Law, morality, and catholic social teaching on family living wage: Analyzing the adequacy and morality of the minimum wage in the Philippines

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Abstract: This article illustrates that what is legal may not necessarily be moral for the Roman Catholic Church (RCC) in the Philippines. Using sociological and theological perspectives and secondary data to compare the minimum wage and the family living wage of non-agricultural workers in Metro Manila as an illustration, it clarifies the basic difference between the government’s legal wage and the Roman Catholic Church’s (RCC) moral wage. It compares the legal wage as mandated by the Wage Rationalization Act of 1989 and related statutes and the RCC’s social doctrines on just wage and the family living wage as taught by Catholic Social Teaching’s (CST), a set of papal and conciliar documents that deal with the Christian faith and social concerns. It also evaluates the adequacy and morality of the minimum wage using CST principles. It argues that the minimum wage may be legal as it conforms to government statutes, but immoral as it deviates significantly from the RCC’s ethical standard of a just wage. The study’s findings and analysis revealed that the minimum wage is grossly inadequate to address the workers’ personal and family needs as preached by CST.

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PUBLIC INTEREST STATEMENT

Using sociological and theological perspectives and systematic review of literature to compare the minimum wage and the family living wage of non-agricultural workers in Metro Manila as an illustration, it clarifies the basic difference between the government’s legal wage and the Roman Catholic Church’s (RCC) moral wage. It compares the legal wage as mandated by the Wage Rationalization Act of 1989 and related statutes and the RCC’s social doctrines on just wage and the family living wage as taught by Catholic Social Teaching’s (CST), a set of papal and conciliar documents that deal with the Christian faith and social concerns. It argues that the minimum wage may be legal as it conforms to government statutes, but immoral as it deviates significantly from the RCC’s ethical standard of a just wage.
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1. Introduction

Law and morality are seen as having a relationship in society, but how this relationship is to be understood is a bone of contention for scholars (Njoku, 2007, p. 87). For some, the relationship between these two is both complicated and subtle (Duster, 1970; Habermas, 1986; Heimer, 2010; Weber, 1964). For others, it is complementary one as they both share some essential characteristics of channeling people’s behavior (e.g., Hart, 1957; Fuller, 1964). Law and morality are two major normative standards that guide people’s action in society (Green, 2008). Law is generally founded on the state’s statutes, while morality is primary based on some ethical and religious precepts of a particular church or religion.

In the Philippines, the government has its own compilation of statutes, following the 1987 Constitution’s doctrine on the separation of church and state, while the Roman Catholic Church (RCC), the oldest Christian denomination in the country, has its own set of moral norms called the Catholic Social Teaching (CST), a set of conciliar and papal documents that deal with the Christian faith and social concerns in society (Ballano, 2019). Ideally, legal and moral norms ought to be inseparable as “every moral norm could be a content of a legal norm” (Green, 2008, p. 9). Thus, Fuller (1964) argues, there is a necessary connection between law and morality: law must have some “internal morality” for it to be law. But there are instances wherein what is enacted by the Philippine legislature as legal could be immoral for the RCC. This is illustrated in the case of giving wages to workers by Filipino employers. While the RCC preaches CST’s family living wage (FLW) for workers as “a hallmark of its modern approach to economic justice” (Hinze, 1991, p. 19), the Philippine government implements the minimum wage (MW) as the legal salary for wage earners in the country.

