

THIRTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

7 JUN 22 PM

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[Signature]

SENATE

COMMITTEE REPORT NO. 216

Submitted by the Committee on Labor, Employment and Human Resources
Development on JAN 22 2007

RE : S. B. No. 2573 prepared by the Committee.

Recommending its approval in substitution of S. B. No. 2030 taking into
consideration H. B. No. 345

Sponsor : Senator J. Estrada

MR. PRESIDENT:

The Senate Committee on Labor, Employment and Human Resources
Development to which was referred Senate Bill No. 2030, introduced by Senator J.
Estrada, *entitled:*

**"AN ACT
PROVIDING FOR A P100.00 DAILY ACROSS-THE-BOARD
INCREASE IN THE SALARY RATES OF EMPLOYEES AND
WORKERS IN THE PRIVATE SECTOR AND FOR OTHER
PURPOSES."**

taking into consideration H. B. No. 345, introduced by Representatives Barinaga,
Beltran, Mariano, et al., *entitled:*

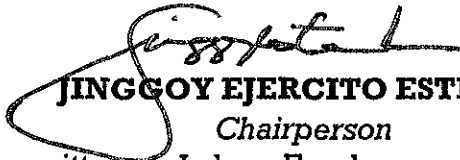
**"AN ACT
PROVIDING FOR A P125.00 DAILY ACROSS-THE-BOARD
INCREASE IN THE SALARY RATES OF EMPLOYEES AND
WORKERS IN THE PRIVATE SECTOR AND FOR OTHER
PURPOSES."**

has considered the same and has the honor to report them back to the Senate with
the recommendation that the attached S. B. No. 2573, prepared by the
Committee, *entitled:*

**"AN ACT
PROVIDING FOR A P125.00 DAILY ACROSS-THE-BOARD
INCREASE IN THE SALARY RATES OF EMPLOYEES AND
WORKERS IN THE PRIVATE SECTOR AND FOR OTHER
PURPOSES."**

be approved in substitution of S. B. No 2030 taking into consideration H. B. No.345 with Senator J. Estrada as author thereof.

Respectfully submitted:


JINGGOY EJERCITO ESTRADA
Chairperson
Committee on Labor, Employment and Human
Resources Development

MEMBERS:


FRANKLIN M. DRILON


RODOLFO G. BIAZON

My stand is that the recent wage boards shall handle this. I do the CBA of firms.

RAMON B. MAGSAYSAY, JR.
(negative)

may amend.

PANFILO M. LACSON

Concurring
RICHARD J. GORDON

Concurring with the policy, but preferring may amendment to give power to Regional Wage Boards.

MANUEL "LITO" M. LAPID

I prefer an income tax reform measure that would liberate, increase the take home pay of workers in a more broader perspective, may amend.

RALPH G. RECTO

may amend.

RAMON "BONG" REVILLA, JR.

with amend; Reg'l
way books should
continue.

MAR ROXAS


SERGIO R. OSMEÑA, III

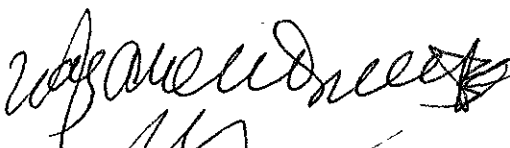

ALFREDO S. LIM


LUISA "LOI" P. EJERCITO ESTRADA

EX- OFFICIO MEMBERS:

JUAN M. FLAVIER
Pro-Tempore President


FRANCIS N. PANGILINAN
Majority Floor Leader


AQUILINO Q. PIMENTEL, JR.
Minority Floor Leader

MANNY VILLAR
Senate President
Pasay City

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SENATE

S.B. No. 2573

*Prepared by the Committee on Labor, Employment and Human Resources
Development in substitution of S. B. No. 2030 taking into consideration H. B.
No. 345*

**“AN ACT
PROVIDING FOR A P125.00 DAILY ACROSS-THE-BOARD INCREASE IN
THE SALARY RATES OF EMPLOYEES AND WORKERS IN THE PRIVATE
SECTOR AND FOR OTHER PURPOSES.”**

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

1 **SECTION 1.** This Act shall be known as *“The P125.00 Daily-Across-the*
2 *Board Wage Increase Act.”*

3 **SEC. 2.** It is hereby declared to be the policy of the State to alleviate
4 the living conditions of the ordinary Filipino through policies that provide for
5 a decent and humane standard of living and improved quality of life,
6 particularly of the working class; to ensure the right of labor to its just share in
7 the fruits of production; to guarantee the workers’ right to a living wage; and
8 to promote social justice through the adoption of measures calculated to
9 ensure the well-being and economic security of all the members of the
10 community.

