

BEYOND THE MINIMUM WAGE: SUGARLANDIA IN THE SEVENTIES*

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When I took my first course in statistics, the professor announced in the opening lecture that he hoped to teach us at least one thing by the end of the semester, namely, to pronounce the word "statistics" without stuttering or stammering. If I were asked to select a similarly simple goal for this evening's lecture, it would probably be to have everyone in this hall realize, despite what you read in the Manila press, that *sacada* is not a synonym for "sugarcane worker"; on the contrary, as of 1970 only one out of every 10 sugarcane workers is a *sacada*.

However, my purpose this evening is somewhat more ambitious than the clarification of word meanings. I hope as well to give a layman's sketch of the sugarcane-growing process and a somewhat more informed picture of the people involved in it. Beyond this, I will consider in turn several reasons which *have* been offered, or might *well* be offered, to explain the fact that a sizable number of sugarcane planters do not pay the minimum wage. Finally, I will hazard my own best estimate as to why such wage-law violations persist and proliferate.

Four prenotes are in order. *First*, though I came to the Philippines in 1946, I had never stepped inside a sugarcane field, nor cast a critical eye at the sugar industry, until 1969, when

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I was invited to do just that by the National Federation of Sugarcane Planters (NFSP).¹ Moreover, since my experience has been limited to farms whose owners belong to eight of 13 NFSP-associated planters' groups in Negros Occidental, what I say must be understood as referring primarily to that province.²

Second, if I speak both publicly and critically about conditions in the sugar industry, despite my limited experience, it is with full awareness of the many planters who have for years been giving above-standard compensation and benefits to their workers, beyond what the law demands. And if I, who am still technically an American, feel little embarrassment at discussing matters such as these publicly, it is because they are non-political in nature. Besides, when you have been a guest in a friend's home for 24 years, you do feel you can safely give an opinion when you are asked to.

Third, I have used the phrase "minimum wage." At the time my staff and I were in Negros (mid-1969 and early 1970), this was set at ₱4.00 per day for sugarcane agricultural workers; since June 17, 1970, however, the figure has been raised to ₱4.75. Unless otherwise noted, my references will be to the old ₱4.00 wage.³

Fourth, you will note that in telling you what I hope to do in this paper, I expressed no intention to prove how widely observed or violated the minimum-wage law was in Negros Occidental. This is a procedural tactic on my part. I want time to discuss matters which are, I think, more controversial than whether or not, or to

what extent, planters pay their workers ₱4.00 or ₱4.75 a day. For this reason, I ask both the partisans and critics of the sugar industry here present to grant for the moment—without prejudice to a return to the subject later on—that, say, 25 per cent of resident sugarcane workers in Negros Occidental are (or were, at least as of February and March 1970) underpaid.⁴

I. THE SUGAR INDUSTRY IN NEGROS OCCIDENTAL

Growing Sugarcane

Raising sugarcane is a complicated business, a lengthy and expensive one. To get one crop through the growth cycle, from land preparation to sugar milling, is in Negros Occidental a matter of about 12 to 13 months. The most intensive activity takes place in that portion of the cycle devoted to the milling operation. This lasts from five to 11 months, and includes the cutting, piling, and loading of the canes, their hauling to the sugar mill, or *central*, and their conversion there into sugar and by-product molasses. Contributing to the intensity of activity during this season is the clearing of fields that have just been harvested; preparing them for the planting of the new crop, and the initial cultivation of these newly planted fields. When milling has been finished and all fields properly started on the new growth cycle, the fields are "closed," as they say, and the slack period, or *tiempo muerto*, begins. If any migrant workers had helped out on a farm during the milling season, they would now return to their home province or provinces.

The cost of producing a hectare of sugarcane will vary widely according to a number of considerations, chiefly the following: the physical and chemical composition of the soil; the inputs made of fertilizer and of chemicals to control undesirable insects, fungi, and rodents; the number of times the field is plowed, harrowed, or fertilized; the cost of administration and labor, and their efficiency; the cost of repairing and maintaining farm buildings, machinery, tools, vehicles, roads, bridges, culverts, and water-

works; and other expenses, such as interest on crop loans, social amelioration and medical payments, advances to workers (at no interest), taxes, and licenses. Finally, and most important, the planter's competence will affect what it costs him to raise a hectare of sugarcane.

How much sugar a given hectare of sugarcane will yield depends on a number of additional factors, among them the variety of cane that was planted, the fertility of the soil and its treatment, the availability of water, and the times when the cane was cut and milled. In Crop Year 1967-68, for instance, these factors accounted in large part for the range observed in the district averages of Negros Occidental, from 66 to 119 piculs of sugar per hectare—not a good year at all.⁵

On the average, I am told, an ordinary farm in a fairly good year will yield from 90 to 100 piculs of sugar per hectare. Now, while the cost of producing, say, 95 piculs of sugar can vary greatly, nonetheless, barring further significant changes in the prices of commodities needed for the operation, a simple formula for cost is the planter's share (usually about 60 per cent, here amounting to 57 piculs) *times* about ₱30. This would give us about ₱1,700 as the cost to the planter of producing 95 piculs of sugar.

To determine how much *profit* was made on such a field, the procedure is the usual one of finding gross income and then subtracting costs from it. In the present case, for instance, we first multiply the planter's share (57 piculs) by the going average price of domestic and export sugar combined, currently about ₱45; this gives us ₱2,565. To this we add the value of the planter's molasses share, which would be about ₱70.⁶ In round numbers, then, the gross income for the planter is ₱2,635. Subtracting costs of, say, ₱1,700 gives a net profit of ₱935 for one hectare. For the lessee, who would have to pay 18 to 20 per cent of his sugar (in this case about 11 piculs) to the owner, gross income would be closer to ₱2,140, with a net profit of ₱440 per hectare.

It can easily be objected that expenses are sometimes higher than ₱1,700 per hectare or the yield often less than 95 piculs, with a consequent slashing of the planter's profit. This is of course true. The profit could also be greater. However, the purpose of average figures such as mine is merely to *illustrate* that big money is involved in even a small sugarcane farm: this kind of farming involves an expensive investment in money and high-priced land, high risks, and potentially big profits or losses.

The Sugarcane Growers

Who are the people who actually grow the cane? What roles are distinguished at the production end of the sugar industry? I shall speak briefly of just eight of them; namely, the planter, administrator, *encargado*, *cabo*, *dumaan*, temporary worker, *sacada*, and *contratista*.

