

Public Sector Unionism and the Government Rationalization Program: Some Issues and Concerns

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Abstract

This paper is about issues and concerns of public sector unions in the Philippines emanating from the Executive Order No. 366 which spelled out the government's rationalization program. As a backgrounder, the authors discuss trends in public sector organizing. They present the views of key union informants about the streamlining program focusing on its effects on the workers and the unions themselves. The authors propose among others, that public sector unions must strategize for action. They should develop a "more aggressive grassroots organizing strategy," in place of the "traditional top down servicing model."

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Introduction

The Philippine Constitution, under Article III, Section 6 and Article IX (B), Section 2(5), specifically provides for the right of public sector employees to self-organization including the right to form unions. The right of government employees to collective bargaining and negotiation and the right to strike, in accordance with law, are also guaranteed under Article XIII, Section 3 of the Constitution.

On June 1, 1987, Executive Order 180 was signed into law by President Corazon Aquino. EO 180 provided the statutory framework for the exercise of public sector unionism in the Philippines. Meanwhile, along with the implementation of EO 180, came other legislative and executive initiatives to reform, reorganize, rationalize and re-engineer the Philippine bureaucracy.

This paper provides a quick look at how unions in the public sector progressed in terms of union coverage. The paper also presents the various issues and concerns affecting public sector employees and their unions in the wake of E.O. 366 of the Arroyo administration. Proposals on the implementation of the government's rationalization plan, as provided by studies cited, are also brought forth in this paper. Finally, recommendations were made to help strengthen public sector unionism in the Philippines given the context of an increasingly popular ideology of smaller governments.

Scope and Limitation of the Study

This paper focuses on public sector unions and highlights their views, reactions and apprehensions on the latest move to rationalize the bureaucracy on top of continuing privatization, separate re-structuring programs in government agencies and other related issues. The respondents in this study are representatives from public sector union centers, confederations and alliances, namely: the Center of Independent Unions (CIU), Public Services Labor Independent Confederation (Pslink), Association of Concerned Teachers (ACT), and Association of Health Workers (AHW). The authors tried to get the views of the Confederation for Unity, Recognition and Advancement of Government Employees (COURAGE), but their representative was not available for interview.

I. Employment and Unionization in the Public Sector

Employment in the Public Sector

In determining the extent of unionization (union density) in the public sector, a look at how the government sector grew or shrunk (in terms of the number of employees) through the years, after the introduction of Executive Order No. 180 in June 1987, is important. Unfortunately, updated and disaggregated official data on the size of the public sector (in terms of the number of employees) are wanting. Where available, data provided by different government agencies vary. For example, the Civil Service Commission reported that there were 1,398,372 government employees in 2001. Data from the National Statistics Office, however, placed the number of government employees at 1,382,000

Table 1. Growth and Decline in Government Employment

Year	Number of Government Employees	Ratio Per 100 Population	% of Employed Labor Force
1985	1,518,000	2.4	7.0
1990	1,258,000	2.5	7.0
1995	1,328,000	1.9	5.2
1996	1,360,000	1.9	
1997	1,379,000	1.9	
1998	1,406,000	1.9	
1999	1,446,000	1.9	5.0
2000	-		
2001	1,398,372	1.8	4.6
2002	1,442,000	1.8	4.8
2003	1,415,000	1.7	4.6
2004	1,478,000	1.8	4.7

Notes:

1. 1980 to 2001 data on government employees from the CSC. Data by five-year interval until 1995 and annually thereafter. Employees in national schools and state universities/colleges included (1985-2001).
 2. 2002 to 2004 data on government employees from NSO. Data exclude employees in public schools/state universities/colleges.
 3. 2004 data on government employees, as of April 2004.
- Sources: Civil Service Commission, National Statistics Office.

under the services sub-sector "Public Administration & Defense, Compulsory Social Security". Said sub-sector group does not include employees in public schools and state colleges and universities as these employees are lumped together with their counterparts in the private sector in another services sub-sector category, "Education". The NSO, however, does not provide official data distinguishing the number of employees in the public and private educational systems. Nonetheless, Table 1 presents some data from the Civil Service Commission (CSC) and National Statistics Office (NSO) showing an uneven pattern of employment growth and decline in the public sector.

Table 1 shows a declining trend in the ratio of government employees per 100 population from 2.5 in 1990 to 1.8 in 2004. The same trend is observed in the proportion of government employees as against to the employed labor force.

In terms of distribution of government personnel by major subdivision, the data in Table 2 indicates that national government employees, including those in national schools and state universities and colleges, accounted for majority of public sector employment. Those employed in government-owned-and-controlled corporations (GOCCs) had the least number of employed.

As of 2001, a study done by the Senate Economic Planning Office (2005) puts the number of public sector employees at 1,531,430. Table 3 shows the structure of public sector employment by major subdivision.

The National Capital Region (NCR) got a third of all employees in the public sector, according to CSC data for 2001. Other regions with the highest public sector employment were Southern Tagalong (9.6%), Central Luzon (7.2%), Western Visayas (6.96%) and Central Visayas (6.7%).

