



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
Second Regular Session

HOUSE BILL NO. **10703**



Introduced by **REPRESENTATIVE KATRINA REIKO CHUA - TAI**

EXPLANATORY NOTE

The Filipino workforce is the backbone of the country's economy and society. With over 48 million employed Filipinos, workers across diverse sectors, including services, manufacturing, agriculture, construction, tourism, healthcare, and education, are integral to economic productivity, the generation of national income, and the enhancement of living standards for millions of households nationwide. Their collective labor fuels enterprise growth, supports domestic consumption, and contributes to government revenues that fund public services and infrastructure.

Despite their indispensable contribution, many workers face persistent socioeconomic challenges, including limited access to safe, affordable, and decent housing. Rising housing costs, especially in urban centers and areas close to major workplaces, have forced many workers to endure long, exhausting daily commutes that take a toll on their physical health, mental well-being, family life, and productivity. These conditions not only undermine the quality of life of workers and their families, but also reduce the efficiency and competitiveness of the enterprises that rely on their labor.

Current labor and socioeconomic reports indicate that a substantial portion of Filipino workers, especially those in informal or low-wage employment, struggle to afford adequate housing near their workplaces. Long commutes, high transportation costs, and overcrowded or substandard living conditions have become persistent stressors that weaken individual well-being and diminish work performance. Yet far too often, responsibility for housing remains beyond the reach of individual workers, even those who long serve the very companies they help sustain.

At the same time, large private enterprises in the Philippines generate substantial annual revenues, often ranging from ₱500 million to several billions of pesos annually, supported directly by the labor of their employees. Based on conservative estimates, the cost of providing basic staff housing units ranges from ₱300,000 to ₱600,000 per unit, while rental or subsidy support may cost approximately ₱3,000 to ₱6,000 per employee per month.

For a large enterprise employing 200 to 500 workers, even a compliance requirement covering 30% of its workforce would translate to an estimated annual housing cost equivalent to only 1% to 5% of total annual revenues, depending on the mode of compliance. This proportion is minimal compared to standard corporate expenditures on operations, expansion, and capital investments.

Moreover, these costs are offset by measurable economic gains, including reduced employee turnover, lower absenteeism, increased productivity, and improved workforce stability, all of which contribute to long-term profitability and efficiency. As such, staff housing should not be viewed as a burden, but as a high-return investment in human capital.

This Act seeks to address these realities by mandating that new private enterprises and expanding businesses provide housing for their workforce. Staff housing is not merely an employee benefit. It is a strategic investment in human capital that promotes productivity, enhances the quality of life, reduces social inequities, and strengthens the workforce's capacity to contribute more effectively to nation-building and national development.

This Act integrates housing support into business operations. Local Government Units (LGUs) must verify compliance before issuing business registration, permits, and licenses. The Staff Housing Program Office (SHPO) under the Department of Human Settlements and Urban Development (DHSUD), in coordination with the Department of Labor and Employment (DOLE), will carry out this mandate and provide technical support, monitoring, and enforcement.

Our workforce drives the current and future prosperity of the Philippines. They sustain growth, boost competitiveness, and uplift communities. Ensuring their access to decent housing is not only a matter of social justice but also a sound economic policy that benefits both labor and enterprise. The immediate passage of this measure is essential.

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



KATRINA REIKO CHUA-TAI



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AN ACT

MANDATING THE PROVISION OF STAFF HOUSING FOR LARGE PRIVATE ENTERPRISES AND EXPANDING BUSINESSES, PROMOTING THE WELFARE AND WELL BEING OF THE WORKFORCE, PROVIDING MECHANISMS FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES

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 “Staff Housing Development Act.”

SEC. 2. *Declaration of Policy.* - It is the policy of the State to promote social justice and protect labor by ensuring access to safe, adequate, and affordable housing. The State shall require large enterprises to contribute to workforce housing in order to improve productivity, reduce commuting burdens, and promote inclusive development.

1 SEC. 3. **Definition of Terms.** - For the purposes of this Act, the following
2 terms are hereby defined as:

3 **“Staff Housing”** refers to employer assisted residential units that comply with
4 national building, health, and safety standards;

5 **“Large Enterprise”** refers to a business entity that employs at least two
6 hundred (200) workers or has total assets exceeding Two Hundred Million
7 Pesos (₱200,000,000.00), excluding land;

8 **“Covered Enterprise”** refers to any large enterprise subject to this Act;

9 **“Reasonable Distance”** refers to a maximum travel time of one (1) hour one
10 way or a radius of not more than ten (10) kilometers from the workplace,
11 unless otherwise justified;

12 **“Housing Subsidy”** refers to employer provided financial assistance
13 equivalent to at least ten percent (10%) of the employee's monthly wage or as
14 may be adjusted in the IRR;

15 **“Compliance Plan”** refers to a detailed housing provision program submitted
16 by the enterprise;

17 **“Local Government Unit”** refers to the city or municipality with jurisdiction
18 over the enterprise.