Farm size criteria. Here let me introduce some distinctions in farm size. In Negros, a sugarcane farm is usually considered large if it measures 100 hectares or more. Medium-sized farms are those which are 40 to 100 hectares in area. Small farms are 5.1 to 39.9 hectares in size, while very small farms measure five hectares or less. The percentage of farms of each size is as follows: very small, 27 per cent; small, 48 per cent; medium-sized, 17 per cent; large, 8 per cent. If we ask a second question, namely, the percentage of sugarcane land occupied by farms of various sizes, we discover that about 45 per cent of the total sugarcane area belongs to the large farms, which are 8 per cent of the total number of farms.⁷

Management roles. Every farm has its planter, or *hacendero*, who has ultimate responsibility for farm operations. In three out of four cases he (or she) is the owner; the remaining fourth are lessees, who pay owners 18 to 20 per cent of the sugar produced, in exchange for use of the farm. The word "hacendero" loses some of its grandeur when you recall (a) that 27 per cent of "haciendas" are five hectares or smaller in size; (b) that on 63 per cent of these very small farms there is not a single resident worker (only

temporary workers are employed); (c) that on 22 per cent of them the planter and his family do all the work without *any* outside assistance. It is no wonder that so many sugarcane farmers prefer to be called "planters," not hacenderos.

Administrators are a relatively professional group of sugarcane growers, at least one of whom is found on about one out of five haciendas, especially those that are large and medium-sized. *Encargados*, or overseers (literally, those in charge), are found on two out of five haciendas, especially the middle-sized, large, and small ones. Where all three jobs are found on the same farm, the planter is the employer, the administrator is top management, and the *encargados*, middle management. If you wish to use a military analogy, think of the planter as a general, the administrator as a colonel, and the *encargado*—appreciably lower, but still a commissioned officer—as a first or second lieutenant.

In Negros these three kinds of people are similar in some ways, different in others. Thus each is, on the average (median), about 50 years of age, though the range is from under 24 years to over 75. More than nine out of 10 are Roman Catholics and Ilongos, but mother-tongue Cebuano, Tagalog, and Spanish speakers are also found among planters and administrators. Differences occur as well. While *encargados* tend always to be married men, about 16 per cent of planters and administrator are single, and an added 4 per cent of planters are women. The average administrator and planter are college graduates, or near-graduates; the average *encargado* has finished only two years of high school. Average (median) years of experience in sugarcane farming are 9, 16, and 23, respectively.

Workers. Still less well educated are the *cabos* (or foremen), the permanent workers (or *dumaan*), and the temporary workers or casuals. The average *cabo* has just finished grade school, while both the average *dumaan* and the average temporary worker have had less than five years of elementary schooling. About two out of five *cabos* have finished grade school, whereas only one out of five *dumaan* or temporary workers

can make this boast. Almost all cabos and other workers are married men, their ages ranging from 15 to 75 years.⁸ Cabos tend to be slightly older than the others, but at least half of each group is under 40 years of age.⁹ In both religion and mother tongue the *dumaan* and temporary workers show more diversity than cabos do, but the overwhelming majority are in each case Roman Catholics (95 per cent) and Ilongos. About 10 per cent of cabos and 20 per cent of *dumaan* and temporary workers are native Cebuano speakers, most of them coming from the San Carlos district in northeast Negros, facing the island of Cebu.

Overall, cabos are found on about 60 per cent of Negros farms, the likelihood of their presence varying directly with the size of the farm.¹⁰ *Dumaan* and temporary workers are both found on about 70 per cent of farms, but the pattern of presence is different: for *dumaan*, the *bigger* the farm, the more likely they are to be found on it; for temporary workers, on the other hand, the *smaller* the farm, the more likely they are to be employed there.¹¹

Where all three kinds of these workers are on the same hacienda, they might be compared (returning to the military analogy) to non-commissioned officers (cabos; literally, corporals) and enlisted men. Since cabos and *dumaan* are permanent employees, almost all of whom are side on farm property, while temporary workers are casuals who live off the farm in nearby barrios, the first two might be thought of as veteran regular-army men, the latter as draftees.

Numbers. Let us talk now about numbers. In the eight associations whose members' farms we studied, there are about 4,400 planters, 1,000 administrators, and 2,300 encargados. Bookkeepers and guards are another 2,600. The field force is divided as follows: cabos, 5,100; *dumaan*, 75,100; temporary workers, 43,400; *sacadas*, 13,400. The overall work force is, then, about 147,300; the field force, about 137,000, divided as follows: cabos and *dumaan*, 58 per cent; temporary workers, 32 per cent; *sacadas*, 10 per cent.

Sacadas and contratistas. *Sacadas* are neither enlisted men nor officers. In terms of the military analogy they might well be described as civilian contract workers. Though some of them, especially those from Cebu, are employed as weeders, they generally assist in harvesting the cane, getting it out of the fields and onto the trucks or rail cars that will take it to the central for milling.

Typically, *sacadas* are migrant workers from outside Negros, recruited by a labor contractor who in turn has agreed to provide a certain number of harvesters to one or more planters in Negros. During the milling season they can be found on about one out of 50 very small farms, one out of 30 small farms, one out of seven medium-sized farms, and one out of two large farms. Overall, they help out on about one farm in 14, but are found especially in southern Negros. Thus their contribution to the field force varies by sugar district from less than 5 per cent in Victorias and Ma-ao, to a maximum of 19 per cent in Binalbagan-Isabela. The average representation is, as we stated earlier, 10 per cent of the field force.

As a group, *sacadas* differ from cabos, *dumaan*, and temporary workers in that they are predominantly young (median age under 24 years), single (61 per cent), and non-Ilongo. They come rather from Aklan, Antique, and Bantayan Island, Cebu.

They are not simply a migrant work force without roots. On the contrary, 61 per cent are farmers in their home provinces and one out of five of these are landowners. Another 12 per cent are fishermen at home, while 10 per cent are laborers. A final 14 per cent say that harvesting cane in Negros is their only important source of income during the year.

Attitudes toward being a *sacada* tend generally to be negative: of those who have children old enough and strong enough for the work only one out of five would want his child to follow in his footsteps. Yet two out of five are themselves second-generation *sacadas*, and one out of

eight is a third-generation migrant worker. For three out of five *sacadas* the 1969–70 season was at least their second year at this work—four out of five it was at least their fourth to tenth year.¹²

The IPC Studies

There may be some of you who wonder where all these percentages come from. For better or for worse, most are derived from data the Institute of Philippine Culture gathered in Negros Occidental in July 1969 and February–March 1970. The first occasion was an exploratory study of 63 farms, the purpose of which was to lay the foundation for a more intensive investigation. In the second survey, conducted earlier this year, the sample farms numbered 193, a random five per cent selected to represent farms classified by size, productivity, ownership, and the presence or absence of *sacadas*.¹³

Interviewed in the first study were about 500 on-farm respondents, along with another 88 individuals who lived in Bacolod and other large centers. The 1970 survey was addressed to on-farm residents, of whom 609 were interviewed at length. They in turn gave information about themselves and the other members of the household; some respondents (planters, administrators, *encargados*) also reported on other households on the farm (Table 1). In all, general information was gathered on 2,461 households; detailed information is available on 4,056 individual household members. Especially in the second survey, the sample was large enough (4 to 5 per cent) and representative enough to offer a basis for firm conclusions.