By status of appointment, it can be noted that most (89%) of employment in the public sector were regular in nature in 1999, with the national government comprising 71 percent of all regular positions (Table 5). Between 1996 and 1997, increase in regular employment was less than one percent. And while there was a marked increase of 4.7 percent between 1997-1998, the number of regular employment only grew two percent between 1998 and 1999. In contrast, casual/contractual employment grew by 4.4 percent between 1996-1997. Though the figure went

Table 2. Number of Government Personnel by Major Subdivision, 1980 to

Major Subdivision	1980	1985	1990	1995	1996	1997	1998 ²	1999
Total	1,242,000	1,518,000	1,258,000	1,328,000	1,360,000	1,379,000	1,406,000	1,446,000
National Government ³	840,000	990,000	903,000	854,000	894,000	914,000	914,000	960,000
Government Owned/ Controlled Corporations	112,000	132,000	128,000	120,000	112,000	97,000	127,000	95,000
Local Government	145,000	198,000	227,000	354,000	354,000	368,000	365,000	391,000
Provincial	36,000	53,000	---	---	---	---	---	---
Municipal	48,000	66,000	---	---	---	---	---	---
City	61,000	79,000	---	---	---	---	---	---
1999 ¹								

1- By five-year interval until 1995 and annually thereafter.

2- Projected.

3- National schools and state universities/colleges included.

Source: Civil Service Commission in 2001 Philippine Statistical Yearbook, National Statistical Coordination Board.

Table 3. Structure of Public Employment, 2001

	Total Employed in Civilian National Government	Number
Total Public Employment		1,531,430
GOCC/GFI		90,641
General Government		1,440,789
Armed Forces		124,696
Total Civilian National Government		971,517
Education	543,941	
Health	26,625	
Police	111,743	
Civilian National excluding education, health, and police	289,208	
Total LGU		344,576

Source: Senate Economic Planning Office, 2005.

Table 4. Number of Government Personnel by Region, 2001

Region		Number
Philippines		1,398,372
NCR	National Capital Region	45,0962
CAR	Cordillera Autonomous Region	26,436
1	Ilocos Region	66,038
2	Cagayan Valley	56,914
3	Central Luzon	101,339
4	Southern Tagalog	133,614
5	Bicol Region	88,972
	Luzon	924,275
6	Western Visayas	97,292
7	Central Visayas	93,992
8	Eastern Visayas	44,591
	Visayas	235,875
9	Western Mindanao	65,349
10	Northern Mindanao	43,154
11	Southern Mindanao	44,203
12	Central Mindanao	22,625
13	Caraga	23,651
ARMM	Autonomous Region in Muslim Mindanao	39,240
	Mindanao	238,222

Source: Philippine Statistical Yearbook, National Statistical Coordination Board. "Civil Service Commission in 2003."

down to a negative 1.7 percent between 1997-1998, casual/contractual employment went up by nine percent between 1998 to 1999, compared to the two percent growth in regular employment during the same period.

Table 6 indicates that females accounted for a majority (53%) of employees in the public sector. This implies that women worker issues, i.e. child care, parental leave, extended pregnancy, disability benefits, flexible or reduced work hours and shifts, pay equity, safety problems, career development, and sexual harassment, must be given emphasis in collective negotiations.

Controlling Growth in Government Size

According to Mangahas (1993), a confluence of factors determines government growth and size, namely: fiscal/financial reasons, political factors, institutional/structural pressures, dependency in the world economy, and demographic factors. In the Philippines, all these factors, except political factors (frequency of elections, 'political patronage'), significantly determine the size of the public sector. Results of regression tests in his study made him conclude that public sector employment and government spending tend to rise with the country's gross domestic product and government income (fiscal/financial factors) and the employed labor force (institutional/structural pressures).

Mangahas further notes that the major administrative reforms in the past, with staff reduction among the thrusts, were ill-planned and unsuccessful. The Integrated Reorganization Plan (IRP) in the early 1970s, for example, resulted in massive layoffs of government workers who were eventually replaced in greater quantity, in addition to duplication and redundancy of government offices. Another massive layoff took place after the EDSA revolution in 1987 although clear guidelines for staff reduction were absent. The 1988 early retirement, according to Mangahas, was another failure because: (1) few availed of the program, (2) the number of positions abolished was negated by the creation of more staff positions, and (3) the program lost many competent personnel to the private sector. In 1992, the Attrition Law was enacted as a cost-cutting and personnel reduction scheme to address claims that the Philippine public sector is bloated. The Ramos administration's orientation towards less government and more private initiatives through further liberalization, deregulation

Table 5. Number of Government Personnel by Major Subdivision, by Status of Appointment, 1996 to 1999

Major Subdivision	Regular Positions			Casuals/Contractuals				
	1996	1997	1998 ¹	1999	1996	1997	1998 ¹	1999
Total	1,192,614	1,204,217	1,260,763	1,287,651	167,046	174,427	144,805	157,847
National Government	849,337	865,254	---	914,202	44,719	48,697	---	45,764
Government Owned/Controlled Corporations	90,087	77,343	---	77,569	21,620	19,799	---	17,402
Local Government	253,190	261,620	---	295,880	100,707	105,931	---	94,681

¹ Projected

Source: Civil Service Commission in 2003 Philippine Statistical Yearbook, National Statistical Coordination Board.

