respect to the question asked on the future of the labor movement --- is that thirty per cent (30%) of the interviewees did not share in the optimism of labor's future. In short, they were cynical and pessimistic.

Here are their various reasons:

" . . . in spite of the fact that trade unions are the only institutions in the world that fight for the rights, interests, and social amelioration of workers --- can we truly say that our trade union leaders in the country are morally upright? The labor movement will have to improve so that labor leaders do not become labor dealers who sell their affiliates' CBAs. . . With the morals of these labor leaders as well as that of management, the movement will remain the same for the next ten years. Perhaps, in fifty years it will change!"

"Unless preventive measures are adopted, the future is very dark. I could see that labor is on the road to turmoil. Many of the labor leaders of the so-called big federations have totally forgotten that they are Filipinos. Many of them admire more or sympathize with foreign ideologies. I cannot exactly say what kind of ideologies these are -- it may be imperialism, communism, or fascism or whatever other foreign ism there is entirely different from our own ideology which is Filipinism. . . Do I have concrete basis for such views? Yes, but I cannot mention it to you now. Perhaps when the proper time comes. . . For example, there was case of a WFTU (the World Federation of Trade Unions which is generally known to have communist leanings -- JDN) delegate who was invited by the TUCP (Trade Unions Congress of the Philippines). In front of all of us, this delegate castigated the top official of the TUCP on how the local labor movement was being run. At the end, he called for the adjustment of the local labor movement along the line and thinking of the WFTU. . . But I will give more details when the proper time comes. . ."

"Hangga't walang matatapat na lider, hindi susulong ang kilusang paggawa. Dapat nang alisin 'yang mga matatandang lider at palitan ng mga batang lider na matatapat, matatatag, at may idealismo. . . Tingnan mo na lang ngayon, malaganap ang sulutan ng mga unyon dahil habol nitong mga lider ang mga butaw ng mga kasapi ng unyon. At kung ililipat mo naman ang unyon mo sa ibang pederasyon, mabebenta ka rin. . . Kaya 'ala ring mangyayari. . ."

"Ano ang dapat gawain?! Dapat magtayo ng isang Mafia-style liquidation squad at pagbabarilin 'yang mga matatandang lider. Dapat tularan ng mga Pilipino ang mga pangyayari sa America, Germany, o Italy na kung saan ang mga huwad na lider ay pinagbabaril. . . O kung hindi naman, sa pamamagitan ng votation -- talunin ang mga matatandang ito ng mga batang lider na maglalakas-loob na mailantad ang mga huwad na lider na ito at isiwalat na rin ang kanilang mga nagawang katiwalian para na rin sa edukasyon ng kasapiang sa unyon."

"Kapag dumating pa ang araw na mayroon na tayong mga dedicated at honest na lider, tiyak huhusay na ang kalagayan ng manggagawa, at pati na rin ang ekonomiya ng bayan. Siyempre, dahil wala nang iisipin pa ang mga lider na ito kundi ang kapakanan ng kasapian."

Question. Name three (3) people whom you think could possibly lead the trade union movement in the Philippines in the next ten years.

To this query, only one of the interviewees had no comment. Apparently, the rest of the respondents (90%) based their answers on their respective criteria of qualities and traits a trade union leader should have. Five (5) of the interviewees had particular persons in mind whom they believe could lead the labor movement in the next ten years; while four (4) said they could not specifically nominate anyone at the moment.

One of the interviewees preferred Democrito Mendoza because of his "dynamic leadership".

Another said he could name plenty in the TUCP "who are leaders in their own right". However, he particularly opted for Aurelio Intertias, Ernest Herrera, Andres Dinglasan Jr., and Januario Seno because they are "dedicated, honest, consistent, and strong-willed".

Another federation head concurred in the opinion that "lahat ng pinuno ngayon ng pederasyon ay puwede. . ." Nonetheless, he singled out Democrito Mendoza, Aurelio Intertias, and Gabriel Gatchalian because they are honest and are the "present crop of leaders of the TUCP".

However, one labor leader differed from the more "popular" choices. He voted for Avelino Valerio of KILUSAN because he is

"freedom-loving and principled, unlike other leaders who are money-greedy". He also chose Cipriano Malonzo of the Mindanao Federation of Labor (MFL) because he is an ex-Protestant minister and has been in the trade union movement for a long time.

Another labor leader -- who is an avowed "socialist" -- held the view that the "old leaders at present having an imbedded belief in the capitalist system should be replaced by younger people as leaders". Thus, he has high hopes for a certain Bong Malonzo and other young organizers of the Mindanao Federation of Labor because of their "drive, capability, and idealism".

As earlier noted, four (4) other interviewees seriously doubted the capability of the present crop of trade union leaders to be at the forefront of the trade union movement in the country in the next ten years. Here are their comments:

"...mula sa mga kasalukuyang lider, wala akong nakikita. Malabo! Gaya na nga nang nasabi ko kanina, dapat pagbabarilin 'yang mga heads of federation dahil walang nasa isip nila kundi kuwarta. . . at ang kabutihan ng kanilang mga miyembro ay wala sa kanila. . . Dapat na kalidad ng lider? E, 'yung tapat at may guts and brains."

"Well, I can not be safe to name three people. The present crop of leaders are unqualified. They believe that only their respective federations have the right to exist. . . I feel that the Mendoza-led TUCP is irresponsible. . . Many of these leaders are unmindful of the virtues of patience, perseverance, self-reliance, respect for others, etc. . . Yes, they may have some of the qualities of the true leader but not all the qualities."

"... I cannot name any future leader now. However, I am optimistic that in the next ten years there will be leaders who will come from the younger generation. . . But they must not accept any government position or any employment from any international organization."

"... 'ala akong nakikita ngayon. Marami diyan para lang sa mga pansariling interes nila. Besides, it will be up to the masses to choose their own leaders because leaders are only a creation of the masses."

Chapter III
SUMMARY AND CONCLUSION

1. Generally, trade unions or organized labor movements all over the world share one common objective -- to secure the maximum socio-economic benefits for the workingman.

In the Philippines today, labor organizations are limited or confined to so-called "rice-and fish" functions, e.g., improvement of better wages, salaries, fringe benefits, shorter working hours, and more "humane" conditions of employment, etc. Oriented and committed more towards economic rather than political unionism, the labor movement in the country strives for the attainment of such economic goals through the collective bargaining process.

As spelled out by the 1974 New Labor Code, a labor organization is "any union or association of employees which exists in whole or in part for the purpose of collective bargaining or of dealing with employers concerning terms and conditions of employment".

In practice, almost all union activities are basically linked with the collective bargaining process. For purposes of analysis, the scope and meaning of collective bargaining was expanded to include not only actual negotiations between employees and employer on the terms and conditions of employment, but also other union activities preparatory to, connected with, and related to collective bargaining. From such viewpoint, collective bargaining is seen as a process consisting of several successive stages from the organization of the union, its recognition by management as bargaining agent of all employees in the enterprise, actual negotiations between the union

panel and the management panel on terms and conditions of employment, signing of the collective bargaining agreement (CBA) into a contract, to the administration and enforcement of the CBA contract.

