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Precarious work: The unionized hotels workers' experience

Abstract

Precarious work refers to “forms of work characterized by atypical employment contracts, limited or no social benefits and statutory entitlements, high degrees of job insecurities, low job tenure, low wages and high risks of occupational injury and diseases” (Evans and Gibb, 2009). From a workers' point of view, it is related to uncertain, unpredictable and risky employment.

This study aims to determine the employment practices that are often associated with precarious work in the hotel industry in the Philippines, to determine the factors that drive hotels to resort to precarious work practices. It also aims to identify strategies that can be taken by unions, employers, government, and the ILO to combat precarious work practices.

To achieve these objectives, a survey was conducted in 11 unionized hotel establishments affiliated with the National Union of Workers in Hotel Restaurant and Allied Industries (NUWHRAIN- IUF) in the Philippines. Of the 11 participating hotels, eight are located in Metro Manila and four are operating in the provinces. A total of 84 valid responses from supervisory and rank-and-file employees' union officers and members were used for the data analysis.

The most common practices associated with precarious work in the participating hotels are the following: hiring of labor via employment agencies or labor brokers (35.90%); on-call / daily / per function hiring (29.10%); contracting out functions / tasks to other companies (25.90%); disguised employment training contracts (22.3%); and limited employment to less than six months (21.8%). The unionists believe that these practices have resulted into the declining living standards of the workers and it is contributing to the rising poverty in the country.

The top reasons why hotels resort to precarious work practices, according to trade union respondents, are as follows: lower expenses or costs for salaries and benefits (80%); reduce number of regular workers (78%); promote flexibility of labor (77%); weaken union or prevent unionization (74%); and eliminate or reduce cost of dismissal or payment of retirement benefits (74%).

Given the prevalence of precarious work in the hotel industry, trade unionists see the need to lobby for changes in laws to promote job security (77%), to recruit or organize precarious workers into unions (76%), and to include contract workers in collective bargaining arrangements (75%). According to them, employers must respect workers and union rights (78%), practice transparency in relation to workers and unions (76%), and support the creation of legal standards in the use of precarious workers (76%). They urge government to reverse its policies of labor deregulation and contractualization that have facilitated the growth of precarious work, and to promote the creation of good jobs and to improve quality of work, in accordance with the Decent Work Platform of the International Labour Organization.

“Work is a good belonging to all people and must be made available to all who are capable of engaging in it.” (PCJP, 2004)

Background of the study

Work is an essential human activity in society. It transforms people, sustains organizations, and empowers nations. Work gives meaning and is an expression of one's feelings, thoughts, and full humanity. It is a source of self-esteem, self-actualization, and security. Work is also a source of livelihood for a decent life. “Work is a fundamental right and a good for mankind, a useful good, worthy of man because it is an appropriate way for him to give expression to and enhance his human dignity” (Pontifical Council for Justice and Peace, 2004, p.180). Work, for so long in the past, has meant a stable, full-time job, representing substantial progress over an earlier age when labor was treated little differently to products (Evans & Gibb, 2009).

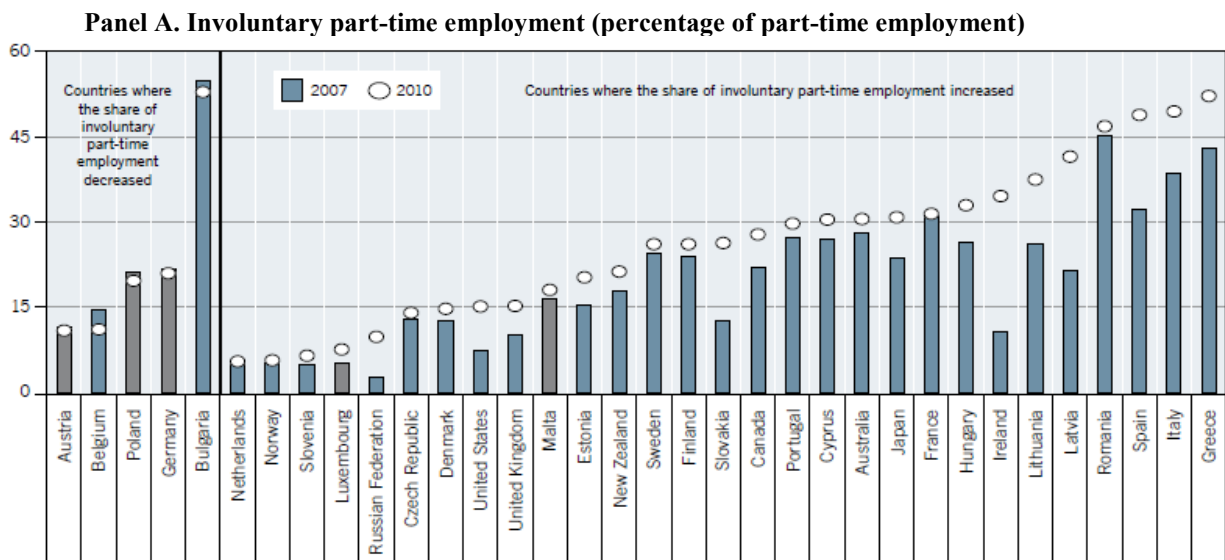
Rooted on the principles of human dignity and the right to work is the “Decent Work Agenda” which was introduced in 1999 by Juan Somavia, the long-serving Director-General of the International Labour Office. Decent work embodies the principles of workers’ rights, social protection, employment promotion, and social dialogue. The principle of the **workers’ rights** is to ensure that work is associated with dignity, equality, freedom, adequate remuneration, social security, and voice for representation and participation for all categories of workers. The principle of **social protection** is aimed to provide security against a variety of contingencies and vulnerabilities to reduce suffering, anxiety, insecurity, and material deprivation. The principle of **employment promotion** is to provide adequate employment opportunities for all who seek work and work should yield remuneration that meets the essential needs of the workers and the family members. The principle of **social dialogue** is to provide voice and representation to participants in the production process. It means they should be able to defend their interests, to articulate their concerns and priorities, and to engage in negotiations and discussions with other actors in the production system and with the public authorities on social and economic policies.

