Women Workers Unite to Challenge the Ever-rising Contractualisation and Dehumanisation of Workers in Laguna and Bataan Ecozones, the Philippines

Labour FPAR Country Briefer
The concentration of women in low-paid jobs are found in the rapid growth of Special Economic Zones (SEZs) - also known as Ecozones, Free Trade Zones and Export Processing Zones (EPZ) - in Bataan and Laguna. SEZs liberalise national economies and attract Foreign Direct Investments.\(^1\) They promise a fertile work environment for the corporations which translates to cheap labour, infrastructure and favourable fiscal policies for the investors. The Philippines has 528 SEZs\(^2\) which specialise in manufacturing, information technology (IT), agroindustry, tourism and health services. According to the World Bank,\(^3\) women workers comprise more than 60 per cent of Ecozone workforces worldwide. The availability of women's cheap labour; rising international competition, and gendered norms that associate women workers with low-skill, low-paying and flexible work result in the feminisation of the SEZs workforce.\(^4\)

SEZs serve as havens of contractual labour. Women contractual workers are concentrated in the following industries: manufacturing, garments, sales services and electronics. The working conditions of women in these industries mirror the global trend where contractualisation is rampant.\(^5\) Here, women's working conditions are described as exploitative and oppressive with unfair labour relations between management and women workers.\(^6\) These working conditions result in discrimination in terms of wages, employment status and access to social protection and other benefits, such as maternity benefits.

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The Women Workers in Struggle for Employment, Empowerment and Emancipation (WOMEN WISE3) conducted the Feminist Participatory Action Research (FPAR) during the pandemic from December 2020 - June 2022. The research aimed to organise four teams of 15 women contractual workers in each SEZ: Freeport Area of Bataan (FAB), Clark Freeport and Special Economic Zone (CFEZ), Laguna International Industrial Park (LIIP) and Light Industry and Science Park 1 (LISP 1) to advocate for regularisation of work and safe workplaces.

The team divided the FPAR into different phases. The first phase was the Pre-research preparation which was done with the community researchers. WOMEN WISE3 carried out in-depth discussions, workshops, meetings and consultations with the community researchers during this phase. The discussion on women’s human rights and gender sensitivity facilitated by the Centre for Women’s Resources (CWR) equipped the researchers with a basic understanding and analysis of women’s struggles in the Philippine context. Their learnings helped them identify key issues which will be studied and addressed in the FPAR.

The second phase after the pre-research preparation consisted of an online orientation with women workers and community researchers from Central and Southern Luzon. This was then followed by the Research Design Planning and Workshop where the team, together with the community researchers, discussed and formulated the research design. Women workers voiced out issues related to their working conditions in their respective workplaces. They also emphasised insights on the situation and the urgent issues experienced by contractual women workers whom they have worked with. The team also conducted two Focus Group Discussions (FGDs) with the women workers. One was done in person in Mariveles, Bataan, and the other one was conducted virtually, with some workers from

Women Workers who Attended the Konsultahang Kababaihan on March 29
Laguna. WOMEN WISE engaged with a total of 49 FPAR participants in the survey interviews and FGDs, coming from eight (8) companies located in the three economic zones.

Due to pandemic protocols, the circumstances for conducting the interviews and FGDs were varied. Some were conducted in person, and some were taken up on phone calls and Zoom calls.

The women workers reported various forms of contractual employment during the FPAR. They reported that the most common form is done through manpower or third-party agencies. Through these, the company management possesses the ability to deny that they have an employer-employee relationship with the workers, which was the case in Nexperia Philippines Inc. wherein 500 contractual workers were hired through three (3) manpower agencies, namely Manchester, Alliance Mansol Inc. (AMI) and AG Bolinao Staffing Services Inc. Since the data collected on the number of contractual workers were not disaggregated based on gender, we have limited information on how many women workers were hired through those agencies.

Some of the workers were directly hired by the company but they still remained contractual, such as in the case of Optodev, a lens-manufacturing company in Laguna. As per Optodev’s policy, employees undergo performance evaluations after six months of service. If they pass, they will be promoted to regular status, but if not, they will be renewed for another six months. This extended the allowable ‘floating status’ of workers, from six months to one year. The policy indicated that doing such is ‘necessary to protect workers from losing their jobs. It also helps employers recover from losses due to the economic downturn caused by the pandemic.’ The policy also stated that, ‘if an employee is retrenched before or after the expiration of the extension, he or she is entitled to separation pay.’ The workers who were interviewed in Bataan shared that they have been affected by this policy and shared that they did not feel protected in any way. They cannot look for new jobs while being on ‘floating status’ because once they take up a new job, it exempts them from being eligible for separation pay or being considered going back to the same work.

