

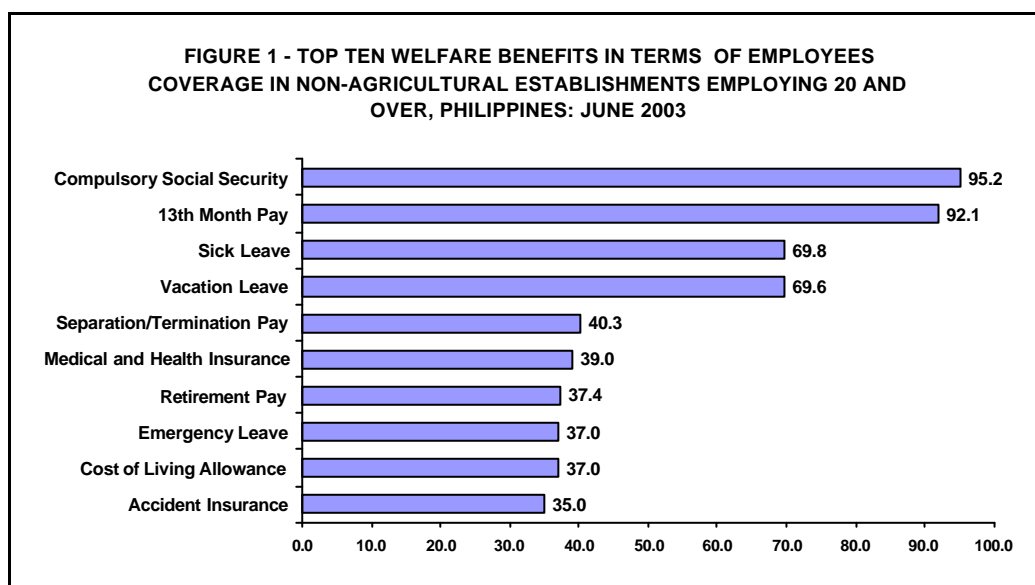
WELFARE BENEFITS ... TOP TEN

(Fourth of a series on Labor Relations)

This LABSTAT is the fourth in a series of issues that focuses on industrial relations practices based on the results of 2002/2003 BLES Integrated Survey (BITS) conducted last year in coordination with DOLE Regional Offices. The BITS is a nationwide survey covering 6,818 sample non-agricultural establishments employing 20 or more workers. It aims to provide integrated data sets on employment, labor relations, labor cost and occupational safety at the workplace as basis for policy planning and program formulation

This report deals specifically on the top ten welfare benefits provided to employees in non-agricultural establishments as of June 2003.

...in terms of employees coverage



More than 90 percent of the non-agricultural establishments' paid employees were covered by compulsory social security schemes and 13th month pay. Around 7 out of 10 employees enjoyed vacation and sick leave benefits. Other benefits provided with relatively high percentage shares of employees

coverage were: separation/termination pay (40.3%); medical health insurance (39.0%); retirement pay (37.4%); emergency leave and cost of living allowance (37.0% each) and accident insurance (35.0%).

...in establishments with or without union

In proportion to respective totals, a big share of establishments with union provides various benefits compared to establishments without union. Almost all unionized establishments subscribed to the mandatory requirements such as provision of compulsory social security schemes (99.9%) and 13th month pay (99.2%). These benefits were also granted by establishments without union (98.8% and 95.2 %, respectively).

TABLE 1 - PERCENT DISTRIBUTION OF TOP TEN BENEFITS PROVIDED BY NON-AGRICULTURAL ESTABLISHMENTS WITH OR WITHOUT UNION, PHILIPPINES: JUNE 2003		
Welfare Benefits	With Union	Without Union
Compulsory Social Security Scheme	99.9	98.8
13 th Month Pay	99.2	95.2
Vacation Leave	98.7	86.8
Sick Leave	98.5	86.9
Maternity Leave	91.5	83.7
Paternity Leave	86.8	67.6
Union Leave	66.7	-
Separation/Termination Pay	65.4	44.3
Retirement Pay	62.1	36.7
Emergency Leave	61.0	35.6
Cost of Living Allowance	58.6	51.5
Christmas Bonus	44.1	40.9

Entitlement to vacation (98.7%) and sick leave (98.5%) benefits also ranked high among unionized establishments. For those without unions, only 86.8 percent and 86.9 percent, respectively, granted these leave benefits. The disparity is also evident in the granting of the required maternity and paternity leave benefits. About 9 out of 10 establishments with unions included these benefits in their employees' welfare schemes compared to only 83.7 percent and 67.6 percent, respectively, in non-unionized establishments. Additional leave benefits such as union leave was also enjoyed by workers in 66.7 percent of establishments with union.

Other benefit schemes enjoyed by workers in more than 60 percent of

unionized establishments were separation/termination pay (65.4%), retirement pay (62.1%) and emergency leave (61.0%). These benefits were also granted in non-unionized establishments but to a lesser share, 44.3 percent, 36.7 percent and 35.6 percent, respectively.

Likewise, a larger proportion of establishments with union than those without union granted cost of living allowance (58.6% vs. 51.5%) and Christmas bonus (44.1% vs. 40.9%).

... in terms of establishments' type of ownership

Almost all foreign-owned establishments and those with foreign capital adhered to the provision of compulsory social security schemes (99.9% each) and 13th month pay (99.0% and 99.4%, respectively). These benefits were also granted by Filipino-owned establishments with respective shares of 98.8 percent and 95.3 percent.

TABLE 2 - PERCENT DISTRIBUTION OF TOP TEN BENEFITS PROVIDED BY NON-AGRICULTURAL ESTABLISHMENTS BY TYPE OF OWNERSHIP PHILIPPINES: JUNE 2003			
Welfare Benefits	Wholly Filipino	Wholly Foreign	With Foreign Equity
Compulsory Social Security Scheme	98.8	99.9	99.9
13 th Month Pay	95.3	99.0	99.4
Sick Leave	87.9	93.7	92.6
Vacation Leave	87.5	93.3	96.5
Maternity Leave	83.8	97.6	88.5
Paternity Leave	68.0	93.2	82.7
Cost of Living Allowance	53.2	33.5	55.4
Separation/Termination Pay	45.2	67.4	57.8
Christmas Bonus	41.4	37.4	43.0
Retirement Pay	38.7	60.6	47.9
Emergency Leave	36.1	51.9	63.2
Accident Insurance	30.3	69.8	42.2
Medical & Health Insurance	34.5	65.5	59.4
Bereavement Leave	28.5	54.3	57.1

Other mandatory benefits that ranked high among establishments that are wholly foreign or with foreign capital are sick leave (93.7% and 92.6%) and vacation leave (93.3% and 96.5%). Among Filipino-owned establishments only 87.9 percent and 87.5 percent, respectively provided these leave benefits. Moreover, maternity leave is also granted by 9 out of 10 wholly foreign-owned or with foreign capital establishments compared to only 83.8 percent among Filipino-owned.

The granting of paternity leave differed significantly by type of establishments. Only 68.0 percent of the

Filipino-owned establishments provided this benefit in comparison to 93.2 percent of the foreign-owned and 82.7 percent of the establishments with foreign capital. Likewise, a larger proportion of establishments with foreign capital or those wholly foreign-owned provided separation/termination pay, retirement pay, emergency and bereavement leave and other social security benefits such as accident, medical and health insurance.

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