

2019

ANNUAL

REPORT



ISO 9001:2015

# NATIONAL WAGES AND PRODUCTIVITY COMMISSION

Department of Labor and Employment



## About the cover

The cover represents the bold new strategy of NWPC to infuse digital technology in program content and delivery as it continues to navigate its transforming role among Filipino workers and enterprises for 30 years. Digital technology, as visually represented in its program logos, are leveraged to modernize and popularize its programs.

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# 01 Our Organization

The NWPC was created by virtue of Republic Act 6727 or the Wage Rationalization Act in July 1989. It mandates the setting of minimum wages to protect vulnerable workers from undue low wages and the promotion of productivity and gainsharing between workers and enterprises.

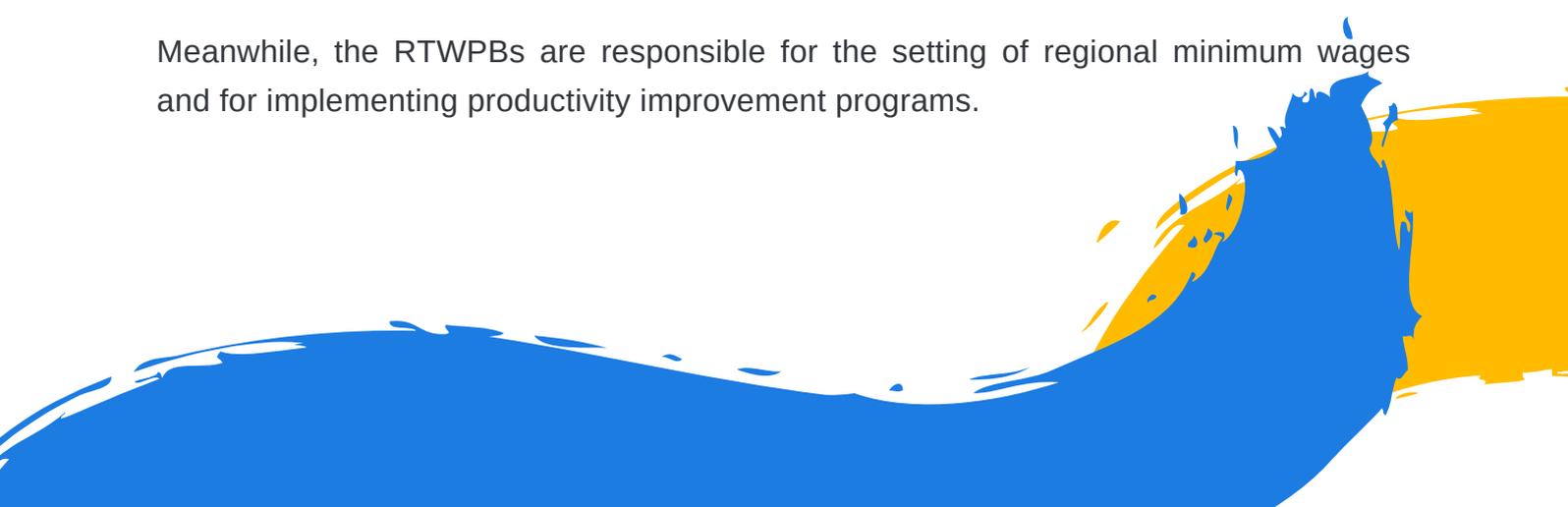
The law also provides that minimum wages shall be set on a regional basis, taking into consideration a prescribed set of relevant factors that essentially balance the needs of workers and employers' capacity to pay. For this purpose, the law created the National Wages and Productivity Commission (NWPC) and the 17 Regional Tripartite Wages and Productivity Boards (RTWPBs).

The NWPC is an agency attached to the Department of Labor and Employment (DOLE) for policy and program coordination.

## Mandate

The major functions of the NWPC are to act as adviser to the President and Congress on matters relating to wages, incomes, and productivity; formulate policies and guidelines on wages, incomes, and productivity; and review regional minimum wage levels set by the RTWPBs based on prescribed rules and guidelines.

