

HUMAN RIGHTS REPORT ON THE SITUATION OF SWEATSHOP WORKERS IN TIME OF COVID-19



2022

COMMISSION ON HUMAN RIGHTS
HUMAN RIGHTS CENTERS MANAGEMENT OFFICE
ECONOMIC, SOCIAL AND CULTURAL RIGHTS CENTER

List of Abbreviations

CAMP	COVID-19 Adjustment Measures Program
CESCR	Committee on Economic, Social and Cultural Rights
C087	Freedom of Association and Protection of the Right to Organise Convention
C098	Right to Organise and Collective Bargaining Convention
C105	Abolition of Forced Labour Convention
C122	Employment Policy Convention
C187	Promotional Framework for Occupational Safety and Health Convention
C087	Freedom of Association and Protection of the Right to Organise Convention
C098	Right to Organise and Collective Bargaining Convention
C100	Equal Remuneration Convention
COVID-19	Coronavirus disease
DOLE	Department of Labor and Employment
ECQ	Enhanced Community Quarantine
ILO	International Labour Organization
ILS	Institute for Labor Studies
LGBTQI+	Lesbian, gay, bisexual, transgender, queer and intersex persons
LGU	Local Government Unit
LLCS	Labor Laws Compliance System
OSH	Occupational Safety and Health
NCR	National Capital Region
NGA	National Government Agency
SSS	Social Security System
TUPAD	Tulong Panghanapbuhay sa Ating Disadvantaged/Displaced Workers
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development

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Executive Summary

The onset of COVID-19 has compounded the challenges of addressing poverty and precariousness across the globe. In fact, the disruption caused by the pandemic has or threatens to reverse many of the gains made toward resolving the problems of inequality. This is especially true for the countries of the Global South. Among the many key lessons learned from the struggle against the pandemic is the realization that there can be no recovery, much less future growth, if significant sections of societies are forced into precarious conditions.

This report aims to describe in detail the working and living conditions faced by those stuck in precarious employment in the Philippines, specifically in sweatshop labor. To this end, the following findings were made: precarious working conditions remain prevalent among the surveyed sweatshop workers; the consistency of compliance with labor and OSH standards varied greatly across different workplaces; worker's participation in workplace and OSH-related decision-making was dismally low and; labor and OSH standards violations were widespread, especially during the ECQ period.

Responding to these issues and the policy/practical gaps that cause them, the report suggests several governance and policy reforms, including the alignment of current OSH standards with internal standards, deputization of trade union representatives for labor inspection duties, establishing security of tenure as the norm in employment, and the review of the Wage Rationalization Act of 1989, among other possible steps.

Given the tremendous damage caused by the pandemic, it is clear that States have the moral and political responsibility to ensure the rights of all workers are protected across industries and sectors. "Building back better" after the worst of COVID-19 demands that economic progress and rights protection be treated as inseparable social objectives. There can be no economic growth without safe and healthy populations.

Background and Rationale

Pandemic Scars and Enduring Problems

More than two years since the onset of the COVID-19 pandemic, the world continues to confront its long-term impacts. As numerous reports and studies have shown, the pandemic has not only caused the loss of life and other health complications, but it has also undermined efforts to raise living standards for millions across the globe. For example, the World Employment and Social Outlook for 2022 paints a dismal picture of post-pandemic recovery.

The report indicated that "many gains in decent work made before the pandemic have been significantly impacted upon, and pre-existing decent work deficits are dampening the prospects of sustainable recovery in many regions."¹ By the numbers, the document mentions that COVID-19 and the shocks it caused are estimated to have yielded working-hour deficits "equivalent to 52 million full-time jobs" in 2022.²

One recurring theme in many of these global assessments is the role that existing structural inequalities play in compounding the impacts of the present pandemic. The regional companion report for Asia and the Pacific of the International Labour Organization's (ILO) World Social Protection Report 2020-2022 states that only 46.9% of the world population was "effectively covered by at least one social protection benefit," with 30.6% of the working population "legally covered by comprehensive social security systems."³

Arguing that "social protection remains a central element of ensuring income security for women and men of working age,"⁴ the companion report noted that just two fifths, or 42.8% of workers in Asia and the Pacific were covered for sickness benefits. Only one in four workers are covered for work-related illness and injury, while just 14% of unemployed workers receive unemployment benefits.⁵ In terms of minimum wage coverage, around 327 million people worldwide are paid at or

¹ International Labour Organization, World Employment And Social Outlook: Trends 2022, at 11, available at https://www.ilo.org/global/research/global-reports/weso/trends2022/WCMS_834081/lang--en/index.htm (last accessed November 3, 2022).

² *Id.* at 13.

³ International Labour Organization, World Social Protection Report 2020-22: Regional Companion Report For Asia And The Pacific, at 9, available at https://www.ilo.org/asia/publications/WCMS_853860/lang--en/index.htm (last accessed November 3, 2022).

⁴ *Id.* at 22.

⁵ *Id.* at 23.

below nationally defined minimum wages (152 million of these are women), with 266 million of the figure earning below existing rates because "they are not legally covered or because of non-compliance."⁶

The reports recognize the widespread informality of work and lack of job security in many developing countries as among the main factors that contributed to the severity of the pandemic. Given all these gaps and vulnerabilities, the decisive role of States has once again come to the fore. In its assessment of COVID-19's impact on trade and possible steps forward, the United Nations Conference on Trade and Development (UNCTAD) emphasized the importance of State intervention, not only in terms of recovering from the damage caused by COVID-19, but also in charting new developmental and policy directions.⁷

Quite clearly, the UNCTAD document states that:

"The COVID-19 pandemic has shown that only the State has the capacity to deal with systemic shocks and that responses cannot be left to the markets. The State must have the resources and capacities necessary to do the job properly. Strong institutions and the availability of resources are thus a prerequisite at all income levels to prepare for future shocks."⁸

Moving forward, it is important that states act comprehensively and decisively to mitigate shocks, and just as importantly, build social resilience to weather future emergencies and crisis situations. As was demonstrated in the experience of the Philippines, the civil society and the private sector cannot be substitutes for massive government investment, funding, and support.

COVID-19 in the Philippines: Caught in the midst of multiple crises

In the Philippines, the onset of the pandemic clearly exacerbated existing structural issues and inequalities. From the first announcement of widespread lockdowns that shut down transportation and entire sections of the economy, up to the passage of legislation to structure the pandemic response and the initial rollout of programs, gaps and limitations undermined the government's efforts to mitigate the damage of COVID-19.

⁶ International Labour Organization, Global Wage Report 2020-2021: Wages and minimum wages in the time of COVID-19, at 17, available at https://www.ilo.org/global/publications/books/WCMS_762534/lang-en/index.htm (last accessed November 3, 2022).

⁷ United Nations, Impact Of The Covid-19 Pandemic On Trade And Development: Lessons Learned, at 60, available at <https://unctad.org/webflyer/impact-covid-19-pandemic-trade-and-development-lessons-learned> (last accessed November 3, 2022).

⁸ *Id.* at 60.

The initial government response could be described as a heavy-handed, securitized approach. From the sudden declaration of the Enhanced Community Quarantine (ECQ) that caught the public by surprise,⁹ and the fact that many appointees in the government's National Task Force came from active or retired security personnel,¹⁰ the prominence of security as a key component of the nation's pandemic response could not be denied.

Yet, despite the mobilization of boots on the ground and the comprehensive, all-of-nation approach, crucial issues hampered [the Philippines'] pandemic response. First, the medical emergency exposed how unprepared the public health system is to face such a crisis. After decades of insufficient funding and investment, [the] hospitals and medical facilities suddenly found themselves at the forefront of the pandemic.¹¹ With many health workers underpaid, facilities in dire need of resources, and the sheer number of daily cases,¹² it was not surprising that the nation's healthcare system was overwhelmed during the initial surge of cases.

Second, the onset of COVID-19 exacerbated existing social inequalities. With the imposition of lockdowns and restrictions on movement across the country, many livelihoods were lost or disrupted. In fact, during the first year of COVID-19, the Philippines confronted its biggest employment crisis since the Second World War, with around 17.7% or 7.3 million Filipinos unemployed in April 2020.¹³ Concretely, all these factors led to widespread hardship for millions of Filipinos. As one taxi driver put it, "mahirap pag mahirap" (it's hard when you are poor).¹⁴

⁹ Nikko Dizon, Duterte and his generals: A shock and awe response to the pandemic, July 31, 2020, available at <https://www.rappler.com/newsbreak/in-depth/duterte-shock-and-awe-coronavirus-pandemic-response-generals/> (last accessed November 3, 2022).

¹⁰ Nick Aspinwall, Coronavirus Lockdown Launches Manila Into Pandemonium, FOREIGN POLICY, March 14, 2020, available at <https://foreignpolicy.com/2020/03/14/duterte-quarantine-philippines-coronavirus-lockdown-launches-manila-into-pandemonium/> (last accessed November 3, 2022).

¹¹ Margaret Claire Layug, PHL patient-to-hospital bed ratio at 1:1,000 —Ejercito, GMA NEWS, February 14, 2018, available at <https://www.gmanetwork.com/news/topstories/nation/643384/phl-patient-to-hospital-bed-ratio-at-1-1-000-ejercito/story/> (last accessed November 3, 2022).

¹² Ana P Santos, Attacked & underpaid: Medics in Philippines battle stigma, virus, AL JAZEERA, April 2, 2020, available at <https://www.aljazeera.com/news/2020/4/2/attacked-underpaid-medics-in-philippines-battle-stigma-virus> (last accessed November 3, 2022).

¹³ Ralf Rivas, PH unemployment at all-time high with 7.3 million jobless in April 2020, RAPPLER, June 5, 2020 available at <https://www.rappler.com/business/unemployment-rate-philippines-april-2020/> (last accessed November 3, 2022).

¹⁴ ABS-CBN News, 'Mahirap pag mahirap': Taxi drivers, vendors idinaing ang mga epekto ng Luzon lockdown, March 18, 2020, available at <https://news.abs-cbn.com/spotlight/03/18/20/mahirap-pag-mahirap-taxi-drivers-vendors-idinaing-ang-mga-epekto-ng-luzon-lockdown> (last accessed November 3, 2022).

Protecting Workers Rights in Crisis Situations

Given the current global situation and the Philippine experience during the worst of the pandemic, the purpose of this report is to help make sure that the necessary measures are in place to avoid the tragic human toll in future emergency situations. Among the many lessons we have learned from dealing with COVID-19 is that social security and public well-being are crucial determinants of development and resilience. Simply put, there can be no economic activity, much less growth, when huge sections of the population are vulnerable to health emergencies or other shocks.

