

**PRESIDENTIAL COMMUNICATIONS OFFICE**  
**News and Information Bureau**

**PRESS BRIEFING HOSTED BY MS. DAPHNE OSEÑA-PAEZ**  
**WITH NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY**  
**(NEDA) SECRETARY ARSENIO M. BALISACAN**  
**AND DEPARTMENT OF LABOR AND EMPLOYMENT SECRETARY BIENVENIDO**  
**LAGUESMA**  
**JUNE 9, 2024 [11:27 A.M. – 12:08 P.M.]**

**MS. OSEÑA-PAEZ:** Magandang umaga, Malacañang Press Corps, and welcome sa ating press briefing ngayon, July 9.

Yesterday, the Philippine Statistics Authority released numbers from May 2024 Labor Force Survey, the unemployment rate dropped to 4.1% from 4.3% in May of last year and the underemployment rate reached a low of 9.9% from 11.7% last year. According to the National Economic and Development Authority, the increase in the country's total employment for May is driven by the expansion in industry and services and implementation of the infrastructure flagship projects and the 4PH or Pambansang Pabahay Para sa Pilipino Program of the Marcos administration. While these numbers are encouraging, the administration under President Marcos Jr. continues to undertake measures to create more jobs and higher quality jobs for Filipinos.

And to discuss with us today the results and also what our government is doing in terms of strategies to further improve employment quality in the country, we are joined by the Department of Labor and Employment Secretary Bienvenido Laguesma and NEDA Secretary Arsenio Balisacan.

Good morning, secretaries.

**NEDA SEC. BALISACAN:** Good morning.

**DOLE SEC. LAGUESMA:** Good morning, Daphne. Good morning sa ating mga kaibigan sa press. Magandang umaga sa inyong lahat.

**NEDA SEC. BALISACAN:** Thank you, good morning again.

So, we just want to clarify the employment numbers released yesterday 'no because we noticed that the May 2024 data were compared with April 2024 data. We note that that is not... those numbers are not quite comparable in the sense that when we use... there is a good deal of seasonality sa employment data and so the appropriate comparison and this is our practice, is to compare the May 2024 data with the same year, same month, same period in the previous year 'no. So, that should be May 2023 data and that's the basis for our saying that the unemployment rate decreased from 4.3% in May 2023 to 4.1% in May 2024.

And that means that if you look at the numbers, the total additional employment created by our economy was something like 605,000 workers added in the pool of employed people 'no. And that is very encouraging because if we look further, we zoom into the data, we find that the increase in employment came from jobs opened up in manufacturing, in industry and in services 'no. And also that many of those jobs are those that require middle-skilled workers and the indicators of the quality of jobs also are encouraging – the underemployment rate as Daphne

mentioned, dropped from 11.7 to 9.9 percent which is one of the lowest in many years 'no, so that's very encouraging.

And the other one is that if we look at the type of workers 'no, by class of workers, we see that the big increases are in the wage and salary workers which is a good indicator of the quality of work. In the Philippine Development Plan, we used the proportion of wage and salary workers in the total employed workers as an indicator of quality 'no. When we see that number rising, the quality of employment is rising and so it's very encouraging that those numbers have increased between May 2023 and May 2024.

**MS. OSEÑA-PAEZ:** Okay. Let's hear from Secretary Laguesma.

**DOLE SEC. LAGUESMA:** Good morning again and like NEDA, the Department of Labor and Employment considers it more reliable and actually for making conclusions on the state of the employment in the country on a year-to-year basis. As mentioned by Secretary Arci, iyong character kasi ng ating merkado ay mayroong seasonality, may volatility, idagdag pa natin iyong ang ating bansa ay prone to calamity.

We utilize, the DOLE, also actually make use of the month-on-month so that we can make adjustments on the implementation of the programs of the Department of Labor and Employment. But certainly, the most reliable for us na puwedeng pagbatayan, iyong year-on-year, and Secretary Arci already mentioned iyong mga nakita namin na bright spots – foremost of which would be the underemployment, the reduction.

Even if we use the month-on-month basis, you know, the drop is really tremendous – 2.2 million April 2024 to May 2024 and that speaks a lot for us sa Department of Labor and Employment. It reflects that some of the efforts on the interventions being done by the Department of Labor and Employment through the collaboration and participation of the private sector, ay medyo bearing fruit now and this gives us encouragement.

