

The situation of the working class in the Philippines in 2006

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Super Maids, Super Regions, Super Exploitation
Labor in 2006 and Prospects for 2007

In the enchanted kingdom of the President Gloria Macapagal-Arroyo government, the economy is poised for takeoff, growth is filtering down to the people and thus workers are happy and contented. But the hard reality for workers are wages eroded by galloping inflation, jobs that are irregular and temporary, rights suppressed with impunity and migration abroad where compensation maybe better but protection is even worse.

Hunger in the Enchanted Kingdom

This year, amidst the travails of overseas Filipino workers in Lebanon and the Middle East, the government announced with much fanfare the program of super maids—retraining domestic helpers to higher skills and upgrading their minimum wages to double at US\$400.

The very idea of super maids is symbolic of government's sponsorship of overseas employment despite the weak protection provided migrant labor, the attendant social costs and the immense brain and brawn drain resulting from it.

Overseas employment does not lead to national development and better standard of living for the people. Since Marcos started the migration program, the remittances of overseas Filipino workers have helped keep the economy afloat but it has not and will not lead to indigenous development. This year, the government sent around a million Filipino abroad for work and they remitted back some US\$13 billion to their relatives.

Yet back in the home front, Philippine industry and agriculture is collapsing from the deluge of globalization as it could not compete with foreign goods and multinational corporations.

As a result, workers are being retrenched left and right and unable to find new work or else forced to suffer irregular jobs as contractuels and casuals. Since 2001, there are 1.5 million more Filipinos unemployed if the old instead of the new and manipulated definition of unemployment is used.

The alleged economic growth is not trickling down to the masses. Hunger is at an all-time high as reflected in the recent Social Weather Station survey. Some 19% of respondents or the equivalent of 3.3 million households experienced hunger. The incidence of hunger has been double-digits since June 2004. Half of Filipino families or 52% see themselves as poor.

This year, minimum wages were increased by the wage boards in an attempt to pre-empt the legislated wage hike. But the 293% increase from Php 89 in 1989 to Php 350 today pales in comparison to the 342% hike in prices in the same period. In a purview of worse inflation to come, water rates are increasing starting January 1. [approximate exchange rate is Php50 to US\$1]

Meaning, the workers are worse off now than when the wage boards were formed in 1989. The Php 350 of today buys less the Php 89 of 1989. Thus the wage boards and the capitalist class still owe the workers. In fact even if wages were raised to Php 393 it will just offset inflation. That is simply wage recovery not even wage increase since real wages remain stagnant at the level of 1989 despite all the productivity gains of labor in that period.

It is even worse in the regions. In the newly industrialized Calabarzon or Region IV-A, wages are further cheapened through a convoluted system of wage tiers. There are different and descending wage rates for districts classified as extended metropolitan, growth corridors, emerging growth zones and resource-based areas. Thus workers have wages of Php 287 in San Pedro and Binan while it is only Php 272 in Sta. Rosa, Cabuyao and Calamba despite the fact that prices of basic goods are the same. [these are towns where most of the industrial estates hosting Japanese, American and other foreign capital are located]

Worst, the wage orders allow capitalists to evade paying the wage hikes through a thousand and one loopholes by, for example, allowing exemptions for distressed companies, small and medium-scale enterprises, and enterprises employing 10 workers and less.

Haven for Cheap and Docile Labor

It is the whole system of wage fixing founded on cheap labor that is to blame for the starvation wages of Filipino workers. Since Arroyo came to power, real wages have remained stagnant despite the 5% average yearly increase in gross domestic product, which means that only capitalists have been gaining from the additional wealth created by workers.

The development program of so-called super regions announced in the state of the nation address may be an answer to the problems of capitalists for modern infrastructure, low-cost electricity, efficient government and cheap labor but it hardly answers the demands of workers for decent wages, regular jobs and labor rights. In fact the one trillion Philippine pesos worth of public works projects are a subsidy for business while in contrast not one cent in social services is allotted for labor.

If government will not terminate the policy of cheap labor and labor contractualization then the program of so-called super regions will simply mean the super exploitation of workers. The rich will become richer and the poor will become poorer as investors reap the benefits while the masses bear the brunt of sacrifices of a capitalist development funded by a massive public works program.

To maintain a cheap and docile labor, labor repression is intensifying. The record low in strikes for the year cannot be attributed to industrial harmony but to the grave abuse of the Labor Secretary's power to assume jurisdiction of labor disputes. Meanwhile the buying and selling of assumption of jurisdiction orders is an open secret much like that of temporary restraining orders in the courts.

