

# PHL wage growth outstripped food prices in 2022

MINIMUM WAGES in the Philippines increased faster than the prices of basic food products, according to research firm Picodi.com.

In its study on global minimum wages, the firm ranked the Philippines 35<sup>th</sup> out of the 67 countries that raised their standard monthly pay last year.

“In Asia-Pacific countries such as India, Indonesia, the Philippines, Thailand, and Vietnam, basic food costs over half of the minimum income,” the research firm said. “Compared to the previous year, this year the minimum wage grew faster than the prices of products.”

It said the Philippines’ net monthly minimum pay in January was P8,066, up 9.2% from a year earlier.

Argentina topped the list with the largest year-to-year minimum wage

increase of 104.5%, bringing its current standard pay to the equivalent of \$336.

A basket of basic food items that sustains an average adult in the Philippines is worth about P5,304 and took up about 65.8% of a Filipino worker’s net monthly wages in January, lower than the year-earlier share of 68%, Picodi said.

“This means that the wages of those paid the least increased faster than food prices,” Picodi said.

The Philippines placed 64<sup>th</sup> among the 67 countries in terms of the ratio of basic food prices to the net minimum wage. In the UK, food products only accounted for 6.5% of a worker’s monthly pay.

In the first half of 2022, global wages fell in real terms for the first time in the 21<sup>st</sup> century, the Inter-

national Labor Organization said in December.

Headline inflation hit a 14-year high in December of 8.1%, against the 8% posted a month earlier.

Philippine labor groups have said workers continue to struggle with low wages despite the recovery from the pandemic.

The National Wages Productivity Commission and tripartite wage boards are studying the need for more wage hikes amid increasing prices of basic commodities, Labor Secretary Bienvenido E. Laguesma earlier said.

The Metro Manila board last year imposed a P33 minimum wage increase. Wage boards can only act on wage petitions a year after a region’s last wage order. — **John Victor D. Ordoñez**

## Japan, Inc. is finally giving raises, just not to everyone

TOKYO — Japan’s top companies are gearing up to offer their biggest wage increases in decades, but there’s no way Hideki Kawada can afford raises for the 18 employees at his printing firm.

Prime Minister Fumio Kishida has called on Japan, Inc. to increase pay and reverse decades of flat wages that have squeezed growth in the world’s third-largest economy.

Fast Retailing Co. Ltd., which owns clothing giant Uniqlo, said it would boost pay by up to 40%, fueling expectations big manufacturers will offer more at annual wage talks with unions this spring.

Yet the small companies that provide most of Japan’s jobs generally can’t increase pay, business owners, economists and officials say.

Battered by the pandemic, small firms now struggle to pass on higher costs out of

fear of losing customers. That’s bad news for both Mr. Kishida and the central bank, which wants to wind down years of stimulus.

The lack of broad wage growth illustrates Japan’s struggle to escape a deflationary spiral that has forced households and businesses to scrimp instead of spend.

“Sure we can give raises, that’s easy, but we’d be out of business in two years,” said Mr. Kawada, whose Tokyo company, Kowa, prints advertisements and brochures.

The cost of paper went up three times last year and his ability to raise prices is limited by competition.

“The companies that can hold out and offer lower prices, even temporarily, get the work,” he said. “Everyone’s losing money, so it’s just a case of enduring as long as you can until the other guys go out of business.” — **Reuters**

**FULL STORY**



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**OPINION**

## When an office romance becomes disruptive

**T**wo colleagues who were in a relationship for years have just broken up. Unfortunately, it has adversely affected the office and other workers. The woman has been belligerent on occasion, including to those who are her ex’s work friends. Last week, I personally witnessed the woman’s hostile behavior towards co-workers for no obvious reason. What can we do? — *White Lady*.

There are many questions that we should ask before we can come up with an appropriate answer. I am assuming both of the workers are single. I would also assume they’re not in some kind of a boss-subordinate relationship.

The next thing to do is to review your management policy on office romance. Depending much on the industry, I’ve seen and heard of

many organizations prohibiting their employees from entering into romantic relationships, because they are disruptive by nature.

An office romance is also fodder for gossip. When it happens on a regular basis, it can cause

low productivity as workers waste time gossiping, as if the relationship were a telenovela or a K-drama.

Another reason organizations prohibit office romance is due to the risk of favoritism in the case of subordinate-superior relationships. Even if the romantic partners are on equal footing, issues may crop up, including cover-ups when someone screws up.

Before you know it, the parties may not be able to control their libidos, to the extent where they may indulge themselves on company premises. If this happens, imagine how the gossips will go into overdrive.

**POLICY REVIEW**

There are some advantages to office romances between eligible partners. It could engender company loyalty and positive work relationships. By and large, however, the disadvantages of office romance greatly outweigh the perceived benefits.

Therefore, the best thing to do in managing the current situation is to review what the policy says. If your policy is silent, it may be time to issue an office memorandum expressly prohibiting dating and office romance under all circumstances.

There could be opposition to your new policy, but stand your ground. You can cite many reasons against office romance, especially if you belong to an educational institution where scandal could be damaging, with a negative impact on the students.

Even if you aren’t in that industry, you can argue that office romances are counter-productive to the workplace. The policy must have a prospective application. This means you need to

manage a transition period if the new policy is to succeed. Consider the following options:

**One, reassign one of the parties to an affiliate company.** Sweeten the package by offering the worker a minimal salary increase without loss of seniority. That’s assuming that an affiliate company has a policy that prohibits office romance. You may hold the negative impact of the breakup over their heads for leverage.

**Two, transfer one party to a branch far from the office.** This is your next option if number one is not possible. Much better if the transfer results in a shorter commute for the worker involved. This allows everyone a respite so the parties can cool off.

**Last, warn the two parties against further incidents.** This is your next step if number one and two are not feasible. At any rate, they won’t have much choice because of the new policy that prevents them from resuming their relationship. While romance is sweeter the next time around, the new policy must make re-engaging unthinkable.

Don’t even consider termination. The Supreme Court has ruled that an office romance between two unmarried adults with no impediments to marry is not a criminal offense that warrants disciplinary action. This applies even if it results in an “intimate out-of-wedlock” relationship, the court ruled in GR 202621 (2016).

Keep your ear to the ground. Be proactive. The moment something crops up, remind the parties in separate confidential meetings that they are obliged to follow the policy prohibiting office romance. Explain the negative implications of office romance to all workers.

Remind everyone about it as soon as you see it happening — not just between single partners, but between bosses and subordinates.

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



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