Report on the Implementation of DO 118–12

Employment and Working Conditions in the Public Bus Transport Industry
Outlines

- Background
  - Rapid assessment
  - Joint statement
- Milestones
- Implementation
- Program assessment
Rapid assessment of the employment and working conditions in the public utility bus transport industry
156 pairs of drivers/conductors in 9 MMDA organized bus routes (OBRs)

13 HR Managers of bus lines plying Metro Manila
Less than 30 Yrs. Old - 6%
30-49 Yrs. Old - 53%
50 and Over, 8%
Not Stated - 33%
Highest Educational Attainment

- High School: 110 (70%)
- College: 18 (12%)
- Technical/Vocational: 9 (6%)
- Elementary: 12 (8%)
- Not Stated: 7 (4%)
Length of Driving Experience

- Less than 10 yrs: 24%
- 10-19 yrs: 41%
- 20 or more yrs: 21%
- Not stated: 14%
Manner of Drivers’ Skills Acquisition

- Taught by Friend/Family: 58 (35%)
- Driving School: 12 (7%)
- Other Modes of Skill Acquisition: 6 (4%)
- Observing others/self-taught: 88 (54%)
Basis of Payment

- Commission: 98%
- Boundary: 2%
Drivers’ Percent Share of Commission

- 79 percent of drivers receive 10% to 14% commission
- 18 percent of drivers receive 5% - 9% commission
- 3 percent of drivers receive at least 15% commission
Conductors’ Percent Share of Commission

15 percent of conductors receive 10% to 14% commission

85 percent of conductors receive 5% - 9% commission
Working Hours

Drivers

<table>
<thead>
<tr>
<th>Hours</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 12 Hours</td>
<td>11%</td>
<td>17</td>
</tr>
<tr>
<td>More than 12 Hours to 16 Hours</td>
<td>21%</td>
<td>33</td>
</tr>
<tr>
<td>More than 16 Hours</td>
<td>67%</td>
<td>105</td>
</tr>
</tbody>
</table>

HR Managers

<table>
<thead>
<tr>
<th>Hours</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than 12 Hours to 16 Hours</td>
<td>85%</td>
<td>11</td>
</tr>
<tr>
<td>More than 16 Hours</td>
<td>15%</td>
<td>2</td>
</tr>
</tbody>
</table>
Common Mandatory Benefits

Drivers
- SSS
- PhilHealth
- Pagibig
- Others
  - Paternity
  - 13th month

HR Managers
- SSS
- PhilHealth
- Pagibig
- Others
  - Paternity
  - Maternity
  - 13th month
  - Nightshift differential
  - Holiday
  - SIL
Common Voluntary Benefits

Drivers
- Separation/termination
- Medical insurance
- Life insurance
- Medical allowance
- Hospitalization
- Retirement

HR Managers
- Separation/termination
- Medical insurance
- Life insurance
- Medical allowance
- Optical allowance
- Retirement
Safety and Health Practices

Drivers/Conductors

- 40 drivers (25%) - have Safety Committees
- 82 (53%) - implement a Drug-Free Workplace Program or Policy
- 110 (70%) - conduct drug-testing

HR Managers

- Only 2 bus operators have a Safety Committee
- 9 implement a Drug-Free Workplace Program or Policy
- All operators implement drug-testing
Frequency of Absences

Drivers

HR Managers
Causes of Absences

Drivers

- Sick: 97 (67%)
- Attend to family matters: 19 (13%)
- Others: 27 (19%)

HR Managers

- Sick: 10 (77%)
- Attend to Family matters: 3 (23%)
### Company-Sponsored Training

<table>
<thead>
<tr>
<th>More than half:</th>
<th>Less than half:</th>
</tr>
</thead>
<tbody>
<tr>
<td>◦ Defensive driving</td>
<td>◦ Safety and health</td>
</tr>
<tr>
<td>◦ National and local road traffic issuances</td>
<td>◦ National and local road traffic issuances</td>
</tr>
<tr>
<td>◦ Basic troubleshooting</td>
<td>◦ Basic troubleshooting</td>
</tr>
</tbody>
</table>

**Drivers**

**HR Managers**
Traffic Violations

Drivers

<table>
<thead>
<tr>
<th>Violation</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Speeding</td>
<td>14</td>
<td>10%</td>
</tr>
<tr>
<td>Reckless Driving</td>
<td>18</td>
<td>13%</td>
</tr>
<tr>
<td>Not using Seatbelt</td>
<td>22</td>
<td>16%</td>
</tr>
<tr>
<td>Loading/Unloading</td>
<td>30</td>
<td>22%</td>
</tr>
<tr>
<td>Obstruction</td>
<td>55</td>
<td>40%</td>
</tr>
<tr>
<td>Disregarding Traffic Sign</td>
<td>71</td>
<td>51%</td>
</tr>
</tbody>
</table>

