

Homeworkers in the Philippines: Paper Rights Need Putting into Practice

The Labor Code

The Philippines was one of the first countries in Asia to recognize homeworkers as employees. In 1974, when the government codified the national labour regulations into a single Labor Code, it included “industrial homeworkers”. The Labor Code governs employment relationships and working conditions. It gives powers to the Department of Labour and Employment (DOLE) to issue regulations for the protection of homeworkers. In 1992, the DOLE issued Department Order No. 5 (DO No. 5) for industrial homeworkers. This followed advocacy by homemaker organizations with officials in the DOLE.

DO No. 5 provides rules for implementing the Labor Code, with regard to homeworkers’ wages, working conditions and social security, and sets out mechanisms for enforcement. Here, we discuss the findings from joint research by WIEGO, HomeNet Philippines, and Pambansang Tagapag-ugnay ng Manggagawa sa Bahay (PATAMABA or the National Network of Home-Based Workers) done in 2024 in an effort to understand the challenges and opportunities in the Labor Code’s enforcement.

What are the constitutional rights of homeworkers?

Homeworkers are entitled to the same rights as other workers in the Philippines. Labour rights are enshrined in the Constitution, which states that all workers are entitled to the rights to collective bargaining, security of tenure, humane conditions of work, and a living wage. Workers also have the right to participate in policy and decision-making processes affecting their rights.



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* This is a summary of WIEGO Organizing (Law) Brief No. 19, *Regulating Homework in the Philippines: Little Progress in Enforcement after Three Decades*, by Krithika A. Dinesh and Josephine Parilla.

What rights do homeworkers have under the labour law?

These constitutional rights are realized through the Labor Code. The Labor Code gives rights to both trade unions and associations to register as “legitimate labour organizations” and apply to be certified as the exclusive representative of employees in a bargaining unit. Presumably, an association of homeworkers could register as a “legitimate labour organization” and be certified as a bargaining unit. The Labor Code also states that employers cannot refuse to bargain with associations of homeworkers.

If homeworkers conclude a collective agreement with an employer and the employer breaches the agreement, the association of homeworkers can use the grievance procedure and, if the matter is not settled within seven days, it is referred to an arbitrator. In cases where there is no collective bargaining agreement, DO No. 5 would apply.

What measures safeguard homeworkers’ rights?

Key provisions that DO No. 5 makes in relation to homeworkers’ terms and conditions of work include:

- **Wages/piece rates:** The Secretary of Labour and Employment is obliged to set a piece rate for homeworkers, which can be determined through time-and-motion studies or other means specified in DO No. 5.
- **Deductions:** Employers (which includes contractors and subcontractors) must pay homeworkers immediately on receipt of the goods and cannot deduct the value of materials



A home-based workers' meeting in the Philippines. Photo credit: WIEGO

lost, destroyed, soiled or damaged from homeworkers’ earnings unless it can be clearly shown that the homeworker is responsible for the damage.

- **Social protection:** Employers are obliged to pay social security contributions into the Social Security System.
- **Occupational health and safety:** Safe and healthy working conditions must be maintained in workplaces. The Regional Office is required to provide technical assistance to registered homeworker organizations and employers, contractors and subcontractors on matters

including information on wages, social security, employment compensation benefits, skills training, maintenance of safe and healthy conditions, and housing programmes.

What are the enforcement mechanisms?

There are two ways to enforce DO No. 5 and provisions of the Labor Code that apply to homeworkers: by the State through implementation and inspections; and by homeworkers themselves, using the complaints procedures.

In Practice, Labour Rights are Paper Rights

Despite the legal protection that the Labor Code provides, there is very little evidence that the provisions have been enforced. Worker leaders interviewed in the study reported that piece rates vary but are generally less than the minimum wage. Additionally, there is no evidence of enforcement of measures of health and safety and very low levels for social protection. Workers interviewed said that, in practice, wages are negotiated by the subcontractors or worker organizations on behalf of homeworkers. For instance, in Valenzuela, the Samahang Kabuhayan aa Mapulang Lupa Homeowners Association, which has homeworkers as members, has constituted a livelihood committee. The livelihood committee negotiates for wages and the terms of the working arrangement (agreed upon verbally). They also negotiate in instances of deductions by subcontractors on goods made by homeworkers.

What are the challenges in enforcing the rights of homeworkers?

Some of the barriers are:

- **Under-resourced labour department and low unionization:** Labour officers have not have adequate resources to use their inspection and enforcement powers efficiently for decades. Unionization and collective mobilization efforts have lagged, with the vast majority of the country's workforce unorganized. The government has a hostile attitude towards unions.

- **High cost of complaint mechanisms:** The cost of making complaints is among the major challenges homeworkers face. The last known complaint was made more than 30 years ago and was dropped by the group of homeworkers because the costs of travelling to the labour department's offices became too great. Interviewees also shared that there is a constant threat of work being taken from one area to another if there are complaints against the subcontractor or contractors.
- **Fragmentation of state responsibilities:** Several different departments are responsible for implementing DO No. 5. Also, there is limited information flow within the various departments, which makes implementation difficult.

How Can We Strengthen the Realization of Homeworkers' Rights?

To realize the rights that have been fought for, homeworkers need to organize and to engage in worker-centred and worker-led advocacy. Apart from state responsibility, effective enforcement of labour law hinges on the push by workers to organize and collectively bargain.

Coordination within and across different departments must be improved, along with transparency throughout the supply chain. Homeworkers need to know who they are ultimately producing for – the brand and the principal employer.



Photo credit: WIEGO



Home-based workers in the Philippines, where home-based workers are included in the country's Labor Code. Photo credit: WIEGO

Measures to tackle power asymmetries should be put in place and grievance-redress mechanisms should be more robust and worker friendly. Developing dispute resolution mechanisms that are closer and more accessible to workers is a crucial step. For instance, there could be telephonic complaints, following which the onus shifts to the labour department to pursue the complaints.

Another key area that HomeNet Philippines has identified as a crucial next step is identifying homeworkers within their network and advocating

for the ratification of C177. The Labor Code already aligns well with the Convention. The value of ratification is that the government would have to submit a report on the enforcement of the provisions relating to homework to the ILO's Committee on the Enforcement of Conventions and Recommendations, which it is hoped would focus attention on the need to be proactive about enforcing the law for homeworkers.



About WIEGO

Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network focused on empowering the working poor, especially women, in the informal economy to secure their livelihoods. We believe all workers should have equal economic opportunities, rights, protection and voice. WIEGO promotes change by improving statistics and expanding knowledge on the informal economy, building networks and capacity among informal worker organizations and, jointly with the networks and organizations, influencing local, national and international policies. Visit www.wiego.org



About HomeNet Southeast Asia

HomeNet Southeast Asia (HNSEA) is a regional network of national organizations of home-based workers in Cambodia, Indonesia, Laos, Malaysia, the Philippines, and Thailand, representing 76,000 home-based workers.



About HomeNet Philippines

HomeNet Philippines is a broad coalition of organizations of home-based and other workers in the informal economy. It was launched in 2006 and formally recognized and registered in 2012.