CONGRESS OF THE PHILIPPINES NINETEENTH CONGRESS Second Regular Session

## SENATE

S. No. 2534

PREPARED BY THE COMMITTEE ON LABOR, EMPLOYMENT AND HUMAN RESOURCES DEVELOPMENT WITH SENATORS ZUBIRI, REVILLA, LEGARDA, BINAY, GO, ESTRADA, DELA ROSA, TULFO, POE, AND VILLANUEVA AS AUTHORS THEREOF

AN ACT PROVIDING FOR A ONE HUNDRED PESOS (P100.00) DAILY MINIMUM WAGE INCREASE FOR EMPLOYEES AND 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 "P100 Daily Minimum Wage Increase Act of 2024".
- 3 SEC. 2. Declaration of Policy. It is a policy of the
- 4 State to alleviate the living conditions of the ordinary
- 5 Filipino through policies that provide for a decent and
- 6 humane standard of living and improved quality of life,
- 7 particularly of the working class by ensuring the right of
- 8 labor to its just share in the fruits of production, to
- 9 guarantee the workers' right to a living wage, and to
- 10 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. Wage Increase. – The daily rate of all minimum wage workers in the private sector, regardless of employment status, including those in contractual and subcontractual arrangements, whether agricultural or non-agricultural, shall be increased by One hundred pesos (P100.00) upon the effectivity of this Act. Nothing in this Act shall prevent the respective Regional Tripartite Wages and Productivity Boards to grant additional increases to the workers and employees on the basis of their determination pursuant to Republic Act No. 6727, otherwise known as the "Wage Rationalization Act", as amended.

SEC. 4. Correction of Wage Distortion. – Where a wage distortion occurs as a result of the increase in minimum wage under this Act, the employer and the union, or the employer and the workers, in the absence of a union, shall negotiate to correct the distortion in accordance with the provisions of Article 124 of Presidential Decree No. 442 or the "Labor Code of the Philippines", as amended, and other existing laws, rules and regulations.

SEC. 5. Non-Chargeability of Prior Increases. – No wage increase shall be credited as compliance with the increase prescribed herein unless expressly provided under valid collective bargaining agreements: *Provided*, That

1 such wage increase was granted in anticipation of the

2 minimum wage increase under this Act: Provided, further,

3 That where such increase is less than the prescribed

4 increase under this Act, the employer shall pay the

5 difference. Such increases shall not include anniversary

6 wage increases, merit wage increases and those resulting

from the regularization or promotion of employees.

SEC. 6. 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. 7. Inspection by the Department of Labor and Employment (DOLE). – The DOLE shall conduct inspection of payroll and other financial records kept by the company or business to determine whether the workers are paid the prescribed minimum wage increase and other benefits granted by law. The said inspection may take place at any time of the day or night, whenever work is being undertaken. In unionized companies, the DOLE inspectors shall always be accompanied by the president or any responsible officer of the recognized bargaining unit or of interested union in the conduct of the inspection. In non-unionized companies, establishments or businesses, the inspection should be carried out in the presence of a workers' representative.

1 8. Penalties. - Any person, corporation, trust, 2 firm, partnership, association or entity violating any 3 provision of this Act shall be punished by a fine of not less 4 than Fifty thousand pesos (P50,000.00) but not more than One hundred thousand pesos (P100,000.00) plus moral 5 6 damages for each affected worker and the costs of litigation 7 including attorney's fees, or imprisonment of not less than 8 two (2) years nor more than four (4) years, or both at the discretion of the court: Provided, That if the violation is 9 committed by a corporation, trust or firm, association or 10 11 any other entity, the penalty of imprisonment shall be 12 imposed upon the entity's responsible officers including, but not limited to, the president, vice president, chief 13 executive officer, general manager, managing director or 14 15 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.

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In case a fine and/or indemnity is decreed by the National Labor Relations Commission (NLRC) against person/s who violated the provisions of this Act and cannot be immediately satisfied because of the refusal to pay, or in

- case of the unavailability or inadequacy of funds, the bank deposits, financial interests and other personal property not capable of manual delivery in the possession or control of third parties of the owner in case of sole proprietorship or the assets of the corporation, association or any other entity, shall be garnished. If such properties are not enough, movable and immovable properties may be levied
- 9 Failure on the part of any corporation, trust or firm, 10 partnership, association or any other entity to comply with 11 the provisions of this Act shall be a ground for non-renewal 12 of business permits.

to fully satisfy the imposed fines and/or indemnities.

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- 13 SEC. 9. Construction in Favor of Labor. All doubts in 14 the implementation and interpretation of the provisions of 15 this Act, including its implementing rules and regulations, 16 shall be resolved in favor of labor.
- 17 SEC. 10. Implementing Rules and Regulations. The 18 Secretary of Labor and Employment shall promulgate the 19 necessary rules and regulations for the effective 20 implementation of this Act.
- 21 SEC. 11. Separability Clause. If any provision of this 22 Act is held unconstitutional, the remainder thereof not 23 otherwise affected shall remain in full force and effect.

SEC. 12. Repealing Clause. – All laws, decrees, executive orders, rules and regulations and other issuances or parts thereof which are inconsistent with this Act are hereby repealed, amended or modified accordingly.

SEC. 13. *Effectivity Clause*. – This Act shall take effect after fifteen (15) days following the completion of its publication either in the *Official Gazette* or in a newspaper of general circulation.

Approved,