TRIPARTISM IN INDUSTRIAL RELATIONS

By ATTY. JONATHAN P. SALE

Under the Labor Code, workers and employers shall, if practicable, be represented in decision and policy-making bodies of government. Through tripartism, workers and employers help shape social and economic policies and programs and participate in governance, in the process easing the tension in employment relations.

Tripartism is in place in public agencies like the National Labor Relations Commission, the National Wages and Productivity Commission and the Regional Wage Boards. Another example is the Tripartite Voluntary Arbitration Advisory Council (TVAAC), which was established to advise the National Conciliation and Mediation Board on matters pertaining to the promotion of voluntary arbitration as the preferred mode of dispute settlement. The Employees Compensation Commission, the POEA Governing Board, the Philippine Health Insurance Corporation, the Social Security Commission, the GSIS Board of Trustees and the Tripartite Industrial Peace Council (TIPC) are tripartite in structure and process as well.

Aside from public agencies, tripartism is practiced in the country through national tripartite conferences. The Secretary of Labor is authorized by law to call a national, regional, or industrial tripartite conference of representatives of government, workers and employers consider and adopt voluntary codes of principles designed to promote industrial peace based on social justice or to align labor movement relations with established priorities in economic and social development. In the process, the Secretary may consult with accredited representatives of workers and employers.

Dr. Bach Macaraya notes that during the Marcos regime, tripartite conferences were used to pursue the labor-intensive and export-oriented (LIEO) strategy of development, which meant a policy of cheap labor so as to make Philippine products competitive abroad. The centralization of decision-making in favor of certain labor and employer groups also created doubts as to the representativeness or legitimacy of the tripartite mechanism (Teodosio and Perete, Tripartism and the State in the Philippines in the 1990s, 1998).

The Aquino administration, endeavored to re-democratize the industrial relations system and to establish institutional modes of cooperation among labor, employer and government (Ibid). Some instruments that emerged from the conferences were the Code of Industrial Harmony, the Industrial Peace Accord and the establishment of the Tripartite Accord Coordinating Council, the TVAAC and the TIPC (Macaraya, supra).
During the Ramos regime, re-democratization of the industrial relations system continued but a shift in policy took place, reducing the tripartite system to a mere instrument for the formulation of economic and industrial policies and programs receptive to the requirements of structural adjustments (*Teodosio and Perete, supra*). The national tripartite conferences focused on understanding globalization, determining its impact on the social partners, redefining the role of the social partners, making entrepreneurs cost competitive, ensuring security of employment rather than security of tenure, and defining safety nets (*Macaraya, supra*).

During the Estrada regime, no national tripartite conference was held, but Executive Order No. 49, series of 1998 was issued to increase the number of sectoral representatives in the TIPC from twelve to twenty, as well as the number of organizations from which the representatives were drawn.

Under the Arroyo administration, the issue of labor flexibility seems to be a priority as indicated by the revocation of DOLE Dept. Order No. 10, series of 1997, itself a product of the national tripartite conferences. Based on DOLE Dept. Order No. 3, series of 2001, the TIPC was the mandated forum for prior consultations regarding the formulation of a new set of rules on contracting and subcontracting that is more responsive to present employment arrangements and more acceptable to all concerned. The TIPC’s output is DOLE Dept. Order No. 18, series of 2002, which prohibits labor-only contracting and six other forms of contracting or subcontracting.

The TIPC was also the venue for the formulation of the new set of rules implementing the law on labor relations, embodied in Department Order No. 40-03, Series of 2003.

An important issue affecting the social partners is legitimacy. The dichotomy between the formal and informal sectors raises doubts about the representativeness of the tripartite process itself. This is so because the majority of the work force is found in the informal sector, which is unorganized. What is more, organized labor constitutes only a small portion of workers in the formal sector. This means that most workers do not have a genuine voice in tripartite mechanisms. On the part of employers, those who participate in the process are perceived to represent the interests of big corporations or business, leaving the small and medium size enterprises, which constitute the majority, voiceless.

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