

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 259 DAILY,
A WAGE ADVISORY FOR WORKERS IN BMBEs,
A WAGE ADVISORY FOR OTHER WORKERS, AND
A WAGE ADJUSTMENT FOR DOMESTIC WORKERS
AT THE NATIONAL CAPITAL REGION**

Trade Union Congress of the Philippines (TUCP).

Petitioner.

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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 agricultural, industrial, and service activities and endeavors, as well as those in the informal economy and domestic work, 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 (RTWPPBs), 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.

3. R.A. 6727 also granted a P25 daily wage increase that effectively raised the national non-agricultural minimum wage to P89 daily. The law also tasked the Honorable Board to prescribe the regional daily minimum wage rates in a “fair and equitable manner”.

Since then, this Honorable Board issued several wage orders, the latest of which granted (1) integration of P15 COLA under Wage Order No. 20 into the basic wage and P10 COLA to be given under Wage Order No. 20 to all minimum wage earners in the private sector on June 2, 2016. These brought the minimum wage in NCR to P491 in 2016.

Those increases, small as they were, and inequitable since time immemorial, have been overtaken by continuing increases in consumer prices, despite continuing fastest-in-ASEAN increases in real gross domestic product (GDP).

4. Workers and their families, despite the Philippines' spectacular gains in GNP, production and productivity, have received little in real wage increases since 1989.

It is only right for wages and wage workers to participate substantially in this amazing growth and real gains.

The raised wages would also be expected to contribute to rising local demand for goods and services, in production, and to really sustain economic recovery.

5. Between May 2016 and May 2017, the Consumer Price Index or CPI in the region rose 3.4 per cent (from 132.7 to 137.6)

This increase in consumer prices, which requires a P17 increase (P491x 1.034) does not yet include further increases in the prices of rice, bread, canned goods, rents and other basic necessities – sure to be generated by supply and other price pressures in the next few months. Tuition in many private schools as usual have been raised at rates more than the general increase in prices.

This, and the pressing need to sustain high economic growth, should impel this Honorable Board to proceed to exercise its wage fixing function;

6. Due to the continuing general increases in prices, among others, consumer prices between May 2017 and June 2018 are expected to rise further by another five percent (5%).

This would require an additional P29 adjustment in wages.

P 491 – (minimum wage in June 2016)
+17 – (adjustments required from the actual 3.7% increase in prices between May 2016 and May 2017) = P508
+25 – adjustment required by the projected 5% rise in CPI between May 2017 and June 2018 = P533

7. In addition, workers work not only to keep their wages in step with price increases. Workers work to improve their standard of living.

Workers have not raised their living standards for decades; while other sectors have accumulated more and more of the country's incomes and wealth. This is not progress! This is not equitable!

Workers have done their share in improving the standards of living in the country, particularly in National Capital Region. Their own standards of living, however, have not risen.

It is time that overall improvements in standards of living in National Capital Region be reflected in real gains in the minimum wage;

8. The National Capital Region has been among the fastest growing regions in terms of economic development. Gross Regional Domestic Product (GRDP) in constant prices increased from P 875,165 million in 1989 to P 2,722,163 million in 2015, averaging a rapid yearly 6.7% growth in 2010-2016.

The petitioner asks a mere P7.75 per day share of this huge real wage increase in economic growth (for the past 28 years) AS EQUITY SUPPLEMENT. This would be equivalent to P217 (P7.75 x 28 years).

We believe this will be a just share given the role of workers in economic development in real terms in the region, and given the decades the workers have made do without real gains in wages.

9. Thus, the level of minimum wage needed to restore the purchasing power of the workers' wages, to give them a share in the region's economic development, and to build workers' equity as the economy grows rapidly should be P750, computed as follows:

- P 491 – the minimum wage in June 2016**
- +17 – adjustments required from the actual 3.7% increase in prices between May 2016 and May 2017**
- +25 – adjustment required by the projected 5% rise in CPI between May 2017 and June 2018**
- +217 – P7.75 per day, for every year since 1989 that there were no increases in real wage**
- P 750 – should be the new minimum wage rate by 2017**

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 P491 current daily minimum in the National Capital Region, the difference

between P750 and P491, or P259, should now be given and awarded as the correct daily minimum wage increase for agricultural and non-agricultural workers;

11. If covered enterprises would find difficulty in meeting the amount in one blow, the Honorable Board could grant this full amount in two tranches.

12. This amount of P259 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 P259 daily increase should be given across the board and region-wide;

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.

The distortion provision in Wage Orders is cumbersome in implementation, does not respond to the needs of other workers, and is unjust.

13. The P259 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;

This also represents a step towards the Constitutional mandated living wages.

WHEREFORE, petitioner TUCP most respectfully prays for the granting of P259 daily for all workers in the National Capital Region to be given across-the-board and regionwide.

TUCP also asks this Honorable Board to issue an advisory on suggested increases in wages of workers (1.) in BMBEs whose nominal wages have not been covered by Wage Orders for 15 years since the BMBE law in 2002; and (2.) for retail/service establishments regularly employing not more than ten (10) workers, whose wages have not been adjusted since 1989.

TUCP also prays for corresponding adjustment in the minimum wage of domestic workers, who have been disadvantaged in NCR since the adoption of RA 10361 Domestic Workers Act of 2012.

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

June____, 2017, Quezon City, Philippines.

ALEJANDRO C. VILLAVIZA

Legal Counsel

Trade Union Congress of the Philippines (TUCP)

Noted by:

RUBEN D. TORRES

President

Trade Union Congress of the Philippines (TUCP)

An affiliate of the ITUC and ITUC AP

TUCP Building, Maharlika Road cor. Masaya St. Diliman,
Quezon City

Passport No.

Issued on:

Issued at:

I, RUBEN D. TORRES, 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.

RUBEN D. TORRES

Subscribed and sworn to before me this ____ day of June 2017, at Quezon City, Philippines affiant exhibiting to me his CTC as indicated below his name.

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