

## Balisacan supports NEDA reorganization

THE National Economic and Development Authority (NEDA) said the planned reorganization to elevate it into a department-level agency is expected to give it equal footing with other departments and streamline the budget and economic planning processes.

“The reorganization of NEDA into the Department of Economy, Planning, and Development or DEPDEV would strengthen NEDA’s mandate and give the agency equal footing with other Executive departments, thereby reinforcing such linkages,” NEDA Secretary Arsenio M. Balisacan told the House Joint Committee on Government Reorganization and Economic Affairs on Wednesday.

“Proper planning can only go so far if it is not seamlessly linked with other equally essential steps in the cycle. These steps include budgeting, implementation, monitoring, and evaluation, which feed back into the planning exercise,” Mr. Balisacan told the panel.

The joint committee has yet to consolidate nine House measures seeking to reorganize NEDA.

The proposed law seeks to strengthen and fine-tune the powers and functions of NEDA to implement national development policies, streamline its master plans, and ensure that the country meets its development goals.

The proposed department will be tasked with creating a medium-term national evaluation agenda and evaluate the government’s programs and projects.

It would also be tasked to implement a capacity-building program for national and regional government agencies as well as local government units.

Presidential Decree No. 107 signed in 1973 established NEDA as an independent cabinet-level agency and as the country’s main socioeconomic planning body. The President chairs the NEDA board, with the NEDA Secretary as vice-chairman. — **Beatriz Marie D. Cruz**



# Nuclear power plants seen starting operations by 2032

THE GOVERNMENT expects nuclear power to start feeding into the grid by 2032 at the earliest, the Department of Energy (DoE) told a House committee on Wednesday.

DoE Director for Energy Policy and Planning Michael O. Sinocruz said the Philippine Energy Plan contemplates the creation of eight small modular reactor units, each capable of

producing 150 megawatts (MW), with consolidated energy output of at least 1,200 MW in the next decade.

The DoE also envisions additional conventional units capable of producing 1,200 MW by 2035, with further units expected to produce 2,400 MW by 2050.

“Renewable energy will dominate the capacity mix (with) as much as 71%,” Mr. Sinocruz told

the Committee on Nuclear Energy. “Nuclear will be providing at least 10% of this capacity by 2050.”

The projection assumes the Philippines hits “the set target for renewable energies (of) 50% by 2040 onwards.”

The National Economic and Development Authority (NEDA) told the panel that the inclusion of nuclear energy is in line with

the expectations of the agency by 2040.

Ambisyon Natin 2040 is a development plan conceptualized by NEDA that sees the Philippines as a “prosperous middle-class society where no one is poor,” according to the NEDA website.

However, Ambisyon Natin 2040 is just “an aspiration; it’s what we want to see in the state of the country in 2040,” NEDA Director Francis Bryan C. Coballes said.

In its current six-year planning horizon, NEDA sees the need to integrate reliable power infrastructure to support growth. These infrastructure items include the “inclusion of nuclear energy.”

“The role of infrastructure is to support other economic sectors,” Mr. Coballes said. “It’s supposed to be the foundation to support economic activities which will eventually help us achieve our goal.”

NEDA sees the benefits of adopting nuclear energy in the power mix as it is “clean and carbon-free” and a source of “reliable baseload power.” — **Kenneth Christiane L. Basilio**



BATAAN NUCLEAR POWER PLANT

REUTERS

## Philippine minimum wage highest in region, commission testifies

DAILY PAY rates in the Philippines are the highest in the region, a wage commission official told a congressional hearing, though supporters of a legislated wage hike pushed back by saying wages have stagnated for decades.

Maria Criselda R. Sy, National Wages and Productivity Commission executive director, said at a House hearing on Wednesday that the Philippine minimum wage of \$10.85 or P610 per day in the National Capital Region (NCR), though pay tended to be

lower in regions hosting export zones.

“The Philippines has the highest daily minimum wage rate in ASEAN (Association of Southeast Asian Nations) when compared to Malaysia (\$10.50), Indonesia (\$10.41), and Thailand (\$9.84),” she said, adding that “export hubs such as Region IV-A (\$9.25), III (\$8.89), VII (\$8.33), and XI (\$8.22) are very competitive” compared to low-cost manufacturing hubs like Cambodia and Vietnam.”

As a counterpoint, Representative Raymond Democrito C. Mendoza, a Party-list legislator with the Trade Union Congress Party, also testified that base pay has stagnated over the past 35 years.

“The P89 minimum wage rate across all regions in 1989 only amounts to P609 today,” he said. “This (is only equivalent) to the highest regional rate for non-agricultural workers in NCR.”

Mr. Mendoza added that the average minimum wage of all regions is only P440, which “in-

dicates that the wage rates even regressed when compared to the pay rates received by workers in 1989.”

Business groups have warned that a legislated wage increase will deter foreign investors and hurt Philippine businesses.

“ECOP (the Employers Confederation of the Philippines) opposes across-board and uniform wage increases across regions as these may not only worsen inequality but likewise impact the attractiveness of other regions

for labor-intensive industries and enterprises,” ECoP Vice-President Antonio L. Sayo said at the hearing.

He noted that increasing minimum wages reduces the profitability of businesses investing in the country, which could make it “less appealing for foreign investors, potentially decreasing foreign direct investment.”

Micro, small and medium enterprises, which comprise 99% of the country’s business establishments, will also bear the brunt of

the proposed wage hikes, which could lead them to stop hiring workers to reduce labor costs.

He also noted that the cost of doing business is different for every region, which was the justification for creating the current regional wage board setup.

“Higher wages entail increased labor costs for businesses, and when businesses have to pay more, they may have to cut elsewhere to maintain profitability,” Mr. Sayo said. — **Kenneth Christiane L. Basilio**



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