‘Kontraktwal ka lang.’ (You are just a contractual worker)

-A supervisor of SEZs women workers

A micro view of what happened in the Special Economic Zones during the Pandemic

The contractual nature of the work leads to violations of workers’ rights and job insecurity
The contractual nature of their work also keeps the workers away from unionising or joining an existing union which has a detrimental impact on their wages. In most cases, the wages of contractual workers remain stagnant (or remain at the minimum wage) as compared to regular workers. In Nexperia, contractual workers complained that their salary got fixed at minimum wage, despite being in the company for several years and when their work being similar to that of regular workers. Beverly, 39 years old, shared that after 12 years of service, she still earns a measly basic pay of PHP 373 (USD 7.50) per day, which is the minimum wage in their area. Meanwhile, regular workers who have also worked in the company for the same number of years are earning PHP 600-700 (USD 12-14) per day.

The FPAR interviews revealed that contractual workers do not enjoy the benefits gained through the union and through the Collective Bargaining Agreement (CBA). This was observed particularly in Nexperia and Optodev where they have established unions and the CBA are enjoyed by regular or permanent workers only. Contractual workers were not given the right to a ‘paid pandemic leave’ by the employers while regular workers were entitled to a 14-day paid leave when infected with Coronavirus or if they came in close contact with COVID-19 patients. Unionised (regular) workers also received benefits such as rice subsidies, educational subsidies, health insurance, service incentives and paid leaves; while contractual workers only get the minimum mandated benefits – Social Security System (SSS), Philippine Health Insurance Corporation (PhilHealth) and the Home Development Mutual Fund (Pag-IBIG Fund).

The immense disparity between the wages and benefits of regular and contractual workers often creates friction and hinders them from building harmonious working relationships. This is also related to the disparity in collective bargaining rights, which makes it difficult for regular workers to organise or reach out to contractual workers to strengthen their collective efforts.
The situation of worker's right to health and occupational safety

In terms of occupational safety and health (OSH), the companies that were observed during the FPAR abide by most of the basic standards such as the availability of clinics with health personnel, safety engineers and officers, provision of Personal Protective Equipment (PPE), availability of first aid kits and basic medications, fire prevention equipment and fire exit and proper ventilation system and storage of chemicals. However, because most contractual women workers are not part of the union and have little opportunity to build their capacity on HOS, they have little awareness of workplace safety. They are not familiar with the standards, their rights under the OSH law, the law itself and the need for OSH committees among other issues. Those who have unions, such as Nexperia and Optodev have established OSH Committees. However, those who do not have unions such as most of the FPAR participants in Bataan, do not have an OSH committee in place.

The FPAR learned that women workers are preferred for the job of visual inspectors in electronics companies where the work is more meticulous and strenuous compared to machine operations which have some degree of automation involved. Visual inspectors are seldom promoted to regular work status. Women workers shared that there are health hazards involved in the job which means long exposure to chemicals. FPAR participants reported that they have fellow women workers suffering from breast cancer and other reproductive health illnesses.

Pushed to starvation and joblessness during the global COVID-19 pandemic

On 1st December 2021, in President Duterte’s attempt to accelerate the vaccination programme, the Inter-Agency Task Force (IATF) implemented Resolution 148-B  which is considered a ‘No Vaccine, No Work’ Policy. During the FPAR interviews, it was found that soon after the resolution was passed, unvaccinated workers were put on forced leave until the time they are willing to get vaccinated or get tested regularly (every two weeks), at their own expense. However, this was not feasible for the workers because the RT-PCR is expensive and inaccessible to the workers. The cost of RT-PCR ranges from PHP 2,500-5,000 (USD 50-100) whereas women workers’ daily wages are around PHP 373 (USD 7.85). Women workers pointed out that this provision was seen as an added burden for unvaccinated workers and was a clear violation of their rights. Similarly, at the beginning of 2022, there was a surge in the cases of COVID-19, with the emergence of the Omicron variant. Similar policies on “No Vaccine, No Labas” (No Vaccine, No Travel/Going Out) and “No Vaccine, No Ride” were implemented by the government, again posing greater challenges for the workers.
Women workers also shared that despite the SEZ companies’ efforts to implement necessary health protocols, around 500 workers still got infected with COVID-19 and two have died since 2020. One woman worker shared that it took a long time for the company to conduct contact tracing, so she was not able to quarantine immediately. It also made her quarantine period longer, resulting in more days with no income.

