

Bureau of Working Conditions
Labor Standards and Social Protection Cluster

YEAR-END PERFORMANCE REPORT
2011

- A. LABOR STANDARDS ENFORCEMENT PROGRAM (LSEP)** draws its legal bases from Art. 128 of LCP as amended and DOLE No. 57 s. 2004. Its paramount objective is to monitor compliance of establishments, whether compulsory or voluntary, with labor standards to protect workers from hazards in the workplace and promote their welfare by ensuring safe and healthy work environments. The LSEP is a strategy to Pillar 2 (Rights at Work) of the LEP 2011-2016.

2011 Targets and Accomplishments with Budget Allocation and Utilization

Analysis of Performance

Of the total 30,727 establishments inspected nationwide, 4.69% were construction companies in the project sites, 5.49% were establishments inspected due to complaints while the remaining 89.80% was the bulk of routine inspections.

Total compliance rate on core labor standards was 67.30% while that on minimum wage was 80.74%.

Total inspection cases handled were 15,772 with a disposition rate of 66.68% and awards/settlements amounting to ₱543,554,648.00 benefitting 85,484 workers.

There were 1,843 establishments covered by the Self-Assessment (SA) Approach. Top performing ROs were ROs 7, 11 and 10. Compliance rates on labor standards and Minimum Wage nationwide were 92.40% and 98.59% respectively.

For the Training and Advisory Visits (TAV) Approach, a total of 344 orientations nationwide were conducted covering 7,735 establishments. However, only 31.51% of establishments which participated in the orientations were followed-up on their committed action plans. ROs 10, CAR, 6 and 11 conducted the most number of orientations while ROs 1, 2 and CAR conducted the most follow-up visits. ROs 7, CAR and 4B had the most number of establishments correcting their noted violations.

Due to the spate of fatal accidents in the Construction Industry, ***the Bureau spearheaded the constitution of an Interagency Committee on Construction Safety through a MOA and a Joint Administrative Order No. 1 s 2011 with the DPWH, DTI-PCAB and CMDF and DILG.*** DPWH and DILG have instructed all building officials to require contractors to submit a Construction Safety and Health Program (CSHP) prior to issuance of building permit. The DTI-PCAB has required all contractors to secure first a license before engaging in construction projects. Contractors and construction workers alike are required to undergo training/ appreciation course on construction safety and health conducted by DTI-CMDF. The DOLE through the BWC and OSHC has committed the conduct of refresher training

courses. The IAC is pushing for the refiling of HB 4184/ HB 86 (An Act to Govern OSH in the Construction Industry).

The DOLE also kept track of all on-going construction sites nationwide. NCR, RO 4A and 11 reported the most number of construction projects with 698, 135 and 117 respectively. There were 792 projects reported and 706 or 89.14% were inspected covering 1,442 subcontractors and 48,476 workers. 90.63% of the subcontractors had violations on GLS and OSH Standards and were remiss in providing Social Welfare Benefits to their workers. Compliance rates were low: 28.29% for core labor standards, 47.99% for minimum wage, 29.89% for occupational safety and health standards and 57.70% for social welfare benefits.

The Bureau also tackled the plight of security guards by conducting consultations with the PADPAO, an umbrella organization of security agencies, together with NCR and the PNP. An Orientation on Labor Standards have been conducted with about 60 security agencies and representatives in attendance.

B. THE SAFETY MILESTONE (SMILE) PROGRAM

The SMile Recognition Program is a complimentary mechanism initiated by the DOLE through the BWC in coordination with the DOLE-Regional Offices which recognizes companies for their commitment in implementing OSH program and activities. The Safety Milestone is an incentive award given annually to a company that attained a No Lost Time Accidents for one (1) whole year as a result of effective implementation of OSH programs, activities and excellent safety performance.

The SMile Program aims to motivate and encourage companies nationwide to be steadfast in their commitment to implement effective OSH programs and activities wherein it facilitates voluntary compliance with the provisions of the OSH Standards.

2011 Targets and Accomplishments with Budget Allocation and Utilization

The Program had fully utilized the budget allocated amounting to ₱255,000.00. In the recently held SMile Celebration, ***a total of 135 companies having 438 subcontractors nationwide were awarded together with their 141 DOLE Accredited Safety Practitioners/Consultants covering 42,700 workers involving an estimated economic savings of ₱121,016,385.00***

There is an increasing number of awardees per year, an indication that a growing number of companies are committed to effectively implement OSH programs and activities at their respective workplaces. Through the SMile, voluntary compliance to the provisions of OSHS is thus facilitated.

