P40 NCR wage hike to take effect while 'living wage' petition is heard

THE Department of Labor and Employment (DoLE) on Tuesday said the P40 minimum wage hike in the National Capital Region (NCR) will take effect on July 16 even with an appeal pending from labor unions seeking a living wage.

The National Wages Productivity Commission (NWPC) has 60 days to act on the appeal from the day it was filed, July 3, DoLE said in a statement.

The appeal was filed by the Alliance of Nationalist and Genuine Labor Organizations, Labor Alliance for National Development, Gabay ng Unyon sa Telekomunikasyon at Serbisyo, and Pinagkaisang Lakas ng Manggagawa ng Manila Bay.

"The NWPC said that the appeal is part of the minimum wage determination process and shall be acted upon promptly," the DoLE said.

On June 29, the NCR Tripartite Wages and Productivity Board approved a P40 increase in the daily minimum wage, bringing the daily minimum wage to P610 a day from P570.

The hike also increased the minimum wage to P573 for agriculture and service retail establishments with 15 or fewer workers.

DoLE earlier said the pay increase is expected to benefit about 1.1 million workers in Metro Manila.

Under the NWPC's rules, a wage order may be appealed if the wage board can be shown to have abused its discretion by failing to comply with the guidelines in determining a regional wage increase.

DoLE quoted the labor groups as saying that the recent pay increase is insufficient as a living wage considering the rising prices of basic services and commodities.

They estimated that a minimum wage should be P1,161 to suffice as a living wage in the capital region.

Under the Labor Code, wage boards must consider demands for a living wage, movements in the consumer price index, changes in each region's cost of living, and the needs of workers and their families.

The Unity for Wage Increase Now earlier filed a petition to raise the previous P570 daily minimum wage in Metro Manila to P1,100.

The Kapatiran ng Mga Unyon at Samahang Manggagawa in December filed a petition seeking a P100 increase for the capital region.

Last week, Labor Undersecretary Benedicto Ernesto R. Bitonio, Jr. said the regional wage boards of Central Luzon, Calabarzon, Western Visayas and Central Visayas will likely decide on pending wage petitions by September.

The wage boards are scheduled to hold their public hearings and consultations in July and August, he said.

Legislators have also proposed across-the-board minimum wage increases for workers in the private and agriculture industries to help them cope with inflation.

In March, Senate President Juan Miguel F. Zubiri filed a bill seeking to increase the minimum wage for these workers by P150. — **John Victor D. Ordoñez**

Yellow alert declared over Luzon grid after Batangas power plant suffers outage

THE Luzon power grid was placed under yellow alert on Tuesday after the sudden plant outage of San Lorenzo power plant in Batangas City.

In an advisory, the National Grid Corp. of the Philippines said the yellow alert was raised over Luzon between 1 p.m. and 4 p.m., when peak demand was estimated at 12,222 megawatts (MW), against available capacity of 12,705 MW.

San Lorenzo is a combined-cycle plant which can run on natural gas. It has a capacity of 500 MW.

Yellow alerts are declared when supply available to the grid falls below a designated safety threshold. If the supply-demand balance deteriorates further, a red alert is declared, signifying the grid operator's intent to ration power via rolling brownouts.

The Department of Energy (DoE) said the tripping of San Lorenzo eroded the scheduled contingency reserve to a level below highest-capacity unit that is online.

"As of this report, the DoE is still coordinating with San Lorenzo and other stakeholders for the cause of the tripping," DoE said.

Separately, Manila Electric Co. (Meralco) said an automatic load dropping incident occurred which led to the removal of about 396 megawatts (MW) from Meralco's available supply.

The power utility said that about half a million of its customers in parts of Metro Manila, Bulacan, Cavite, Laguna, Rizal, and Quezon experienced brief power interruptions that lasted for eight minutes.

Meralco also said that it immediately activated the interruptible load program (ILP) following the grid operator's announcement of insufficient supply.

ILP participants are large power users that have their own generating facilities. These entities stop drawing power from the grid during times of unreliable supply, tapping their own power plants for their needs and reducing the overall load on the grid.

"We continue to monitor the situation and are ready to implement contingency measures as needed," Meralco said.

The DoE estimated power demand on Luzon last week at 12,550 MW, the highest level so far for the year. The previous high was 12,417 MW in May.

The government weather service has declared El Niño to be active, likely bringing warmer temperatures that will raise power demand.

The DoE projects four yellow alerts in the July-August period, with Luzon grid reserves expected to thin due to El Niño. — **Ashley Erika O. Jose**

BMI maintains PHL GDP estimate at 5.9% amid softer exports, investment

BMI Country Risk & Industry Research said it maintained its 5.9% growth forecast for the Philippines this year, remaining of the view that exports and investment will weaken.

