



Labor Inspection Developments in the Philippines

DEPARTMENT OF LABOR AND EMPLOYMENT (PHILIPPINES)
Jakarta, Indonesia
4-6 April 2017



TOTAL POPULATION	100,981,437
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WORKING AGE POPULATION	64.936 M
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LABOR FORCE	41.342 M
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EMPLOYED	38.741 M
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TOTAL ESTABLISHMENT	945,004
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2009 Technical Audit Findings



Low Participation and Compliance Rate



Lower number of Establishment Inspected and Lesser regularity of Inspection



Fewer Number of Workers Covered and Standards Assessed



Inadequate number of labor inspectors



Limited capacity of labor inspectors and low quality of inspection



Limited participation of social partner

LEGISLATIVE TRACK



**Amendment of the
Labor Code**



**Constitution of the
Tripartite Review
Committee**



**Endorsement
Of Priority
Legislative
Measures**



**Active Participation
in the Legislative
Process**

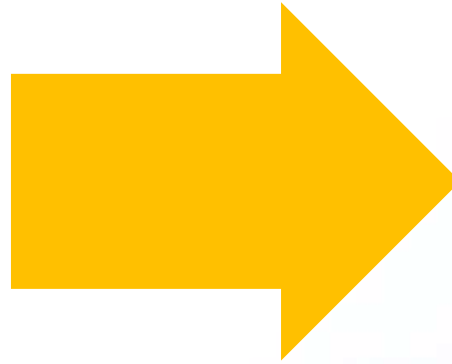
DEVELOPMENT AT THE ADMINISTRATIVE LEVEL

- **LABOR INSPECTION FRAMEWORK**
- **NUMBER, QUALIFICATION AND PERFORMANCE OF LABOR INSPECTORS**
- **ROLE OF SOCIAL PARTNER**
- **PROCESS, SYSTEM AND TECHNOLOGY**



LABOR INSPECTION FRAMEWORK

**Labor Standards
Enforcement
Framework (LSEF)**



**Labor Laws
Compliance
System (LLCS)**

Regulatory Approach

*Regulatory and
Developmental Approaches
by Inculcating a Culture of
Voluntary Compliance*

FEATURES OF LABOR LAWS COMPLIANCE SYSTEM

- **Plant-level Assessment**
- **Awareness-raising and capacity building**
- **Free Technical Assistance on Compliance**
- **Recognition of Voluntary Compliance**
- **Enhancement of plant-level partnership mechanism**



LABOR LAWS COMPLIANCE SYSTEM

Modes of Implementation

- **Joint Assessment**
- **Compliance Visit**
- **Occupational Safety and Health Investigation**
- **Special Assessment or Visit of Establishment**

LABOR LAWS COMPLIANCE SYSTEM

Modalities of Assessment

- **Zonal Assessment**
- **In-House OSH Assessment**
- **Assessment by Industry**
- **Ecozone-wide Assessment**

LABOR LAWS COMPLIANCE SYSTEM

**Priority
Establishments
(Level of Risk)**

- **Hazardous workplaces**
- **Employing Children**
- **Contracting Arrangement**
- **Sea and Land Transport**
- **Employing ten (10) or more**

NUMBER, QUALIFICATION & PERFORMANCE OF LABOR INSPECTORS

- Increased number of Labor Laws Compliance Officers
- Proportionate regional distribution of Labor Laws Compliance System
- Established qualification standards



NUMBER, QUALIFICATION & PERFORMANCE OF LABOR INSPECTORS

- Regular conduct of capacity building training and retooling
- Institution of feedback mechanism
- Annual conduct of Area-wide summit with Stakeholders



ROLE OF SOCIAL PARTNER



- **Key involvement in the consultative process including oversight function (NTIPC and RTIPC)**
- **Active participation in the conduct of Assessment**

ROLE OF SOCIAL PARTNER



- **Conduct of capacity building training**
- **Institution of feedback mechanism**
- **Annual conduct of Area-wide summit with Stakeholders**