Decent work therefore, “emphasizes the importance of work in people’s lives, independence and dignity. It gives equal recognition to all workers and underlines work as the source of value creation, rejecting ideological and class-based concepts like entrepreneurship, where the rich single out a specific form of work as superior to others, and implicitly diminish the contribution of teachers, designers, and caregivers to wealth creation”(Hoffer,2012,p.63-64). Decent work which emphasizes quality employment creates social value for the common and dignity of persons regardless of religion, race, gender, and age. It means it includes the “millions of workers outside the formal economy and demands decent living conditions for all who work, as well as for those who should not work or who cannot find adequate work (Hoffer, 2012, p.64). Decent work is not only being paid the minimum wage for work done in a day. Although, according to the Global Wage Report of 2010, developing countries are now increasingly relying on minimum wages, and overall, minimum wages are applied in about 90 per cent of countries in the world.

However, in the past decades, the traditional work process and the standard employment model (a worker with one employer, worked full year and full-time without a pre-determined end

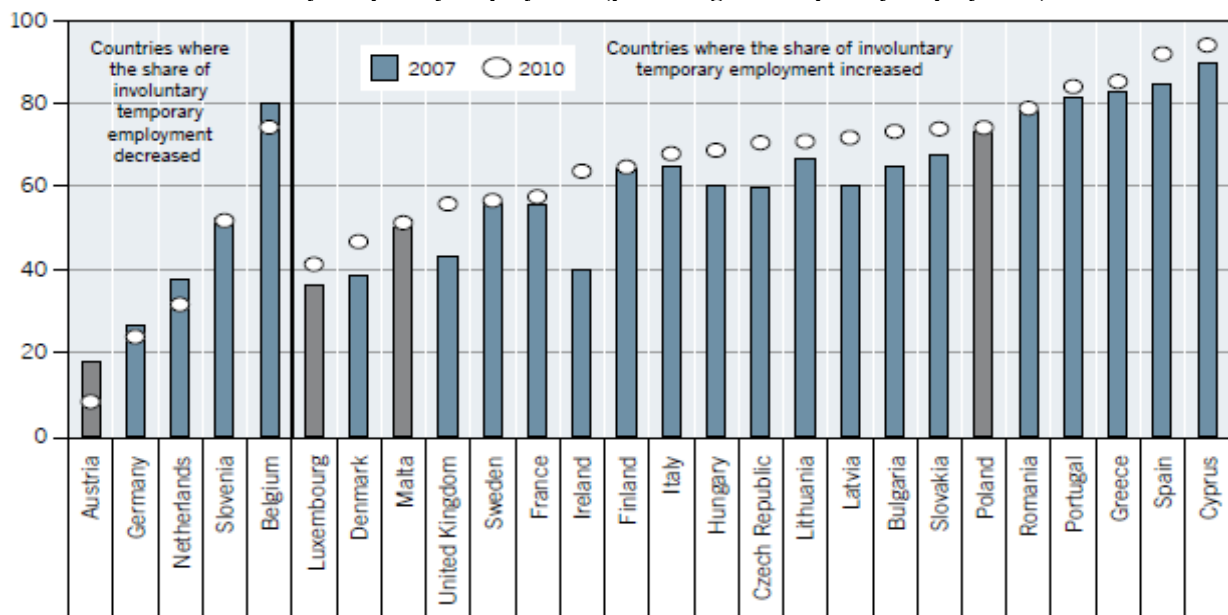
date, mostly on employer premises, and was entitled to benefits given by the employer or through the social security system) have been changing in a number of vital ways (Evans & Gibb, 2009). Partly, this is due to globalization, intensified global competition, technological change, and corporate restructuring (Evans & Gibb, 2009). Moreover, globalization as a “movement across boundaries has brought new efficiencies and vast new markets for business but it has also exacerbated inequalities and lessened the power of states to control business for the common good” (Williams, 2013). It seems that globalization, increasing deregulation of labor market, stiffening of competition, as well as the global financial, economic, and social crises that we have been experiencing since 2007 has brought about worldwide, the nosedive in the observance of decent work but the re-emergence and continuous growth of precarious employment over the years. Recent data on the incidence of precarious employment in advanced economies is shown below.

Figure 1. Incidence of precarious employment, advanced economies, 2007 and 2010



Source: International Institute for Labor Studies World of Work Report 2012

Panel B. Involuntary temporary employment (percentage of temporary employment)



Note: Grey bar denotes countries where employment rate increased

Source: International Institute for Labor Studies World of Work Report 2012

According to Evans and Gibb (2009), precarious work refers to “forms of work characterized by atypical employment contracts, limited or no social benefits and statutory entitlements, high degrees of job insecurities, low job tenure, low wages and high risks of occupational injury and diseases.” From a workers’ point of view, it is related to uncertain, unpredictable and risky employment. The main drivers of precarious work are: (1) “low road” approaches to competition whereby cost-cutting is achieved at the expense of product and the job quality, wages and a clean environment; (2) new forms of subcontracting and outsourcing, facilitated by falling costs of coordination and transportation afforded by new information and communication technologies; and (3) new management and contractual forms, which loosen the traditional ties between workers and employers, as indicated by the increase in low wage jobs, temporary employment and self-employment, often taking the form of disguised employment (Evans & Gibb, 2009).

