

The Right to Work Under the Aquino Government

■ BY SONNY MELENCIO

IN LATE October this year, Labor Secretary Rosalinda Baldoz decided to allow the management of Philippine Airlines (PAL) to lay off some 3,000 of employees. According to the Secretary, the termination of operations of PAL's in-flight catering, airport services and call center reservations were in accordance with the law.

Baldoz likewise said that the PAL management's decision to close these operations as a cost-saving measure was fair, reasonable, humane and a legal exercise of prerogative.

According to PAL spokesperson Cielo Villaluna, unless the company terminates the services of some 3,000 employees, the airline will be forced to shut down; 7,500 of its personnel will be jobless and will not receive separation pay. Should this happen, Villaluna added, PAL's shareholders, its passengers and the entire nation will suffer.

Bad precedent

The Labor Secretary's decision affects not only the 3,000 PAL em-

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ployees; it imperils the country's 17 million workers. Baldoz has set a bad precedent, whereby companies can circumvent labor laws and dismiss its workers willy-nilly. This is especially disturbing given the fact that illegal termination of workers is a common practice resorted to by companies that want to replace regular employees with contractual and casual workers, to save on wages and benefits.

In favoring the PAL management, Baldoz affirmed an earlier decision by Acting Labor Secretary Romeo Lagman. The only difference in the two decisions is that Baldoz sought to increase the separation pay – from 100% to 125% for each year of service – and an added gratuity pay of P50,000 per employee.

The terminated employees also had the option to work in the spin-off companies for catering, airport services and call centers. It was not mentioned of course that the positions offered had lower salaries and benefits. And since they would be hired as casual/contractual employees, there would be no assurance of tenure. PAL's only assurance was that it will guarantee a year's salary of the re-hires, in the amount equivalent to the salary of new service providers.

Villanueva even ventured to say that the PAL employees were lucky compared to laid-off employees of other companies who did not receive such a deal.

Contractualization

Members of the Philippine Airlines Employees Association (PALEA) cannot consider PAL's sacking of its employees as "fair, just and humane." According to Gerry Rivera, PALEA president, the dismissal is a move that violates the rights of unions and workers. As Rivera pointed out, how can there be justice when workers who have served the company for more than 20 years can just be sacked at a whim?



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PALEA members blame the dismissal on the management's plan of replacing regular employees with contractual and casual workers who receive lower salaries and measly benefits, if benefits are given at all. This is the essence of the labor flexibilization strategy under the neo-liberal economic framework being toed by the government.

What is happening in PAL is also being implemented at Fortune Tobacco, a company also owned by PAL's Lucio Tan. The same trend is happening in the SM Group of Companies owned by Henry Sy, in Universal Robina Corporation and other companies owned by John Gokongwei, as well as in other companies in the country, whether Filipino or foreign controlled.

Right to work

The case of the PAL workers as well as those of other workers in other companies calls attention to the continuing violations of the right to work in the country. This right is guaranteed by the International Covenant on Economic, Social and Cultural Rights (ICESCR), a treaty to which the Philippines is a signatory.