HR Managers

<table>
<thead>
<tr>
<th>Violation</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reckless Driving</td>
<td>3</td>
<td>23%</td>
</tr>
<tr>
<td>Not using Seatbelt</td>
<td>4</td>
<td>31%</td>
</tr>
<tr>
<td>Disregarding Traffic Sign</td>
<td>6</td>
<td>46%</td>
</tr>
<tr>
<td>Obstruction</td>
<td>11</td>
<td>85%</td>
</tr>
</tbody>
</table>
Road Accidents

Drivers

- Without Road Accident: 81 or 52%
- With Road Accident: 75 or 48%

HR Managers

- Without Road Accident: 2 or 15%
- With Road Accident: 9 or 86%
Road Accidents

81 or 52% Without Road Accident

75 or 100% Collision (Vehicular)

9 or 12% Self-accidents

4 or 5% Hitting a pedestrian

1 or 1% Hit and Run

75 or 48% of 156 drivers encountered road accidents
Causes

**Drivers**

- Bad Weather: 44 or 32%
- Swerving or Overtaking Other Vehicles: 40 or 29%
- Road Design: 30 or 22%

**HR Managers**

- Swerving or Overtaking Other Vehicles: 8 or 62%
- Road Design: 5 or 38%
- Bad Weather: 4 or 31%
Preventive Measures

Drivers

- Proper Training of Bus Driver, 70, 27%
- Preventive Maint. Of Bus Unit, 104, 39%
- Safety check-double check, 90, 34%

HR Managers

- Proper Training of Bus Driver 30%
- Prev. bus maint. 37%
- Safety check-double check 33%
Incidence of Traffic Violations by Age Group

- Less than 30 Yrs Old: 7 drivers with traffic violations, 10 total workers
- 30-39 Yrs Old: 39 drivers with traffic violations, 44 total workers (89% drivers with violations)
- 40-49 Yrs Old: 35 drivers with traffic violations, 38 total workers (92% drivers with violations)
- 50 and Over: 11 drivers with traffic violations, 13 total workers (85% drivers with violations)
- Not Stated: 46 drivers with traffic violations, 51 total workers (90% drivers with violations)
Incidence of Traffic Violations by Highest Educational Attainment

- Elementary: 11, 92%
- High School: 110, 86%
- College: 18, 100%
- Technical/Vocational: 9, 100%
- Others: 2, 100%
- Not Stated: 3, 60%
Incidence of Traffic Violations by Years of Driving Experience

- Less than 5 Years: 11
- 5-9 Years: 22
- 10-14 Years: 30
- 15-19 Years: 27
- 20 or More Years: 31
- Not Stated: 17

Percentage:
- Less than 5 Years: 92%
- 5-9 Years: 88%
- 10-14 Years: 86%
- 15-19 Years: 93%
- 20 or More Years: 94%
- Not Stated: 77%
Incidence of Traffic Violation by Skill Acquisition

- Driving School: 11, 92%
- Taught by Friend/Family: 51, 88%
- Observing others/self: 79, 90%
- Other Modes of Skill: 6, 100%
Expenditures for the Last 2 Years

- **Towing**: 8 or 61% Increase, 2 or 15% Decrease, 3 or 23% No Change
- **Bus Repair**: 3 or 23% Increase, 3 or 23% Decrease, 1 or 8% No Change
- **Payment of Fines to Gov't. Agencies**: 1 or 8% Increase, 2 or 15% Decrease, 2 or 15% No Change
- **Payment to claims for damages/losses**: 5 or 38% Increase, 2 or 15% Decrease, 2 or 15% No Change
- **Others**: 1 or 8% Increase
Hiring Qualifications for Drivers

- With Formal Training: 85%
- Length of Driving Experience: 85%
- Educational Attainment: 61%
- Knowledge on Basic Trouble Shooting: 61%
- Age: 23%
- Clearance from Govt. Agencies: 15%
- Others: 61%
Pre-Employment Requirements

- DBI/Police/Barangay/MMDA Clearance: 100%
- Results of Medical Examination: 62%
- Recommendations/Referral from previous Employers: 53%
- Cert. of Training: 46%
- Others: 31%
Milestones

• Execution of Joint Statement by DOLE and MMDA to support measures to promote road transport safety

• Issuance of DO 118–12 and Its Operational Guidelines

• Orientation on DO118–12 and Its Operational Guidelines

• Rapid audit and one–on–one consultation with PUBs – 158 PUB companies covered by the rapid audit and 87 PUBs attended one–on–one consultation
Milestones

- Labor inspection to 158 bus companies and issuance of LSCCs to compliant PUBs

- Basic orientation on safety and health for 117 bus companies in Manila and 16 in Mindanao

- Orientation on TESDA training, assessment and certification for PUB drivers – 117 bus companies

- Transport ITCs created – (NCR, CAR, I, III, IV–A)
Milestones

- Rapid survey and orientation/consultations
  - Survey – (I, III, VII, IX and XI)

- Service Quality for Bus Transport Industry in Metro Manila– RTWPB NCR

- MOA signing to promote road safety–Region IX
Milestones

- Orientation and technical assistance to PUB organizations
Salient Features of DEPARTMENT ORDER 118-12
Rule II
Terms and Conditions of Employment

