

PART THREE:

The Situation of the Philippine Trade Union Movement

1. What has the Philippine trade union movement achieved so far?

The trade union movement has succeeded in legitimizing the workers' struggle in Philippine society. For more than a century, the movement has struggled with both employers and governments for benefits and arrangements that workers enjoy up to this day: right to organize, sick leaves, paternity and maternity leaves, social security, minimum working hours, overtime pay, etc.

The movement has given workers certain tools, such as collective bargaining and strikes to protect their jobs and improve working conditions. More importantly, unions have challenged management prerogatives that encroach negatively on workers' rights.

At the national level, the movement has contributed much in shaping the country's economy, politics and culture by actively participating in discourses of national significance. Workers and unions are also an important part of Philippine history with their active participation in national liberation movements against the Spanish, American and Japanese colonizers.

The history of the Philippine trade union movement is a



history of struggle for the working people's emancipation and the struggle for real labor unity. From its birth to the present, the labor movement has been linked to the ideals, aspirations and the spirit of the international labor movement. It is also the story of how the elites have constantly attempted to curtail basic trade union rights – the right to organize, collectively bargain and to strike.

Below is a quick review:

- 1872: During this era, workers were organized under gremios, mutual aid societies which became the precursor of trade unions. The first worker's mass action was led by Gremios de Impresores when they protested against low wages in a government-owned printing press in Pampanga. It was also in January of this year that workers and soldiers, supported by the Filipino clergy mutinied against the Spanish colonizers in Cavite.
- 1892: Katipunan was founded by Gat. Andres Bonifacio, a worker from Fressel and Co. Exposed to the ideals of the French Revolution through his readings, Bonifacio led the Katipunan in launching Asia's first nationalist and worker-led revolution.
- March 6, 1899: Union de Impresores, the first formally organized union in the country, struck against "La Independencia" newspaper (whose editor was Gen. Antonio Luna) to demand for wage increases.
- 1902: Union Obrero Democrata (UOD), the first labor

federation in the country — of printers, lithographers, barbers, and cigarette workers — was born under the leadership of Isabelo delos Reyes, an exile from Spain who was influenced by the intellectual and ideological ferment in Europe. On August 2, trade unions launched the first general strike to demand workers' rights and emancipation from the American colonizers.

- May 1, 1903: Thousands of workers under the Union Obrero Demokratiko Filipinas or UODF led the first International Labor Day celebration in the country. Since the 1880s, the International Labor Day has marked the historic struggle of the working people throughout the world for the 8 hour workday. Thousands of workers marched from Plaza Moriones in Tondo to Malacañang, demanding for independence. This led to the arrest of the union leaders.
- June 10, 1908: To put the dynamic and revolutionary labor movement under control, the American colonial government created the Bureau of Labor (BOL) to “legalize” and regulate trade unionism in the country. This bureau was under the supervision of the Department of Commerce and Police.
- 1913-1930: Unions continued to struggle under the COF, Congreso Obrero de Filipinas. The COF championed the struggle for the demand for an 8 hour workday. Many labor leaders suffered imprisonment because of union activities. The COF was then split in two, with the majority forming Katipunan ng Anakpawis or KAP. On August 26, 1930, the Partido Komunista ng Pilipinas was (PKP) was formed. KAP and PKP were eventually declared illegal.
- 1935: After years of struggles, the 1935 Constitu-

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provided that “the state shall provide full protection to labor...”

- October 29, 1936: Commonwealth Act 103 institutionalized compulsory arbitration with the creation of the Court of Industrial Relations (CIR). While it gave some attention to the plight of the working people, the law was nonetheless designed to curb the militancy of the labor movement by containing its energies in the legal arena.
- June 3, 1939: After more than three decades of bitter struggles, the eight-hour workday was finally institutionalized under Commonwealth Act 444.
- November 4, 1940: One hundred fifty workers of Manila Hotel launched a strike in protest of union busting, illegal dismissal and management’s refusal to bargain. This was the first strike in a government-owned company which led to the landmark Supreme Court decision that recognized the right of government workers to organize unions and to strike.
- 1941 - 1948: Workers continued the underground resistance against the Japanese occupation army. It was only in 1945 that the labor movement was finally reconstituted.
- 1953: The Industrial Peace Act (R.A 875) or the Magna Carta of Labor was passed. Through this piece of legislation, the working people managed to dismantle compulsory arbitration, institutionalize mediation and conciliation as new modes of settling disputes, and succeeded in getting state recognition for collective bargaining, the right to organize, and

more importantly, the right to wage strikes. The new law even prohibited strike breakers (i.e anti-scab law). While this represents a major victory for the working people, it nonetheless continued the tradition of restraining the labor movement's militancy.

