

**REPUBLIC OF THE PHILIPPINES**  
**Department of Labor and Employment**  
**National Wages and Productivity Commission**  
**Regional Tripartite Wages and Productivity Board**  
**National Capital Region**  
**Manila**

**In Re:           PETITION FOR WAGE INCREASE of P 80 DAILY**  
**AT THE NATIONAL CAPITAL REGION**

**Trade Union Congress of the Philippines (TUCP).**

**Petitioner.**

**x ----- x**

**P E T I T I O N**

**Petitioner Trade Union Congress of the Philippines (TUCP), by counsel, to this Honorable Board most respectfully states:**

**1. Petitioner is a duly registered labor organization operating under the laws of the Philippines with affiliated federations whose different locals and chapters are composed of individual workers and employees engaged in all types and sorts of commercial and industrial activities and endeavors across the width and breadth of the Archipelago;**

**2. In June 1989, Congress passed The Wage Rationalization Act (R.A. 6727) mandating the Regional Tripartite Wage and Productivity Boards (RTWPBs), motu proprio or through petitions, to determine and fix minimum wages and to undertake**

studies and researches and surveys necessary to the attainment of their functions and objectives. Since the last wage order was issued in August 2007, this Honorable RTWPB has only taken three times motu proprio action to increase the current minimum wages, hence, the need for this petition on the part of the TUCP;

3. In 1989, a P25 daily wage increase that effectively raised the non-agricultural minimum wage to P89 daily was granted nationwide through R.A. 6727. This Honorable Board has been tasked to prescribe the regional daily minimum wage rates in a “fair and equitable manner” since then;

This Honorable Board granted “a P12.00 wage increase to all minimum wage earners in the private sector” through RBNCR-13 in August 24, 2007. That increase, small as it was, has been overtaken by extraordinary increases in the prices of petroleum products, transport fares, and in basic goods and services. Between August 2007 and March 2008, the Consumer Price Index or CPI in the region rose from 146.0 to 149.8 or the equivalent of 3% as follows:

$$149.8 \text{ (CPI in 3/08)} / 146.0 \text{ (CPI in 8/07)} = 1.03 \text{ times, or } 3\%$$

This 3% increase in consumer prices does not yet include increases in the prices of rice, bread, canned goods, and other basic necessities – sure to be generated by oil, supply, and other price pressures.

**This, and a declaration from no less than the President of the Philippines, should impel this Honorable Board to proceed to exercise its wage fixing function even though this Honorable Board issued its last Wage Order in August 2007;**

**4. Due to the continuing increases in deregulated oil prices, automatic adjustments in rates of utilities (electricity, water), and the resulting general increases in prices, among others, consumer prices between April and December 2008 are expected to rise further by another ten percent (10%) which, if added to the above 3% increase in prices could add up to 11% times as follows:**

**1.03 times (CPI increase from 8/07 to 3/08)**  
**+ .10 times (CPI projected increase from 4/08 to 12/08)**  
**1.13 times or 11% (CPI increase from 8/07 to 12/08)**

**5. Clearly, as borne out by no less than the above official CPI data, prices would have risen 11% between August 2007 and December 2008, thus requiring a 11% increase of the P362 daily minimum in August 2007, thus;**

**1.13 (CPI increase from 8/07 to 12/08)\* P362 (current wage) = 407.62**

**6. If workers' wages have to keep up with the rise in prices, given the current daily minimum in the National Capital Region is P362, the difference between P407.62 and P362 or P46 should be added to the minimum wage for agricultural and non-agricultural workers, thus;**

**P 407.62**

**- 362.00**

**P 46.00 - Increase in minimum wage due to increase in prices**

**7. But workers work not only to keep their wages in step with price increases. Workers work to improve their standard of living. Workers have done their share in improving the standards of living in the country, particularly in Metro Manila. It is about time that overall improvements in standards of living in Metro Manila be reflected in the minimum wage;**

**8. The National Capital Region has been one of the fastest growing regions in terms of economic development. Gross Regional Domestic Product (GRDP) in constant prices increased from P220, 972 million in 1991 to P414, 292 million in 2006, averaging a yearly 5.5% growth.**

**The petitioners ask thirty-three (33%) percent of this real increase in the regional economy to be reflected in the minimum wage of P118, computed as follows:**

**P118 (nominal wage that gives the highest real wage since 1989)**

**x 0.019 [0.058 (yearly GRDP increase) x 0.33 (% share in GRDP increase)] x 15 (number of years from 1991-2006) = P34**

We believe this will be a just share given the role of workers in the economic developments in real terms in the region.

9. The level needed minimum wage to restore the purchasing power of the workers' wages and to give them a share in the region's economic development should be P442, computed as follows:

P 362	- current minimum wage
+ 46	- increase necessitated by price increases
<u>34</u>	<u>- increase due to the region's economic development</u>
P 442	- new minimum wage rate

10. If workers' wages have to keep up with the rise in prices, and if workers will be compensated for their contributions to the improvement of the regional economy, considering the P362 current daily minimum in the National Capital Region, the difference between P442 and P362 or P80, should now be given and awarded as the correct daily minimum wage increase for agricultural and non-agricultural workers;

11. This amount of P80 daily is needed by all employees and workers receiving not only the minimum wage but also for those getting higher than the minimum wage, all of whom are equally disadvantaged by the price-wage developments. The P80 daily increase should be given across the board and regionwide;

**All workers in the region, regardless of whether they receive minimum wages or higher, are subject to the same prices in the market and the same increases in prices of commodities.**

**12. The P80 daily increase is essential if workers are to cope with the increasing prices of commodities and cost of living, if they are to meet the basic needs of their families, even if only partially, and if the country is to give meaning and substance to the policy of equitable distribution of income and wealth;**

**WHEREFORE, petitioner TUCP most respectfully prays for the granting of P80 daily for all workers in the National Capital Region to be given across-the-board and regionwide.**

**Petitioner prays for any other relief just and proper under the premises.**

**April \_\_, 2008, Quezon City, Philippines.**

**DEMOCRITO T. MENDOZA  
President  
Trade Union Congress of the Philippines (TUCP)  
TUCP Building, Maharlika Road cor. Masaya St.  
Diliman, Quezon City  
CTC No.  
Issued on  
Issued at**

**I, Democrito T. Mendoza, Filipino, of legal age, after having been duly sworn according to law, hereby depose and say: I am the President of the Trade Union Congress of the Philippines (TUCP); I have caused the preparation of the foregoing joint petition; I know the contents thereof to be true and correct of my own personal knowledge.**

**DEMOCRITO T. MENDOZA**

**Subscribed and sworn to before me this \_\_\_ day of April 2008, at Quezon City, Philippines affiant exhibiting to me his CTC as indicated below his name.**

**Doc. No. \_\_\_\_  
Page No. \_\_\_\_  
Book No. \_\_\_\_  
Series of 2006**