In a webinar on Tuesday, BMI Asia Country Risk Analyst Shi Cheng Low said the slowdown from last year's 7.6% will be mainly driven by weaker exports and investments, despite the stronger-than-expected expansion in the first quarter.

The Philippine economy grew 6.4% in the first quarter, moderating from 8% a year earlier.

Household consumption eased to 6.3% in the three months to March from 7% a quarter earlier.

"Externally, weak global demand will actually drag down Philippine exports... Domestically, we think that interest rates will be capped at multi year highs of 6.25%, which will weigh on domestic activity given the 425 basis points (bps) worth of hikes," Mr. Low said. — **Keisha B. Ta-asan**

FULL STORY
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Preliminary FTA discussions with EU expected this year

THE Department of Trade and Industry (DTI) said preliminary discussions to determine the proposed scope of free trade agreement (FTA) negotiations with the European Union (EU) are expected to start this year.

Trade Secretary Alfredo E. Pascual said at a recent briefing that the FTA talks have moved forward after meetings with European Commission (EC) President Ursula von der Leyen during the DTI's Europe Investment Roadshow between June 18 and July 6.

The roadshow visited France, the UK, Belgium, the Netherlands, and Germany.

"The initial discussion is scoping. This means comparing notes, meeting of minds... My expectation is that there will be scoping discussions within the year, based on what my counterparts have expressed," Mr. Pascual said.

There have been two negotiations for the proposed FTA, with the last one taking place in 2017. Negotiations were officially launched in December 2015 but suspended over concerns about the previous administration's human rights record.

Trade Undersecretary Ceferino S. Rodolfo said in the same briefing that the preliminary discussions will set the terms of reference for the FTA negotiations.

He noted increased interest in industries such as electric vehicles, critical minerals, and renewable energy, which did not feature in previous talks.

Mr. Pascual said the proposed FTA is vital as the Philippines is expected to graduate to upper-middle income status in a few years, rendering it ineligible for the EU's Generalized Scheme of Preferences Plus (GSP+) trade incentive scheme.

"Our expectation is that by 2025, we will become an upper-middle income country, in which case we will not be able to avail of the benefits under GSP+. If that happens and the FTA is not finalized, our exports will be disrupted. That is why we need to negotiate the FTA," Mr. Pascual said.

GSP+ allows the Philippines to avail of zero tariffs on 6,274 products or 66% of all EU tariff lines. Some of the top Philippine exports to the EU are crude coconut oil, tuna, pineapple, and other agricultural products.

The DTI estimates that €2.93 billion worth of Philippine products were exported to the EU under GSP+ last year, equivalent to a 77% utilization rate. The EC recently proposed to extend the GSP+ to 2027. The scheme is set to expire by year's end. — **Revin Mikhael D. Ochave**

Discover Westwood Storeys: Pueblo's forest-inspired condominium development

Tagged as "the City of Golden Friendship", Cagayan de Oro is quickly becoming a top investment destination in the Philippines. With its prime location as the entry and exit point to Mindanao, its thriving economy, and its abundance of agricultural land and open spaces, CDO serves as an ideal place for Filipino Families.

It is also where Pueblo de Oro Development Corporation's newest development is located. This year, Pueblo will be offering its latest foray into the vertical housing market with the launch of its distinctive condominium project, Westwoods Storeys.

GOLD STANDARD FOR MODERN LIVING

Maintaining the gold standard of community lifestyle, Pueblo de Oro proudly offers Westwoods Storeys, a medium-rise condominium with seven-floor buildings. It offers studio (25 sqm) and 2-bedroom (56 sqm) units with introductory prices ranging between P4 to P8.9 million.

The seven-tower condominium development is located in Barangay Carmen, City of Cagayan de Oro in the province of Misamis Oriental. It is about 3.9 kilometers from Pueblo Business Park.

This low-density condominium is unique among its competitors because it has fewer units in a bigger land area. Westwoods Storeys only offers 989 units in a 5.2-hectare land, making it less crowded than others.

Each unit is also meticulously crafted to provide a haven of comfort and style – with spacious interiors, contemporary finishes, a balcony, and large windows with natural light, creating a warm and inviting ambience.

Its amenities include kiddie and adult swimming pools, a playground, a multi-sport court, a clubhouse, Wi-fi zones, and a guardhouse with CCTV cameras and 24/7 security.

A SANCTUARY WITHIN THE CITY

At Westwoods Storeys, one gets to live in a forest-resort-inspired midrise condominium development offering a lifestyle that seamlessly blends the tranquility of the forest with the excitement of urban amenities.

The development is surrounded by the 40-hectare Pueblo de Oro Urban Rainforest, offering a spectacular view of nature making one feel like they are not in a city.