Meanwhile, the RTWPBs are responsible for the setting of regional minimum wages and for implementing productivity improvement programs.





# Vision

Justly remunerated and productive Filipino workforce in globally competitive enterprises.

# Mission

Set minimum wage that protects workers' welfare.  
Promote enterprise and workers' productivity.

# Core Values

## **Makatao (People-Centric)**

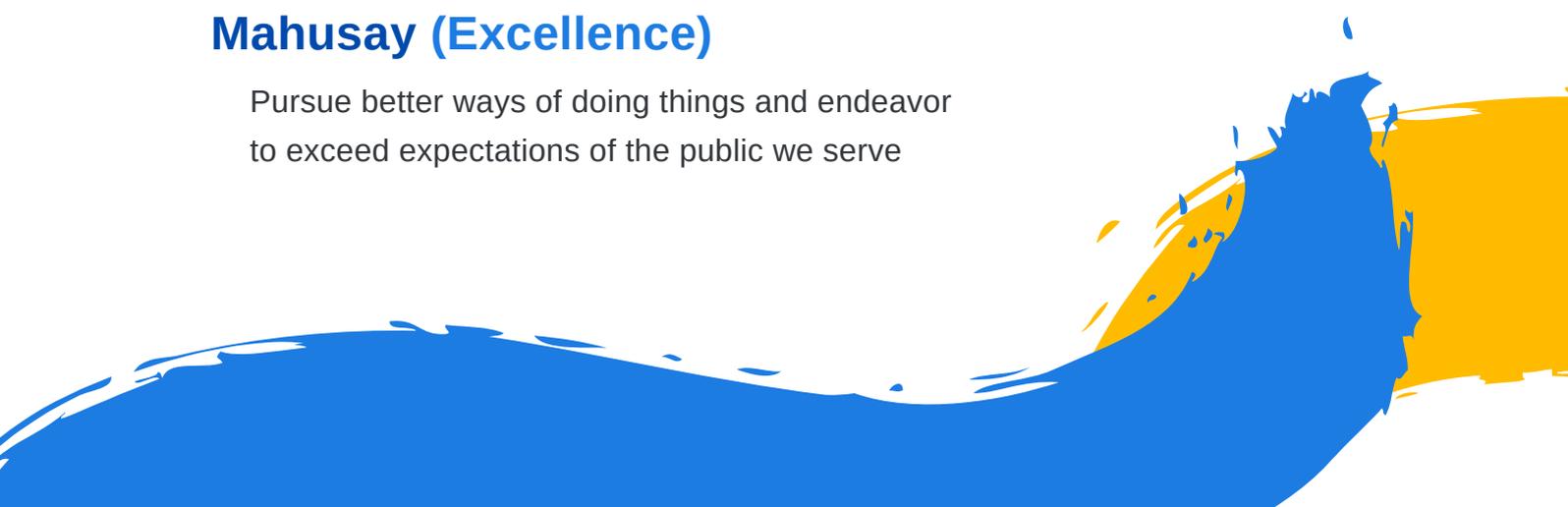
Empower people within the organization and the people we serve to make them the best they can be

## **Malikhain (Innovative)**

Promote and encourage members of the organization to engage in innovative behaviors and practices

## **Mahusay (Excellence)**

Pursue better ways of doing things and endeavor to exceed expectations of the public we serve



# 02 Message from the Secretary



I congratulate the National Wages and Productivity Commission for its accomplishments beyond target despite the budget impasse at the start of 2020, proving its strong resolve to protect workers' income through minimum wage-setting and productivity improvement.

Through a series of broad tripartite consultations, the Commission and the Boards managed wage expectations and issued Wage Orders to improve incomes of workers in private enterprises and households.

Because the digital economy is changing the way we work, the NWPC infused digital productivity tools into its training programs that promote efficient ways of doing things through worker-management cooperation in designing and implementing of productivity programs and incentive schemes.