Table 6. Number of Government Personnel by Major Subdivision, By Sex (1996 to 1999)

Major Subdivision	Female			Male				
	1996	1997	1998 ¹	1999	1996	1997	1998 ¹	1999
Total	728,465	741,808	758,985	765,609	631,195	636,836	646,243	679,889
National Government	527,597	537,378	---	568,263	366,459	376,573	---	391,703
Government Owned/Controlled Corporations	39,271	36,013	---	31,559	72,436	61,129	---	63,412
Local Government	161,597	168,417	---	165,787	192,300	199,134	---	224,774

¹ Projected

Source: Civil Service Commission in 2003 Philippine Statistical Yearbook, National Statistical Coordination Board.

and privatization resulted in the reduction of government employees by over 300,000 (COURAGE, www.skyinet.net/~courage).

Despite the reengineering and administrative reforms undertaken by the government through the years, it still fails to reduce and control the growth of the public sector (as indicated in Table 1). Whether the administrative reforms were undertaken comprehensively and strategically is another matter requiring study. Nonetheless, Mangahas (1993) pointed out that any administrative reform to curb the bureaucracy should be a product of an extensive, careful, elaborate, innovative, and deliberative method; that avoids dismissals; involves periodic assessment of administrative operations and office mechanization; having the commitment of the entire political system; and with wide acceptance and support.

The declining ratio of government employees per 100 citizens can be viewed in Table 1. The same trend holds true as regards the proportion of government employees to the total employed labor force. What is the relevance of the data on the ratio of government employees per 100 population? Using 1990 data, Mangahas (1993) argued that the size of the Philippine public sector (2.5 government employees per 100 citizens) "is appropriate or 'just right' (or even small) especially when related to growing administrative demands and pressing socioeconomic problems of the nation." He went on to stress that the Philippine bureaucracy is not as big as it is commonly said to be.

The findings of Mangahas' study, although done in 1993, deserve serious attention. The study emphasized that -

"Before any action is taken to control government growth, there must be some norm of correct size against which the observed size can be measured. The largeness of the bureaucracy cannot be defined without a concept of normal size."

An updated follow-up on Mangahas' study is therefore relevant in the advent of Executive Order 366.

Unionization in the Public Sector

The promulgation of EO 180 in June 1987 enabled employees in the public sector to exercise their right to unionize and negotiate collectively, albeit limited in terms of the scope of bargaining. Data from the Bureau of Labor Relations (BLR) indicate the steady growth of unions from 29 with about 29,000 members in 1987 to 1,358 unions with membership coverage of about 264,000 as of September 2004 (Table 7), despite the uneven and often fluctuating trend of employment growth (and decline) in the public sector as reflected in Table 1.

Table 7. Public Sector Unions in the Philippines (1987-September 2004)

Year	Number	Growth Rate (%)* (1987 as base year)	Members (000)	Growth Rate (%)* (1987 as base year)
1987	29		29	
1988	79		51	
1989	139		73	
1990	192	63.0	96	35.0
1991	238		108	
1992	295		113	
1993	345		122	
1994	382		129	
1995	431	33.6	136	14.3
1996	466		143	
1997	499		146	
1998	558		150	
1999	621		161	
2000	691	24.4	177	10.8
2001	943		209	
2002	1,150		237	
2003	1,282		253	
2004 Sept	1,358	22.6	264	10.6

*Exponential growth rates computed based on natural logarithms of positive real numbers.

Source of basic data: Bureau of Labor Relations, Department of Labor and Employment.

Table 7 shows that there are 264,000 union members in the public sector as of September 2004. Assuming that the total number of government employees in the public sector is 1,478,000,

then about 18 percent of total public sector workers are union members. Going back, if we had 1,287,651 regular government employees in 1999 (the only available data that the researchers were able to get), 12.5 percent of all regular employees during the period were unionized. Table 7 also indicates that in a span of 17 years (from 1987 to 2004), the number of public sector unions grew by 22.6 percent per year. Membership coverage, meanwhile, grew by 10.6 percent per year.

In terms of sectoral distribution of registered and accredited unions, about a third of all registered unions were accredited. Around 39 percent of all registered unions came from national government agencies (NGAs) as of June 2002 (Table 8). In terms of accredited unions, however, those in government owned and controlled corporations (GOCCs) accounted for the highest number at 42 percent compared to those in the NGAs at 34 percent. This implies that there were more accredited unions in the GOCCs among the registered compared to those in the NGAs. Accreditation grants a registered employees' organization the privilege of being the sole representative of employees on collective negotiation with management.

Table 8. Registered and Accredited Unions, As of June 2002

Sector	Registered Unions	% to Total	Accredited Unions	% to Registered
NGAs	414	39.0	141	34.0
Lugs	366	34.0	104	28.0
GOCCs	143	13.0	60	42.0
SUCs	149	14.0	41	28.0
TOTAL	1,072		346	32.0

Source: Civil Service Commission.

Registered unions in the NCR accounted for about 29 percent of all unions registered (Table 8), followed by those in Southern Tagalog (11%), and Southern Mindanao (8%). About 47 percent of all registered unions in the NCR were accredited, followed by those in Central Luzon (40%), Central Mindanao (36%), Central Visayas (35%), and Eastern Visayas (32%). These data suggest that there were more unions in the Visayas and Mindanao that got accredited compared to their counterparts in Luzon.

