I. UNIONS

Unions in the Philippines are classified into two (2):

1) PUBLIC SECTOR UNION or PUBLIC EMPLOYEES ORGANIZATION which refers to any organization, union or association of employees in the agencies of government which exist in whole or in part for the purpose of collective negotiations or mutual aid, interest, cooperation and protection.

2) PRIVATE SECTOR UNION or LABOR ORGANIZATION refers to any union or association of employees in the private sector which exist in whole or in part for the purpose of collective bargaining or mutual aid, interest, cooperation, protection or other lawful purposes.

Labor Organizations refer to any union or association of employees in the private sector which exists in whole or in part for the purpose of collective bargaining, mutual aid, interest, cooperation, protection, or other lawful purposes. They are further classified into the FORMAL and INFORMAL sector. The former refers to an organization with employee-employer relationship, also known as Enterprise-Based Unions it is composed of Chartered Local, Affiliate and Independent Unions. The latter refers to an organization without a definite employer.

As of December 2017, a total of 17,424 unions were recorded existing at the enterprise level with reported members of more than 1.5 million workers. Union registrations increased by 1% from 17,246 last year.

TABLE 1. NUMBER OF EXISTING UNIONS BY SECTOR BY REGION

<table>
<thead>
<tr>
<th>REGION</th>
<th>PRIVATE</th>
<th>PUBLIC</th>
<th>PRIVATE</th>
<th>PUBLIC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unions</td>
<td>%</td>
<td>Unions</td>
<td>%</td>
</tr>
<tr>
<td>PHILIPPINES</td>
<td>17,424</td>
<td>100.0</td>
<td>1,466</td>
<td>0.0</td>
</tr>
<tr>
<td>NCR</td>
<td>10,328</td>
<td>59.3</td>
<td>298</td>
<td>20.3</td>
</tr>
<tr>
<td>CAR</td>
<td>64</td>
<td>0.4</td>
<td>63</td>
<td>4.3</td>
</tr>
<tr>
<td>I</td>
<td>83</td>
<td>0.5</td>
<td>79</td>
<td>5.4</td>
</tr>
<tr>
<td>II</td>
<td>48</td>
<td>0.3</td>
<td>63</td>
<td>4.3</td>
</tr>
<tr>
<td>III</td>
<td>1,203</td>
<td>6.9</td>
<td>92</td>
<td>6.3</td>
</tr>
<tr>
<td>IV-A</td>
<td>2,211</td>
<td>12.7</td>
<td>88</td>
<td>6.0</td>
</tr>
<tr>
<td>IV-B</td>
<td>25</td>
<td>0.1</td>
<td>49</td>
<td>3.3</td>
</tr>
<tr>
<td>V</td>
<td>169</td>
<td>1.0</td>
<td>97</td>
<td>6.6</td>
</tr>
<tr>
<td>VI</td>
<td>643</td>
<td>3.7</td>
<td>88</td>
<td>6.0</td>
</tr>
<tr>
<td>VII</td>
<td>1,003</td>
<td>5.8</td>
<td>87</td>
<td>5.9</td>
</tr>
<tr>
<td>VIII</td>
<td>220</td>
<td>1.3</td>
<td>108</td>
<td>7.4</td>
</tr>
<tr>
<td>IX</td>
<td>113</td>
<td>0.6</td>
<td>64</td>
<td>4.4</td>
</tr>
<tr>
<td>X</td>
<td>370</td>
<td>2.1</td>
<td>76</td>
<td>5.2</td>
</tr>
<tr>
<td>XI</td>
<td>514</td>
<td>2.9</td>
<td>78</td>
<td>5.3</td>
</tr>
<tr>
<td>XII</td>
<td>216</td>
<td>1.2</td>
<td>69</td>
<td>4.7</td>
</tr>
<tr>
<td>XIII</td>
<td>108</td>
<td>0.6</td>
<td>58</td>
<td>4.0</td>
</tr>
<tr>
<td>ARMM</td>
<td>21</td>
<td>0.1</td>
<td>9</td>
<td>0.6</td>
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<tr>
<td>For Verification</td>
<td>85</td>
<td>0.5</td>
<td>206</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Source of Data: Bureau of Labor Relations (BLR); Union Registration data as of December 2017, Preliminary
As shown in the Table 1, the bulk of the unions in the private sector are in NCR it covers almost 60% of the total unions nationwide with 10,328 followed by Region IV-A with close to 13% or 2,211 unions. In terms of union memberships, NCR and Region IV-A also recorded with the most with nearly 56% (856,182 members) and 14% (210,438) respectively.

