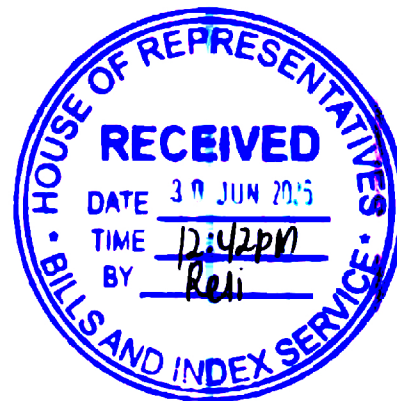


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
1st Regular Session

House Bill No. 195



Introduced by Representatives EDVIC G. YAP

EXPLANATORY NOTE

The Philippine Constitution upholds the right of every worker to a living wage and mandates the State to promote social justice and protect labor. However, despite this constitutional guarantee, millions of Filipino workers continue to receive wages that fall short of meeting their basic needs. The Department of Labor and Employment reports the minimum wage in the National Capital Region stands at ₱608.00 - ₱645.00 per day, while rates in other regions remain significantly lower, with some provinces reporting daily minimum wages as low as ₱350. These wages are far from the estimated daily living wage of ₱1,200.00 to ₱1,500.00 for a family of five, as reported by IBON Foundation. The gap between actual wages and the cost of living continues to widen, leaving many working Filipinos struggling to survive.

This bill seeks to address that reality by mandating a ₱200.00 daily wage increase for all minimum wage workers in the private sector, regardless of employment status, industry, or region. This includes workers under contractual and sub-contractual arrangements, as well as those in the agricultural and informal sectors. To ensure that small enterprises are not unduly burdened, the bill provides for incentives through the Department of Labor and Employment (DOLE), to help them comply with the wage hike. It also respects existing exemptions under laws such as the Barangay Micro Business Enterprises (BMBEs) Act and the Wage Rationalization Act, recognizing that certain small businesses and disaster-affected enterprises may need additional consideration. Moreover, the bill affirms that no existing benefit, such as transportation or meal allowances, shall be diminished or substituted in lieu

of the wage increase. This ensures that the ₱200.00 increase is an addition, not a replacement to workers' current earnings and entitlements.

To promote compliance, the proposed law imposes strict penalties on employers who fail to implement the mandated increase. Violators may be fined between ₱100,000.00 to ₱500,000.00 or imprisoned for up to four years. Furthermore, employers found guilty shall pay double the amount of unpaid benefits to their affected workers. These enforcement provisions are designed to protect employees and ensure accountability among employers, especially in sectors where labor violations are common.

This bill is a necessary and urgent step toward economic justice. It aims to lift millions of Filipino workers closer to a dignified standard of living and acknowledges the indispensable role they play in driving national productivity and growth. A ₱200.00 wage hike may not close the wage-living cost gap completely, but it is a critical start, a concrete measure that affirms the State's duty to uplift those who carry the heaviest burdens of our economy. This law is a long-overdue recognition that every worker deserves fair pay and a decent life for themselves and their families.

In view of the foregoing, approval of this bill is earnestly sought.



HON. EDVIC G. YAP

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AN ACT
PROVIDING FOR A TWO HUNDRED PESOS (P200.00) DAILY WAGE INCREASE FOR MINIMUM WAGE WORKERS IN THE PRIVATE SECTOR

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Short Title. - This Act shall be known as the "*Wage Hike For Minimum Wage Workers Act.*"

SEC. 2. Declaration of Policy. - It is a policy of the State to alleviate the living conditions of the ordinary Filipino through policies that provide for a decent and humane standard of living and improved quality of life, particularly of the working class by ensuring the right of labor to its just share in the fruits of production, to guarantee the workers' right to a living wage, and to promote social justice through the adoption of measures calculated to ensure the well-being and economic security of all the members of the community.

SEC. 3. Minimum Wage Increase. - Upon the effectivity of this Act, the daily rate of all minimum wage workers in the private sector, regardless of employment status, including those in contractual and sub-contractual arrangements, whether agricultural or nonagricultural, shall be increased by Two hundred pesos (P200.00) per day.

Nothing in this Act shall prevent the respective Regional Tripartite Wages and Productivity Boards from granting additional increases to the workers and employees, as may be determined in accordance with their mandate under Republic Act No. 6727, otherwise known as the "*Wage Rationalization Act*", as amended.

SEC. 4. Incentives to Small Enterprises. - To assist in their compliance with the wage increase, small enterprises may avail of incentives from the Department of Labor and Employment (DOLE), subject to the implementing rules and regulations of this Act.

SEC. 5. *Non-diminution of Other Benefits.* – Nothing in this Act shall be construed to reduce any existing allowance and benefit of any form under existing laws, decrees, issuances, executive orders, and any contract or agreement between workers and employers.

SEC. 6. *Existing Exemptions.* – As provided by Republic Act No. 9178, also known as the “Barangay Micro Business Enterprises (BMBE’s) Act of 2002,” the BMBEs shall be exempt from the coverage of the Minimum Wage Law. Further, as provided by Republic Act No. 6727, also known as the “Wage Rationalization Act,” and relevant rules of the National Wages and Productivity Commission, the following establishments may apply for exemption from compliance with the minimum wage increase as provided by this Act: (a) retail or service establishments regularly employing not more than ten (10) workers; and (b) establishments adversely affected by natural calamities or human-induced disasters.

SEC. 7. *Penalties.* – Any person, corporation, trust, firm, partnership, association, or entity violating any provision of this Act shall be punished by a fine of not less than One hundred thousand pesos (P100,000.00) nor more than Five hundred thousand pesos (P500,000.00) or imprisonment of not less than two years nor more than four years, or both at the discretion of the Court: Provided, That if the violation is committed by a corporation, trust or firm, association or any other entity, the penalty of imprisonment shall be imposed upon the entity's responsible officers including the president, vice president, chief executive officer, general manager, managing director or partner.

The employer concerned shall be ordered to pay an amount equivalent to double the unpaid benefits owing to the employees: *Provided*, That the payment of indemnity shall not absolve the employer from the criminal liability imposable under this Act: *Provided*, further, That any person convicted under this Act shall not be entitled to the benefits provided for under the Probation Law.

SEC. 8. *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the DOLE shall, in coordination with other relevant government agencies, promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 9. *Separability Clause.* – If any provision or part of this Act is declared invalid or unconstitutional, the remaining provisions or parts of this act shall remain in full force and effect, and the application of such provision to other persons or circumstances shall not be affected.

SEC. 10. *Repealing Clause.* – All laws, orders, issuances, rules, and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 11. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,