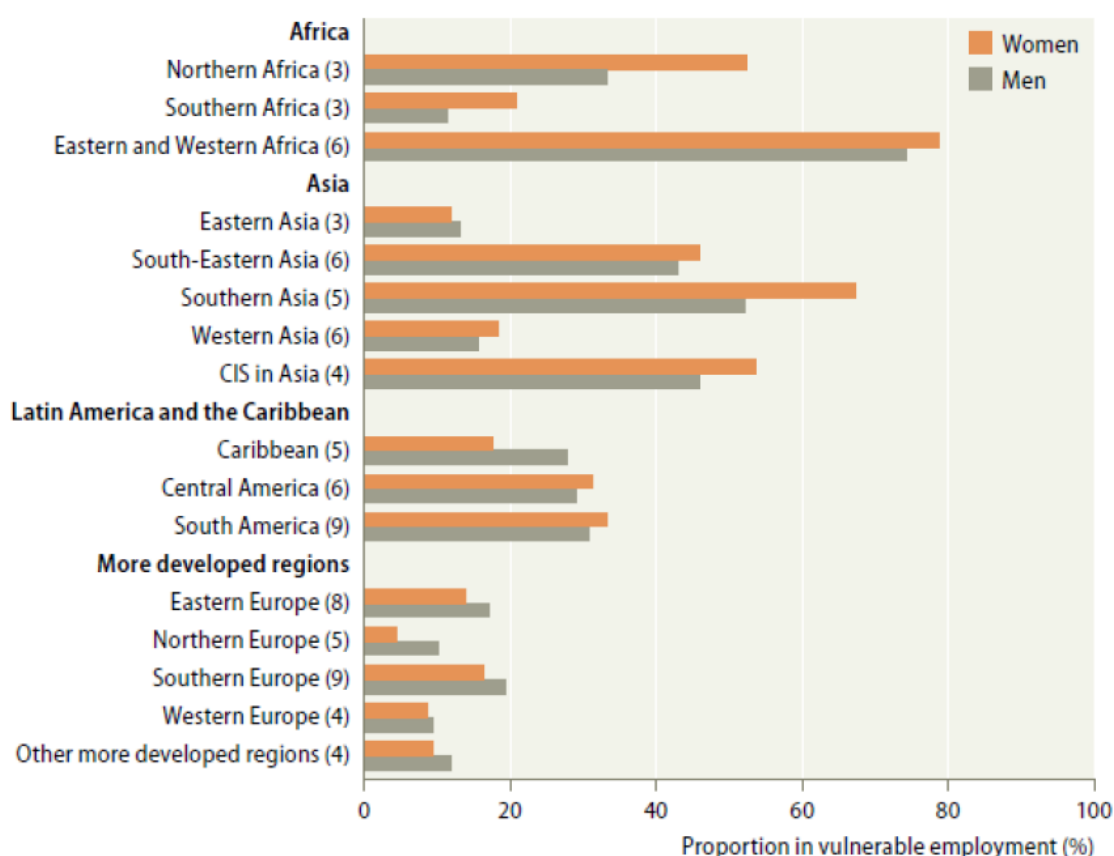
Corollarily, ILO (2007) stated that precarious work is characterized by a combination of factors such as: (1) a limited duration or a high probability of the worker’s losing the job; (2) little or no opportunity for workers to control the working conditions; (3) absence of benefits or social security provisions; and (4) a low income in tandem with poverty.

The rapid increase in precarious work is being driven both by corporations and governments. Across the world, national labor laws are being amended to better enable employers to create yet more precarious jobs at the expense of stable employment. In 2006, the Australian government introduced new labor laws that immediately plunged millions of workers into precarious employment by taking away their right to protection from unfair dismissal. The laws also encourage contract and temporary work (Metal World, 2007). Now the European Union has launched a consultation paper promoting ‘flexicurity’, the idea that employment growth is stimulated when employment protections such as unfair dismissal laws are reduced and

casual employment is increased. UK affiliate Amicus has responded by pointing out the negative impact that Britain's weak labor laws have had on manufacturing jobs. General Secretary Derek Simpson says that, "well paid secure jobs can only be protected by stringer employment laws than we currently have in the UK (Metal World, 2007).

It is interesting to note that worldwide, women are more often in precarious work situations than men, who are more likely to be in permanent, full-time, regular and better-paid jobs as shown in Figure 2. As pointed out by Burrow (2012), precarious employment as work that is not permanent, indirect, informal and/or otherwise insecure. Examples are casual, temporary, part-time, or fixed-term contract workers. Its increased usage by employers is intended to maximize short-term profitability and flexibility at the expense of the worker.

Figure 2. Employed persons in vulnerable employment by region and sex, 2004 - 2007



Source: Computed by the United Nations Statistics Division based on data from ILO, Key Indicators of the Labour Market, 5th edition, table 3 (accessed in July 2009).

Note: Unweighted averages; the numbers in brackets indicate the number of countries averaged. This average for Eastern Asia does not include China. Western Asia excludes Armenia, Azerbaijan and Georgia; CIS in Asia
Source: Bureau of Labor and Employment Statistics LABSTAT Updates 16(31) 2012

Precarious work practices of selected countries

Below are some actual precarious work practices of selected countries with advance economies which were taken from the research of Evans and Gibb (2009) entitled, *“Moving from precarious employment to decent work.”*

Canada

Part time, contract and temporary work as well as self-employment, now corresponds to around one-third of the Canadian workforce nationally. This means that in Canada, about a third of the workforce engages in ‘non-standard’ work, “that deviates from the standard full-time, permanent employment contract in a single employer.”

For contract and agency workers in particular, often the same work is being completed as permanent workers but for less pay. Importantly, contract workers are only paid while on assignment, it is often difficult to maintain sufficient hours in order to earn a living wage. Many temporary workers are classified as self-employed workers or independent contractors for the purposes of labor and employment rights, benefits and protections.

USA

The US Government Accountability Office (GAO) has reported that the number of ‘contingent’ workers who are independent contractors, temporary workers, subcontracted and leased workers and part-time workers stood at approximately 31% of the total workforce. The GAO also reported that the absolute number of workers in these categories increased by three million (to 42.6 million workers) between 1995 and 2005 while their percentage of the total workforce remained stable. This means that contingent work continued to grow steadily along-side the rest of the economy.

Many more firms in the US than some other developed countries took the ‘low road’ strategy of reducing labor costs through contingent work arrangements. Some firms have adopted a combination of strategies for different kinds of workers. ‘Core periphery’ or ‘flexible firms’ use contingent workers to buffer their most valuable, core workers from fluctuations in supply and demand. The employer-based system of social protection has clearly facilitated these exceptional characteristics. An additional peculiar feature in the US is the “great limits on probability of key social protection across jobs and employers.”

Japan

Similar to other countries, Japan started to see ‘nonstandard’ employment build in the 70s then rise rapidly in the 90s. The rise of precarious work in Japan has particularly severe gender, inequality and broader social implications.

In addition to a broad context of deregulation, Japanese companies have built and acted on an explicit strategy of creating different employment statuses. The Japan Federation of Employers’ Association, or Nikkeiren, has popularized the notion of a ‘multi-track personnel system’. There are three main tracks articulated: “(1) a core or ‘elite’ group of long-term employees; (2) a peripheral group for simple routine tasks.”; and the third group is described as a ‘flexible’ workforce and corresponds to the rise in non-regular employment in Japan. The spread of this multi-track model has received continuous support from the

Japanese Business Federation – Nippon Keidanren – and Japanese employers have “steadily pursued this initiative.”