The adoption of the MW as the standard salary seems odd in one of the oldest and predominantly Catholic country in the globe. The Philippines is the third largest Catholic country in the world in terms of number, next only to Brazil and Mexico (Pew Research 2011) with 90 percent of the population is Christian and 80 percent is Roman Catholic (Lally et al., 2019). And over the centuries, the RCC has developed a set of social doctrines that aims to form a society marked by peace, concord, and justice toward all (Dulles, 2002). CST “embodies social principles and moral teaching that is articulated in the papal, conciliar, and other official documents issued since the late nineteenth century and dealing with the economic, political, and social order” (Kizito & Juma, 2015, p. 1). It serves as “a set of principles for reflection, criteria for judgment and directives for action” for all the members of the Church (Gaudium et Spes [Pastoral Constitution on the Church in the Modern World], Gaudium et Spes, 1965, p. 23). From Leo XIII’s encyclical Reum Novarum [Of New Things] up to the present, the RCC considers the just wage for workers in modern industrial society as a central moral concern (Hinze, 1991, p. 109). According to CST, “wages are the measure of the justice of the entire socioeconomic system, which should be “evaluated by the way in which man’s work is properly remunerated in the system” (Laborem Exercens [On Human Work], Laborem Exercens, 1981, p. 19).

Believing that work is part of God’s plan and workers are created in the image and likeness of God, CST teaches the right to a just wage, which can guarantee workers with a dignified livelihood for themselves and their families, considering their productivity, the state of the business, and the common good (Gaudium et Spes, 1965, p. 67). And this wage must not be based neither on legislation nor agreement between the workers and employers (Catechism of the Catholic Church, Caritas Veritate, 1993, p. 2434), but on the actual needs of the workers and their families. For CST, wages should be sufficient to maintain a family with enough left over to allow for savings
to help meet the uncertainties of life. It should be adequate “for establishing and properly maintaining a family and for providing security for its future … including a certain amount for savings” (Laborem Exercens, 1981: p. 19; Klay & Lunn, 2003). In short, the just wage for CST is the FLW, a wage that can enable the workers to live a decent life that is appropriate to their dignity as created in the image and likeness of God (Gen. 1: 26–27).

CST’s FLW has been part of RCC’s compendium of social doctrines for more than 100 years, and yet the Philippines, as a Catholic country, is implementing the MW as mandated by the government’s Wage Rationalization Act of 1989 and the International Labor Organization’s (ILO) wage fixing convention No. 131 that mandates employers to pay the MW to their workers. Thus, one wonders: Does the current Philippines’ MW satisfy CST’s criteria of a just wage? Is MW a moral wage that is adequate to satisfy the workers’ personal and family needs as taught by RCC’s social doctrines?

To answer these questions, this paper applies some sociological and theological perspectives on law and morality as well as textual data from CST documents and past studies and secondary data on MW and FLW to structure this article into two major parts. The first part clarifies the fundamental difference between the Philippine government’s MW and the CST’s FLW whether or not they are just and moral wages for workers. The second part analyzes the adequacy and morality of the daily and monthly pays of the MW and FLW of non-agricultural workers in Metro Manila vis-à-vis the estimated monthly expenses of a worker with a normal family size. It primarily argues that the MW in the Philippines may be legal as it conforms to government statutes, but immoral as it deviates significantly from the RCC’s teaching on FLW as the just and moral wage. It debunks the popular idea among Filipino Catholics that what is legal may necessarily be moral. Legality and morality are two separate normative standards that Filipino employers need to distinguish to enable them to do business in accordance with their Catholic Christian conscience.

2. Review of related literature and theoretical orientation

2.1. Research on CST and FLW

The literature and research on FLW have flourished in the developed countries such as the United States but not in developing countries like the Philippines. As Ford and Gillan (2017, p. 904) observe, “the literature on the concepts and practices associated with the living wage has focused on developed rather than developing countries.” The US and Europe have “very different economic and social terrain from developing Asia where labor markets are defined by the structural predominance of informal work and very limited social welfare provisions” (Ford & Gillan, 2017, pp. 904–905). The living wage movement in the US at the turn of the century has generated a renewed interest on living wage research (Quigley, 2000) that includes published works that incorporated CST moral principles on FLW. The case for a living wage in the US was best made by ethicist, teacher, and scholar-activist Monsignor John A. Ryan (Figart, 2001). In his landmark work entitled A Living Wage: Its Ethical and Economic Aspects (Ryan, 1906). Applying moral and economic perspectives, Monsignor Ryan understands the living wage as a salary which supersedes the bare minimum needed to stave off hunger, disease, or exposure to poverty. His other book entitled Economic Justice (Ryan, 1996) also provided ethical reflections on the intimate relationship between living wage and distributive.

