

5th March 1999

PLDT SIGNS THREE-YEAR PACT WITH SUPERVISORS' UNION

Philippine Long Distance Telephone (PLDT) management and the company's supervisors' union, the Gabay ng Unyon sa Telekomunikasyon ng mga Superbisor, signed today a new three-year collective bargaining agreement (CBA) covering approximately 2,800 supervisors, extending from 1st January 1999 to 31st December 2001.

Highlights of the new CBA include a wage increase of 10% or P2,000 per month, whichever is higher for the first year, effective 1st January 1999; a wage increase of 11% or P2,250 per month, whichever is higher for the second year, effective 1st January 2000, and a wage increase of 12% or P2,500 per month whichever is higher for the third year, effective 1st January 2001.

"The CBA came at a most difficult time for the Company in the light of more than 80% decrease in its income, from P7 billion to P1.1 billion, for 1998 as a result of the current economic slowdown," PLDT Senior Vice President Antonio R. Samson said.

He said the early conclusion of the CBA came after marathon meetings which started about three weeks ago. The Memorandum of Agreement was signed by PLDT and the Union last 2nd March 1999, without incurring any deadlock.

"PLDT values the harmonious relationship it enjoys with the supervisors and appreciates the union's effort to temper its demands in the face of a difficult period for the Company," Samson said.

Other highlights of the CBA include an additional educational trust fund of P2 million to the existing P2 million granted under the expired CBA, increase of Christmas gift certificate from P5,000 to P6,000, group insurance of P500,000 with double indemnity clause for accidental death, relay station allowance of P525 per month, and a signing bonus of P12,000.

Non-economic demands which were granted include one board seat at the company's housing program and union leave of absence of 64 hours a year.