And you are also very aware that last week of June, we had this National Employment Summit where we presented to the president the "Trabaho Para sa Bayan" report, now which is actually a deliberate and collective effort on the part of the agencies constituting the inter-agency council of the Trabaho Para sa Bayan Act chaired by the Secretary of NEDA, co-chaired by DTI and the DOLE, TESDA and DBM and DOF as members. But the more important part of the council would be the inclusion of representatives from the labor sector, employer sector, informal sector, as well as the vulnerable and marginalized sector.

So, kitang-kita diyan na tuluy-tuloy ang ginagawang mga hakbangin ng ating pamahalaan sa pangunguna ng ating Pangulong Ferdinand R. Marcos Jr. para tugunan iyong mga kaganapan sa ating labor market.

Dagdag ko rin lamang na dito sa April 2024 at saka May 2024, may pumasok na bagong new entrants sa ating merkado – more or less 600,000 at 80% ay na-absorb sa ating merkado 'no – more than 500,000. Ibig sabihin, talagang nagkakaroon ng sustained efforts to really help those who are actually seeking jobs. Hindi naman nawalan ng trabaho iyong hindi nasama doon sa nadagdag kung hindi siguro hindi sila nakakita ng appropriate na trabaho – and that remains to be a challenge for the Department of Labor and Employment, the NEDA and DTI, as well as the other departments na really focused on really making sure na ang employment opportunities will be available to our working men.

**MS. OSEÑA-PAEZ:** Thank you, secretaries. We open the floor to questions starting with Katrina Domingo, ABS-CBN.

**KATRINA DOMINGO/[ABS-CBN.COM](http://ABS-CBN.COM):** Good morning, secretaries. How will the recent wage hike affect the employment numbers considering that some employers have already expressed that they will not be able to sustain several workers because of the adjustment?

**NEDA SEC. BALISACAN:** Yeah. Our estimates or the data that we have seen so far on the levels of adjustments 'no are quite reasonable because these are sets by the various regional wage boards 'no, where the three parties – the labor, the management and the government sit together 'no.

Now, so they are not really that constraining when it comes to the economy 'no. For so long as those wage adjustments are not too high to discourage investments, those adjustments are welcome 'no. And the data that we have seen is that as of March, April this year – those adjustments are simply adjusting to the level of inflation 'no and a little bit more 'no so that the purchasing power of workers' wages and salaries will not fall. And that should not be a worry to the business community and to even for us as economic managers because the impact of the uninflation or ungrowth is not that much. We can assume that.

**DOLE SEC. LAGUESMA:** Yes, just to add: The adjustment actually, let me emphasize, is actually on the minimum wage. It is the entry level, the floor level, para maproteksiyunan, mabigyan ng social protection iyong mga manggagawa so that they will not be subjected to undue low pay over and above the minimum wage that can be subjected to further discussion or negotiation between the employer and the worker in companies that do not have organized, not been organized or do not have unions.

In the case of those with unions, the appropriate mechanism will always be collective bargaining negotiation because the CBA or the Collective Bargaining Agreement should contain benefits over and above the minimum.

Just try to look at, in relation to your question, how would it impact, you are also very aware that a big majority of our existing businesses belong to micro, small enterprises. And that's why the members of the tripartite board – meaning, there is a representative from the employer, the worker and then NEDA, DTI, DOLE – would really look at all these factors actually provided under the law to make sure that the needs and interest of the workers and their families are protected including the business, with them having the opportunity for a fair return of investment, and for expansion and growth as well as countryside development and the possibility of creating more employment and thereby providing members of the family, say, family of five with two or three members who can actually work, iyon ang papasok sa family income.

So sama-sama iyan, iyong nakaraang taon, nagkaroon din ng epekto iyong adjustment na binigay ng National Capital Region Tripartite Wages and Productivity Board. If I recall correctly, mayroong more or less, mga 20,000 na naapektuhan doon sa ginawa nilang adjustment. I am not yet sure kung gaano ang magiging epekto niyan, nitong 35. Sabi kasi maliit, pittance, insulto, pero there is no intention of the board to really go to that kind of direction. The direction is really how are we able to maintain the employment level and sustain the growth of the economy. Secondly, look at how it will impact on inflation, as well as the total effect nito sa ating gross domestic product.