Continuing Ryan’s FLW legacy were Fr. Healy’s book entitled The Just Wage, 1750–1890: A Study of Moralists from Saint Alphonsus to Leo XIII (Healy, 1966) and Fr. Sweeters’ The Just Wage 1891–1931: A Study of Moralists from Rerum Novarum to Quadragesimo Anno (Sweeters, 1968). Recent authors on CST and FLW incorporated some social science perspectives in their work. Hinze (1991), for instance, applied the feminist theory in analyzing CST’s doctrine on just wage and conceiving of a new vision of the FLW. Other authors such as Figart (2001) also incorporated some empirical perspectives in their faith-based activism on living wage in the US. Figart analyzed the connection between faith-based activism and the ethical foundations of living wages in religious economic
thought, specifically the Christian thought. Despite this development, the research and literature on CST’s teaching on FLW using moral and social science perspectives remain limited. There is a growing number of books on the nature and moral principles of CST in general (e.g., Massaro, 2015; McKenna, 2019; Schlag, 2017) but scant in literature that particularly applies CST’s doctrine on FLW to specific countries, contexts, and cases. Thus, this paper aims to fill this gap.

2.2. Research on Philippine wage

Current research on Philippine wage largely focuses on the MW and not on FLW. And there is an apparent absence of empirical and theological work that differentiates these two types of wage for Filipino Catholic employers and entrepreneurs. The prevailing research work on Filipino workers’ wage can be broadly categorized into three major trends that focus on economic rather than on moral aspects. The first trend revolves around the effects of the MW to the local employment, confirming the long-standing and influential opinion of several researchers that the country’s MW laws have been a barrier to higher industrial employment (e.g., Canales, 2014; Lanzona, 2014; Sicat, 1986). Lanzona (2014), using panel data on firms and workers extracted from Annual Survey of Philippine Business and Industry and Labor Force Survey, for instance, found evidence that minimum wages decreased the probability of employment of less educated workers. He concluded that labor-intensive firms would be hardest hit by the implementation of MW law. Following Lanzona’s thesis, Canales (2014) uncovered the adverse effect of the MW to employment outcomes in terms of work hours and the probability of gaining or retaining employment, utilizing the relatively novel procedure of regression discontinuity design (RDD). Finally, some researchers under this trend focus their studies on the effect of the MW to prices in the economy (Cacnio, 2017; Lemos, 2006). A recent study by Cacnio (2017) found evidence to connect the negative effects of increasing minimum wages to prices of goods and services in the economy.

The second trend focuses on improving the structure of fixing the workers’ MW with the goal of simplifying the wage systems in the country. Reyes (1998), for example, criticized the previous wage adjustments by the government which was mainly based on wage adjustment in the Consumer Price Index (CPI). In her study, she suggested other productivity indicators, aside from CPI, to broaden the method of fixing the MW in the country. This is also the concern of Bersales and Lucagbo’s 2009 empirical study on the movements of regional non-agriculture MWs of three regions (the National Capital Region, Region 7, and Region 11) vis-à-vis factors that the Tripartite Regional Wage and Productivity Boards use in determining non-agriculture MW. This study was later expanded by a study by Bersales (2014) that included all regions in the Philippines. It discovered “that the regional wage boards generally use CPI in their respective regions, Gross Regional Domestic Product, and Regional April Employment Rate in determining non-agriculture” (Bersales & Lucagbo, 2014: 72).