II. WHY SOME WORKERS ARE UNDERPAID

At the beginning of this paper I asked you to go along with my request that we agree that a sizable percentage of resident workers — about 25 per cent or so — are underpaid, that is, received as of February and March 1970 less than the legally prescribed ₱4.00 per day. You may

be itching to challenge that, or to ask for clarification at this point. Bear with me yet a little while. Let me consider with you rather the usual reasons that are given, sometimes defensively, sometimes in simple explanation, to make sense out of the failure of some planters to pay the minimum wage. My experience has been that the following statements are those most commonly heard:

- (1) "How can you expect all planters to pay the minimum wage: some farms are so small, or so unproductive, that the planter simply can't afford to pay his workers ₱4.00 a day."
- (2) "Some planters don't pay ₱4.00 a day because they are justly deducting from workers' pay the advances they made to them during the slack season, when work and cash were scarce."
- (3) "Planters really don't have to pay exactly ₱4.00 a day since they give their workers free housing and a free home lot, together with other benefits such as emergency medical care, free schooling for children, and the like."
- (4) "Farms have too many workers on them. Planters don't need all of them. But they don't want to turn the superfluous workers away, so they spread the wages out among the workers. That's why some are underpaid."

Four Commonly Heard Reasons

In my experience, these are the four reasons most often given to explain why some sugarcane planters do not pay the minimum wage. There are another four reasons that planters discuss less frequently, but I shall look at these later on.

1. *Low productivity and small farm size.* I turn now to the first and most common explanation for low wages, namely, the low productivity or small size of the farm. Given the expense and the care needed to raise a financially

profitable sugarcane crop, this sounds like a reasonable explanation indeed.

If the allegation were correct, we should expect that, by and large, wages would vary directly with farm size and productivity. The larger the farm, or the more sugar it yields, the higher the wages should be. This is the kind of hypothesis that can be tested against the data we gathered precisely for this purpose.

Studying data derived from both our surveys, which involved 256 farms in all, we find that the average wages paid do follow this pattern: *dumaan* and *cabos* on large farms *on the average* receive more than those on medium-sized and small farms; those on high productivity farms *on the average* receive more than those on farms producing below standard (Lynch 1970:15; see also Table 2a and 2b, below). But when an analysis of variance is made to make sure that it is really farm size and productivity that are behind these average differences, we discover that "while [it is possible that] farm size and productivity may affect wages paid on farms, they are not the only factors that do so. In fact, they may not be the basic factors determining wage levels paid" (Orense 1970:41). Put less technically, this means that *average wage levels are not to be explained merely by farm size or productivity. Other factors are certainly involved and may even have much greater weight.*

2. *Planters are collecting advances made.* Another reason commonly advanced for planters' paying less than the minimum wage is that, since they lend money (without interest) during the *tiempo muerto*, they rightly and justly deduct this amount from wages paid during the milling season. Low wages are explained as ₱4.00 *minus* an installment payment to the planter.

If loans and repayments of this kind were a general practice, we should expect that many workers would report being in debt to the farm and that, as a group, workers in debt to their employers would report receiving less pay than those who were not so indebted. As a matter of fact, 40 per cent of workers say they have no debts to anyone, 40 per cent do have debts to

the farm (the median amount is about ₱45.00), and the final 20 per cent owe money only to others, such as the managers of off-farm stores.¹⁴ Moreover, only about three out of 10 planters say they advance money to workers during the *tiempo muerto*, and those in debt to the planter are paid the minimum wage or better just as often as those who owe him nothing (Table 2c). In each case we find that about 73 per cent of planters are paying all their *dumaan* at least ₱4.00 per day. Hence *low wages are not satisfactorily explained by deductions for advances made.*

3. *Planters are giving many other benefits.* A reason that makes a lot of sense to the outsider is that planters are giving *dumaan* so many other things free that they really need not give exactly ₱4.00 as the daily wage. Two points are at issue, however: the first and legal consideration is whether or not deductions can be made for housing and other such benefits given to the *dumaan* and *cabos*; the second question, which is factual, is to what extent these benefits are being given to workers.

According to the Bureau of Labor Standards, referring specifically to sugar industry agricultural workers, "No deduction for board, lodging and other facilities customarily furnished by the employer to his employees shall reduce this minimum daily cash wage to less than ₱4.00 as provided in Minimum Wage Order No. 1" (Bureau of Labor Standards n.d., Sec. IV, B). *Deductions cannot legally be made from the ₱4.00 minimum wage for housing and similar traditional benefits.*

To what extent workers actually do receive free housing and free schooling for their children deserves further discussion, since these benefits are often cited as basic gifts to the average *cabo* and *dumaan*.

One characteristic distinguishing *cabos* and *dumaan* from temporary workers is their place of residence. *Cabos* and *dumaan* (95 per cent of them, anyway) live on the hacienda where they work; temporary workers live off the farm, generally in a nearby *barrio*.

It is our finding that house lots assigned by planters to cabos and dumaan vary from 25 to more than 300 square meters in area, the cabo median being almost 200 square meters, that for dumaan, about 120 square meters. In all cases the *lots* are reported as a rent-free fringe benefit.¹⁵

This is not quite true of the houses built on these lots. About one out of five workers says he himself owns the house he lives in. Further, of those who live in farm-owned housing, 11 per cent of dumaan and 4 per cent of cabos pay rent. For the remainder, however, the house is rent-free. To summarize, all workers living on their employer's farm have the free use of a house lot. Of the 80 per cent who live in houses which also belong to the planter, almost (but not quite) all are asked to pay no rent. Moreover, house repair, where this is called for and accomplished, is always at the expense of the farm owner. In other words, *free housing is in fact a widespread and traditional benefit on sugarcane farms of Negros Occidental. It is not, however, a universally free benefit.*

For both cabos and dumaan, *education* is seen as a precious gift they wish to give their children. They speak most often, in fact, in terms of *college* education as their dream. Let us see how well they are achieving the first step in their ambitious plan—what schooling are their youngsters of grade-school age (7 to 13 years) receiving at this time?

Of those workers' children who are enrolled in school, only 30 per cent attend an institution located on the hacienda itself, while 70 per cent go to an off-farm school. Moreover, the hacienda school is in most cases not a totally free benefit for the workers' children. In about 72 per cent of cases the parents must pay the hacienda at least something for their child's education. This means that only about 10 per cent of workers' children get completely free schooling.

