



WAGE ORDER NO. RBV-16

PROVIDING FOR NEW MINIMUM WAGE RATES TO PRIVATE SECTOR WORKERS IN THE BICOL REGION

WHEREAS, the Regional Tripartite Wages and Productivity Boards (RTWPBs) are mandated by law to determine and fix the minimum wage rates and structure applicable in the region;

WHEREAS, a Petition for Wage Increase, Recovery of Real Wage and Activation of the Regional Tripartite Monitoring Board was filed on August 20, 2013 by the Alliance of Progressive Labor (APL), Pinagkaisang Manggagawa sa Kooperatiba sa Kuryente-Bicol (PMMKB), and the Casureco I Independent Union of Employees (CINDUEM);

WHEREAS, in response to the said petition and after giving due notice to all concerned sectors, Provincial Public Hearings on Wage Issues were conducted in all the six (6) provinces of Bicol Region i.e. Masbate, Catanduanes, Sorsogon, Albay, Camarines Sur and Camarines Norte on October 3, 8, 10, 14, 17 and 18, 2013, respectively;

WHEREAS, based on the public hearings, studies and deliberations conducted, the Regional Board decided to adjust the prevailing minimum wage rates in the Region to enable the workers to cope with the rising cost of living without impairing the viability of business and industry;

WHEREAS, consistent with the government's policy of achieving higher levels of productivity to promote economic growth, to generate employment and to augment the income of workers thereby strengthening the competitiveness of business enterprises through productivity improvement and gain-sharing programs, the Two-Tiered Wage System (TTWS) is now being implemented as one of the major policy reforms of the Department of Labor and Employment (DOLE);

NOW, THEREFORE, the Regional Tripartite Wages and Productivity Board (RTWPB) of Region V, by virtue of the power and authority vested under Republic Act No. 6727 (*Wage Rationalization Act*), hereby issues this Wage Order, to wit:

Section 1. NEW MINIMUM WAGE RATES. Upon the effectivity of this Wage Order, the daily minimum wage rates of workers and employees in the private sector shall be as follows:

Sector / Industry	Minimum Wage Under Wage Order No. RBV-15	Basic Wage Increase	New Minimum Wage Rates
A. NON-AGRICULTURE			
A.1. Establishments			
-Employing more than ten (10) workers	252.00	8.00	P260.00
-Employing not more than ten (10) workers	228.00	8.00	P236.00
A.2. Cottage/Handicraft	228.00	8.00	P236.00
B. AGRICULTURE	228.00	8.00	P236.00

Section 2. COVERAGE. The wage rate per day prescribed in this Order shall apply to all minimum wage earners in the private sector in the Region regardless of their position, designation or status of employment and irrespective of the method by which they are paid.

This Wage Order shall not cover household or domestic workers, persons in the personal service of another, including family drivers, and workers of duly registered Barangay Micro-Business Enterprises (BMBEs) with certificates of authority pursuant to RA 9178.

Section 3. BASIS OF MINIMUM WAGE RATES. The minimum wage rates prescribed under this Order shall be for the normal working hours, which shall not exceed eight (8) hours work a day.

Section 4. PRODUCTIVITY-BASED WAGES. In order to sustain the rising levels of wages and enhance competitiveness, businesses are strongly encouraged to adopt productivity improvement schemes such as time and motion studies, good housekeeping, quality circles, labor-management cooperation as well as implement gainsharing programs. Accordingly, the Board shall provide the necessary studies and technical assistance pursuant to Republic Act No. (RA) 6971 or the Productivity Incentives Act of 1990.

Section 5. CREDITABLE WAGE INCREASE. Wage increases or allowances granted by an employer within three (3) months before the effectivity of this Order shall be credited as compliance herewith. Where the wage increases or allowances granted are less than that prescribed under this Order, the employer shall pay the difference.

Anniversary wage increases provided in collective bargaining agreements, merit wage increases and those resulting from the regularization or promotion of employees shall not be credited as compliance herewith.

Benefits derived from productivity gain-sharing schemes shall not be credited as compliance.

Section 6. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS. In the case of private educational institutions, the share of covered workers and employees in the increase in tuition fees for School Year 2013-2014 shall be considered as compliance with the increase set forth herein. However, payment of any shortfall in the wage increase set forth herein shall be covered starting school year 2014-2015.

Private educational institutions, which have not increased their tuition fees for the School Year 2013-2014, may defer compliance with the provisions of this Order until the beginning of School Year 2014-2015.

In any case, all private educational institutions shall implement the wage rates prescribed herein starting School Year 2014-2015.

Section 7. WORKERS PAID BY RESULTS. All workers paid by results, including those who are paid on piecework, "takay", "pakyaw" or task basis, shall receive not less than the prescribed minimum wage rates per eight (8) hours work a day, or a proportion thereof for working less than eight (8) hours.