In the entire collective bargaining process, the whole matrix of interrelationships and interactions of the three "actors" in contemporary Philippine industrial relations -- namely, labor through its trade unions, capital through its hierarchy of management, and the government through its labor laws, policies, and programs as well as specialized agencies that deal with labor-management relations -- is reflected and amplified. In reality, the interests of these groups are not always in harmony but clash and conflict with each other.

The role played by labor unions in the collective bargaining process is the focus of this study in systematically assessing the past, present, and possible future performance of the labor movement in its struggle for workers' rights and welfare.

The role played by the labor movement in the collective bargaining process assumes exceptional significance when viewed in the light of the fact that an overwhelming number of our people of the laboring classes have to contend with an income that is "not enough to raise them above the level of poverty". And consequently, the greater part of the working population "especially those in the rural areas continues to want in the basic needs in life, that is, food, clothing, shelter, health care, and a minimum education".

In the light of such pressing problems confronting the Filipino workingman, what has the trade union movement actually achieved for and in behalf of the Filipino worker for the upliftment of his

economic well-being through the collective bargaining process?

2. A great majority (70%) of the labor leaders interviewed claimed that the most outstanding achievements of their labor organizations has been the attainment of socio-economic benefits for their members through collective bargaining agreements (CBAs).

Such allegation is borne out by available statistics and data which clearly show the relative growth of collective bargaining agreements concluded and put into effect. Between the period 1957 and 1971, a total of 3,505 CBAs were reported to the then Department of Labor. For the same period, there was a total of 6,286 registered unions. On this basis, more than half (55.7%) of all trade unions succeeded in negotiating a CBA contract.¹

However, the testimonies of selected labor leaders as well as these facts and figures only tell half of the story.

For example, while a content analysis of the 1967 data on CBAs suggested that the major aspects of the contracts ranged from wage increases and fringe benefits to a variety of bonus and incentive schemes, it was also noted that about 50 per cent (50%) of all contracts in the same year did not at all provide for wage increases.²

Such state of affairs has hardly changed after eight years. For example, in 1975, some 188 contracts contained no provision for wage increases. That would be about 23 per cent (23%) of the 817 CBAs certified by the Bureau of Labor Relations for the same year. Of those providing for daily wage increases, one-half (50%) are within the ₱0.01 - ₱0.99 bracket. Evidently, about three out of four (73%) of the CBAs in 1975 were of very poor quality.³

The situation showed very small improvement in 1976. Of the 878 CBAs certified, 304 or 34.6 per cent (34.6%) provided no wage increases. Of the contracts providing for wage increases, majority fell within the ₱0.01 - ₱0.49 bracket, 65 agreements (15.3%); ₱0.50 - ₱0.99, 126 agreements (29.6%); and ₱1.00 - ₱1.49, 119 agreements (27.9%). Thus the majority of the agreements reflect increases in wages for a three-year period of less than 99 centavos. 4

And the provision on wage increases is the most important as well as controversial issue in collective bargaining!

From the above information, we may conclude that the economic welfare of the working classes has not been substantially and significantly uplifted through the collective bargaining process.

It is true that a relative number of contracts negotiated by the labor movement were of good quality. These are solid gains for the organized workers. But it cannot also be denied that a bigger number of contracts concluded by labor organizations were sub-standard in quality. This is a sign of the weakness of the position of the trade union movement in the collective bargaining process.

It has been the common observation that the big surplus of labor in the country's economy tends to jeopardize the bargaining position of labor on the issue on wage increases. As of August 1976, the combined unemployment and underemployment rate for the whole country was conservatively estimated at 16 per cent (16%) or about 2.39 million persons. Such a high rate of unemployment and underemployment would certainly undermine labor's stand at the negotiating table with all kinds of employers.

But there are other far more significant factors and forces in operation that militate against the efforts of the labor movement in effecting more favorable terms and conditions of employment through the collective bargaining process.

3. Through PD 442 -- a.k.a. the New Labor Code -- various changes and "innovative" measures were introduced and adopted by the martial law regime which certainly affected the conduct of Philippine industrial relations. From the point of view of government, such "reforms" were aimed at "promoting and maintaining industrial peace through free collective bargaining and arbitration".⁵

The changes in labor laws -- which created the greatest impact on the collective bargaining process -- pointed out in the interviews of selected labor leaders were:

- a) the curtailment of the right to strike and other similar forms of concerted union actions;
- b) substituted for strikes were other more "peaceful and amicable" modes of settling labor disputes between the union and management -- compulsory and voluntary arbitration;
- c) the change in concept of "unfair labor practice" from a criminal one with sanctions of fine and imprisonment to an administrative one with the sanction of only a fine;
- d) the substitution of the administrative process for the judicial process in the adjudication of labor cases -- effected through the abolition of the Court of Industrial Relations and its replacement with an administrative machinery terminating in review by the President, and in some instances the Supreme Court.

Certain political quarters aired the criticism that these new policies of the regime are "not policies adopted primarily in the interest of labor as a class or sector of society, but in the interest of industrial, that is to say, capital expansion through a competitive differential favoring Philippine exports". Deriving their inspiration and purpose from an export-oriented development strategy, such changes in labor policies create the preconditions of an abundance of "cheap, docile, and competent" labor as incentives to foreign and local investments in the economy. In the last analysis, "overall economic development or growth is pursued at a tremendous sacrifice of Filipino labor".⁶

From the point of view of many labor leaders today -- as can be gleaned from the interviews -- all the above-mentioned changes incorporated into the New Labor Code are serious drawbacks to the cause of labor in the collective bargaining process. In what way?

First, most of the respondents claimed that the strike ban has crippled the bargaining power of labor. Such restriction has transformed the labor movement -- as one labor leader put it -- into a "toothless tiger". To these union officials, the free exercise of the right to strike is highly important if not decisive in securing for labor its just share of the produce as well as for the defense and protection of the economic well-being of the worker.

To prove the point, here are two concrete cases as related by two veteran labor leaders:

". . . There is our case with the Zambo Wood Products based in Zamboanga City. This company in the last five years has earned a net income of 75 million pesos. In our current

CBA negotiations, the management is offering the workers only a 2% increase in daily wages or approximately 35 centavos a day! Now, had we the right to strike, we could have forced management to accept our very legitimate economic demands. . ."

". . . In all the unions we are trying to organize now, once management got wind of such plans, they will immediately dismiss the set of officers. And if we file a complaint to the Ministry of Labor, how long do you think could workers wait for the adjudication of such reinstatement cases? . . . Meanwhile, the cause of unionization is already lost because the mass of union members are already demoralized. Management is not afraid now to protect the interest of the company even if it commits unfair labor practices. . . Unlike before, when we had the right to strike to protect the union . . ."