Furthermore, not all workers' children of elementary-level age are actually enrolled in a grade school. About 17 per cent of cabo children and 28 per cent of dumaan children are out of

school. These figures compare favorably with the provincial and national figures (1960 census) of 57 and 49 per cent, respectively, for out-of-school children. Nonetheless, when applied to the total population of grade school children represented by our sample, the cabo and dumaan percentages would imply that there are about 25,000 youngsters out of school on the farms of the eight associations we are studying. This situation is traced by the parents themselves especially to their own poverty. They say either that they do not have enough money to send their children to school (28 per cent) or, what comes to the same thing, that they need the child's help as a worker and contributor to the family income (16 per cent).¹⁶

It follows from these data on education that despite well-known examples of hacienda-operated or -subsidized schools, (a) only 30 per cent of workers' children enjoy this benefit, and of this number two-thirds are paying something in exchange, and (b) a sizable percentage of workers' children are out of school, most commonly because their parents cannot afford to send them there. Hence *the fringe benefit of free schooling cannot easily or reasonably explain low wages*, especially since we find that those planters who pay the minimum wage are the ones most likely to be giving free schooling.

4. *Excess labor on the farm.* A common reason given by planters to explain why they do not pay all workers the minimum wage is that there are just too many of them on the farm. This can be meant in two different ways: (a) all workers are employed full time, but paid less than ₱4.00 a day, or (b) workers who are not needed get only part-time employment, with consequently low take-home pay.¹⁷

There is no doubt that there are too many dumaan living on many farms of Negros Occidental. One way of testing this is to compare the number of dumaan per hectare with the ideal of one or less than one per hectare. By this test, at least 39 per cent of farms are over-staffed (Table 2e).¹⁸ Another approach, which we also used, is to ask those in charge of the

farms how many *dumaan* they could release for training in some trade or other. Here the answers varied widely by district (from 43 per cent in San Carlos to 2 per cent in Talisay-Silay) and by farm size (from 20 per cent for medium-sized farms to 9 per cent for large farms). Overall, the median figure by this criterion is 11 per cent. Still another symptom of crowding on the farms is the number of workers residing in each household. While the expected number would be somewhere between 1.0 and 1.5, the actual range by district is from 1.6 to 2.7 for *dumaan* households (median, 2.2); for *cabos*, the range is from 1.5 to 4.0 (median, 2.1). For this reason, and especially for those given earlier, I think it safe to say that, overall, the sugarcane farms of Negros Occidental have on them many more workers than they should.

In support of this finding we have evidence of low mobility among the worker population. Almost one half of the *dumaan* are second- or third-generation residents on the same farm. Of those who grew up on the farm, moreover, only one half say that *any one* of their adult brothers or sisters has left the farm. In fact, only 12 per cent of *dumaan* have been on their present farm for less than five years. Asked if they would like to leave the farm if they were given a job elsewhere that paid equally well, over 90 per cent replied "No." Why? "Because the amo is always here to help us."

There is considerable evidence, then, that the farm population is excessive at this time, and likely to become more oppressively so with each passing year. That the extent of this overpopulation is related, in a general sense, to wage levels is indicated by the finding that districts with high percentages of excess labor tend to pay lower individual wages to *dumaan*, while those with an economically more desirable worker: land ratio pay higher individual wages.¹⁹ Again, and more specifically, we find that while 61 per cent of planters with the proper worker: land ratio pay the minimum wage or better to all their workers, the latter can be said of only 43 per cent of those with too many workers on the

farm (significant at the 0.05 level by the chi square test). Hence, *it is acceptable to say that excess labor is significantly related to wage levels.*

So much for the four reasons which I personally have most frequently heard advanced to explain why some planters pay low wages. Of all of them, only the presence or absence of excess labor seems more than randomly or weakly related to differences in individual wage levels. Farm size, farm productivity, and worker-indebtedness, when closely analyzed, show only a chance or statistically non-significant relationship to wages paid. Moreover, the usual benefits given to sugarcane workers are neither deductible nor universally granted.

Four Less Commonly Heard Reasons

There are four additional reasons I have heard, generally after coming to know a planter-informant fairly well. These reasons are given less as public than private explanations for the failure of some farmers to pay the minimum wage. The reasons are these: (5) some planters live too well, or have distorted ideas of what a reasonable margin of profit is; (6) lessee-planters, having less of a commitment to the farms they operate and the workers who live there, tend to pay less than owner-planters; (7) planters who do not live on the farm have less knowledge about or concern for their workers, and so tend to pay lower wages; and (8) some planters are, quite frankly, incompetent; because they run financially unprofitable enterprises, they cannot afford to pay the minimum wage to all their workers.

How much truth is there in each of these statements? I shall examine each in turn.

5. *Planters seek excessive profit.* It is often said by planters themselves that some of their fellow planters squeeze the land and their workers too hard, trying to wring from both a profit beyond reason. This complaint is often tied as well to a further charge that these planters need excessive profits to finance a number of late-model cars, jewelry, and trips abroad.

We asked our planters to indicate what they considered a reasonable minimum, and a reasonable maximum profit. The range of answers was extraordinary; from under 5 to over 40 per cent for the minimum, and from less than 10 to more than 80 per cent for a reasonable maximum (Tables 2f and 2g). As a comparative figure, recall that the average pre-tax profit earned by leading industrial concerns in the Philippines is 18 per cent.

For our purposes, the important finding is that *the planter's notion of legitimate profit showed no relationship to his paying or not paying the minimum wage on his farm.*

What about "high living"? We could not easily inquire into the jewelry purchases of our planters, but we do have data on their travels abroad, the passenger vehicles they own, and the number of their household help. It may come as a surprise to some to be told that of this representative sample of hacenderos only 20 per cent have ever been to Hong Kong or Tokyo (of the 20 per cent, half have been there just once in their lives; Table 2h). Only one out of ten has ever been to the United States, Canada, or Europe (only one per cent have been there more than once; Table 2i).

The average planter does not own a fleet of cars. As a matter of fact, two out of five do not even have one passenger vehicle, another fifth have only one, and the remainder have two, three, or four (Table 2j)—the most commonly owned vehicles being war-surplus jeeps (see Pahilanga 1970:4, note 2). Thirty-six per cent of planters have no household help; another 44 per cent have one, two, or three, and the remaining 20 per cent have more (Table 2k).

When we separate planters who have been abroad from those who have not, those who have one car or none from those who have more than one, and those who have no household help or one from those who have two or more, this finding emerges: as a general rule, *the more affluent planter is more likely than others to pay the minimum wage or higher* (the association with travel abroad is significant at the 0.01 level;

with car ownership and household help, at the 0.05 level).

6-7. *Absentee and lessee planters.* Another claim not supported by the data is that planters who live off the farm (in Bacolod, for instance), or who are lessees rather than owners, will tend to pay less than the minimum wage. The tendency, though not statistically significant, is actually in the opposite direction: *slightly more than resident or owner planters, lessees and absentees tend to pay the minimum wage or higher* (Tables 21 and 2m).

8. *The incompetence of planters.* There is always the possibility that a planter may not pay the minimum wage because he feels he cannot do so and survive; that he is, in other words, a bungler. Our question here is this: Can we find an association between being an incompetent planter and a low-wage employer?

There are, I suppose, numerous ways of measuring the competence of a planter. From the data gathered in the IPC surveys we can only apply one fairly good and one plausible test, namely, the planter's estimate of what it costs to produce a hectare of sugarcane, and his professional interest in farming (as manifested by how he learned, and how he updates his understanding of, sugarcane farming).

