

I. Current situation about labour conflicts in the Philippines in general

Labor management relations have been manageable.

In the last five years, **strikes have been rare**.

Although there were many **notices of strikes**, these have been resolved quickly and did not mature into actual strikes.

Strike/lock out notices handled, filed, disposed, disposition rate and workers involved, Philippines: 2009-2014

Indicator	2009	2010	2011	2012	2013	2014
Strike/lock out notices handled	327	325	274	222	177	191
New strike/lockout notices filed	286	276	240	184	149	159
Cases disposed	278	291	236	194	145	159
Materialized into actual strike/lockout	4	5	1	3	1	2
Settlement rate (%)	73.7	80.0	78.5	78.8	78.5	81.7
Disposition rate (%)	85.0	89.5	86.1	87.4	81.9	83.2
Workers involved	60,573	59,750	51,001	40,861	31,526	43,195

This does not mean that workers are happy with things.

It's just that the economic and employment environment have not been friendly to workers launching enterprise-based or general mass actions.

Philippine trade unions have learned to bring their grievances, particularly wages and contractualization, to another arena – through advocacy, representations, rallies and demonstrations.

Table of strike notice issues, Philippines: 2009-2013

INDICATOR	2009	2010	2011	2012	2013
ISSUES INVOLVED	4	8	2	3	1
Illegal Dismissal/Suspension of Union Officers/Members	3	3	1	1	-
Discrimination Against/Harassment of Union Members	2	2	-	-	1
Formation of Company Dominated Unions	-	-	-	-	-
Contracting-out of Services	-	-	-	-	-

Normally Performed					
Refusal to Bargain/Bargaining in Bad Faith	-	-	-	1	-
Violation/Non-Implementation of CBA	2	4	1	-	1
Other Unfair Labor Practice Issues	5	6	2	-	1
Bargaining Deadlock, Economic	-	3	-	-	1
Bargaining Deadlock, Non-Economic	-	-	-	-	-
Bargaining Deadlock on Provision not Specified	-	4	-	5	-
Retrenchment Issues	-	-	-	-	-
Minimum Wage/ECOLA	-	-	-	-	-
Other Labor Standard Issues	-	-	-	-	-

II. Detailed example of labour conflicts and its counter measures (e.g. BPO industry) in particular,

Employers **continue to resist unions**, actively and forcefully.

This table of employer violations of workers' rights in the Philippines, done by the TUCP in 2002 [economic zones], is still relevant today.

Violations of Freedom of Association by Sample Enterprises, 2002-2003

Warning not to attend meetings	6
Warning to avoid union/organizers	8
Management warns buyers don't want unions	5
Reward for names of union officers	2
Anti-union meetings/seminars	10
Overtime scheduled during union meetings	4
Intervention by police	2
Intervention by LGU	10
Worker/s who attended meetings disciplined/restricted	4

Worker/s who attended meetings dismissed	2
Union officer who attended hearing dismissed	1
Union members who filed complaint dismissed	1
Union officer/s threatened	6
Union officers charged with trumped-up offences	7
Union officer/s/member/s transferred/restricted	12
Union officer/s suspended	3
Union officer/s demoted	4
Union officer/s offered promotion	4
Discrimination against union officers/members	28
Management offers early retirement/separation	10
Union officer/s/member/s forced to resign	14
Union officers dismissed	12
Union members dismissed	12
Company official/s dissuade membership	3
Workers forced to retract membership	7
Operations speeded up	8
Forced leave/slowdown operations	7
Anti-union referendum	1
LMC established vs. union	7
Cooperative vs. union	1
Management forms another union	2
Company filed for union cancellation	9
Management grants benefits	6
Management withholds benefits	6

Management campaign materials	8
Management threatens company closure	7
Company transfers/contracts out	4
Cash advances before the CE	2
Illegal actions during CE	6
Company contracts out after union wins CE	3
Company protests union win	1
Company refuses to bargain	4
Company closes after union wins CE	4

"Workers' Perceptions of Companies' Compliance with Core Labor Standards and Codes of Conduct in Selected Economic Zones and Industrial Areas in the Philippines"

Employers have added or emphasized new ones in their campaign against unions.

Closing companies and opening new ones to get rid of unions; moving companies outside of the country; locating in anti-union locations; filing trumped up cases of all kinds against union leaders, e.g., stealing from the company or fraudulent documents submitted in union recognition; massive use of contractuales; misusing cooperatives against union organizing. The list goes on.

