

**Philippine Journal of Labor  
and Industrial Relations**  
Volume 37, 2020

**Philippine Journal of Labor and Industrial Relations**  
**Volume 37 • 2020**  
**ISSN 0115-6373**

**Issue Editor**

Benjamin B. Velasco

**Advisory Board**

Melisa R. Serrano, PhD

Ronahlee A. Asuncion, PhD

Rene E. Ofreneo, PhD

**Managing Editor**

Vera Eileen V. Pupos

**Editorial Consultant**

Cecilia Ibay

**Editorial Staff**

Rowena D. Melican

**Circulation Manager**

Rosalie P. Sebastian

**Correspondence**

The *Philippine Journal of Labor and Industrial Relations* is a refereed journal.  
Please send manuscripts to the Issue Editor.

**Editorial Address**

The UP School of Labor and Industrial Relations

Bonifacio Hall, Emilio Jacinto St.

University of the Philippines, Diliman Campus, Quezon City 1101

Tel/Fax +63-2-8920-7717

**How to Receive the PJIIR**

To receive the PJIIR, please contact the circulation manager at [solair@upd.edu.ph](mailto:solair@upd.edu.ph)

© 2020 by the UP School of Labor and Industrial Relations

All rights reserved.

Printed in the Philippines

*The views expressed in the articles are those of the authors and do not necessarily reflect the views of the publisher and the editors.*

# Philippine Journal of Labor and Industrial Relations

Volume 37 • 2020

## Contents

Preface	v
The Impact of the COVID-19 Pandemic on the Construction Industry in the Philippines <i>Melisa R. Serrano and Rolly Czar Joseph Castillo</i>	1
Policy Reforms in Philippine Social Protection and Labor Systems Beyond COVID-19 <i>Emily Christi A. Cabegin</i>	45
TQM and ISO 9001 Adoption at the Authority of the Freeport Area of Bataan <i>Patrick C. De Leon</i>	76
Trade Unions and NGOs in Malaysia: Contentions and Collaboration in Organizing Migrant Domestic Workers <i>Verna Dinah Q. Viajar</i>	92
Do we have Policies on Dealing with Problem Pay Rates? <i>Virgel C. Binghay</i>	121
Ambition, Cooptation, and Betrayal in the Formative Years of the Philippine Labor Movement <i>Lorenzo B. Ziga</i>	146
Gains and Challenges in Implementing a Principles-based Inclusive and Business Sustainable Corporate Social Responsibility in the Philippines <i>Mary Leian C. Marasigan and Verna Dinah Q. Viajar</i>	172
Employment Situation, Challenges and Opportunities: The Case of Persons with Disabilities <i>Virgel C. Binghay</i>	194

Discrimination and Exploitation through On-the-Job Training and Hiring: The Case of the “Non-Elite” Seafarers in the Filipino Maritime Industry <i>Dawn Moran</i>	238
Is Surging Asia Sustainable Amidst Fracturing GVCs and Soaring Inequality? <i>Rene E. Ofreneo</i>	275
Workers’ Fighting Mood and the Cycle of Labor Conflict at Philippine Airlines from 2009 to 2019 <i>Benjamin B. Velasco</i>	296

## **Preface**

### Disruptions in the work places and the labor market

Disruption has been one of the buzzwords in recent years. At times it is taken in the positive sense while at other times, it has a negative connotation. Interestingly, it sometimes refers to both the destructive and creative sides of a process of unsettling the conventional ways of doing things. The International Labour Organization's 2015 "Guidelines for a just transition towards environmentally sustainable economies and societies for all" mentions that workers and employers must be resilient enough to withstand the disruptions in the economy generally and the labor market specifically. Other than climate change, automation and digitalization also threaten to disrupt workplaces and labor markets.

Nonetheless, 2020 arguably saw the biggest disruption yet with the onset of the COVID-19 pandemic. The global economy shrank and the GDP of many countries tanked. The Philippine economy suffered its worst recession since the Second World War. Workplaces had to abruptly shift to work-from-home arrangements. Firms which could not adapt simply shuttered and furloughed or laid off their workers. Even social interactions were disrupted as stay-at-home orders, lockdown protocols and mobility restrictions were enforced. In many cases, these were done through draconian means that sidelined guarantees of both civil liberties and labor rights.

Undoubtedly, the COVID-19 pandemic, climate change and the fourth industrial revolution are the key drivers of disruptions in the labor market and workplaces in the country and elsewhere. Thus, the theme of disruption permeates the compendium of articles in the current issue of the Philippine Journal of Labor and Industrial Relations. The fact that the 2020 issue is coming out a year late is already a testament to the disruptive impact of the pandemic on the academe and research.

The first two articles in this issue deal specifically with the impacts of the pandemic.

Melisa R. Serrano and Rolly Czar Joseph Castillo looked at the disruptions in the construction industry brought about by COVID-19 and the lockdowns in the Philippines. Employing a mixed method approach, the study examined the impact on jobs, wages, working conditions and

occupational health and safety. Data for the study were culled from responses of workers, employers as well as aggregated data available from government statistics. Not surprisingly, the research found significant disruptions in the jobs and wages of construction workers surveyed. Further the study assessed the prospects of unionization in construction industry in the wake of the pandemic.