**Absence of Social Protection**

During the interviews, it was found that 130 workers received PHP 6,500 (USD 111) from the government under the Social Amelioration Programme (SAP), however, it was a one-time assistance and did not prove to be enough for the duration of the lockdown. Apart from this, there were additional burdens and expenditures to the workers incurred on travel as there was a ban on transportation during that time. In addition to this, companies imposed penalties on workers for not wearing face masks and face shields.

The Expanded Maternity Leave Law (RA 111210)\(^9\) provides 105-day paid leave, which is usually taken post-partum to give mothers enough time to take care of their children and recover from childbirth. Mothers claim this maternity benefit through the Social Security System (SSS)\(^10\) (a government-owned and controlled corporation handling workers’/employers’ contributions for social protection). In an ideal situation, companies also pay the women workers while they are on maternity leave, however, they are not mandated to do so. During the FPAR, participants noted that pregnant women workers were not allowed to return to work until they give birth. Technically, they were not dismissed but were put on a floating status or forced leave until they gave birth. This was done supposedly to protect them from getting infected with COVID-19. However, the loss of income and the uncertainty of whether they still have a job did not help the workers during the humanitarian crisis.

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\(^8\)Reverse transcription polymerase chain reaction


Sexual and gender-based violence and deteriorating mental health for women workers

In the FPAR survey, six FPAR participants claimed knowledge of sexual harassment cases. These cases varied from a direct assault on women workers to very indirect and subtle forms of abuse within the factory. FPAR participants shared that there were cases of harassment by the supervisor in the form of forceful confinement and inappropriate touching by a fellow worker or a supervisor. There were also reports of harassment of gay men while using male washrooms. A union officer from one of the garment companies in Bataan shared a case of sexual harassment experienced by one of their members wherein the perpetrator is a Chinese national who happened to be a supervisor in the company. The union sought the assistance of Women WISE3 in addressing the problem. The researchers tried to reach out to the victim but got no response. Apart from these cases, gender-based abuse has not been reported in the FPAR as it is a very sensitive topic.

Workers in Bataan, on the other hand, complained more about the mental stress they experienced during the pandemic. Their anxiety was mainly caused by their lack of income, more than their fear of catching the infection. They also shared that not many of the workers in the area volunteered to get tested for COVID-19 because of limited access to free testing which can also result in income loss.

Attacks against the freedom of association

Systematic exploitation of the workers hinder unity among workers. The competition created between the regular workers and the contractual workers by the factory management creates unhealthy rivalry and envy between the two groups, making it hard for the workers to collectively organise and support each other. Workers recognise the benefits of organising however there is always a fear of losing their jobs, especially among contractual workers. Workers also shared that there is a possibility of the company closing down and leading to thousands of job losses if there is a union within the factory. In the FGD, a former employee of Dong-In Entech shared that the closure of their factory (in 2018) was unjustified and seemed like a ploy to bust their union and evade the order of regularisation.
Organising women workers in the unorganised zones

Solidarity between regular workers and contractual workers

In 2016, the Workers Alliance for Labor Rights (WALR) was formed after some union officers assisted contractual workers in forming their organisation and fighting for the regularisation of work. Although the company still does not recognise them as regular workers, they gained some leverage in negotiating with the company. During the FPAR interviews, the President of the contractual workers’ organisation shared that dismissals among contractual workers were prevented since the WALR started filing illegal dismissals. In addition to this, the union also pushed for the inclusion of a provision to promote 250 contractual employees to the regular status of work.

Struggle to achieve paid pandemic leave

Since the beginning of the pandemic, ‘paid pandemic leave’ has been a constant demand by the workers. Women workers organised themselves to respond to this issue. Makabayan bloc representatives filed House Bill 7907 or the Paid Pandemic Leave Bill that has been pushed by women workers, together with the labour movement into law. It was approved at the committee level in early 2021 but was not prioritised to put into law. Women WISE has been supporting this campaign since 2021 and gave it another boost as the year 2022 started with another surge, affecting more workers who are in dire need of paid leaves to do community consultations amongst themselves. Online consultations were also organised to monitor the impacts of COVID-19 surge at the workplaces. The most recent consultation on January 17, 2021 resulted in a resolution among participating organisations and unions to hold an online protest for paid pandemic leave on 21st January 2022. The virtual protest, entitled ‘Shout Out Online Rally’, was conducted in collaboration with Kilos na para sa Kalusugan, Kabuhayan (K4) at Karapatan, (an online platform initiated by national workers’ organisations and unions in the Philippines), Center for Trade Union and Human Rights (CTUHR), Institute for Occupational Health and Safety Development (IOHSAD), The Ecumenical Institute for Labor Education and Research (EILER) and Crispin B. Beltran Resource Center (CBBRC). The FPAR played a huge role in mobilising these women workers.

