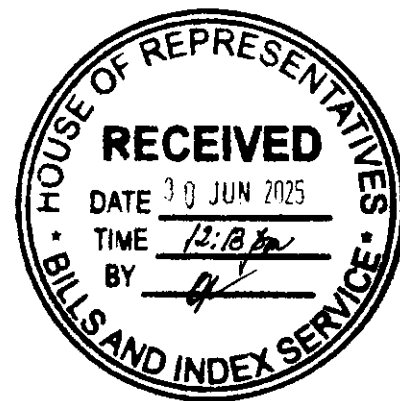


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. 88



Introduced by TUCP Partylist Representative
HON. RAYMOND DEMOCRITO C. MENDOZA

EXPLANATORY NOTE

The TUCP Party-list refiles the ₱200 daily minimum wage increase bill, which is exactly the 19th Congress original House Bill No. 11376 unanimously approved by the House of Representatives on third and final reading on 04 June 2025, and which was transmitted to the Senate. However the bicameral conference committee to reconcile the House and Senate wage hike bills was never convened during the 19th Congress. Since this measure was already approved on Third Reading, this representation invokes Section 48 of the Rules of the House of Representative which allows fast-tracking of priority bills that were approved on third reading in the previous Congress. This is only right and proper as we feel and believe that the ₱200 legislated wage hike must be immediately taken up by the 20th Congress as its first and foremost priority to forge ahead in the historic struggle for the first-ever legislated wage hike in nearly four decades and address the sub-poverty-threshold wages now prevailing nationwide.

Since 1989, by virtue of Republic Act No. 6727 (Wage Rationalization Act), our over five million minimum wage earners have been left behind as our economy grew, their wages subject to the less-than-tender mercy of the Regional Tripartite Wages and Productivity Boards (RTWPBs) which have perennially doled out token 'barya-barya' scraps and crumbs as supposed wage adjustments. This has institutionalized poverty by setting minimum wages below the government-set poverty threshold. As a result, that system is creating a permanent class of poor people who labor to create the wealth of the few.

36 years later, with everything rising—food prices, utility bills, transportation fares, oil prices, and social security contributions—workers' minimum wages, already below the poverty line, continue to stagnate. Self-rated poverty reached its highest level in over two decades. Involuntary hunger has returned to levels not seen since the height of the COVID-19 pandemic. We believe that the House of Representatives therefore sees a ₱200 wage increase as a fair and equitable resetting of a balance that has far too often been tilted in favor of big business. Certainly, that imbalance in the sharing of wealth no longer has a place in the modern and growing Philippine economy.

Confronted with a broken wage-setting system and a worsening cost-of-living crisis, the 19th Congress acted as the Senate passed a ₱100 daily minimum wage increase while the House of Representatives passed a ₱200 daily minimum wage hike yet there was a failure to convene the bicameral conference committee to reconcile and finalize an enrolled bill for a legislated wage hike. But the voice of the Filipino people, especially every worker and their family, has not only been loud and clear but resolute: the May 2025 Social Weather Stations (SWS) survey indicates that 92% of Filipinos want the Senate to prioritize a minimum wage hike while 95% demand the same from the House of Representatives.

The fight for the ₱200 wage hike, therefore, continues in the 20th Congress and will never end, not even pause, so that our over five million minimum wage earners—who break their backs and rack their brains every day just to make ends meet, trying to survive one crisis or emergency after another, and clinging to the last shred of dignity as they are pushed to the brink of hopelessness—will finally feed their families with nutritious meals based on the Ateneo Policy Center's estimated daily cost of the government's 'Pinggang Pinoy' daily healthy food guide for a family of five at ₱693.30/day and will step closer towards living wages estimated by the thinktank IBON Foundation at over ₱1,200.

Everyone, not only minimum wage earners or formal sector workers who will benefit from the correction of the wage distortion, wins with this ₱200 wage hike. Our vendors, drivers, and countless workers in our larger informal economy, too, will feel the positive impact of this wage hike. When minimum wage earners finally have higher take-home pay, they spend it in their local stores, public transportation, and markets, hence small businesses thrive and the incomes of our informal workers rise.

The ₱200 wage hike is also good for business because when workers earn more, they work harder, stay longer, and help businesses grow more.

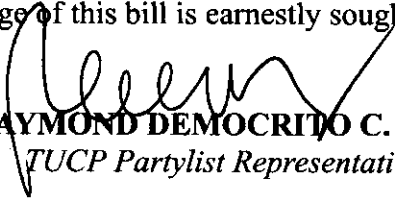
A ₱200 wage hike, after all, fits well within the fair profit margins of businesses. IBON Foundation, based on the largest survey of business establishments in the country, established that a ₱200 wage hike would only account for 9–15% of annual business profits—from micro to large firms. Further, this bill seeks to provide incentives from the Department of Labor and Employment (DOLE) to small enterprises to assist in their compliance with the wage increase on top of existing wage exemptions already in place for Barangay Micro Business Enterprises (BMBEs), and the billions in tax cuts and financial incentives already granted to both corporations and MSMEs under laws like CREATE and CREATE MORE. No less than the 2021 Nobel Prize in Economics was awarded for groundbreaking research which discovered that higher minimum wages do not destroy jobs because higher wages are not just a cost—they are an investment to boost demand and stimulate growth.

This ₱200 wage hike is equally good for our economy because if the Philippines is truly among the fastest-growing economies in Asia-Pacific, even outpacing many of our ASEAN neighbors, then it is both an economic and moral imperative to share that prosperity with those who sacrifice their blood, sweat, and tears to make this possible—the working class of this nation. Higher wages fuel more spending which strengthens businesses and creates more and better jobs. That is how we build an

economy—not from the top-down, where wealth trickles too slowly while workers are left wanting and waiting for far too long—but from the ground-up, where honest hard work is rewarded and where growth is shared as the economy moves forward—not just for the few, but for all.

With more time to push for a legislated wage hike and greater unity and political action, the fight for legislated wage increase continues in the 20th Congress and hopefully, with the continued support of our colleagues in Congress, the ₱200 legislated wage hike will be expedited to finally reach the President's desk for his signature into law.

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


HON. RAYMOND DEMOCRITO C. MENDOZA
TUCP Partylist Representative

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HON. RAYMOND DEMOCRITO C. MENDOZA

**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”.

SECTION 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.

SECTION 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.

SECTION 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.

SECTION 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.

SECTION 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.

SECTION 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.

SECTION 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.

SECTION 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.

SECTION 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.

SECTION 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,