

TRANSFERRING THE SEAT OF NATIONAL GOVERNMENT TO A SITE OUTSIDE METROPOLITAN MANILA, AND TO TAKE CHARGE ON THE SELECTION OF THE MOST SUITABLE GOVERNMENT CENTER FROM AMONG THE PROPOSED ALTERNATIVE SITES THEREFOR.

Introduced by Senator Maceda.

The President. Referred to the Committees on Public Works; and Finance.

The Secretary. Proposed Senate Resolution No. 470, entitled

RESOLUTION DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT, IN AID OF LEGISLATION, AN INQUIRY INTO THE COMPLAINTS OF THE HIGAONON TRIBE OF MALAYBALAY, BUKIDNON, ON THE REPORTED ENCROACHMENT INTO THEIR ANCESTRAL LAND ALLEGEDLY COMPRISED WITHIN THE PROJECT AREA OF THE BUKIDNON INDUSTRIAL PLANTATION PROJECT (BIPP) BEING UNDERTAKEN JOINTLY BY THE GOVERNMENTS OF THE PHILIPPINES AND NEW ZEALAND.

Introduced by Senator Tafiada.

The President. Referred to the Committee on Cultural Communities.

COMMITTEE REPORTS

The Secretary. Committee Report No. 623, submitted by the Committee on Public Works, on Senate Bill No. 787, introduced by Senator Osmefia, entitled

AN ACT FURTHER AMENDING PRESIDENTIAL DECREE NO. 198 AS AMENDED BY PRESIDENTIAL DECREE NOS. 768 AND 1479 AND EXECUTIVE ORDER NO. 68, OTHERWISE KNOWN AS THE PROVINCIAL WATER UTILITIES ACT OF 1973,

recommending its approval with amendments.

Sponsor: Senator Osmefia

The President. To the Calendar for Ordinary Business.

The Secretary. Committee Report No. 624, jointly submitted by the Committee on Foreign Relations and the Committee on Tourism, re

AGREEMENT ON THE ESTABLISHMENT OF THE ASEAN TOURISM INFORMATION CENTER,

recommending its approval without amendment as set forth in Proposed Senate Resolution No. 464, prepared by the Committee.

Sponsors: Senators Shahani and Herrera

The President. To the Calendar for Ordinary Business.

The Secretary. Committee Report No. 625, submitted by the Committee on Foreign Relations, re

BASIC AGREEMENT ON SCIENTIFIC AND TECHNOLOGICAL COOPERATION BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE REPUBLIC OF INDIA,

recommending its approval without amendment as set forth in Proposed Senate Resolution No. 465, prepared by the Committee.

Sponsor: Senator Shahani

The President. To the Calendar for Ordinary Business.

BILL ON THIRD READING

Senate Bill No. 1084 — Wage Policy Determination

Senator Mercado. Ginoong Pangulo, hinihingi ko na ating aprubahan sa pangatlong pagbasa ang Panukalang Batas Big. 1084.

Nakapagbigay po tayo ng mga kopya na printed noong ika-labinsiyam ng Mayo.

Senator Enrile. Mr. President.

The President. Senator Enrile is recognized.

Senator Enrile. Mr. President, may I know whether the Members were given printed copies of the bill, and when was the printed copy distributed to the Members of the Senate?

The President. Secretary Acoba will answer the question.

Secretary Acoba. Yes, Mr. President.

The printed copies were distributed last Friday afternoon at the respective offices of the Senators.

SUSPENSION OF THE SESSION

Senator Enrile. May I request for a one-minute suspension to check whether my office received a copy, Mr. President?

The President. The session is suspended for a few minutes, if there is no objection. [*There was none.*]

It was 3:38 p.m.

RESUMPTION OF THE SESSION

At 3:41 p.m., the session was resumed.

The President. The session is resumed.

The Minority Floor Leader is recognized.

Senator Enrile. Mr. President, my office received the printed copy at four o'clock, Friday afternoon.

The President. All right. Voting on Third Reading on Senate Bill No. 1084 is now in order. The Secretary will please read only the title of the bill, if there is no objection. [*There was none.*]

The Secretary. Senate Bill No. 1084, entitled

AN ACT TO RATIONALIZE WAGE POLICY DETERMINATION BY ESTABLISHING A MECHANISM THEREFOR, AND FOR OTHER PURPOSES.

The President. The Senate will now proceed to vote on the bill. The Secretary will please call the roll.

The Secretary called the roll and the result of the voting was as follows:

YES: 22

- | | |
|-------------------|-------------------|
| Senator Alvarez* | Senator Osmeña* |
| Senator Angara | Senator Paterno* |
| Senator Aquino* | Senator Pimentel* |
| Senator Estrada* | Senator Rasul* |
| Senator Gonzales* | Senator Romulo* |
| Senator Guingona* | Senator Saguisag* |
| Senator Herrera* | Senator Salonga* |
| Senator Laurel* | Senator Shahani* |
| Senator Lina* | Senator Tamano |

- Senator Maceda*
- Senator Mercado*

- Senator Tafiada*
- Senator Ziga*

NO: 1

Senator Enrile*

ABSTENTION: None

RESULT OF VOTING

The President. With 22 affirmative votes, 1 negative vote and no abstention, Senate Bill No. 1084 is approved on Third Reading.

