

2024 in Review: Philippine workers caught between economic difficulties and political intramurals

Monday 13 January 2025, by [MIRANDA Judy Ann](#) (Date first published: 5 January 2025).

Last year, workers in Philippines faced severe challenges in their wages, benefits and working conditions as they were caught in the vise of economic difficulties brought about by the cost-of-living crisis and escalating intramurals between the two leading political dynasties [1] in the country.

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While the average inflation of 3.2% in 2024 was almost half compared to 2023, it continued to erode the purchasing power of wages. Relatively higher food prices also disproportionately hurt minimum wage earners and informal workers with 4.3% inflation for the bottom 30% of the income households.

Demands for wage adjustment

Thus, the demand for another round of minimum wage increases in 2024 was a recurring theme for organized labor. The campaign for a wage hike was two-pronged with wage bills for a PhP 150 (USD 2.58) increase filed in parliament and at the regional wage boards [2].

The Senate [3] approved a P100 (USD 1.72) increase in the minimum wage in February 2024. This advance was a result of organized labor successfully leveraging the rift between the upper and lower houses of parliament over the latest move to amend the Constitution. The Senate stood pat against charter change and instead enacted the salary increase. However, the reverse was the case in the House of Representatives [4]. Despite conducting hearings on pending wage hike bills, the House Labor Committee sat on the proposal and basically killed it. In contrast with this inaction on the workers' demand for a wage adjustment, the House of Representatives was fast and furious with parliamentary hearings on the drug war and extra-judicial killings during former President Rodrigo Duterte's administration and the investigation on the controversial budget of the Office of Vice President Sara Duterte and the Department of Education during her tenure.

The year ended with no legislated wage hike but with wage orders for several regions. Notwithstanding the wage orders, minimum wages in all the regions—including those which increased—remained below the official poverty line. Even though the threshold was assailed for being too low—as the controversy over the official daily food budget revealed. With the wage boards perpetuating a system of poverty wages, calls for the abolition of the regionalized wage mechanism

became popular.

Table: Priority Budget				
Region	2019-2020	2020-2021	2021-2022	2022-2023
Region I	1,200	1,200	1,200	1,200
Region II	1,200	1,200	1,200	1,200
Region III	1,200	1,200	1,200	1,200
Region IV	1,200	1,200	1,200	1,200
Region V	1,200	1,200	1,200	1,200
Region VI	1,200	1,200	1,200	1,200
Region VII	1,200	1,200	1,200	1,200
Region VIII	1,200	1,200	1,200	1,200
Region IX	1,200	1,200	1,200	1,200
Region X	1,200	1,200	1,200	1,200
Region XI	1,200	1,200	1,200	1,200
Region XII	1,200	1,200	1,200	1,200
Region XIII	1,200	1,200	1,200	1,200
Region XIV	1,200	1,200	1,200	1,200
Region XV	1,200	1,200	1,200	1,200
Region XVI	1,200	1,200	1,200	1,200
Region XVII	1,200	1,200	1,200	1,200
Region XVIII	1,200	1,200	1,200	1,200
Region XIX	1,200	1,200	1,200	1,200
Region XX	1,200	1,200	1,200	1,200
Region XXI	1,200	1,200	1,200	1,200
Region XXII	1,200	1,200	1,200	1,200
Region XXIII	1,200	1,200	1,200	1,200
Region XXIV	1,200	1,200	1,200	1,200
Region XXV	1,200	1,200	1,200	1,200
Region XXVI	1,200	1,200	1,200	1,200
Region XXVII	1,200	1,200	1,200	1,200
Region XXVIII	1,200	1,200	1,200	1,200
Region XXIX	1,200	1,200	1,200	1,200
Region XXX	1,200	1,200	1,200	1,200

Fight over public health insurance

On another front, organized labor and civil society allies fought a defensive war to keep the funds of Philhealth—the public health insurance system—devoted to improving benefits services to members and providing services for indigents as mandated by the Universal Health Care law. PhP 60 billion (USD 1.03 billion) of Philhealth’s funds were transferred by President Bong Bong Marcos Jr. to fund unprogrammed items in the national budget before the Supreme Court in October stopped the last tranche of PhP 29.9 billion (USD 0.51 billion). The Nagkaisa (United) labor coalition was an intervenor in the Supreme Court case to oppose the transfer of PhP 90 billion (USD 1.55 billion) of Philhealth funds to the National Treasury.