As Chairperson of the NWPC, I am proud that the agency continued to uphold the yardstick of excellence as it sustained its ISO 9001:2015 certification. This is a clear demonstration of the agency's commitment to good governance.

The Annual Report presents the accomplishments of the NWPC and its 16 Regional Boards, which are a testament of its men and women to the vision of DOLE of a full, decent and productivity employment for every Filipino worker.

Again, congratulations to the hardworking men and women of NWPC and the regional boards for successfully navigating through 2019.

  
SILVESTRE H. BELLO III  
Secretary

# 03

## Message from the

# Undersecretary

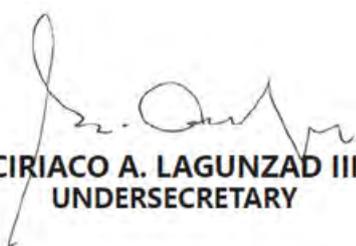


One of the challenges of government is to constantly think beyond the present and anticipate changes in its environment, including opportunities and uncertainties. We always need to think strategically to ensure that policies and programs are responsive to both the present and future scenarios.

As a result of collaborative efforts with social partners, the NWPC continued to offer programs and services for the betterment of Filipino workers and enterprises in 2019. The Regional Boards exercised vigilance and objectivity in assessing the region's socioeconomic conditions as basis for its decision on wage issues. Balancing the interest of workers and employers continues to be the acceptable approach for reaching a middle ground and balanced outcome.

Accelerating towards the digital economy, the NWPC once again seized the opportunity to help workers and MSMEs leverage digital productivity tools and technologies to improve business processes and outcomes, build capacities of workers in new technologies and support business growth and competitiveness. Content-wise, the NWPC developed new and upgraded existing productivity training modules by infusing off-the-shelf and downloadable digital technologies to better serve the needs of MSMEs and respond to rapidly changing industry requirements. E-learning portals were also strengthened to reach as many workers and enterprises as possible. This year, we also witnessed NWPC's extensive use of the social media as its major advocacy platform in engaging workers and enterprises in its productivity campaign.

My heartfelt gratitude goes to the committed tripartite partners in the Commission and the Boards as well as to the hardworking officers and staff of NWPC and the Regional Boards for their contribution towards making our wage and productivity policies and programs work for our social partners.



**CIRIACO A. LAGUNZAD III**  
**UNDERSECRETARY**

# 04 Message from the Executive Director



The organization's stability is the ability of its asset to meet its obligations. It is with pride that I share with you the accomplishments of the officers and staff of the NWPC and the Regional Boards for hitting our 2019 targets in the areas of minimum wage determination and productivity promotion.

In 2019, the RTWPBs issued seven (7) wage orders for workers in private establishments to recover the erosion in minimum wages due to inflation. This is a result of the continuous review of the socioeconomic conditions at the regional level – a process that has strengthened the foundation of the current minimum wage system.

We also reached 15,043 micro, small, and medium enterprises (MSMEs) and 25,269 workers, and managers/owners through the Productivity Toolbox – a package of training and technical assistance on productivity concepts, tools, and techniques. We also developed and enhanced productivity training modules on ISTIV PAP, Work-Life Balance for Workplace Productivity and QC Tools to adapt to the changing needs of workers and enterprises.

The NWPC also convened the 2019 Productivity Olympics that awarded eight MSME national winners in recognition of the successful implementation of their productivity programs.

We maximized our social media presence as our primary advocacy platform as we reached 937,244 followers, making our social media page the most followed among all social media pages managed by DOLE agencies. This manifests our passion for true, efficient, and effective engagement with the public we serve.

Parallel to our service to the public is our determination to steer our organization towards quality and excellence by maintaining ISO 9001:2015 certification and recognition by the Commission on Audit as recipient of the eNGAS/eBudget System Gallantry Award and by the Association of Government Accountants of the Philippines Incorporation as the 2018 Most Outstanding Accounting Office.

Our accomplishments would not have been possible without the support of our key strategic and social partners who played vital roles in all our policy, research, training, and advocacy endeavors.

