

# Too early for minimum wage increase — PCCI

By John Victor D. Ordoñez  
Reporter

THE Philippine Chamber of Commerce and Industry (PCCI) on Wednesday said it was too early for trade unions to ask for a daily minimum wage increase in Metro Manila, adding that inflation and oil prices would probably taper off starting next year.

“What is important right now is to sustain their workers’ jobs and create more opportunities to boost jobs,” PCCI President George T.

Barcelon said by telephone. Regional tripartite wage boards would likely address worker pay next year, he added.

In June, the Metro Manila Wage Board issued a P33 minimum wage hike. Wage boards can only act on wage petitions a year after a region’s last wage order.

The Kapatiran ng mga Unyon at Samahang Manggagawa trade union filed a petition on Monday seeking a P100 increase in the daily minimum wage in the National Capital Region.

Minimum wage earners who work five days a week earn P11,400 monthly, which is lower than average monthly expenses of P15,666, it said, citing 2018 government data.

**FULL STORY**



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“The average inflation rate in the Philippines during that time was 5.2% for the entire 12 months, which was surpassed [in the first 10 months of] 2022, averaging 5.4%,” it said in a statement. Rising prices make it difficult to live on a daily minimum wage of P570, it added.

## Manila must scrap labor contracting, says envoy

By Alyssa Nicole O. Tan  
Reporter

THE PHILIPPINES should overcome its labor contracting policy to improve worker conditions, the Swedish ambassador in the Philippines said on Wednesday.

The unavailability of permanent jobs has negatively affected the livelihood of many Filipinos, Swedish Ambassador Annika Thunborg told *BusinessWorld* on the sidelines of a labor forum.

**FULL STORY**



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“Contractualization is an issue,” she said, referring to the corporate practice of giving workers temporary work that is fewer than six months and then ending their employment just before they get regularized to avoid paying benefits.

“In certain sectors, you can have more temporary contracts. It comes with the nature of the business. There are very big sectors, professional groups or just groups of workers in the Philippines that completely have no organization at all,” she added.

**OPINION**

## Misinterpreting employee empowerment

**T**he supervisors’ union is testing the limits of our employee empowerment program when it encouraged those affected to “do what they want to do within their job description.” A case in point is when a supervisor allowed his unit to work almost without close supervision on the condition that they meet their daily production quota. The trouble is that several team members are complaining they’re required to take up the slack for two to three workers who come in late and leave early as soon as they’re nearing the team’s daily quota. What’s the cure? — *Banana Boat.*

Clearly, the concerned supervisor has no clear understanding of the limits of empowerment. Even if one is empowered, that person can’t do what he wants to do even if their group is meeting the production quota as exemplified by the subject complaint raised by some team members.

There’s no question that employee empowerment is important. “When employees feel

empowered at work, it is associated with stronger job performance, job satisfaction and commitment to the organization,” according to the 2018 *Harvard Business Review* article by Allan Lee, Sara Willis and Amy Wei Tian.

“Many leaders today often try to empower their employees by delegating authority and decision-making, sharing information and asking for their input. But our recent research found that this style of leadership works best in motivating certain types of performance and certain types of employees.”

In other words, not all employees can benefit from empowerment, especially those who lack the discipline to fully support and cooperate with their team members who are forced to work hard for them.

**SOLUTIONS**

It’s not too late to fix the situation, especially if you have a pending complaint from other team members who feel aggrieved. With or without a supervisors’ union, you can always correct this problem

by issuing a memorandum clarifying the specific limits of their authority to be empowered:

**First, recognize how empowerment has improved work operations.** Cite specific accomplishments of the program and reward people for their milestones. It’s important to give factual and verifiable records of “before and after” situations to justify the many advantages of empowerment. It’s important to emphasize this because you don’t want to suspend or cancel an empowerment program due to this isolated incident.

**Second, review the empowerment policy, if there’s any.** Discover the missing link of the policy in the actual situation and other foreseeable situations that could happen. Focus on what the supervisors and their teams can handle. This means making a distinction between what’s routine and what’s extraordinary.

For complicated, unusual and sensitive matters, the supervisor’s authority is limited to giving top three recommended solutions, arranged according to the order of priority for management approval.

**Third, define the terms and conditions of empowerment.** In general, empowerment is several steps higher than what we know about

simple delegation. No matter how you define empowerment and the amount of authority you’re willing to extend to all supervisors, ensure that top management or its representative is not blindsided by issues like what you have now.

In other words, management should have the veto power to override a supervisor’s decision if it would result in a bigger issue, like the case of our imperfect attendance record that resulted in the inequality of contributions from team members.

**Lastly, meet with all supervisors and their team members.** Explain in detail what level of independence that they can enjoy and their limitations. Allow a question-and-answer hour to discuss specific issues, even hypothetical ones that may not be covered by the memorandum. As much as possible, give a clear answer and avoid telling them vague answers like “Let’s cross the bridge when we get there.”

**TESTING THE LIMITS**

There’s no point in making a conclusion that the supervisors’ union is “testing the limits” of your employee empowerment program in the absence of a clear proof. It’s not a politically correct strategy. Otherwise, if you’ll continue putting malice on

anyone, including the supervisor’s union, and you’ll make it difficult to resolve the issue.

The best approach is to treat everyone with respect and go direct to the point in resolving the issue right away, up to the extent of ignoring other peripheral issues that may not help at all. Ask yourself this important question: Do you trust the supervisors and their union that they are ready to be empowered and capable of handling sensitive issues?

If your answer is yes, then you’re on the right path. Empowerment is all about trusting the supervisor’s judgment call and that all supervisors similarly situated can make a sound decision. Therefore, accept the fact that not all supervisors will embrace the idea of empowering their workers with open arms.

Some may not even like it for its increased responsibility. If that happens, be alert to any eventuality without losing focus of the fact that empowerment is one best approach that could be misinterpreted from time to time.

Ask your workplace questions to Rey Elbo on Facebook, LinkedIn or Twitter or e-mail [elbonomics@gmail.com](mailto:elbonomics@gmail.com) or via <https://reyelbo.com>



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