For public sector union registrations, a total of 1,466 unions were existing nationwide, with 450,686 reported members as of December 2017. Registrations in the public sector unions decreased by 24% compared to the 1,952 registrations recorded over the same period, also the volume of union membership decreases by 16% from 538,061 union members last year.

NCR had the most number of public sector unions amongst regions covering 20% or 298 unions, followed by Region VIII with 7% or 108 unions. Membership wise, 49% or 222,133 of the total union members in the public sector were situated in NCR, followed by Region III with 6% or 28,917 members. (See Table 1)

**TREND IN UNIONIZATION RATE**

Union membership grew by 15% over the past 10 years from 1.3 million in 2008 to 1.5 million in 2017 (See Figure 1). Over the same period, unionization rate in the private sector peaked in 2008 at 9.9%, while the lowest rate was recorded in 2016 at 7.5%.

**FIGURE 1 – TREND IN THE UNIONIZATION RATE AND TOTAL NUMBER OF UNIONS MEMBERS (PRIVATE SECTOR)**

Source of Data: BLR; Union Registration data as of December 2017, (Preliminary)
From 2008 to 2017, public sector unionization rate recorded its highest in 2014 at 17.0%, while the lowest rate was recorded in 2010 at 12.8%. Union membership increased by 24% from about 364,000 in 2008 to 450,686 in 2017 (See Figure 2).

**FIGURE 2 – TREND IN THE UNIONIZATION RATE AND TOTAL NUMBER OF UNIONS MEMBERS (PUBLIC SECTOR)**

Source of Data: BLR; Union Registration data as of December 2017, (Preliminary)

Federations

A federation is defined as a group of legitimate labor unions in a private establishment organized for collective bargaining or for dealing with employers concerning terms and conditions of employment for their member unions or for participating in the formulation of social and employment policies, standards and programs, registered with the Bureau of Labor Relations (BLR).

Currently, there are 137 existing federations, wherein its locals/affiliates comprises the 57% (9,885 out of 17,424) of the total unions and 49% (756,839 out of 1,543,514) of the total union members in the private sector.

Table 2 shows the 10 federations with the most number of locals/affiliates, these federations covers the 41% of the total federated unions (4,028 out of 9,885) in the country. The Associated Labor Union (ALU), a federation registered since 1954 had the most locals/affiliates amongst federations with 919 locals/affiliates.

**Table 2. FEDERATIONS WITH THE MOST NUMBER OF LOCALS/AFFILIATES**
Table 3 shows the 10 federations with the most number of union members. The Philippine Trade and General Workers Organization (PTGWO), registered since 1967 recorded the most membership among federations with 83,500. These federations covers 47% (352,943 out of 756,839) of the total federated union members.

<table>
<thead>
<tr>
<th>Federation</th>
<th>Locals/Affiliates</th>
<th>Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>PTGWO</td>
<td>319</td>
<td>83,500</td>
</tr>
<tr>
<td>ALU</td>
<td>919</td>
<td>71,106</td>
</tr>
<tr>
<td>FFW</td>
<td>462</td>
<td>33,730</td>
</tr>
<tr>
<td>AMAPO</td>
<td>36</td>
<td>31,159</td>
</tr>
<tr>
<td>NAFLU</td>
<td>309</td>
<td>29,757</td>
</tr>
<tr>
<td>SUPER</td>
<td>443</td>
<td>27,201</td>
</tr>
<tr>
<td>NFL</td>
<td>190</td>
<td>22,102</td>
</tr>
<tr>
<td>OBRERO PILIPINO</td>
<td>7</td>
<td>21,455</td>
</tr>
<tr>
<td>NUBE</td>
<td>14</td>
<td>16,859</td>
</tr>
<tr>
<td>NAFLU-KMU</td>
<td>148</td>
<td>16,074</td>
</tr>
</tbody>
</table>

The registration of labor organizations is governed by the Labor Code as amended and DOLE Department Order No. 40-03.