Secondly, not only the curtailment of the right to strike but also the change in concept of unfair labor practice -- according to the respondents -- has rendered the labor movement defenseless from harrassments by management. As another labor leader expressed his complaint, "Management has become more abusive of workers' rights. It is no longer afraid to commit labor violations and unfair labor practices."

Such bitter accusations are not unfounded. Records from the Ministry of Labor revealed -- based on the findings of the labor inspectorate in its visits to more than 10,000 establishments all over the country -- seven (7) out of ten (10) firms inspected in 1976 violated general labor standards. In 1977, the ratio was five (5) for every ten (10).⁷

For every ten (10) employed in the inspected establishments, five (5) were affected by violations in 1976. In 1977, the ratio was four (4) for every ten (10).⁸

The most common violation noted by the labor inspectorate was the non-payment of the minimum wage followed by the other wage supplements such as emergency allowances and the 13th month bonus.

And thirdly, even the actual administrative process of adjudicating labor disputes has operated against the legitimate interests of the labor movement.

Within the Ministry of Labor are entities whose main functions are the expeditious settlement of labor disputes through more "peaceful and amicable" modes -- conciliation, mediation, and arbitration. They are the Bureau of Labor Relations, the National Labor Relations Commission, the Labor Appeals Review Staff, and the labor relations division at the various regional offices all over the country.

Be that as it may, it is the long process of adjudication which continuously prejudice the workers' interests in labor cases. To deprive labor of its rights, the only thing necessary for management to do would be to commit a labor violation or unfair labor practice and then engage the worker's union in a protracted legal battle. According to a recent study on the Ministry of Labor:

"At present, it normally takes 71 working days for the regional branches of the National Labor Relations Commission to decide a case. The 'lifespan' of cases is further prolonged when appeals are filed with the Commission proper. Thus, from 71 working days the 'aging' of labor cases increases to 104. Considering that an appeal may still be filed with the Office of the Minister of Labor (2nd level of appeal), the Office of the President of the Philippines (3rd level of appeal), and in certain cases, with the Supreme Court, one can surely imagine the long process and consequently the longer time required to finally resolve a labor dispute." (9)

And even the actual enforcement of labor standards by the Ministry of Labor is very faulty! For enforcement to be meaningful, inconsistencies or deficiencies noted in the implementation of labor laws by employers must be rectified. In 1976, the labor inspectorate -- which is directly attached to the Office of the Labor Minister

for higher accountability -- discovered 15,930 violations in establishments all over the country. However, less than (4) for every ten (10) labor violations discovered were rectified through field inspections by this "justice arm of the Ministry of Labor." Looking at the issue positively, this "very poor" rate of performance by the Ministry of Labor improved to "poor" in 1977: less than five (5) out of every ten (10) violations discovered were rectified.

4. Capital through management readily took advantage of such a "lopsided" situation in its favor to the detriment of Filipino labor. At every stage of the collective bargaining process, it is successfully thwarting every attempt by labor organizations to score a breakthrough in its struggle for workers' rights and welfare.

The net effect of all these anti-union and anti-worker activities by capital has been to freeze wages and social benefits to the lowest levels possible. At the same time, with labor productivity increasing by leaps and bounds -- capital through its management has obviously realized larger and larger profit margins.

For example, in the manufacturing sector -- where CBAs are most concentrated -- daily productivity of labor registered an average yearly change of 30.8%, i.e., ₱81.62 in 1972, ₱97.89 in 1973, and ₱138.67 in 1974. Meanwhile, earnings per day increased at a yearly average of only 9.4 per cent. For 1977, estimates have placed productivity per day at ₱310.32 and earnings at only ₱17.93 daily.

Therefore, in the manufacturing sector based on 1977 projections -- labor produced 17 times more than what it got as compensation! Statistics also show that in 1977, workers in mining and quarrying would be producing 26 times more than what gets as compensation. While in the utilities sector, estimates for 1977 suggested that labor would be producing 12 times more than what it receives as compensation!
11

From this data, it may be concluded that the incomes of the vast majority of Filipino workingmen are low not only because of the ill effects of inflation on money wages -- as believed by most of the labor leaders interviewed. Neither is it inadequate for the sole reason that the martial law government has failed to be responsive to the concrete needs of labor through legislation and administration. Workers' livelihood have generally deteriorated because capital has unjustly deprived labor of its fair share of the produce all this years by exploiting to its fullest advantage the built-in weaknesses of the labor movement in the collective bargaining process as well as the unfavorable factors to labor created by the changes in labor laws and policies of the regime in the collective bargaining process.

The martial law regime has effectively encouraged and allowed the productivity of the Filipino worker to be "skimmed off" by foreign and local capital alike. The balance of power in the collective bargaining process has been overwhelmingly tilted in favor of capital.

5. Whatever modest gains the Philippine trade union movement may have achieved for the worker, such must be appreciated within the context of the immense difficulties confronting labor in the collective bargaining process previously noted.

However, internal weaknesses, shortcomings, and defects of the labor movement itself also hinders it from fulfilling its task of securing the maximum socio-economic benefits for the workers through the collective bargaining process.

Within the leadership of the labor movement, opportunism often rears its ugly head. From the interviews, a significant portion of the sample reported such malady was prevalent.

It must be borne in mind that during collective bargaining negotiations, the local unions are assisted by their federation. Also, actual negotiations are entrusted by employees to the set of union officers. If the big majority of CBA contracts were found to be sub-standard in quality, it is highly probable that union leaders "undersell" if not outrightly "sell" the economic demands and interests of the workers in the negotiations.

Moreover, the workers are duped into ratifying such sub-standard CBA contracts without them knowing such deception. For example, in one garment factory in Santa Ana, the employees were given free T-shirts by the company and were also made to sign on a sheet of paper with the heading, "Those Who Received Free **T-Shirts** From The Management". The catch? Collaborating union officials would then apply the sub-standard CBA contract for certification at the Bureau of Labor Relations of the Ministry of Labor using such list of signatures of the employees and replacing its heading with, "Those Who

Ratified the Collective Bargaining Agreement".

And if the records also showed that many of the CBA contracts were sub-standard in quality but at the same time certified by the Bureau of Labor Relations, then it is also highly probable that corruption is rampant in the Ministry of Labor. It must also be borne in mind that the Bureau of Labor Relations has the duty to see to it CBA contracts being applied for certification must meet generally reasonable standards purportedly to protect workers' rights and interests from unscrupulous labor leaders and management. (A CBA passes such tests of the Bureau -- supposedly - if the contract provides for a 10 per cent increase of existing wages enjoyed by employees of the particular enterprise.)

6. Many of these big labor federations -- as one veteran trade union leader explained -- are operated just like any business enterprise whose underlying aim is to profit out of the collective bargaining process either in the form of high union dues and assistance fees, extortion from management, or the "underselling" and "selling" of their affiliates CBAs.

