

Review of: "Monopsony and Gender Wage Discrimination in the Philippines"

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Potential competing interests: No potential competing interests to declare.

I enjoyed reading the first version of the paper. Allow me to share three thoughts on some of the policy directions of the conclusion section based on World Economic Forum's assessment of the business environment in the Philippines.

1. The main idea of the first policy direction is to have more competitive product markets. It is useful if the author can discuss the current degree of domestic product market competition. For example, the author may like to discuss market dominance, the degree of competition in services, the distortive impact that taxes and subsidies have on competition, and the policies that promote labor mobility. The World Economic Forum's Global Competitiveness Report can be helpful in this regard.
2. The second policy direction specifies the removal of barriers to entry and enhancing competition in the product and capital markets. An elaboration on these two points would strengthen the suggested policy direction. For example, according to the 2020 World Economic Forum's Global Competitiveness Report (GCR), domestic credit to private sector amounted to 45 percent of GDP, while financing of SMEs and venture capital availability seemed not to be strong enough to support the development of SMEs. Eyeballing the business dynamism pillar suggests that there are administrative barriers, including the cost of starting a business, the length of time to start a new business, and the insolvency recovery rate. Addressing these administrative obstacles may encourage new firm entry and women employment and reduce wage inequality.
3. Finally, the third policy direction refers to hiring and wages transparency. According to the 2020 GCR, the performance and ranking on redundancy costs and workers' rights, in general, seems to be lagging behind other indicators in the Philippines, points which can be elaborated on. In addition, active labor market policies can help develop labor and human capital. The performance on this dimension lags behind other labor market flexibility indicators for the Philippines in 2020.