For the first test we must assume that those who give as their estimate of the cost of raising a hectare of sugarcane a figure under ₱1,100.00 either do not know what the real cost is, or do not know what elements compose it, or are skimping on the necessary inputs (such as fertilizer). The second test assumes that those who have learned sugarcane growing *only* by experience are less professionally oriented (and to that extent less competent) than those who have *also* profited by schooling, seminars, and reading in this subject area.

Of those who give a reasonable estimate of production costs, 69 per cent pay the minimum wage to all their workers; of those who give an incredibly low estimate, only 52 per cent give fair wages to all (Table 2n; very close to the 0.05 level of significance by the chi square test).

Of those who learned farming by study and experience, 67 per cent pay the minimum wage; of those who have had experience alone, 52 per cent pay the legally approved wage (Table 20). In each case the tendency, though not statistically significant, is the same: *the more competent planters pay better wages.*²⁰

III. SUMMARY AND CONCLUSION

My purpose in this evening's lecture was twofold: first, to give you some information about the sugar industry, particularly its human dimension; second, to probe the soundness of certain reasons given to explain why some planters do not pay the minimum wage to all their workers. More specifically, my aim in the second division of the paper was to discover if the circumstances appealed to as reasons for low payments really existed as claimed and, if they did, to see if those planters affected by these circumstances did indeed tend to pay substandard wages more often than those who were not so affected.

Owing to failure on one score or another, of the eight reasons selected for consideration only two look promising as genuinely causal or causal-conditional factors related to low wage levels on sugarcane farms. One is the percentage of excess workers on the farm; the other is the professional competence of the planter.

The ruling out of farm size and productivity as factors controlling wage levels was not easily done. Moreover, even though they have now been reduced to proper size, at least to the satisfaction of most economists, sociologists, and other such social scientists, I fear these two traditional factors will continue to loom as large as ever in the thinking of many planters who have more faith in personal experience, however limited, than in the hocus-pocus of statisticians. There is little I can do about this for the moment, especially in a paper of this scope.²¹

Hopefully, there is greater prima-facie force in the evidence I have presented regarding the other commonly offered explanations for the

payment of below-standard wages. Deductions made for interest-free loans or for the provision of housing and schooling benefits cannot explain the phenomenon. Nor is there any proof that wealthy, absentee, or lessee planters are more remiss in their obligations to workers than are those who have less capital at their disposal, live on the farm, or run it themselves. If anything, the evidence points the other way.

By showing the weakness of these traditional explanations for low wages, we force ourselves to face up to a hard fact: human conditions in the sugar industry will not be greatly relieved, nor long improved, *merely* by policing planters and millers to pay the minimum wage. The malady, the root problem, is far less simple, much less manageable than that.

Pay the minimum wage and other benefits—inadequate as they may presently be for even a marginal taste of the good life—this the sugar industry must inevitably do if its leaders are to hold their heads high among men of honor here and abroad. But there are issues of greater moment to be considered, on which depend the continuation of the industry itself beyond the present decade. In closing, I urge planters and millers of intelligence and good will to give serious thought to several of them in particular; namely: first, the in-service training (or flushing out) of sub-standard planters; second, the creation (with government assistance, to be sure, and perhaps inevitably with international financing, of alternative work opportunities off the farm, perhaps in an industrial estate to be situated in Negros Occidental; third, the training of many thousands of sugarcane workers for new job careers; fourth, the subsequent and absolutely imperative decongestion of the farms; and fifth, the adoption by *ever* more planters of a system of profit sharing whereby workers, always earning the currently accepted *minimum* wage, may, at least on the occasion of an especially good crop, rejoice with their partners, the planters and millers, at God's kindness, the good price of sugar, and their consequent common good fortune.

Table 1
IPC/NFSP Phase II respondents classified by role category,
with number of households and household members
each reported on (February–March 1970).

<i>Respondent category</i>	<i>No. of respondents</i>	<i>No. of HHs spoken about</i>		<i>No. of HH members described</i>
		<i>In general</i>	<i>In detail</i>	
Planter	156	1,248	156	1,215*
Administrator	29	939	29	237*
Encargado	8	274	8	63*
Cabo	110	—	110	732
Dumaan	255	—	225	1,676
Sacada	51	—	51	133
<i>*Household (HH) help are included</i>				
Total	609	2,461	609	4,056

**Household (HH) help are included.*

Table 2
IPC/NFSP Phase II planter and administrator respondents classified by selected characteristics, crossclassified by the number of their workers who report receiving at least the minimum wage (February–March 1970).

<i>Selected characteristics</i>	<i>Number of workers receiving minimum wage</i>		<i>Total N</i>	<i>Statistical indices</i>	
	<i>All</i>	<i>Not all</i>		<i>Chi-square Yule's Q</i>	
a. FARM SIZE*					
Large	81.8%	18.2%	11	n.s.	
Medium	57.6	42.4	33		
Small	50.7	49.3	75		
Very small	53.9	46.1	13		
b. FARM PRODUCTIVITY*					
High	60.4	39.6	53	n.s. +.18	
Low	51.9	48.1	79		
c. WORKERS' INDEBTEDNESS (REPORTED BY WORKERS)					
No debts	27.3	72.7	99	n.s.	
In debt to farm	27.1	73.0	107		
In debt to others	35.4	64.6	48		

Table 2 (continued)

Selected characteristics	Number of workers receiving minimum wage		Total N	Statistical indices	
	All	Not all		Chi-square	Yule's Q
d. LENGTH OF TIEMPO MUERTO*					
Less than 6 weeks	44.4	55.6	18		
7-12 weeks	45.2	54.8	31		
13-18 weeks	80.0	20.0	30	n.s.	
19 weeks or more	55.8	44.2	52		
e. WORKER: LAND RATIO ON FARM					
1:1 or less	61.2	38.8	85		
More than 1:1	43.2	56.8	44	n.s.	+35
f. NOTION OF REASONABLE MINIMUM PROFIT					
Less than 15%	59.6	40.4	52		
15% and above	57.8	42.2	45	n.s.	+04
g. NOTION OF REASONABLE MAXIMUM PROFIT					
Less than 20%	53.8	46.2	39		
20% and above	60.7	39.3	61	n.s.	+14
h. TRAVEL TO HONG KONG					
Never	48.4	51.6	93		
Once or more	80.6	19.4	31	0.01	+63
i. TRAVEL TO U.S./CANADA					
Never	54.4%	45.6%	103		
Once or more	87.5	12.5	35	n.s.	+28
j. NUMBER OF PASSENGER VEHICLES OWNED					
None or one	45.6	54.1	61		
Two or more	66.1	33.9	62	0.05	+39
k. NUMBER OF HOUSEHOLD HELP					
None or one	42.5	57.5	40		
Two or more	61.7	38.2	81	0.05	+37
l. USUAL PLACE OF RESIDENCE					
On-farm (resident)	53.7	46.3	41		
Off-farm (absentee)	57.3	42.7	82	n.s.	+07
m. TENURE					
Owner	52.8	47.2	72		
Lessee	66.7	33.3	24	n.s.	+28