If this is the rule rather than the exception, then it also serves to explain the phenomenon why the labor movement in the country is highly splintered and disunited, wracked by intermittent and intense inter and intra-union rivalries. Union-raiding is widespread especially in so-called "prime" companies -- where the number of employees is very big and the establishment is raking in high profits. And like all business enterprises, cutthroat competition is the motive force of these labor organizations.

In such a situation, the divide-and-rule tactics of management becomes effective in delaying the process of collective bargaining or frustrating the cause of unionization in his enterprise. For example, to complicate the issue of representation in collective bargaining if it so happens that the incumbent labor organization or the union with the clear majority of employees is not to the liking of the company, the management would "hire" the services of a rival labor organization to compete in a certification election in the enterprise. More often than not, a lengthy legal battle ensues in the labor courts centering on the issue of representation in collective bargaining with management. In certification elections, the management would even be willing to finance the campaign of a particular labor organization so that it could outbid rival unions in vote-buying. As some labor leaders testified, certification elections become expensive and bitterly contested, so that election results are protested. It also takes a fairly long time for the Ministry of Labor to resolve such inter-union disputes.

The net effect of such cutthroat competition among labor organizations -- abetted and aggravated by management's divide-and-rule tactics -- is the unnecessary delays in the conclusion of a collective bargaining contract. And if ever the agreement is concluded, the CBA contract is sub-standard in quality!

Sad to note, the Philippine trade union movement presents a general picture of organizational ⁿconfusion, opportunism, a leadership structure which is highly personalized and often not responsible to the membership, sharp inter and intra-union ^fconflicts.

One need not raise the question -- Can such a trade union movement in the country succeed in its holy crusade of securing the maximum socio-economic benefits for the oppressed and exploited Filipino workingman?

7. Be that as it may, majority of the labor leaders interviewed are still optimistic of the future of labor in the country -- although a significant number have already become pessimistic and cynical.

However, from their perceptions on the possible future of the movement, one could better understand the past and present state of the labor movement.

If in the past as well as in the present the movement is confronted with a million problems and hostile forces which counteracts its timid advances in the struggle for workers' rights and welfare, many of the labor leaders today still feel that such obstacles can still be surmounted in the future.

If in the past as well as in the present the movement has really not been able to achieve the optimum socio-economic benefits for the workers, the leaders of the major labor federations pledge to aim for higher economic goals in improving the lot of the laboring masses.

If in the past as well as in the present the movement is headed and dominated by "old", "dishonest", and "opportunistic" leaders, many of those interviewed hope that in the future the movement will be led by "young", "honest", "consistent", and "idealistic" people.

If in the past as well as in the present the movement is splintered and disunited and hence weak, many of the labor leaders interviewed expressed their fighting faith that in the future the

movement would grow strong and united -- selflessly persevering for the cause of labor not only in the narrow economic confines of the collective bargaining process but also in the political field as well.

Can such a future situation be brought about? What strategies and approaches will be used?

According to a significant number of the labor leaders interviewed, the bright future of the labor movement hinges on the success of the proposed restructuring of the movement on a one-union and one-industry basis. This may prove beneficial to the interest of labor since such a move would certainly simplify labor-management relations by focusing the energies of both parties on a single forum for collective bargaining. Moreover, as another labor leader explained -- inter and intra-union rivalries will be eliminated and the union can concentrate for the improvement of the workers' conditions in collective bargaining.

However, as the policy of restructuring is being implemented, several federation leaders charged that such a scheme sponsored by the government jeopardizes the independence of the labor movement and works to the advantage of only a "small favored clique of labor leaders".

Therefore, it is important that restructuring be implemented without causing the reemergence and intensification of the rivalries and conflicts that usually characterize previous efforts to unify labor.

This can only be achieved with the support of all unions and federations, and especially, all workingmen in the country.

8. However, from a more realistic appraisal of the contemporary labor scene, one could already sense and feel that the conditions for labor unrest are already being created.

Deprived of their rightful share in the produce by capital in the name of profit, oppressed by the government in the name of "national development", their interests betrayed by inept leaders and opportunists -- the laboring classes are stirring up and awakening to the harsh realities of the times. Already, the working masses are experimenting and finding out ways and methods of struggle for the defense of their rights and welfare.

From November 1975 up to December 1977 -- for instance -- a total of 453 notices of intent to strike were filed with the Ministry of Labor. Of this total, **121** strikes were conducted involving 102,872 workers. Many of these worker actions were spontaneous. Many of the demands involved were purely economic in nature.

Sooner or later, the working classes will realize that their economic struggles must be linked with the political struggles of the other "underprivileged" sectors and groups of society. In the course of these struggles, the leaders of the people will emerge and be tempered. Leaders who could offer a comprehensive orientation and methodology in understanding and solving the root causes of contemporary Philippine problems.

Of course, such a critical situation will inevitably lead to tension and conflict within our society. But it could also **usher** in a new, bright, and prosperous period in the history of the Filipino people.

NOTES

Chapter I

1

See Appendix I, "Philippine Population and Labor Force".

2

Five-Year Philippine Development Plan, 1978-1982 (Manila, Philippines: September 1977), p.7.

3

Ibid.

4

Ibid.

5

Elias T. Ramos, Philippine Labor Movement In Transition (Quezon City: New Day Publishers, 1976), p.33.

6

Vicente B. Foz, ed., The New Labor Code of the Philippines And Its Implementing Rules and Regulations (6th ed.; Quezon City: Philippine Law Gazette, 1978), p.35, col.2.

7

Ibid.

8

Ruben Torres, "Towards a Conceptualization of Industrial Peace," Tala Industrial Relations Bulletin, Vol. III, No. 5 (June 1978), p. 476.

9

For a detailed discussion of labor relations policy and the growth of unionism in the Philippines from its beginnings and an analysis of the complex forces that led to the passage of R.A. 875, see David Wurfel's "Trade Union Development and Labor Relations Policy in the Philippines," Industrial And Labor Relations Review, Vol. 12, No. 4 (July 1959), pp. 582-608.

Chapter II

1

"The restructuring of the labor movement provided for in the New Labor Code will allow the existence of only one national union

for each of the 16 major industry groups. The rationale for this provision was written down in the Summary of Changes, Innovations and Reforms Introduced in the Labor Code of the Philippines, as prepared by the Department of Labor Staff Committee on the Labor Code.

"The restructuring policy, the Staff Committee wrote, will "unite and restructure labor on a one-union-one-industry basis in order to make it more stable, responsible and relevant to development as it pursues social justice for the workers. At the same time the power of the Department of Labor to discipline trade unions and their leaders is increased in proportion to the expected increase of trade union power. In short, even after unification and restructuring, the government shall be in full control of the situation without impairing the right of workers to self-organization and to free collective bargaining under the New Constitution." (Quoted from "Church Conducts Survey of CMA Laborers; Results Show General Economic Insecurity," Impact, October 1975 as reprinted in Signs of the Times, 10 October 1975, p.13).