II. **Collective Bargaining**

Collective bargaining is the process of negotiations between employers and a group of employees aimed at reaching agreements that regulate working conditions. The interests of the employees are commonly presented by representatives of a trade union. The Collective Bargaining Agreement (CBA) is the contract resulting from the negotiations.

In the Philippines, collective bargaining can be done through single enterprise level negotiations or through the creation of a mechanism by which different employers and recognized or certified labor unions in their establishments bargain collectively (multi-employer bargaining).

The registration and procedure of collective bargaining is guided by DOLE Department Order No. 40-03, as amended.

As of December 2017, a total of 1,159 CBAs existing in the country, wherein more than half or 59% of the existing CBAs were situated in NCR with 682 CBAs. Regions III, IV-A, VII and XI are the other regions with the most number of existing CBAs with 111; 95; 65; and 87 CBAs respectively. *(See Figure 3)*
In terms of CBA workers coverage, a total of 220,905 workers were covered by the 1,159 existing CBAs. The National Capital Region (NCR) covers 64% of the total workers coverage with 142,278. While four other regions recorded more than 10,000 workers coverage, namely, Region IV-A with 20,370; Region XI with 17,561; and Region III with 14,465. (See Figure 4)

III. Labor Management Council

Under Republic Act No. 6715 or “An Act to Extend Protection to Labor, Strengthen the Constitutional Rights of Workers to Self-Organization, Collective Bargaining and Peaceful Concerted Activities, Foster Industrial Peace and Harmony, Promote the Preferential Use of Voluntary Modes of Settling Labor Disputes, and Reorganize the National Labor Relations Commission, Amending for These Purposes
Certain Provisions of Presidential Decree No. 442, As Amended, Otherwise Known as The Labor Code of the Philippines, Appropriating Funds Therefore and for Other Purposes", the operating mechanism of labor-management cooperation program in organized establishments is called a Labor-Management Council (LMC). In unorganized establishment, the mechanism is called Labor-Management Committees (LMC).

The LMC aims to foster better relations between labor and management, to supplement the grievance process when necessary and to supplement the CBA.

While there are no set rules, an LMC commonly has the following organizational features:

- Composed of an adequate number of representatives from labor and management.
- Labor representatives shall be elected by at least the majority of the workers in the establishment.
- Management is represented by top level officials, the personnel or industrial relations manager, the production manager and other officers including supervisors.
- There are two co-chairmen -- one from labor and one from management who serve concurrently or on a rotating basis. A secretary is also appointed.
- A third party facilitator acceptable to labor and management may assist the committee particularly in the early stages of its operation.
- Sub-committees may be formed to address specific concerns.

The National Conciliation and Mediation Board, an attached agency of the DOLE provides promotional and technical services for the LMC.

IV. Industrial Action (Strikes and Lockouts)

DOLE Department Order No. 40-03, as amended defines strike as any temporary stoppage of work by the concerted action of employees as a result of a labor or industrial dispute. Meanwhile, a lockout is referred to the temporary refusal of an employer to furnish work as a result of a labor or industrial dispute.

The right to strike is a constitutional and legal right of the workers as the employers have the inherent and statutory right to lockout, all within the context of labor relations and collective bargaining. It is a means of last resort and presupposes that the duty to bargain in good faith has been fulfilled and other voluntary modes of dispute settlement have been tried and exhausted. The law recognizes two grounds for the valid exercise of the right to strike or lockout, namely: unfair labor practice and bargaining deadlock. In order to be valid, the notice of strike or lockout on grounds of unfair labor practice, shall state the specific acts complained of. In case of bargaining deadlock, the notice must specify the unresolved issues and must show proof that the parties have exhausted all efforts to resolve the deadlock.