While the Program is celebrated annually, there is a need to conduct program review and reformulate guidelines in the selection process to come up with a more comprehensive quality of recognizing compliance and assess the impact SMile has on the lives of our workers.

C. ACCREDITATION PROGRAM PURSUANT TO D.O. No. 16

The accreditation of safety and health professionals and organizations by the BWC pursuant to Rule 1030 of the OSHS is a venue to enhance the culture of safety and voluntary compliance to labor standards, particularly on occupational health and safety.

Accreditation is aimed at increasing the number of competent individuals qualified to carry out the provisions of the OSHS.

2011 Targets and Accomplishments with Budget Allocation and Utilization

Department Order No. 92 s 2008 directs the Bureau to decentralize Accreditation Program to the Regional Offices for the effective implementation of the program and for easy facilitation of application for accreditation.

For CY 2011, there were about 537 applications received/processed by 16 Regional Offices. Of these, 238 or 44.50% were approved with Certificates of Accreditation issued.

The accreditation program is one of the Bureau's monitoring program budgeted under the MOOE.

A review/ assessment of the accreditation guidelines and procedures after 4 years of full implementation in the DOLE-ROs is highly recommended to further improve the Program.

D. ADVISORY FUNCTION

The BWC through its Wage and Hour Standards Division, now rationalized as the Policy and Program Development Division (PPDD) has achieved the following for CY 2011:

- 1) Developed the ***Guidelines for the Rules and Regulations Governing the Working Conditions of Drivers and Conductors in the Utility Bus Transport Industry***
- 2) Drafted the implementing rules and regulations:
 - a. ***Governing the Employment and Working Conditions of Domestic Seafarers***
 - b. ***For RA 10151: "An Act Allowing the Employment of Night Workers"***
- 3) Issued 6 labor advisories and 185 advisory opinions
- 4) Attended 2,025 phoned-in queries and 317 walk-in clients
- 5) Prepared 31 position papers in the matter of labor standards and other wage-related benefits
- 6) Participated actively in 133 consultative meetings
- 7) Disseminated 2,568 copies of the "***Handbook on Workers' Statutory Monetary Benefits***" 2010 edition to the DOLE-ROs and social partners; IMPACT: continuous decline in the number of clients attended to since 2010 (2,610 clients served in 2010 to 2,342 in 2011 as compared to 21,788 clients in 2009)
- 8) The Federation of Filipino Chinese Chamber of Commerce and Industry Inc. (FFCCCII), in coordination with the DOLE, published the abovementioned ***Handbook in Mandarin entitled, "Employers' Guide on Workers' Benefits under Existing Laws"*** in the first quarter of 2011 and was disseminated to the Chinese business community for reference and guidance.

E. KAPATIRAN WISE-TAV (KWT) PROGRAM

The KWT is a developmental program of the BWC that encourages big companies practicing social responsibility to assist MSMEs in becoming eventually compliant with Labor Standards, through the initiatives of the DOLE-accredited Safety practitioners and active Safety and Health Committees in the big companies in cooperation with the DOLE-ROs.

The Project was launched in March, 2007 in Quezon Province, starting with 3 big brothers, 44 small brothers covering 2,042 workers. **Four (4) years after, Department Advisory No. 6 s 2011 was issued in March 7, 2011, institutionalizing the KWT**. As of December 2011, it is implemented in 14 DOLE-ROs with 76 Big Brothers, 815 Small Brothers involving 187,516 workers.

ROs 11, NCR and 4A have the most number of Big Brother companies enrolled in the Program with 23, 18 and 11 respectively.

The DOLE has incurred minimal expense in the implementation of KWT. Aside from monitoring activities it provides technical assistance to the brothers whenever needed. Usually it is the Big Brother that determines the OSH needs of the small brothers and in coordination with BWC or the ROs, plans for their trainings. Budget therefore is part of the MOOE.

With the issuance of DA No. 6 s 2011, the ROs are expected to identify and entice at least 2 big brothers in their areas, with the exception of ROs 3, 4A, 6, 7, 8, 9 and the NCR.

It is recommended that the BWC together with the concerned ROs assess the KWT Program to determine how well it is coaching the MSMEs into complying fully with labor laws and standards.