The last trend on MW research in the Philippines specifically examines the MW enforcement mechanism as the major cause of the lack of adequate wages for local workers (e.g., Mangahas, 2011; Benassi 2011). Mangahas (2011), for instance, argued that the main problem of workers’ wage is effective enforcement of the MW law. To him, the main reason why the current MW system appeared to be ineffective to promote the workers’ is the lack of strict implementation of the wage orders by regional wage boards. His research is consistent with one global research trend that examines the implementation of MW legislation. The MW issue is widely debated as a matter of policy, but its implementation is neglected in research (Benassi, 2011). Thus, some studies blamed the weak law enforcement of the MW as a major obstacle in improving workers’ welfare in developing countries (e.g., BIS, 2010; Jones, 1997; Strobl & Walsch, 2001). These studies recommended more implementation mechanisms of MW laws besides the traditional legislative top-down approach to regulate workers’ wage (Benassi, 2011).

Although wage research on the economic dimensions of the MW has made significant development in the Philippines, studies on its moral aspects however lag. This reflects the lack of general awareness and knowledge of labor scholars of CST’s doctrines on labor issues. That is why CST has been labeled by some Catholic authors as the best-kept secret in the RCC (Deberri et al., 1986), known only to some
3. Comparing the Philippine MW and CST’s FLW

3.1. The MW as the legal wage in the Philippines

The MW is the legal wage in the Philippines. It is “the lowest pay that employer can offer their workers for the work that they perform or for the services that they render” (Cacnio, 2017, p. 30). Wage legislation and implementation have been relatively recent in Philippine history. The first MW Law (MWL) (Republic Act No. 602) was only enacted and implemented in the country in 1951. This was followed by the Wage Rationalization Act and the Labor Code of the Philippines (LCP) which amended it in 1989. Other subsequent amendments to the MWL were also introduced to improve the workers’ wage and to reflect rising prices and costs of living (Cacnio, 2017).

The MWL is a social legislation that is patterned after the U.S. Fair Labor standards Act of 1938 and after the International Labor Organization (ILO) legal framework on MW. ILO’s purpose is to provide social protection to workers by providing the lowest allowable legal salary. It requires that the MW must not be lower than the subsistence needs of the workers and their families. Lastly, it aims to protect indirectly all workers in the formal sector by setting the floor on their compensations. According to the MWL, the government must provide for basic statutory minimum wages for workers.

To implement this, the Philippine Wage Rationalization Act (R.A.6727) created regional Tripartite Wage and Productivity Boards to determine the MW of workers and ordered the National Wages and Productivity Commission (NWPC) to formulate policies and guidelines that the regional boards must use to determine wages. Mangahas (2011) contends that “the regional wage boards are in the best position to determine wage because of the different cost of living and level of development of regions in the Philippines” (Bersales & Lucagbo, 2014, p. 73).

3.2. The FLW as the RCC’s and CST’s moral wage

If the MW is the legal wage, the FLW, as taught by the CST, is the moral wage in the Philippines as a Catholic country. CST’s social doctrine on FLW has a long history in the country compared to the MW. The Philippine government only implemented the MW in 1951 after the enactment of the MWL, but the FLW of CST has long been taught by the RCC since 1891 with the publication of Pope Leo XIII’s first social encyclical—Rerum Novarum [Labor and Capital]. The FLW as the just and moral wage for CST has long been preached as a major social teaching by popes and ecclesiastical councils in the RCC, although it has been kept secret to many employers and managers in the Philippines because of the general lack of catechism on CST in the country.

