



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. 4154



Introduced by CIBAC Party-List Representative
EDUARDO “BRO. EDDIE” C. VILLANUEVA

EXPLANATORY NOTE

Article XIII, Section 3 of the 1987 Philippine Constitution mandates the State to guarantee the rights of workers to a living wage and humane conditions of work. However, the prevailing minimum wage rates in most regions of the country remain far below what is necessary for a dignified standard of living.

Current wage-setting mechanisms rely on generalized economic indicators without ensuring that the minimum wage meets the actual cost of living of workers and their families. As a result, many wage earners struggle to afford basic needs such as food, housing, education, and healthcare, perpetuating poverty and inequality across regions.

This proposed measure seeks to amend Article 124 of the Labor Code by mandating that regional minimum wages must meet living wage standards. Specifically, it requires that wage levels ensure the nourishment, clothing, shelter, and education of workers and their families—shifting the basis of wage determination toward real and region-specific living costs.

By anchoring wage-setting mechanisms to the actual needs of families and reinforcing the accountability of employers through reporting requirements, this bill promotes economic justice and aligns national labor policy with constitutional principles and international labor standards.

The passage of this measure is a critical step toward ensuring that all Filipino workers are compensated fairly and allowed to live with dignity.


EDUARDO “BRO. EDDIE” C. VILLANUEVA



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AN ACT
ESTABLISHING THE STANDARDS FOR A LIVING WAGE, AMENDING FOR THE
PURPOSE ARTICLE 124 OF PRESIDENTIAL DECREE NO. 442, AS AMENDED,
OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES

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

1 **SECTION 1. Short Title.** – This Act shall be known as the “*Living Wage Act.*”
2

3 **SEC. 2.** Article 124 of the Labor Code is hereby amended to read as follows:
4

5 “ART. 124. *Standards/Criteria for minimum wage fixing.* – The regional
6 minimum wages to be established by the Regional Board shall [~~be as~~
7 ~~nearly adequate as is economically feasible to maintain the minimum~~
8 ~~standards of living necessary for the health, efficiency and general well-~~
9 ~~being of the employees within the framework of the national economic~~
10 ~~and social development program.~~] **MEET THE LIVING WAGE**
11 **STANDARDS IN THE REGION, WHICH SHALL ENSURE THE**
12 **NOURISHMENT, CLOTHING, SHELTER, EDUCATION, HEALTH,**
13 **AND GENERAL WELL-BEING OF EMPLOYEES AND THEIR**
14 **FAMILIES.** In the determination of such regional minimum wages, the
15 Regional Board shall, among other relevant factors, consider the
16 following:
17

18 (a) The [~~demand for living wages~~] **ESTIMATED COST OF LIVING FOR**
19 **A DETERMINED SIZE OF A FAMILY IN THE REGION;**
20

21 (b) Wage adjustment vis-a-vis the consumer price index;
22

23 (c) ~~The cost of living and changes or increases therein;~~

- 1
2 ~~[(d)]~~ **(C)** The needs of workers and their families;
3
4 ~~[(e)]~~ **(D)** The need to induce industries to invest in the countryside;
5
6 ~~[(f)]~~ **(E)** Improvements in standards of living;
7
8 ~~[(g)]~~ **(F)** The prevailing wage levels;
9
10 ~~[(h)]~~ **(G)** ~~[Fair return of the capital invested and e]~~ Capacity to pay of
11 employers; **AND**
12
13 ~~[(i)] Effects on employment generation and family income; and~~
14
15 ~~[(j)]~~ **(H)** The equitable distribution of income and wealth along the
16 imperatives of economic and social development.
17

18 x x x”
19

20 **SEC. 3. Implementing Rules and Regulations.** - Within thirty (30) days from
21 the effectivity of this Act, the Secretary of Labor and Employment, in consultation with
22 the Tripartite Industrial Peace Council and other relevant stakeholders, shall issue the
23 necessary rules and regulations to implement the provisions of this Act.
24

25 Failure of the relevant government agencies to promulgate the IRR within the
26 specified period shall subject the heads of these government agencies to
27 administrative penalties under applicable civil service laws.
28

29 Should the IRR contain provisions that are contrary to this Act, the heads of the
30 government agencies responsible for such provision, when done in bad faith or with
31 gross negligence, shall be held administratively liable.
32

33 **SEC. 4. Separability Clause.** - If any part or provision of this Act is held invalid
34 or unconstitutional, other provisions not affected thereby shall remain in force and
35 effect.
36

37 **SEC. 5. Repealing Clause.** – All laws, Executive Orders, Presidential Decrees,
38 rules and regulations inconsistent herewith are deemed modified and repealed
39 accordingly. All affected provisions of existing laws are deemed effective until such
40 promulgation of the IRR.
41

42 **SEC. 6. Effectivity Clause.** - This Act shall take effect fifteen (15) days upon
43 its complete publication in the Official Gazette or in at least two (2) newspapers of
44 general circulation, whichever comes first.
45

46 *Approved,*