

Church and Community

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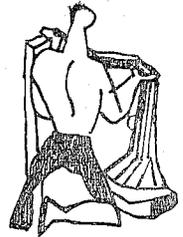
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Labor, Management, and Industrial Development



Mr. Poethig: Industrialization has come very quickly in the Philippines. A trip around Manila will show one how many new industries have been developed. Much of this growth has taken place in the last 15 to 20 years. Your organization has helped to advance the industrialization of the Philippines, Mr. Bacuñgan. Will you please tell us about it?

Mr. Bacuñgan: The Philippine Chamber of Industries includes 600 industrialists in the city of Manila and throughout the Philippines. In the early 1950's, the Philippine Government gave various incentives to men who would develop industries here. Among these incentives were tax-exemption and dollar allocations. It was thought wise at that time for the industrialists to have a spokesman, so the PCI was formed. Because the need for representation has continued the PCI is still in operation.

Mr. Poethig: Have the same persons who founded the organization fifteen years ago remained in it, or has there been considerable change in the membership?

Mr. Bacuñgan: When the Philippines gained political independence in 1946, she sought economic independence as well. When the PCI was first organized many of our members were foreigners. There has been a gradual Filipinization of industry; gradually, entrepreneurship has been transferred from non-Filipinos to Filipinos. Today, a significant proportion of Philippine industry is in the hands of Filipinos — not only the workers, but the capitalists and the entrepreneurs as well. Therefore, a much higher proportion of our membership today is Filipino than it was at the beginning.

The conversation recorded here took place at the Monday Morning Pastor's Seminar in Manila. **Richard P. Poethig**, Director of the Industrial Life Program of the United Church acted as the moderator; and the participants were **Froilan Bacuñgan**, Executive Secretary of the Philippine Chamber of Industries, and **Cesar de Leon**, Executive Vice-President of the National Association of Trade Unions.

Mr. Poethig: How successful has the Philippines been in its effort toward industrialization?

Mr. Bacuñgan: The International Bank of Reconstruction and Development has just issued a report which answers your question. It says that in 1948, less than 10 per cent of the gross national product of the Philippines came from industry. As you know, we are primarily an agricultural nation. However, industrialization has been rapid in the last two decades. Today 17 to 20 per cent of the gross national product comes from non-agricultural enterprises.

Mr. Poethig: What have been some of the effects of industrialization on the way Filipinos live and work?

Mr. Bacuñgan: Industrialization makes it necessary for men to live in cities — and not all of us have the skills and attitudes toward one another that are essential when people live so closely together. Farmers have more freedom and independence from each other than city people.

Another change is that the managers of enterprises must take the workers into consideration. Workers not only want recognition in terms of wages and condition of work; they also want to be consulted about the development of the enterprise. Industrial workers are more aggressive than tenant farmers — and they want to be heard.

Mr. Poethig: What attitudes do the men you meet in the PCI have toward their work?

Mr. Bacuñgan: Since I am new in this organization, I do not know all of the members. Some of them are autocratic and aristocratic in their attitudes, but many more are democratic. They know their workers and want to get their ideas.

Mr. Poethig: Mr. de Leon, you represent a workers' organization. Will you please tell us about it?

Mr. de Leon: The National Association of Trade Unions is composed mainly of workers in insurance companies, banks, and trading companies. The NATU was formed in 1952. Today, it has 18,000 members, most of whom work in Manila. As a responsible segment of business, we realize that credit has a strong influence on economic society, so we want to be very careful not to jeopardize the Philippine economy.

Mr. Poethig: Most of the members of your union are white collar workers. Other organizers have found it very difficult to get them to join unions. How do you do it?

Mr. de Leon: Our union was founded by Ignacio Lacina, an employee of a bank. He felt frustrated in getting management to listen to his opinion that labor should receive a larger share of the profits of the business. It is difficult to organize white-collar workers, because

they identify themselves with management. In fact, they are often relatives or close friends of the managers. When we approach a bank to talk with the employees about forming a union, their first response is one of hostility. They say "Why should I fight my uncle?" We approach unionism from the point of view of sharing. We know that capital and labor need each other in any business. A millionaire cannot start a business by himself, and a million laborers cannot start one, either. Each needs the other. Both work together to make profit and they should share.

The basic ambition of white-collar workers is to become managers at some time in the future. This very ambition works against the labor unions. Therefore, we show them that they benefit when the workers do. If a union wins an increase in pay or other economic benefits for the workers, these benefits are given to all groups in the company including the management. White collar workers may benefit from union activity without sharing in its work. Employees of a company that is organized have better working conditions than those in companies without unions. Therefore, it is the duty of trade union members to help all workers organize. In fact, a worker helps himself by getting other workers to organize. Even though he works under good conditions, his job is in jeopardy if there are one hundred men outside the enterprise who want his job. If they want his job, his hold on it is precarious. Furthermore, if everyone was getting P300 a month, no one would take a job for P200.