With confidence and speaking for the men and women of the NWPC and all our Regional Boards, we commit to deliver greater and more strategic outputs in the future for the benefit of Filipino workers and enterprises.

Maraming salamat.

  
MARIA CRISELDA R. SY  
Executive Director IV

# 05

## Fast Facts



### Wage Orders

8

Wage orders for private establishment workers

11

Wage orders for domestic workers

97%

73 out of 75 wage rates above 2015 poverty threshold

### PBIS

#### Productivity-based incentive schemes

993

MSMEs provided with technical assistance in PBIS (124%)

178

MSMEs with PBIS installed (124%)

### Productivity Toolbox

10,460

MSMEs provided with orientation (126%)

4,583

MSMEs provided with training (125%)

3,384

MSMEs trained with PIPs/ action plans implemented (74%)

### Information and Advocacy

350,773

Clients reached through the information drive (130%)

### Digital Media Presence

937,244

Facebook likes

### Staff Development

96%

NWPC personnel completed the required minimum 8 hours training credit

### Recruitment and Placement

12

Employees hired

4

Employees promoted

### Recognition

ISO 9001:2015 Certification maintained

PRIME-HRM Maturity Level II

Gallantry Award eNGAS and eBudget Systems

Most Outstanding Government Accounting Office

# 06 Minimum Wage Setting

## Two Tiered Wage System

In 2019, the NWPC and RTWPBs continued to set minimum wages within the Two Tiered Wage System (TTWS) framework. Minimum wages (Tier 1) were set at levels not lower than the poverty threshold without exceeding average wage. Meanwhile, the issuance and implementation of advisories on productivity or performance-based incentive schemes (Tier 2) continued as one of the agency's capacity building strategies to enable enterprises and worker adopt such schemes.

## First Tier (Minimum Wage)

In 2019, eight (8) wage orders were issued by RTWPBs CAR, I, III, VI, VII, VIII, XII, and XIII, granting adjustments in daily minimum wages ranging from P8 to P48 for workers in private establishments. Minimum wage in non-agriculture stood at P537 in NCR and ranged from P282 to P420 elsewhere. In the agriculture sector, minimum wage in NCR was set at P500 and varied from P282 to P394 outside NCR.



Region/ Wage Order No.	Effectivity	Amount and Form of Increase		Non Agriculture	Agriculture	
		Basic Wage	Allowance		Plantation	Non Plantation
CAR W.O. No. 20	Nov 18, 2019	P15 - P35	P10	P340 - P350	P340 - P350	P340 - P350
I W.O. No. 20	Apr 30, 2019	P17 - P30	-	P273 - P340	P295	P282
III W.O. No. 22	Jan 01, 2020	P20	-	P369 - P420	P354 - P390	P342 - P374
VI W.O. No. 25	Nov 26, 2019	P15 - P30	-	P310 - P395	P315	P315
VII W.O. No. 22	Jan 05, 2020	P8 - P48	-	P356 - P404	P351 - P394	P351 - P394
VIII W.O. No. 21	Aug 18, 2019	P20	-	P325	P295	P295
XII W.O. No. 21	Feb 02, 2020	P10 and P15	-	P326 - P336	P305 - P315	P305 - P315
XIII W.O. No. 16	May 01, 2019	P30 - P45	P15	P320	P320	P320

By end of 2019, 100% of minimum wage rates were above the 2012 poverty threshold and 97% or 73 out of 75 rates stood above the 2015 poverty threshold.

## SECOND TIER (PRODUCTIVITY-BASED INCENTIVE SCHEMES)



The second tier is implemented through the issuance of wage advisories by the RTWPBs. Since 2013, all regional boards have issued at least one industry/sector specific advisory in agriculture (plantation), agribusiness, mining, manufacturing, transportation and storage facilities, tourism and tourism-related industries, hotels, restaurants and resorts, higher education institutions, and sardine (canning) industries.

