

NCR wage petitions seeking more than double pay

THE WAGE BOARD for Metro Manila said it received petitions proposing in some cases to more than double the region's prevailing minimum wage.

The Regional Tripartite Wages and Productivity Board for the National Capital Region (NCR) has convened for this year's wage review cycle to evaluate 14 formal requests for daily wage increases.

The reasons cited in the petitions included high inflation and slowing economic growth, it said.

If approved, the various proposals could set the new daily minimum wage

at between P1,200 and P1,500 per day, against the current rate of P695.

Sarah Buena S. Mirasol, who chairs the wage board, told *BusinessWorld* on the sidelines of a public forum in Pasay City: "What they are saying is that the real value of the peso now is only 75 centavos."

Ms. Mirasol noted that workers are demanding a living wage that accounts for the rising cost of living.

The IBON Foundation think tank estimated the living wage for a family of five in the NCR at P1,289 in April, suggesting a 46.1% wage gap between current earnings and the cost of basic needs.

Federico R. Marquez, Jr., representing the employers' sector on the board, said his colleagues must address consider new economic issues, including wars and weak regional growth, before reaching a final decision.

"It is expected that there will be some wage increases, but there must be a balance," he said.

Angelita D. Señorin, a board member representing labor, cited the urgency of the situation for workers.

"Actually, our hearing today was very heated, and this is proof that the labor sector is united in the need for a wage increase," Ms. Señorin said.

She said formal wage deliberations will begin next week to weigh labor positions against criteria such as worker needs and employers' capacity to pay.

The board also received position papers from nine labor organizations and three submissions from employers.

A formal decision and the subsequent issuance of a new wage order are expected in July, ahead of the anniversary of the previous wage increase, Ms. Mirasol said.

The current daily minimum wage was set in July 2025 at P695 for non-agriculture workers and P658 for workers in agriculture and small retail establishments.

The Philippine Statistics Authority reported that inflation in the NCR was 5% in May, up from 1.7% a year earlier.

The region's unemployment rate was 5.2% in April, against a national average of 4.7%.

According to presentations made during the hearing, Philippine real gross domestic product growth slowed to 2.8% in the first quarter, against 5.4% a year earlier.

Household expenditure growth decelerated to 3%, and public construction contracted 31.5% during the period. — **Erika Mae P. Sinaking**

Gov't testing investor appetite for MRT-3, LRT-2, subway O&M deals

THE Department of Transportation (DoTr) is currently gauging potential private-sector interest in taking on operations and maintenance (O&M) contracts for two Metro Manila commuter rail lines and the upcoming subway.

In an advisory, the Public-Private Partnership Center (PPP Center) said it and the DoTr are conducting market-sounding activities for the Metro Rail Transit Line 3 (MRT-3) O&M contract, the rehabilitation and O&M contracts for the Light Rail Transit Line 2 (LRT-2), and the O&M deal for the Metro Manila Subway project.

The market sounding activity for the projects will run until June 19.

In May, the DoTr said that at least 74 domestic and foreign companies have expressed interest in the planned MRT-3 PPP project.

The DoTr reported that MRT-3 passenger traffic increased 4.22% in 2025 to 141.63 million.

Initial market consultations took place on May 14-15 and May 18 for the MRT-3 operations and maintenance PPP project, according to the DoTr. The participating firms were from 14 countries.

The DoTr has said that it is targeting to have the MRT-3 O&M project approved by the Economy and Development Council by August or September.

Based on that timeline, bidding for the project could begin by October, with bid submissions expected by March 2027.

The contract is targeted for award between June and July 2027, while the winning bidder

is expected to take over MRT-3 operations by October next year.

The DoTr added that it is banking on its Association of Southeast Asian Nations (ASEAN) partners and investors to continue supporting the development of mass rail transit systems.

Transportation Acting Secretary Giovanni Z. Lopez said ASEAN countries can help the Philippines fast-track the construction of big-ticket railway projects like the MRT-7, the Metro Manila Subway Project and the North-South Commuter Railway.

"The Philippines reaffirms its commitment to working closely with our ASEAN partners and development institutions in advancing a highly efficient, expansive and well-integrated rail system that will support sustainable development and improve the lives of our people," Mr. Lopez said during the ASEAN Railway Conference on Thursday.

Meanwhile, Transportation Undersecretary for Railways Timothy John R. Batan said the government is expediting the completion of its 30-year railway masterplan.

"We are currently formulating a 30-year railway master plan for the Greater Capital Region with climate-responsive planning at its core," he said.

The master plan calls for Philippine rail lines to be brought up to international standards using Japanese technology, the DoTr has said.

It is also expected to outline how to enhance the sustainability of the Metro Manila Subway, the NSCR, MRT-3 and other ongoing and upcoming rail projects. — **Ashley Erika O. Jose**

Customs sees more goods seizures after big tobacco score in Mindanao

THE Bureau of Customs (BoC) said it expects seizures of illicit goods to increase this year following major seizures in Mindanao.

"This year, it is really big because of the seizure in Nasipit (Agusan del Norte) of P3.3 billion ... So yes, definitely it will increase," BoC Deputy Commissioner Emmanuel Luis D. Licup on the sidelines of the 3rd International Tobacco Summit on Thursday.

Earlier this year, the BoC intercepted shipments of smuggled cigarettes and raw tobacco materials valued at P3.3 billion in Nasipit.

In the year to date, Mr. Licup said the BoC has confiscated more than P5.6 billion worth of illicit cigarettes and tobacco products, as well as about P1.6 billion worth of vape and e-cigarette products.

These brought total seizures of smuggled and prohibited goods nationwide to more than P13.5 billion.