From the point of view of many top Filipino employers and managers in the country, who are usually educated in business schools on capitalist values and on the art of money-making, capital is always seen as a top priority over labor in doing business in society. To increase profit, firms tend to give lower wages to their workers to reduce production and labor costs. This is in consonance with the main teaching in the majority business schools and a long-standing tradition in economics education in the country: that the main purpose of the business firm is to maximize profit (Abueg et al., 2014, p. 2). But the common negative consequence of the business firm’s drive for profit is the neglect of labor and insufficient wage for employees.
CST views profit as only one of the two major indicators in knowing whether a business enterprise is growing: the increase in profit and the improvement of workers’ social welfare in the firm. While capitalists primarily view business as profit-making enterprise, CST sees it as a form of service to society. Pope John Paul (1991), in his social encyclical Centesimus Annus [One Hundred Years], is particularly explicit: business is not only a profit-earning enterprise. “The purpose of a business firm is not simply to make profit but is to be found in its very existence as a community of persons who in various ways are endeavoring to satisfy their basic needs, and who form a particular group at the service of the whole society” (Centesimus Annus, 1991, p. 35). “Profit is a regulator of the life of a business, but it is not the only one; other human and moral factors must also be considered which, in the long term, are at least equally important for the life of a business” (Centesimus Annus, 1991, p. 35).

In his encyclical Caritas in Veritate [Charity and Truth] (Caritas Veritate, 2009), Pope Benedict XVI also teaches that profit should not be the primary business objective, but rather “a means for achieving human and social ends” (para. 46). In Laborem Exercens, Pope John Paul II (Laborem Exercens, 1981) clarifies that labor, especially workers’ welfare, is more important than profit and capital:

In view of this situation, we must first of all recall a principle that has always been taught by the Church: the principle of the priority of labor over capital. This principle directly concerns the process of production: in this process labor is always a primary efficient cause, while capital, the whole collection of means of production, remains a mere instrument or instrumental cause. (Laborem Exercens, 1981, p. 52)

“For Pope Leo and his successors, upholding the human dignity of workers as created in the image and likeness of God implies honest labor and obtaining material conditions necessary for survival and a reasonable degree of security and material well-being through a ‘living wage.’ (Hinze, 1991, p. 110). “By speaking of a wage-earner who is “frugal and well behaved,” Leo makes it clear that a just wage does not mean a salary that enables a worker and his family to live a life of luxury. Neither it is a salary that merely enables a worker to procure life’s bare necessities; rather, it is one that also enables him to procure basic material comforts and even eventually acquire some property. The Pope states that if a “workman’s wages be sufficient to enable him comfortably to support himself, his wife, and his children, [the workers] will find it easy to practice thrift, and … will not fail, by cutting down expenses, to put by some little savings and thus secure a modest source of income” (Rerum Novarum, 1891, p. 46).

The MW as the legal wage and the FLW as the moral wage have significant differences as shown in the following Table 1:

As shown on this table, except for the inclusion of social benefits in workers’ wage, the MW differs from the FLW in at least four areas, namely: Consideration in fixing the wage, Basis for fixing the wage, Employment of spouses, and Provision for profit-sharing.

In fixing the components of the wage, the MW, on the one hand, is considering only the existing regional disparities in the cost of living and other socioeconomic factors, as well as the national economic and social development plans in fixing the wage. The CST’s LFW, on the other hand, considers only 3 general factors in formulating the workers’ wage, namely, the (1) role and productivity of the worker, (2) the state of business, and (3) the common good. In estimating the wage, the MW only specifies that the income must at least satisfy the basic economic needs of the worker and his/her family. CST’s LFW has a broader scope that includes not just the workers’ economic needs, but also their social, cultural, and religious necessities. It incorporates not only the basic needs such as food, shelter, and children’s education, but also contingencies in times of unemployment, sickness, death, and old age. Pope Leo XIII’s Rerum Novarum also indicated that the FLW must be enough to generate extra money for savings if the workers’ families live in reasonable and frugal comfort (Rerum Novarum, 1891, p. 46).
Regarding social benefits, both type of wages recognized its importance. The mandated social benefits are essential components of a just wage for the RCC, in addition to the basic pay to sustain the workers’ personal and family needs. For CST, social benefits are integral part of FLW, not just supplementary to the basic pay (Laborem Exercens, 1981, p. 19). A high monetary pay without social benefits is an unjust wage for the RCC. The basis for fixing income the daily or monthly income is different between the legal MW and moral FLW. For the MW, the actual wage or basic pay of the workers must be based on the current wage order of the government’s Regional Wage Boards, otherwise it becomes illegal if it is proven to be lower than the legal standard. The employer can then be charged by the worker with unfair labor practice in the National Labor Relations Commission (NLRC).