Mr. Poethig: Can either of you tell us something about the number of workers in the Philippines and the percentage of them that belong to trade unions?

Mr. Bacuñgan: The Bureau of Census defines the labor force as all persons ten years of age and above, who are working or seeking work. According to this definition there are eleven million persons in the labor force. Of these, about seven million are fully employed, about 800,000 are unemployed, and more than a million are unpaid family workers or persons who are underemployed. About 40 per cent of the salaried workers are in unions, but only about 10 per cent of all workers. The Philippines should be proud of its labor movement. It is led by many outstanding, dedicated labor leaders, whom it is a pleasure to know.

Mr. Poethig: Mr. Bacuñgan, what effect has industrialization had upon the traditional class structure in the Philippines?

Mr. Bacuñgan: The class structure is far more fluid today than it was in the period of the landed aristocracy. However, I am not sure that industrialization is the only cause. Two other causes may be more

educational opportunities and free democratic society. Certainly, many young men today are rising from humble beginnings to positions of power and influence. As I look at my friends who are going up the ladder of success, they seem to be taking one of two routes: either they go into politics or they are brilliant young men who become vice-presidents in charge of research for larger companies. After a career in politics many men seem to come into the business world.

Mr. Poethig: As you think of the 600 members of the Philippine Chamber of Industries, does it seem that many of them come from the old landed aristocracy?

Mr. Bacuñgan: No. The majority of the members of the PCI began with very small enterprizes, which have now become large. For instance, just after the war a man may have been making jeeps; today, he heads a large company making bodies for trucks. Or a man may have had a small textile and clothing store which has now grown into a large textile mill. At the same time, there are members of the landed aristocracy who head industrial enterprizes. In fact, the PCI is a happy combination of those who have industrial skill and those who have money.

Mr. Poethig: Mr. de Leon, from your position as a labor leader, what do you think about the relation of money and politics?

Mr. de Leon: It takes a great deal of money to get elected to a political position, so only those with money can enter politics. Today, there are so many governmental controls over business that it is necessary for a business man to ingratiate himself with politicians. One word from the President of the Philippines and the textile industry, or the sugar industry, is in jeopardy.

Mr. Poethig: Mr. de Leon, what do you think trade unions should do about the pyramids of political power?

Mr. de Leon: In the U. S. A. the two big federations of labor, the Congress of Industrial Organizations and the American Federation of Labor, claim that they are not interested in politics. They do not want to have a labor party. On the other hand, the labor movement of Great Britain is active in politics.

The labor movement in the Philippines believes that labor should go into politics. There are two ways for labor to get ahead: to negotiate favorable labor contracts with industrial companies, and to get favorable legislation passed in the Congress. For instance, we now have a minimum wage of ₱6.00 per day. This is a great boon to labor, and it was won without a costly strike. We believe that labor should get into politics. Before an election politicians are for labor, but after

they are elected they vote for the business men, or for their compadres, but rarely for labor. We have seminars with labor leaders to try to broaden their outlook but so far laboring men will not vote for labor candidates. It may take five to ten more years of education before they will do so.

Mr. Poethig: Mr. Bacuñgan and Mr. de Leon, will each of you speak to this question: What is happening to the religious background of the people in the cities?

Mr. Bacuñgan: People approach every day life from many angles: from its effect upon their wealth; from its effect upon their health; and from its effect on other values. But each of us is looking for those values that will help him to become his own ideal self. In a city, teaching is more specific on how to attain health and wealth than it is upon religious values. Most of us do not know what we should do to attain our ideal selves.

Mr. de Leon: In a city, a worker is exposed to many more religions than he is in the province. There he may only encounter Catholicism, but in the city he faces many choices. He can go to Protestant churches, or to the *Iglesia ni Cristo*, or to many others. When Manalo told workers to get out of the trade union movement, some of them did so, but then they had no money to give to the *Iglesia ni Cristo*. Others continued in the labor movement and dropped out of the *Iglesia ni Cristo*.

Mr. Poethig: Our speakers have presented different points of view, yet they have expressed some common convictions. Both of them have pointed out the rapid changes that industrialization is bringing to the Philippines: both of them have indicated the roles that management and labor play in industrial development; and both of them have indicated that labor and management need the other.

"CHURCH AND SOCIETY" seminar for senior seminarians drew 26 participants from May 2-14. The first week's theme, "The Listening Church," dealt with the forces of urbanization, industrialization, and trade unionism as the shape of the modern Philippines. The second week's theme on the "The Responding Church" dealt with contemporary church structures and how they must change to meet the demands of modern society.

FOURTEEN SEMINARIANS from three seminaries were engaged in work-in-industry this summer. Eleven of the work interns were in Manila business and industrial firms, while three were working in the Baguio mining region. Both the "Church and Society" seminar and the seminarians-in-industry are under the newly organized Inter-Seminary Urban-Industrial Institute.