As noted by the Concluding Observations on the combined fifth and sixth periodic reports on the Philippines by the Committee on Economic, Social and Cultural Rights (CESCR), the country has around 75% of its total workforce in the informal economy, without any access to labor rights and protection, together with the prevalence of contractual work arrangements.¹⁵ Another issue area is the absence of a national minimum wage, and the chronically low wages suffer due to the "lack of genuine and effective participation of workers in the wage-setting process"—demonstrated by a abysmally low "floor wage"¹⁶ and the fact that only a small section of the workforce is covered by the minimum wage.¹⁷

Specifically, the report also raises its concern about:

"the precarious working conditions in sweatshops, which are often excluded and hidden from labour inspections, where workers, mostly women, are subjected to exploitation with pay below the minimum wage, long working hours, and unsafe and unhealthy working conditions, and where they are exposed to occupational accidents, abuse and extra demands"¹⁸

It is crucial to ensure that citizens' social and economic rights are protected, especially during crises. One area that must be the focus of monitoring is compliance with labor rights and standards. As we have seen, employment security is one of the first to be severely compromised by the ongoing pandemic. Yet, for many workers, access to healthcare is directly tied to their employment and ability to provide for their families. This is also one vulnerable area for abuses

¹⁵ U.N. Economic And Social Council, *Concluding Observations On The Combined Fifth And Sixth Periodic Reports Of The Philippines* ¶ 27 [E/C.12/PHL/CO/5-6](#) (October 26, 2016).

¹⁶ *Id.* at ¶ 29.

¹⁷ *Id.*

¹⁸ *Id.* at ¶ 27.

or non-compliance, as many firms face the pressure to cut back on expenses as they are still recovering the profits lost.

This report intends to contribute to the daunting task of ensuring labor standards compliance in the time of COVID-19 by providing a situation report on sweatshop workers in the country during the height of the pandemic (March to June 2020). This report covers the onset of the pandemic because this time period exposed many structural limitations that must be addressed if the country is to weather future emergency events.

Attention will be given to sweatshop labor precisely because of the inherent vulnerability faced by workers in these forms of employment. The scope of the discussion shall focus mainly on the situation of sweatshop laborers in relation to existing national and international labor standards. To this end, this is not only about a matter of compliance but ensuring the social good and dignified lives for all Filipinos—especially those historically marginalized in society.

To this end, the monitoring report :

1. Paints the picture of working conditions in sweatshops through the documented experiences of workers, particularly in the context of the present COVID-19 pandemic
2. Identifies the policy and implementation gaps that lead to:
 - a. The persistence of poor labor standards in the manufacturing industry; and
 - b. The violation of the right of workers to enjoy safe and healthy working conditions.
3. Identifies policy and implementation gaps in labor standard laws, policies, as well as occupational safety and health (OSH) standards inspections
4. Recommends policy measures and programs to protect sweatshop workers' rights.

Legal Framework

The Philippine government has the moral and political responsibility to ensure that the rights of all Filipino workers are respected—regardless of sector or occupation. In building a collectively secure future, the State does not have to choose between economic progress and rights protection. The COVID-19 pandemic has shown us

that there is no distinction. There can be no talk of development if vast sections of the population live precariously.

Addressing rights protection for sweatshop workers enjoys several legal resources. Some of the relevant international and national laws, agreements, and recommendations shall be briefly discussed in this section. At the international level, the relevant documents and conventions include the United Nations Conventions (including those from the ILO), as well as other international instruments. At the national level, the 1986 Philippine Constitution and Labor Code provides a general framework for structuring State action on the question of labor standards for sweatshop workers.

Frameworks at the International Level

As a member of the United Nations, the Philippine State is a party to many conventions and international human rights treaties and agreements. These are the bases of the countries' labor policies. The United Nations Covenant on Economic, Social, and Cultural Rights provides the main global framework for protecting worker's rights. This document guarantees, among other things, the right of all to "just and favourable conditions of work" which include fair remuneration, decent living, and safe working conditions, as well as the right to free association.¹⁹

Additionally, being a member of the ILO since 1948, the Philippines expressed its commitment to the ILO declaration on fundamental principles and rights at work. It is worthy to note that, according to the ILO, the Philippines has ratified a total of 38 conventions related to labor: 8 of the 10 fundamental conventions; two of four governance conventions and; 28 out of 176 technical conventions. Of these, 31 are in force, four have been denounced, and one has been abrogated.²⁰ Important for the discussion on sweatshop labor under COVID-19 are the conventions that guarantee freedom from forced labor (C105), fair and equal pay (C095; C100), the right to freely organize (C087; C098), as well as dignified and safe working conditions (C122; C187).

¹⁹ International Covenant on Economic, Social, and Cultural Rights art. 7, *opened for signature* December 19, 1966, [993 U.N.T.S. 3](#).

²⁰ International Labour Organization, NORMLEX Information System on International Labour Standards, *available at* https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_COUNTRY_ID:102970 (last accessed November 5, 2022).

The ILO has also articulated its vision for a post-pandemic recovery. At the International Labour Conference of 2021, government, employer, and workers representatives from 181 countries took up the *Global Call to Action for a Human-centred Recovery*. The call to action has four main areas for national and international intervention: inclusive economic growth and employment, protection of all workers, universal social protection, and social dialogue.²¹

Frameworks at the National Level

At the national level, respect for labor standards draws primarily from the Philippine Constitution of 1987 and the Labor Code of the Philippines. How international conventions are translated, if at all, into the Philippine context depends on these crucial references. The constitution is clear in its recognition of labor as an integral part of society. The document declares that the Philippine State shall "promote a just and dynamic social order... and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all."²²

Likewise, it "affirms labor as a primary social economic force. It [the State] shall protect the rights of workers and promote their welfare"²³ while also recognizing "the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments."²⁴ In essence, the 1987 Philippine Constitution directs the State to guarantee workers' rights, protect their interests, and promote their general welfare.

The Labor Code meanwhile provides many articles and sections devoted to the practical application of the Philippine State's legal and social responsibilities on labor relations. Books III and IV of the Code lay down the various standards applicable to sweatshop workers in the country. Among the relevant clauses include those on regular hours of work, night shift differentials, overtime work, and minimum wage rates. They also include enforcement of safety and health

²¹ International Labour Organization, Global call to action for a human-centred recovery from the COVID-19 crisis that is inclusive, sustainable and resilient, *available at* <https://www.ilo.org/digitalguides/en-gb/story/globalcall> (last accessed November 5, 2022).

²² PHIL. CONST. art. II, § 9.

²³ PHIL. CONST. art. II, § 18.

²⁴ PHIL. CONST. art. II, § 20.

standards, compulsory coverage (with employer's contribution) in State insurance funds, and the role of the Employee's Compensation Commission.²⁵

Existing Programs, Services, and Initiatives

In the context of the ongoing COVID-19 pandemic, the Philippine State continues to face mounting political, economic, and social pressures related to the informal economy, including sweatshop labor. To this end, the following programs, services, and initiatives have been developed by the government which also tackle the protection of sweatshop worker’s rights. A summary of these are provided in the table below.

Programs, Services, and Initiatives by National Government Agencies/Bodies in relation to Sweatshop Labor²⁶

Government Agency/Body	Programs, Services, and Initiatives
National Anti-Poverty Comission (NAPC)	Formal Labor and Migrant Workers Sectoral Council 2015 – Present Priority Agenda: • Pass Security of Tenure Bill • Deputization of Trade Union Representatives in Labor Inspections • Wage Increase in the Public Sector • Strengthening of right to self-organization (ILO 151) • One-stop shop for OFWs • Creation of an institution that will cater to OFWs
Philippine Economic Zone Authority (PEZA)	During the COVID-19 Pandemic Period: • Inspection on compliance to Inter-Agency Task Force (IATF)

²⁵ Labor Code of the Philippines [LABOR CODE], Presidential Decree No. 442, as amended (1974)
²⁶ Commission on Human Rights, Synthesis: *Monitoring of the Human Rights Situation of Sweatshop Workers During the COVID-19*, (unpublished internal document).

	resolutions before the start of business operations • Coordination with respective local government units (LGUs) on transportation of workers reporting to work at economic zones (ECQ period) • Assistance on applications for DOLE’s COVID-19 Adjustment Measures Program (CAMP) • Assistance on applications for SSS Small Business Wage Subsidy (SBWS) • Implementation of DTI-DOLE Interim Guidelines on Workplace Prevention and Control of COVID-19 • Assistance to DOLE on the voluntary safety seal certification program • Assistance to the Department of Health on the vaccination of workers in economic zones
Department of Labor and Employment (DOLE)	• Labor Laws Compliance System (LLCS) • Occupational Safety and Health Programs • CAMP and TUPAD
Department of Social Welfare and Development (DSWD)	• Social Amelioration Program (SAP)

Based on the workshop organized with the various NGAs mentioned above, several efforts had been identified which caters to the needs of sweatshop workers. Starting with the National Anti-Poverty Commission (NAPC), the priority agenda of its Formal Labor and Migrant Worker’s Sectoral Council from 2015 include the passage of the security of tenure bill, deputization of trade union

representatives for workplace inspections, and the strengthening of the right to self organization through ILO 151²⁷.

Meanwhile, the Philippine Economic Zone Authority (PEZA) was noted to have engaged in close cooperation with other agencies such as the Department of Labor and Employment (DOLE) for the implementation of IATF resolutions, OSH guidelines, and other relevant programs within the economic zones. Some of the areas of cooperation include labor inspections, vaccinations, and access to government subsidy programs²⁸.

Specific to COVID-19, the Philippine Congress passed the *Bayanihan Heal as One Act*²⁹ (RA 11469) as the government's first comprehensive response to the pandemic. Aside from granting emergency powers to the president, the law also implemented a wide range of policy measures. Among these include an emergency subsidy program, a special risk allowance and other benefits for health workers. They also include the Tulong Panghanapbuhay Para sa Ating Disadvantaged/Displaced Workers (TUPAD), and the COVID-19 Adjustment Measures Program (CAMP) under DOLE.

Aside from the employment and assistance programs mentioned above, DOLE also maintains structures for the promotion of labor standards that include the labor laws compliance system (LLCS), occupational safety and health, as well as training programs³⁰. Furthermore, working bodies under DOLE such as the Institute for Labor Studies (ILS) and the Bureau of Working Conditions (BWC) provide important data, guidance, and research for the implementation of labor standards across the country.

Finally, the DSWD also implemented an emergency subsidy program to help support workers during the height of COVID-19's disruption. A component of Bayanihan's emergency subsidy program, the Social Amelioration Program (SAP) called for a small financial grant of 5,000 – 8,000 PHP to 18 million families identified as vulnerable to the effects of the pandemic³¹.