The other article directly tackling the pandemic is Emily Christi A. Cabegin's policy paper that proposed a suite of responses to mitigate the impacts of COVID-19 and other similar disruptors on the most vulnerable sections of the Philippine population. The paper probed the lopsided effect of the pandemic on informal workers, unemployed youth and the elderly without pensions. On that basis, Cabegin recommended several urgent policy reforms covering the gamut from social protection to labor market interventions. Among these were interesting proposals on social pensions and unemployment insurance.

The rest of the articles in the present issue reveal aspects of disruption in different contexts.

Patrick C. de Leon evaluated the Authority of the Freeport Area of Bataan's (AFAB) adoption of total quality management and ISO 9001. The research, which was conducted just before the onset of the pandemic, uncovered issues about the implementation of these innovative techniques for improving operational processes and human resources. The study concluded with two major recommendations on responding to the disruptions created in the traditional work methods and procedures of AFAB.

Verna Dinah Q. Viajar investigated the cooperation and also conflict between trade unions and labor non-government organizations (NGOs) in organizing migrant domestic workers in Malaysia. Organizing of domestic workers seeks to disrupt the common view that they are excluded from employment relations and social security. While unions and NGOs collaborate in responding to human rights abuses of domestic workers, the research exposed tensions between the groups due to their differing organizing strategies. To analyze the problem of alliances between unions and NGOs, Viajar used Gramsci's concept of hegemony.

Virgel C. Bingham studied the presence of problem pay rates in several companies in the Philippines. Problem pay rates are salaries that do not

conform to the intended pay of employees. They are disruptive of the pay structure and need to be resolved. Using a two-step survey of 148 participants, his exploratory research probed whether the respondents' companies have policies in place to tackle problem pay rates and, moreover, an appeal process to curtail these disruptive issues.

Lorenzo B. Ziga's research sought to re-assess the fortunes of the Union Obrero Democratica, later renamed Union Obrero Democratica (UOD) Filipina, under the leadership of Dominador Gomez. The UOD is the first labor federation in the county and was founded by Isabelo delos Reyes. By looking at the various historical accounts of the early colonial period, Ziga provided evidence linking Gomez's personal ambitions to the capture of resistance leader Macario Sakay. Ziga's re-reading of the history of the Philippine labor movement in the colonial period is arguably disruptive of the conventional narrative.

Mary Leian C. Marasigan and Verna Dinah Q. Viajar appraised the innovative project called Principles-based Inclusive Business Sustainable Corporate Social Responsibility (PBIBS CSR), a tripartite collaboration between the groups Employers Confederation of the Philippines, Federation of Free Workers and the Danish Trade Union Development Agency. The project explicitly wanted to disrupt the traditional practice of CSR by pioneering a collaboration between unions and firms founded on principles, inclusivity and sustainability. However, Viajar and Marasigan saw difficulties in implementing PBIBS CSR and proposed remedies to the issues.

The second article by Binghay scrutinized the challenges and opportunities in the employment situation of persons with disabilities (PWDs) in the country. Despite the existence of enabling laws, the paper found that PWDs continue to suffer discrimination that prevents them from enjoying a full life at work and in the community. To disrupt this status quo and remediate the gaps, Binghay recommended a detailed set of interventions that could be done by the traditional industrial relations actors and also new stakeholders such as the academe and civil society.

Dawn Moran investigated the plight of what she termed as "non-elite" maritime cadets and seafarers, who are students enrolled or graduates of second-tier maritime schools without partnerships with shipping companies. Exposing the exploitation and discrimination they suffer,

these findings disrupt the common-sense opinion that maritime students have a good life ahead of them as skilled seafarers. The research employed both a quantitative survey and qualitative interviews of non-elite cadets and graduates who frequent the so-called Seaman's Hub in Manila.

Rene E. Ofreneo analyzed the impact of the disruptions in global value chains on Asian countries, asserting that these are created by the fourth industrial revolution, trade wars between the biggest economies in the world, climate change and finally the COVID-19 pandemic. The article argued that while Asia has undoubtedly prospered economically from its integration in global value chains, the disruptions have exposed the fractures in this model of development that remains hobbled by questions of inequity and unsustainability. Ofreneo concluded with the call for rebalancing globalization.

This issue of PJJLR ends with a contribution from the Editor, who linked the rise of contractualization disputes under the Duterte administration to the earlier outsourcing row between Philippine Airlines and the Philippine Airlines Employees Association (PALEA). In revisiting the dynamics of that labor row, Benjamin Velasco posited that the rise and fall of the fighting mood of workers is a key factor in determining the outcome of the dispute. Yet the fighting mood is also conditioned by the successes and defeats suffered by workers.

Disruptions in the workplace are bound to continue, and deserve to be studied by scholars and practitioners in the field of industrial relations. This research agenda aims not only to identify the drivers of disruptions and explain their dynamics but also to find solutions to the problems created or to sustain them if they happen to be creative. Another issue of PJJLR can revisit the question of disruptions in the labor market to further explore this subject.

**BENJAMIN B. VELASCO**  
Issue Editor