

# The Partido ng Manggagawa and the Battle against Contractualization

Sunday 29 June 2008, by [Partido Manggagawa](#) (Date first published: 2008).

One of the main themes in the labor struggles of year 2007 was the fight against contractualization. Partido ng Manggagawa was in the thick of the struggles in the past year not just for the legislated wage hike but also against contractualization.

Labor unity materialized in the fight versus contractualization with the formation of Koalisyon Kontra-Kontraktwalisasyon. The coalition united the various groups, among them the Partido ng Manggagawa, that the supported the fight of the PLDT union against massive layoff.

More than 500 regular workers of the telecom giant were terminated and replaced by contractual labor. The Partido ng Manggagawa joined in the hunger strike and the picket lines established at the premises of the Department of Labor and Employment.

The same groups are now in solidarity with the PNCC Skyway workers—skyway patrol, toll tellers and maintenance workers—for job security who are facing the same predicament since the regular workforce of around 800 workers will be terminated with only a tiny minority to be rehired under a new contract as irregular workers.

The dispute at PNCC Skyway has been a long drawn-out battle against management's scheme to bust the unions in order to cheapen the cost of labor. Collective bargaining negotiations broke down early in 2007 and led to a strike on May 1. The PNCC Skyway workers had just setup their picket lines that day when the assumption of jurisdiction order from the Secretary of Labor immediately arrived at around 8 a.m. The labor dispute at PNCC Skyway that matured into a strike was however not recorded into the statistics. Labor officials absurdly claimed that PNCC Skyway workers merely celebrated May Day but did not launch a strike.

In late 2007, PNCC and Citra Metro Manila Tollways Corp. agreed that a new company, Skyway O&M Corp., will construct the P8 billion Phase II of the Skyway from Bicutan to Alabang. The change in management is however just a corporate cover for busting the three unions of the Skyway employees, replacing them all with contractual workers and thus raising the profits of Citra.

Out of the 800 of employees, only a few of will be rehired at the sole discretion of management and under a new contract that makes them contractual workers without security of tenure, and with less wages and benefits. While Citra rakes in billions in benefits from this corporate crime, employees and workers of Skyway, the motorists and passengers all suffer the sacrifices.

The three unions of the employees for collection and maintenance, highway patrol and supervisory that gave protection for employees will be busted outright. This is in fact the real agenda of the change in management that led to massive termination. By busting the unions, the new workers will have no means of bargaining for decent wages, substantial benefits and safe working conditions. Thus Citra will increase its profits by cheapening its labor costs.

The Labor Secretary issued an assumption of jurisdiction order on January 1, 2008 enjoining the

workers from striking but also commanding management to accept the employees back to work. Management has however refused to allow the workers to return to work on the alibi that the old PNCC Skyway Corp. was already dissolved and the new Skyway O&M Corp. is not anymore the employer. The DOLE has pathetically turned a blind eye to an obvious maneuver, refused to pierce the corporate veil and declined to use its power to oblige management to follow the return to work order. With the backing of the Partido ng Manggagawa and other labor groups, the workers have vowed to pursue the fight.

The scourge of contractualization is a nationwide, nay an international, phenomenon. Not surprisingly, the fight against contractualization manifests itself even in the provincial centers. In Negros Occidental, contractual workers employed by a subcontractor formed a union but is facing an uphill battle for recognition and efforts at union busting by a formidable unholy alliance of capital and the state.

Some 24 out of a total workforce of 35 employed by the Ponce Engineering Services, a contractor of the Tanduary Distillers Inc., formed a union and registered with the Labor Department in early October 2007. Tanduary, part of the Lucio Tan group of companies, maintains a plant in the town of Murcia that supplies its products to the Visayas market. Through the system of using contractors, Tanduary keeps just a small portion of the total workforce in its factory as regular employees. Incidentally, the company has refused to recognize the union of regular workers of Tanduary, the Labor Union of Tanduary Employees (LUTE), and the mere issue of union recognition remains pending at the Supreme Court.

Not a month passed after the filing for registration of the Samahan ng Mangagawa sa Tanduary Distillers Inc. when its president and vice-president received verbal notices that their contract will expire by November of 2007. Thus the union filed a complaint to the National Conciliation and Mediation Board (NCMB) alleging illegal termination and union busting, and also protesting illegal deductions and underpayment of wages against the contractor Ponce Engineering Services and the principal Tanduary Distillers Inc.

In the hearings, Tanduary refused to officially make an appearance arguing that it is not accountable despite being the principal employer and thus being severally liable as per the Labor Code. The contractor and principal both continued in its intransigence and efforts to bust the union. An officer of the union was forced from work as a result of pressure exerted on his father who was by Asia Brewery Inc., a sister company of Tanduary. His father was warned that his employment will be affected by the involvement of his son in the union. Also four union officers and members assigned as machine operators in the bottling area were transferred to the General Services Department and deployed to cut cogon grass in open field under the direct heat of the sun.

Just after New Year, the union struck. The local government then entered the scene, ordering the police to dismantle the picket lines on the ridiculous argument that the mayor's office had not granted a "permit to rally." Despite harassment by the local police and company guards, the workers have continued with the strike and maintained its picket lines with the support of other unions and workers mobilized by the Partido ng Manggagawa.