Another battle erupted in December when the Congressional bicameral conference committee removed the subsidy for Philhealth along with cuts in other social services. The labor coalition Nagkaisa led protests in key cities, including a major rally in the capital, to call for the restoration of the Philhealth subsidy and social services budget. But President Marcos Jr. did not heed the popular clamor as he signed the national budget by year end with the much-assailed budget insertions for political patronage funds kept intact. Among these was PhP 26 billion (USD 0.45 billion) in unprogrammed budget items which has been criticized as funding for electoral patronage and tagged as the brainchild of House Speaker and presidential cousin Martin Romualdez. This means that formal and informal workers will now have to beg politicians for assistance for medical and other emergencies instead of getting health insurance as a right. As if on cue, the election commission allowed the distribution of patronage projects even during the midterm elections this year—breaking with the long-established rule of prohibiting the disbursement of public money during the campaign period since such is easily exploited as a means for vote buying.

Prospects for the year

The start of the year greets workers with a higher social security contribution of 5% to be deducted from their wages. This will result in lower take-home pay for private sector laborers. To keep the social security system afloat while easing the burden on workers, the government should subsidize the employee share. This is a tough ask as the Marcos Jr. administration would rather have workers and the poor solicit patronage from politicians. This promises to be another plank of organized labor’s demand for quality public services and universal social protection.

Even as demands for higher pay, lower prices, more jobs and decent work remain very popular issues during the election period, prospects are bleak that the polls will result in positive outcomes for workers given that political dynasties—which are evolving from fat to obese [5]—dominate the landscape. Workers have no allies either in the two main political dynasties—the Marcoses and the Dutertes—which will be fighting for supremacy in the coming May 2025 polls.

Continuing recent trends, many labor-based groups have been eased out of the party list system [6] as it has been swamped by electoral vehicles for politicians who cannot compete in district polls. The party list system has warped into just another pathway for members of obese dynasties to enter the House of Representatives through the backdoor.

Nonetheless, groups such as Partido Manggagawa (PM) are engaging with local candidates for the establishment of public laundromats and whole day childcare centers to ease the care burdens of employed and unemployed women. Along with such low-hanging fruits, PM also is campaigning for the passage of the Prevention of Adolescent Pregnancy bill in response to the crisis level of teenage mothers. Against the tide of sleek TV and FB ads of national candidates, PM is conducting information dissemination in working-class communities during the elections for what it calls “Apat na Dapat” (Four Demands): wage hike, regular jobs, social services and national sovereignty.

Workers will have to endure worse economic difficulties as political infighting heightens in 2025 and the remaining years of the Marcos Jr. administration. Nonetheless, this situation also motivates organized labor to engage with public outrage over wanton government corruption and dynastic political dominance. A big multi-sectoral rally this month promises to jumpstart a robust movement for good governance, in which workers’ demands should be embedded and integral.

Judy Ann Miranda, Secretary General of Partido Manggagawa and a labor feminist.

P.S.

- Partido Manggagawa. Sunday, January 5, 2025 at 3:46:00 PM:
<https://partidongmanggagawa2001.blogspot.com/2025/01/expanded-version-philippine-workers.html>

Footnotes

[1] Political dynasties refer to influential families dominating elected positions of power

[2] Appointed bodies with the mandate to decide on minimum wage increases

[3] Upper house of parliament

[4] Lower house of parliament

[5] Social scientists have used the terms thin and fat as a typology for political dynasties

[6] Party list was an innovation in the Constitution to facilitate the election of underrepresented groups, like labor, to the House of Representatives