Part-time workers are by far the largest numerical group within the non-regular category. They make up roughly three-quarters of the non-regular group. The average hourly wage of part-time workers is 40% of what regular workers make. Many of these workers are women, young people, and older workers.

Temporary work in Japan is gendered to an even greater degree than part-time work. Women make up more than 80% of temporary staff. (Gottfried 2008:187). Japan stands alone in the OECD by the total absence of any explicit articulations of equal treatment provisions for temporary workers.

Precarious work practices of global companies

Below are some actual precarious work practices of global companies who claim to be model employers and socially responsible companies.

Coca-Cola in Colombia

Coca-Cola in Colombia was once known for hiring paramilitaries to kill their union leaders. Now Coca-Cola is taking a different approach to destroying the union by indirectly contracting out the majority of its workforce. A July 2008 ILO mission to investigate labor relations and working conditions at Coca-Cola bottling plants found a clear difference between the employers’ relationship and treatment of directly employed workers as compared to outsourced workers. In one Bogota plant, 70% of the operating staff and 85% of the distribution staff is now outsourced, contracted through labor “cooperatives,” employment agencies or considered independent contractors. A large number of these workers were formerly direct employees but the company forced them to change their status.

These outsourced workers do not have the right to unionized and thus, the unions in the majority of bottling plants are slowly disappearing. The ILO recommends that Coca-Cola limit the number of contract workers and to assure that current contract workers are provided the same rights and benefits as regular workers. The union in one plant has dealt with the problem by limiting the number of contract workers allowed in their collective bargaining agreement (International Labor Rights Forum, n.d.).

Lipton Tea Workers in Pakistan

Lipton Tea is amongst Unilever’s top “billion dollar brands”, the 2 dozen brand products that generate 75% of corporate revenue. Unilever has begun a strategy of destroying unions across its workforce by replacing regular workers with temporary workers. The Lipton Tea factory in Khanewal, Pakistan employs 22 permanent workers but another 723 workers are hired through six contract labour agencies. The majority of these workers have worked for more than 10 years at the Khanewal factory but since they are not formally employed by Unilever. They are barred from joining a union of Unilever workers and bargaining with Unilever as their employer.

The small number of permanent workers receives a monthly based wage of \$226 a month. The basic wage for those providing disposable, “temporary” work is less than three dollars a day for more workers. Where permanent workers

receive double for overtime/holiday work, agency workers simply receive the basic hourly wage. From one week to the next, they not know their assignment or work schedules – or whether they will have work (International Labor Rights Forum, n.d.).

Nestlé Philippines

At Nestlé Philippines labor hire agencies are used for almost all positions, both in production and sales force offices. Workers contracted through labor hiring agencies are assigned to all types of positions normally filled by regular workers, and a substantial proportion of the workforce is now recruited and employed in this way. These workers are not allowed for work for more than five months – otherwise they may become regulars because of the provisions of the labor law and they are never recalled even if they had performed exceptionally well simply because they would accumulate the number of months (6-month period) required by law to become permanent. These contract workers (whose pay is considerably less than that of permanent workers) are replaced with new workers who have never been hired in any Nestlé worksite (IUF, 2013).

Unilever in Pakistan

Corporations can of course completely evade employer responsibility by 100% outsourcing. In 2008, the World Food Programme announced “a joint venture with the employees of industrial giant Unilever to help combat child hunger in Pakistan.” Part of this scheme involved the promotion of Unilever’s branded Blue Band margarine through the school system.

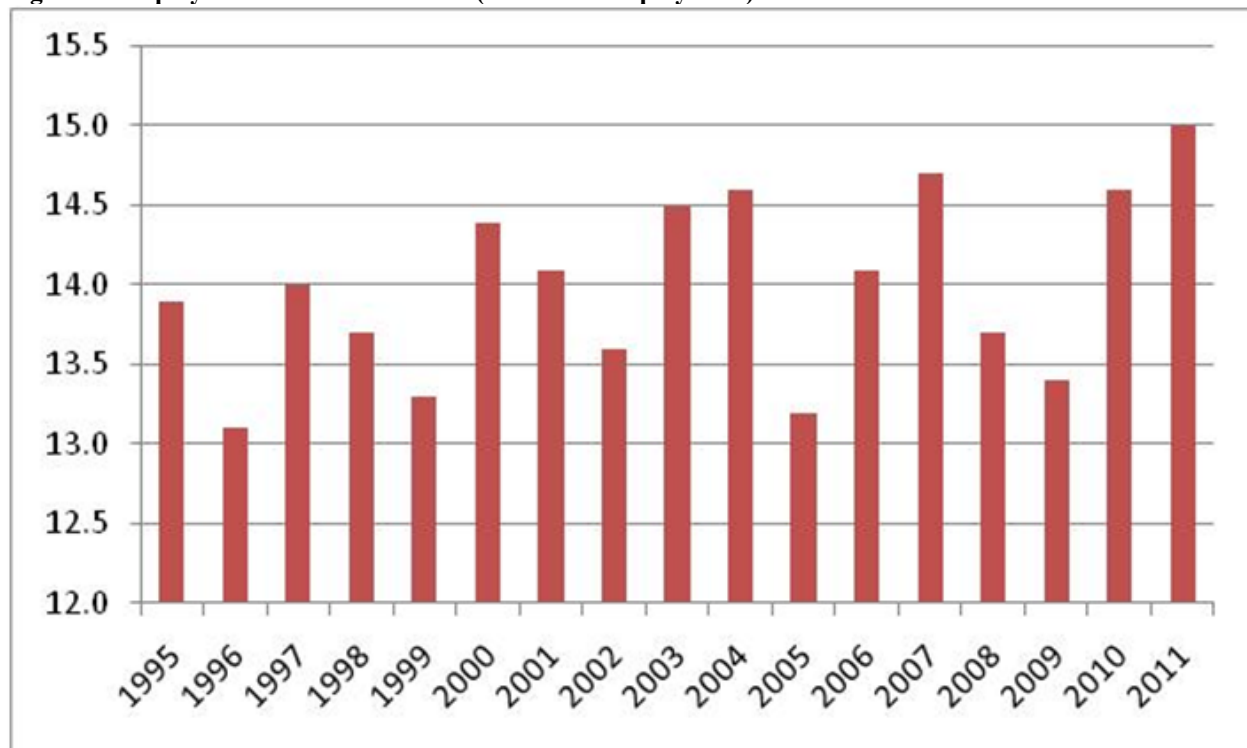
Unilever thus receives promotion from the UN for a product which it does not manufacture and for whose industrial relations it denies all responsibility. In 2004, Unilever Pakistan sold its Dalda brand plant in Karachi to a group of former company managers, who incorporated as Dalda Foods (Pvt.) Limited. Dalma makes Blue Brand (and other trademark products) under license from Unilever.