Employment agreement between drivers/conductors and operators

- Compensation;
- Wage–related benefits, social security and welfare benefits, separation or retirement pay;
- Hours of work;
Rule III – Compensation

- Fixed and performance based compensation scheme
  - Fixed Component
    - MANDATORY – Minimum Wage + wage-related benefits
  - Variable Component
    - VOLUNTARY – Based on business and safety performance
Rule III – Compensation

- NWPC to develop operational guidelines
- Submission by the operators of proposed compensation scheme to the RTWPBs
Rule IV – Occupational Safety and Health

Bus operators shall:
- Implement occupational safety and health programs consistent with OSH standards
- Create safety and health committees in their workplaces

BWC and OSHC to develop safety and health manual for the bus industry
Rule V – Social Protection

- Coverage under SSS, EC, Philhealth and Pagibig
Rule VI – Training and Development

- TESDA, with OSHC, LTO, LTFRB and MMDA to implement an assessment and certification program for professional drivers.

- TESDA to work with LTFRB in the implementation of DO No. 2011–25 “Inclusion of Driver Proficiency Standard as Additional Requirement in the Exercise of the Regulatory Powers of LTFRB to Issue Certificates of Public Convenience (CPC)”. 
Rule VII – Labor Management Schemes

- NCMB to assist public utility bus companies in creating labor management mechanisms to develop productivity improvement and welfare programs.
Rule VIII – Compliance and Enforcement

- Subject to enforcement by the DOLE–ROs
- Region–based tripartite monitoring body will be formed to monitor the implementation of the DO
Rule IX – Miscellaneous Provisions

- Will initially cover PUBs in Metro Manila and will apply nationwide by July 2010
- Non-diminution of benefits
- Repealing clause
Proposed Compensation Scheme
Proposed Compensation Scheme

- Variable Incentive
  - Revenues or Sales
  - Road Safety Performance
- Fixed Wage
- Applicable Minimum Wage and Wage-Related Benefits
Fixed and Mandatory

- Applicable Minimum Wage
- 13th month pay
- Service incentive leave
- Holiday pay
- Mandatory benefits for work beyond normal work hours/days
  - Overtime Pay
  - Nightshift Differential
  - Premium Pay
  - Holiday Pay
Variable Incentive Based on Business and Safety Performance

- Mutually agreed upon by operators and drivers and conductors

- Business Performance Indicators – ridership and revenues

- Safety Performance Indicators: (frequency and severity)
  - Incidence of traffic violation
  - Incidence of road accident
  - Savings on costs associated with incidence of traffic violations and/or road accidents (e.g. bus repair, fees/penalties to LTO, MMDA, LGU and other concerned government agencies)
# Issuance of Labor Standard Compliance Certificates for PUBs under DO 118-12

As of JULY 31, 2014 (new & renewal)

<table>
<thead>
<tr>
<th>REGION</th>
<th>NO. OF LSCCs ISSUED</th>
<th>NO. OF BUSES</th>
<th>NO. OF CPCs COVERED</th>
<th>Number of Bus</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Drivers</td>
</tr>
<tr>
<td>TOTAL</td>
<td>924 (305)</td>
<td>9,356 (6,642)</td>
<td>1,834 (1,225)</td>
<td>11,198 (7,525)</td>
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<tr>
<td>NCR</td>
<td>97 (70)</td>
<td>3,561 (4,464)</td>
<td>385 (516)</td>
<td>3,927 (4,262)</td>
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<tr>
<td>CAR</td>
<td>76 (47)</td>
<td>251 (127)</td>
<td>184 (103)</td>
<td>266 (124)</td>
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<tr>
<td>I</td>
<td>514</td>
<td>549</td>
<td>514</td>
<td>545</td>
</tr>
<tr>
<td>II</td>
<td>48 (68)</td>
<td>387(360)</td>
<td>168 (159)</td>
<td>543 (537)</td>
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<tr>
<td>III</td>
<td>34</td>
<td>1,049</td>
<td>81</td>
<td>1,340</td>
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<td>IV-A</td>
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<td>1,221</td>
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<td>1,383</td>
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<tr>
<td>IV-B</td>
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<td></td>
</tr>
<tr>
<td>V</td>
<td>75 (54)</td>
<td>509 (588)</td>
<td>9 (172)</td>
<td>509 (1,002)</td>
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<tr>
<td>VI</td>
<td>4</td>
<td>733</td>
<td>223</td>
<td>1,113</td>
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<td>VII</td>
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<td>2</td>
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<tr>
<td>VIII</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
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<td>IX</td>
<td>3 (3)</td>
<td>59 (59)</td>
<td>26 (11)</td>
<td>59 (59)</td>
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<td>X</td>
<td>3 (4)</td>
<td>285 (309)</td>
<td>22 (22)</td>
<td>612 (646)</td>
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<td>XI</td>
<td>46 (59)</td>
<td>591 (735)</td>
<td>122 (242)</td>
<td>740 (895)</td>
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<td>XII</td>
<td>1</td>
<td>159</td>
<td>31</td>
<td>159</td>
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End of presentation