Sadly, Japanese companies in the Philippines, small or large enterprises, follow the no-union tradition. Japanese companies also bust unions.

In BPOs...

Wages and working conditions, which are better than the average, the type of work, the unusual hours, xxx are natural barriers to organizing.

ILO study “Offshoring and Working Conditions in Remote Work”, 2010

- 42.6 percent of BPO employees in the Philippines work the night shift, which is associated with occupational safety and health concerns, such as sleep disorders, fatigue, eye strain; neck, shoulder and back pains; and voice problems.
- 47.7 percent of Filipino BPO workers surveyed are suffering from insomnia, while 54 percent are suffering from fatigue.
 - BPO workers have less freedom, and are constantly under “high levels” of stress.

- *Call centers workers have relatively low autonomy. Their jobs typically involve heavy workloads backed by performance targets and tight rules and procedures enforced by electronic monitoring which are known to produce high levels of work-related stress.*
- *Some of the stress-inducing factors mentioned in the study were harassment from irate clients, excessive and tedious workload, performance demands, monotony, and regular night work.*
- *High rate of staff turnover, which can reach as high as 100 percent or more annually in some countries (recent survey by global professional services company Towers Watson showed that the staff turnover rate in the Philippines BPO industry has fallen to 20% in 2014, the lowest since 2007).*

Department of Health study, 2012

- *60% of the respondents have higher metabolic ages than their actual chronological ages, which is attributed to their bodies being under a lot of stress. That means their bodies are older than their real age.*

Department of Science and Technology study “Health and Social Policy Issues of BPO Workers in the Philippines: Is Happiness at Work Attainable?”, 2014

- *BPO workers are generally happy with their high-paying jobs, but think of leaving in the immediate future due to health and social concerns.*
- *Colds, cough, fever, flu and asthma resulting from too much smoking are the most common current health problems cited by the respondents.*
- *Other health complaints include headache, migraine, insomnia as a result of difficulty in sleeping in the daytime and hypertension due to unhealthy diet, among others.*
- *Lack of quality time with family and friends, addiction to alcohol and smoking and marital problems are the top social problems.*
- *Respondents prefer to sleep or rest during leisure time.*
- *Happiness at work is influenced by the importance given by a BPO worker on job productivity in the workplace and the mean number of hours of uninterrupted sleep.*

Others

- *While talking to a customer, the call-center agent also navigates four to 10 tools on the computer, also typing up a report on the customer’s concern, how the agent addressed it, etc. The agent has to do all this in record time or risks a reprimand, or, worse, could be fired.*
- *Resolving a call within a certain time limit is part of a call center agent’s metrics (a measure of an employee’s performance), and there are around six metrics that an agent has to pass. One is the average handle time (AHT) or the number of minutes an agent takes to finish a transaction. This metric is often dictated by the Service Level Agreement (SLA), the contract between the call center and the (usually foreign) client.*
- *There is no security of tenure even if you are a regular employee and even if an agent has worked in a company for eight years, one poor evaluation can get that agent terminated.*

- *Call center agents also have to watch their QA or quality assurance. All calls are recorded and evaluated. Every month, the agent undergoes a one-on-one coaching session wherein the agent and his boss listen to the recordings, discuss what was done wrong or how the call could be improved and/or made shorter.*
- *There is also the metric of “adherence” or the ability of the agent to start working by the designated log-in time and finish at the end time. That is why, if a call center agent’s shift is 10 a.m. to 7 p.m., the employee should be in the office as early as 9:30 a.m. to set up the computer and log into the system at exactly 10 a.m. That’s not counted as overtime.*
- *Even if the agent’s job is not related to sales, many positions include a quota for “upselling” or asking the customer if they want to make an additional purchase or avail of upgrades.*
- *In few other industries are restroom breaks as strictly timed as among BPO companies. An agent has to log in and log out to go to the restroom. If an agent is even one minute late because of the long line at the comfort room, the team leader will call the agent to return to work station.*
- *A deluge of calls can compel an agent to stay in the work station. A raised hand, an agent’s signal requesting permission from the team leader to go to the restroom, is often ignored or denied because of too many calls, said some agents. Sometimes three hours pass by before the team leader finally allows an agent to leave the seat. Many call center agents say they have developed urinary tract infections.*
- *Then there are the hours — a call center agent is usually awake when he/she is supposed to be asleep. The difficulties are compounded because the work shifts change every few weeks. One week they can be on the night shift (10 p.m. to 7 a.m.), then weeks later they’ll be transferred to the mid-shift (2 to 11 p.m.). They are constantly adjusting to new sleeping schedules. The result is sleepless nights and days of exhaustion.*
- *The stress level pushes BPO workers to be engaged in unhealthy practices, particularly smoking and drinking.*
- *This unhealthy lifestyle is compounded by the junk food diet. Cafeteria food is not very good, workers complain. When agents venture out to find alternative places to eat, all they have are fast food chains — the only establishments open at the dead of night.*
- *Because of the odd hours and the stressful work environment, there are stories about call center agents having heart attacks in the middle of a call or losing consciousness because of hypertension.*
- *Call centers are mandated to have clinics, yet reports show that clinics in some companies are closed during certain hours.*
- *Health benefits are not standardized across the industry or even within a company.*
- *Some companies still require bond protection” to prevent workers from leaving the company right after training. The amount of the bond and the length of service required vary. Workers are made to believe that they will have to pay the bond if they leave the company before the specified period.*
- *When the company needs more employees, they offer attractive benefits, but after a certain period, they will no longer offer that package to the new employees, so even agents within one company will not have the same benefits.*