At Dalda Foods factory, which employs 500 workers, not a single worker is employed on a permanent contract. Those who make the “Blue Brand” spread, for which Unilever gets a marquee slot on a UN agency’s website and collects the licensing fees are all on temporary contracts, recruited through labor hire agencies. When 430 workers decided to form the Dalda Food Employees Union and registered with the authorities on May 13, 2008, management at Dalda opposed the union’s registration application and request for collective bargaining status on the grounds that its employees are not employed by Dalda, but by the labor hire agencies (IUF, 2013).

A brief on precarious work in the Philippines

The Department of Labor and Employment defines *employees in precarious work* as those that “relates to wage and salary workers in any work arrangements, that differ from the commonly perceived norm of “full-time protected regular wage and salary employment”, such as short-term, casual and low paying jobs that do not provide the usual non-wage benefits and social security normally found in regular employment contracts. Data in Figure 3 show that employees in precarious work in percentage of total employment from 1995 to 2011 averaged 13.83% in an increasing trend. In Table 1, data reveal that by type of non-regular employment, there are more hire contractual, followed by casuales, and then part-time.

Figure 3. Employees in Precarious Work (% of total employment)



Source: Bureau of Labor and Employment Statistics LABSTAT Updates 16(31) (2012).

Table 1. Types of non-regular employment in the Philippines as % of total employment (1989-1997)

Year	Part-time	Casual	Contractual	Totals
1989	1.3	4.1	8.3	13.7
1990	1.6	3.7	8.2	13.5
1991	1.5	4.1	7.0	12.6
1992	1.5	4.1	10.0	15.6
1993	1.8	3.4	9.8	15.0
1994	1.5	4.3	7.9	13.7
1995	1.8	4.4	11.8	18.0
1996	2.0	4.1	12.3	18.4
1997	2.2	4.7	14.0	20.9

Source: DOLE-BLES Yearbook of Labor Statistics, 2007

Objectives of the Study

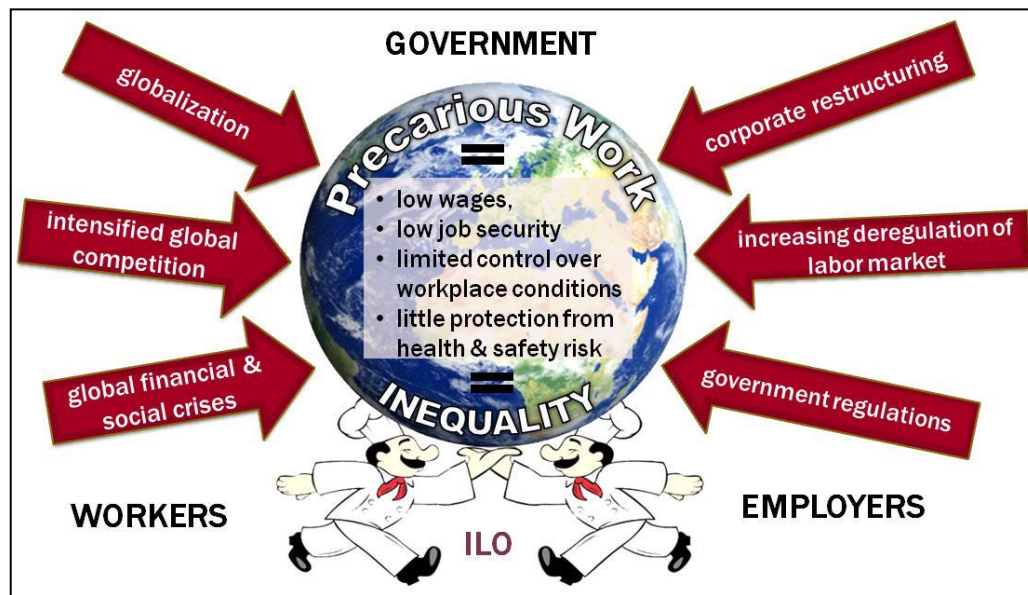
Most of the data on precarious work that are found in the ILO publications are on OECD countries, Africa, and Latin America, revealing little knowledge coming from transitional economies in Asia, such as the Philippines. It is with the aim to acquire more information and contribute to the body of knowledge on precarious employment that this paper investigated this re-emerging old phenomenon that is seriously affecting the hotel industry in the Philippines. Specifically, the objectives of the study are focused on the following:

1. To determine the employment practices that are often associated with precarious work in the hotel industry;
2. To know the factors that drive the hotels to resort to precarious work practices;
3. To describe the impact of precarious work on the following:
 - 3.1 Women workers
 - 3.2 Workplace health and safety
 - 3.3 Union as an organization
 - 3.4 Sustainable development
4. To identify strategies or courses of action that can be taken by the following stakeholders to combat precarious work practices:
 - 4.1 Unions
 - 4.2 Employers
 - 4.3 Government
 - 4.4 International Labour Organization (ILO)

Framework

The framework shows the concept of precarious work, the factors that drive the hotel management to resort into this vulnerable work arrangement, and the stakeholders that can do something to combat this enemy of decent work are highlighted in Figure 4.

Figure 4. Operational framework on precarious work



Methodology

Using a descriptive research design, a survey was conducted in 11 unionized hotel establishments which are affiliated with the National Union of Workers in Hotel Restaurant and Allied Industries (NUWHRAIN- IUF) in the Philippines, as presented in Table 2. Of the 11 participating hotels, eight are located in Metro Manila and four are operating in the provinces. A total of 84 valid responses from supervisory and rank-and-file employees' union officers and members were used for the data analysis.