Chapter III

1

Ramos, op. cit., p.82; see also Appendix II, "Number of Collective Bargaining Agreements Concluded and Reported to the Department of Labor 1948-1971".

2

Ibid., p. 86; see also Appendix III, "Number of Collective Bargaining Agreements In Effect and Workers Covered by General Wage Increase Rates, 1967".

3

Estilito P. Mendoza, Renato S. Puno, and Jesus V. Diaz, "Trade Union Restructuring : Rationale and Justification," Tala Industrial Relations Bulletin, Vol. III, No.4 (May 1978), p. 368.

4

Ibid.

5

Five-Year Philippine Development Plan, 1978-1982, op. cit., p. 235.

6

Civil Liberties Union of the Philippines, The State of the Nation After Three Years of Martial Law (Makati, Rizal: Civil Liberties Union of the Philippines, September 21, 1975), pp. 46-47.

7

See Appendix IV , "Comparative Performance on Enforcement of General Labor Standards: 1976 and 1977".

8

Refer also to Appendix IV.

9

Elena T. Marcelino, Ministry of Labor: A Study of Policies, Programs, and Structures (Padre Faura, Manila: University of the Philippines College of Public Administration, February 1979), p. 21.

10

See Appendix V, "Violations Corrected: 1976 and 1977".

11

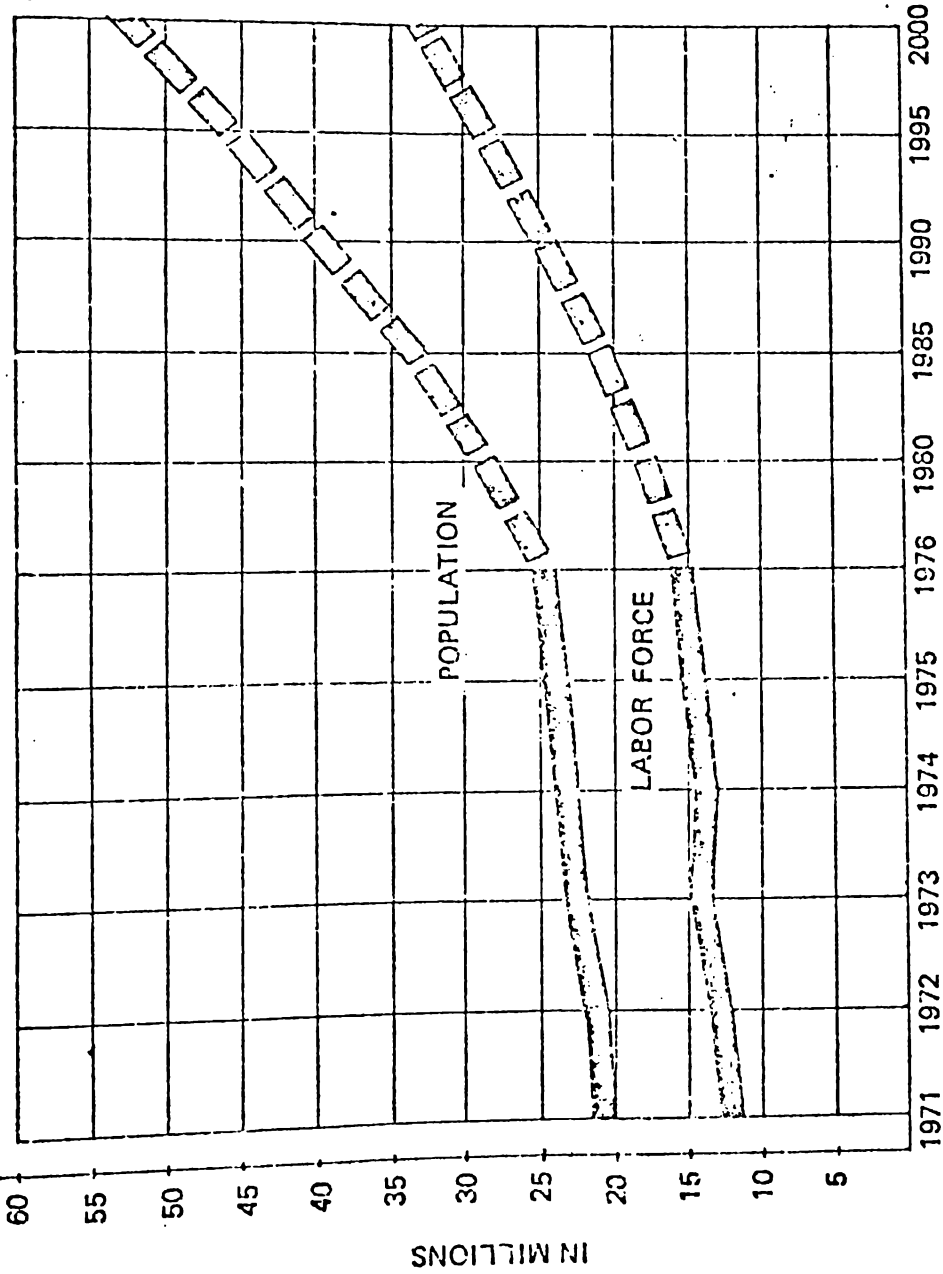
See Appendix VI, "Output Per Day, Earnings Per Day, and Effective Minimum wage in Manufacturing, Mining and Quarrying, Utilities, Construction For Selected Years, Philippines".

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POPULATION AND LABOR FORCE *



Source: National Sample Survey of Households, NCSO, August, 1971-1976
1975 Yearbook of Labor Statistics, DOL

* 15 years old and over

APPENDIX II

NUMBER OF COLLECTIVE BARGAINING AGREEMENTS
CONCLUDED AND REPORTED TO THE DEPARTMENT OF LABOR
1948 - 1971

Year	No. of CBAs	Year	No. of CBAs
1948	44	1960	228
1949	38	1961	190
1950	36	1962	199
1951	65	1963	429
1952	37	1964	307
1953	41	1965	222
1954	102	1966	267
1955	159	1967	229
1956	149	1968	216
1957	148	1969	321
1958	171	1970	191
		1971	155

Source: Taken and/or reproduced from "Emergence and Development of Labor Unions in the Philippines," *Labor Review* (University of the Philippines), 1:1 (July, 1964), 66; *Basic Manual of Trade Unionism*, Asian Labor Education Center, University of the Philippines, Quezon City, 1967, p.3; David Wurfel, "Trade Union Development and Labor Relations Policy in the Philippines," *Industrial and Labor Relations Review*, "Summary of Philippine Labor, 1971, p. 1; *Labor 1971*, revised June 1972, p. 2. These data indicate the number of contracts filed with the Department of Labor.