²⁷ Id. at 1.

²⁸ Id. at 3.

²⁹ Bayanihan Heal as One Act, Republic Act No. 11469 (2020).

³⁰ Commission on Human Rights, Synthesis: *Monitoring of the Human Rights Situation of Sweatshop Workers During the COVID-19*, (unpublished internal document).

³¹ Commission on Human Rights, A Human Rights Situation Report: The Right to Social Security of the Workers in the Informal Economy/Sector, *available at* <https://chr.gov.ph/wp-content/uploads/2022/04/POL2021-014-SitRep-on-Social-Security-of-WIES-full-1.pdf> (last accessed December 22, 2022).

Methodology

To facilitate the evaluation of the conditions of sweatshop work in the country, the report relies on primary data gathered from sweatshop workers based within the National Capital Region (NCR). While the Commission intended broader participation from workers in different provinces, the recently concluded national and local elections had unwelcome repercussions in bringing them all together. Nevertheless, survey questionnaires were distributed to 36 respondents. The scope of the question focused primarily on the height of the pandemic situation in the country (the ECQ period of March to June 2020). Aside from primary information (age, gender, income), the questionnaires also covered labor and OSH standards, experiences of financial aid, and recommendations for future government policy.

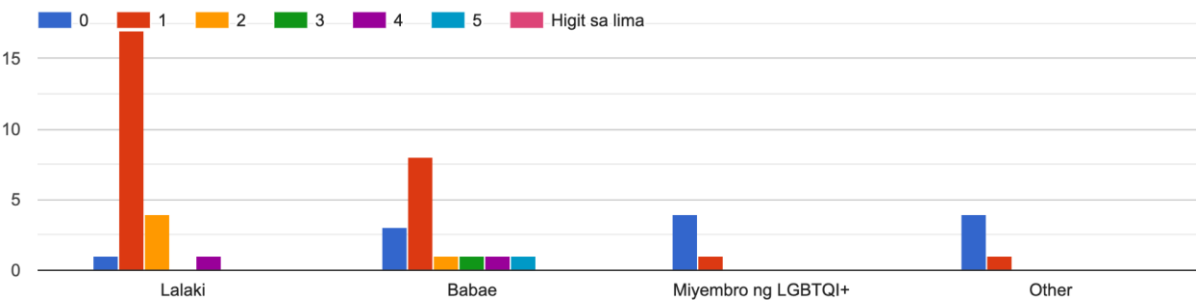
Participant Profiles

In terms of profile, most of the respondents came from the NCR—namely Caloocan, Valenzuela, and Quezon City. 29 of the participants (80.6%) are also in the 31-59 age range, with seven (19.4%) between the ages of 15 and 30. 19 are male and 15 female, with only two of the participants stating that they are part of the LGBTQI+ community. 28 (82.4%) answered that they have no disability, with six (17.6%) stating that they do. Of those with disabilities, half have orthopedic-related conditions.

Regarding household size, all of the respondents answered in the three and above ranges. Twenty-three respondents stated that they had more than five household members, 6 have five members, 2 have four members, and 3 have three family members in their household. Within the families, most (17) answered that a man is the sole breadwinner. Four respondents shared that two men provide for their households, while one each shared that they either had four or zero male family members working. Conversely, eight respondents expressed that a woman is the sole breadwinner, three none, and one each for 2, 3, 4, and 5 women working for their economic needs. Most (12 or 40% of the 30 responses) also indicated that they were the primary breadwinner for their families.

Figure 1: Primary Breadwinners According to Gender

Sinu-sino sa mga sumusunod ang kumikita sa inyong sambahayan? Isulat kung ilan ayon sa kasarsan. Pwede pumili ng higit sa isa.



On the matter of daily, weekly, or monthly expenses, the participant's answers are broken down below. A general trend is that food expenses are more on a daily basis, while payment for utilities and maintenance medicine is computed on a monthly basis. From a total of 33 responses to this question, 45.45% (15) had expenses at the 10-16,000 PHP range, 30.3% (10) at 16,000 PHP and above, then 12.1% (4) reached at the 5-10,000 PHP and below 5000 PHP ranges.

Table 2: Respondents' Expenses

Expenses	Daily	Weekly	Monthly
Food	22	7	3
Water	3	0	29
Electricity	0	0	32
Cellphone load	5	11	14
Medicine	2	1	18
Rent	0	1	15
Milk for children or the elderly	2	4	3
Others	1	18	10

For employment in sweatshop work meanwhile, there were 35 responses broken down as follows: 8 respondents indicated that they were employed in sweatshop conditions for less than a year. The majority, 16, had shared that they had been employed for 1 to 5 years, with most respondents falling within the three-year range.

Lastly, a sizable portion, 10, answered that they had been engaged in sweatshop work for more than five years, with the highest being 31 years in the workforce.

Two identified themselves as on-call/contractual workers without specifying the duration of their employment. In terms of job description, the range differs. Out of a total of 34 responses, most fell under manual factor jobs (such as production worker, repacker, and helpers), as well as a few working as drivers, delivery riders, and one with a supervisory position.

Labor Standards in Sweatshop Work

Daily Wages and Amenities

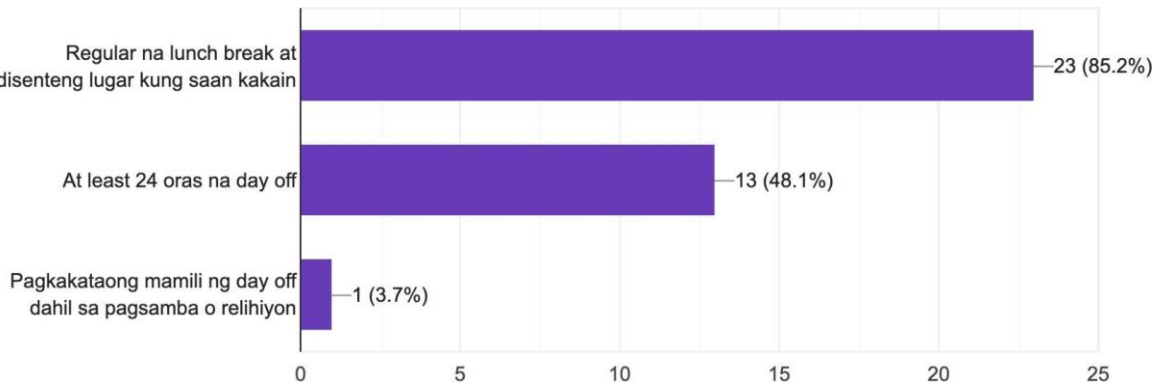
In terms of daily wages, more than half (19 or 54.29%) shared that they earned either the legal minimum wage (537 in the NCR) or more (a maximum of 805 PHP). However, most workers in this category were paid the minimum wage. On the question of available benefits, a total of 26 respondents answered that 19 of them (73.1%) received holiday pay, 22 (84.6%) were given overtime pay, 16 (61.5%) enjoyed night differential compensation, and more than half (65.4%) were given 13th-month pay.

For amenities, the vast majority confirmed that they have regular lunch breaks and decent places for these. Only 48% meanwhile reported enjoying at least 24-hour day-offs, and only one could say for sure that they were allowed to choose when to use their day-offs for religious purposes.

Figure 2: Benefits Available to Sweatshop Workers



Figure 3: Facilities and Breaks Available to Sweatshop Workers



Working Hours and Employment Status

For working hours, the vast majority expressed that they worked beyond 8 hours. Of these 23 responses, five, work regular 12-hour shifts. The rest of the answers were distributed relatively evenly from an additional two hours to as much as 24-hour shifts. 67.7% of these respondents shared that they agreed to work beyond the standard 8-hour workday. Regarding employment status, the number of regular and contractual workers among the survey size remained relatively close (8 for the former and 9 for the latter). However, seven noted that they were agency hired. The same number of respondents also indicated that they were employed on a piece-rate or "arawan" basis.

Figure 4: Status of Employment

Ano ang status ng inyong employment?
34 responses

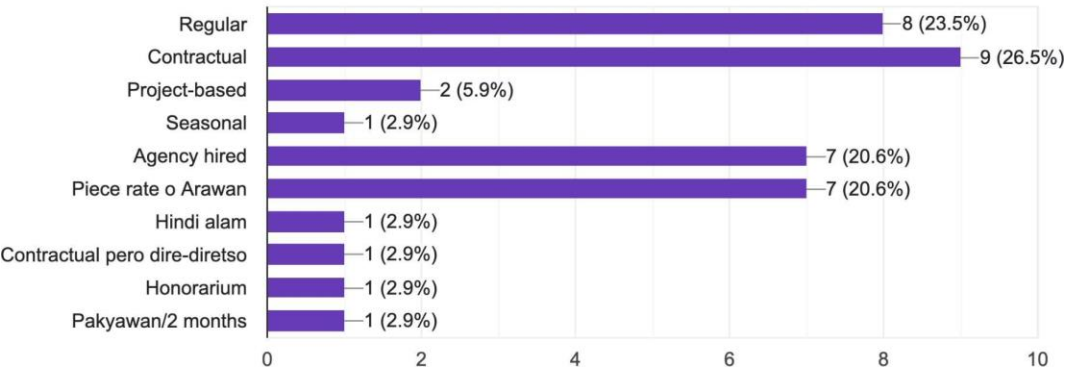
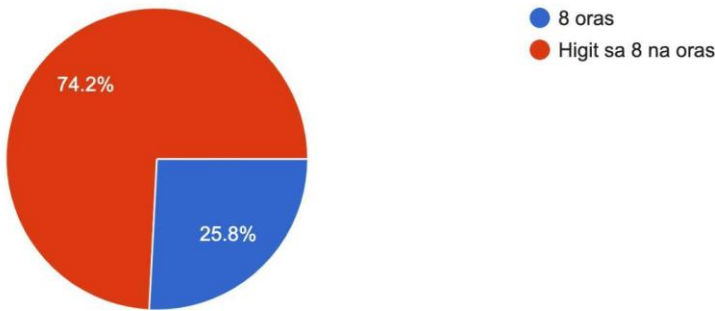