19 SEC. 4. **Coverage.** - This Act shall apply to all newly registered large
20 enterprises, existing enterprises that meet the definition of large enterprise, and
21 enterprises expanding workforce by at least twenty percent (20%). Existing covered
22 enterprises shall comply within the transition period provided in this Act.

1 **SEC. 5. *Mandatory Staff Housing Requirement.*** - Covered enterprises shall
2 provide housing for at least five percent (5%) of their workforce, prioritizing rank
3 and file employees. Compliance may be through:

- 4 a. Construction of housing units;
- 5 b. Leasing or contracting housing facilities;
- 6 c. Partnership with accredited developers;
- 7 d. Enrollment in government housing programs; and
- 8 e. Provision of housing subsidy in lieu of physical housing.

9 All housing units provided under this Act shall have a minimum floor area of
10 eighteen (18) square meters per unit, and must be equipped with essential utilities
11 and services, including access to potable water, electricity, proper sanitation
12 facilities, and adequate ventilation. Furthermore, all such housing units shall strictly
13 comply with existing national housing, building, health, and safety standards to
14 ensure the habitability, safety, and overall well-being of the occupants.

15 **SEC. 6. *Creation of the Staff Housing Program Office.*** - The Staff Housing
16 Program Office (SHPO), operating under the Department of Human Settlements and
17 Urban Development (DHSUD), shall be responsible for the overall implementation
18 and oversight of this Act. Its functions shall include the issuance of the Implementing
19 Rules and Regulations (IRR) and the establishment of minimum housing standards,
20 the accreditation of housing providers and developers, the maintenance of a
21 centralized compliance database for covered enterprises, the conduct of audits at
22 least once every two (2) years, and the provision of technical assistance to enterprises

1 and Local Government Units to ensure effective compliance with the staff housing
2 requirements.

3 **SEC. 7. *Local Government Units.*** - Under this Act, Local Government Units
4 (LGUs) shall play a key role in ensuring compliance by requiring covered enterprises
5 to submit a Staff Housing Compliance Plan prior to the issuance or renewal of any
6 business permits. LGUs shall have the authority to approve or deny applications
7 based on the enterprise's compliance with the provisions of this Act, conduct annual
8 inspections of housing facilities, issue official compliance certificates, and
9 coordinate with the Staff Housing Program Office (SHPO) for monitoring and
10 enforcement. No business permit shall be issued or renewed without verified proof
11 of compliance with the staff housing requirements.

12 **SEC. 8. *Incentives.*** - Under the provisions of this Act, compliant enterprises
13 shall be entitled to:

- 14 1. Up to fifty percent (50%) tax deduction on housing expenses;
- 15 2. Priority access to government housing financing;
- 16 3. Fast track permit processing within fifteen (15) working days; and
- 17 4. Eligibility for PPP housing projects.

18 **SEC. 9. *Compliance and Reporting.*** - ThCovered enterprises shall submit a
19 Compliance Plan that includes a detailed timeline for implementation, a projected
20 budget, and the identification of target beneficiaries. In addition, enterprises are
21 required to submit annual reports documenting occupancy rates, the condition of
22 housing units, and any relevant updates on housing provision. To facilitate efficient

1 monitoring and reporting, a digital submission system shall be established to enable
2 enterprises and the Staff Housing Program Office (SHPO) to track compliance in a
3 timely and transparent manner.

4 SEC. 10. ***Appropriations.*** - The amount necessary for the initial
5 implementation of this Act shall be charged against the current appropriations of the
6 concerned agencies. Thereafter, such sums as may be necessary shall be included in
7 the annual General Appropriations Act.

8 SEC. 11. ***Implementing Rules and Regulations (IRR).*** - Within ninety (90)
9 days from the effectivity of this Act, DHSUD and NHA in coordination with the
10 LGU, shall promulgate the necessary rules and regulations for the effective
11 implementation of this Act. For enforcement, existing covered enterprises shall have
12 six (6) months to submit their Compliance Plan and up to three (3) years to achieve
13 full compliance with the staff housing requirements. New enterprises, on the other
14 hand, must submit a Compliance Plan prior to commencing operations and are
15 required to achieve initial compliance within one (1) year from the start of their
16 business activities.

17 SEC. 12. ***Separability Clause.*** - If any provision of this Act is declared
18 unconstitutional, the remainder shall continue to be in full force and effect.

19 SEC. 13. ***Repealing Clause.*** - All laws inconsistent with this Act are hereby
20 amended or repealed accordingly.

1 SEC. 14. *Effectivity.* - This Act shall take effect fifteen (15) days after its
2 publication in the Official Gazette or in a newspaper of general circulation.

3 Approved,