

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. **766**



Introduced by
AKBAYAN Representatives
Percival V. Cendaña, Jose Manuel Tadeo "Chel" I. Diokno, and Dadah Kiram Ismula,
and Dinagat Islands Representative Kaka J. Bag-ao

EXPLANATORY NOTE

Article XIII, Section 1 of the 1987 Constitution directs Congress to “give the highest priority to the enactment of measures that protect and enhance the right of all the people to human dignity, reduce social, economic, and political inequalities, and remove cultural inequities by equitably diffusing wealth and political power for the common good.” Additionally, Section 3 of the same Article mandates the State to “afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all.” Fundamental to fulfilling this mandate is ensuring that workers receive a just and living wage.

According to the 2023 official report of the Philippine Statistics Authority (PSA), a family of five needs at least PhP 13,873 per month to meet their minimum basic food and non-food needs.¹ However, many regions report even higher than average poverty thresholds. In the National Capital Region (NCR) for instance, the poverty threshold is PhP 15,713, roughly translating to an estimated PhP 523.76 per day per family. While the figures report the official poverty threshold statistics of the PSA, they only represent the bare minimum for survival, and do not reflect the standards of a dignified, decent standard of living.²

Outside of NCR, minimum wage rates for the non-agriculture sector range from PhP 336 to PhP 560, and from PhP 316 to PhP 520 for the agriculture, service or retail, and manufacturing sectors.³ Effective 18 July 2025, the minimum wage rates in NCR will be PhP 695 for the non-agriculture sector and PhP 658 for the other sectors.⁴ While these figures may appear to surpass basic poverty thresholds in NCR, they fall far short of covering the broader costs associated with decent

¹ Philippine Statistics Authority. (15 August 2024). *11 out of 18 Regions Recorded Significant Decreases in Poverty Incidence in 2023*. <https://psa.gov.ph/content/11-out-18-regions-recorded-significant-decreases-poverty-incidence-2023#:~:text=Poverty%20Threshold,poverty%20threshold%20at%20PhP%2012%2C241>.

² Desiderio, L. (17 August 2025). *NEDA: Poverty threshold not budget for decent living, in The Philippine Star*. <https://www.philstar.com/business/2024/08/17/2378381/neda-poverty-threshold-not-budget-decent-living>

³ National Wages and Productivity Commission. *Summary of Current Regional Daily Minimum Wage Rates by Region, Non-Agriculture and Agriculture*. <https://nwpc.dole.gov.ph/summary-of-current-regional-daily-minimum-wage-rates-by-region-non-agriculture-and-agriculture/>

⁴ National Wages and Productivity Commission. (30 June 2025). *Press Release on Wage Order No. NCR-26*. <https://nwpc.dole.gov.ph/ncr-wage-board-grants-%E2%82%B150-daily-minimum-wage-increase/>

housing, education, healthcare, transportation, and other essential needs. The reality is that many workers earning the minimum wage continue to live paycheck to paycheck – struggling to afford a basic but dignified quality of life.

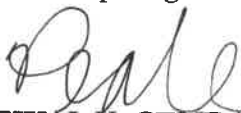
The minimum wage rates have simply not kept pace with the rising cost of living. Inflation and successive price hikes in food, utilities, and transportation, among other goods and services, have continuously eroded the purchasing power of workers, leaving many Filipino families struggling to meet their daily needs despite full-time employment.

It has been over thirty years since a national minimum wage hike was legislated through Republic Act No. 6727 or the Wage Rationalization Act. Although the same law thereafter empowers Regional Tripartite Wages and Productivity Boards (RTWPBs) to set minimum wages in each region, the disparity in wage levels across regions and the varied periodic adjustments have widened the gap between wages and the cost of living. Meanwhile, prices for essential goods and services have risen and continue to rise, leaving wage growth far behind.

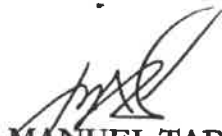
This bill, which was approved on third and final reading by the House of Representatives during the 19th Congress, proposes to increase the minimum daily wage rate of workers in the private sector, regardless of employment status, by Two hundred pesos (PhP 200.00). The institutionalized substantial increase in income is necessary to allow our workers to survive through the successive increases in prices of basic goods and services.

Our workers are the backbone our economy. They deserve a raise that recognizes their value and that keeps up with the rising costs of living.

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



PERCIVAL V. CENDAÑA
Akbayan Representative



JOSE MANUEL TADEO
"CHEL" I. DIOKNO
Akbayan Representative



DADAR S. ISMULA
Akbayan Representative



KAKA J. BAG-AO
Dinagat Islands Representative

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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,