Figure 5: Hours of Work

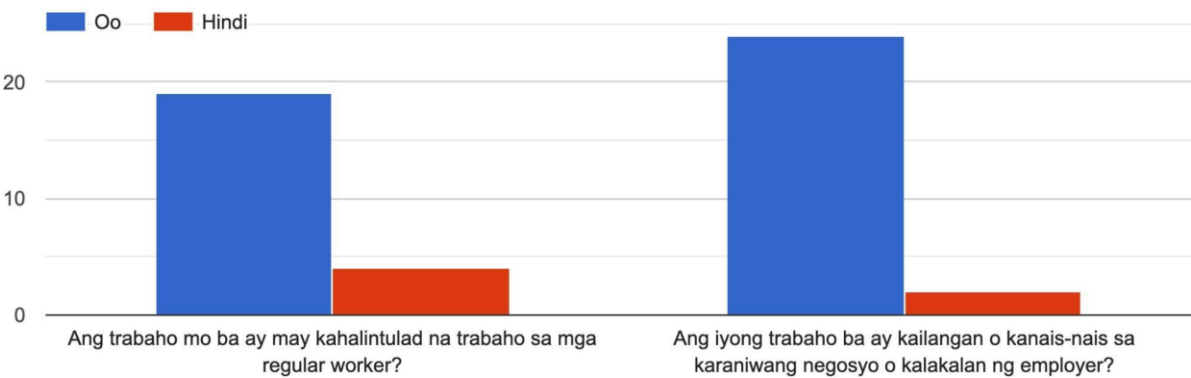
Gaano kahaba ang iyong oras sa trabaho?
31 responses



Among the regular workers, only three respondents indicated that they were regularized within 5-6 months. The rest of the answers were closely distributed from 1 year to as much as 7 and 8 years before regularization. On the other hand, non-regular workers gave various reasons for their employment status. A recurrent theme among the answers is their project-based status, the fact that they are employed under agencies, or that the company does not regularize workers. Interestingly, the vast majority of contractual workers indicated that the work they perform is identical to the roles of regular workers and is necessary or desirable for their employers.

Figure 6: Status of Work Among Contractual Workers

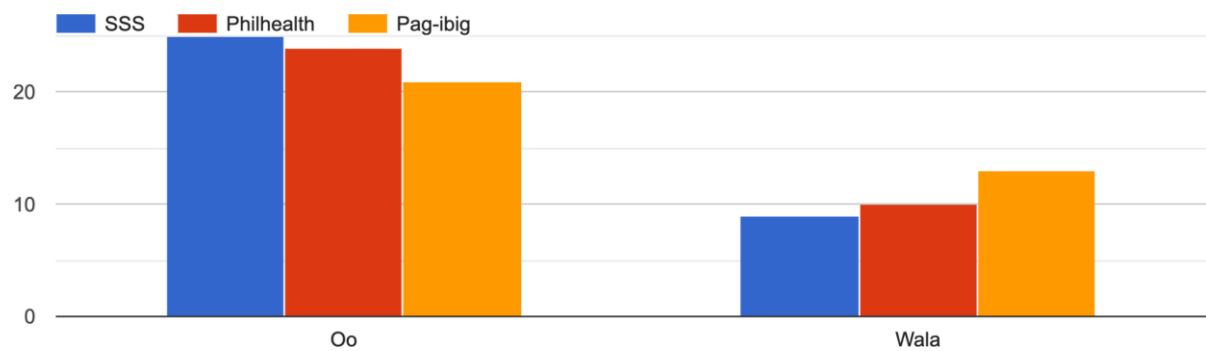
Kung ikaw ay kontraktual...



Social Security Coverage

The provision of social security coverage was also not universal. While most respondents reported that they are enrolled in government-recognized social security schemes, a sizable portion does not receive any coverage. Verification of remittances is done through various means (through the Social Security Service or SSS, payslips, apps, emails, and direct inquiries from the employer). However, it is interesting to note that several answers for verification and the basis of the contribution noted how some respondents were unsure how these were made. On the other hand, the vast majority of respondents (82.4%) shared that they receive payslips indicating their wage deductions.

Figure 7: Extent of Social Protection



Paid Leaves

In terms of available sick and vacation leaves, the majority of respondents answered in the negative. Furthermore, 42.9% shared that their company had yet to explain the process of filing for sickness benefits from the SSS. Of those that answered the question of additional company benefits, the vast majority claimed they did not receive anything beyond those mandated by the law. Although, a few did share that they were given a midyear bonus, health, travel, and rice allowances, as well as allowances for uniforms, groceries, and medical check-ups through their unions.

Figure 8: Number of Respondents with Vacation Leave

Kung ikaw ay mahigit isang (1) taon na sa iyong trabaho, ikaw ba ay may vacation leave?
28 responses

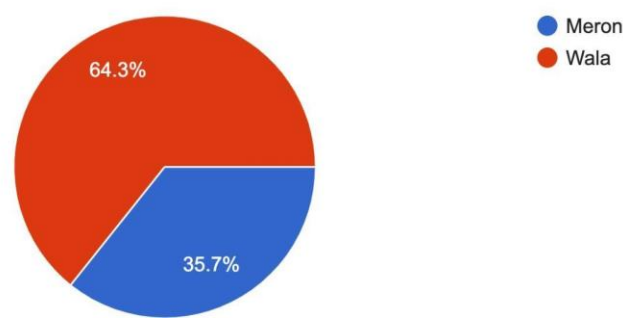
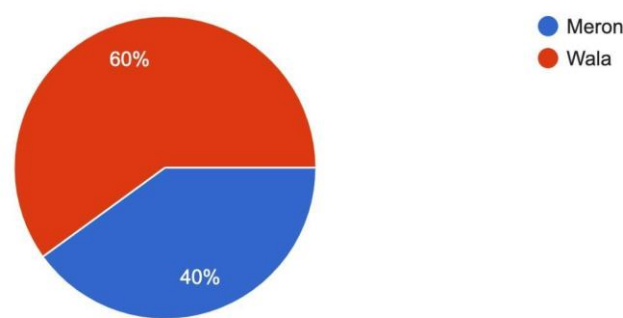


Figure 9: Number of Respondents with Sick Leave

Mayroon ba kayong paid sick leave?
30 responses



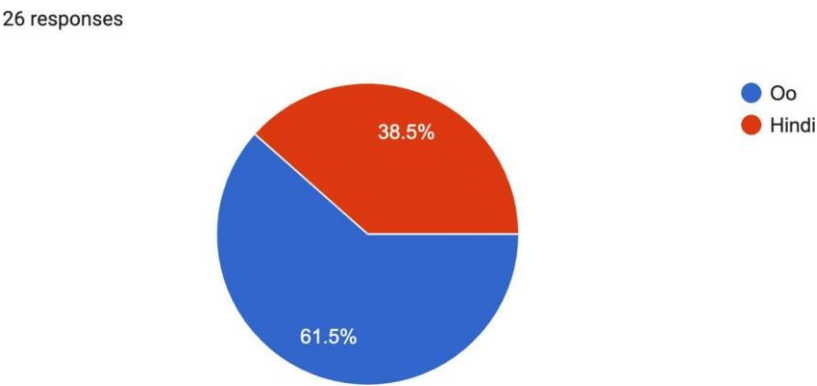
Workplace Conditions

Regarding workplace conditions, 68.8% stated that their workplace was safe and did not pose any threat to their health. Conversely, 31.3% responded otherwise. Among the reasons given for the feeling of danger or risk in the workplace include the lack of fire exits, OSH training, workplace certification, absence of drills and training, and evacuation areas, as well as the shortage or absence of PPEs, old machines or equipment, and dangerous work environments (high scaffolding/ prevalence of chemical-related odors, etc.).

61.5% of the respondents also stated that they were provided PPEs and other necessary equipment in hazardous workplaces. 58.8% reported that the company provided these for free, while 35.3% said that these were taken from their wages. 64.5% also expressed that their company provided them with OSH orientations and other forms of safety-related training, compared to the 35.5% percent that said their companies did not provide these. However, the consistency of these training and orientations varies considerably. For example, some respondents indicated regular sessions (yearly, monthly, quarterly). In contrast, others noted that these

were one-off activities (either half-day, a week-long, or rarely) that were not repeated, or there were none held at all.

Figure 10: Provision of PPEs



At the same time, 76.7% of the respondents noted that their equipment and machinery are regularly maintained. However, as with the other questions, the consistency varied among the survey participants. Some explained that their companies conducted maintenance work on a regular basis (daily, weekly, monthly, quarterly, or immediately after use). In contrast, others noted that maintenance work was done depending on the initiative of workers, infrequently, if there were damages or complications, or not at all. However, most (82.1%) did express confidence that they were adequately trained to handle workplace equipment where these were present.

Regarding actual workplace facilities, 53.8% answered that there were safety signs present in their workplace, compared to 46.2% that did not. 54.8% confirmed the presence of prominently placed OSH posters in their workplace, compared to 45.2% that replied in the negative. Only a quarter of respondents did not have fire exits, extinguishers, alarms, first aid kits, and other equipment in their workplace. Similarly, 75.9% responded that their workplace and related facilities were readily accessible.

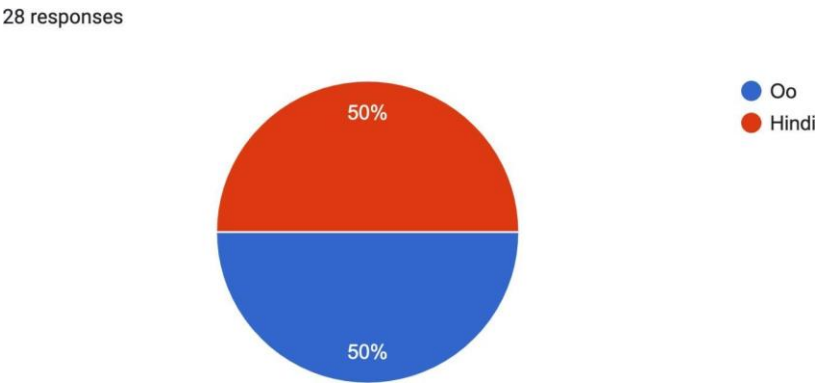
More than half (58.1%) also noted the presence of workplace safety officers from the workers in their companies. 60.7% expressed that they were properly trained. Regarding the frequency of workplace OSH drills, eight respondents (36%) said there were no such activities in their workplace. The rest varied only in the frequency of the OSH measures. Answers ranged from once a year (32%) to twice a year (4%) and even on a weekly basis (4%).

On the other hand, more than half of the respondents (53.6%) expressed that the

management or their employer did not have any mechanisms to warn workers about possible hazards in the workplace. In this case, the survey participants understood mechanisms such as having different alarm levels, a security officer, alarms, and signages for dangerous chemicals.

