

DA still validating projections of pork shortage next month

THE Department of Agriculture (DA) said on Monday that it is validating projections of a pork shortage in April, saying it is trying to reconcile government data with input from the hog industry.

DA Deputy Spokesman Rex C. Estoperez said it will have a clearer picture of the supply situation later in March.

"The negative (figures) are cumulative on a month-to-month basis. We have to verify at the end of March together with the data of stakeholders (to) come up with

the validated figure," Mr. Estoperez said in a briefing.

According to data presented by the DA's National Livestock Program on Thursday, the Philippines is expected to experience a shortfall in the supply of domestic pork in April of at least 56,180 metric tons (MT), against demand of 145,849 MT.

According to Mr. Estoperez, the projections do not take into account the inventory of imported pork. He said a validated shortage will trigger discussions on the need to import.

"If we have the final figure then we can say (how much volume we need to import). For now, we cannot declare (a shortage) as it is not the final figure," he said.

Pork Producers Federation of the Philippines, Inc. President Rolando E. Tambago urged the Bureau of Animal Industry to review protocols for mitigating African Swine Fever.

In a statement, Mr. Tambago said that the standard response to an outbreak — culling swine within a 500-meter radius — was

"counterproductive" because it also affects healthy pigs.

He said that the method would encourage farmers to dispose of their hogs to traders at a discount, including infected animals.

"They've been observing this protocol for more than three years, yet the disease continues to spread," he said.

According to DA monitoring reports on Monday, the retail price of pork belly (*liempo*) was between P340 and P420 per kilo, while pork shoulder (*kasim*) was between P270 and P350. — **Sheldeen Joy Talavera**

Labor coalition seeks P750 minimum wage for Calabarzon region

THE Worker's Initiative for Wage Increase (Win for Win) on Monday asked the Calabarzon wage board to increase the daily minimum wage in the region to P750 to help workers deal with the rising prices of basic goods.

In a five-page petition, the coalition said it proposed wage hikes of P280, P321, P360 and P400 for what it said were the four wage classes in Calabarzon, which consists of the provinces of Cavite, Laguna, Batangas, Rizal and Quezon.

"Increasing the minimum wage will have a positive impact on the macroeconomy as workers and their families will have increased purchasing power, which will boost consumption and benefit retail businesses," it said.

Last year, the Calabarzon regional wage board implemented a new daily minimum wage for three categories of worker — of P470 for non-agricultural workers; P429 for agricultural workers; and P350 in retail and service establishments with not more than 10 workers.

Wage boards can only act on petitions a year after a region's last wage order.

Citing data from think tank IBON Foundation, Win for Win said the minimum living wage in Calabarzon for a family of five should at least be P1,087.

"The workers assert that a substantial increase in minimum wages is urgent, necessary and just," Win for Win said in a separate statement.

It said rising prices of commodities represent a "super-vening event" that justifies higher wages. The labor coalition cited the war between Russia and Ukraine as a factor that continues to elevate fuel prices.

In a separate statement, the Federation of Free Workers (FFW) backed the proposal and urged the Calabarzon

wage board to immediately act on Win for Win's wage petition.

"The proposed wage hike will go a long way in helping these workers cope with the rising cost of living and necessities for their families," it said.

Inflation in February eased to 8.6%, from a 14-year high of 8.7% a month earlier as prices of food and utilities remained high. The Bangko Sentral ng Pilipinas expects inflation to average 6.1% this year.

Under the Labor Code, wage boards must consider the demand for a living wage, the impact of wage adjustments on the consumer price index, the changes in the cost of living in the region, and the needs of workers and their families, among others.

Last week, the United for Wage Increase Now! filed a petition to bring the current P570 minimum wage in the National Capital Region to P1,110.

Senate President Juan Miguel F. Zubiri has filed a bill seeking to increase the minimum wage for private sector workers by P150 nationwide, which he said could help workers deal with the rising prices of goods and services.

The Makabayan bloc also proposed a wage increase at the House of Representatives, seeking a P750 hike for all private sector workers, those working in special economic zones, freeports and in the agricultural sector.

"The high cost of living coupled with job losses and reduced working hours have made it almost impossible for many to make ends meet," FFW said.

"This is the reason why FFW joins the call for the government and employers to prioritize the welfare of our workers and ensure that they receive just compensation for their labor. — **John Victor D. Ordoñez**

Road connectivity named key gov't priority

PRESIDENT Ferdinand R. Marcos, Jr. said on Monday that he will pursue more projects interconnecting the country's road networks.

"We will continue to push for the interconnectivity of major roads and expressways, as well as build even more roads and bridges in strategic places within the archipelago," he said in a speech at the inauguration of the North Luzon Expressway (NLEX) Connector Project's first phase. The road is a five-kilometer elevated expressway running from Caloocan's Circumferential Road 3 (C-3) to España Boulevard in Manila.