- 1957: The Anti-subversion Law was promulgated effectively banning the PKP and was used to control trade union activities.
- 1959 – 1972: Increasing trade union activities and several attempts at labor unity marked this period.
- September 21, 1972: Martial Law was declared. Prominent trade union leaders and nationalists were detained. The next day, General Order No. 5 which prohibited rallies, demonstrations and strikes in practically all industries was issued.
- May 1, 1974: P.D 442 institutionalized the Labor Code. While the law granted holiday pay and the collection of agency fees, its real intent was not to provide more benefits to the working people but to control the labor movement by banning strikes and peaceful concerted actions.
- 1974 - 1981: Several attempts at labor unity marked this period. Strikes were launched despite the dangerous times. The most dramatic strike was launched by the workers of Distelleria La Tondeña company. In 1981, Martial Law was lifted but trade union repression continued.
- 1982 - 1985: Intensifying trade union actions for workers' rights and the dismantling of the Marcos dictatorship was met by the coercive instruments of

the State: violence and anti-labor laws BatasPambansa 130(prohibition of work stoppages in “vital industries”), Batas Pambansa 227 (ingress and egress law) and Letter of Instruction (LOI) 1458 (replacement of striking workers) were promulgated. As a result, union offices were raided, strikes were violently dispersed, and hundreds of trade union leaders were arrested and illegally detained. A number were even summarily executed.

- February 1986: Labor leaders and trade unionists joined People Power I, the people power revolution that ousted Ferdinand Marcos after a four-day civilian-backed military revolt.
- May 1, 1986: The biggest, all trade union-gathering was celebrated in Luneta. These trade unions converged under the banner of the LACC to mark the 100th year celebration of the International Labor Day. It was the broadest Labor Day celebration.
- August 26, 1987: A general strike was launched to demand an oil-price rollback. This has been considered the most successful general strike in recent history
- October 12, 1987: Another general strike resulted in the granting of a P10.00 wage increase through RA 6640.
- May 29, 1989: Labor Alliance for Wage Increase of P35 (LAWIN 35), a broad coalition of different labor groups, led a general strike for a P35 minimum wage increase. While workers won a P 25 wage increase, the Congress, led by then Senator Herrera, de-politicized wage

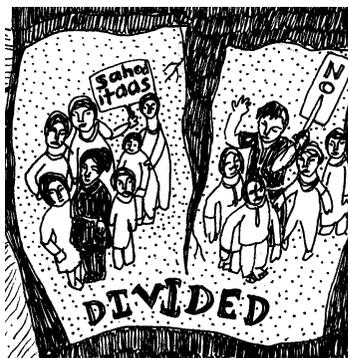
setting by institutionalizing the RTWPBs through RA 6727 or the Wage Rationalization Act. This was clearly to prevent unifying labor..

- 1991: From July 18 - 22, a “Welgang Bayan” led by some of the LACC members caused the reduction of oil prices by at least P1.50.
- 1992-1998: Trade unions challenged Fidel Ramos’ economic program “Philippines 2000” and its bias for neo-liberal globalization. The movement, however, lost in its campaign to delay the country’s ratification of the GATT agreement. This was also a period of massive realignments in the labor movement as unions struggled for new strategies in confronting the “Brave New World” of neo-liberal globalization.
- May 1, 1996: The Alliance of Progressive Labor was publicly launched as the working people’s response to neo-liberal globalization. It was also the first time publicly declared its opposition to neo-liberal globalization.
- January 1998: Birth of Akbayan as a working people’s party.
- January 2001: Trade unions join People Power II, the people power revolution that ousted the corrupt President Joseph Estrada.