EXPLANATION OF VOTE OF SENATOR ALVAREZ

Senator Alvarez. Mr. President, may I enter my explanation of vote and proceed to state part of my concluding reasons thereof. My vote for this is, of course, *Yes*. What we provide in this bill is an equitable increase that balances the increase of both laborers and employers.

The fees increase allows a reasonable period of adjustment. Any abrupt escalation of wage can be disruptive to the economy and will hurt the working class more than it will hurt those who are better situated in our economy.

Setting a minimum wage will not assuage labor's clamor for equitable sharing of income and wealth, and to stay just as we deserve, nor it appease the employers' fears and resistance to increase in wages. But because of the fairness of this package, I believe both sides will come around and accept the formula offered in this bill.

Mr. President, it may be appropriate, in conclusion, to call for efforts to further help workers attain more benefits. I have in mind, for example, workers sharing whatever productivity gains accruing from their increased deficiencies and cost savings devised by workers themselves. I also envision workers being provided with bridging funds or an employment insurance benefits for, say, a few months or three months thereof, in cases of work stoppage or disruption. We should now set our direction towards this goal in order to be able to assure for the working class of this country a better share in increased productivity.

Thank you, Mr. President.

EXPLANATION OF VOTE OF SENATOR AQUINO

Senator Aquino. Mr. President, I vote in favor of Senate Bill No. 1084, rationalizing and establishing mechanisms for wage policy determination and granting our workers a P30 minimum wage increase.

* With explanation of vote

As cosponsor of the bill, I am very much pleased when the Senators joined me in the proposal of giving a staggered increase of wages as the effective solution to the just demands of our workers for a living wage, while at the same time assuring our employers that the government stands steadfast behind them in achieving our goal of economic prosperity.

In voting for this bill, I would like to see our action as one of the Senate's measure that will eventually give our workers the just and decent wage that they deserve.

Thank you.

EXPLANATION OF VOTE OF SENATOR ENRILE

Senator Enrile. Mr. President, I am voting *No* to Senate Bill No. 1084 which seeks a two-step P30 increase in the daily minimum wage for our workers in the private sector.

Actually, while we are talking of the P30 increase, the P10 is not really an increase, because this will have to be implemented next year yet. What we are talking here is really P20.

Before I cite the grounds for my negative vote, allow me to say that I do realize the fact that Senate Bill No. 1084 is far better than the House-approved measure on the same subject. The amount considered in the Senate Bill is practically twice the amount provided for in the bill proposed by the House of Representatives.

In casting a no vote, I sincerely believe that if we are really determined to help the employees in the private sector, we should consider the most reasonable and fair compensation possible. And I believe that private employers can absorb a P32 daily minimum wage increase. This should be across-the-board and should be granted without any further delay. A two-step increase, as we are proposing, I think, is not a reasonable manner of dealing with the problem.

My proposed wage increase would bring the daily minimum wage of workers in the private sector throughout the country to P96 — only one-half of what the UP Research group proposed. The difference between the amount provided for in Senate Bill No. 1084 and the amount I have proposed may seem small, but I must emphasize that small variations can make all the difference when it comes to the worker's ability to meet his family's basic necessities in these very hard times.

Capital, I maintain, can absorb the wage increase. It will require some reduction in the profits of his company, but in these hard times, capital must share part of its profits with labor for the latter to survive the economic crunch. In the final analysis,

labor's survival inevitably will determine the survival of capital itself. Capital has benefited from what is described as a sustained economic growth of the nation under this administration. These benefits, if they occur, have clearly failed to alleviate the plight of workers. It is now incumbent on capital to insure that the economic benefits are also shared by labor.

The proposed two-step schedule conceived of in Senate Bill No. 1084 does not recognize the urgency of providing the Filipino workingman immediate relief. To wait until early next year to grant labor the remaining P10 in the proposed P30 increase is to ignore existing realities.

According to the UP School of Labor and Industrial Relations, the daily living wage standard for a family of five should range between a low of P172.91 to a high of P182.22. This underscores our point that we should maximize any daily wage increase to the highest amount possible under present circumstances and should be implemented without any further delay.

The existing realities simply demand, we act quickly. Prices are simply beyond the reach of the workingman and his family at this very minute as we consider the proposed wage increase. The prices of rice, fish, meat, milk, and medicines have been spiralling and the majority of our people who are poor are the most affected. The coming months do not indicate any change for the better. In fact, with the expected increase in fuel prices in August, the living conditions among the masses of our people are expected to deteriorate further.

At the same time, I would like to call attention to the equally urgent task of making a corresponding readjustment of the salaries of the rank-and-file in the government service. I understand that the proposed lowest salary of a government worker contemplated in House Bill No. 10054 is P81.27 per day at Salary Grade I. I believe, Mr. President, that as we act to ameliorate the plight of workers in the private sector, we should give the same attention and concern to the plight of the lowly paid among government workers. The Senate, needless to state, has expressed its support for improving the lot of the rank-and-file government worker and its position that any salary standardization must benefit more the lowly paid rather than those in the upper echelon in the public service.

