

CONGRESS OF THE PHILIPPINES }  
First Regular Session }

SENATE

S. No. 156

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INTRODUCED BY SENATORS HERRERA, MACEDA, PATERNO,  
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AN ACT PROVIDING FOR AN INCREASE IN THE  
WAGE OF PUBLIC OR GOVERNMENT SECTOR  
EMPLOYEES ON A DAILY WAGE BASIS AND  
IN THE STATUTORY MINIMUM WAGE OF EM-  
PLOYEES AND WORKERS IN THE PRIVATE  
SECTOR AND FOR OTHER PURPOSES

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

1 SECTION 1. All workers and employees in the public  
2 or government sector on a daily wage basis shall receive  
3 an increase in the sum of ten pesos (P10.00) a day.

4 SEC. 2. The statutory minimum wage rates of workers  
5 and employees in the private sector, whether agricultural  
6 or non-agricultural, except domestic helpers and persons  
7 employed in the personal service of another, and those  
8 in the retail establishments regularly employing not more

1 than ten (10) workers, shall be increased by ten pesos  
2 (₱10.00) per day: *Provided*, That the minimum wage  
3 rate of non-agricultural workers and employees outside  
4 Metro Manila shall be increased by eleven pesos (₱11.00)  
5 per day.

6 SEC. 3. Where the application of the minimum wage  
7 increase prescribed under Section 2 results in distortions  
8 in the wage structure within an establishment which  
9 gives rise to a dispute therein, such dispute shall first  
10 be settled voluntarily between the parties and in the event  
11 of a deadlock, such dispute shall be finally resolved through  
12 compulsory arbitration by the National Labor Relations  
13 Commission's arbitration branch having jurisdiction over  
14 the workplace: *Provided*, That in the event of a deadlock,  
15 an increase of ten pesos (₱10.00) to all workers and  
16 employees shall be considered as the equitable correction  
17 of the distortion.

18 It shall be mandatory for the NLRC to conduct con-  
19 tinuous hearings and decide any dispute arising under  
20 this section within thirty (30) days from the time said  
21 dispute is formally submitted to it for arbitration. The  
22 pendency of a dispute arising from a wage distortion  
23 shall not in any way delay the applicability of the wage  
24 increase covered by this Act.

1 For the purpose of this Act, wage distortion shall mean  
2 a situation where a legislated increase in minimum wages  
3 results in the elimination or severe contraction of inten-  
4 tional quantitative differences in wage or salary rates  
5 between and among employee groups in an establishment  
6 as to effectively obliterate the distinctions embodied in  
7 such wage structure based on skills, length of service,  
8 or other logical basis of differentiation.

9 SEC. 4. All workers paid by result, including those who  
10 are paid on piecework, "takay", or task basis, shall receive  
11 not less than the applicable statutory minimum wage  
12 prescribed herein per eight (8) hours work a day, or a  
13 proportion thereof for working less than eight (8) hours.

14 SEC. 5. Learners, apprentices and handicapped workers  
15 shall be entitled to not less than seventy-five percent  
16 (75%) of the applicable adjusted minimum wage. A  
17 handicapped worker is one whose efficiency or quality  
18 of work is impaired by his disability in relation to the  
19 work performed.

20 •SEC. 6. In the case of contracts for construction projects  
21 and for security, janitorial and similar services, the in-  
22 crease in the minimum wage of the workers shall be borne  
23 by the employers of the construction workers, security  
24 guards, janitors, and others similarly situated: *Provided,*

- 1 b) Fair return of the capital invested;
- 2 c) Productivity;
- 3 d) Regional and sectoral variances in socio-economic
- 4 conditions;
- 5 e) Imperatives of social and economic development;
- 6 f) Desirability of maintaining a high level of employ-
- 7 ment;
- 8 g) Economic recovery requirements; and
- 9 h) Social justice and such other factors which will
- 10 assure a decent, just and humane income for all
- 11 workers and employees.

12 Where the application of the minimum wage prescribed  
13 by such wage order(s) results in distortions in the wage  
14 structure within an establishment which gives rise to a  
15 dispute therein, such dispute shall be resolved in the same  
16 manner as that provided for in Section 3 hereof.

17 **SEC. 9.** All laws, orders, issuances, rules and regulations  
18 or part thereof inconsistent with the provisions of this  
19 Act are hereby repealed or amended accordingly. If any  
20 provision or part of this Act, or the application thereof  
21 to any person or circumstance, is held invalid or unconsti-  
22 tutional, the remainder of this Act or the application of  
23 such provision or part thereof to other persons or  
24 circumstances, shall not be affected thereby.

1     SEC. 10. This Act shall take effect fifteen (15) days  
2 following the completion of its publication in the *Official*  
3 *Gazette* or in at least two (2) national newspapers of  
4 general circulation whichever comes earlier.

**Approved,**

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