But for CST’s FLW, the actual daily or monthly income is not based on a wage order, but on the actual cost of living where the employee is working or residing. This is a Christian duty of the employer to ensure that the actual living standard of the locality is the basis of the workers’ wage. The giving of FLW to workers is not a legal duty in the Philippines but a moral one, thus, employers tend to ignore it. But the RCC, however, can use psychological coercion, such as the threat of hell for sinners, to pressure employers to follow the RCC’s moral teaching on the FLW. Thus, Pope Leo XIII warns abusive business owners and employers against non-payment of a just wage:

[W]ealthy owners and all masters of labor should be mindful of this - that to exercise pressure upon the indigent and the destitute for the sake of gain, and to gather one’s profit out of the need of another, is condemned by all laws, human and divine. To defraud any one of wages that are his due is a great crime which cries to the avenging anger of Heaven (Rerum Novarum, 1891, p. 20).

The last criteria which is quite controversial for employers is CST’s recommendation on profit-sharing scheme as part of a just and moral wage. The Philippine labor law is silent on profit-sharing for workers in business firms. But CST through Gaudium et Spes (para. 67) and Pope John XXIII’s (1961) Mater et Magistra [Mother and Teacher] recommended some profit-sharing arrangement in a business firm in order that workers would feel that they are co-owners of the company; thus, become more productive in the workplace (Mater et Magistra, 1961: para. 75).

4. The morality of the MW: The wage of workers in Metro Manila
In the Philippines, MW is the lowest basic wage rate that an employer can pay his workers, as fixed by the Regional Wage Boards, which shall not be lower than the applicable statutory minimum wage rates (Article 121 C) of the Labor Code amended by R.A. 6727 (NWPC, 2007). The MW in the Philippines is way below the living standard for a worker with a normal family size of 6 members. The right of the workers to a just wage as stipulated by the RCC is a moral right that every Christian employer with a social conscience should respect. The issue of the MW is an example of what is legal may not necessarily be moral. The payment of the MW by Filipino employers in the Philippines is legal because if follows the statute, but it is immoral or unethical because it contravenes the moral teaching of CST on FLW.

One key concern of Filipino workers is the payment of a realistic salary or a “living wage” rather than a legal wage to support themselves and their families above poverty levels. The FLW is the minimum hourly wage that is necessary for a person to achieve some specific standard of living. This type of wage is based on the actual cost of living of the worker which can support a family of normal size (Bloom & Michel, 2002). The table below illustrates the difference in terms of basic daily and monthly pay between the MW and the FLW for non-agricultural workers in Metro Manila, the Philippines’ capital region which is inhabited by most wage workers in the country.

Table 2 showed that the MW’s daily and monthly pays (including the Cost-of-Living Allowance or COLA) for non-agricultural workers in Metro Manila, as of February 2020, is PHP 537.00 and PHP 16,110.00 respectively. In contrast, the daily and monthly salaries of the FLW, which are based...
on the actual cost of living of this region are PHP 1,022 and PHP 31,089.00 respectively, amounts that almost double the MW. In Metro Manila as well as in the entire country, the MW’s basic pay is generally lower the living wage; thus, unethical for CST as it cannot support the actual cost of living for workers and their families residing in the metropolis. For the RCC, the legal MW is not the just and moral wage but the FLW.