Table 2 (continued)

Selected characteristics	Number of workers receiving minimum wage		Total N	Statistical indices	
	All	Not all		Chi-square	Yule's Q
n. OWN ESTIMATE OF COST OF PRODUCTION PER HECTARE					
Less than ₱1,100.00	44.6	55.4	74		
₱1,100.00 and above	62.9	37.1	35	n.s.	+.35
o. HOW FARMING WAS LEARNED					
From experience alone	51.5	48.5	99		
From experience and from schooling, reading, seminars	66.8	33.3	30	n.s.	+.31
p. NUMBER OF YEARS AS SUGARCANE FARMER					
Less than 10 years	53.8	46.2	52		
10 years or more	60.6	39.4	66	n.s.	+.19
q. REPORTED PRIMARY OCCUPATION*					
Farming	54.0	46.0	113		
Others	57.9	42.1	19	n.s.	+08

*Information from encargados also reported here.

Notes

¹For the history of that invitation, see Lynch 1970:2-4.

²The associations are these: Binalbagan-Isabela Planters' Association; Asociación de Agricultores de La Carlota y Pontevedra, Inc.; Asociación de Hacenderos de Silay-Saravia, Inc.; Ma-ao Farmers' Association, Inc.; Planters' Committee, Inc.; Sagay-Escalante Planters' Association, Inc.; San Carlos Planters' Association; First Farmers' Association. The sugarcane land owned by the members of these associations represented about 80 per cent of the sugar land under cultivation in Negros Occidental in 1969.

³The daily minimum individual wage for agricultural workers of the sugar industry became ₱4.00 on April 21, 1965 (R.A. 4180, amending R.A. 602, the Minimum Wage Law). It became ₱4.75 on June 17, 1970 (R.A. 6131, further amending R.A. 4180 and 602).

⁴The figure is an approximation. Individual (not family) daily-wage data furnished by the workers themselves lead to these generalizations: during the 1969-70 milling season, the average cabo received ₱4.26 per day (22 per cent were paid less than ₱4.00 daily) and the average dumaan received ₱3.76 daily (42 per cent got less than the minimum wage); during the 1969 tiempo muerto, the average cabo was paid ₱4.26 daily (24 per cent were underpaid) and the average dumaan got ₱4.09 per day (41 per cent received less than ₱4.00 daily).

⁵A picul of sugar weighs 63.25 kilograms, or about 139 pounds.

⁶Average production of molasses is about 1.75 long tons per hectare. Current price is ₱65 per long ton. Of the resulting sale price (₱113.75), planter gets about 60 per cent, which is ₱68.22 or, roughly, ₱70.

⁷Income data for 1965 indicate that 8 per cent of Filipino families receive 22 per cent of the nation's total family income (Bureau of the Census and Statistics 1969:xlvi). See Chart 1.

⁸Nine per cent are single or widowed; 5 per cent are women.

⁹Median age of cabos is 40.4 years; of dumaan, 38.3.

¹⁰Cabos are on one out of six very small farms, four out of six small farms, and six out of six medium-sized and large farms.

¹¹Dumaan are on about 37 per cent of very small farms and 100 per cent for large ones, temporary workers are on 27 per cent of large farms and 78 per cent of very small farms.

¹²Reports abound of the underpayment and maltreatment of sacadas by contratistas. Action is currently underway to assess the situation and take remedial measures. With improved milling facilities the need for migrant workers will be eliminated.

¹³Both surveys were supported in large part by the National Federation of Sugarcane Planters.

¹⁴Reporting debts of ₱300.00 or more are 21 per cent of cabos and 11 per cent of dumaan.

¹⁵The free house lots lent to workers are generally put to good use, almost nine out of 10 being the site of a truck garden, fruit trees, or a poultry or swine project. Speaking of vegetables and fruits they grow, about 90 per cent of workers say the family consumes them. Poultry, eggs, and other animal products are more often sold, 52 per cent of workers saying they eat most of what they raise. These figures agree well with the diet information we gathered in July 1969. We found that only 58 per cent of cabos and 50 per cent of dumaan reported having had the recommended three servings of protein-rich food in the observation period. A high-priority recommendation of the IPC, contained in its final report on the July 1969 survey, was that an applied nutrition program be initiated. The recommendation was accepted and is being implemented.

¹⁶Others say their out-of-school child is sickly (9 per cent) or just not interested in books (12 per cent). A full 30 per cent of parents have no explanation to offer for their child's not going to school.

¹⁷What evidence I have in hand seems to point to the first pattern being the more common on sugarcane farms. It is our finding that 80 per cent of cabos and 60 per cent of dumaan report working an eight-hour day. If the general employment picture were one of hiring of additional workers as needed, and paying them at the rate of ₱0.50 per hour or the equivalent *pakyaw* rate, we should expect deviations from the eight-hour schedule to be especially toward working less than eight hours per day. In fact, compared to those who work less than eight hours per day, twice as many cabos and twice as many dumaan work more than eight hours

(two to seven hours: cabos, 6 per cent and dumaan, 13 per cent; nine to ten hours: cabos, 14 per cent and dumaan, 27 per cent).

¹⁸Answers varied by district (from 50 per cent in San Carlos and Talisay-Silay to 3 per cent in La Carlota) and by farm size (from 47 per cent in very small farms to 3 per cent in large farms).

¹⁹Spearman rank correlation test was used (significant at the 0.01 level).

²⁰Before closing this paper, let me thank the members of the IPC/NFSP Survey Advisory Council (whose names are found in Lynch 1970:vii) for their comments and suggestions on this paper, given during a five-hour session with them on October 6, 1970, at the Bacolod offices of the NFSP. I am also grateful, as always, to the IPC staff who assisted me in preparing the data for analysis, especially Romana J. Pahilanga, Susan M. Bennett, Meliton B. Juanico, Lourdes O. Carisma, Belinda T. Gonzalez, Ricardo T. Casimiro, and Cynthia C. Feranil.

²¹I intend to return to the question at length in the final report on Phase II of this study.

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COMMENT ON THE LYNCH PAPER*

Ernesto G. Bagabaldo

Preliminary Statement

May I at the outset express my personal thanks and that of the organization I represent for the opportunity afforded us to communicate our views on the paper of Fr. Frank Lynch. Permit me also to inform you about the nature of the National Federation of Sugarcane Planters.

The Federation is a private organization. It is a central national organization of associations of sugarcane planters from all over the sugar-producing regions of the country. The member associations of the Federation represent about 80 per cent of the country's sugarcane planters.

As stated in its charter objectives, the Federation was organized, among other reasons, to enhance the welfare both of sugarcane planters and farm workers and, in so doing, also to promote the interests of national welfare. In this regard, the role played by the Federation is that of a prime mover or agent for change. It helps establish collectively the foundations on which to build.

