

2017 NWPC-RTWPB Corporate Planning Exercise

MESSAGE

Undersecretary Bernard P. Olalia

Delivered by Assistant Secretary Federico V. Abuan, Jr.

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- Asec. Alquiza
- Executive Director Criselda Sy
- All RTWPB Chairperson and Board Secretaries
- Officers and staff of the NWPC

Good morning.

- As we commence this joint CO-RB corplanning exercise, let us draw our attention to the Board directions set by our Secretary in minimum wage setting and productivity promotion.
- In the area of minimum wages, the Commission and the Boards must seriously assess the implementation and effectiveness of the current policy against its goals under RA 6727 or the Wage Rationalization Act and against the popular clamor for a national living wage. Let us squarely respond to these issues with hard facts, and years of knowledge and experience in minimum wage setting. We need to clarify minimum wage as a public policy within the total incomes framework to manage wage expectations. Advise policy makers and secure the support of our social partners. We need to emphasize that minimum wage is only one of a host of policy measures aimed at protecting workers' income and improving access to basic needs.
- While this debate continues, however, the Boards should be keener in assessing the impact of local regional conditions on employment, wages and incomes as this puts you in a vantage position to analyze and manage the wage issue. Let us strictly adhere to our rules and guidelines on minimum wage setting and continue to make use of empirical data as parameters for minimum wage setting under the two-tiered wage system.
- Let us also commit to simplify our wage orders to facilitate compliance and enforcement. Complex wage orders tend to lose their effectiveness for being too unwieldy to implement and enforce.
- Let me reiterate the Secretary's instruction for the Boards to regularly update him on the status of wage issuances.
- Alongside minimum wage setting, let us be more aggressive and strategic in helping MSMEs improve their productivity and competitiveness translating productivity gains into wage gains is at the heart of the two-tiered wage system. The issuance of advisories on productivity incentive schemes should focus on priority industries with strong employment potential that will create both employment and income opportunities for the majority of workers in the region. Make your advisories work. Simplify them, emphasize the benefits of productivity improvement and provide simple and practical models that can be readily adopted by MSMEs. Let me also direct the Commission to review and upgrade its productivity training modules in order to respond to new and emerging labor market trends and to the changing growth requirements of MSMEs. Let us deepen the culture of productivity and innovation and instill the value of quality among our MSMEs as their leverage for competitiveness. It is only when businesses are productive that they become viable and rich source of job and income for our growing labor force.

- On a lighter note, allow me to also congratulate the Commission and the Boards for being certified under ISO 9001:2015 and for achieving maturity level 3 under CSC's PRIME-HRM Program. These are truly commendable milestones which we should all take pride in.
- While we will continue with a concrete 2017 plan, more importantly, let us strive to deliver these commitments as we join the Department in its mission to promote workers' welfare and protect workers' rights.
- Thank you and good morning.