

8. Conclusion

This study explores the challenges and opportunities of the Philippine aquaculture industry, a sector with significant economic contribution to the country's total fisheries production and fisheries exports but with limited research on the aspects of decent work and responsible business practices. Through a targeted literature review and key informant interviews, the study was able to (1) map the supply chain structure and composition of two aquaculture products—shrimp and seaweed, (2) delve into existing working practices and how these align to decent work and responsible business frameworks, and (3) identify stakeholder-specific actions to advance decent work and responsible business practices in the aquaculture sector.

The results of the interviews reveal significant decent work deficits, particularly in the production node of both shrimp and seaweed supply chains. These include not meeting minimum wage, benefits, social security, and occupational health and safety requirements, and the presence of child labour. The processing segments are generally able to meet the minimum labour standards, but certain gaps still exist. Meanwhile, across all interviewee groups, there is a notable lack of worker organization and representation, especially at firm level, with no evidence of active trade unions. Interviewees also cited climate change as a major external factor that affects their work, whether because of higher surface temperatures or more severe typhoons that cause damage to farms and make working conditions risky.

There also appears to be a lack of connectivity along both supply chains, as shrimp farm workers, shrimp processing workers, and seaweed processing workers only have a general idea of where their products go, while seaweed farmers and shrimp farm owners are mainly concerned about buying prices. Relationships appear to be purely transactional and typically between adjacent nodes in the supply chain, with no evidence of supply chain-wide partnerships.

Interviewed workers in extensive shrimp farms experience high levels of informality and insecure tenure, with wages below the local minimum and limited access to social safety nets, skills development, and training. They also lack formal contracts. Additionally, there is a limited understanding and application of proper Occupational Safety and Health (OSH) measures. Workers in intensive shrimp farms often work “broken shifts” that blur the lines between working hours and rest hours, compromising the quality of their rest. Some of these workers also lack formal contracts, and there are instances of child labour.

Thus, workers in extensive shrimp farms exhibit characteristics of informality despite being employed in formal registered enterprises. The business itself is formal but the employment within the business is informal. As such, workers exhibit characteristics of informality as described in the 2002 ILO Resolution concerning decent work and the informal economy. These include low skill levels (see Section 1. Profile of respondents) and low productivity levels, as indicated by underemployment and the need to engage in supplemental jobs (see Section 3.3. Wages). Furthermore, informal workers often face inadequate working conditions, such as unsafe work environments (see section on Occupational Safety and Health). They also typically lack access to trade unions or other forms of worker representation (see Section 5. Social Dialogue and Tripartism).

Additionally, workers are considered informal employees within the formal sector due to insufficient legal coverage and benefits, such as minimum wage guarantees and social security (see section on Wage-related Benefits and 4.1. Social Security). This further aligns with NSCB Resolution No. 15 Series of 2002, which describes informal sector workers as those lacking legal protection and benefits.

However, it should be noted that workers exhibit elements of employee-employer relationships with the owners: fishpond owners directly recruit or oversee the recruitment of workers (see Section 2.1. Recruitment Practices), all workers confirm receiving wages (see section on Wages), owners have the authority to terminate employees (see Section 2.3. Termination Practices), and they exercise control over workers' conduct.

Similarly, in intensive shrimp farms, workers do not have written contracts despite working in formal registered enterprises. However, the legal protections are still in place for them, as all interviewed workers earned at least the minimum wage and had access to the minimum DOLE-mandated benefits.

Seaweed farmers are informal workers, earning significantly less than the minimum daily wage and with limited access to social safety nets, skills development, and training. There are also instances of child labour. They lack the ability to collectively bargain for the buying price of seaweed, which leads to low buying prices.

Seaweed farmers fall into the PSA's definition of "self-employed" because they work for profit in their own farm without any paid employees. However, they also exhibit characteristics of informality as described in the 2002 ILO Resolution concerning decent work and the informal economy. These include low skill levels (see Section 1. Profile of respondents) and low productivity levels, as indicated by underemployment and the need to engage in supplemental jobs (see section on Wages). Furthermore, informal workers often face inadequate working conditions, such as unsafe work environments (see section on Occupational Safety and Health). They also typically lack access to trade unions or other forms of worker representation (see Section 5. Social Dialogue and Tripartism).

They do not fall under the definition of "workers in the informal sector" of RA 8425 because while they are poor individuals who operate businesses that are very small in scale, they are registered with the OCA for the licensing and permitting of their farm and BFAR as registered fisherfolk.

Workers in shrimp and seaweed processing generally experience the minimum labour standards, except for seaweed sorters, who are mostly women and have informal and insecure working arrangements.

Seafood processing workers are formally employed in formal, registered businesses. They have written contracts that include their job description, responsibilities, salary, and benefits. The processing facility hires additional seasonal workers during the peak catch season, which is June for octopus. The seasonal workers also have contracts. Peak catch months for other seafood were not identified by the workers.

However, a particular worker type in the seaweed processing plants—sorters—exhibit elements of informality, with respect to NSCB Resolution No. 15 Series of 2002, which describes informal sector workers as those lacking legal protection and benefits. These sorters tend to be female workers and are hired on a fixed price or pakyawan basis, wherein they pick foreign debris out of raw seaweed stock and are paid per sack of sorted seaweed. These workers are reported as being vulnerable to being terminated at any time and exhibit job insecurity despite being necessary members of the production process. However, no sorters were interviewed for this study.

Labour conditions in the aquaculture sector is generally not addressed by current government programs and activities as interventions in the sector are focused on increasing production and export volumes. This was also observed in the limited labour inspections and lack of sector-specific OSH standards. Responsible business conduct comes primarily as a byproduct of product quality and safety standards, rather than worker welfare.

Stakeholders present during the workshops validated all the findings raised in this report, and their feedback was considered and incorporated into the recommendations, summarized below.

The report recommendations outlined (Part X. above), emphasize the need to formalize informal aquaculture workers by reforming legal frameworks, streamlining business registration, and enhancing access to finance and social protection. Strengthening occupational safety and health (OSH) standards through guidelines, training, and inspections is crucial for improving working conditions. Enhancing social dialogue mechanisms, including bipartite and tripartite councils, will promote better labour relations and decent work practices. Responsible Business Conduct (RBC) should be integrated into supply chains to ensure compliance with labour laws and international standards. Lastly, improving data collection and labour market information systems will enable better policymaking and industry development through collaboration among government agencies, employers, and workers.

Limitations of the study should be noted. The research design and site selection relied primarily on PSA data and availability of manpower resources, the former of which was reported to have discrepancies by key informant

interviewees. Apart from this, the research focused heavily on the production and processing nodes of the supply chain. Future research can address these limitations by increasing the interviewee pool and expanding the geographic scope to Region VI (shrimp) and BARMM (seaweed), and including participation from the traders, consolidators, Philippine exporters, and overseas importers to get a more complete picture of decent work and responsible business practices across the supply chain.⁷

⁷ Intensive shrimp farm employers, shrimp processing employers, seaweed processing employers, and a number of aquaculture importing companies were invited to participate in the interviews for this study but declined or were otherwise unable to participate.