Section 8. APPLICATION TO CONTRACTORS. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed minimum wage rates of the workers shall be borne by the principals or clients of the construction/service contractors and the contracts shall be deemed amended accordingly. In the event, however, that the principal or client fails to pay the prescribed minimum wage rates, the construction/service contractor shall be jointly and severally liable with his principal or client.

Section 9. WAGES OF SPECIAL GROUPS OF WORKERS. Apprentices and learners shall receive not less than seventy-five (75%) of the applicable minimum wage rate prescribed herein.

All learnership and apprenticeship agreements entered into before the effectivity of this Order shall be considered automatically modified insofar as their wage clauses are concerned to reflect the new prescribed wage rates.

All qualified handicapped workers shall receive the full amount of the minimum wage rate in this Order pursuant to R.A. 7277 (*The Magna Carta for Disabled Persons*).

Section 10. EXEMPTIONS. The following establishments may be exempted from the applicability of this Wage Order upon application with and as determined by the Board in accordance with NWPC Guidelines No. 02, Series of 2007:

- a. Retail/service establishments regularly employing not more than ten (10) workers;
- b. Distressed establishments;
- c. New business enterprises; and
- d. Establishments adversely affected by calamities.

Section 11. APPEAL TO THE COMMISSION. Any party aggrieved by this Wage Order may file a verified appeal with the Commission through the Board within ten (10) calendar days from the publication of this Order.

Section 12. EFFECT OF APPEAL. The filing of the appeal does not operate to stay the Order unless the party appealing such Order shall file with the Commission an undertaking with a surety or sureties satisfactory to the Commission for payment of the corresponding increase to employees affected by the Order in the event such Order is affirmed.

Section 13. EFFECTS ON EXISTING WAGE STRUCTURE. Where the application of the wage increase prescribed in the Order results in distortion in the wage structure within the establishment it shall be corrected in accordance with the procedure under Article 124 of the Labor Code, *as amended*.

Section 14. COMPLAINTS FOR NON-COMPLIANCE. Complaints for non-compliance with this Order shall be filed with the Regional Office of the Department of Labor and Employment (DOLE) and shall be subject of enforcement proceedings under Article 128 of the Labor Code, *as amended*, without prejudice to criminal prosecution which may be undertaken against those who fail to comply.

Section 15. NON-DIMINUTION OF BENEFITS. Nothing in this Order shall be construed to reduce any existing wage rates, allowances and benefits of any form under existing laws, decrees, issuances, executive orders and/or under any contract or agreement between the workers and employers or employer practices or policies.

Section 16. PENAL PROVISION. Any person, corporation, trust or firm, partnership, association or entity which refuses or fails to pay the prescribed wage increase/allowance/rates in accordance with this Order shall be subject to the penal provisions under R.A. 6727, *as amended by RA 8188*.

Section 17. PROHIBITION AGAINST INJUNCTION. No preliminary or permanent injunction or temporary restraining order may be issued by any court, tribunal or other entity against any proceedings before the Board.

Section 18. FREEDOM TO BARGAIN. This Order shall not be construed to prevent workers in particular firms or enterprises of industries from bargaining for higher wages with their respective employers.

Section 19. REPORTING REQUIREMENT. Any person, company, corporation, partnership or any entity engaged in business shall submit a verified itemized listing of their labor component to the Board not later than January 31, 2015 and every year thereafter in accordance with the form prescribed by the Commission.

Section 20. REPEALING CLAUSE. All orders, issuances, rules and regulations or parts thereof inconsistent with the provisions of this Wage Order are hereby repealed, amended or modified accordingly.

Section 21. SEPARABILITY CLAUSE. If, for any reason, any section or provision of this Order is declared unconstitutional or illegal, the other provisions or parts thereof shall remain valid.

Section 22. IMPLEMENTING RULES. The Board shall prepare the necessary rules to implement this Order subject to the approval of the Secretary of Labor and Employment.

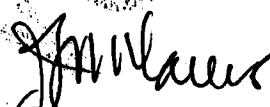
Section 23. ADVISORY ON PRODUCTIVITY-BASED PAY (PBP). Pursuant to the Two-Tiered Wage System, the Board shall issue corresponding advisories on Tier-Two or the PBP which shall serve as guidelines for private establishments on the range of productivity bonuses and incentives that an enterprise may provide based on agreement between the workers and the management.


The DOLE Regional Office-V shall monitor the implementation of the agreed productivity-based pay.

Section 24. EFFECTIVITY. This Order shall take effect fifteen (15) days after its publication in at least one (1) newspaper of general circulation in the Region.

APPROVED: December 5, 2013.


NATHANIEL V. LACAMBRA
Regional Director, DOLE V
Chairperson


JOCELYN L.B. BLANCO
Regional Director, DTI V
Vice-Chairperson


LUIS G. BANUA
OIC-Regional Director, NEDA V
Vice-Chairperson


MARCELO S. TAN
Employers' Representative


EDGARDO T. NAVARROZA
Employers' Representative


RONALDO O. AFABLE
Workers' Representative

VACANT
Workers' Representative