Allow me, Mr. President, to also state my views on the proposed delegation of power to legislate wages to the National Wages Council.

This is too important an issue and affects thousands if not millions of Filipinos to be determined by a few members of the Council, who are not duly elected representatives of the people.

Secondly, the standards prescribed are too broad, thus giving the Council too much discretion. The standards set by the proposed law are not sufficiently canalized and may therefore be the subject of abuse. We might just be creating a roving commission because of the absence of the necessary checks or controls.

I therefore vote *No* to Senate Bill No. 1084.

Thank you.

EXPLANATION OF VOTE OF SENATOR ESTRADA

Senator Estrada. Ginoong Pangulo, dahil po sa panahon na hindi na mapigil ang pagtataas ng mga pangunahing bilihan at ang ating mga manggagawa ay hindi na rin makatiis at halos ay hindi na makabili ng makakain ng tatlong beses isang araw, kailangan pong madaliin itong batas na ito upang matulungan sila agad sa kanilang mga suliranin. Kaya po ako ay nakikiisa na bumuboto dito sa Panukalang Batas Blg. 613.

I vote *Yes*, Mr. President.

EXPLANATION OF VOTE OF SENATOR GONZALES

Senator Gonzales. I vote *Yes* for this bill with the expectation that the social responsibility of capital will persuade the employers to absorb as much as they can this increase in order to improve the quality of life of the workers, and therefore increase their efficiency, remembering the biblical injunction that of those to whom much is given, much is required.

Thank you.

EXPLANATION OF VOTE OF SENATOR GUINGONA

Senator Guingona. I vote *Yes* to this bill, Mr. President. It has many complexities — political, social, and economic, whether there will be more prices and further inflation, whether there will be dislocation. All of these issues should have been decided, perhaps, with more time for deliberation, but we are pressed for time, and people cannot wait. After all is said and done, Mr. President, the guide is the Constitution, and the Constitution says that the State shall recognize the right of labor to its just share in the fruits of production.

What is the just share of labor? We submit that this is a step in the right direction although it may not be enough; but considering the whole picture, considering all the factors involved, I vigorously believe that we have laid the foundation for a compromise and settlement.

Some say that we should not have had a two-tiered wage scale, Mr. President. They say that this will be a signal for further inflation. But when capital announces price increases, labor usually does not complain; when the State announces price increases, labor does not complain. Now, it is the time for labor to receive another addition, at least, in Metro Manila and in the regions as determined by the Wage Councils in January 1990; capital should not complain; government should not complain.

Thank you.

EXPLANATION OF VOTE OF SENATOR HERRERA

Senator Herrera. Mr. President, in the history of government intervention in wage fixing, this is the first time that the government is very generous in giving an increase to the workingmen's pay of our country. This merely confirms the commitment of this government to uplift the economic condition of our people and, in particular, the workingmen.

I remember, Mr. President, during the past regime, the Marcos regime, there were three increases of the minimum wages at that time, but each increase was only P1.00. That was because the policy of that government was cheap labor and to make the labor movement a docile labor movement. That is why at that time there were so many curtailment on trade union rights.

This particular bill, Mr. President, is not only giving a generous increase to the workingman. It also provides an innovative way of fixing minimum wages. The regionalization of minimum wages, Mr. President, is not only innovative. It is very practical, because then, this is the first time in the history of our country where we will have regional wages which are consistent to the economic realities of the region. More than that, we are giving this power to the people in the region to decide what is good for them.

Mr. President, this bill — of course I may sound biased being one of the Authors of the bill — is something that is historic. So, I am very proud to be one of the Sponsors of the bill, and I am voting *Yes* for the bill.

EXPLANATION OF VOTE OF SENATOR LAUREL

Senator Laurel. Mr. President, I wish the increase in the minimum wage could be more realizing, as I do, the needs of our poor working people. Knowing the implications, however, of a wage increase that the nation's national economy cannot bear, and realizing what could happen in a chain reaction — I know this is a fond wish of mine — Mr. President, I vote *Yes* for this bill.

EXPLANATION OF VOTE OF SENATOR LINA

Senator Lina. Ginoong Pangulo, sa ngayon po ay hindi pa ako nakatitiyak na natanggap ng aking tanggapan ang pinal na sipi ng panukalang batas na ating pinagbobotohan sa Ikatlong Pagbasa sa hapong ito. Subalit ako po ay coauthor at kasama sa pagtalakay sa panukalang batas na ito kayat nasundan ko ang bawat pahina ng pag-uusap tungkol sa isang mahalagang panukalang batas ukol sa pagtataas ng sahod ng ating mga manggagawa. Sumasang-ayon po ako sa pagpapatibay ng panukalang batas na ito sa Ikatlong Pagbasa bagamat nalalaman ko na hindi sapat ang pagtataas ng sahod na ating ibibigay o pagtitibayin sapagkat ang dapat nating sagutin ay kung ano talaga ang kahulugan sa tinatawag nating mataas na kalidad ng pamumuhay ng bawat Pilipino. Ang tanong na iyan ay hindi natin ganap na nasagot, kung anong talaga ang karapatdapat na sahod upang matugunan ng maralitang pamilyang Pilipino, lalung-lalo na sa panahong ito na ang presyo ng mga bilihin ay mataas, ang gastusin sa pag-aaral ay mataas, kung kayat kinakailangang ipagpatuloy ng National Wage Council, sa pakikipag-ugnayan sa Regional Development Council, kung magkano ang sahod na kinakailangan ng bawat pamilyang Pilipino upang maharap nilang mabuti ang kanilang mga pangangailangan sa buhay sa bawat araw.

