

**Working in the Mines:
The Case of the Philippines
*(A Research Proposal)***

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Rationale

- **In 2016, a mining audit was spearheaded by the Department of Environment and Natural Resources (DENR) and participated in by civil society. As a result, in February 2017, DENR Sec. Gina Lopez ordered the closure of 23 mining operations. Shortly after, a Senate inquiry was called to discuss the impact of the order on mining workers.**

Rationale

- In said inquiry, the **Chamber of Mines of the Philippines (COMP)** cited that **1.2 million directly, indirectly, and induced labor** would be impacted by the closure order. The **Mining and Geosciences Bureau (MGB)** estimated a low of **19,000** affected employees. Based on the **2016 Philippine Extractive Industries Initiative (Ph-EITI) Report**, only seven (7) of the (23) mines recommended for closure reported employment data totaling **2,845**, including 4 foreign nationals.

Rationale

- **To make an accurate analysis of labor conditions (including the current/ potential impact of policy on labor), we underscore the need for a verifiable basis of large-scale mining employment data.**

Research Questions

- 1. How do various stakeholders - government, industry, workers, communities, IPs and CSOs- define and count who are “working in the mines”?**
- 2. Based on the varying definitions, what are the current working and living conditions of those “working in the mines”?**
- 3. Is there a “best” way to define who works in the mines?**

Objectives of the Research

- 1. Describe the direct and indirect large-scale mining labor demographics and conditions**
- 2. Understand the conditions of mine workers**
- 3. Appreciate the dynamics of the industry-environment/mining-labor nexus**
- 4. Influence labor and development policy**

Methodology

- **We see the need for a participatory research approach using both quantitative and qualitative methods.**
- **We envision a three-part study with the following components: scoping, case studies, and policy paper.**



**Preliminary Survey of Literature:
Country Data/ Experiences
(Philippines, Indonesia, Malaysia,
Australia, Myanmar)**

Philippines

According to the Mines and Geosciences Bureau (MGB), the Mining and Quarrying Industry employs 204,000 persons as of February 2018, accounting for about 0.5% of the total workforce.

Government estimates that for every job generated in the mining industry, roughly four to six more jobs are indirectly generated in upstream and downstream sectors (DENR – MGB Report, 2009)

Philippines

The Department of Labor and Employment uses the following categories to classify occupations in the Mining Industry:

- I. Professional Jobs**
- II. Semi-Professional Jobs**
- III. Technical Jobs**
- IV. Skilled Jobs**
- V. Office Workers**

Philippines

I. Professional Jobs

- **Geologists**
- **Geodetic Engineers**
- **Mining Engineers and Metallurgists**
- **Metallurgists**

II. Semi-Professional Jobs

- **Production Supervisors and General Foremen**
- **Warehouse Supervisors**
- **Engineering and Environmental Technicians**

Philippines

III. Skilled

- **Miners and Quarry Workers**
- **Stone Processing and Plant Operators**
- **Well Drillers, Borers, and Related Workers**
- **Shotfirers and Blasters**
- **Mining Plant Operators**
- **Mineral Ore Processing Plant Operators**

IV. Office Workers

- **Accounting and Bookkeeping Clerks**
- **Mine Clerk**

Indonesia

- **In 2009, Indonesia passed a Mining Law that converted its old Contract of Work (CoW) with newer “special mining permits”.**
- **CoW and special permits are alike, except special mining permits are designed to more closely follow prevailing mining laws.**

Indonesia

Labor-wise, Contracts of Work include specific provisions for:

- **Employment and training of Indonesian nationals**
- **Records, inspection, and work programme**
- **Preference given to Indonesian suppliers**
- **Regional cooperation in relation to infrastructure**
- **Provision for infrastructure for the use of the local population and local business**

Indonesia

Government entities (i.e. Labor and Environment Ministries, Statistics Bureau, etc.) only count direct employment as part of the mining industry.

According to the 2015 EITI Indonesia Report, the number of workers in the mining and excavation sectors number at around 1.3 million (or 1.15% of the total workers).

