

## Philippines: Work

Approximately a quarter of the labor force is employed in agriculture, including fishing and forestry. Many people engage in subsistence agriculture, either exclusively or in addition to producing cash crops such as coconuts; coconut oil is a major export. Another 18 percent of the workforce is occupied in industry, especially in the manufacture of textiles, clothing, and electronics, while about 56 percent work in services.

The laws on labor standards and employment relations are consolidated in the Labor Code of the Philippines. Employees generally work eight hours per day or 48 hours per week. Some office and industries work half- or full days on Saturdays. Overtime work beyond eight hours a day is permissible, provided an employee is paid additional compensation equivalent to the regular wage plus at least 25 percent additional. Every employee who has worked at least one full year is entitled to a yearly service incentive leave of five days with pay. Every worker is paid the daily wage during regular holidays, except those in retail and service establishments employing less than 10 employees. Maternity leave of at least two weeks prior to delivery and another four weeks after delivery is granted women workers who have been employed at least six months for the last 12 months. The minimum age of employment is 15, except when the individual works directly under the sole responsibility of his or her parent or guardian. Some 40 percent of the labor force works in the informal sector, consisting of self-employed small-scale producers and unpaid family workers. Workers in this sector are for the most part not covered by the country's labor laws and regulations.

The Philippine Social Security System (SSS) is a state-run social insurance program for workers in the private, professional, and informal work sectors. Old age, disability, survivors, sickness, and maternity benefits are provided. The system was first launched in 1954. The Home Development Mutual Fund (HDMF) is a savings system providing housing loans to private and government employees and to self-employed persons who choose to join the program. All employed persons under the official retirement age of 60 who earn a monthly income of more than P1,000 are required to contribute. Funds are deducted from salaries. The Government Service Insurance System (GSIS) is an equivalent program for government employees. Government employees under the retirement age of 65 and officers of the armed forces, the National Police, the Bureau of Fire Protection, the Bureau of Jail Management and Penology, and the Philippine Coast Guard who are under the age of 60 are mandated by law to contribute (GSIS).

Labor unions were first established in the 1890s and legalized in 1908. The largest union confederation is the anti-communist Trade Union Congress of the Philippines (TUCP), formed in 1977 by the Marcos government. It counts about 1 million members. Major union organizations include the Federation of Free Workers (FFW), May First Labor Union (KMU), Solidarity of Filipino Workers (BMP), and the National Confederation of Labor (NCL). Only about 6.7 percent of workers are union members. Union membership is increasing in the public sector but decreasing in the private sector.

The Department of Labor and Employment is the national government agency charged with issues related to labor.

### Citation Information

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