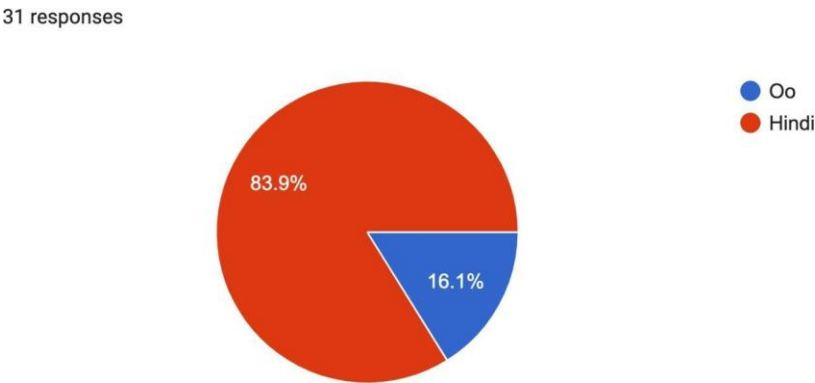
Interestingly, 50% of the respondents were informed that they have the right to refuse work (without any sanctions or harassment from the employers) in cases where workers do not feel safe or think there is an imminent danger to them and others in the workplace. One of the respondents did claim that refusing work in dangerous situations was punished with a three-day suspension. Regarding the question of incidents where even with sufficient mechanisms to warn the company of present dangers yet being forced to report to work anyway, 67.7% answered in the negative, while 32.3% in the positive.

Figure 11: Awareness of the Right to Refuse Work



In addition, only a quarter of the survey participants confirmed a case where they had informed their company or DOLE of hazards or risks to their lives or health in the workplace. Likewise, 83.9% of respondents expressed that they were not consulted or included by company management in discussions regarding the organization, planning, implementation, monitoring, regular reporting to DOLE, and evaluation of OSH plans. Likewise, many respondents expressed the lack of a consistent and objective process for selecting workers for the consultations. Cases range from workers being simply appointed by supervisors, management, and employers, restrictions to only fore[persons] or plant managers, to being determined based on job performance and track record, as well as through committee decisions.

Figure 12: Worker Participation in OSH Monitoring and Development

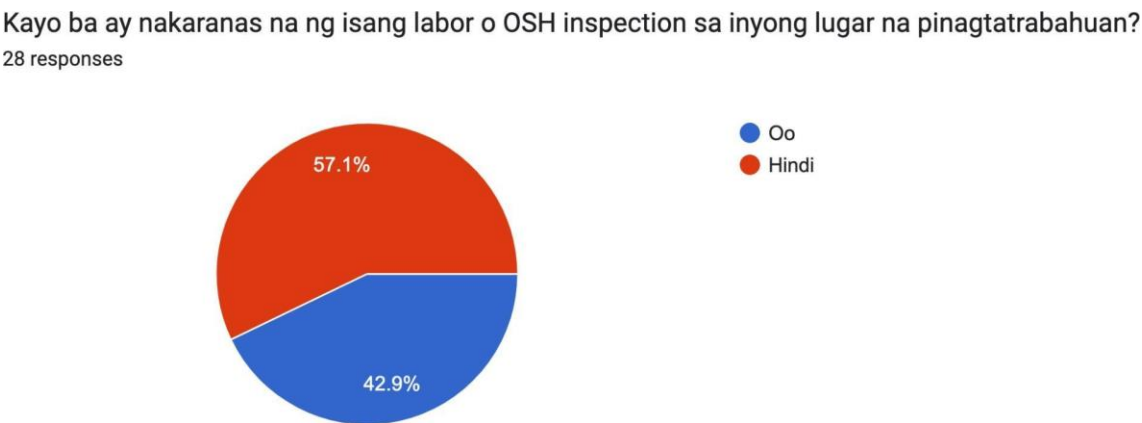


The lack of consultation is demonstrated by the fact that only 25% of the respondents know that they have a colleague sitting in their company's Occupational Safety and Health Committee. Unsurprisingly, participants' familiarity with the committee's selection criteria is mixed. The answers ranged from track record and length of service to management appointees or the lack of knowledge regarding the process.

More than half (57.1%) also stated that they had not experienced any labor or OSH inspection in their workplace. For those whose workplaces had been inspected, respondents answered that labor inspectors checked the work environment, equipment,

whether work procedures were accurate or safe, and other considerations. Regarding the frequency of inspections, many respondents answered that these happened regularly (bi-monthly, quarterly, yearly, etc.). However, one respondent claimed that employees in their company were hidden from labor inspectors that visited their workplace.

Figure 13: Labor or OSH Workplace Inspection



On COVID-19 and the ECQ Period

Regarding the COVID-19 pandemic, more than half of respondents (56.7%) noted that their company closed during the height of the ECQ lockdowns. Of these, 43.4% were closed for a year or more. The rest opened at varying times, from as little as two weeks (15.4%) to within 6-8 months (22.4%). Most respondents (72.2%) were rehired once their companies had resumed operations.

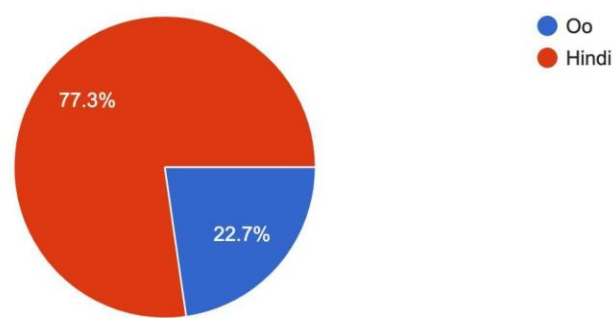
Regarding support provided during the temporary suspension of operations, survey participants also replied differently: some received rice, food, aid from the Local Government Unit (LGU), and advanced payment of wages. Others did not receive any form of pandemic assistance. Some also had aid cut from their wages. The same applied to those that experienced the permanent closure of their workplaces. Some respondents received food support or resignation pay, while others were not given anything by their company or received assistance from the LGUs. Of the 7 responses, 3 said they received no form of support whatsoever, 2 received help from the barangay, while one claimed to have been provided support for food needs and resignation pay respectively.

To cope with living expenses, many respondents relied on government assistance, donations from private donors, and civil society organizations. Some also borrowed money from relatives, friends, and other sources. The vast majority of respondents were unable to access any form of social security during the suspension or loss of employment.

Accessing social protection proved to be a mostly negative experience for most respondents. While one respondent noted that all employees in their place of work received SSS benefits, many complained of the long process for approval and the inability to submit the necessary documents. They also lamented the failure of the company to process their requests or that they were not provided these benefits in the first place.

Figure 14: Access to Social Security

Nagamit ba ninyo ang inyong social security nung natigil ang inyong trabaho dahil sa COVID-19?
22 responses



Likewise, the vast majority of respondents (72.7%) did not benefit from the government's primary employment and assistance programs—TUPAD and CAMP—when they lost their livelihood at the height of the pandemic. On the other hand, most (63.6%) of those who continued working report that they were provided PPEs, alcohol, and other necessary resources by their companies. However, 71.4% of the responses shared that their companies did not shoulder the cost of COVID-19 testing (antigen or RT-PCR). Furthermore, most were not given hazard pay for working at the height of the pandemic.

Figure 15: Access to Government COVID-19 Welfare Programs

Nakapag-avail ba kayo ng mga programa gaya ng TUPAD o CAMP kung nawalan ng trabaho noong panahon ng pandemya?
22 responses

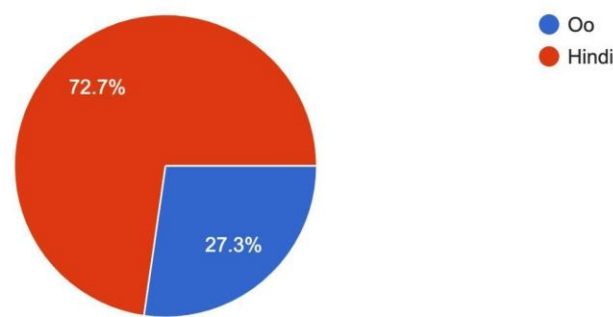
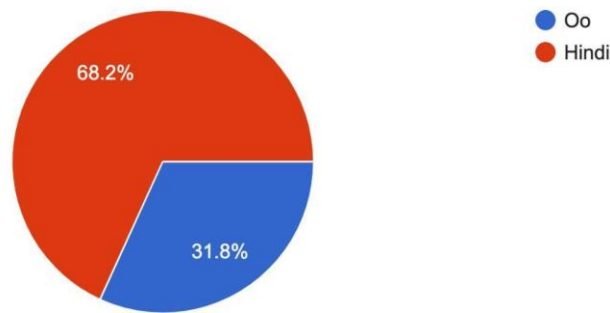


Figure 16: Hazard Pay for Frontliners

Kayo ba ay nabigyan ng hazard pay sa pagpasok kahit kasagsagan ng COVID-19?
22 responses



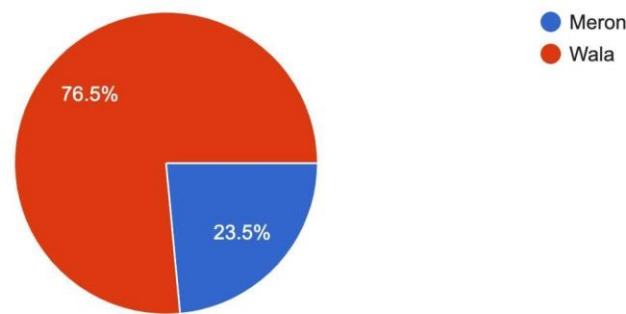
Those that continued to work reported different alternative work arrangements during this period. Out of 13 responses, common answers include:

- Staff rotations;
- Maintenance of social distancing protocols; and
- Reduction of capacity to 50% of the workplace.

76.5% of respondents that contracted COVID-19 while working during the ECQ stated that they did not receive any assistance from their company. Those that did receive aid shared that these took the form of allowances, advance or partial payment of wages, loans, and food in kind (rice, noodles, groceries).

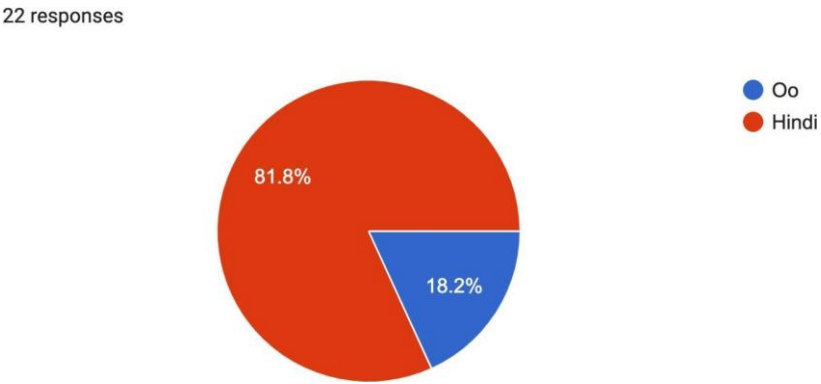
Figure 17: Support for Frontliners

17 responses



A clear majority of the respondents expressed that they did not know that COVID-19 had been classified as an occupational disease which entitled them to receive benefits. According to the results, most of their employers (75.9%) also did not process any request to receive government aid. On the other hand, most of the survey participants (72.4%) received some sort of aid or "ayuda."