Kaya, bagamat ako ay bumoboto ng oo sa panukalang batas na ito ay hinihiling ko pa ring patuloy nating pag-aralan ang paksang ito upang lubos nating masagot kung gaano pa ang tulong na ating ibibigay sa masang Pilipino na higit sa lahat ay nangangailangan ng tulong ng ating pamahalaan.

EXPLANATION OF VOTE OF SENATOR MACEDA

Senator Maceda. Mr. President, in addition to the remarks already in the *Record* delivered in the previous sessions, I would like to add that we are voting wholeheartedly on this bill because, firstly, the employers and business can very well afford it; and, secondly, the workers need it. And they need it because of circumstances which are beyond their control, which are not their fault but, probably, the fault of the present administration.

They need it because, basically, prices are high. The price of rice has gone up because of the inefficiency of the Department of Agriculture in its production. It is the fault of the government. Why should the workers be blamed for that? The price of sugar is high because this administration is countenancing a policy to export sugar, and because of its inability to eradicate the hoarding and the manipulation of prices by stock traders in this country. The prices of vegetables, of fish, of meat are high, because this administration has been unable to improve the efficiency of transportation, marketing, and the like. The price of textiles is high because of continued smuggling that has not been controlled by the Bureau of Customs. The price of doing business is high,

because businessmen still complain that they have to fork over so much in bribe money to the BIR, to the Customs, to the DTI and certain offices thereof, and so many other government offices.

This conglomeration of inefficiency and corruption of administration is the main reason why prices are high. If prices are not high, the workers will not be demanding for minimum wages.

Mr. President, big businesses and the employers can afford it because, not only are their profit statements very high, anywhere from 20 percent to 57 percent over the last year. How many of them are now lining up for P1,260,000 Toyota Crown Saloons? The number of vehicles now produced is going to be about 15,000, and the number of smuggled "chop-chop" vehicles is in the vicinity of 30,000, including about 500 Mercedes Benzes that came in this year. The employers can very well afford it, Mr. President, because, as I illustrated before, for a 100-employee firm, that only means to say, an increase for one year, based on P20.00 of P500,000 — less than one-half the cost of a Toyota Crown Saloon; 20 percent less than a Pajero; about the price of a Maxima; about the price of a Nissan Galant. And, not only have their profits improved, their net worth has gone up tremendously.

Employers who used to own buildings and condominiums in Makati three years ago, being sold at P2,000 to P3,000 per square meter, is now being sold for P30,000 to P35,000 per square meter. Employers who have bought out of company funds lots and houses from Valle Verde to Forbes Park — these houses and lots cost about P1 million or P2 million three years ago — they are now being sold anywhere from P8 million to P10 million in Valle Verde; anywhere from P8 million to P25 million in Forbes Park.

The net worth of their companies have gone up as shown here, in all these sectors which have registered tremendous growth: electronics, garments, metal manufacturers, coconut oil and crude, fish and mollusks, chemicals, gifts, toys and housewares, copper concentrates, vegetables and furniture.

Mr. President, all of these factories involved in these productions three years ago were operating on one shift. Now, they are operating three shifts a day. Even Atlas and all the copper companies, which were reflecting P700 million to P800 million losses for the last three years, are now reflecting P400, P500, P600, P700 million profit for this year.

Mr. President, in view of all of these, why should we not give to the workers the minimum wage that the employers can afford, so that they can buy the goods that they want to buy at the high prices that this government has caused?

For these reasons, Mr. President, and for all previous reasons, I vote *Yes* and hope, just like the Majority Floor Leader, that, maybe, in the Conference Committee, we can even increase the amount for the workers.

EXPLANATION OF VOTE OF SENATOR MERCADO

Senator Mercado. Ginoong Pangulo, ang panukalang batas na nasa harap natin ngayon ay radikal na naiiba sa mga nakaraang panukala tungkol sa sahod ng mga manggagawa.

Sinasabi natin ito nang may buong pagtitiwala dahil na rin sa ilang mahahalagang batayan.

Una, itinatanghal ng panukalang batas na ito ang kapuri-puring konsepto na ang minimum na sahod ng mga manggagawa ay di lamang dapat sumagot sa pinakamababang pangangailangan para sila ay mabuhay, iyong pangangailangang sasapat lamang para mabuhay sila nang isang kahig, isang tuka; kundi dapat itong itaas sa antas na sasapat para mabuhay sila nang disente at may dangal.

Samakatwid, Ginoong Pangulo, kahit sa panimula lamang, sinisikap ng panukalang batas na ito na bigyan ng konkretong anyo at buhay ang konsepto ng "living wage."