The first segment is part of the NLEX-South Luzon Expressway

(SLEX) Road Connector Project, an eight-kilometer, four-lane elevated expressway spanning C3 Road, España, the Polytechnic University of the Philippines in Sta. Mesa, Manila and the Metro Manila Skyway Stage 3.

"We will not stop here, and we will continue to develop a highly interconnected road network that will facilitate our country's rapid, inclusive, and sustained economic growth," Mr. Marcos said.

The NLEX Connector Caloocan-España section will be a "great relief" to the logistics sector "since there will be an alternative route for truckers who wish to avoid the congestion in the

main roads within the metropolis," Mr. Marcos said.

"(It will) contribute to the ease of movement of cargo and goods from north to south and vice versa, especially those coming from the Port of Manila."

The NLEX Connector's first segment is expected to cut travel time between the cities of Manila and Caloocan to five minutes.

The second phase, which will run between España to Magsaysay Boulevard, is expected to be finished by June.

The P23.20-billion NLEX-SLEX Connector Project is a public-private partnership between the Department of Public Works

and Highways and Metro Pacific Investments Corp.

"Once completed, it is expected to decongest traffic in Metro Manila by providing an alternative to C-5 Road, Epifanio de los Santos Avenue (EDSA), and other major roads," the Department of Finance said in a statement.

"It will also cut the travel time between NLEX and SLEX from more than an hour to just 15 to 20 minutes," it added.

Mr. Marcos urged NLEX Corp. to "remain steadfast" in its commitment to working with the government to improve the infrastructure landscape. — **Kyle Aristophere T. Atienza**

NLEX connector road segment 2 set to open as early as June

THE second segment of Metro Pacific Tollways Corp. (MPTC) unit's NLEX Connector Road is set to be completed by the end of June if right-of-way acquisitions go as planned, NLEX Corp.'s president said.

NLEX Connector Road, an 8-kilometer expressway linking the Caloocan Interchange on Circumferential Road 3 (C-3) to Magsaysay Interchange at the Polytechnic University of the Philippines, is managed by MPTC unit NLEX Corp.

"Provided that we get all the right of way from the DPWH (Department of Public Works and Highways), we think we will be able to complete (the second section) by the end of June. That's

from España all the way to Magsaysay interchange," NLEX Corp. President and General Manager Jose Luigi L. Bautista said on the sidelines of the inauguration of the project's first phase.

"If they are able to deliver all of the remaining right of way by April, we would be able to finish by June."

To date, Mr. Bautista said that the second segment of the NLEX Connector project has obtained 80% of the right of way to be acquired, while construction is 42% complete.

Mr. Bautista said the remaining right of way to be acquired is in the Magsaysay Boulevard area.

On Monday, MPTC inaugurated the first five-kilometer section of the NLEX Connector Road which is set to be opened to the public as soon as the company is cleared to do so by the Toll Regulatory Board (TRB).

"TRB has a board meeting and one of the things that they will discuss there is the permit to allow us to open. If we get the permit (by early Tuesday), I think by the afternoon (of the same day) we will be able to open," Mr. Bautista said.

MPTC proposed to the TRB an P84-P85 toll for road users traveling between the Caloocan Interchange and España, according to Mr. Bautista.

"We will see about the results of the board meeting of the TRB. It is possible that we let motorists use it for free for a month, so that they can get comfortable using it," Mr. Bautista said.

He said any such opening would be in time for the Easter holidays, allowing cars feeding into the North Luzon Expressway (NLEX) to be distributed among Mindanao Avenue, Balintawak and España.

During the week of Easter, Mr. Bautista said NLEX and Subic Clark Tarlac Expressway users are expected to number at least 350,000 a day. — **Justine Irish D. Tabile**

OECD cites need to build Southeast Asian resiliency by upskilling workforce

SOUTHEAST ASIA needs to upskill its workers to support productivity growth and improve resiliency against global crises, the Organisation for Economic Co-operation and Development (OECD) said.

"In Southeast Asia, workers are struggling to reskill and upskill quickly enough to adapt to changes in the world of work, and employers who often encounter difficulties in finding the skills they need as productivity becomes a more important driver of the region's economic growth," the OECD said in a report.

"To thrive in the world of tomorrow, people in Southeast Asia, especially those from disadvantaged groups, need access to high-quality opportunities to develop and use their skills over the life course, which would help them transition out of informality, boost productivity and promote individual and societal well-being," it added.

The report said the coronavirus disease 2019 (COVID-19) pandemic, the Russia-Ukraine crisis, and other crises disrupted the economy and increased the risk of inequality in education and labor markets in Southeast Asia.

The development of skills in the region also "remains highly unequal across groups."

"Consistently across all levels of education, access to learning is limited for learners from low-income households, remote areas, ethnic minorities and learners who have disabilities," it said.

