

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 83 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 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 (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.

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 are (1) integration of P22 COLA under W.O. 16 into the basic wage and another P30 COLA to be given into two (2) tranches: P20/day upon effectivity of the Wage Order and P10/day effective November 2012 under Wage Order No. 17 issued on May 17, 2012; and (2) P22 COLA under

Wage Order No. 16 to all minimum wage earners in the private sector on May 16, 2011. These brought the minimum wage in NCR to P446 in 2012.

Those increases, small as they were, have been overtaken by continuing increases in the prices of petroleum products, transport fares, and in basic goods and services.

4. TUCP considers it is time to enable workers to recover from the difficulties brought about by the global financial crisis.

The world and the country have recovered spectacularly from the crisis. In fact, Philippine performance has been so good the country obtained two credit rating upgrades in 2013.

Workers and their families, despite spectacular gains in GNP, production and productivity, have received little in real wage increase since 1989.

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

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

5. Between July 2010 and April 2013, the Consumer Price Index or CPI in the region rose from 116.5 to 125.6 or the equivalent of 7.81% as follows:

$$125.6 \text{ (CPI in 4/13)} / 116.5 \text{ (CPI in 7/10)} = 1.0781 \text{ times, or } 7.81\% \text{ increase}$$

This 7.81% increase in consumer prices, which requires a P31.55 increase (P404 minimum wage in 2010 x 0.0781) does not yet include further increases in the prices of rice, bread, canned goods, and other basic necessities – sure to be generated by oil, supply, and other price pressures from increases in electricity and water rates, toll fees, transport fares, in the next few months. Tuition in many private schools have been raised at rates more than the general increase in prices.

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

6. 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 2013 are expected to rise further by another five percent (5%).

This would require an additional P21.78 adjustment in wages.

P404 (minimum wage in 2010) + 31.50 (7.81% increase in CPI from

July 2010 to April 2013) = P435.50 x 0.5 (projected CPI increase between May 2013 and December 2013) = P21.78

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!

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 about 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 P220, 972 million in 1991 to P2,114,839 million in 2011, averaging an amazing yearly 8.6% growth.

The petitioner asks a mere P3 per day share of this huge real wage increase in economic growth (for the past 24 years) AS EQUITY SUPPLEMENT. This would be equivalent to P72 (P3 x 24 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 foregone real gains in wages.

9. Thus, the level of minimum wage needed to restore the purchasing power of the workers' wages AND to give them a share in the region's economic development should be P529.28, computed as follows:

P 404.00 - the minimum wage in July 2010

+ 31.50 – from actual 7.81% increase in prices between July 2010 and April 2013

21.78 – projected 5% rise in CPI between May 2013 and December 2013

72.00 – P3.00 per day, for every year since 1989 that there were no increases in real wage

P 529.28 – should be the new minimum wage rate by 2013

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 P446 current daily minimum in the National Capital Region, the difference between P529.28 and P446, or P83.28 (P83 rounded off), should now be given and awarded as the correct daily minimum wage increase for agricultural and non-agricultural workers;

11. This amount of P83 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 P83 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, does not respond to the needs of other workers, and is unjust.

12. The P83 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 P83 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.

May __, 2013, Quezon City, Philippines.

ERNESTO F. HERRERA
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, Ernesto F. Herrera, 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.

ERNESTO F. HERRERA

Subscribed and sworn to before me this __ day of May 2013, at Quezon City, Philippines
affiant exhibiting to me his CTC as indicated below his name.

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REPUBLIC OF THE PHILIPPINES
Department of Labor and Employment
National Wages and Productivity Commission
Regional Tripartite Wages And Productivity Board
CALABARZON
Calamba City

In Re: PETITION FOR WAGE INCREASE of P 75 DAILY
AT THE CALABARZON 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 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 (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.