Table 2. Respondents' Profile

Unionized NUWHRAIN Affiliate Hotels	Positions in the Union of the Rs	Type of Work in the Hotel
Manila Peninsula Hotel	• President	• Cook
Mandarin Oriental Manila	• Board of Directors	• Bartender
Sofitel Philippine Plaza	• Vice President	• Lifeguard
Century Park Hotel	• Treasurer	• Electrician
Hotel Intercontinental Manila	• Councilor	• Room Attendant
Holiday Inn	• Union Member	• Outlet Cashier
Manila Pavilion Hotel		• Chef
Cebu Midtown Hotel		• Bellman
Bohol Beach Club		• Waiter
Montebello Villa Hotel		• Supervisor
Hyatt Regency Manila/MIDAS Hotel		• Telephone Operator
		• Kitchen Artist
		• Food Attendant
		• Steward

A content analysis of government publications such as the BLES-DOLE and NSO data were also utilized to secure a brief profile on the extent of precarious employment at the industry level.

Findings

A Brief on the Hotel Industry

In general, hotels offer two major types of services: (a) accommodation and (b) dining services. Based on the quality and extent of services provided, location, bedroom, front office/reception, food and beverage, general facilities (service and staff), and special facilities (i.e., business center, limousine services and airport transfers). Hotels are further classified as Deluxe, First Class, Standard, and Economy by the Department of Tourism (DOT). Hotel guests can expect a room with private bath, telephone, radio, and television, in addition to such customer services such as laundry, valet, cleaning and pressing. Aside from the services mentioned, hotels have other facilities: function rooms, ballrooms, health spas, coffee shops, dining rooms, cocktail lounges or night clubs, gift shops or newsstand-tobacco counters, and business centers for social occasions, health buffs, and business conferences. Customers of the industry include the domestic household, foreign visitors and institutional buyers (Edralin and Castillo, 2001).

Hotels are the most popular source of accommodation for about 60% of foreign visitors. Total visitor arrival to the Philippines in 2012 reached a total of 4,272,81. A tourist spent an average of about 90 US dollars per day. Of this amount, more than 33% is accounted for by accommodations, 23% consumed for food and beverage and 21 % for shopping (Mitra and Oliveros, 2012). Institutional buyers often patronize the restaurant services offered by the hotel sub-sector in promoting their products, training their employees, and holding company gatherings. In response to the growing demand for hotel accommodations, the past years witnessed the steady expansion of every segment of the hotel industry (Edralin and Castillo, 2001).

In 2012, there are 6,837 hotel establishments in the country. Among these, there are 734 DOT accredited hotels, with a total of 52,860 employees who were hired, consisting of 77% regular and 23% seasonal workers. The average occupancy rates in the same period are 67% with the guest staying for an average of 2.24 days.

Opportunities for hoteliers also arise from the country's strategic location. The Philippines is situated in the center of Asia, home of the fastest-growing economies in the world. Moreover, government, industry association and trade union cooperation provides the industry with a strong support system. While there are already quite a number of players in the market, the hotel industry can be characterized by still a rigid competitive structure. Product differentiation prevents any hotel from monopolizing the market. The top ten hotels accounted for 61.4% of the sub-sector's gross revenue are are Edsa Shangri-la Hotel and Resort, Inc., PHP1.3 billion(9.7% revenue share), Manila Peninsula, PHP1.1 billion (8.1% revenue share)and New World International Development Philippines, PHP983 million (7.4%revenue share).Based

on occupancy rates, however, the Mandarin Oriental, the Makati Shangrila and the Manila Diamond Hotel topped the DOT accredited deluxe hotels category for the period January to April 2000 with occupancy rates of 81.5%, 77.1% and 77.1%, respectively (Edralin and Castillo, 2001). The macro level, economic and political factors has also affected the performance of the hotel industry. This has prompted the hotel management to develop schemes on how to minimize costs to increase revenue and profit.

Statistical Profile of Precarious Work in the Hotel and Restaurant Industry

The following data from the Department of Labor and Employment clearly reveal that precarious work is prevalent in the Philippines, particularly in the Hotel industry. The hotels employ contractual/project-based, casual, probationary, and seasonal workers to meet their needs. Contracted out services are mostly on security, food/catering, janitorial, general administrative, and logistics/transport work.

Table 3. Total Employment and Number of Non-Regular Workers in hotel and restaurants With 20 or More Workers by Category, Philippines: June 2010

Industry	Total Employment	Non-Regular Workers					
		Total	Probationary Workers	Casual Workers	Contractual /Project-based Workers	Seasonal Workers	Apprentices /Learners
Hotels and Restaurants	196,075	70,077	14,032	13,424	38,338	1,534	2,749
All Industries	3,042,750	850,085	179,384	170,817	445,020	28,815	26,049

Note: Details may not add up to totals due to rounding of figures.

Source: Bureau of Labor and Employment Statistics, 2009/2010 BLES Integrated Survey (BITS).

Table 4. Number of Agency-Hired Workers in Non-Agricultural Establishments With 20 or More Workers in hotel and restaurants by Type of Jobs/Services Contracted Out, Philippines: June 2010

Agency-Hired Workers	Hotel and Restaurants	All Industries
Total Number of Agency-Hired Workers	19,691	341,703
Security Services	7,478	98,790
Janitorial	3,301	50,588
General Administrative	1,307	14,406
Marketing/Sales	163	20,285
Packaging	-	18,397
Production/Assembly	-	103,192
Research and Development	-	1,692
IT Services	56	3,384
Cashier	-	477
Food Service/Catering	6,041	7,410
Human Resource	-	20
Messengerial	-	453
Billing/Payment	-	194
Logistics/Transport	1,237	6,630
Repair/Maintenance/Construction	108	8,890
Data Processing/Encoding	-	165
Warehousing	-	2,156
Medical/Health Services	-	138
Others	-	4,436

Note: Details may not add up to totals due to rounding of figures.

Source: Bureau of Labor and Employment Statistics, 2009/2010 BLES Integrated Survey (BITS).