- *The Department of Labor and Employment had adopted a strategy of “self-regulation” among BPO firms through voluntary code of good practices*

There are disputes between and among workers and their BPO managers, but they have not been of sufficient magnitude to spur a resort to unions. In addition, BPOs are making it very clear to employees through recruitment procedures that unions are not welcome.

BPO workers are largely project-based, and their tenure is hugely dependent on landing or maintaining contracts.

There have been attempts to organize unions in BPOs. TUCP unions lost all three certification elections they have contested. Enthusiasm for unions in these three were great, but employers wielded their weapons in the final stages of the campaign to eventually thwart unions.

Our own BPO Workers Association of the Philippines (BWAP) entered into training and recruitment agreements with certain BPOs, but these have yet to be implemented effectively.

We continue to service legal needs of BPO workers asking our intervention.

III. What the TUCP expects from Japanese multinational enterprises

TUCP expects more from Japanese enterprises, given the culture of labor-management relations in your country.

TUCP expects Japanese enterprises to be only a by-stander in workers campaigns for organizing Japanese companies.

That means, they should let the organizing exercise to proceed unhampered, they should not meddle, and they should not work against unions. Especially when the unions are from TUCP, whose main agenda is improving conditions of work and life of workers and their families.

That means Japanese companies should abide, not only with Philippine laws and regulations, but also by OECD Guidelines for Multinational Enterprises.

TUCP also expects assistance in organizing work from unions in Japanese companies. This is a good example of solidarity work among unions in related Japanese companies.

TUCP also expects immediate solidarity assistance from Japanese unions when organizing campaigns are held up.

IV. Other preventive measures of the TUCP implemented against labour conflicts in the Philippines.

JILAF forums are widely appreciated in the Philippines. TUCP suggests that JILAF broaden its activities in the Philippines to promote harmonious labor-management relations in the Philippines.

TUCP has tried discussions with the Korean chamber of companies in the Philippines to mitigate harsh measures by Korean companies against union organizing. That has not worked. We suggest JILAF assistance to bring together TUCP and the Japanese chamber in the Philippines for similar discussions. TUCP hopes for better outcomes with Japanese companies.

TUCP participates in national tripartite discussions, particularly in the Tripartite Industrial Peace Council (TIPC), which discuss all kinds of primarily labor issues. We do not see any representative from Japanese companies there, as it is the umbrella organization of employers (ECOP) in the Philippines which represent employers there.

In TUCP, we see strikes as the very last resort. TUCP unions utilize collective discussions, and failing that, work through the grievance machinery, even arbitration, to come to better terms with employers.

TUCP believes that trade unions and collective bargaining, not other alien venues, are the key to mutually beneficial relations. That is why we are saddened when employers, Japanese or otherwise, block union organizing.

TUCP has pushed many amendments to labor law and regulations, through administrative action or by legislation. These proposed amendments aim to protect workers and union rights, and therefore improve the environment for better labor-management relations.

We have made numerous representations in Congress (our Parliament) and elsewhere, against massive contractualization, which works against decent work and collective bargaining, harmonious labor-management relations. An equitable law limiting contractuels would be a very effective weapon for harmonious labor-management relations in the Philippines.