Ikalawa, sa pagbibigay ng dagdag na sahod, kinikilala ng panukalang batas na ito na "discriminatory" ang nakagawian nang pagbibigay-tangi sa mga manggagawang nasa Metro Manila kung ihahambing doon sa mga nasa labas ng Metro Manila. Kung kaya, sa kauna-unahang pagkakataon, itinatadhana sa panukalang batas na ito na dapat pare-parehong tumanggap ng dalawampung pisong dagdag sa minimum wage ang mga kinaaukulang manggagawa, nasa loob man o nasa labas ng Metro Manila.

At ikatlo, hinahangad simulan ng Panukalang Batas Blg. 1084 ang proseso ng pagpapasa ng kapangyarihan sa usapin ng pagtataas ng sahod, mula sa Kongreso tungo sa mga kinaaukulang ahensiya ng gobyerno, bilang isang instrumento sa pang-industriyang pagpapaunlad sa mga rehiyon.

Anu't anuman, Ginoong Pangulo, hayaan ninyong ipahayag kong muli ang isang reserbasyong naipahayag ko noong minsan nang tayo ay nasa "caucus" tungkol sa sampung pisong dagdag na sahod na tatanggapin ng mga manggagawa sa Enero, kung ito ay maging batas.

Ang reserbasyon ay maipahahayag sa ganitong mga tanong: Sasapat pa ba ang sampung pisong dagdag sa harap ng mga napipintong pagtaas sa presyo ng langis at kuryente; ng bumibilis na debalwasyon ng piso; ng lumalaking kakulangan sa badyet; ng nagbabantang pagpataw ng mga bagong buwis, at iba pa?

Sa isang salita, Ginoong Pangulo, hindi ba natin inuunahan ang mga lumulubhang pangyayari sa ating ekonomiya na malamang na sisira sa kabuhayan ng ating mga mamamayan, lalo na ng mga manggagawa?

Ngunit sa kabila nito, Ginoong Pangulo, at kahit para lamang sa mga maka-manggagawang prinsipyong sinisikap bigyang-buhay ng Panukalang Batas Blg. 1084, bumuboto po ako ng oo.

EXPLANATION OF VOTE OF SENATOR OSMEÑA

Senator Osmeña. Mr. President, I am casting an affirmative vote. I am voting *yes* on this bill. I am not going to be picky on the numbers, Mr. President. I think, what is historic today is not the amount that we are giving, but the recognition — long overdue — that decisions like these belong to the people who are most affected by it.

Therefore, in this bill, we are recognizing the regionalization of wage and the decentralization of decision-making away from imperial Manila to the provinces and the regions.

Thank you, Mr. President.

EXPLANATION OF VOTE OF SENATOR PATERNO

Senator Paterno. Mr. President, my vote on this bill is *yes*, but with two reservations.

My first reservation concerns the extent to which a P20 increase in minimum wage will exacerbate inflation compared to the P15 recommended by the Executive Branch. All of us want the increase that we are legislating to result in raising the real minimum wage.

Senate Bill No. 1084 must not be an exercise in optics. We do not want to see high inflation destroy purchasing power and real earnings, especially of the very worker for whom we are legislating this increase — the Filipino who depends on his wage or salary to meet the living expenses of his family.

Thus, I propose, Mr. President, that after the passage of this bill, the Senate accord priority to legislation on emergency price controls in order to hold back inflation.

My second reservation is about the failure of Senate Bill No. 1084 to institute immediately a clear regionalization of the minimum wage. This bill stipulates a P20 increase of minimum wage throughout the country to all workers, be they in large manufacturing companies, or in cottage industries, large export-oriented plantations, or seasonal workers in small farms.

During the interpellation it was brought out that the P20 increases the minimum wage for industrial workers by 31.25

percent, while for the nonplantation-agricultural workers it is 46 percent. Adoption of differential wage increases of P15 and P10 for regions other than Metro Manila would have made increases in minimum wage of nonplantation-agricultural workers to become a less unwieldy 34.5 percent or 23 percent.

Differential increases would also have recognized the lower cost of living and working in the provinces. It would have recognized the reality that in Metro Manila, the worker usually lives far from his place of work and spends P10 to P15 commuting to work each day. In the provinces, housing is easier, and in many cases the worker can walk to work or just take one short ride.

But over and above affordability to agriculture, or recognition of the realities of the different costs of living and of going to work, the adoption of differential increases for other regions would have given a powerful impetus to dispersing industries away from Metro Manila. It would have given concrete expression to the Senate's often expressed, but as yet not implemented desire to provide remunerative jobs in the provinces, so that the residents would not have to come to Manila in search of work.

This is my regret, Mr. President, that we missed a good chance to push the development of the countryside through this bill.

Thank you, Mr. President.

EXPLANATION OF VOTE OF SENATOR PIMENTEL

Senator Pimentel. Mr. President, with all the perceived defects of this bill, I vote *yes*, because it is one concrete step taken by the Senate to help the workers of the nation cope with the rising costs of basic commodities.

