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SENATE  
P. S. R. No. 1339

REC-100

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Introduced by Senator Miriam Defensor Santiago

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RESOLUTION

DIRECTING THE PROPER SENATE COMMITTEE TO CONDUCT AN INQUIRY,  
IN AID OF LEGISLATION, ON THE POSSIBILITY OF AUGMENTING HOURLY  
WAGES TO INCREASE THE BUYING POWER OF FILIPINO LABORERS

WHEREAS, the Constitution, Article 2, Section 18 provides: "The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare";

WHEREAS, according to a *Philippine Daily Inquirer* article published last 30 August 2009, Manila is among the world's cheapest cities but is also one of those that pay the lowest hourly wages;

WHEREAS, this is based on a study conducted by the Union Bank of Switzerland (UBS), which is a global financial services company with main headquarters in Switzerland, and offices in the United States, Hong Kong, Singapore, London, and Tokyo;

WHEREAS, the study entitled, "Prices and Earnings," conducted in March this year found that by comparing the purchasing power of 73 cities around the globe, it appears that Manila, Kuala Lumpur, Delhi and Mumbai are the world's least expensive cities based on a standardized basket of 122 goods and services;

WHEREAS, the UBS studies, which began in the 1970s and released every three years, are known for illustrating the purchasing power of wages by using a specific, highly uniform product that is available everywhere with the same quality instead of an abstract basket of goods and services;

WHEREAS, the study then calculates how long an employee would have to work to be able to afford this product in each city;

WHEREAS, based on the study, the world's most expensive cities are Oslo, Zurich, Copenhagen, Geneva, Tokyo and New York; the study found that employees in Copenhagen, Zurich, Geneva and New York also have the highest gross wages;

WHEREAS, by contrast, an average employee working in Delhi, Manila, Jakarta and Mumbai takes home less than one-fifteenth of Swiss hourly wages after tax deductions;

WHEREAS, to illustrate, workers in Zurich are paid \$22.60 per hour (\$30.30 gross), while workers in Geneva are paid \$20.40 per hour (\$29.20 gross) which is a far cry from what average workers in Manila are paid: \$1.40 per hour (\$1.60 gross);

WHEREAS, in terms of working hours, the UBS study found that employees work an average of 1,902 hours per year in the 73 surveyed cities; they spend a lot more time in Asian and Middle Eastern cities, averaging 2,119 and 2,063 hours per year respectively;

WHEREAS, global comparison showed that people in the French cities of Lyon and Paris spend the least amount of time at work—1,582 and 1,594 hours per year

respectively; in North America, a dollar earned in the United States is worth more after tax deductions than in neighboring Canada;

WHEREAS, in Asia, Tokyo is among the world's costliest cities, but its workers also earn the highest wages on the continent; Switzerland is a very employee-friendly country, with its extremely high gross wages and comparatively low tax rates;

WHEREFORE, be it hereby resolved by the Philippine Senate, to direct the proper Senate Committee to conduct an inquiry in aid of legislation, on the possibility of augmenting hourly wages to increase the buying power of Filipino laborers.

Adopted,

  
MIRIAM DEFENSOR SANTIAGO

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