’Sana all! Sana all!’

(We hope everyone gets the same!)
The highlight of the FPAR is the campaign against the IATF Resolution 148-B. The resolution states that all employees are required by their employers to have COVID-19 vaccinations. Failing to do so might result in regular RT-PCR tests at the workers’ own expense. As soon as the resolution was announced to be implemented, affected workers, mostly women garment workers in the Freeport Area of Bataan (FAB), organised themselves through Facebook group chats. Women WISE3 and Mariveles Ecumenical Workers Desk (MEWD) supported this fight for the women workers in FAB through lobbying, consultations and online petitions to repeal the IATF Resolution 148-B.

On the same day, 24 workers affected by the policy gathered to share their experiences and plan for the next steps in finding possible remedies for their problems. Other organisations such as KMU, IOHSAD, CTUHR, MEWD and CBBRC also joined and supported the activity. What started out as an opposition to a particular policy opened doors for organising women workers. The succeeding discussions were not only about the repressive IATF policies but expanded to the inequalities they face every day as contractual workers.

Opposition to a discriminatory policy made fertile grounds for women’s mobilisation on the ground
Recommendations:

For the National Government

◊ Immediately review and pass pending bills on the security of tenure.
◊ Penalise companies that violate the ban on labour-only contracting.
◊ Immediately implement pending Department of Labour and Employment (DOLE) decisions on regularisation such as the case in Nexperia Philippines.
◊ Immediately apply minimum wage to contractual workers and provide living wage for the workers that allow the workers to provide for themselves and their dependents’ basic needs adequately.
◊ Review the implementation of the Occupational Health and Safety Law or RA 11058 in Special Economic Zones. Regular labour inspection and the creation of OSH committees should be strictly followed.
◊ Ensure social protections for all workers including unemployment allowance as a form of social security for contractual workers who are retrenched or not able to access job opportunity.
◊ Ratify and implement the ILO Convention 190 to address gender-based violence and harassment at work.

For the industry (SEZ authority), brands and the company owners

◊ Review and amend workplace policies, in consultation with women workers, to advance women’s rights at work in the Special Economic Zones, including policies on Sexual Harassment at Workplace, Expanded Maternity Leave Law and the Expanded Breastfeeding Promotion Act.
◊ Do not neglect the health and rights of workers by providing the OSH standards for all workers.
◊ Listen to the workers’ voices by encouraging and ensuring spaces for freedom of association and Collective Bargaining, including rights to organise and to strike.
◊ Implement the ratification of ILO Convention 190 to address gender-based violence and harassment at work once it is ratified.
◊ International brands should be accountable and vigilant of the supplier factory’s policies regarding their workers.
◊ Take all necessary measures to ensure the safety, mental and physical health of workers; to prevent and stop mental and sexual harassment through relevant sanctions; and ensure the workplace is free from violence and harassment.
For workers’ unions and the labour movement in the country

- Existing unions and workers struggling to get organised should forge unities in highlighting the need for unionism among workers, in particular in exposing how capitalists and the state violate the freedom of association of workers.

- Existing unions need to expose the disparities created by the employer between regular workers and contractual workers, and forge unity between the two kinds of workers so that even the contractual workers are protected by the safety of collective bargaining.

- Review and monitor the implementation of such policies in the economic zones and workplace, including the Magna Carta, the Expanded Maternity Leave Law and the Expanded Breastfeeding Promotion Act. Discussions, and collectively act and support if any violation.

- Strengthen movement solidarity with women workers in Laguna and Bataan ecozones as they continue their struggles to organise to end contractualisation.
About Women Wise Three (3)

Women Wise3 or Women Workers in Struggle for Employment, Empowerment and Emancipation started in 2008 as a Filipino network of widows and families of slain labour activists, women trade union organisers, women workers who have been displaced in the exercise of their right to unionise and those who became victims of abuse and harassment in their workplaces. Through the years, it evolved into a grassroots organisation of women workers, displaced workers and unemployed women in urban poor communities. The research will specify decent work and living wage in the SEZs, including investigating how women workers have been affected by the COVID-19 Pandemic.

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About APWLD

The Asia Pacific Forum on Women, Law and Development (APWLD) is the region’s leading network of feminist organisations and individual activists. For over 35 years, we have been carrying out advocacy, activism and movement-building to advance women’s human rights and Development Justice. This FPAR is part of APWLD’s Women Organising Workers Programme. APWLD worked with and supported seven partner organisations from five countries in Asia to conduct Labour FPAR on Special Economic Zones (SEZs) between 2020 and 2022.

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