To give you a better insight into the sugar industry however, permit me briefly to place the following facts on record.

For the crop year 1969–1970, the nation's total area planted to sugarcane amounted to at least 343,000 hectares. Early projections of the crop year 1970–1971 estimate total area at almost 400,000 hectares.

The total number of planters is conservatively estimated at 30,000. Within the next two crop years there will be a total of 34 operating sugar mills. The total labor force of the sugar industry, on the farms and in the mills, is estimated at 320,000 of which scarcely 5 per cent are sacadas,

or migratory workers. Almost an additional three million people are dependent, directly or indirectly, on the sugar industry.

The average yearly foreign exchange earnings of the sugar industry amount to \$160 million, which is almost 20 per cent of the total foreign exchange earned by the country. This year, because of a record high production of 2.1 million tons, we are availing ourselves for the first time of part of our share of 47.22 per cent of the sugar-production deficits of other suppliers of the United States, thus enabling the Philippines to earn an additional \$30 million.

The industry on the whole pays at least ₱180 million in taxes, direct and indirect. The total value today of investment in the sugar industry is conservatively estimated at ₱3 billion, more or less.

How I View the Talk of Fr. Lynch

Having been associated with the National Federation of Sugarcane Planters for almost 15 years, and having been in close contact with several of the country's sugarcane planters, I have had the opportunity to make personal observations on what happens within the agricultural sector of the sugar industry. Without hesitation, I will say that on the whole the talk of Fr. Lynch appears to be fairly accurate, and places the sugarcane planters in a more correct perspective than is usually the case.

I would like to invite particular attention to portions of his talk for the sake of emphasis.

Fr. Lynch acknowledges the fact that it was upon invitation of the National Federation of Sugarcane Planters that he, representing the Institute of Philippine Culture, undertook the socioeconomic survey of the sugar industry in

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Negros Occidental. The Survey Advisory Council was composed of people representing several sectors besides the sugar industry, such as labor, the church and the government. More importantly, the Federation caused the survey to be made in order to pinpoint specific problems, formulate specific plans of action to solve them, and to implement the recommended solutions through the collective effort and action of those involved in the industry.

In talking of how much sugar a given hectare of sugarcane will yield, Fr. Lynch mentioned several factors but did not mention weather conditions. Weather is an important factor. Heavy rains that cause floods and the lack of rain, producing prolonged droughts, have always had something to do with just how much sugar will be produced from a specific sugarcane field.

The observation that "the percentage of farms of each size is as follows: very small, 27 percent; small, 48 percent; medium-sized, 17 percent; large, 8 percent" appears to be fairly accurate.

I am happy to note also the observation of Father Lynch that the sacadas, who represent scarcely 10 percent of the total field work force,

are not simply a migrant work force without roots. On the contrary, 61 percent are farmers in their home provinces and one out of five of these are landowners. Another 12 percent are fishermen at home, while 10 percent are laborers. A final 14 percent say that harvesting cane in Negros is their only source of income during the year.

Although a record showing that "25 percent or so of the workers are underpaid" or conversely "75 percent at least are paid their minimum wages, if not more" leaves much to be desired, I dare say this is a performance record that places the industry in better light, perhaps favorably comparable with other industries. But let us consider without passion and bias the estimated value of the supplementary benefits given daily, as follows:

1. Housing	₱ 0.20
2. Rice Subsidy	0.94
3. Christmas bonus	0.25

4. Sick leave with pay	0.24
5. Vacation leave with pay	0.22
6. Off milling bonus	0.28
7. Social amelioration funds	0.53
8. Hospital, medical, and dental	0.35

TOTAL	₱ 3.01
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One should also seriously take into account that of the 75 percent, some are paid wages above the minimum wage.

And, for instance, when the regular workers, or *dumaan*, were asked if they would like to leave the farm if they were given jobs elsewhere that paid equally well, over 90 percent replied No. Why? "Because the amo is always there to help us." This is so because of the mutual trust and confidence existing between the planters and their laborers, the result of long years of association.

But what may be considered the all-important observations by Fr. Lynch are those about "an excess in the labor force on the farms" and the "incompetence" of some planters.

Aware of the "excess in the labor force" on the sugar farms, which in the majority of cases have not grown in area, one is tempted to ask whether the owners thereof are expected to drive away these excess laborers, without regard for their life, health, and security. Let it be placed on record, however, that the sugar industry, particularly the Federation and its member associations, have not folded their arms nor have they disregarded this problem. Quite on the contrary, several meetings have been held to consider the possibility of coordinating the efforts both of industry and of the provincial government for the placement of excess labor in public and community development projects of the provincial government. But like any program, this one needs very thorough study; the solution certainly cannot be worked out overnight. In any event, the difficulty calls for public sympathy, support, and understanding in order that alternative job opportunities can be worked out.

One should not dismiss very lightly the observation of Fr. Lynch that "It may come as a surprise to some to be told that of this representative sample of hacenderos only 20 per cent have ever been to Hongkong or Tokyo (of the 20 per cent, half have been there just once in their lives). Only one out of 10 has ever been to the United States, Canada, or Europe (only one per cent have been there more than once).

The average planter does not own a fleet of cars. As a matter of fact, two out of five do not even have one passenger vehicle, another fifth have only one, and the remainder have two, three, or four – the most commonly owned vehicles being war-surplus jeeps. Thirty-seven per cent of planters have no household help; another 42 per cent have one, two or three, and the remaining 19 per cent have more.

When we separate planters who have been abroad from those who have not, and those who have one car or none from those who have more than one, this finding emerges: *As a general rule, the more affluent planter is more likely than others to pay the minimum wage or higher* (the association with travel abroad is significant at the 0.01 level; with car ownership, at the 0.05 level; chi-square test).

Recommendations of Father Lynch; What the Federation has Done and is Doing:

At this juncture, it may be pertinent to mention that the Federation and its member associations have organized so-called Social Action Committees which are charged with the duty of following up the implementation of the Minimum Wage Law and the social amelioration program.

Much earlier, as a result of the time-and-motion study conducted by Robot Statistics, whose services were engaged for the purpose, the Federation itself requested the government to activate the Sugar Industry Wage Board with the end-view of adopting a new Minimum Wage Policy at a time when effective minimum wages were fixed at ₱2.50. It will be further recalled that without awaiting for the activation of the Sugar Industry Wage Board, the Federation adopted a policy during payment of a minimum wage of ₱3.00 per day; and soon after the adoption of a policy fixing minimum wages for the farm work-

ers in the sugar industry at ₱4.00 a day, the Federation campaigned for its implementation. At this time, it will be recalled, the Land Reform Code provided for a ₱3.50 daily minimum wage for agricultural workers.

