



Memorandum Circular No. 03
Series of 2025

OPERATIONAL GUIDELINES FOR THE PROGRESSIVE IMPLEMENTATION OF THE USD500 MINIMUM MONTHLY SALARY FOR DOMESTIC WORKERS

Pursuant to Advisory No. 25, Series of 2025, adopting the Enhanced Reform Program for Filipino Domestic Workers, specifically on the increase in Minimum Monthly Wage of Domestic Workers, the following operational guidelines are hereby issued:

I. Rationale

Domestic workers are essential yet historically undervalued members of the labor force. The last official salary adjustment to USD 400 for this sector was implemented in 2006. Over the past two decades, inflation has more than doubled the cost of living, significantly eroding the real value of their wages.

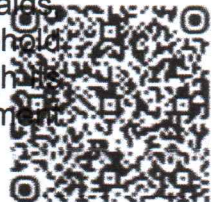
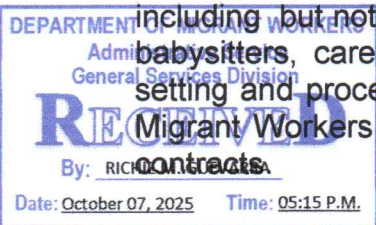
In 2006, the minimum daily wage in the National Capital Region (NCR) was ₱350 equivalent to approximately ₱20,000 per month. By 2025, this has increased to ₱645 per day, or roughly ₱22,000 per month. While this represents an 84% increase in nominal peso terms, the equivalent value in U.S. dollars has only risen from approximately USD 7 to USD 11.30 (around 61%), due to the depreciation of the Philippine peso. With these cumulative impacts of inflation, rising cost of living, education and medical needs, and currency depreciation, the current wage floor of USD 400 for Filipino domestic workers has substantially lost its purchasing power, both locally and internationally.

Moreover, domestic workers perform physically and emotionally demanding duties, often comparable to skilled caregiving, education, and household management. Despite these responsibilities and the sacrifices involved for our overseas domestic workers, working away from their families, their compensation has not kept pace with economic realities or international labor standards.

Raising the minimum monthly wage to USD 500 is not only a matter of equity but also a compliance imperative under international labor commitments, including ILO Convention 189. This Convention calls for decent working conditions, adequate rest periods, and social protection for domestic workers. Locally, the *Kasambahay Law* has also paved the way to progressive wage hikes for domestic workers. Accordingly, a timely and just wage adjustment affirms the recognition of domestic workers as skilled workers entitled to fair compensation, legal protection, and human dignity.

II. Coverage

These Operational Guidelines shall apply to all Filipino domestic workers, including but not limited to household workers, nannies, private drivers, housemaids, babysitters, caretakers, and gardeners who are employed in a private household setting and processed by the Department of Migrant Workers (DMW) or through Migrant Workers Offices (MWOs), with individually approved overseas employment contracts.



III. Implementing Entities

1. Licensed Private Recruitment Agencies (PRAs);
2. Accredited foreign employers/principals hiring Filipino domestic workers;
3. Welfare Desk Officers (WEDOs) of Foreign Recruitment Agencies (FRAs) and PRAs;
4. Migrant Workers Offices (MWOs) and relevant DMW units.

IV. Progressive Implementation Over Six (6) Months

Employers of both new hires and returning workers (those renewing contracts or currently in the Philippines and was re-hired by their former employer) shall be given a **six (6)-month transition period** to gradually adjust salaries for domestic workers earning less than USD 500 per month. During this transition period, wage increases may be applied voluntarily.

After the six-month period, the DMW shall conduct a performance audit to assess overall compliance. Based on this assessment, the Department may either extend the transition period or mandate full compliance with the USD 500 minimum wage.

V. Incentives for Compliant Employers and PRAs

To promote ethical recruitment and facilitate ease of doing business, employers and PRAs with a minimum of **ten (10) deployed domestic workers earning at least USD 500 monthly** may avail of the following incentives:

A. Incentives for Employers

1. Priority Processing (“Greenlane”) for Accreditation, Registration, and Re-Accreditation

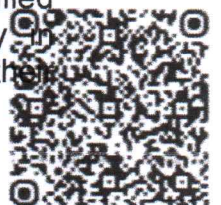
- Accreditation processing at the Migrant Workers Offices (MWOs) will be shortened from 10–14 days to 5–7 working days, provided all documents are complete.
- For attestation applications submitted directly to the Landbased Accreditation Bureau by employers in areas without MWOs or Philippine embassies/consulates, approval timelines will be reduced (from 7 to 5 working days).
- Renewal of accreditation and job order revalidation will be processed within 1 day, requiring only a photocopy of the Accreditation Certificate and an updated business registration.

2. Access to a Pool of Skilled Labor to facilitate skills matching and recruitment

- Eligible employers requiring other skilled worker categories may, upon request, access a curated, anonymized database of skilled and qualified workers, particularly when their partner PRA encounters difficulty in sourcing applicants. Deployment shall still be processed through their partner PRAs.

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3. Consultation Hour on Employment Standards

- One-on-one consultation sessions will be made available upon request for assistance on accreditation or employment concerns.

B. Incentives for Partner PRAs

1. Streamlined License Renewal and Branch Establishment Process

- [Dis] Approval process shortened from 30 days to 10 days, subject to complete documentation.

2. Automated Acknowledgment of Personnel Changes

- A dedicated portal will be created for faster and more efficient processing of updates to PRA staff rosters.

VI. Monitoring and Post-Deployment Support

Deployed domestic workers are encouraged to register through DMW's digital platforms (e.g., *E-Registration*, *Kumusta Kabayan*, *e-govph*) to facilitate post-deployment monitoring, welfare assistance, and access to government services.

Returning domestic workers are also advised to update their OWWA membership and other social service accounts to ensure continued access to social protection and benefits.

VII. Transitory Provisions

All MWOs are instructed to disseminate this policy and conduct orientations for stakeholders within their jurisdictions.

Existing employment contracts under review prior to this issuance shall be processed in accordance with previous guidelines, unless both parties agree to renegotiate the contract in compliance with the new minimum wage policy and to avail of the associated incentives.

VIII. Repealing Clause

All prior issuances or provisions inconsistent with this Circular are hereby repealed or modified accordingly.

IX. Effectivity

This Circular shall take effect immediately upon publication in the Official Gazette or in a newspaper of general circulation, and registration with the Office of the National Administrative Register (ONAR).

Issued this 07 day of October 2025, in Manila, Philippines.


HANS LEO J. CACDAC
Secretary

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