PROCESS, SYSTEM AND TECHNOLOGY

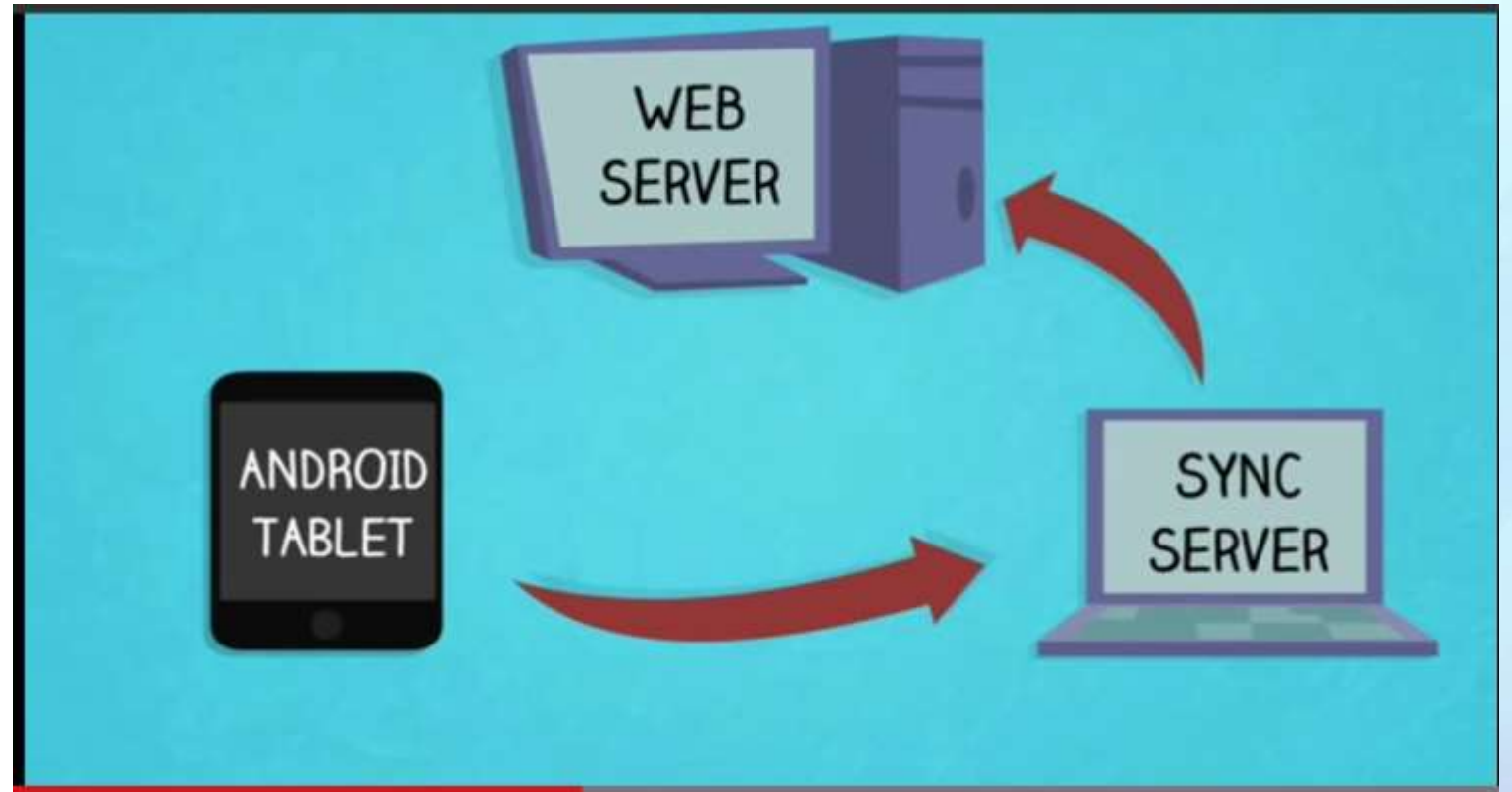
- Revision of Manual of Implementation
- Coordination with Relevant Government Agencies
- Utilization of LLCS Management Information System



LLCS-MIS

- On-line web-based application system
- Uses an electronic checklist
- Utilizes IT gadgets for the transmission and processing of real-time collected data from the Labor Laws Compliance Officers (LLCOs) in the field within 72 hours after assessment
- Provides instant data for viewing and processing to generate reports, statistics, and summons, including real-time monitoring of decent work indicators

LLCS-MIS



LABOR INSPECTION FRAMEWORK

	BEFORE (2004-2013)	NOW (2014-2015)
LABOR STANDARDS COVERED	23	94
COMPANY VISITATION	Once every 16 years	Once every 2 years
ESTABLISHMENTS COVERED	233,425 (annual average - 23,000)	127,041 (annual average – 63,521)
WORKERS COVERED	6.816-M (annual average – 681,604)	5.781-M (annual average – 2.9-M)
AMOUNT RESTITUTED & WORKERS COVERED	P311-M for 355,904 workers	P234-M for 1.041-M workers
INCREASE IN PERSONNEL	Labor Inspectors - 284	Labor Law Compliance Officer - 574
LABOR INSPECTORS PER 100,000 EMPLOYEES IN PRIVATE ESTABLISHMENTS	1.5% (2010 LFS)	3.1% (2014 LFS)

LABOR INSPECTION FRAMEWORK

COMPLIANCE ON:

		BEFORE (2004-2013)	NOW (2014-2015)
COMPLIANCE ON:	GLS	70.7%	77.6%
	MINIMUM WAGE	81.24 % covering 17,021 establishments (annual average in 9 years)	88.54% covering an average of 54,363 (annual average in 2 years)
	SOCIAL SECURITY BENEFITS	89.59% covering average of 681,605 workers	89.35% covering average of 2.89-M workers
	CORRECTION RATE	21%	27%
	SYSTEM DEVELOPMENT	Manual	Online LLCS-MIS

CHALLENGES

- **Significance of LLCS in labor market governance**
- **Institutionalization of LLCS**
- **Capacity of LLCOs and social partners and Quality of Assessments**

WAY FORWARD

- **Capitalize on the gains realized and meet the challenges identified**
- **Strictly implement existing laws, rules and regulations**
- **Assess prevailing work arrangements (non-standard form of employment)**
- **Designate 200 Labor Laws Compliance Officers**
- **Constitute Regional Audit Team**
- **Deputize labor and employer organization**
- **Review of LLCs (Compliance Order and Execution)**

8-Point Labor and Employment Agenda

Objective: Inclusive development, prosperity, and labor justice for Filipino workers and their families

Agenda 3: Ensure full respect of labor standards and the fundamental principles and rights at work



END OF PRESENTATION

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