

Congress of the Philippines)
First Regular Session)

SENATE

S. NO. 70



Introduced by Senator Ernesto F. Herrera

EXPLANATORY NOTE

Providing a living wage to the ordinary workingman is a paramount concern of the State (Section 3, Article XIII, 1987 Constitution). A living wage assures a decent life for the worker and his family. Decent living promotes a just and dynamic social order. On the other hand, a hungry stomach is an invitation to unhealthy social and political tensions.

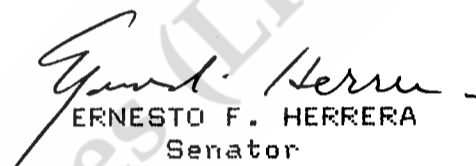
The increase in oil prices brings to sharper focus the urgent necessity of readjusting the daily basic wages of public and private employees to realistic levels because such increase will inevitably trigger an upward and riotous spiral in the prices of prime commodities. With the ensuing inflation, the workers must forthwith be afforded an effective measure of protection against substantial erosion of their real wages. This breathes life to the lofty message espoused by Pope Leo XIII in his Rerum Novarum, 1891 and Pope Pius XI in his Quadragesimo Anno, 1931, which states thus:

"Labor, indeed, x x x is not a mere chattel, since the human dignity of the workingman must be recognized in it, and consequently it cannot be bought and sold like any piece of merchandise."

This Bill merely seeks to preserve/maintain the purchasing capacity of the worker and ensures an automatic salary adjustment vis-a-vis every increase in consumer prices by instituting Wage Indexation as a positive mechanism therefor.

As a final note, it must be distinctly stressed, however, that this Bill serves only to provide a provisional relief to the laborers' economic predicament pending a comprehensive rationalization of our economic and social programs.

Early passage of this Bill therefor is earnestly requested.


ERNESTO F. HERRERA
Senator

/rng



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AN ACT
PROVIDING FOR AN INCREASE OF P20.00 TO THE DAILY BASIC
WAGE OF PUBLIC AND PRIVATE EMPLOYEES AND FOR OTHER PURPOSES.

Be it enacted by the Senate and the House of Representatives
of the Philippines in Congress assembled:

1 SECTION 1. All public and private employees shall
2 receive an increase in the sum of P20.00 to their daily
3 basic wages.

4 SECTION 2. Nothing in this Act shall be construed to
5 reduce any existing allowances and benefits of any form
6 under existing laws, decrees, issuances, executive orders
7 and/or under any contract or agreement between workers and
8 employers.

9 SECTION 3. Effective January 1, 1988, a corresponding
10 one percentage point increase in the daily wages inclusive
11 of allowances shall automatically be granted for every one
12 percentage point increase in consumer prices as measured and
13 determined by the National Census and Statistics Office
14 (NCSO) or its successor entity.

15 The adjustment provided in this Section shall be
16 computed and implemented on a quarterly basis.

17 SECTION 4. All other laws, orders, issuances, rules
18 and regulations or part thereof inconsistent with the
19 provisions of this Act are hereby repealed or amended
20 accordingly.

21 SECTION 5. This Act shall take effect fifteen (15)
22 days after its publication in any national newspaper of
23 general circulation.

Approved,

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