APPENDIX III

NUMBER OF COLLECTIVE BARGAINING AGREEMENTS IN
EFFECT AND WORKERS COVERED BY GENERAL
WAGE INCREASE RATES, 1967

General Wage Increase Rates (Daily)	Number of Contracts	Workers Covered
Total Contracts	624	67,271
General	122	18,402
Less than P0.10	1	1,706
P0.10 - 0.19	5	724
.20 - 0.29	18	529
.30 - 0.39	20	2,304
.40 - 0.49	11	5,251
.50 - 0.59	17	720
.60 - 0.69	1	578
.70 - 0.79	4	431
.80 - 0.89	2	-
.90 - 0.99	2	398
1.00 - 1.09	10	1,531
1.10 - 1.19	5	716
1.30 - 1.39	1	22
1.50 - 1.59	3	37
1.70 - 1.79	1	-
1.90 - 1.99	1	-
2.00 - 2.09	1	205
2.50 - 2.59	1	31
Less than 5 ⁰ /o		
5 ⁰ /o- 9 ⁰ /o	3	900
10 ⁰ /o-14 ⁰ /o	10	1,573
15 ⁰ /o-19 ⁰ /o	2	441
20 ⁰ /o-24 ⁰ /o	-	-
25 ⁰ /o-29 ⁰ /o	1	110
30 ⁰ /o-34 ⁰ /o	1	19
Two Grades	1	176
Graduated	181	23,356
No Provision	321	25,513

Source: Reproduction from *Collective Bargaining Agreements, 1967*. Labor Statistics Service, Department of Labor, Manila, Philippines, December, 1969, p. 13.

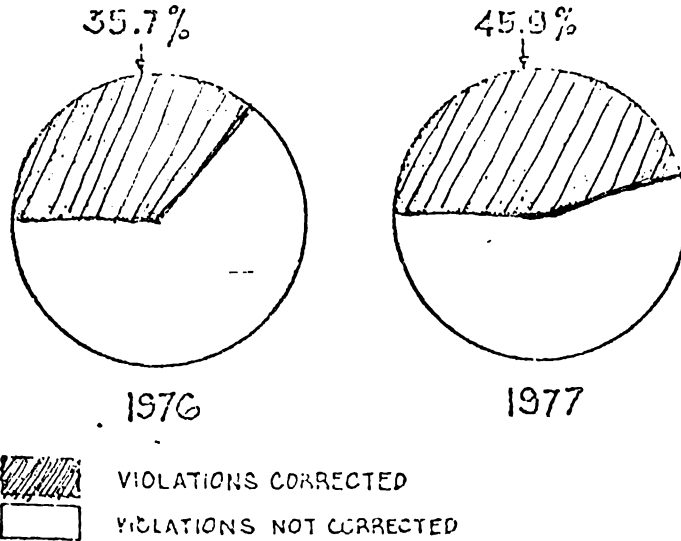
APPENDIX IV

COMPARATIVE PERFORMANCE ON ENFORCEMENT OF
GENERAL LABOR STANDARDS: 1976 and 1977

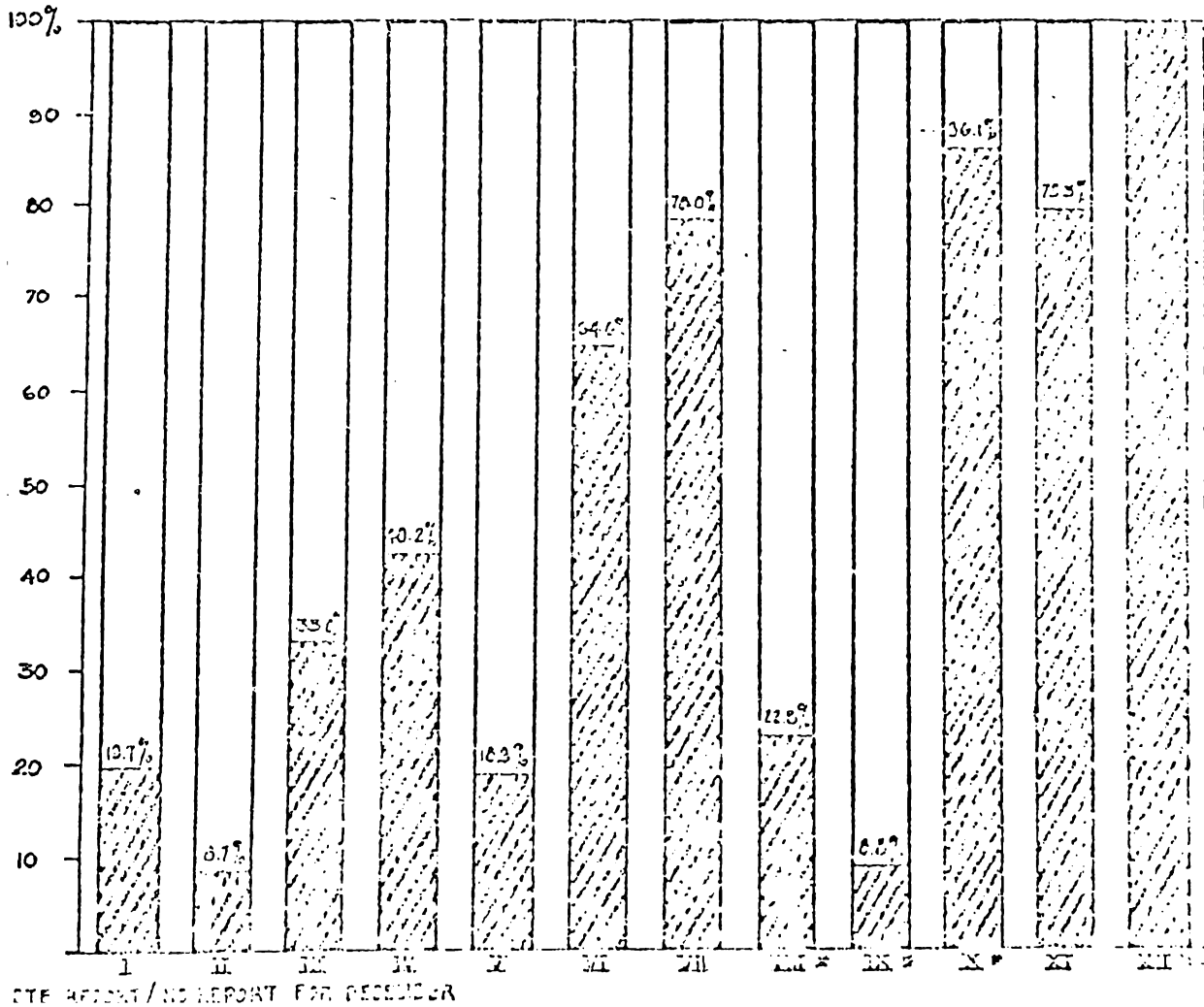
Indicator	1976	1977
1. Establishments inspected	11,801	14,291
2. Establishments found violating	7,726	7,135
3. Percent violating	65.8	50.3
4. Employment of inspected establishments	354,100	409,410
5. Workers affected by violations	187,300	177,485
6. Percent affected by violations	52.9	43.4
7. Violations discovered	15,930	14,619
8. Violations corrected	5,689	6,436
9. Percent corrected	35.7	45.9
10. Workers benefited	53,219	75,211
11. Amount of Restitution	\$ 8,710M	\$ 12,073M
12. Restitution per worker	\$163.83	\$166.85