Figure 18: Familiarity with COVID-19 Classification as Occupational Disease



Ayuda was broken down into aid given by companies, LGUs, National Government Agencies (NGAs), and Social Security. More than half of the respondents also received ayuda at least twice, and 18.2% reported receiving three separate instances. However, more than half (56.5%) indicated that their company did not create a program or cooperate with LGUs for employee vaccination, despite being identified as frontline workers. 10 out of 24 respondents also noted that their companies had implemented a "no vaccine, no work policy." Among the other COVID-19-related policies implemented include the prohibition of going to work sick, mandatory usage of face masks and face shields, and the termination of sickly workers.

Figure 19: Sources of Ayuda

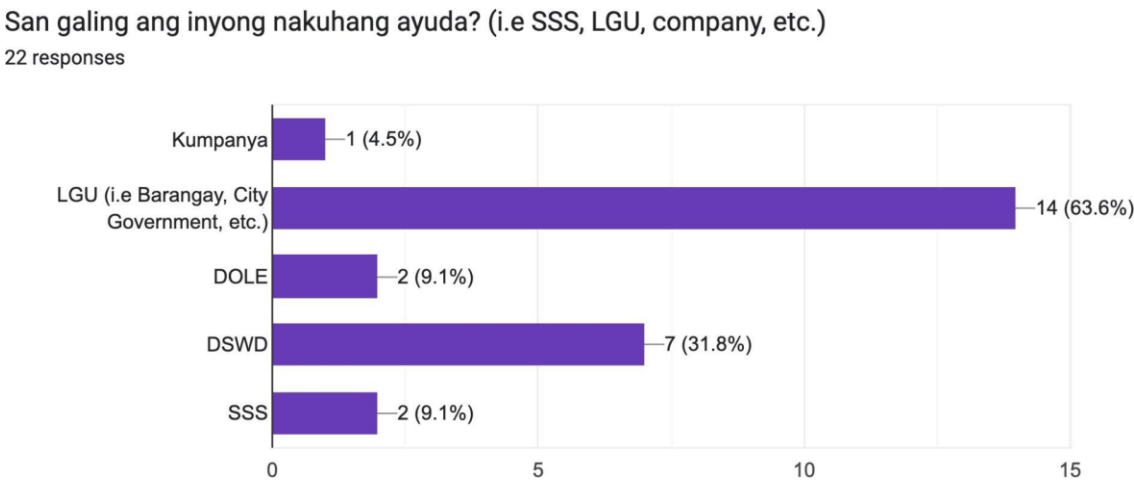
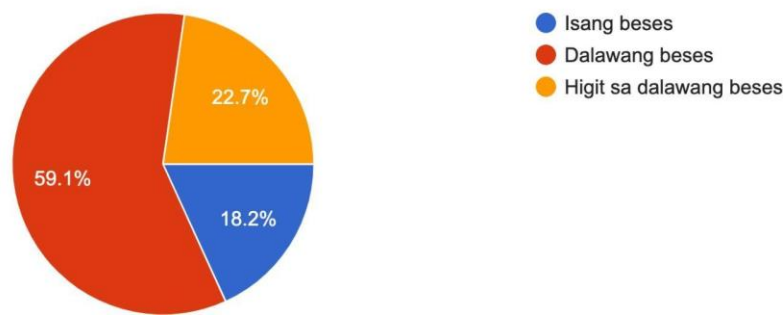


Figure 20: Frequency of Ayuda During the ECQ

Ilang beses kayo nakatanggap ng ayuda noong kasagsagan ng ECQ?
22 responses



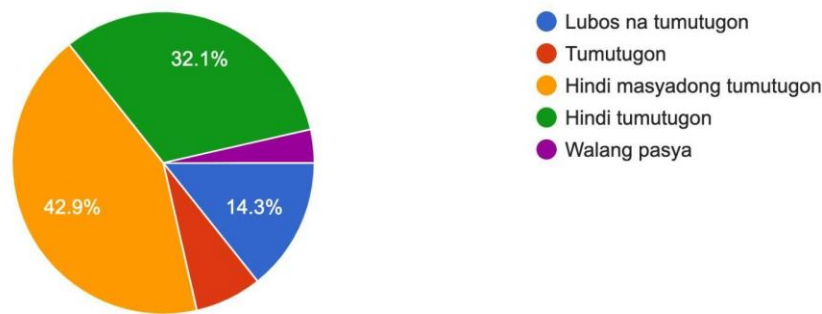
Perceptions on the Pandemic Response

When asked about the effectiveness of the government's pandemic response for workers, overwhelming majority of respondents (75%) answered that the government response did not adequately respond to the needs of workers, as compared to the 14.3% that answered positively. Most of the explanations as to why this was the case revolve around:

- the insufficiency of the *ayuda* given;
- non-equitable distribution of aid;
- the fact that aid was subject to patronage politics on the ground;
- the inability to address joblessness; and
- the inability of many companies to adequately respond to the needs of workers.

Figure 21: Assessment of COVID-19 Response Effectiveness

Sa inyong palagay, sapat ba ang naging pagtugon ng gobyerno sa mga pangangailangan ng mga manggagawa sa panahon ng pandemya?
28 responses



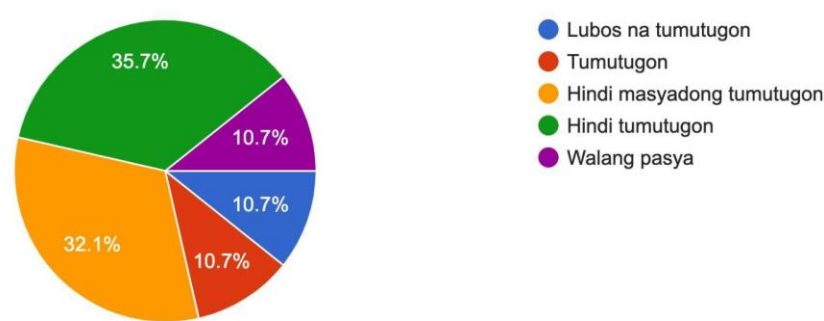
On a related question, 67.8% of respondents also expressed skepticism about the government's policies for workers' protection in the event of disasters, calamities, or pandemics in the future. The reasons for this view include:

- The difficulty in accessing aid and other government programs;
- Perceived responsiveness of the programs;
- Insufficient and ineffective programs against COVID-19;
- Non-universal delivery of ayuda;
- Susceptibility of ayuda efforts to patronage politics;
- Non-compliance of management with its responsibilities and promises to workers; and
- Lack of wage increases.

Figure 22: Assessment of Government Preparedness for Future Emergencies

Sa inyong palagay, sapat ba ang mga programa at polisiya ng gobyerno para sa mga manggagawa kung muling magkakaroon ng panibagong sakuna, kalamidad, o pandemya?

28 responses

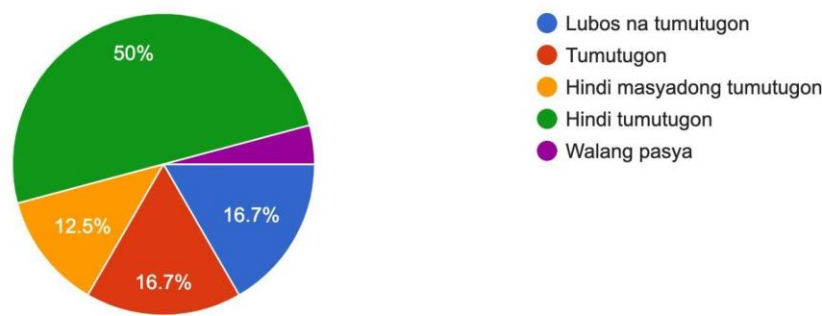


There is a similar assessment of OSH standards in the country. 50% of respondents view existing government programs and policies as non-responsive to the need for improving OSH in the Philippines. Together with the 12.5% that slightly agreed to the negative assessment, this amounts to 62.5% of the survey participants. This view is due to factors such as:

- Significant gaps and problems in implementation;
- The lack of enforcement on the part of NGAs; and
- The fact that OSH standards and concerns are not even explained to workers in some enterprises.

Figure 23: Assessment of OSH Standards in the Country

Sa inyong palagay, sapat ba ang mga programa at polisiya ng gobyerno para sa pagpapaunlad ng mga pamantayan sa paggawa at ng OSH sa bansa?
24 responses



The survey participants were asked what conditions push them towards sweatshop labor. Most of the answers (20 out of 24) revolve around poverty, the need to provide for their families, economic precarity, the lack of job opportunities, and the view that any job is better than having no job. On the other hand, some participants (3 out of 24 responses) pointed to the "ease of work," free training, relatively higher wages and easier path to regularization compared to other forms of work.

Regarding the question of the desirability of sweatshop work, many of the answers recognize its value. However, this must be qualified by the fact that most of the responses view this form of labor as necessary either because of economic necessity, the lack of alternative, decent jobs, and the view, once again, that a job is better than being unemployed.

Finally, respondents were given a chance to present suggestions and recommendations for future government policy regarding working conditions in the country. Some of the desired changes include in terms of governance include:

- The proper and effective implementation of OSH standards, penalties, and safety protocols—especially in industries that handle chemicals;
- Efficient and reliable livelihood/welfare programs that also include health and employment;
- Inclusion of workers in consultations and decision-making; and
- Awareness-raising on labor rights in the country.

Meanwhile, recommended policy positions revolve around implementing a national minimum wage, ensuring living wages, security of tenure, and the prohibition of piece- rate or "arawan" labor.

Key Findings

Based on the results of the data gathered, the following important impressions can be made:

1. Precarious working conditions remain prevalent among the respondents;
2. The consistency and degree of compliance with labor and OSH standards varied greatly;
3. Worker's participation in the workplace and OSH-related decision-making is abysmal and;
4. OSH standards violations were widespread, especially during the worst of the COVID-19 pandemic.