So sama-sama iyang tinitingnan and I do hope that the adjustment made by the National Capital Region would not have an adverse effect on our nakikita nating encouraging growth sa ating employment sector.

**KATRINA DOMINGO/ABS-CBN.COM:** Sir, follow-up question for the NEDA. Do we have an estimate as to how many workers will be affected by this current adjustment? Will it be bigger than last year's 20,000 workers or will it be smaller than that?

**NEDA SEC. BALISACAN:** Well, yeah, let me ... for the wage orders that have been issued as of March 2024, we still don't have all the numbers, but our estimates so far suggest that the national output, GDP, would be impacted negatively, but it's a very small impact – it's just one-tenth of ... about one-tenth of one percent. It's very negligible. It could increase unemployment rate but again, it's a very negligible number; and it could impact something like 40,000 to 140,000, depending on the region but still again, not as big as one would expect if those rate adjustment—rate adjustments are much higher.

I should note that for so long as the economy is expanding because of other things like investments are coming in, then the offsets would be there, that the economy can still grow.

And as I noted earlier, the unemployment rate decreased in May 2024 – that's our latest data – to 4.1 'no. That number is already actually very low already, very low, even compared to more mature economies, more developed economies 'no. That's why our focus as economic managers is not so much on the employment per se but the quality of jobs that we are now focusing on. So we want to ensure that the quality of jobs would provide decent earnings for our workers; many of our poor people can graduate out of that poverty. But this will require a lot of investment, that's why our focus is improving the ecosystem for investment. Our president and the members of the cabinet wooing investors, not just the domestic investors but even more importantly the foreign investors to come to our shores to invest because only then will that quality of jobs will improve – more plants, more equipment, more jobs in the ... and the high-quality sectors like manufacturing will open up.

**MS. OSEÑA-PAEZ:** Secretary, we talked about improving job quality in the country, what about our labor force? Secretary Laguesma, what are we doing to support that? When the better jobs are coming in, is our labor force also ready?

**DOLE SEC. LAGUESMA:** Yes, I mentioned earlier the Trabaho Para sa Bayan Plan. It also includes strategies and approaches to be able to make our workers not simply locally competitive but globally competitive. So we continue to provide upskilling, retooling, and the present vast world of lifelong learning for our workers.

The other thing is that the Department of Labor and Employment is actually happy that three programs which has something to do with youth employability has been provided additional budget by the president in his agenda for prosperity which is the budget for 2025. And I'm referring to the Special Program for the Employment of Students (SPES), the Government Internship Program, as well as the JobStart program of the Department of Labor and Employment.

In addition, we have now actually strengthened our career development support program. Basically, this has something to do with "counseling and influencing" our students to look at the perspective of what would be available jobs in the future once they are able to graduate. And we are able to do this because we are in close collaboration and partnership with the private sector. Remember, marami tayong mga, 'ika nga, kapartner na mga business organizations. And very

recently, nagbigay din ng commitment itong private sector/corporations on jobs. Not simply this organization, but early on iyong mga organisasyon kagaya ng ITBPAP (IT and Business Process Association of the Philippines) which committed to more or less create additional one million jobs by 2028. And we are trying to help them out by making sure that available trainings will be there responsive to their requirements and also to make sure that policies are actually deliberate and stable in addition to the directive of the president on ease of doing business and reducing the cost of business. That's why all of the programs, plans and actions of the present administration are always—at the center would always be employment to make sure that walang maiwan, sama-sama na mabigyan ng pagkakataon ang ating mga kababayan.

**MS. OSEÑA-PAEZ:** Salamat. Eden Santos, Net25.

**EDEN SANTOS/NET25:** Good morning po, secretaries. Clarification lang po doon sa how many workers affected by this wage hike order. Iyon po bang 40,000 to 140,000 iyon po iyong numero o figures noong mga naapektuhan from out of how many million employees?

**NEDA SEC. BALISACAN:** These are just estimates 'no, not the actual numbers. Just based on our understanding iyong so called model 'no, our economy, Philippine economy, iyon ang nakikita nating numero.