A latest report by e-commerce group Picodi (2020) revealed that the Philippines is one of the worst countries to live for MW earners. The country ranked a dismal 39th spot out of 54 countries in terms of yearly increase in the MW. In 2020, the monthly pay increase of the MW in the Philippines is only 3.2 percent, while Nigeria had 64.8 percent, Malaysia with 9.1 percent, and Hong Kong with 8.7 percent. Picodi also noted that with the surge of price increases, basic food products alone constituted 62.3 percent of the workers’ MW (Picodi, 2020). This implies lack of budget for family expenditures such as education, shelter, health, or clothing. The MW is obviously inadequate to support the workers’ personal and family needs. Thus, the RCC has been appealing to employers and policymakers to implement the FLW. Pope John Paul II’s 1981 encyclical on human work entitled Laborem Exercens (On Human Work), specifically reiterates the RCC’s support for the FLW:

Just remuneration for the work of an adult who is responsible for a family means remuneration which will suffice for establishing and properly maintaining a family and for providing security for its future. Such remuneration can be given either through what is called family wage—that is, a single salary given to the head of the family for his work, sufficient for the needs of the family without the spouse having to take up gainful employment outside the home—or through other social measures such as family allowances or grants to mothers devoting themselves exclusively to their families. (Laborem Exercens, 1981, No. 19, para. 3)

The FLW as a wage that is sufficient to assure a basic level of material security for both the adult household head, normally male, and his dependents, normally wife and children is taught by Leo XIII in his social encyclical Rerum Novarum and is explicitly articulated in Pope Pius IX’s Quadragesimo Anno (Hinze, 1991, p. 111). The RCC believes that the family is a “domestic church,” an essential place for the spiritual education and formation for Christians. It teaches that marriage and family life are the foundation of the political life and well-being of the community, and that economic justice must include measures that promote and protect family life. That is why the RCC insists on the implementation of the FLW instead of the MW. Finally, CST’s emphasis on just wage based on family needs reflects the traditional emphasis in the RCC’s Christian social thought on the “moral priority of the basic needs of those who are economically vulnerable, over against the protection of the superfluities of the economically advantaged” (Hinze, 1991, p. 111).

Table 3 above, which is taken from the local think-tank IBON Foundation, showed the estimated daily and monthly FLW for non-agricultural workers in Metro Manila. It also showed the breakdown of the family expenses as of February 2020. It indicated that the FLW must be at least PHP 1,022.00 in daily pay or Php 31,089.00 in monthly wage for workers to live a decent life. As shown on this table, the estimated actual cost of living in one month included the following expenditures (in Philippine Pesos [PHP]): 14,798 (food expenses), 5,223 (house rent), 3,016 (water, electricity, gas, etc.), 1,772 (Miscellaneous goods/services), 1,648 (transport), 684 (health expenses), 560 (furnishings, routine household), PHP 560 (other expenditures), 155 (recreation and culture), 187 (alcoholic beverages), 218 (durable furniture equipment), 342 (special family occasion), 404 (education), 466 (savings), 529 (communication), and 529 (clothing).

With these expenditures, the MW of PHP 16,110 in Metro Manila as revealed in Table 2 can only afford a little more than half of these expenses, thus forcing workers and their families to sacrifice some of their equally important family needs. Obviously, the MW set by state law does not reflect the current cost of living of the worker and his family in Metro Manila. Thus, the MW can be
considered legal but immoral for the RCC. Wage legislation in the Philippines to increase the MW is a tedious and slow process, thus it is often overtaken by the rising cost of living in the country, making it always behind the RCC's FLW.

5. Summary and conclusion
This article has shown that despite the common function of law and morality of guiding people's behavior in society, there are instances that state law conflicts with moral norms such in the case of the MW law in the Philippines. The MW is legal as it is mandated by the country's Wage Rationalization Act, but immoral and unethical from the point of view of RCC's compendium of social doctrines called CST as the former's wage components and basic pay is way below the FLW standard of CST's social doctrine as shown in the case of non-agricultural workers in Metro Manila. Table 1 showed that there are significant differences between the Philippine government's MW and RCC's FLW. The main consideration of the MW is providing the basic economic needs of the worker and his or her family. But the RCC's FLW as taught by CST includes not just the necessities but also those things that address the workers' social, cultural, and religious needs. This includes provisions for savings, profit-sharing, health, death, and old age. Tables 2 and 3 revealed that the MW (PHP 537.00) is only slightly half of the FLW (PHP 31,089.00), the estimated value of the actual cost of living for the worker's personal and family needs residing in Metro Manila as of February 2020. Therefore, the basic pay of the MW is grossly inadequate, and thus, immoral for the RCC using CST's criteria of the FLW as the just wage. CST's concern to provide the workers with the moral wage of FLW goes beyond economics to stress that labor is a priority over capital in business enterprise since it consists of people or workers who are