11 **SEC. 3.** In line with the declared policy under this Act, all employers in
12 the private sector, whether agricultural or nonagricultural, regardless of
13 capitalization and number of employees shall pay their workers an across-the-
14 board wage increase in the sum of One hundred twenty-five pesos (P125.00) a
15 day to be paid in the following manner:

1 (a) Upon the effectivity of this Act, an additional Forty-five pesos
2 (P45.00) a day;

3 (b) The year thereafter, an additional Forty pesos (P40.00) a day; and

4 (c) On the third year, the remaining amount of Forty pesos (P40.00) a
5 day shall be added.

6 **SEC. 4.** No wage increase shall be credited as compliance with the
7 increase prescribed herein unless expressly provided under valid collective
8 bargaining agreements: *Provided*, That such wage increase was granted in
9 anticipation of the legislated across-the-board wage increase under this Act:
10 *Provided further*, That where such increase is less than the prescribed
11 increase under this Act, the employer shall pay the difference. Such increases
12 shall not include anniversary wage increases, merit wage increases and those
13 resulting from the regularization or promotion of employees.

14 **SEC. 5.** Nothing in this Act shall be construed to reduce any existing
15 allowance and benefit of any form under existing laws, decrees, issuances,
16 executive orders and any contract or agreement between workers and
17 employers.

18 **SEC. 6.** The Department of Labor and Employment (DOLE) shall, after
19 approval of this Act, conduct inspection of the payroll and other financial
20 records kept by the company or business to determine whether the workers
21 are paid the prescribed across-the-board wage increase and other benefits
22 granted by law. In unionized companies, the DOLE inspectors shall always be
23 accompanied by the president or any responsible officer of the recognized
24 bargaining unit or of any interested union in the conduct of the inspection. In
25 nonunionized companies, establishments or businesses, the inspection should
26 be carried out in the presence of a worker representing the workers in the
27 said company. The workers' representative shall have the right to submit his

1 own findings to the DOLE and to testify on the same if he cannot concur with
2 the findings of the labor inspector.

3 **SEC. 7.** Any person, corporation, trust, firm, partnership, association or
4 entity violating any provision of this Act shall be punished by a fine of not less
5 than Twenty-five thousand pesos (P25, 000.00) nor more than One hundred
6 thousand pesos (P100, 000.00) or imprisonment of not less than two years nor
7 more than four years, or both such fine and imprisonment at the discretion of
8 the court: *Provided*, That if the violation is committed by a corporation, trust or
9 firm, association or any other entity, the penalty of imprisonment shall be
10 imposed upon the entity's responsible officers including, but not limited to,
11 the president, vice president, chief executive officer, general manager,
12 managing director or partner.

13 The employer concerned shall be ordered to pay an amount equivalent
14 to double the unpaid benefits owing to the employees: *Provided*, That
15 payment of indemnity shall not absolve the employer from the criminal
16 liability imposable under this Act. *Provided further*, That any person convicted
17 under this Act shall not be entitled to the benefits provided for under the
18 Probation Law.

19 **SEC. 8.** The Secretary of Labor and Employment shall promulgate the
20 necessary rules and regulations to implement this Act.

21 **SEC. 9.** If any provision or part of this Act or the application thereof to
22 any person or circumstance is held invalid or unconstitutional, the remainder
23 of this Act or the application of such provision or part thereof to other persons
24 or circumstances shall not be affected thereby.

25 **SEC. 10.** All laws, orders, issuances, rules and regulations or parts
26 thereof inconsistent with the provisions of this Act are hereby repealed,
27 amended or modified accordingly.

1 **SEC. 11.** This Act shall take effect within fifteen (15) days after its
2 publication in the *Official Gazette* or in at least two newspapers of general
3 circulation, whichever comes earlier.

4 Approved,