2. What has the Philippine trade union movement failed to achieve and why?

Despite all its struggles and sacrifices, the trade union movement has failed to achieve full economic and political empowerment of workers. The movement has yet to structurally alter the inequitable distribution of wealth and power

which continue to burden the majority. With the onslaught of neo-liberal globalization, the movement is now experiencing great difficulty in organizing “new classifications” of workers such as casuals, informal labor and overseas contract workers. Organizing strategies have remained responsive only to workers with clear employee-employer relationships. The rest of the workers remain unorganized and unprotected.



Such failures can be attributed to the growing weakness of and divisions within the Philippine trade union movement.

- As of January 2001, there are 14,606 active trade unions
- Among the registered unions, 13,908 are private sector unions, 698 are public sector unions and 175 are federations or labor centers
- Total union membership is 3.678 million, roughly 10-15% only of the labor force.
- Private Sector unions have a membership of 3,499,000 while public sector unions have 178,166 members
- Only 2,679 unions have collective bargaining agreements (CBAs) covering 482,849 workers.
- The trade union movement is greatly divided with 7 major labor centers, at least 170 national federations, more than 9,400 independent unions.

3. Why is the Philippine trade union movement weak and divided?

The following are some of the factors that contribute to the weakening and division of the trade union movement:

a) **Labor Relations Framework**

Although some labor laws have benefited workers and trade unions, most are still restrictive and biased on interests of employers.

Further, the framework only allows for enterprise-level bargaining. This has caused fierce competition among unions, most of which end up being organized at the national level as general federations rather than industry-wide federations.

Labor laws in the country are also highly complex. Because of this, unions have relied on lawyers to represent them and now many of these unions are not only represented but led by these lawyers.

b) **Nature of Philippine economy and the attack of neo-liberal globalization**

The Philippine economy is itself weak and there are no high-value industries that allow productive activities to pump prime the domestic market. To a large measure, the comparative advantage of the country in international trade has been its cheap labor. To maintain cheap labor, employers have resorted to hiring flexible labor resulting in the division of workers into small workforces that are very difficult to organize into unions.

Because of the difficulty of organizing small workforces, trade unions tend to compete and over whatever is left of the bigger companies. In these companies, union raiding has become a rampant practice.

c) Political Party-Dominated Unionism

Although workers need political parties to participate better in the larger political system, relations between trade unions and political parties may be problematic. Political parties with rigid ideologies tend to overpower trade unions by making their party programs more important than trade union needs. Trade unions then become simply a “transmission belt” of party ideas where the party decides for the trade unions.

Party-led unionism also makes it so much more difficult for unions to unite as a trade union movement. Instead of building solidarity with other unions, party-led unions tend to work by themselves and simply stick to party ideas and strategies.

d) Leader-Oriented Unionism

Trade unionism in the Philippines is highly personalistic. Some unionists end up as “lifetime leaders”. This kind of leadership causes trade unions to lose their dynamism. It also causes a lot of inter-union problems because leaders end up claiming “turfs” and competing with each other. Many trade union federations have been divided not because of real organizational issues but because of power struggles among its leaders.

Oftentimes, personal differences among leaders are turned into organizational differences. Organizational disagreements may also lead to personal conflicts. And, while

leaders fight over turfs, union members usually find it hard to identify what is personal, inter-personal and what is organizational. As a consequence, unions end up making unsound decisions and actions.

e) **Regionalistic or Clannish Attitude**

Being regionalistic or clannish may be a positive attitude because it allows a person to identify with and respect his/her roots. In the trade union context, however, such attitude has often contributed to the further division of the trade union movement. Instead of organizing along lines that produce greater bargaining power, unions tend to gravitate along regionalistic or clan-oriented lines.

f) **Weak culture of democracy**

Clearly, unions need to develop a culture of democracy. As mentioned above, leaders or lawyers or parties have tended to dominate the trade union movement and as a result, many unions have become undemocratic. Such practices have not allowed unions to utilize their built-in structure for decision making. They have yet to learn how to accommodate and respect ideas of all members while institutionalizing processes that allow them to still make and implement decisions which may not necessarily be consensual or unanimous. Unions have to learn how to make decisions that involve majority and minority thinking.

