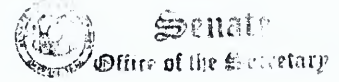


NINETEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
*First Regular Session* )



'22 JUL 13 A10 :04

**SENATE**  
**S. No. 458**

RECEIVED BY

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**Introduced by Senator JINGGOY EJERCITO ESTRADA**

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**AN ACT**  
**AMENDING ARTICLE 123 OF PRESIDENTIAL DECREE NO. 442, AS AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES, BY REQUIRING THE REGIONAL BOARD TO ISSUE A WAGE ORDER EVERY YEAR OR AN EXPLANATION FOR NOT ISSUING SUCH WAGE ORDER**

**EXPLANATORY NOTE**

Presidential Decree No. 442, otherwise known as The Labor Code of the Philippines was amended by Republic Act No. 6727 to create the National Wages and Productivity Commission and the Regional Tripartite Wages and Productivity Boards, allowing for the determination and fixing of minimum wage rates applicable to the various regions, provinces or industries therein. Article 123 of the Labor Code provides that, whenever conditions in the region so warrant, the Regional Board shall investigate and study all pertinent facts; and based on the standards and criteria herein prescribed, shall proceed to determine whether a Wage Order should be issued.

However, the labor sector has often criticized the Regional Boards for their delayed reaction to the conditions of their respective regions, and their slow action on petitions for minimum wage increase, so much so that the labor sector is now demanding that Congress pass a legislation that will revert back to the old system of legislated wage increases.

This bill seeks to require the Regional Boards to issue Wage Orders annually, preferably on or before May 1 (Labor Day) of each year, or to issue a detailed explanation why such Wage Order cannot be issued. It is expected that this measure shall make the Regional Boards more transparent and accountable to the sectors they serve.

Hence, the immediate passage of this bill is earnestly solicited.



**JINGGOY EJERCITO ESTRADA**

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**PHILIPPINES, BY REQUIRING THE REGIONAL BOARD TO ISSUE A WAGE**  
**ORDER EVERY YEAR OR AN EXPLANATION FOR NOT ISSUING SUCH WAGE**  
**ORDER**

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

1 Section 1. Article 123 of Presidential Decree No. 442, as amended, otherwise  
2 known as the Labor Code of the Philippines, is hereby amended to read as follows:

3 "ART. 123. Wage Order. - Whenever conditions in the  
4 region so warrant, **AND ONCE EVERY YEAR STARTING**  
5 **MAY 1**, the Regional Board shall investigate and study all  
6 pertinent facts; and based on the standards and criteria  
7 herein prescribed, shall proceed to determine whether a  
8 Wage Order should be issued. Any such Wage Order shall  
9 take effect after fifteen (15) days from its complete  
10 publication in at least one (1) newspaper of general  
11 circulation in the region. **THE REGIONAL BOARD SHALL**  
12 **ISSUE SUCH WAGE ORDER ON OR BEFORE MAY 1 OF**  
13 **EVERY YEAR.**

14 **"IN LIEU OF A WAGE ORDER, THE REGIONAL**  
15 **BOARD, ON OR BEFORE MAY 1 OF EVERY YEAR,**  
16 **SHALL PUBLISH IN AT LEAST ONE (1) NEWSPAPER**

1                   **OF GENERAL CIRCULATION IN THE REGION ITS**  
2                   **DETAILED EXPLANATION FOR NOT ISSUING A WAGE**  
3                   **ORDER.**

4                   "X X X."

5                   Sec. 2. *Separability Clause.* – If any provision or part hereof is held invalid or  
6                   unconstitutional, the remainder of the law or the provision or part not otherwise  
7                   affected shall remain valid and subsisting.

8                   Sec. 3. *Repealing Clause.* – Any law, presidential decree or issuance,  
9                   executive order, letter of instruction, administrative order, rule, or regulation  
10                  contrary to or inconsistent with the provisions of this Act are hereby repealed,  
11                  modified, or amended accordingly.

12                  Sec. 4. *Effectivity.* – This Act shall take effect fifteen (15) days after its  
13                  publication in the *Official Gazette* or in a newspaper of general circulation.

*Approved,*