SOCIAL DIALOGUE TO ACHIEVE THE SUSTAINABLE DEVELOPMENT GOALS

FORMALISING THE INFORMAL ECONOMY

COUNTRY BRIEF

PHILIPPINES
Domestic work occupies a significant place in the world of work in the Philippines. Not only is it one of the world’s top four sending countries of migrant domestic workers, but in 2013 there were an estimated 1.98 million domestic workers at home, up 97 per cent from 1.2 million in 2001. Domestic work is the largest single source of wage employment for women (in 2013, while women comprised only 38 per cent of the total workforce, they made up 84 per cent of all domestic workers) as well as young workers (34 per cent of female domestic workers and 29 per cent of male domestic workers are 15-24 years old).

The estimated number of domestic workers, was over 1.98 million in 2013 - an increase of 65% from 1.2 million in 2001. By 2016, that figure was 2.033 million.

In 2013, while women comprised just 38% of the total workforce, they made up 84% of domestic workers.

In 2011, 57,350 children aged between five and 14 were employed in private households.

Some 34% of female domestic workers and 29% of male domestic workers are aged 15-24 years old. In comparison, only 19% of all workers nationwide are in the same age range.
However, steps taken from 2009 onward to facilitate the formalisation of domestic work illustrate the key role that social dialogue plays, not only in enabling decent work but also in ensuring the success of the 2030 Agenda. In September 2012, the Philippine Government ratified the International Labour Organization’s (ILO) landmark Domestic Workers Convention 189, and, in January 2013 it passed a comprehensive Domestic Workers’ Act.

The 2013 Domestic Workers’ Act extended labour rights, benefits and protection to nearly two million workers in the Philippines.

Both policies have been hailed as major achievements of a broad-based alliance between trade unions, the national employers’ organisation, civil society and the government. It sent out a strong message that domestic workers are workers with fundamental rights, and that employment relationships, regardless of their location in the private sphere, cannot be excluded from national labour laws.

Main achievements of social dialogue for domestic workers:

- A minimum wage
- Working time protection
- Prohibition of child labour in domestic work
- Social security and health insurance coverage

The employment of domestic workers is predominantly informal. In 2012, for example, just 1.6 per cent of domestic workers contributed to the country’s Social Security System (SSS). As a consequence, domestic workers are widely excluded from labour rights, social protection and lack bargaining power. With such high concentrations of low-waged, informal, mostly female workers, domestic work traps some of the Philippines’ most vulnerable workers in a cycle of exclusion, inequality and poverty.

In 2012, only 1.6% of more than two million domestic workers were contributing to the Social Security System.

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There are numerous ways in which formalising domestic work promotes decent work, inclusive development and is key to achieving the Sustainable Development Goals (SDGs):

- **SDG 8** – Promote decent work: Due to the high levels of informality, formalising domestic work will contribute to the achievement of SDG Target 8.5 (full and productive employment and decent work for all women and men) and SDG Target 8.3 (reduction of informality amongst women and men). Measures to promote freedom of association, labour rights, and occupational health and safety standards in domestic work would also be in line with SDG Target 8.8 (protection of labour rights, and promotion of safe and secure working environments for all workers).

- **SDG 10** – Reduce inequalities: Domestic work has disproportionately high concentrations of women from poor households and socially excluded populations. Measures that address the multiple dimensions of inequality that permeate domestic work will contribute to SDG Target 10.2 (empowerment and promotion of the social, economic and political inclusion of all).

- **SDG 5** – Achieve gender equality and empower all women and girls: As domestic work is the single most important source of income for women, addressing decent work deficits and rights violations will contribute to the realisation of SDG Target 5.1 (end all forms of discrimination against all women and girls everywhere).

- **SDG 1** – End poverty in all its forms everywhere: Low and precarious wages, income and job insecurity, health and safety risks, child labour and labour exploitation further trap already impoverished domestic workers in poverty. Therefore, measures that tackle these problems are in line with SDG Target 1.2 (reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definition).

In terms of the key milestones in the formalisation of domestic work, it is important to note that before the ILO standard-setting process began, trade unions were not hugely engaged with domestic workers. However, two new domestic workers’ organisations have been formally established since 2015: the United Domestic Workers of the Philippines (UNITED, affiliated with the trade union centre SENTRO) and the ALLWIES-Kasambahay Chapter (ALLWIES is affiliated with Trade Union Congress of the Philippines, or TUCP).
All Regional Tripartite Wage Boards issued wage orders raising the minimum wages of domestic workers, in accordance with the Domestic Workers’ Act.

The tripartite partners had previously expressed contrasting positions on one important point: whether migrant and local domestic workers should be treated in the same manner by a binding international instrument. At the Second National Domestic Workers Summit in August 2009, they agreed to support a Convention and a Recommendation covering both migrant and local domestic workers. At the ILC of June 2010, the Philippines was one of few countries that presented a unified stance in favour of a binding Convention, supported by a Recommendation. This was the result of numerous national and regional consultations, debates and TWG working groups.

After the ILO adopted Convention 189 and Recommendation 201 in June 2011, the TWG prioritised the ratification of the Convention by the Philippine government, which eventually took place in September 2012, together with sustained advocacy for a comprehensive national law aligned with the Convention.

The Domestic Workers’ Act was passed within two years of deliberations and just four months after the ratification of Convention 189. Political leadership, a desire to ratify Convention 189, a broad policy agenda favourable to workers’ rights and a unified position amongst tripartite partners and key allies all played a crucial role in ensuring the success of the law reform process. Key provisions of the law include: a minimum wage for domestic workers of P2,500 per month for those employed in the National Capital Region, P2,000 for those employed in chartered cities and municipalities, and P1,500 for those employed in other municipalities; working time protection; the prohibition of the employment of children below 15 years of age as domestic workers; and social security coverage and health insurance for all domestic workers with at least one month of service.

TWG members focused its actions on supporting the effective implementation of the new law and promoting compliance amongst employers and workers.

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In order for the law to translate into greater improvements in the lives and work of domestic workers, the research puts forward a number of key areas for improvement:

- Improve compliance with the law by removing legal and administrative obstacles.
- Reinforce monitoring provisions – the workplace of domestic workers is private homes. In order to avoid infringements, provisions must be made to guarantee compliance.
- Re-energise the broad-based movement for domestic workers’ rights to see through the law into practice. Compliance is a continuous process and requires a continued follow-up.
- Identify pathways to address deep-rooted social norms that influence the treatment of, and employers’ relationship to, domestic workers in private households – notably through awareness raising.

Moving forward, social dialogue on domestic work issues must continue to be broad-based and maintain a long-term perspective. To really transform the realities of domestic work, deeply-rooted social arrangements, norms, values and attitudes must be changed. The challenge for social dialogue is to make new formal rules known, understood and ‘owned’ by all domestic workers, their employers and communities.

This summary is based on in-depth country research, the full research document is available at www.ituc-csi.org/social-dialogue-informality

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