The CSC reported that as of June 2002, a total of 59 unions (or about 5% of all unions) have Collective Negotiation Agreements (CNAs), 32 or 54 percent of which were located in

the NCR. Of the 249,702 career rank-and-file employees who were union members, 106,121 or 42.5 percent were members of accredited unions. A total of 23,917 government employees were covered by accredited unions with registered CNAs. The figure is dismal as only 9.6 percent (not even 10%) of total union members were covered by CNAs during the period. With the signing of EO 366, public sector unions anticipate further difficulty and more constraints in organizing employees in the public sector. The latest statistics from the Bureau of Labor and Employment Statistics (BLES) of the Department of Labor and Employment show that in 2004, there were 51 CNAs in existence covering 18,000 workers; while in 2004 (January to September), this went down to 47 CNAs with only 16,000 employees covered.

II. Issues and Concerns of Public Sector Unions: A Summation of Union Reactions

A key issue facing the public sector is the impending **RATIONALIZATION OF THE BUREAUCRACY** through Executive Order (E.O.) 366. Signed last October 4, 2004, E.O. 366 entitled "*Directing a strategic review of the operations and organizations of the executive branch and providing options and incentives for government employees who may be affected by the rationalization of the functions and agencies of the Executive branch*" is the latest of numerous E.O.s effected to streamline the operations of government agencies.

Although the government reassures that there will be no forced layoffs and employees who will opt not to leave the service will be placed in other offices, this has not lessened the criticism of public sector unions such as the Confederation of Independent Unions (CIU), PSLink, Alliance of Concerned Teachers (ACT) and Association of Health Workers (AHW) against E.O. 366.¹ Their disapproval to the rationalization order is summed up in the following reactions:

¹ Interview with Danilo Ricaflanca, General Secretary and Rene Ilagan, Executive Coordinator, Confederation of Independent Unions (CIU), interviewed on October 19, 2004 at UP-SOLAIR; Annie Geron, General Secretary - PSLink, interviewed on October 19, 2004 at PSLink; Flora Arrelano, President-ACT, interviewed on October 20, 2004 at the Polytechnic University of the Philippines; Emma Manuel, President of the Association of Health Workers, interviewed on October 21, 2004 at the Tondo Medical Center; and Antonio 'Tonchi' Tinio, Chairman-ACT, interviewed on November 3, 2004 at the Faculty Center of UP Diliman.

First, the unions claim that they had not been consulted in the drafting of the said Executive Order despite its direct effect on the terms and conditions of employment of government workers. CIU and PSLink tried but did not succeed in getting their unions aboard the drafting process. The two unions along with ACT and AHW only had the chance to react to the E.O. after it was drafted and approved. And at that point, the unions believe there was not much that could be done to amend the E.O. Even the Implementing Rules and Regulations (IRR) still to be released then would obviously be based on the original provisions of E.O. 366.

Second, the unions believe that the Executive Order did not take into consideration the interest of the public especially the poor. CIU, ACT and AHW are concerned that the quantity and quality of public service delivery would further suffer because the streamlining process will result in a reduction of each department's budget. At the same time CIU, PSLink, ACT and AHW are harping at the lopsided proportion of resources allotted to foreign debt payments vis-à-vis those for basic public services like education, health and housing.

Third, although public sector unions agree that bureaucratic inefficiency and ineffectiveness are major issues that need to be addressed, they doubt if streamlining measures will solve these problems - considering how similar strategies failed in the past. To the unions, a leaner but underpaid workforce that is burdened with additional workload will not be able to provide better and more efficient and effective service. E.O. 366 also does not include any provision on adjusting the salaries of employees who will be retained in service although the idea has been mentioned by the Civil Service Commission and the Department of Budget and Management.

Statistically, a major retrenchment will impact heavily on the unemployment rate. Unemployment rate is now above 10 percent every year. And with around 420,000 jobs or 30 percent of the present number of public sector employees expected to go with the implementation of E.O. 366, according to reports reaching the unions, it means the Arroyo administration needs to create 420,000 more jobs on top of the promised 6-10 million to offset the layoffs from the streamlining program.

Fourth, according to the unions, the safety nets provided in E.O. 366 are not re-assuring for those who will be affected. The unavailability of funds at the Government Service Insurance System (GSIS) and the ballooning budget deficit do not bring hope to employees thinking of voluntarily leaving the service. However, the government assures that despite the doubts from the unions, retirement funds will be readily available to those who will be affected.

Neither does the aforementioned E.O. provide real options to other workers aside from resignation. The E.O. stipulates that it is possible for other workers to transfer to frontline agencies in need of additional personnel like the Department of Health (DOH) or the Department of Education (DepEd). Unfortunately, vacant positions, if any (considering there is another E.O. on streamlining in DOH), are most likely open only for doctors, nurses or teachers – professions that require specialized, not general competencies.

Lastly, rationalization will affect not only the workers but also their unions. Downsizing automatically reduces the number of union members. It can even dissolve a local union if an entire organizational unit is abolished. A similar situation will happen in case of a merger. A new agency will be created and will wipe out the unions previously existing in the offices that have been merged. Thus, unions and/or federations must organize anew and go through the whole process of registration and accreditation – “Back to square one again”, according to CIU and PSLink informants.

