



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

TWENTIETH CONGRESS

First Regular Session

House Bill No. **1371**



INTRODUCED BY REPRESENTATIVE JOSE “BONG” J. TEVES, JR.

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

EXPLANATORY NOTE

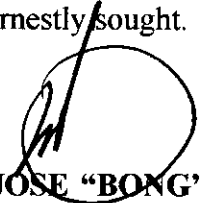
The minimum wage in the Philippines is considered as one of the lowest within our region, with at least Php 600.00 minimum daily wage in Metro Manila. With the high inflation rate and continuous increase in prices of basic commodities such as food, transportation, and other cost of living, the Philippine Statistics Authority notes that the Philippines has a poverty rate of 15.5%¹ with 17.54 million Filipinos living below the poverty line. Since the enactment of Republic Act No. 6727 or the Wage Rationalization Act in 1989, no substantial increase in minimum wage to complement the rising cost of living.

Even the 1987 Constitution states that workers shall be entitled to security of tenure, humane conditions of work, and a living wage. Thus, it is high time for Congress to craft a legislated wage hike in order to address the needs of our working class. This measure is in response to the plight of our workers thereby proposing a Php 200.00 across the board daily wage increase.

¹ <https://www.reuters.com/world/asia-pacific/philippines-poverty-rate-155-2023-statistics-agency-says-2024-08-15/#:~:text=By%20Reuters,%25%20to%204%25%20comfort%20range.>

During the 19th Congress, this bill through House Bill No. 11376 was already approved on third and final reading and was transmitted to the Senate. Unfortunately, due to the adjournment of the previous Congress, the same was not acted upon.

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



HON. JOSE "BONG" J. TEVES, JR.
Representative, TGP Party-List



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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