Table 5 .Number of hotel and restaurants engaged in Subcontracting with 20 or More Workers by Type of Jobs/Services contracted Out, Philippines: June 2010

	Hotel and Restaurants	All Industries
Production/Assembly	-	193
Finance/Accounting	134	1,091
Data Processing/Encoding	24	141
Human Resource	42	420
Learning/Training	24	299
Billing and Payment	54	271
Transport Services	59	462
Courier Services	54	602
Packaging/ Crating	-	108
Research and Development	12	129
Others	1	257
Total	235	2,471

Note: Details may not add up to totals due to rounding of figures.

Source: Bureau of Labor and Employment Statistics, 2009/2010 BLES Integrated Survey (BITS).

Survey Results

Table 6. Employment practice often associated with precarious work in the hotels

Practices	Average Percentage (n=84)	Department most affected
Hiring of labor via employment agencies or labor brokers	35.9	Housekeeping
On call/daily/per function hiring	29.1	Food & Beverage
Contracting out functions/tasks to other companies	25.9	Engineering
Direct hire on temporary labor contracts	23.4	Food & Beverage
Disguised employment training contracts (as trainees)	22.3	Housekeeping
Limited employment to less than six (6) months	21.8	Food & Beverage
Fixed term contracts	14.0	Engineering
Abusive probationary periods	12.1	Food & Beverage
Illegal or involuntary part-time work	7.1	F&B, steward
Individual labor contracts as bogus “self-employed” workers	6.5	Engineering
Home working	3.0	F&B, seamstress, laundry, accounting

There are eleven specific employment practices that are often associated with precarious work in the participating hotels. The top of the list is the hiring of labor via employment agencies or labor brokers (35.90%). This is followed by on call/daily/per function hiring (29.10%). Third in the rank are practices such as contracting out functions/tasks to other companies (25.90%); disguised employment training contracts, as trainees (22.3%); and limited employment to less than six months (21.8%).

These precarious work arrangements are more commonly done in the Food and Beverage Department where they hire waiters, food attendants, stewards and bartender assistants. In the

Housekeeping Department they employ roomboys and cleaners/janitors. In the Engineering Department they contract out electricians and engineers. In a lesser degree the other departments that are also affected are Laundry, General Services, Administration, and Accounting.

Table. 7. Factors/causes for hotels to resort to precarious work practices

Reasons	Percentage
Lower expenses or costs for salaries and benefits	80
Reduce number of regular workers or prevent regularization	78
Promote flexibility of labor	77
Weaken union or prevent unionization	74
Eliminate or reduce cost of dismissal or retirement benefits payment	73
High unemployment and/or surplus of labor	73
Allows employer to evade responsibility to workers	72
Make dismissal/lay off of workers easier	72
Labor laws encourage contract and/or temporary work	71

There are a number of reasons why hotels resort to precarious work practices according to the trade unionists' respondents. The top five factors are: (1) lower expenses or costs for salaries and benefits (80%); (2) reduce number of regular workers or prevent regularization weaken union or prevent unionization (78%); (3) promote flexibility of labor (77%); (4) weaken union or prevent unionization (74%); and (5) eliminate or reduce cost of dismissal or retirement benefits payment (73%). These data reveal that precarious work is caused by employment practices designed to maximize employer profits and flexibility and to shift risks onto workers. Moreover, the changes in the labor market are often an effect of the change to which decent work has been reconfigured to introduce precarious work in the hotel industry, and not one of its causes.

Table. 8. Effects of precarious work on the union

Union	Percentage
Weakens union, lowers membership and reduces source of funds	82
Unable to fully exercise union rights or avail of union benefits and privileges	75
Contributes to union busting or dissolution of union	75
Lessens ability to bargain, to strike, or undertake concerted action	75
Discourages or prevents union organization or membership	74

As trade unionists, a big bulk (82%) of the respondents opined that precarious work practices have significantly weaken the union as an organization since their membership continue to decline and with this trend, their source of fund (which is the union dues paid by the members) is also reduced. When the workers are not regular, they are unable to fully exercise union rights or avail of union benefits and privileges simple because they are not members of the union.

Table. 9. Effects of precarious work on women workers

Women Workers	Percentage
Minimizes or prevents regularization	69
Discourages union membership and/or denies union representation	67
Minimal, or denial, or non-improvement, of benefits	64
Lower wages and salaries or compensation	63
Fosters discrimination	61

The unionists perceived that the re-emerging precarious work arrangements are unfair not only to women workers but to all workers. First, they are prevented from becoming regular employees and as such they cannot become union member and denies them of union representation. Since they are not regular employees, they receive lower wages and they are not entitled to benefits. If they are breadwinners, their salaries are not enough to fend for their family needs and even for themselves. But it seems that they forced to engage in this non-standard work schemes due to the uncertainty about the future of employment and earnings, limited work opportunities and the stiff competition to find work in the hotel industry. It is better for them to have meager income, than having nothing at all. In such case, women workers who are exposed to low and unstable income, also suffer greatly during economic downturns. Since they are not regular employees, they are the first to go, when labor downsizing is implemented by the hotel management.

Table. 10. Effects of precarious work on the Workplace Health and Safety

Workplace Health and Safety	Percentage
Tendency to have multiple jobs in multiple sites	73
Assigned to irregular or very limited hours of work; and/or long work shifts/work days or work weeks	72
Required to do dirty, dangerous, dull, and/or lowest paying jobs	71
Less or no health and safety equipment, benefits, or social security	66
Stressful psychosocial working conditions	63

The unionists observed that precarious work practices create the “tendency to have multiple jobs in multiple sites” in the hotel. It means that the job description of a hotel worker has expanded and this has to be done in more than one outlet in the establishment. The workers are now pressured to toil faster but efficiently and accurately. It means no customer complaints and higher revenues as reflected inconstant high room occupancy and food consumption in the food outlets and room service orders. The contractual or temporary workers are “assigned to irregular or very limited hours of work and/or long work shifts/work days or work weeks” which the regular workers are seldom assigned to. What is more demeaning is the reality that precarious workers are “required to do dirty, dangerous, dull, and/or lowest paying jobs.” They have no option but to follow or else they will lose their job.