It is also a concrete assurance by the Senate of the Republic that we do care for the plight of the common man. And we hope that by this effort the projected nationwide strike by some sectors of the working masses of our people will be forestalled because the moral suasion of that strike will have been lost by the approval of this bill.

Thank you, Mr. President.

EXPLANATION OF VOTE OF SENATOR RASUL

Senator Rasul. I would like to register a *yes* vote, Mr. President.

I am proud to be a cosponsor of this bill; a bill which reflects the sensitivity of my distinguished Colleagues to the plight of the wage earners in the private sector.

My only misgiving, Mr. President, stems from the fact that this bill does not cover the wage earners in government. While this bill increases by P30 the wages of workers in the private sectors who already get a minimum wage of P64, the workers in government get a minimum of only P32. Nevertheless, I vote *yes* with the hope that the Conference Committee will see the logic, wisdom and necessity of including the government workers in the coverage of this bill.

EXPLANATION OF VOTE OF SENATOR ROMULO

Senator Romulo. Mr. President, I vote *Yes* on this bill. This bill, in our view, is in accord with the constitutional provisions starting, among others, with Article II, Section 10, which states: The State shall promote social justice in all phases of national development.

Section 11 states: The State values the dignity of every human person and guarantees full respect for human rights.

It is also in accord, Mr. President, with other constitutional provisions, Article XII, Section 1: The goals of the national economy are a more equitable distribution of opportunities, income, and wealth; a sustained increase in the amount of goods and services produced by the nation for the benefit of the people; and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged.

This is also in accord, Mr. President, with Article XIII on Social Justice and Human Rights, Section 1: The Congress shall give highest priority to the enactment of measures that protect and enhance the right of all the people to human dignity, reduce social, economic, and political inequalities, and remove cultural inequities by equitably diffusing wealth and political power for the common good.

This is also in accord with Section 3 on Labor which states: The State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all.

Ito po ang mga rason kung bakit ako ay bumoboto ng *oo* sa bill na ito. Alam po natin na ito ay hindi pa sapat; na marami pang dapat gawin, hindi lamang sa pagtaas ng sahod ng ating mga manggagawa kundi marami pa tayong batas na kailangang ayusin at asikasuhin upang mapagbigyan natin itong situwasyon ng ating manggagawa.

Dr. Gonzalo Jurado, a U.N. consultant, has figured that an increase in minimum wage of P20.00 for the industrial sector and P10.00 for the agricultural sector will restore the workers to their real wage position in 1983, and restore their relative share in income distribution also in the level of 1983. His calculations

are higher than those of the Executive and are closer to the proposed levels now pending in the Senate. It must be noted, Mr. President, that the proposed P20.00 increase now will only restore the workers to 1983 levels. In order to help them survive the difficulties of '89, more than P20.00 is needed. That is why, iyong P10.00 na susunod, iyon po ay mabubuo na maging P30.00 lahat, which is the more reasonable figure, if we want to improve the situation of the workers beyond 1983 levels.

As pointed out, Mr. President, it has been calculated by various research groups that workers in the urban areas, for example, would need a minimum of P180.00 in order to live decently; and in order for us to be able to meet the standard of the Constitution on social justice, an increase in the present minimum wage of P64.00 by P20.00 to P30.00 will only raise the urban workers' daily wages to less than one half of P180.00. There is a need, therefore, Mr. President, for the Legislature to explore companion measures which will give further relief to the workers.

Isa pa po, dapat nating i-stabilize ang price of oil, rice, and other basic commodities, including power, water, and other utility rates. Kaya tayo ay hindi sumang-ayon doon sa LOIMEP, Memorandum of Economic Policies, na hiningi po ang ating payo noong nakaraang buwan. At dapat nating ipagpatuloy ang ating pag-uusisa rito sa napirmahang LOI and MEP, na iyan po naman ay imposed by the IMF, with the active collaboration of our negotiators. Dapat din nating ireporma ang ating pagbubuwis, the Philippine Tax System, so that the bulk of tax collection should come from direct taxes on property, income, and wealth. In other words, dapat po nating i-reverse iyong kasalukuyang 60 to 70 percent of our tax system which is indirect taxation and impacts on, and is biased against the poor. Dapat nating, instead, i-reverse iyan. Iyong direct taxation on income, wealth, and property, iyan ang dapat na lagyan ng higit na malaking buwis, hindi roon sa indirect taxes.

Dapat po nating bawasan ang ating government spending on debt service. Ang bagay na iyan ay matagal na nating tinalakay dito at, kahit manawari po, ang ating mga kapatid sa House of Representatives ay tumulong sa atin sa pag-re-reduce nitong ating debt sa pamamagitan ng Senate Bill No. 535 o ng kung ano pang ibang debt reduction na puwedeng magawa. Dapat po nating ilagay iyang mga savings na iyan sa Agrarian Reform, sa Urban Land Reform, sa industrial development, sa job creation, human resources training, at iba-iba pang bagay.

