

[PRESIDENTIAL DECREE NO. 928, May 01, 1976]

PROVIDING FOR A NEW STATUTORY MINIMUM WAGE

WHEREAS, while workers in most countries, developed as well as underdeveloped, were experiencing wage freeze or even wage cuts, the minimum wage of the Filipino worker actually registered an increased of at least 27.6% during the last two years of severe world recession and inflation;

WHEREAS, the 27.6% wage increase, which effectively raised the minimum wage of P8.00 to P10.21, was decreed by the Government in form of emergency allowance, the 13th month pay, the 10 paid legal holidays, the 5-day attendance incentive with pay, the 10% night differential pay and the 30% premium pay for work on rest days and special holidays;

WHEREAS, the Government has succeeded in minimizing the loss of real wages through vigorous inflation management policies which have whittled down the inflation rate, The management of inflation was undertaken through a system which combined subsidy for wage goods and an all-out food production program designed primarily to protect the purchasing power of the Filipino worker;

WHEREAS, in the face of the worldwide recession and inflation, the Philippine economy actually experienced substantial continuing growth resulting in the reduction of the unemployment to a record low of 3.6%;

WHEREAS, despite the new benefits decreed by the Government for the Filipino worker and the victory achieved over inflation, his wage has suffered some real loss;

WHEREAS, to redress the decline in purchasing power incurred by the Filipino worker as a result of continuing upward price spiral, the Third National Tripartite Conference of workers, employers and Government representatives agreed in Baguio City last April 25-27 to recommend to the Government an early upward revision of the statutory minimum wage, without prejudice to other adjustments, in the interest of development and justice taking into consideration the imperatives of productivity, employment, price stability, balance of payments and industrial peace.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree:

SECTION 1. The minimum wage rate for non-agricultural workers in the Metropolitan Manila Area shall be ten pesos (P10.00) a day.

SEC. 2. The minimum wage rate for non-agricultural workers in areas outside the Metropolitan Manila Area shall be nine pesos (P9.00) a day.

SEC. 3. The minimum wage rate for agricultural workers in plantations or organized agriculture shall be seven pesos (P7.00) a day.

SEC. 4. The minimum wage rate for agricultural workers in all other types of agriculture shall be six pesos (P6.00) a day.

SEC. 5. The above rates shall be separate and distinct from any other benefits and allowances already being enjoyed by the workers under any existing laws, decrees or issuances.