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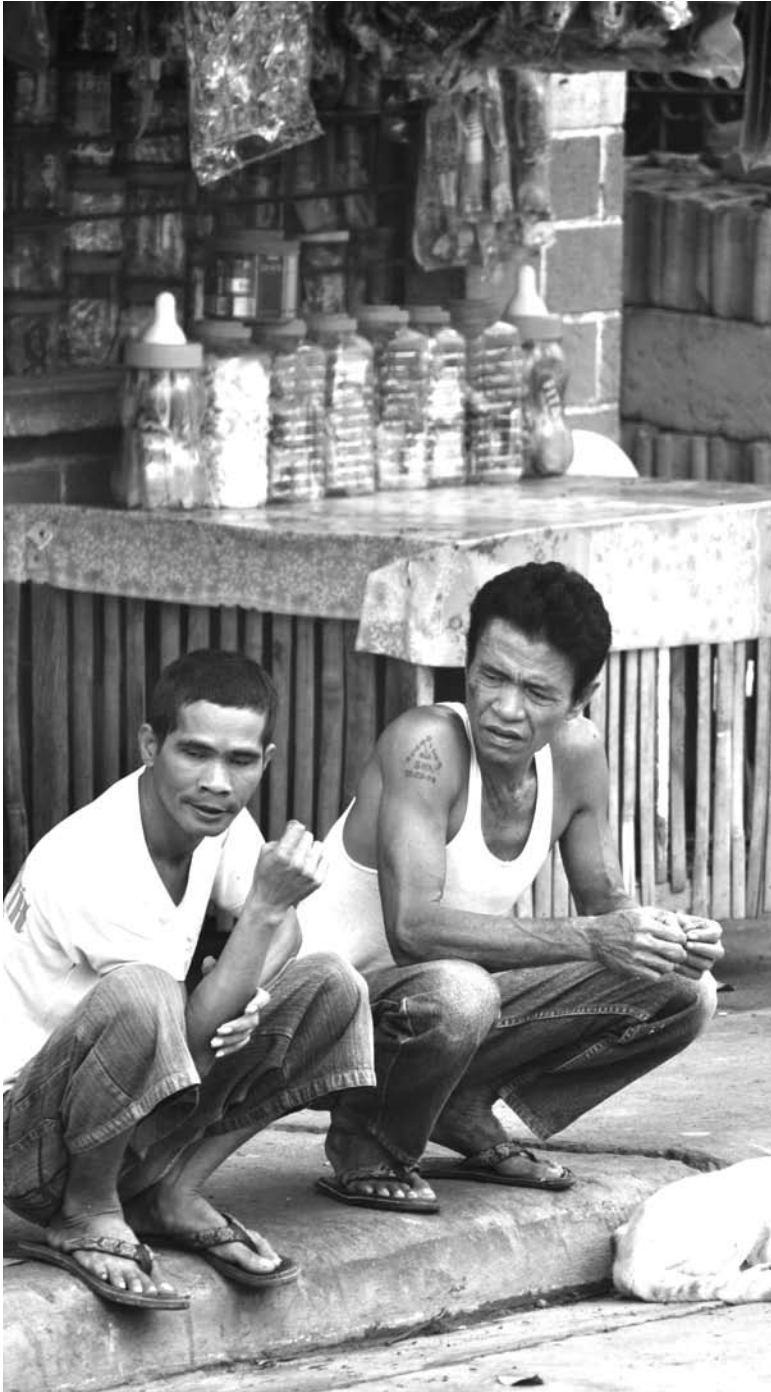




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Article 6 of the ICESCR recognizes the right of a person to choose his/her work. To fulfill this right, it is the obligation of the government to come up with policies and programs that will guarantee full employment for its citizens, without discrimination, coercion or resorting to child labor.

Article 7 of the same covenant guarantees the enjoyment of just and favorable work conditions, including decent wages. Article 8 safeguards the right to form and join trade unions and protects the workers' right to strike.

These are but a few workers' rights that have been violated in the case of the PAL employees, violations that have earned the imprimatur of the Department of Labor and Employment.

It is clear that contractual employment will never be voluntarily chosen by a worker, except, of course, when s/he has been deprived of all other options as a result of anti-labor practices and policies of hiring companies and the government.

Full employment is a right that has been deliberately removed from the targets of past and present administrations through the pursuit of a policy that undermines regular employment and condones the growing practice of "contractualization" and "casualization" of workers.

Currently, 8% to 11% of the labor force are unemployed. If the hidden unemployment figures (euphemistically termed "underemployment") are considered, the actual percentage of those who are deprived of full employment would be 25-30% of the labor force.

Because of contractualization, it is not therefore surprising to see a lot of young workers whose jobs do not last long and who eventually end up unemployed. Bureau of Labor Statistics show that in September 2010, more than half (53%) of the total unemployed workforce belong to the 15-24 age group.

Youth unemployment rate reached 17-19% in the previous year. There was not much difference in the unemployment rates for those who entered/finished high school (44%) and those who had years or were able to finish college (43%) – proof of the grim future awaiting the country's young generation.

Labor agenda

The labor problem of PAL employees was one of the 22-point Labor Agenda agreed upon between Aquino and labor federations and unions during the campaign for the 2010 presidency. Aquino promised to review the case to ensure the interests of workers.

Yet what is obvious now is that the review ended up favoring the management of PAL, to the detriment of 3,000 regular employees. The fate of these employees is a reminder of how the administration of then-president Joseph Estrada acted in the interest of Lucio Tan, when the PAL union was denied the right of collective bargaining agreement (CBA) for a period of ten years. The curtailment of this right was upon the orders of DOLE, and was supported by the Supreme Court.

Almost half a year after President Aquino came into office, workers are asking what the president's labor policy would be: will the current administration honor its obligations under international human rights treaties or would it instead hinder the realization of these rights by coming up with anti-labor policies and supporting anti-worker practices?