| Table 1. Comparing the Components of the MW and CST’s FLW |
|------------------------------------------------------------|
| **CRITERIA** | **MINIMUM WAGE** | **CST’S FAMILY LIVING WAGE** |
| Considerations in Fixing the Wage | • Adjust wage in a fair and equitable manner, considering existing regional disparities in the cost of living and other socio-economic factors and the national economic and social development plans (Wage Rationalization Act 1989: Section 2, para. 2). • Determines an income that satisfies at least the bare minimum for the family's basic economic needs. | • Considers the role and productivity of the worker, the state of business, and the common good (Gaudium et Spes, 1965, paras. 67, Quadragesima Anno, 71, 74). • Covers an income that is sufficient for the family's material, social, cultural, and spiritual needs (Gaudium et Spes, 1965: para. 67; Laborem Exercens, 1981, p. 19) and family living in reasonable and frugal comfort (Rerum Novarum, 1891, p. 34). • Comprises not only for present necessities but also for those in unemployment, sickness, death, and old age as well (US Bishops' Statement on Church and Social Order, 1940). • Includes family savings (Rerum Novarum, 1891, p. 46) |
| Inclusion of Social Benefits | • Compulsory (Bureau of Working Conditions, 2019, pp. 12–66). | • Compulsory (Laborem Exercens, 1981, p. 19). |
| Basis for Fixing Income | • Wage orders as determined by the Regional Wage Board (Wage Rationalization Act 1989: Section 3, Article 123), | • Location's actual cost of living for a normal family size. |
| Employment of Spouses | • Both spouses may work to meet family's basic needs. | • Only one spouse required to work, preferably the husband, so wife can devote more time for household work and children's training (Laborem Exercens, 1981: para. 19; Quadragesimo Anno, 1935, p. 71). |
| Provision for Profit-Sharing | • None | • Recommended (Gaudium et Spes, 1965, p. 67, Mater et Magistra, 1961, p. 75). |

Source: Author
created in the image and likeness of God and their families as “domestic churches,” an essential locus for spiritual education and Christian formation in society. In case of conflict, the RCC prioritizes morality over legality to promote economic justice in society as shown in the case of workers’ wage.

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Table 2. 2020 daily minimum and family living wages in Metro Manila (Non-Agricultural Workers)

| Wage Frequency | Minimum Wage*(Philippine Peso) | Living Wage**(Philippine peso) |
|----------------|--------------------------------|--------------------------------|
| Daily          | 537.00***                      | 1,022.00**                     |
| Monthly        | 16,110.00*                     | 31,089.00****                 |

*Based on official data of National Wages and Productivity Commission (NWPC), the current minimum wage for non-agricultural workers in Metro Manila, effective since 22 November 2018. https://nwpc.dole.gov.ph/regionandwages/national-capital-region/.

**Based on estimates of IBON Media's “the Family Living Wage” as of February 2020. https://www.ibon.org/the-family-living-wage-as-of-february-2020/.

***With the PhP 30.00 Cost of Living Allowance (COLA)

****As of February 20, 2020, for example, 1 US Dollar (USD) is equivalent to 50.57 Philippine Peso (PHP)

Table 3. The estimated daily and monthly pays for FLW and family expenses for workers in Metro Manila as of February 2020

Source: “The Family Living Wage.” IBON Media. https://www.ibon.org/the-family-living-wage-as-of-february-2020/.
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