Other Recent Rationalization Orders in Government

Rationalization, streamlining or reengineering are not newly promulgated programs in government. Before E.O. 366 the following Executive Orders were issued to the following agencies:

1. E.O. 102 “Redirecting the functions and operations of the Department of Health” signed on May 24, 1999.
2. E.O. 339 “Mandating the rationalization of the operations and organization of the Sugar Regulatory Administration” signed on July 29, 2004.
3. E.O. 364 “Transforming the Department of Agrarian Reform into the Department of Land Reform” signed on September 27, 2004.

According to the Alliance of Health Workers (AHW), hundreds of jobs had already been abolished in the Department of Health after the devolution of the Department's functions to local government units when the Local Government Code was passed in 1991. It should be noted that aside from the DOH, the functions of the Department of Agriculture and Department of Social Welfare and Development were also devolved to the local government units by virtue of the same Code.

After this devolution program came Executive Order 102 that caused another wave of job reductions in the health sector, according to AHW President Emma Manuel. E.O. 102 re-directed the functions of the DOH from that of being a health provider to becoming the 'national technical authority on health'. As such, DOH was tasked in setting the health standards for all private, LGU or NGO health providers. Furthermore, as a result of E.O. 102, the structure of DOH and its human resources complement changed. DOH no longer directly operated government hospitals. This effectively downsized the number of hospital-based employees.

On the other hand, E.O. 339 (number 2 above) directed the Sugar Regulatory Administration to revise its 'organization structure and staffing pattern' resulting in reduction of positions and corresponding funding for personal services

E.O. 364 (number 3 above) ordered the placement of the Presidential Commission on the Urban Poor (PCUP) and the National Commission on Indigenous Peoples (NCIP) under the Department of Agrarian Reform (DAR). Consequently, DAR has been re-named Department of Land Reform (DLR).

The three aforementioned executive orders targeted only specific government departments. Compared to them, E.O. 366 is perhaps the most serious threat to the employment of public sector workers because it concerns almost all government offices.

Other Issues of Government Workers

Even as there is E.O. 366, government employees still have to contend with other issues in their workplaces - some as simple as lack of office supplies, while others grapple with the challenges of flexible work and liberalization.

Public school teachers in the primary, secondary and tertiary levels have basic issues. Their problems include poor working conditions, i.e. the lack of classrooms, chairs, tables and teaching implements; low salary; excessive number of students per class; health problems resulting from fatigue and overwork; and contractualization/part time work arrangements. According to ACT, the cause of these problems is the small budget allocated to the education sector. To ACT, this is a reflection of the lack of priority given to education by past and present administrations.

PRIVATIZATION of government assets is also an issue not only of teachers, but public sector unions in general. President Aquino started the privatization of profitable government agencies in the belief that the private sector would be able to manage them more effectively. However, unions lament that despite the fact that former President Aquino's claim has not been proven, the government continues to privatize its agencies.

Public sector unions like CIU, ACT and AHW would like to put a stop to privatization because they believe that the State has a duty to provide quality public services to its citizens.

Like rationalization, privatization poses serious threats to public sector unions because it dissolves unions and weakens the movement as a whole.

Need for an environment conducive to union formation

For public sector unions to continue their mission, new unions must be formed and sustained. To realize this, unions not only need resources (personnel, funds, etc.). They also need an environment conducive to union formation and perpetuation.

In the Philippines, Executive Order 180 guarantees the right of government employees to self-organization and provides the policy environment that allows them to conduct labor relations activities. It provides the legal framework for the exercise of public sector unionism in the country. E.O. 180 distinguishes who could join the union, describes the process of registration, recognition/accreditation, certification election, dispute settlement, and working relationship of the Personnel Relations Office.

E.O. 180 also created the Public Sector Labor-Management Council (PSLMC) which administers, promulgates and implements the Executive Order's rules and regulations. The PSLMC has issued several resolutions amending some provisions of the first Executive Order notably on the number of members required to form a union (20 % to 50% to 10% and now 30%) and the definition of what constitutes an organizational unit within which a union may be formed. In the original Implementing Rules and Regulations (IRR), representatives from the labor sector could now also sit in the Council as observers, but without voting rights.

Some amendments to EO 180's IRR introduced in September 2004 are viewed by public sector unions as additional attempts by the government to further curtail the union rights of public sector employees. Notable of these amendments according to CIU, is the increase in the minimum number of employees' signature required for registration purposes — from 10 percent to 30 percent. Another highly contested amendment is the "revised" definition of an "organizational unit." Prior to the 2004 amendment, regional offices of departments, line bureaus, and attached agencies can be separate organizational units. Now, national government agencies together with their regional offices are considered a single population, with the added proviso that 30 percent of the employees' signature is needed for a union to become registered. These amendments make union organizing all the more difficult. An editorial in the PSLINK's newsletter *PSLINKAGES* says that the EO 180 IRR 2004 amendments pave the way for an institutionalized union busting scheme in the public sector (Geron, 2005: 4).