**EDEN SANTOS/NET25:** Ano po mawawalan po ba ng mga trabaho itong estimated na 40 to 140,000?

**NEDA SEC. BALISACAN:** Not necessarily because the economy is growing and the labor market is quite robust 'no. So, if you lose one job there, there are other jobs being opened up. Like as I said earlier, during this period there are 600,000 plus new employment 'no, you know these are new jobs opened up in the economy. So, as and our economy continues to grow at six to seven percent this year 'no so that will be accompanied by quite a lot of jobs.

But again, our focus is really improving that quality of jobs so that you know, we can achieve our single digit poverty reduction by 2028 – iyon iyong ano namin eh. The only way we can do that is the quality of jobs must improve.

**EDEN SANTOS/NET25:** What about po on the part of the employers o mga kumpanya ho, may maaapektuhan din nitong wage hike order po na ito, either, nagbawas sila ng tao or nagsara? May ganoon po ba?

**NEDA SEC. BALISACAN:** Most likely iyon iyong sinasabi natin na impact na 40,000 but again whether that is a permanent one or just a short-lived one because they can move to...these workers can move to another industry or another company that is expanding because of the growth in the economy. Usually, you see this kind of movements – you lose your job for one month, two months and then you find another job. You know, for so long as that job that you're moving in is better you know...

**EDEN SANTOS/NET25:** Secretary, I'm referring po doon sa mga kumpanya naman po na pinagtatrabahuhan nitong mga posibleng maapektuhan po noong wage hike order – kung mayroon bang posibleng magsara dahil dito sa pagtaas ng sahod?

**NEDA SEC. BALISACAN:** Hindi naman siguro because as we said, the wage adjustments are quite within the reasonable bounds that's good enough to ensure that the purchasing power of the workers' wages/salaries is preserved.

**DOLE SEC. LAGUESMA:** We will continue to closely monitor the possible effect or impact of any wage adjustments 'no – we have been doing this. Kasi, as we look at ... we are not saying na ano ...any transformation or anything that happens in the place of work will always have some impact whether positive or negative but we focus on the positive – iyon ngang nakikita nating lumalago ang ekonomiya and as was mentioned earlier by Secretary Arsenio, iyong wage and salary workers, year-on-year nadagdagan ng mahigit isang milyon 'no. so, ang ibig sabihin noon, nakakatagpo sila nang mas permanenteng trabaho, mas remunerative at saka mas sustainable – iyon ang direksiyon, kaya nga tuluy-tuloy.

If you will recall at the start of this administration, mayroong 8-point socioeconomic agenda ang ating Pangulo, trinanslate ng NEDA through the help of the other departments into a Philippine Development Plan. And taking the cue from there, the Department of Labor and Employment actually came up also with its Labor and Employment Plan which was also complemented by TESDA – iyong National Technical Education Skills Development Plan and very recently iyong Trabaho Para sa Bayan Plan.

So, you can see from the very start the direction really is to look at how we can have a more productive, remunerative and sustainable jobs kasi that's the only way that we have to go para ma-achieve iyong three, at least three na gustong makita – inclusive growth, reduction of poverty to single digit and finally iyong nasa puso ng taga-Department of Labor and Employment – quality jobs na sustainable.

**EDEN SANTOS/NET25:** Doon sa part noong 4PH, iyong Pambansang Pabahay Program po, medyo hindi po yata na-sustain or mari-reach iyong target po 'no, may effect po ba ito sa ating ekonomiya?

**NEDA SEC. BALISACAN:** No, not in this ...not that we have reduced it because we cannot do it 'no, it's just that initially kasi the plan was to have one million housing units every year 'no. When we look at the implications of that in the economy particularly on the fiscal issues – ang sabi natin was hindi kaya because it can impact the other sectors because the program requires subsidizing the beneficiaries because the targeted beneficiaries are the low income households 'no and it involves giving subsidy, interest subsidy to the loan and that's borne by government 'no.

And as we put in more money there, of course we would have less resource for education, for health, for infrastructures so, you know, we have to balance to ensure that the economy is not affected adversely.

So, we are still keeping the program but not at the level that was originally introduced but still very significant, and it's going to contribute to additional jobs. In fact, as we said, that's where some of these jobs, many of these jobs that were generated – these 1.5 new jobs, new employment created 'no as opposed to the 40,000 na displaced by that minimum wage 'no. Think about this 1.5 million new employment, that's quite a big one and as I said, part of that was coming from this 4PH program.