Source of data: Monthly Performance Reports,
NOL Regional Offices: 1976 & 1977

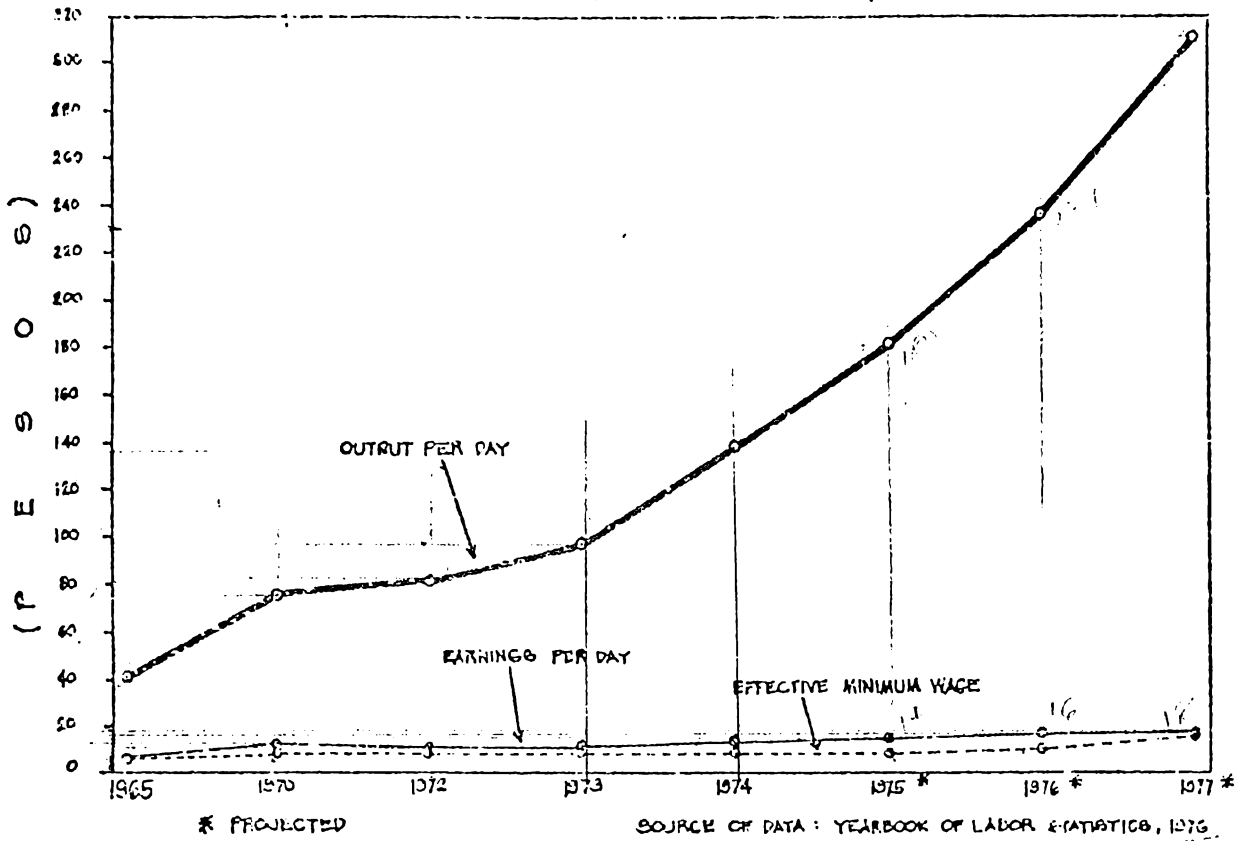
VIOLATIONS CORRECTED : 1976 & 1977



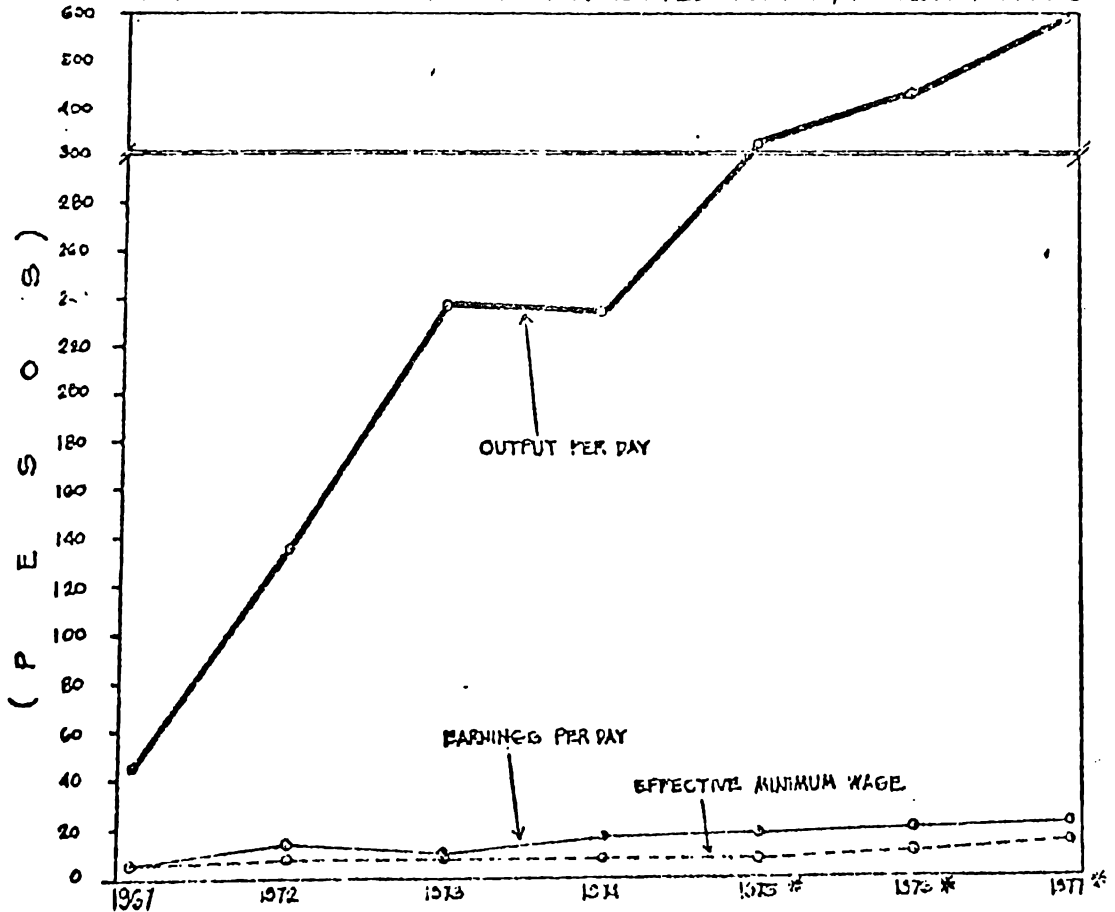
CORRECTION RATES BY REGION : 1977



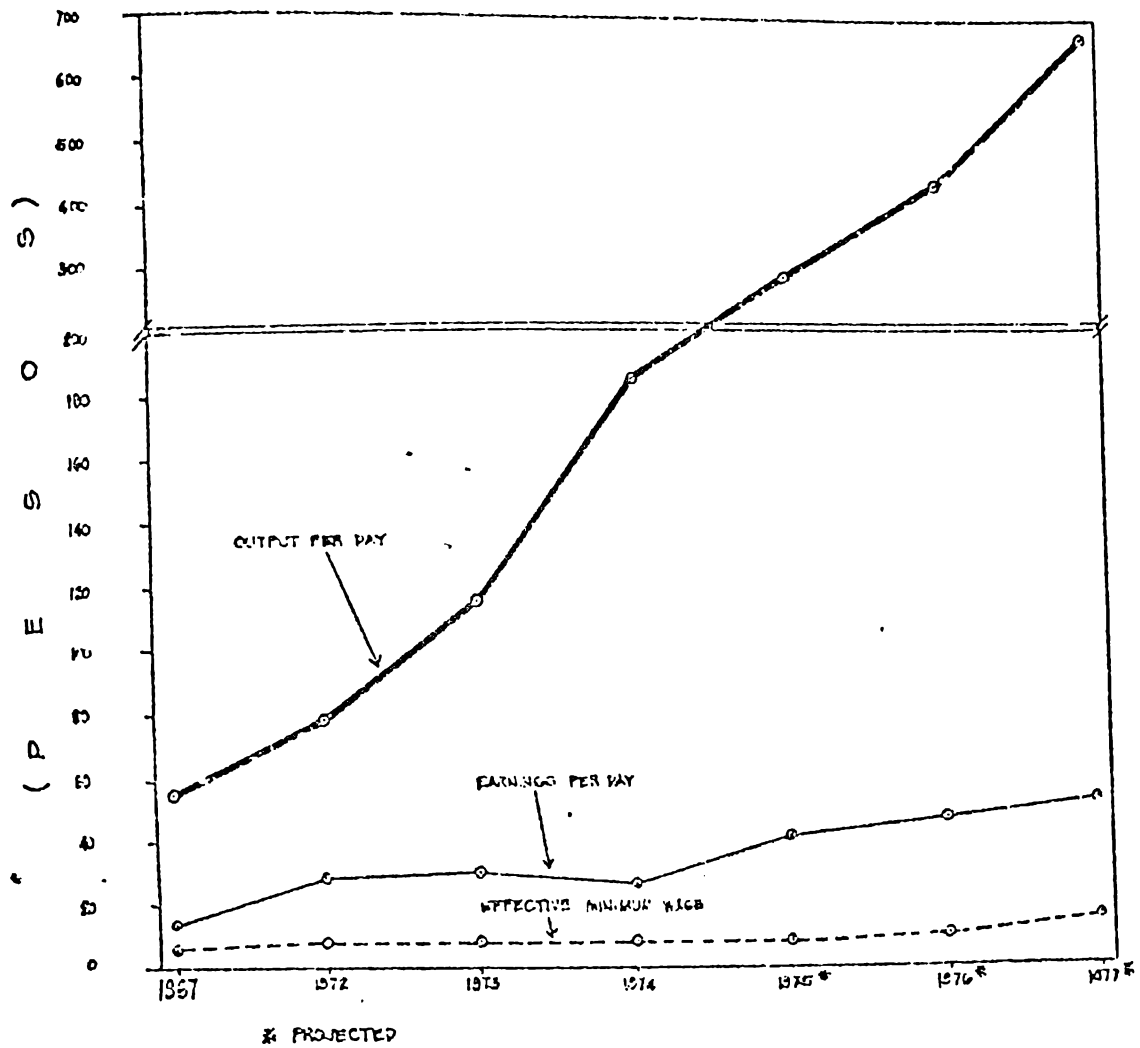
OUTPUT PER DAY, EARNINGS PER DAY AND EFFECTIVE MINIMUM WAGE
IN MANUFACTURING FOR SELECTED YEARS, PHILIPPINES



OUTPUT PER DAY EARNINGS PER DAY AND EFFECTIVE MINIMUM WAGE