Home to different flora and fauna, environmental conservation efforts are undertaken such as planting more pine trees, fire trees, African Talisay trees, and Acacia trees.

As a green sustainable development with a rainforest backdrop, residents get to wake up every day to a beautiful sunrise matched with a cool breeze and earthy scent of nature.

Aside from having a breath of fresh air, residents also get to enjoy outdoor activities. Amenities such as landscaped meditation decks, nature trails under green foliage, rain gardens, natural green canopy, and pocket greenscapes, family picnic area allow residents to commune with nature and have a serene and laidback lifestyle.

RIGHT AT THE HEART OF EVERYTHING

Commercial hubs and business centers nestle around the area – from shopping malls, churches, schools, government offices, hotels, and convenience stores, making everything a Filipino family would need within their reach.

Westwoods Storeys is strategically located 10 minutes away from the SM City CDO Uptown mall (4.1 km), St. Francis Xavier Parish Church (3.9 km), The Hub at Bamboo Lane commercial center (1.3km), and Xavier University (4.4 km).

For almost three decades, Pueblo de Oro has been a major contributor to growth in the country by building distinctive and quality yet affordable homes. Its newest development, Westwoods Storeys provides a forest-like sanctuary right in the center of CDO, while ensuring that one has everything they need for sustainable living. From beautiful homes, plenty of green spaces, an urban rainforest, and sports and entertainment sources, to business opportunities.

Food industry lobbies against higher taxes on sweetened products, warns of price increase

THE Philippine Chamber of Food Manufacturers, Inc. (PCFMI) asked the government to reconsider the proposed tax increase on sweetened products, warning that the industry may respond with price increases.

In a statement on Tuesday, PCFMI President and Chairman Rita Imelda B. Palabyab said the proposal could also lead consumers to resort to "cheaper, untaxed alternatives" that could foster illicit trade and compromise public safety.

The PCFMI represents over 100 food manufacturers and distributors.

"The PCFMI expresses concerns regarding the discriminatory and regressive nature of the proposed tax, which may hinder sector competitiveness, reduce incomes, and negatively impact the national treasury," Ms. Palabyab said.

"The PCFMI is calling on the government to review its plans to increase excise taxes on sweetened beverages. The PCFMI highlights the potential negative repercussions of this proposed tax and emphasizes the importance of exploring alternative interventions to promote positive health outcomes and revenue generation," she added.

Ms. Palabyab said the proposal could also "disproportionately target the most vulnerable segments of society" apart from having an inflationary impact.

"We firmly believe that there are more effective and less disruptive ways to raise government revenue without resorting to discriminatory tax schemes," she added.

Last month, Finance Secretary Benjamin E. Diokno said the Finance and Health departments plan to impose a P10 tax per 100 grams or a P10 tax per 100 milliliters on "pre-packaged foods lacking nutritional value" including confectioneries, snacks, and desserts that exceed the government thresholds for fat, salt, and sugar content.

The proposal also seeks to increase the tax on sweetened beverages to P12 per liter for any kind of sweetener used in production.

Republic Act No. 10963 or the Tax Reform for Acceleration and Inclusion (TRAIN) Law sets a P6 excise tax per liter on drinks using caloric or non-caloric sweeteners, and P12 per liter for drinks using high-fructose corn syrup, or any such sweeteners in combination.

The proposal seeks to address health problems such as diabetes, obesity and non-communicable diseases linked to poor diet.

Mr. Diokno said the proposal could generate P76 billion in revenue for the government during the first year of implementation, and a 21% decrease in junk food consumption. The revenue will fund projects like the government's food stamp program.

Ms. Palabyab urged the government to consider product reformulation, reduced package sizes, data-based labeling, and expansive media and on-ground campaigns advocating balanced diets as an alternative to the tax proposal.

She cited the need for effective, revenue-generating strategies that do not obstruct economic expansion or job creation.

"While sweetened beverages taxes were initially presented as a preventive health measure to address products allegedly linked to increased rates of obesity and diabetes, no studies have yet demonstrated their impact five years since the TRAIN package was enacted," Ms. Palabyab said. — **Revin Mikhael D. Ochave**

BCDA, ecozone promoters make pitch for Australian investment

THE Bases Conversion and Development Authority (BCDA) and various investment promotion agencies (IPAs) conducted a five-day trade mission to Australia with the aim of attracting investment to Central and Northern Luzon.

In a statement on Tuesday, the BCDA said it led a Philippine delegation that held business-to-business meetings and conferences in Sydney and Brisbane between June 26 and 30.

Participants included nearly 90 Australian companies involved in manufacturing, housing, infrastructure, renewable energy, urban development, automotive, information technology, and education. — **Revin Mikhael D. Ochave**

FULL STORY
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