The National Conciliation and Mediation Board (NCMB), an attached agency of the DOLE, is the agency that mediates and arbitrates between labor and management in case of a labor dispute concerning strikes and lockouts.
A relatively stable industrial peace was maintained with fifteen (15) actual work stoppages declared and 1,479 workers involved in 2017, which were resolved with an average of thirty-two (32) days.

V. Single Entry Approach Program

On 05 October 2010, the DOLE issued Department Order No. 107 or the “Guidelines on the Single Entry Approach prescribing a 30-Day Mandatory Conciliation-Mediation Services for all Labor and Employment Cases”. The Guidelines was guided by virtue of Section 3, Article XIII of the 1987 Constitution on the preferential use of voluntary modes of dispute settlement, Article 211 of the Labor Code, as amended, the Alternative Dispute Resolution (ADR) Act of 2004, and Executive Order No. 523 instituting the use of ADR for the speedy resolution of all disputes before the administrative bodies of the Executive Department. The Single Entry Approach (SENA) is a reform program that answers President Benigno “Simeon” Aquino’s directive to the DOLE to “reform labor arbitration and adjudication systems by streamlining procedures, removing red tape, and at the same time, restore integrity and fairness in the system”. The 30-day conciliation-mediation approach was a product of tripartite consultation. In early July, the National Tripartite Industrial Peace Council (TIPC) endorsed the reform by virtue of TIPC Resolution No. 3, Series of 2010.

Complaints that undergo SEnA are called Requests for Assistance (RFAs) and are filed in all DOLE Regional Offices and concerned attached agencies such as the NCMB and the National Labor Relations Commission (NLRC). The NCMB monitors the implementation of SEnA.

On March 2013, Republic Act No. 10396: An Act Strengthening Conciliation-Mediation as a Voluntary Mode of Dispute Settlement for All Labor Cases, Amending for this Purpose Article 228 Of Presidential Decree No. 442, As Amended, Otherwise Known as The "Labor Code of the Philippines" was signed. The law provides that all issues arising from labor and employment shall be subject to mandatory conciliation-mediation, proceedings which, may be pre-terminated by the parties involved with a request for endorsement from the appropriate DOLE agency or office, or for voluntary arbitration.

On 22 February 2016, the DOLE issued Department Order No. 151-16 or the Implementing Rules and Regulations of Republic Act No. 10396 or “An Act Strengthening Conciliation-Mediation as A Voluntary Mode of Dispute Settlement for all Labor Cases, Amending for this Purpose Article 228 of the Presidential Decree No. 442, as amended, otherwise known as the Labor Code of the Philippines”. The IRR provides for 30-day mandatory conciliation-mediation of all labor and employment cases and specifically enumerates cases exempted therefrom. It requires the personal appearance of parties at all times of the process and prohibits/discourages participation of lawyers, agents or representatives unless the latter submits a Special Power of Attorney/Board Resolution/Secretary’s Certificate giving them authority to represent the parties but only in certain circumstances provided by the Rules. In addition, DOLE Offices and Attached Agencies handling labor and employment disputes are mandated to establish number of SEADs depending on the volume of RFAs in their respective regions. The procedure for the filing of RFA is laid down as well as the appropriate actions of SEADOs upon receipt of the RFAs. The Rules also introduced the new procedure of Co-conciliation-mediation which is to be resorted to
in cases where the RFA is filed in the SEAD most convenient to the requesting party but outside of the region where the employer principally operates. Furthermore, it sets the duties and responsibilities, norms and conduct of SEADOs and concerned offices and defined the process flow from the filing of RFAs up to the termination of conciliation-mediation.

Demand for SEnA services has been high. Requests for Assistance under the SEnA Program of the Department have totaled to 57,751 in 2017. During the same period, the national disposition rate was 94% or 54,286 RFAs were disposed. Likewise, the national settlement rate was posted at 72% or 41,581 RFAs were settled. Since SEnA prescribes a mandatory 30-day conciliation-mediation, the average number of days to settle cases is fifteen (15) days.