Table. 11. Effects of precarious work on Sustainable Development

Sustainable Development	Percentage
Declining living standards and rising poverty	77
Reduced or no purchasing power which can help stimulate economy	73
Lower or no income/other tax collections, and government revenues	72
High unemployment, underemployment and job instability	70
Increased government expenditures for health and social costs and services	68

The unionists believe that precarious employment has primarily resulted in the declining living standards of the workers and it is contributing to the rising poverty in the country. When workers have small and less income, which is even below the minimum wage, they are not able to afford even the minimum requirements of quality living which includes decent shelter, clothing, to eat three times a day, access to good education, private health care; and simple recreation. On a macro level, lower or no income means no tax collections and revenue for the government which is used to finance government expenditures for education, health, social protection, and other social services necessary to keep a stable and afloat economy. Therefore, precarious work creates insecurity and leads to increases in inequality and poverty.

Table. 12. Action that can be taken by the unions to address/combat precarious work

Unions	Percentage
Lobby for new or changes in laws to promote job security	77
Recruit or organize precarious workers into unions	76
Include contract workers in collective bargaining arrangements	75
Negotiate for the same wages, working conditions,, benefits and job stability for precarious workers	74
Demand that employers' reduce or eliminate the use of contract labor and other forms of precarious work	74

The trade unionists strongly believe that what they can do as a labor group as a priority is to “lobby for new or changes in laws to promote job security” (77%). They should also “recruit or organize precarious workers into unions” (76%) and “include contract workers in collective bargaining arrangements” (75%).

Table. 13. Action that can be taken by the employers to address/combat precarious work

Employers	Percentage
Respect workers and union rights	78
Practice transparency in relation to workers and unions	76
Support setting of legal standards in the use of precarious workers	76
Negotiate with union/s about use of precarious workers	74
Minimize or eliminate use of precarious workers	73

The unionists averred that the employers as the owner of the hotel, first and foremost should “respect workers and union rights” (78%) and “practice transparency in relation to workers and unions” (76%). They also should “support the creation of legal standards in the use of precarious workers” (76%). However, there are considerable challenges still facing unions trying to reach out to vulnerable workers in the hotel industry.

Table 14. Action that can be taken by the government to address/combat precarious work

Government	Percentage
Enforce labor laws and regulations	81
Promote security of tenure of workers	81
Pass legislation to eliminate use of employment agencies and grant of same rights to both regular and precarious workers	75

The trade unionists consider the role of the government in the areas of legislation and implementation of the laws. The legislative role is to “pass legislation to eliminate use of employment agencies and grant of same rights to both regular and precarious workers,” while the

implementation role is to “enforce labor laws and regulations, as well as “promote security of tenure of workers.”

Table 15. Action that can be taken by the ILO to address/combat precarious work

International Labor Organization (ILO)	
Global campaigns to end precarious work and promote decent jobs	78
Develop suitable ILO conventions to limit, restrict and reduce resort to precarious forms of employment	78

There are only two strategies that the unionists can think of as far as the ILO is concerned. First, is strengthen their “global campaigns to end precarious work and promote decent jobs” and develop “suitable ILO conventions to limit restrict and reduce resort to precarious forms of employment.” It entails that the Decent Work Agenda which was introduced by Juan Semovia in 1999 to refocus the ILO and make it relevant for the 21st century. Its role in the workplace should be pushed and supported by the tripartite bodies.

Conclusion

“First, the business must not be single-mindedly focused on its own profits, but must have a bigger purpose that includes taking on some of the problems of the wider society. Advancing the common good implies tapping into the shared concerns and purpose espoused by most, such things as improving health, preserving the environment, enhancing education and, in general, improving the quality of life. A careful examination reveals that some companies never realize these values in practice. It is not enough to have a lofty philosophy of the organization, but rather, a company must also have business plans with timeframes and goals that integrate these values into daily practice. Hiring and development must reflect the philosophy of the firm and motivate employees to carry forward the espoused values. The ideal firm envisioned by Pope Benedict, however, would attend to the dignity of all significant stakeholders involved. Paying a living wage respects the dignity of the workers and enables them to exercise their right of participation in the society” (Williams, 2013).

Findings revealed that precarious employment is undermining worker rights, the scope and coverage of collective bargaining, as well as wages and working conditions in the hotel industry. In the case of vulnerable workers who are exposed to low and unstable income, they suffer greatly whether the economy is up or down. The data also reveal that precarious work is caused by employment practices and one of the most significant characteristics this dangerous work is the physical fragmentations of the cycle of production and employment arrangements, in order to obtain greater efficiency, maximize employer profits and flexibility, and to shift risks onto workers.

Therefore, there is an urgent need to combat the rising incidence of precarious work in the hotel industry. The overall goal is to ensure that precarious which is the enemy of decent work, does not become the dominant feature of the working relationship between workers and employers.

The hotel industry trade unionists recognize that theirs and the other private initiatives will not be adequate. It is imperative that a strong government action be taken. It must take up

the challenge by reversing its policies of labor deregulation and contractualization that have facilitated the growth of precarious work but instead have at their core, creating good jobs and improving the quality of work which is in accordance with the Decent Work Platform of the International Labour Organization.

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About the Author

Dr. Divina M. Edralin is a full professor at the Management and Organization Department of De La Salle University, and is currently the Vice Dean for Research and Graduate Studies of the Ramon V. del Rosario College of Business (RVR-COB). She earned her Master in Industrial Relations from the University of the Philippines and her Doctor of Management from De La Salle University.

Her areas of expertise and research interests include human resource management, entrepreneurship, collective bargaining, and labor issues. She is the author of the following books: “Business Research: Concepts and Applications, 3rd edition” under DLSU Press, Inc. and “Human Resource Management Practices: Concepts and Applications” under Abiva Publishing. One of her recent works is “Work and Life Harmony: An Exploratory Case Study on Entrepinays”, which was published in the *DLSU Business and Economics Review*. Her other works have been published in the *Journal of Women Studies*, *Asia Pacific Business Review*, *Asian Journal of Technology Innovation*, and *LCCM Research Journal*.

Prof. Edralin is currently a management consultant for Thairairways, Scentimentals Incorporate, and Labor Education Research Network. She is also currently a research consultant for La Consolacion College Manila. She was named as the Outstanding Educator in Management by the Philippine Council of Deans and Educators in Business (PCDEB) in 2003.