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 two latest wage orders of which are (1) P17 across the class classifications under W.O. No. RB 4A-14 on January 15, 2011; (2a) P2 to 90 increase to be given in tranches for a period of five years to all workers and employees in the private sector in affected industries whose minimum wages rates fall below the

prescribed floor wage of P255.00; and (2b) P12.50/day Conditional Temporary Productivity Allowance (CTPA) to all private workers and employees receiving minimum wages above P255/day under W.O. No. RIVA-15 on May 15, 2012. These brought the minimum wage in Region IV-A to P349.50 in 2012.

These increases, small as they were, have been overtaken by continuing increases in the prices of petroleum products, transport fares, and in basic goods and services.

4. TUCP considers it is time to enable workers to recover from the difficulties brought about by the global financial crisis.

The world and the country have recovered spectacularly from the crisis. In fact, Philippine performance has been so good the country obtained two credit rating upgrades in 2013.

Workers and their families, despite spectacular gains in GNP, production and productivity, have not been granted a single peso in real wage increase since 1989.

It is only right for wages and wage workers to participate substantially in this recovery.

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

5. Between May 2012 and May 2013, the Consumer Price Index or CPI in the region rose from 129.3 to 132.4 or the equivalent of 2.39% as follows:

$$132.4 \text{ (CPI in 5/13)} / 129.3 \text{ (CPI in 5/12)} = 1.0239 \text{ times, or } 2.39\% \text{ increase}$$

This 2.39% increase in consumer prices, which requires a P8.35 increase (P349.50 current minimum wage x 0.0239) does not yet include further increases in the prices of rice, bread, canned goods, and other basic necessities – sure to be generated by oil, supply, and other price pressures from increases in electricity and water rates, toll fees, transport fares, in the next few months.

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

6. 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 May and December 2013 are expected to rise further by another five percent (5%).

This would require an additional P18.00 adjustment in wages.

(P349.50 current minimum wage x .05) = P17.48 (P18.00 rounded-off)

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!

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

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

8. The CALABARZON Region has been among the fastest growing regions in terms of economic development. Gross Regional Domestic Product (GRDP) in constant prices increased from P135,084 million in 2002 (minus Region IV-B) to P1,030,165 million in 2011, averaging an amazing 6.63% growth.

The petitioner asks a mere P2.00 per day share of this real economic gain (for the past 24 years) AS EQUITY SUPPLEMENT. This would be equivalent to P48 (P2.00 x 24 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 foregone real gains in wages.

9. Thus, the level of minimum wage needed to restore the purchasing power of the workers' wages AND to give them a share in the region's economic development should be P424.00, computed as follows:

P 349.50 - the minimum wage in May 2012

+ 8.35 – from actual 2.39% increase in prices between May 2012 and May 2013

18.00 – projected 5% rise in CPI between May 2013 and December 2013

48.00 – P2.00 per day, for every year since 1989 that there were no increases in real wage

P 423.85 (P424 rounded off) – should be the new minimum wage rate by 2013

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 P349.50 current daily minimum in the CALABARZON Region, the difference between P349.50 and P424, or P74.50 (P75 rounded-off), should now be given and awarded as the correct daily minimum wage increase for agricultural and non-agricultural workers;

11. This amount of P75 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 P75 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, does not respond to the needs of other workers, and is unjust.

12. The P75 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;

13, TUCP also prays that this Honorable Board cease and desist from granting increases in wages/allowances, for those receiving minimum wages or lower, which is made contingent on productivity. This is a direct violation of the law and the rules. Congress and NWPC's own rules did not direct the consideration of productivity as a criteria for minimum wage fixing.

WHEREFORE, petitioner TUCP most respectfully prays for the granting of P75 daily for all workers in the CALABARZON Region to be given across-the-board and regionwide.

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

June __, 2013, Quezon City, Philippines.

ERNESTO F. HERRERA
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, Ernesto F. Herrera, 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.

ERNESTO F. HERRERA

Subscribed and sworn to before me this __ day of June 2013, at Quezon City, Philippines
affiant exhibiting to me his CTC as indicated below his name.

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