IN MINING AND QUARRYING FOR SELECTED YEARS, PHILIPPINES

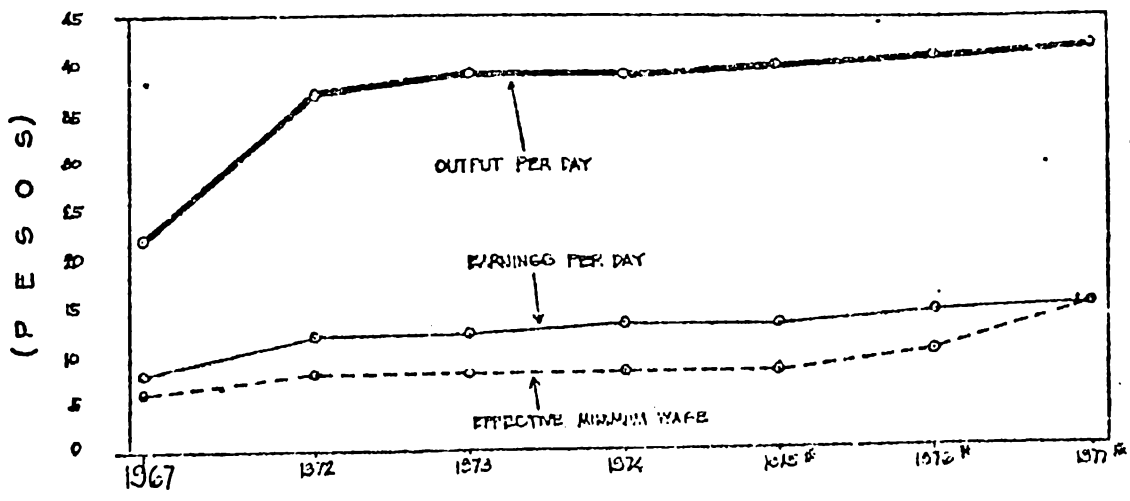


OUTPUT PER DAY, EARNINGS PER DAY AND EFFECTIVE MINIMUM WAGE IN UTILITIES FOR SELECTED YEARS, PHILIPPINES



SOURCE OF DATA : YEARBOOK OF LABOR STATISTICS, 1976

OUTPUT PER DAY, EARNINGS PER DAY AND EFFECTIVE MINIMUM WAGE IN CONSTRUCTION FOR SELECTED YEARS, PHILIPPINES



SOURCE OF DATA : YEARBOOK OF LABOR STATISTICS, 1976