Dapat po nating ayusin or i-retool our domestic economic activity to meet the people's basic need. Dapat din nating i-reverse iyong foreign exchange outflow from the Philippines through the reduction of the annual debt service payments. Alam po ba ninyo na from 1984 to 1988 ay halos US \$15 billion ang ating ibinayad sa labas? About \$10.3 billion po ang interest

payments, and about \$4 billion plus ang principal repayments. Kung hindi po natin aayusin o aasikasuhin itong patuloy na pagdugo, pag-hemorrhage, pag-drain, at pagbayad ng ating annual debt service from 1989 to 1992, another \$15 billion will be drained from our economy; another \$10 billion in terms of interest payment; another \$5 billion in terms of principal. Kaya po, dapat nating ayusin itong mga iba't ibang bagay na ito. I-reverse natin ang policy sa ating debt. Matagal na nating hinihingi iyan. Hingin din natin sa mga negotiators na walang nagagawa na pagbigyan naman ang ibang negotiator.

At finally, dapat po nating ipasa itong salary standardization bill. Ito po ay Senate Bill No. 862. Ito po ang salary standardization bill ng Senado. Iyan po ay ini-report na sa Committee Report No. 421, at ang Sponsor ay si Senator Rasul, si Senator Osmeña, si Senator Mercado, si Senator Maceda, si Senator Laurel, at ang inyong abang lingkod. Iyan po ay pinirmahan na both by the Committee on Civil Service and Government Reorganization, and Committee on Finance, ni Senator Rasul at ni Senator Neptali Gonzales. At noong Huwebes, itong Senate Bill No. 862: An Act Prescribing a Revised Compensation and Position Classification in the Government and for Other Purposes, ay sinertipikahan ng ating Pangulo in a letter addressed to the Senate President, dated May 11.

Sir:

I have the honor to transmit herewith the letter of even date of her Excellency, the President of the Philippines certifying to the urgency of the enactment of Senate Bill No. 862:

AN ACT PRESCRIBING A REVISED COMPENSATION AND POSITION CLASSIFICATION IN THE GOVERNMENT, AND FOR OTHER PURPOSES.

At diyan po sa Senate Bill No. 862, sa version ng Senado, ang minimum monthly salary para sa mga government employees would be P2000. Iyong minimum wage daily schedule ay dapat namang ipantay na natin dito at bigyan natin ng at least P30 increase upang sa ganoon iyong P64.00 ay maging P90 to P95. Ito po ang dapat nating gawin para matulungan natin ang ating mga manggagawa, maging sa private sector at maging sa gobyerno. Kung magagawa po natin ito, lalung-lalo na kung kasama iyong iba't-ibang batas, sa palagay ko naman ay matutulungan natin ang ating mga manggagawa. Madalas po nating sinasabi na iyan ang dapat tulungan. Isagawa po natin ito sa mga batas na iniharap ngayon sa Senado.

Salamat po, Mr. President.

EXPLANATION OF VOTE OF SENATOR SAGUISAG

Senator Saguisag. Thank you, Mr. President.

Not all of us have much experience in meeting a private payroll. Therefore, we speak only or largely from a theoretical approach when evaluating wage increase bills.

What do such measures do for the unemployed? There is truly no intellectually respectable or psychologically satisfying answer, or so it seems. The unemployed have no organization. They have no spokesmen.

The tension here has to do with the dilemma of the employer understandably desirous of making a profit, the employee naturally wanting to ameliorate his condition and the jobless obviously wanting to survive.

Section 6 of Senate Bill No. 1084 partly vindicates my stand on October 20, 1987 (*Journal*, Oct. 20, 1987, p. 650) on "new hire," so to speak, when we took up what was to become Republic Act No. 6640.

In the coming weeks, we may take up Kalakalan ng 20 where we will be called on to reduce regulations, including those on labor standards. Therefore we cannot be too careful about what we do now so that the right hand may know what the left is doing.

On November 12, 1987, I partly explained my vote on what was to become R.A. No. 6640, adding P10.00 to the minimum wage, as follows:

Historically, legal intervention does not seem to have been shown to work in wage-fixing. It is effective in the nonwage areas like greater job security, the introduction of arbitration and "industrial due process" into plant discipline, and the like. Thus, after decades of experience with minimum wage legislation, the poor worker remains in the same state of misery. Evidently, this measure will be inflationary.

Some say compliance with R.A. No. 6640 is low. Senator Herrera says it is about 50 percent in the private educational sector, which is not immediately covered by the new bill, Section 12 (c). That particular problem will be tackled by the National Wages Council which will hold a tripartite conference within 30 days from the approval of the new law. Those concerned might be well advised to take into account such factors as subsidies or tuition fee increases in relation to the capacity of the employer to pay. No progressive country can constrict the educational sector and be able to educate people.

I am for regionalization, as a halfway measure to reduce the effect of legislative wage-fixing.

There are, in fact, not too many countries which believe in wage-fixing by law. They do believe in it in the U.S., where we borrowed the concept. Yet, the last time they did it was eight years ago. Certainly, they do not legislate on it every year or so. And Mr. Bush is reportedly poised to veto the work of the House-Senate Conference Committee. (*Asian Wall Street Journal*, May 4, 1989, p. 2, col. 5)

The task should be delegated to a wage body, with veto or fail-safe power on the part of the Congress.

Expectations have been raised through increases; not to meet these now would arguably entail an unaffordable hidden social cost.