Furthermore, mention should be made of the fact that in some sugar milling districts, the existing milling contracts provide for social welfare funds of between 2 and 3 percent of the district's gross production. Thus, by the Silay-Saravia, San Carlos, Bogo-Medellin, and Ormoc-Rosario Milling Contracts, the 2 percent social-welfare fund has enabled the sugarcane planters to establish, operate, and maintain hospitals and medical clinics providing medical services (including free medicines), which are comparable with those of the City of Manila and suburbs.

By the First Farmers Milling Contract, the farm laborers share in the production of the district, from 1 per cent when production of the district is up to 400,000 piculs of sugar to 29,000 piculs plus 6 per cent of the excess of 1,200,000 piculs when production exceeds 1,200,000 piculs. This is a system of profit sharing.

In the La Carlota Milling District, the La Carlota Planters Association spent (as of August 31, 1970) a total of ₱7,761,437 from the proceeds of a 3 per cent special trust fund for the purpose of giving better housing facilities, water, light, recreation, health and sanitation, religious, educational, and other benefits to the farm workers of the district.

But the concerned leaders of the sugar industry feel that something more should be done to improve the social and economic conditions of the sugar industry workers. That is why in 1968, the National Federation of Sugarcane Planters and its member associations decided to launch a voluntary social amelioration program. Even before the NFSP-IPC socioeconomic survey was conceived and started, concerned leaders of the sugar industry, representing the Federation, its member associations, and some sugar mills, had given their support to the establishment of an educational television station by the

Visayan Educational Radio and Television Association (VERTA), so that through the medium of television, properly trained educators could teach adults among the sugar industry workers, school drop-outs, and out-of-school children the basic educational requirements, regardless of the fact that it is the constitutional duty of the government to provide at the very least free primary education to our people.

According to records, there are an estimated 750,000 out-of-school children and at least 40,000 school drop-outs in the Western Visayas and an indeterminate number in the sugar-producing regions of the Eastern Visayas. It is the hope of the sugar industry that this program of education through television will reach these people.

But there are actual accomplishments as well. In at least 23 sugar farms in Negros Occidental, the planter owners support privately owned and managed schools. The Victorias Milling Company's Don Bosco Technical School was established for the purpose of training workers in the skills they can apply on and off the farms. Recently, the La Carlota Planters Association established and is maintaining a Technical High School run and managed by the Don Bosco Fathers with a curriculum that is work-oriented.

Nor have the Federation and its member associations been remiss in educating the Labor force on the farm in their rights and obligations. For several years educational seminars have been conducted for farm workers at which representatives of the Department of Labor Social Security System and others have been invited as resource lecturers. As a matter of fact, the Federation and its member associations have endorsed the program of the Bacolod Diocese for the education of prospective labor organizers. In this regard, I might mention that I have been invited twice to be a guest lecturer for the U.P. Asian Labor Education Center; what surprises me here is that while this program has been endorsed by the Federation, it appears that there has been no continuing effort to implement the program.

At the risk of being misunderstood or of

sounding immodest, I should also like to place on record the fact that the Federation endorsed and is supporting the joint efforts of the provincial governors of Negros Occidental and Antique, the church, and the Department of Labor to improve, beginning crop year 1970-1971, the relationships among planters, contractors, and sacadas, or migratory workers.

Let me now invite your attention to one of the specific recommendations made as a result of the first phase of the NFSP-IPC socioeconomic survey. It stated the need to improve the diet of sugar farm workers through an applied nutrition program. On July 23, 1970, at the initiative of the National Federation of Sugarcane Planters through its president, Carlos Ledesma, a conference was called for the purpose of planning an applied nutrition program for Negros Occidental. For this purpose, a committee was formed composed of the following: Gov. Alfredo Montelibano, Chairman, Director J. Gualberto Planas of the National Food Agricultural Council, Vice Chairman, and as members, the following: Director Arancillo, Fr. Frank Lynch, and Mr. Edgardo F. Q. Yap, the last representing the Federation. As envisioned, the program will cover initially the La Carlota, San Carlos, Silay-Saravia, and Talisay-Silay Mill Districts. The principal objective of the program is simultaneously to improve the nutrition of the workers and their families and provide them with an opportunity for additional income. Details of the program are being worked out and, as soon as they are, full implementation of the program will start.

The National Federation of Sugarcane Planters has enlisted the assistance of the Philippine Sugar Institute to mount an information campaign to improve the agricultural practices particularly of those referred to by Fr. Lynch as inefficient or incompetent planters. Towards this end, agreement has been reached regarding the utilization of extension workers, not only for the usual technical phases of the farm operations, but also for the purpose of educating these planters on improved and better agricultural practices in general.

Summing up, it may be stated that what the Federation has been doing, what it is now doing, and what it intends to do in the future, all correspond to recommendations made by Fr. Frank Lynch for the in-service training of sub-standard planters, the creation of alternative job opportunities for workers off the farms, the inauguration of a system of profit-sharing (which I stated earlier to be part of the industry's social amelioration program), and the subsequent decongestion of the farms.

But before I end this article, I would like to talk about decongestion of the farm. This brings to mind the case of one planter in the Bais Sugar Mill District, Jose del Prado, Jr. Several years ago, in order to decongest his farm, he urged some of his workers that they resettle in Minda-

nao in something like the Government EDCOR project, and provided them with the necessary financial assistance. Just a few months later the same workers pleaded with Mr. del Prado that they be allowed to return and work on his farm.

Most planters and those directly involved in sugar production have agreed to pay at least the minimum wage to industry workers. As pointed out by some of the responsible leaders of the sugar industry in several conferences with the President in Malacañang, full mechanization of farm operations will enable sugarcane planters to pay a living wage; doing so, however, will result in the displacement of human labor. This is the primary reason why sugarcane planters have postponed the decision to mechanize farm operations.

Relatives are important

Research surveys in Barrio Magsaysay and elsewhere point to the fact that slums are the real "transitional societies" that social scientists have been describing in their analytical models. For most slum dwellers are rural migrants in the process of becoming urban men. They still retain some of their old ways and values, even as they adapt to the demands of a faster paced and more dynamic urban environment. As such, slum communities have the best (and the worst) aspects of both worlds. On the positive side, they have a closely knit society characterized by face-to-face relationships which provides them with personal and psychological security amidst the bewildering complexity of the city. Life in the slums is more warm, people know each other, they assist each other in many traditional ways, and above all, it is cheaper than living in apartments or other middle class environments. On the negative side, slums are also continually troubled by criminal elements that get attracted to them, they are run down and dilapidated, which often pose direct hazards to health and even physical well being.

This enumeration of the advantages and disadvantages provided by slums, however, becomes academic in the light of the fact that they now exist and something must be done about them. The 600,000 or so individuals in Metropolitan Manila who live as squatters or under slum conditions require the immediate attention, not only of public officials, but of all people concerned about the fate of the city and its role in the country's modernizing efforts. From Aprodicio A. Laquian, Slums are for People (Manila, DM Press, Inc., 1969), p. 198.