VI. Social Dialogue

Social dialogue is primarily indicated by how much workers are being organized, how many collective bargaining agreements are concluded and how labor education services are being extended. It also refers to a labor relations system which encourages less adversarial modes of settling disputes and ensuring speedy disposition of labor cases. In general, the Philippines has been recognized for its labor relations environment that fosters strong tripartite mechanisms and processes for social dialogue.

Tripartism, a program strategy employed to address the concerns of the social partners – labor, employer and government sectors – through information sharing, consultations, fora and dialogues, has been one of the mechanisms to promote social dialogue. It has been a declared state policy as enunciated in the Labor Code.

In line with Department’s thrust to promote and strengthen social dialogue, the Tripartite Industrial Peace Council (TIPC) and its various subcommittees are consistently working toward setting workplace standards and protection of labor and employers rights.

Legal Bases
- Executive Order No. 403 (s. 1990) Establishing the Tripartite Industrial Peace Council
- Executive Order No. 25 (s. 1992) Amending E.O. No. 403 and Further Strengthening the TIPC
- DOLE Department Order No. 8 (s. 1995) Guidelines in the Constitution and Institutionalization of National Industry Councils, Regional TIPCs, and Regional or Local ITCs under the National TIPC
- Executive Order No. 383 (s. 1996) Reorganizing and Strengthening the TIPC
- DOLE Department Order No. 14 (s. 1996)
- Executive Order No. 49 (s. 1998) Amending E.O. No. 383 for the Purpose of Reconstituting and Expanding the Membership of the TIPC
- Executive Order No. 97 (s. 1999) Amending E.O. No. 49, Further Expanding the Functions of the TIPC
- Department Order No. 111-11 (s. 2011) Guidelines in the Creation and Institutionalization of Coordination among National, Regional and Local TIPCs and/or ITCs

**Functions**

1) To monitor the full implementation and compliance by concerned sectors with provisions of all tripartite instruments, including international conventions, codes of conduct, and social accords;

2) To participate in national, regional or industry-specific tripartite conferences which the President or the Secretary of Labor and Employment may call from time to time;

3) To review existing labor, economic and social policies and to evaluate local and international developments affecting them;

4) To formulate for submission to the President or Congress, tripartite views, recommendations and proposals on labor, economic and social concerns including the presentation of tripartite positions on relevant bills pending in Congress;

5) To advise the Secretary of Labor and Employment in the formulation or implementation of policies and legislation affecting labor and employment;

6) To serve as a communication channel and a mechanism for undertaking joint programs among government, workers, employers and their organizations toward enhancing labor-management relations; and

7) To adopt its own program of activities and rules, consistent with development objectives.

**TIPC Structure (Organizational)**

[Diagram of TIPC Structure]

- TIPC
- TEC
- Committee on Decent Work
- Standing Committee on Rights at Work
- Standing Committee on Employment
- Standing Committee on Social Protection
- Standing Committee on Social Dialogue
- Technical Secretariat (ILS); Administrative Secretariat (ILAS, PS)
- BLR
- RTIPCs/ITCs (Regional/Provincial/City/Municipal Levels)
- ITCs (National Level)
TIPC Structure (Functional)

**TIPC FUNCTIONAL STRUCTURE (DO 111-11)**

- National Tripartite Advisory Committee (NTAC)
- Tripartite Industrial Peace Council
- Tripartite Industrial Peace Council Monitoring Body
  - Tripartite Executive Committee Regular
  - Tripartite Executive Committee Monitoring Body

- Regional TIPCs/ITCs (Regional/Provincial/City/Municipal Levels)

- Secretariat RTIPC Regular
- Secretariat Monitoring Body

- PTIPC, CTIPC, MTIPC, Industry Tripartite Council

- Monitoring Body

- Educational Industry Tripartite Council
- Construction Industry Tripartite Council
- Sugar Tripartite Council
- Clothing and Textile Industry Tripartite Council
- Private Security Industry Tripartite Council
- Overseas Land-based Tripartite Consultative Council

- Banking Industry Tripartite Council
- Hotel and Restaurant Consultative Tripartite Board
- Automotive Assembly Industry Tripartite Council
- Maritime Industry Tripartite Council
- Ed.