**MS. OSEÑA-PAEZ:** Ivan Mayrina, GMA7.

**IVAN MAYRINA/GMA7:** Good morning, secretaries. Napag-uusapan po ba sa Cabinet ang calls to ban POGOs? You were quoted previously, Secretary Balisacan, that if asked you will support the call to ban POGOs if you look at it from the cost benefit perspective. Sa panig naman po ni

Secretary Laguesma, nabanggit ninyo 22,000 workers I think iyong mawawalan ng trabaho sakaling i-ban iyong mga POGOs. Ano ho ang nagiging usapan sa gabinete tungkol dito?

**NEDA SEC. BALISACAN:** Wala. We haven't really talked about it in the sense of you know I mean at the level of the economic managers, I'm not quite aware if there are other meetings but I keep my view that our attention should be...our focus should be in generating high quality jobs, good jobs and I think that creating gambling jobs is one of what I defined as good jobs or you know... So, that's how...because I think that there are a lot of other opportunities for the country, for the economy and for our workers and we can focus on those.

**DOLE SEC. LAGUESMA:** Sa DOLE, we always—our concern with loss of employment, but we will always in a sense follow, abide kung ano man iyong decision vis-à-vis this item. In the meantime, we have already done profiling of those who will be affected in case, just in case, na magkaroon talaga ng desisyon na isara iyan. Kasi iyong mga nawawalan ng trabaho hindi naman binibitawan ng Department of Labor and Employment. With the programs na ini-implement niya, tututok, una iyong job facilitation, in partnership with the private sector, we have conducted job fairs 'no. Noong nakaraang taon mahigit na dalawang libong jobs fair iyong nagawa namin all throughout the country in partnership with the PESO – Public Employment Service Offices.

Itutuloy din namin iyong aming pagtingin doon sa upskilling ng mga maaapektuhan na mga manggagawa, retraining. And then the other component would always be, if they would like to have livelihood project, we'll be willing to support them – I help them.

So iyon, tuluy-tuloy kami, hindi namin iisipin na ngayon ay magsasara na dahil ginagawa rin naman namin iyong trabaho, anticipating na baka magkaroon ng ganoon klaseng desisyon, then workers would have the option to look at, ano iyong mga available sa kaniya in terms of employment, job facilitation and also livelihood programs. So, iyon iyong direksiyon ng DOLE sa ngayon.

**MAYRINA/GMA 7:** Isa pa, please, Secretary Balisacan, sir. In a few days, the president will deliver his State of the Nation Address, and one of if not the biggest concern of ordinary Filipinos is the price of commodities and inflation. And while inflation is, based on latest PSA data, food inflation remains high. Ang tanong ko po eh, what has been done and why is inflation apparently turning out to be a tough nut to crack for government lalo na po itong good inflation? And ultimately, can ordinary Filipinos look forward to better days ahead with regard to inflation?

**NEDA SEC. BALISACAN:** I think the last question is better days ahead? Yes, I am quite optimistic that we are moving in that direction. Remember that our inflation target for the year is within that 2 to 4% inflation bond, and that is our medium term target all the way to 2028. So now, the high inflation, the food inflation that happened in recent months is an outcome, it's a confluence of factors, one of this is the El Niño that we had. El Niño is now over and now we are under La Niña we hope that we don't have the other extremes of typhoons and destructive floods. And then the other compounding factor was the supply in the global market because some countries restricted their exports, particularly India in the eve of their national elections; and also at some point, Vietnam. And that reduced the supply of rice in particular in the global market and led to a sharp increase in world prices that lasted for, and is still there, still at a highly elevated level.

For our meats, you know, we had the ASF that impact quite heavily on our swine. And so those things, and then we all have these supply chain issues, it has occurred to us, it's a big decision on our part that the lack of logistics and warehousing and cold storage systems in areas where

we produce our food is a major constraint. And so, the government over the past two years has now been investing into these infrastructures, we are supporting a major push in our logistics, warehousing and distribution. As you know, we are also opening up more the economy so that we can have, we can stabilize prices because that is one of the tools available for the economy, for us.