Nonetheless, there were also amendments to E.O. 180's Implementing Rules and Regulations (IRR) that addressed its earlier limitations. Rule III provides the rights and conditions of membership in an employees' organization. Rule XVI defines unfair labor-management practices on the part of the agency and on the part of the employees' organization. Rule XVII defines and indicates both the procedure and remedies for resolution of intra-employees organization disputes. These provisions were lacking in the original IRR of the E.O.

Notwithstanding the amendments made by PSLMC in the rules and regulations, public sector unions like CIU, PSLink, ACT and AHW hope that the following recommendations modifying **EXECUTIVE ORDER 180** will be considered by the Council:

1. On accreditation, unions pray for the abolition of the certification election (CE) requirement in case there are two or more registered unions in the organizational unit. CEs divide the workers giving rise to intra-union problems. Unions believe that instead of a CE, a compromise agreement between and among the unions on collective negotiations and grievance representation would be a better arrangement that could be worked out by them.
2. On collective negotiations, the unions would like management to have the authority to decide on the terms of the negotiation agreement without the intervention of the Commission on Audit and Department of Budget and Management.

Further, unions want to be allowed to negotiate issues such as increase in salary emoluments and other allowances, rice, sugar and other subsidies plus other economic benefits requiring government funds.

3. Employees through their unions want to be formally represented (with voting rights) in the PSLMC.

After having laid down the concerns and issues of public sector unions on E.O. 366 and other rationalization programs, privatization and survival of unions in the sector, the anxiety of workers organizations toward the present predicament of civil servants is evident. Aside from E.O. 366, there are other E.O.'s, three of which were cited previously that workers are still trying to contend with. At the same time, occupational groups like teachers in primary to tertiary levels grapple with basic day-to-day concerns related to working conditions.

Unions on the whole must cope with the reality that the number of present and future members will be further reduced. Higher membership requirements for union registration and accreditation are daunting challenges for union leaders.

III. Legislative Initiatives on Public Sector Labor Relations

One of the most effective means of advancing the interest and improving the plight of workers is passing labor-friendly laws that withstand the passage of time and change in government leadership. Below are some pending bills in Congress dealing with public sector labor relations:

1. House Bill No. 798 "An Act Establishing a Civil Service Code of the Philippines and for other Purposes" authored by Representative Harlin Cast. Abayon.

This Bill has 252 sections. *Personnel Relations in the Civil Service System* is found under Title II. It deals with the following:

- Chapter 1 - Personnel Relations
- Chapter 2 - Employee Organization
- Chapter 3 - Settlement of Disputes
- Chapter 4 - Public Sector Labor-Management Council
- Chapter 5 - The Right to Strike

2. House Bill No. 81 "An Act Establishing a Civil Service Code of the Philippine and for other Purposes" authored by Representative Juan Edgardo "Sonny" M. Angara.

This Bill is the same as the first except that it is known as the "Philippine Civil Service Code of 2004" whereas the latter is "Philippine Civil Service Code of 2002".

One of the more important provisions under *Personnel Relations in the Civil Service System* is Section 132 *Public Sector Labor-Management Council (PSLMC)*. The two mentioned Bills are proposing to include in the PSLMC four (4) employee representatives, one each from National Government Agencies (NGAs), Government-owned and Controlled Corporations (GOCCs), Local Government Units (Lugs), and State Colleges and Universities (SUCs). They will serve for a term of two (2) years once chosen as representatives of the employee organizations concerned.

The aforementioned Bills (1 and 2) likewise recognize the right of accredited employee organizations to stage strikes provided that a skeletal workforce will continue to render public service in the affected agency. Rank and file employees in the agency may join the strike and shall continue to receive pay while on strike. However, the following government employees are prohibited from exercising said right:

- Defense and security services including officers and employees of the Armed Forces of the Philippines, police, fire protection, jail management and those engaged in the custody of prisoners and detainees;
- Medical and allied services including doctors, nurses, medical therapists and paramedics;
- Public utility services such as power and water supply, transportation, air traffic controllers, radar and radio controllers, lighthouse keepers and harbor pilots; and
- Other services to be determined by the Commission taking into consideration public service and national interest.

3. House Bill No. 1403 "Defining and Guaranteeing Public Sector Unionism in the Philippines and for Other Purposes" authored by Rep. Roseller Barinaga.

This Bill prescribes to government employees the right to self-organization, collective negotiations, and the right to strike. However, HB 1403 prohibits the members of the Armed Forces of the Philippines (AFP), Philippine National Police (PNP), personnel of the Bureau of Fire Protection (BFP) and the Bureau of Jail Management and Penology (BJMP), through their union from undertaking a strike or cause temporary work stoppage.

4. House Bill No. 2531 "Defining and Guaranteeing Public Sector Unionism in the Philippines and for Other Purposes" authored by Reps. Crispin Beltran and Rafael Mariano.

In contrast to the previous Bill with the same title, this Act provides all government employees with the right to strike or to cause temporary stoppage of work on

the following grounds (all the same as HB 1403 except for No. 7 which is a prohibited ground):

- 1) Deadlock in collective bargaining agreements;
- 2) Violations of any of the rights recognized and guaranteed by this Act;
- 3) Violation of the merit system and the right to security of tenure;
- 4) Non-implementation of statutory benefits;
- 5) Unhealthy and unsafe working conditions;
- 6) Graft and corruption in their respective government officers;
- 7) Secure changes or modifications in the terms and conditions of their employment.