Precarious work

The lack of job security is a significant commonality among the study's participants. Most of the respondents belong to the 31-59 age range, where the number of biological males still dominate (55.9% male; 44.1% female). All respondents reported belonging to households with at least three family members, and most (23) had households with five or more members. Men were the primary breadwinners among the survey participants. In terms of household expenses, 69.7% of the respondents regularly spend less than 16,000 PHP a month for food, rent, utilities, and other needs.

A majority (16) of the respondents had been employed around the 1-5 year range, with most falling under at least three years of service in their workplace. A sizable portion (10) had been employed for more than ten years. Almost all respondents worked manual jobs—factory work, maintenance personnel, or delivery drivers. Job insecurity is predominant among the survey participants. Only eight claimed to be regular workers, nine were contractual, and seven were agency and piece-rate/"arawan" workers, respectively. Furthermore, only three workers were regularized within 5-6 months. To emphasize a new, most non-regular respondents stated that the work they performed was identical to the responsibilities of regular workers and necessary and desirable for their employers. The data thus confirms the widespread disregard of the labor standard policies and neglect of the rights of the workers in sweatshop conditions.

This last finding is significant because Philippines laws stipulate that work that is identical to that performed by regular employees, or those necessary and desirable

for companies cannot be contracted out. The Supreme Court, in *Universal Robina Sugar Milling Corporation v. Acibo*,³² even expounded this further:

"Article 280 of the Labor Code provides for three kinds of employment arrangements, namely: regular, project/seasonal and casual. Regular employment refers to that arrangement whereby the employee "has been engaged to perform activities which are usually necessary or desirable in the usual business or trade of the employer." Under the definition, the primary standard that determines regular employment is the reasonable connection between the particular activity performed by the employee and the usual business or trade of the employer; the emphasis is on the necessity or desirability of the employee's activity. Thus, when the employee performs activities considered necessary and desirable to the overall business scheme of the employer, the law regards the employee as regular."³³

Social security was also not universal. While social protection schemes covered most respondents, a sizable proportion of the participants were not. Most also did not have access to sick or vacation leaves. 42.9% were not informed about the process of applying for SSS benefits.

Consistency of Labor and OSH Standards Compliance

Another recurring theme across the survey answers is the variation in the consistency of company/employer compliance with labor and OSH standards. In many instances, most respondents reported compliance with labor and OSH standards, but there remained sizable minorities whose labor rights were not upheld. For example, while the majority (68.8%) of respondents said that their workplaces were safe and that they received PPEs and OSH orientations, 35.3% reported that their workplace posed risks or hazards to their safety.

Furthermore, while most respondents stated that they or their company had undergone OSH orientations, the frequency of such activities differed—some had regular, scheduled sessions, others had one-off seminars, and even more rarely/unpredictably, or none at all.

Regarding workplace labor standards, 54% stated that they were paid at or above the minimum wage, with most respondents at the minimum wage level. Most received benefits and had decent facilities, but only 48% enjoyed 24-hour day-offs. Most respondents reported working beyond the regular eight hours, with five

³² *Universal Robina Sugar Milling Corporation v. Acibo*, G.R. No. 186439, 713 SCRA 596 (2014)

³³ *Id.*

having 12-hour shifts.

More than 75% of the respondents stated that their work equipment was maintained, and 82.1% were adequately trained to handle the machinery. 53.8% shared that they had workplace safety signs, and 54.8% also said that these were prominently displayed. 75% had fire exits, extinguishers, and other safety equipment, and most had easily accessible facilities/workplaces. However, like in other areas, the consistency of equipment maintenance differed among the survey participants—some had their machinery maintained daily, weekly, or monthly, while others only did so on their initiative or when mishaps occurred. 58.1% also reported having safety officers, with the majority stating they were properly trained.

Furthermore, 53.6% stated that management/employers had no mechanism to warn them of workplace hazards or risks. More importantly, only 50% of the participants knew they had the right to refuse work if they felt there were hazards or risks to them or their colleagues. 32.3% shared that they were forced to work anyway despite fears for their health and safety.

Crucially, 83.9% of the survey participants stated that they were not consulted or included in the development, planning, implementation, monitoring, and reporting of OSH programs by their company management/employer. Only 25% knew they had colleagues in their company's OSH committee. 57.1% never experienced any labor or OSH inspection.

Labor and OSH Standards during the ECQ Period

Regarding participant experiences during the height of the COVID-19 pandemic, 56.7% reported that their company/workplace had closed during the ECQ period. 43.4% of these were inactive for a year or more. At the same time, almost three-quarters of the respondents were rehired once operations were restored. Respondents also shared varying sources of support during this time. Help came in the form of ayuda or financial assistance from NGAs, and LGUs. Some companies provided support for their employees or paid wages in advance, but there were cases of aid being given as loans or through wage deductions.

It is important to note that more than three-quarters of respondents (77.3%) expressed that they could not access any form of social protection during the loss of their livelihood during the lockdown period. Accessing social amelioration

programs was generally viewed as a negative experience due to long processing times, unclear guidelines, and the inability of some participants to access these programs. 71.4% reported that their companies did not cover the cost of COVID-19 testing (antigen and RT-PCR).

76.5% of the respondents that contracted COVID-19 while working during the ECQ also shared that their companies did not provide any assistance. 68.2% were not provided with any hazard pay. Surprisingly, 81.8% of the respondents stated that they did not know that COVID-19 is an occupational disease that entitles them to certain benefits. Also crucial for the report—72.7% of the respondents were not able to access aid from the government's CAMP and TUPAD programs. On the other hand, 72.4% reported receiving ayuda from the government or private sources.

Related to this, around three-quarters (75.9%) of the respondents claimed that their management/employers did not process their request for accessing government assistance programs during the height of the pandemic. 56.5% of the respondents reported that their company did not coordinate with LGUs for a vaccination program, despite them being identified as frontliners. 41.6% of the survey participants said their company implemented a "no vaccination, no work program." At least two respondents shared that their company terminated sickly employees in the middle of the pandemic.

Policy and Implementation Gaps

Given the data taken from the survey results and the existing literature, the following policy and implementation gaps are apparent: First, poor labor standards in the manufacturing industry are widespread because of the predominance of precarious working conditions; the lack of a national and living wage and; limitations in existing employment and welfare programs. As for violations of workers' rights to safe and healthy work conditions, the primary factors are the non-implementation of OSH standards and the limited capacity to enforce these.

In terms of existing programs, policies, and services, The Department of Labor and Employment's (DOLE) Institute for Labor Studies (ILS) released a paper on the gaps between the ILO's still-to-be-ratified Convention 81 (the Labour Inspection Convention or C81) and the Philippine Government's labor inspection system—the Labor Laws Compliance System (LLCS). The study found that while the

Philippines has existing laws and policies "sufficient in principle" for ratification, there are provisions that "need improvement and practices that need to be implemented efficiently for the sustainability of LLCS in line with international standards."³⁴

The first four provisions that need specific issuances revolve around the recommendatory function of the inspection system and the mandatory publication of annual reports. The latter seven provisions involve additional labor inspectors and more responsibilities, training, qualified technical experts for technical inspection, power to enter establishments, and penalties.³⁵

Regarding CAMP and TUPAD, several assessments have already been conducted. A paper by Wilson Fortaleza mentions how the Philippine State embarks on limited public employment programs such as TUPAD in moments of severe economic disruption, suggesting that the government should pursue a comprehensive public employment program in general.³⁶ DOLE has also announced that it was looking into irregularities in the program that include non-compliance with TUPAD guidelines, "unliquidated fund transfers, unavailable/invalid/incorrect numbers, and no contact details of the beneficiaries", and ""unsubstantiated claims and lack of documentary requirements," as well as "insufficient monitoring and validation of the beneficiaries, money remittance centers, and project proponents"" among others.³⁷

The ILS also published a paper on client experience and perception of the CAMP program.³⁸ It found that while most respondents were familiar with the program and had received the promised assistance, the amount was sorely inadequate to cushion workers from the impact of COVID-19 or help facilitate re-employment. Among the recommendations forwarded by the paper include exploring programs

³⁴ Joyce Ann S. Lumactud, Gap Analysis of ILO Convention No. 81 (Labor Inspection), at viii, available at <https://ils.dole.gov.ph/rights-at-work/2016-rw/gap-analysis-of-ilo-convention-no-81-labour-inspection> (last accessed November 5, 2022).

³⁵ *Id.*

³⁶ Wilson Fortaleza, Greening the Philippine pandemic response: A Labor Agenda on Recovery Through Green Employment in Rebuilding (LARGER) Programs, at 10, available at <https://library.fes.de/pdf-files/bueros/philippinen/17278.pdf> (last accessed November 5, 2022).

³⁷ Mel Matthew Doctor, DOLE reviewing 'deficiencies' in TUPAD program, July 19, 2022, GMA NEWS, available at <https://www.gmanetwork.com/news/topstories/nation/838584/dole-reviewing-deficiencies-in-tupad-program/story/> (last accessed November 12, 2022)

³⁸ Joanne Camille P. Bejarin, et. al., Covid-19 Adjustment Measures Program 1: A Rapid Assessment Of Client Experience, available at <https://ils.dole.gov.ph/downloads/file/721-covid-19-adjustment-measures-program-1-a-rapid-assessment-of-client-experience> (last accessed November 12, 2022).

to aid re-employment, increasing the amount of financial assistance provided, and looking into text messaging as a platform for communicating with workers.³⁹

Another assessment by the Congressional Policy and Budget Research Department in August 2020 identified several problem areas in the distribution of the social amelioration program (SAP) which include the following:

1. Identification of eligible beneficiaries
2. Downloading of funds to program implementation conduits and
3. Distribution of the emergency subsidy to eligible beneficiaries.⁴⁰

In a similar vein, a study by the Sentro ng mga Nagkakaisa at Progresibong Manggagawa on the effectiveness of the social amelioration program (a component of Bayanihan's emergency subsidy program) demonstrated the prominent role played by "street-level bureaucrats" (Barangay officials and representatives) in the selection and approval of beneficiaries.⁴¹

Poor Labor Standards in Manufacturing

The absence of job security for large sections of the Philippine workforce is one of the biggest reasons for the State of labor standards in the country. With up to 75% of Filipino workers in the informal economy (based on the periodic reports of the CESCR), casualization of work leaves millions outside of the protection of labor laws, depriving them of the means to assert their rights through collective bargaining and organization.

Here, the policy of contractualization serves as one of the biggest hurdles to enjoying social protection and decent work. The fact that the respondents noted widespread violations of labor and OSH standards—especially at the height of the ECQ—demonstrates that without job security, decent employment, access to social security, and the proper implementation of labor standards, labor rights and decent work are simply out of reach of Filipino workers.

The survey results also reflect the prevalence of "endo" work arrangements at the

³⁹ *Id.* at 20-1.