The report said that lack of access to training among workers in Southeast Asia's sizeable informal economy is one of the region's "principal policy concerns." There are about 244 million informal workers throughout the region who do not have access to social secu-

rety or employment benefits, including employer-sponsored training.

"These megatrends and challenges reinforce the need for Southeast Asia to design forward-looking and dynamic skills policies," it added.

The OECD cited the potential of global value chains to allow various parts of the production process to be performed in a number of locations.

"Many Southeast Asian countries are now major players in the world market, both as exporters and importers, and have thus attracted significant invest-

ment in services, trade, communication and manufacturing sectors," it said.

"When Southeast Asian countries have a highly skilled workforce, this enables them to participate in the higher end of the global production chain characterized by high-skilled activities. Participation in global value chains can lead to productivity gains, but achieving those gains is dependent on Southeast Asian countries having people with the right sets of skills," it added.

There is also a need to adopt high-performance workplace practices to

facilitate the more extensive use of skills among workers.

"The low use of skills in Southeast Asia stems from the lack of an enabling environment for intensive skills use in the workplace and limited management capacities among employers," it said. — **Luisa Maria Jacinta C. Jocson**

FULL STORY

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OPINION

Taxpayers and BIR do share common ground

FOR taxpayers using the calendar year, the due date for the filing of the 2022 Income Tax Return (ITR) is April 17, 2023, since April 15 falls on a Saturday. Taxpayers are already used to this cycle of filing tax returns regularly — the ITR being the last periodic tax return to be filed for a taxable year — then wait for the Bureau of Internal Revenue to come to them for the subsequent audit.

Many have the impression that taxpayers and the BIR are on two opposite sides. Some taxpayers believe that, even when they file their tax returns correctly, the BIR will subsequently assess them arbitrarily for tax findings. On the other hand, certain BIR officers believe that some taxpayers are dishonest; hence, revenue officers becoming overly skeptical about taxpayers during audits. There appear to be trust issues on both sides.

Based on the BIR's Annual Reports posted on its website, revenue from BIR audits for the past two taxable years com-

prise less than 3% of the BIR's total collections. Meanwhile, the remainder, comprising more than 97% of the collections, comes from voluntary tax payments.

Having seen the above percentages, one might wonder — who wants to spend so much time on the measly 3% of revenue generated by BIR audits? Yes, in a revenue budget of more than P2.5 trillion, such percentage translates to over P75 billion for the government; but nonetheless, perhaps, there could be better ways to capture such relatively minimal percentages while maximizing the personnel resources of the government.

On the other hand, taxpayers also prefer to devote their resources in complying with their tax obligations and filing tax returns, rather than spending time disputing and arguing against the BIR during audits. Not to mention, such cases can end up in the courts for years. Who wants such stress, in addition to the daily demands on taxpayers and on their Finance and Tax personnel?

Regarding the 3% portion of the BIR's revenue collections from audits, while it is relatively small part of overall revenue, that percentage could generate major discord between the BIR and the taxpayer, especially when an audit is perceived to be unreasonably handled by certain BIR revenue officers.

Audits initially alleging hundreds of millions or billions of pesos in tax assessments that are later disputed and reduced to less than 1% of the initially alleged amount suggest a major disconnect between the BIR and taxpayers. In situations like these, questions from taxpayers may arise on why the BIR almost always starts at such huge amounts. Do they really believe that the taxpayer they are examining is that dishonest? Is this a form of harassment against taxpayers?

On the part of BIR audit teams, they may contend that it is also not their fault that they start at such enormous amounts of initial tax findings, as such may have been based on the practice of the many other BIR audit teams in the past. Or perhaps, one may ask,

are the BIR audit procedures really designed to follow an overly skeptical approach against taxpayers? Do the BIR audit teams want to be perceived as tormentors?

Of course, it is a different story when it comes to tax evaders, like those using false official receipts that we have been reading about in recent news reports. Needless to say, these evaders should really be run after. But for a regular BIR audit, how can the gap be narrowed between the BIR and the taxpayers?

In recent BIR tax campaigns, we have been hearing that the BIR intends to focus on providing great service to taxpayers. Further, it is the direction of the BIR that with convenience, accessibility, transparency, and fairness, more and more businesses will leave the shadow economy and voluntarily join the tax net. On the part of the taxpayers, this is a very welcome approach, as this focuses on 97% of the government's revenue collections.

One could say that improving voluntary tax payments, instead of fighting it out during audits, should be the

common ground shared by the BIR and taxpayers. Hence, in bridging the gap, both sides could channel their efforts and resources towards the promotion of tax education, simplification of tax rules and compliance thereto, and formulation of equitable BIR audit procedures, among others.

On the taxpayers' part, the payment of correct income tax due on their 2022 ITRs at the April deadline will be a confirmation of that common ground with the BIR.

Let's Talk Tax is a weekly newspaper column of P&A Grant Thornton that aims to keep the public informed of various developments in taxation. This article is not intended to be a substitute for competent professional advice.

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