Unlike in the private sector, the laws governing employment in the public sector have not yet been compiled in a single document similar to the Labor Code. Thus, one has to search and sift through different documents in order to know, for example, terms and conditions of employment. The first and second bills try to address this problem by proposing the establishment of a Civil Service Code which will contain all the applicable laws and rules.

The third and fourth bills, on the other hand seek to enhance public sector unionism by guaranteeing the workers' right to self-organization, collective bargaining and strike (except for some types of workers). Presently, government workers are not allowed to strike.

IV. Strategizing for Action – Some Recommendations on Strengthening Public Sector Unionism

Based on this study's review of secondary data and interview with public sector unions, the authors forward the following recommendations to strengthen public sector unionism in the country.

First, public sector unions are not opposed to reforms in government toward efficiency, professionalism and responsiveness. But after decades of administrative tinkering that involved massive personnel reduction, with the much sought reforms still remain unattained. The bureaucracy continues to grow along with public

antipathy toward government. In this light, reorganization or reengineering programs have thrown public sector workers and their unions on the defensive. Thus, efforts have been focused on developing strategies that would stem the tide of attack against public sector workers and their unions.

Rationalizing Government Size

As pointed earlier in this paper, any administrative reform should be a product of an extensive, careful, elaborate, innovative, and deliberative exercise that involves the major stakeholders. In rationalizing government size, it is worthwhile to revisit the recommendations put forth by Mangahas (1993). Professor Mangahas as earlier mentioned, conducted a study on the size, growth and rationalization of government bureaucracy in the country. Based on his research findings, he presents the following recommendations:

1. There must be a law that restrains administrative expansion by stipulating the upper limit on the total number of staff of departments and agencies.
2. Reductions of personnel must be carried out gradually over a period of 10-15 years. The identification of where reductions should be made are left to individual agencies to decide.
3. There should be continuous review of work load and personnel performance.
4. There should be continuous and regular assessment and review of staff requirements. This can be done by the CSC.
5. Administrative reorganization should focus on abolishing irrelevant government offices and programs. Offices with overlapping functions may be merged. GOCCs which have low profitability and too costly to operate may be privatized.
6. There is a need to simplify administrative procedures, especially in revenue collection, registration, and issuance of licenses and permits.

It would be worthwhile for the government to look into the above suggestions of Prof. Mangahas considering that even before E.O. 366, past administrations – Roxas, Magsaysay, Marcos, Ramos and Aquino –implemented some kind of streamlining program,

but were not able to create a more efficient and effective organization.

An important thing to stress is that dismissals, as much as possible, should be avoided. Instead, personnel reduction should be by attrition. Transfer of a worker to a post counter to her/his wishes should be avoided. And in order for administrative reforms to gain wide acceptance and support, public sector employees and their unions should be involved in the planning, implementation and evaluation process. Mass media should actively and regularly cover reform developments.

**Box 1: Seven Perennial Design
Challenges—A Union Perspective: A
Summary**

1. Be sure to let union leaders know, at the outset, that the World Bank welcomes their input.
2. Begin consultation process at the earliest opportunity.
3. Encourage "bottom up" involvement by unions representing affected employees.
4. Ensure client governments understand that union involvement will be part of the process.
5. Anticipate and accept that there will be resistance to retrenchment by unions.
6. Be, at all times, open to their input and let them know that if they have a better idea, you will work for its acceptance.
7. Be sure that unions receive positive reinforcement for constructive contributions to the overall program.

Source: John Fryer: Prepared for a World Bank Seminar on Public Administration: Challenges and Options: May 4, 2004; cited in Policy Insights, 2005.

The participation of unions in the design of a rationalization program should not be neglected. Even the World Bank stresses the significance of integrating unions into the process and giving consideration to their suggestions. In line with this, Fryer (2004) proposed the inclusion of a union perspective in any reorganization program (Box 1).

Like Mangahas, Fryer's proposal highlights the need for an all-inclusive, bottom-up union perspective in the design and implementation of any government rationalization program.

Revitalizing public sector unions

How can public sector unions participate in the rationalization initiative in their workplace in view of EO 366? Representation and participation could be addressed by involving unions in the *Change Management Team (CMT)*. The creation of a CMT is expressly stated in the IRR of E.O. 366. This group plays a pivotal role in a rationalization program since it is tasked to conduct a strategic review of the operations and organizations of respective departments and then prepare the plan and implement it. Thus, unions should emphasize their right to get involved in the CMT and take this as an opportunity to participate in the decision-making process.

Public sector unions should also continue to push for local union-nominated directors in the Boards of government agencies, in GOCCs, and in SUCs. Bryon, in his paper entitled *Public Sector Unionism: A Proposed Reconfiguration (undated)*, argued that if consultation (and representation) is seriously considered, it must have a measure of permanency by being provided in the law. In this light, the status of union representation in the Public Sector Labor-Management Council (PSLMC) needs to be given more flesh and muscle.