So, those are some of the things that have happened in the past and our efforts in the past few months have been to address those issues particularly in agriculture. We have in the last two years during this administration and even in the budget proposed for 2025, the increase in the budget of agriculture is very high compared to many other sectors. And the intention really is to get that productivity growth happening in our sector, so that we don't have to import too much, we don't have to be too dependent on imports. That's the whole intention of our president when he pushed for a much higher budget for our agriculture.

**MAYRINA/GMA 7:** Last for Secretary Laguesma, sir. Sa kaugnay po na tanong, isa rin sa mga pangunahing alalahanin ng mga Pilipino iyong trabahong may katiyakan at iyong sahod na nakakabuhay lalo at patuloy nga po iyong mataas na presyo ng mga bilihin. Ang tanong po sa DOLE, are we creating jobs at the rate that we would like to see and what jobs are we creating? At sa usapin po ng sahod, ano ang aasahan ng mga manggagawang Pilipino moving forward?

**DOLE SEC. LAGUESMA:** Let me just emphasize that the job generation and job creation is actually the domain of the private sector. Government's responsibility is to be able to create an enabling environment conducive to business. So that means, kasama iyong mga polisiya na 'ika nga ay stable, nagkakaroon ng tamang pagpapalano ang mga negosyo at kasama din ang usapin na may kinalaman sa paghahanda sa ating workforce. I mentioned earlier interventions or programs of the department vis-à-vis youth employability.

We also would like to also emphasize that, you know, the latest survey of PSA showed that nadagdagan ang mga participation ng ating kababaihan, hindi sila iniinwanan, tiningnan lahat kung ano iyong puwedeng maitulong ng departamento, so tuluy-tuloy, Ivan, iyong ginagawa ng Department of Labor and Employment. As we say, we also look at balancing not simply iyong pangangailangan ng mga manggagawa o kanilang mga needs, pati iyong kapasidad ng ating mga employers and that goes to say na dapat mayroon din silang encouragement in terms of a free return of investment and opportunity for expansion and growth.

So, these are actually things that we do – we try to balance. We will never ever be able to strike a very perfect balance, even on the matter of providing or coming up with an adjustment in the minimum wage it's always a thankless job. But we are actually responsible because that's the mandate provided for by law, so we continue to implement laws that are actually within the jurisdiction or ambit of the Department of Labor and Employment, including going to a situation, magkaroon ng pagbabalanse, ano ba iyong adjustment na naaangkop at magtitiyak din na magkakaroon tayo ng pagkakataon na magkaroon ng job enhancement, job maintenance at hindi lang basta job, iyon nga iyong nabanggit ni Sec. Arsenio – we would like to look at productive, sustainable and quality jobs.

**HALILI/TV 5:** Magandang umaga po. Secretary Balisacan, follow-up lang po doon sa POGO. Gaano kalaki po iyong revenue loss that we expect kapag po once the government decides to ban POGO? How accurate iyong P20 billion per year and revenue losses?

**NEDA SEC. BALISACAN:** I don't have the numbers with me. So, I can't respond to the actual, you know, estimates. But I recall that when I was asked about this earlier, we did some estimates.



But again, it's not, it might be a big number but the cost, particularly, social cost of POGOs are quite high, and also we are trying to position our country as a legitimate place for business where, you know, we are trying to attract investors to come, tourist to come and so the least that we want is to have a reputation, nandito iyong mga criminals, nandito iyong mga... things like that. So, the social cost the way we view it, the NEDA, may not be worth those revenues because if you succeed in generating those jobs anyway, we will get much more than what we lose.

**HALILI/TV 5:** Sir, as early as now, mayroon na po ba tayong tinitingnan na possible alternatives na source of revenues, just in case na mag-decide na i-ban na iyong POGO?

**NEDA SEC. BALISACAN:** Yes, because if we expand business, then we generate more revenues from income taxes, corporate taxes, from all kinds of—if we import some equipment, we also derive tariffs revenues there. So, if you put all this together, there should be more than what you lost in the POGO.

**MS. OSEÑA-PAEZ:** Okay, thank you. Before we continue, I would like to wrap up this live briefing on air and we can continue after we go off air. Thank you so much to Secretary Laguesma and Secretary Balisacan and thank you Malacañang Press Corps. This concludes the live part of our press briefing. Thank you.

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