In a turn for the worse, labor leaders are being killed in an amok of political killings in the country. The assassination of Bok Iñoza, president of the labor union in Alaska Milk in Laguna, just south of the national capital, is meant to strike fear in the hearts of workers and terrorize them against political involvement.

The iron fist of repression is bearing down heavy on the working class movement. In September military men held an anti-communist teach-in for the union leaders of Manila Bay Spinning Mills in Marikina [a city in Metro Manila]. Before that, they held the same seminar for the union of Armscor also in Marikina. The vicious agenda of this harassment is clear—with a terrorized and docile labor, it will be easier to cheapen the price of labor power.

Good News despite Gloom and Doom

Yet despite heavy repression, labor is fighting back slowly but surely. While the traditional strongholds of labor militancy among the industrial workers are recovering from the onslaught of globalization, new sections of the working class are already flexing its muscles for battle.

Public school teachers led by the newly-formed Teachers Dignity Coalition are pursuing the payment of their cost of living allowances through legal battle in the Supreme Court and campaigning through direct struggle for six hours teaching work as stipulated in their Magna Carta. In Metro Manila cities of Caloocan and Valenzuela, teachers' mobilizations and negotiations for the six-hour load have proved fruitful.

Also, for the first time Makati employees joined factory workers in a political mobilization just this month to oppose cha-cha and con-ass. The unity of white-collar and blue-collar workers is a herald for the coming year in their common struggle for economic relief and political reform. [Makati is the central business district where the headquarters and offices of big business, local and foreign, is based]

Labor's participation in the people's resistance to charter change campaign of Arroyo is a continuation of their long militant tradition of fighting not just for their own class interests but for the national issues as well.

Through the Partido ng Manggagawa, workers joined women's groups in the Task Force Subic Rape Case in pursuing justice for the rape victim known as Nicole. The Filipino working class hails the conviction of US Marine Smith in the Subic rape case as not just a personal victory for Nicole but also a symbolic triumph for Philippine sovereignty. The guilty verdict is the first instance of a US soldier convicted for a crime while on or off duty in the Philippines.

Truly the personal is political. The personal battle of the rape victim Nicole has thrown in sharp focus the political struggle to abrogate the Visiting Forces Agreement and assert Philippine sovereignty. The fight continues and labor calls for the abrogation of VFA and for the Smith to remain incarcerated under Philippine jails like any other common criminal.

The rights and benefits of teachers, and the guilty verdict in the Subic case are not the only hard-won victories by the working class this year. Despite all odds and through a final push by party-list representatives, the Php125 [US\$ 2.50] wage hike bill in the House of Representatives [the lower house of the Philippine parliament] passed the third and final reading just before it went on the Christmas recess.

Labor's Prospects in 2007

Donald Dee, head of the Philippine Chamber of Commerce and Industry, speaking on behalf of the capitalist class and acting in his nature as a Grinch stealing Christmas from the workers, has announced that they will wage an all-out war against the legislated wage hike. In that case, labor will make an all-out offensive for the passage of wage hike bill.

The working class movement will take the wage campaign to the next level—not just the Senate as the new arena of battle but also the strike as the additional form of struggle. Next year will be a battle royale between labor and capital for the legislated wage hike.

The workers now call on the Philippine Senate [the upper house of parliament] to give labor a happy new year. The Senate stood with the people against the railroading of the constituent assembly. Workers expect them not to derail the legislated wage and instead support labor in its demand.

In the coming days, capitalists will be taking out full-page ads worth hundreds of thousands if not millions, arguing against the legislated wage hike and asking the House of Representatives to backtrack.

Among others, they will raise the issue of lack of quorum on the night the wage bill was passed. The House records will bear out the truth of that accusation. What the workers do know is that 125 solons—a clear majority of the 236 members of the House—signed labor's petition for a legislated, across-the-board wage hike. The only reason the wage bill got stuck for months was the stonewalling of House leaders under pressure from Arroyo and business. It is not the fault of workers if the Scrooges took an early x'mas break and left the session in the hands of solons who acted on the grievances of labor.

No doubt the capitalists will cry that the passage of the wage bill is electioneering by the House members. In which case, the labor will remind capital that in a democracy, the voice and demands of the majority—which are the workers—should naturally be listened to and acted on by its elected representatives. Otherwise, it is not a democracy but a plutocracy.

As a last resort, capitalists are threatening that they will campaign against the legislators that moved for the legislated wage hike. Workers on the other hand will translate its labor power as labor vote for pro-labor candidates and against capitalist lackeys in the May mid-term elections.

The wish list of workers for 2007 is the enactment into law of the legislated wage hike and the victory of pro-labor candidates in the coming polls.