"The ultimate measure of success is accountability. Those responsible for financing, organizing and facilitating illegal trade must be identified, investigated, prosecuted and held accountable under the law," he said.

The Department of Justice (DoJ) reported that 45 complaints have been filed under the Anti-Agricultural Economic Sabotage Act involving 164 respondents.

DoJ Prosecutor-General Richard Anthony D. Fadullon said only 10 cases have progressed to indictments, involving P253.44 million worth of seized goods.

The remaining 35 cases, involving P2.34 billion worth of products, were referred back to law enforcement agencies due to insufficient evidence.

Meanwhile, the Bureau of Internal Revenue (BIR) said tobacco excise taxes remain a major contributor to government revenues.

"The excise tax collection target is around P360 billion, and almost half of that, or 47%, are accounted for by tobacco excise taxes, around P170 billion," BIR Assistant Commissioner James H. Roldan said.

"That just shows the important role of tobacco excise taxes in the overall collection effort of the BIR," he added.

However, Mr. Roldan said limited intelligence funding has hampered efforts to go after major illicit traders.

"The dream scenario is that we have enough resources so that eventually the BIR can look for these big players on its own," he added.

Aside from the lack of funding, he also cited capacity building of

revenue officers and enhanced inter-agency coordination as among the challenges.

Meanwhile, the Department of Finance said illicit trade undermines confidence in the country's economic system.

"When rules are clear, applied fairly, and enforced consistently, businesses gain the confidence to stay in the formal economy and scale certainty," Finance Undersecretary Rolando U. Ligon, Jr. said in a speech delivered on behalf of Finance Secretary Frederick D. Go.

"That sense of confidence and certainty shapes economic strength," he added.

Mr. Ligon said the Philippine economy's long-term fundamentals remain intact despite global uncertainties.

The economy expanded by 4.4% last year, which he said exceeded the global average growth rate of 3.4%.

"We are confident that the current challenges are temporary and when the external shocks end, we will be back on track to our previous growth rates," he added.

Growth was weaker than expected in the first quarter as last year's corruption scandal and Middle East crisis dampened economic activity.

— **Justine Irish D. Tabile**

Tobacco regulator calls for coordinated crackdown on illicit trade in PHL, ASEAN

THE National Tobacco Administration (NTA) said on Thursday that the illicit tobacco trade requires a coordinated response not only by Philippine government agencies, but also partners within the Association of Southeast Asian Nations (ASEAN).

In remarks delivered at the opening of the 3rd International Tobacco Agricultural Summit in Pasig, NTA Administrator Belinda S. Sanchez said the illegal trade in tobacco continues to undermine legal systems and legitimate businesses, while reducing government revenue, and putting at risk the livelihoods of farmers and tobacco industry workers.

Ms. Sanchez called for clear strategies and more decisive action in dealing with the illicit trade beyond enforcement action like raids and seizures.

"We must examine our policies, regulatory frameworks, tax systems, enforcement mechanism, and regional cooperation," Ms. Sanchez said.

Roger V. Navarro, agriculture undersecretary for Operations, Agri-Fisheries Mechanization and Rural Credit, said the police called for stronger partnerships to "secure a stronger future for our farmers and our industry."

Willie Ann M. Angsiy, assistant agriculture secretary for Inspectorate, Enforcement and Legal Services, said the effort to curb the illicit trade is a shared responsibility requiring sustained cooperation among government institutions, industry, and international partners.

She said the Philippines has the opportunity to strengthen regional cooperation and contribute to a more coordinated response to illicit trade during its chairmanship of ASEAN.

"By strengthening enforcement, improving investigations, building stronger cases, and securing successful prosecutions, we increase the risk for those who engage in illicit activities while protecting legitimate businesses," Ms. Angsiy said. — **Marron Joshua F. Mendoza**

US firearms maker signs local partnership

THE Board of Investments (BoI) said US firearms maker Battle Arms Development, Inc. has entered into a partnership with a domestic company, the starting move in building a defense manufacturing ecosystem.

The Philippine partner was identified as Stone of Hope Defense, a unit of Stone of Hope Builders & Development Corp. the BoI said in a statement Thursday.

The BoI had convened an inter-agency meeting on the two companies' manufacturing plans, with discussions covering permits and licenses needed for the project.

The proposed partnership involves importing firearms, components, and related equipment.

The BoI noted that Stone of Hope's development plan covers controlled firearms imports for evaluation and exhibition followed by local assembly and full-scale manufacturing.

The partnership aligns with the government's Self-Reliant Defense Posture and the 2026 Strategic Investment Priority Plan, the BoI said.

The proposed project will likely benefit from Executive Order No. 18, which provides Green Lane support to expedite government approvals for strategic investments.

Battle Arms Development, of Henderson, Nevada, makes AR-style rifles, receivers, accessories, and pistols.

"The inter-agency meeting reflects our shared objective to support strategic investments that advance industrial development, technology, and national security through a coordinated whole-of-government approach," BoI Investments Assistance Service Director Ernesto C. Delos Reyes, Jr. was quoted as saying.

Separately, the BoI partnered with Island Skies Alliance, Inc. to develop a Sustainable Aviation Fuel (SAF) ecosystem.

The BoI said the partnership aims to boost initiatives to drive SAF industry growth, attract investment, advocate for favorable policies, and enhance local capabilities.

The Philippines has the potential to become a key destination for SAF development, driven by its growing aviation sector, abundant feedstock, and favorable policies, the BoI said.

"The Philippines has all of the elements needed to be a global hub, a world leader when it comes to SAF," Trade Undersecretary and BoI Managing Head Ceferino S. Rodolfo was quoted as saying. — **Beatriz Marie D. Cruz**

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