There are theories and there are theories; for most of us in Congress, however, with all due respect, considering the rather harried circumstances under which we have to work, our somewhat unstudied votes on minimum wage bills include the Ooops! and Easy-Way-Out approaches. They do not represent our Finest Hours, I am afraid.

We remain petrified at the thought of telling the people what many of them do not want to hear. What if there is a demand for us to repeal the law of gravity or the law of supply and demand?

If increasing wages is really the answer, I would have proposed an increase of hundreds if not thousands of pesos. But the matter is not that simple. What do the marginal and losing employers — and there are such employers — use for money?

I vote yes today, with very grave reservations, even as I express the hope that this is really going to be the last time we will confront this problem, one we are not really all that equipped to handle, all things considered. I reserve my definitive vote when we act on the Conference Committee Report.

Marami pong salamat.

EXPLANATION OF VOTE OF SENATOR SHAHANI

Senator Shahani. Mr. President, wage legislation is a complicated issue with two opposing advocates: labor and management. As lawmakers on the matter, we are expected to rise above the interest of management which is to increase profit and of labor's demand for higher wages.

We have to view the matter also in the light of its effect to our overall economy. It is a delicate balance that we, as lawmakers, have to preserve; but it is my belief, Mr. President, that in voting for the approval of Senate Bill No. 1084, we have discharged our mandate in the interest of the common good.

This bill is a recognition of the need to assist our working masses in the private sector in the face of steadily rising prices, but within the limits possible to management.

May I express the hope, Mr. President, that the Minimum Wage Law will also apply to our women workers. It is known that in the agricultural sector, women workers receive nine centavos for every peso that is earned by a male worker.

I would like to bring the attention of my Colleagues in this House that last Friday, President Aquino signed into law, Republic Act No. 6725, entitled

AN ACT STRENGTHENING THE PROHIBITION OF DISCRIMINATION AGAINST WOMEN WITH RESPECT TO TERMS AND CONDITIONS OF EMPLOYMENT AMENDING FOR THE PURPOSE ARTICLE 135 OF THE LABOR CODE.

Mr. President, I hope that, with the signing of Republic Act No. 6725 into law, the minimum wage for women will be upheld on a basis of equality with men.

Mr. President, in proposing for an immediate P20 wage adjustment, it is my sincere hope that we are approximating what the workers deserve and what the employers can afford.

I vote yes for the approval of Senate Bill No. 1084.

EXPLANATION OF VOTE OF SENATOR TAÑADA

Senator Tañada. Mr. President, I realize that Senate Bill No. 1084 does not sufficiently and adequately meet the demands of the workers. Even with the increase being provided for in this bill, the workers will not be receiving a living wage. Despite this, Mr. President, I am voting in favor of this bill because I believe that the approval of this bill will somewhat lighten the heavy burden and sufferings now being borne by the workers.

With this affirmative vote, Mr. President, I also would like to express the hope that this Body will soon consider and approve the price control measures that have been filed by Senators Guingona and Pimentel.

Thank you.

EXPLANATION OF VOTE OF SENATOR ZIGA

Senator Ziga. Mr. President, the bill we are voting upon today seeks to fulfill the mandate of the Constitution: to protect the rights of workers and promote their welfare. More particularly, it seeks to give reality to the constitutional promise

of a decent living wage and a just share in the fruits of production. The wage increase proposed in this bill has long been overdue. It is only just that we respond with dispatch to the clamor of our workers for a decent living wage. Indeed, what is proposed to be granted today is hardly sufficient to meet the purpose. But other factors must be considered in accordance with the need to balance the requirement of our workers with that of the whole nation. To achieve an acceptable compromise between these two is a difficult task. Senate Bill No. 1084 succeeds in achieving the desired compromise, and for this reason, I vote for the passage of this bill.

EXPLANATION OF VOTE OF SENATOR SALONGA

Senator Salonga. Because, on the one hand, labor is entitled to a better deal than what it is getting now, even if what is provided in Senate Bill No. 1084 does not quite reach the living wage standard prescribed under Article XIII, Section 3 of the Constitution, but realizing as I do, on the other hand, that a higher increase may result in layoffs and shutdowns which will hurt our suffering workers and laborers even more, I vote yes.

SUSPENSION OF THE SESSION

The President. Let us suspend the session for a while, if there is no objection. [*There was none.*]

It was 4:34 p.m.

RESUMPTION OF THE SESSION

At 4:42 p.m., the session was resumed with the Honorable Teofisto T. Guingona, Jr., President Pro Tempore of the Senate, presiding.

The President Pro Tempore. The session is resumed.

BILL ON THIRD READING

Senate Bill No. 672 — Reconstitution of Burned/ Lost Land Titles

Senator Mercado. Ginoong Pangulo, hinihingi ko na ating pagbotohan sa Pangatlong Pagbasa ang Panukalang Batas Blg. 672.

Nakapagbigay po tayo ng mga kopya na printed noong ika-labinsiyam ng Mayo.

The President Pro Tempore. Voting on Third Reading on Senate Bill No. 672 is now in order. The Secretary will please read the title of the bill only, if there is no objection. [*There was none.*]