⁴⁰ Congressional Policy and Budget Research Department, A Results-Based Assessment Of The Bayanihan To Heal As One Act, available at <https://cpbrd.congress.gov.ph/2012-06-30-13-06-51/2012-06-30-13-36-52/1228-bayanihan-one> (last accessed November 12, 2022).

⁴¹ Sentro ng mga Nagkakaisa at Progresibong Manggagawa, Evaluating a Pandemic Response: An Assessment of the Social Amelioration Program's Emergency Subsidy Program, at 10, (available with author).

national level. Furthermore, the chronically low and lengthy process of regularization is clearly shown by the fact that only a small percentage of the workers surveyed were regular workers, and an even smaller portion achieved this status within the mandatory 5-6 month period.

Regarding the implementation of labor standards, the national government's Labor Laws Compliance System (LLCS) faces many issues. As noted by the DOLE gap report, the national labor inspection system is plagued with the lack of qualified labor inspectors, the fact that existing penalties are low, and the enforcement of regulations and findings are weak, compromising the extent of employer compliance.⁴²

Meanwhile, the lack of a national minimum wage is also a source of concern. Once again, the CESCR report is a useful reference for assessing the status of wages in the country. The Wage Rationalization Act of 1989, with its abolition of the national minimum wage through Congress towards a tripartite body, is riddled with the lack of genuine workers' participation in wage-setting. Its implementation of a two-tier wage system sets a "floor wage" based on the poverty threshold, often far below the minimum wage rate. Furthermore, compliance is problematic. Similar to the LLCS, the punishment for non-payment of minimum wages is "lenient and non-dissuasive."⁴³

As a result, not only is the minimum wage coverage low, it is often far too insufficient for working families.⁴⁴ Citing data from the Philippine statistic authority, labor group Partido Manggagawa claimed in a statement that:

"We should remember that many workers, many of them women, are paid even less than the minimum. In the NCR, there are 1 million minimum wage earners but more than 800,000 workers are paid below the minimum. It is worse nationwide: 2.4 million minimum wage earners but 8 million paid below the minimum."⁴⁵

⁴² Joyce Anne S. Lumactud, Gap Analysis of ILO Convention No. 81 (Labor Inspection), at viii, available at <https://ils.dole.gov.ph/rights-at-work/2016-rw/gap-analysis-of-ilo-convention-no-81-labour-inspection> (last accessed November 5, 2022).

⁴³ U.N. Economic And Social Council, *Concluding Observations On The Combined Fifth And Sixth Periodic Reports Of The Philippines* ¶ 29 [E/C.12/PHL/CO/5-6](https://www.unhcr.org/refugees/philippines/2016/10/26/581d1d1d.html) (October 26, 2016).

⁴⁴ Ian Nicolas Cigaral, 'Philippines one of the worst countries to live for minimum wage earners', PHILSTAR, January 14, 2020, available at <https://www.philstar.com/business/2020/01/14/1984769/philippines-one-worst-countries-live-minimum-wage-earners> (last accessed November 20, 2022).

⁴⁵ Catherine Gonzales, Labor group says salaries of low-paid workers must increase faster, INQUIRER, January 27, 2022, available at <https://newsinfo.inquirer.net/1546142/labor-group-says-salaries-of-low-paid-workers-must-increase-faster> (last accessed November 20, 2022).

Lastly, the limitations of government employment and welfare programs contribute to the precarity experienced by many Filipino workers. Aside from the problems associated with implementing programs such as CAMP and TUPAD, a recurrent theme echoed in several ILS studies and the survey results is the sheer insufficiency of financial assistance offered to workers in distress.⁴⁶

Survey respondents also complained that these government programs were riddled with problems. From the non-universal delivery of aid, the susceptibility of these programs to "palakasan" patronage politics, and the difficulty in meeting the requirements for legibility under these initiatives. As a result, the majority of participants expressed dissatisfaction with the effectiveness of government responses under COVID-19 and pessimism regarding the government's preparedness for future crises.

Concretely, these weaknesses in government policy and implementation are expressed by the lived realities of many workers and are captured by the survey results. For example, when asked what conditions push them towards sweatshop labor, the majority of answers revolve around poverty, the need to provide for their families, economic precarity, the lack of job opportunities, and the view that a job is better than no job at all. While many said that sweatshop work had its value, the responses need to be qualified by the fact that most survey participants view this form of labor as necessary either because of economic necessity or the lack of alternative, decent jobs.

Violations of Workers' Right to Safe and Healthy Working Conditions

Side-by-side with terrible labor standards in the manufacturing industry, the continued violation of sweatshop workers' right to safe and healthy working conditions can be attributed primarily to the non-implementation of OSH standards and the limited capacity of the government to enforce compliance.

Here, DOLE's gap report provides many crucial findings on the issues that affect the implementation of OSH in the country—the study found that the existing OSH standards in the country are not updated in accordance with international

⁴⁶ Joyce Anne S. Lumactud, Gap Analysis of ILO Convention No. 81 (Labor Inspection), at viii, available at <https://ils.dole.gov.ph/rights-at-work/2016-rw/gap-analysis-of-ilo-convention-no-81-labour-inspection> (last accessed November 5, 2022).

standards.⁴⁷ This, in turn, contributes to the lack of advanced training on OSH among labor inspectors. The existing number of qualified labor inspectors is grossly inadequate for ensuring compliance with OSH standards across the country. Similar to the situation with the enforcement of minimum wages, existing penalties for OSH violations are low, and the monitoring mechanisms to ensure compliance in cases of violations are sorely lacking.

Unsurprisingly, the survey responses echoed many of these points. In fact, 50% of respondents view existing government programs and policies as non-responsive to improving OSH in the country. Coupled with 12.5% slightly agreeing with this view, this translated to 62.5% of the respondents. The negative impression on OSH standards is due to several factors:

- Persistent and significant gaps and problems in the implementation of OSH standards;
- The lack of enforcement on the part of NGAs; and
- The fact that OSH standards and concerns are not even explained to workers in some enterprises.

Recommendations for Policy Reforms and Program Development

Given the extent of the problems confronting the effective implementation and enforcement of labor and OSH standards in the country, this report offers recommendations for policy-making and governance. These are derived both from the literature review, as well as the suggestions provided by sweatshop workers themselves. The proposed changes and reforms either involve existing government policies and programs or significant policy reforms.

Starting with the recommendations from the sweatshop workers that provided the primary data for this report, most of their suggestions regarding governance and enforcement of standards revolve around the following:

1. The proper and effective implementation and monitoring of OSH standards, penalties, and safety protocols—especially in industries involving the use and handling of chemicals
2. Efficient and Effective Livelihood and Welfare Programs that include interventions on social protection, health, and employment

⁴⁷ Joyce Anne S. Lumactud, Gap Analysis of ILO Convention No. 81 (Labor Inspection), at viii, available at <https://ils.dole.gov.ph/rights-at-work/2016-rw/gap-analysis-of-ilo-convention-no-81-labour-inspection> (last accessed November 5, 2022).

3. Inclusion of workers in consultations and decision-making, especially in the development of OSH standards
4. Increasing awareness of labor rights in the Philippines among workers

On the other hand, recommended policy positions include:

1. The implementation of a national minimum wage
2. Work towards the achievement of a living wage
3. Ensuring the security of tenure
4. The prohibition of piece rate or "arawan" labor

Many of these suggestions already echo the policy recommendations outlined in papers such as the CESCR's concluding observations on the combined fifth and sixth periodic reports on the Philippines and the ILS' study on the gap between ILO C81 and the LLCS. These recommendations are provided below:

For OSH Standards:

1. Alignment of existing OSH standards in accordance with international standards.
2. Deputization of Trade Union representatives to aid in the conduct of labor inspections.
3. The passage of an LLCS Bill with specific provisions for penalties, and the like.

Proposed Policy Reforms:

1. Put an end to widespread contractual "endo" work arrangements with the view of instituting security of tenure as the norm in employment.
2. Strengthen the mandate and capacity of the country's labor inspection system.
3. Review the Wage Rationalization Act of 1989 towards the re-institution of a national minimum wage.
4. Strengthen tripartism in the country by improving worker's representation and capacity to intervene in the wage-setting process.
5. Improve the support and provision of universal social security schemes, especially for those that lose employment in times of calamities or health emergencies
6. Explore the expansion of public employment programs as a way to guarantee job security and economic growth—especially in crisis situations.

Conclusion

The report has discussed the situation of labor and OSH standards in sweatshop work. With the inherent vulnerability faced by workers in this industry, the findings of the survey questionnaires confirmed many existing assessments and reports that described the various issues and problems associated with sweatshop labor. Furthermore, the onset of the COVID-19 pandemic has exacerbated these existing inequalities, undermining much of the progress to improve working and living conditions—especially for workers in the informal sector.

Specifically, this report found that the prevalence of precarious work, the considerable variation in the consistency of compliance with labor and OSH standards, and the widespread violation of labor and OSH standards during the ECQ period had significantly undermined the human rights of sweatshop workers.

Given this situation, several policy and implementation gaps were raised based on the data analyzed and the literature review. Among the major problems raised were poor labor standards arising from conditions of widespread informality and casualization of work through contractual/"endo" arrangements, the absence of a national minimum wage, and insufficient government employment and welfare programs.

Another central issue area is the widespread violation of workers' rights to safe and healthy work conditions arising from the non-implementation of OSH standards, as well as the limited capacity of the Philippine government to enforce compliance. In both cases, weak mechanisms for sanctions and monitoring for compliance in workplaces where violations occur severely undermine the ability of the government to protect labor and OSH standards, especially for sweatshop workers.

In response, the report offers several policy and governance recommendations. For OSH-related concerns, there is a need to ensure that existing OSH standards are aligned with international standards. The deputization of trade union representatives should be explored to help labor inspections in the country. The passage of an LLCS Bill to improve the labor inspection system should also be considered.

On the other hand, proposals related to policy include working towards ensuring that security of tenure becomes the norm of employment and strengthening the mandate and capacity of the country's labor inspection system. There should also be a review of the Wage Rationalization Act of 1989 towards a national minimum wage, an improvement of tripartism in the country through improved worker's participation, and an exploration of the expansion of Philippine public employment programs.

Ultimately, the success of these proposed reforms depends on the cooperation of all relevant stakeholders through the mechanisms of tripartism in the country. One important point to remember is that tripartism and social dialogue can only succeed if the right of workers to participate effectively and without intimidation is guaranteed. To this end, resolving the structural gaps that maintain precarious employment and weaken workers' ability to collectively bargain is a necessary prerequisite for improving labor and OSH standards in the Philippines.