More importantly, public sector unions need to revitalize their organizing strategies to effectively deal with the tide of attack that each reorganization plan brings to the ranks of government employees. Public sector unions, like their counterparts in the private sector, are faced with problems in organizing. The increasingly popular ideology of smaller governments, government rationalization and streamlining, devolution of government, privatization, public antipathy toward government workers, and growing opposition of employers to union organizing are the major challenges confronting public sector union organizing in the Philippines. To address these challenges, public sector unions must develop a more aggressive grassroots organizing strategy. This strategy, according to Juravic and Bronfenbrenner (1998: 269), involves a focus on person-to-person contact, rank-and-file leadership development, and escalating internal and

external pressure tactics from the very beginning of the organizing campaign Juravic and Bronfenbrenner propose the following strategies in increasing unionization rate and membership commitment to unionism:

- Using small group meetings to develop leadership
- Conduct of house calls by rank-and-file volunteers from already organized units
- Use of solidarity days, community-labor coalitions
- Building for the first contract (CNA) during the organizing campaign by conducting one-on-one survey of proposals
- Establish a bargaining committee before election
- Stewards elected
- Union conducted orientation
- Regular membership meetings
- Regular newsletters
- Grievance victories and losses publicized
- Stewards trained to organize around grievances
- Staff representative frequently visits workplace
- Internal organizing on meeting agenda
- Dignity and fairness as primary issues

Similar to their counterparts in the private sector, a culture of organizing should permeate every activity and structure of the public sector union. Bronfenbrenner and Juravich (1998) opined that this culture of organizing involves a serious commitment of staff and financial resources to organizing, the involvement of the international in local campaigns, and the training, recruitment and effective utilization of rank-and-file volunteers from already organized bargaining units.

Public sector unions in the Philippines may also get useful lessons from the experience of Korean white collar unions in establishing a collective struggle committee to create inter-union solidarity. To advance coalition within federations, the Korean white collar workers established collaborative struggle committees comprising of union leaders in different affiliated enterprise unions (Suh, 2003). The committee set common agenda advancing both pecuniary and social reform demands, educated the members on the importance of shared agenda, devised strategy, and propogandized the legitimacy of collaborative struggle to the public. Collaborative struggle committees may also be venues for public sector unions to come together and lobby for the enactment of pending bills in Congress on public sector labor relations that

are most favorable to government employees and their organizations. The pursuit of dialogue within and between unions in the public sector is possible within collaborative struggle committees. According to Hyman (1999: 112), "organic" solidarity within and between unions requires the development of internal social dialogue, because "unions are discursive organizations which foster interactive internal relationships and serve more as networks than as hierarchies." Collaborative struggle committees are venues for internal social dialogue within and between unions.

On what level would public sector unions gain the most advantage in negotiations? Brion* believes that the regional office level offers more advantages because the Regional Director is vested with direct authority to decide on most of the negotiable items under E.O. 180 and has discretionary authority to deal with other local concerns. Collective negotiations at the regional level can be most productive considering the number of covered employees and the negotiable items that can be negotiated with finality. The right of association, undoubtedly, is still most effective at the provincial, district or local office. On the issue of which government office is the most appropriate to deal with public sector union registration and accreditation, the authors agree with Brion that it is the Civil Service Commission.

As regards the subject of negotiation, themes of crucial relevance for contemporary trade unionism – flexibility, security, and opportunity – as Hyman (1999) stressed, deserve serious consideration, apart from wages and welfare issues. Flexibility should have an alternative worker-oriented meaning – as 'humanization of work'. Hyman argued that a worker-oriented concept of flexibility means "the human-centered application of technologies, adoption of task cycles and work speeds to fit workers' own rhythms, and introduction of new types of individual and collective autonomy in the control of the labor process. To enhance security, unions may focus on employability which could be made central to union policy to address occupational interests of all public sector employees, whether organized or unorganized. Hyman (1999) mentioned the argument for employability; "that individuals can no longer anticipate unbroken employment within a single organization but can avoid labor-market vulnerability by acquiring valued competencies (including adaptability)." Thus, unions' demands should also include individual entitlements to education and training (and up skilling) and flexible opportunities

* Date of article not specified.

to benefit from these throughout the working life. Finally, unions should work toward the enhancement of the opportunity structure by pushing for career advancement and self-directed occupational mobility.

Conclusion

Clearly, despite the introduction of a number of administrative reforms aimed at curbing the Philippine bureaucracy that often resulted in massive reduction of government personnel, public sector unions continue to grow in number and in membership coverage. This doesn't mean, however, that public sector unions do not face difficulty in an era where the ideology of smaller governments is increasingly becoming popular. Government rationalization and streamlining, massive privatization, devolution of government, and public antipathy toward government workers have rendered organizing in the public sector more difficult and challenging.

The traditional top-down servicing model of unionism which most unions adhere to is woefully inadequate in addressing the challenges faced by public sector unions today. Union revitalization requires the utilization of grassroots rank-and-file intensive union-building strategy that builds in the campaign for the first contract (CNA) into the original organizing process. Experiences of public sector unions in other countries which utilized a more grassroots rank-and-file union-building strategy gained significant successes in organizing, winning elections, and contract negotiation. It should be noted that accreditation and certification win rates, first contract and membership votes are the best measures of success or failure in organizing campaigns. Moreover, massive new organizing of unorganized workers is necessary to achieve substantive pro-public sector union legislation.

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