Indonesia

Indirect and Induced contributions to the economy (building or roads, schools, environmental protection, etc.) are not counted and are instead considered to be Corporate Social Responsibility (CSR) activities of specific companies.

Indonesia

According to the International Mining for Development Centre, there is a need for the mining industry in Indonesia to delineate between “local-locals” (i.e. the employed coming from communities near a mine) to “local people” employment (i.e. those employed in a mine that came from the local region but not necessarily local towns/communities) in order to properly assess economic impacts at the local level.

Malaysia

The mining and quarrying industry in Malaysia directly employs around 40,656 employees (2016), while the petroleum and natural gas mining industry employs around 17,350 people (2014).

Malaysia

The Bureau of Statistics, Malaysia records workers in the mining industry depending on categories of work:

- **Machine Operators and Plant Installers (79.1%)**
- **Basic Workers (7.6%)**
- **Managers (3.1%)**
- **Professionals (3.1%)**
- **Clerical support workers (2.6%)**
- **Technicians and other associated professions (2.6%)**
- **Skilled workers and craftsmen (1.0%)**
- **Service and sales workers (0.5%)**

Australia

According to the Australian Bureau of Statistics (ABS), the Mining industry employs approximately 216,500 persons (both full-time and part-time), which accounts for 1.7% of the total workforce.

Australia

Similar to Malaysia, Australia uses categories of work to describe workers in the mining industry:

- **Drillers, Miners, and Shot Firers**
- **Metal Fitters and Machinists**
- **Truck Drivers**
- **Other Building and Engineering Technicians**
- **Electricians**
- **Production Managers**
- **Mining Engineers**
- **Earthmoving Plant Operators**
- **Geologists, Geophysicists, and Hydrogeologists**
- **Structural Steel and Welding Trades Workers**

Australia

Occupations	Number Employed (4 th Quarter Average, 2017)
Drillers, Miners, and Shot Firers	47,200
Metal Fitters and Machinists	22,400
Truck Drivers	10,900
Other Building and Engineering Technicians	10,200
Electricians	8,700
Production Managers	7,500
Mining Engineers	6,700
Earthmoving Plant Operators	6,300
Geologists, Geophysicists, and Hydrogeologists	5,400
Structural Steel and Welding Trades Workers	5,300

Myanmar

According to the latest EITI report, there are around 18,520 persons directly employed in the mining industry in Myanmar (2013), accounting for about 0.2% of the total workforce.

Cross-Country Reports

- **A 2014 Report for the APEC Business Advisory Council (ABAC) categorizes mining labor as direct, indirect, and induced labor.**
- **The report contains a summary of the mining industries in 20 APEC countries, including the Philippines.**
- **The ABAC report only counts direct and indirect (through labor contracting for mines) labor in their statistics.**

Cross-Country Reports

- **Cross-country reports and official statistics from State entities surveyed so far does not provide any data for induced labor by the mining industry.**

Sources:

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- o Department of Statistics, Federal Government of Malaysia. *Economic Census – Mining and Quarrying*, 2016.
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- o Mines and Geosciences Bureau, Department of Environment and Natural Resources, Republic of the Philippines. *Mining Industry Statistics*, 27 February 2018.
- o Myanmar Extractive Industries Transparency Initiative. *EITI Report for the Period April 2013 – March 2014, Oil, Gas, and Mining Sectors*, December 2015.
- o PWC, Inc. *Mining in Indonesia: Investment and Taxation Guide (May 2017 – 9th Edition)*.

Timetable (16 months)

- o Review of related-literature: 2 months
- o Research design (survey and case studies): 2 months
- o Data gathering (survey and case study design implementation): 6 months
- o Analysis, Writing (draft, finalization and validation of paper): 3 months
- o Production of knowledge products: 3 months

For Discussion

- o Other important source/s of data? Crucial ey informants?
- o What country experiences should be included/prioritized in the study?
- o Which mining experience/s in the country should be studied/ prioritized (as case studies)?



Thank you!