The Boards also provided technical assistance in designing/formulating productivity or performance-based incentive schemes to 993 MSMEs, which resulted in the adoption of performance or productivity-based incentive schemes by 178 MSMEs.

# BATAS KASAMBAHAY (R.A. 10361)



During the year, eleven (11) wage orders were issued for domestic workers by RTWPBs NCR, CAR, I, III, IVB, VI, VII, VIII, IX, X and XIII. The amounts of increase ranged from P500 to P2,000 bringing the range of minimum wages of domestic workers to P5,000 in NCR and from P2,000 (XI, and XII) to P5,000 (Region VII) outside NCR.

Region	Wage Order	Non Agriculture	Amount of Monthly Wage Increase		New Monthly Minimum Wage Rates Upon Effectivity	
			Charter Cities and First Class Municipalities	Other Municipalities	Charter Cities and First Class Municipalities	Other Municipalities
NCR	WO No. RB NCR-DW-02	Jan 02, 2020	P1,500	P1,500	P5,000	P5,000
CAR	WO No. RB CAR-DW-02	May 01, 2019	P1,000	P500	P4,000	P3,000
I	WO No. RB I-DW-02	Apr 30, 2019	P1,000	P1,000	P4,500	P3,500
II	WO No. RB II-DW-02	Nov 25, 2018	P1,000	P1,000	P3,500	P3,500
III	WO No. RB III-DW-02	Jan 01, 2020	P500	P500	P4,500	P4,000
IV-A	WO No. RB IVA-DW-02	Mar 01, 2019	P1,000	P1,200	P3,500	P3,000
IV-B	WO No. RB IVB-DW-02	Jul 07, 2017	P500	P1,000	P2,500	P2,500
V	WO No. RB V-DW-02	Jun 02, 2017	P1,000	P1,000	P3,000	P2,500
VI	WO No. RB VI-DW-02	May 08, 2019	P500	P500	P4,000	P4,000
VII	WO No. RB VII-DW-02	Jan 05, 2020	P2,000	P1,500	P5,000	P4,000
VIII	WO No. RB VIII-DW-02	Jan 01, 2020	P2,000	P2,000	P4,500	P4,000
IX	WO No. RB IX-DW-02	Nov 22, 2019	P1,000	P1,000	P3,500	P3,000
X	WO No. RB X-DW-02	Jan 01, 2020	P1,000	P1,000	P4,000	P3,000
XI	WO No. RB XI-DW-02	Dec 16, 2017	P1,000	P500	P3,000	P2,000
XII	WO No. RB XII-DW-02	Dec 10, 2017	P500	P500	P2,500	P2,000
XIII	WO No. RB XIII-DW-02	Oct 04, 2019	P500	P500	P3,500	P2,500

## FACILITY EVALUATION



To ensure the fair and reasonable valuation of facilities customarily provided by employers to their employees such as board, lodging, and other facilities for purposes of allowing such to be considered part of wages, the RTWPBs conducted Facility Evaluation (FE) to some 124 applicant-establishments. Of which, 100% or all requests were processed by the RTWPBs, resulting in the issuance of 115 facility order (92.7%).

## TIME AND MOTION STUDIES

The RTWPBs received and process 57 applications/requests in 2019 for the conduct of Time and Motion Studies (TMS) of which 56 out of 57 (98.2%) piece rate/production standard orders were issued. The RTWPBs provide technical assistance on TMS to requesting enterprises to determine the standard rates for output based or piece-rate workers.

# 07 Productivity Promotion



## PRODUCTIVITY TOOLBOX

Continued efforts to promote productivity among MSMEs benefitted 25,269 employers and workers in 15,043 MSMEs through orientation and training under the Productivity Toolbox.

## DEVELOPMENT OF TRAINING MODULES AND E-LEARNING MODULES

In response to the MSMEs' growing demand for training on basic productivity concepts, tools, and techniques, and to make the training modules responsive to the challenges brought about by the 4th Industrial Revolution or FIRE, the NWPC developed/upgraded three training modules, namely, 1) ISTIV PAP, 2) Work-Life Balance for Workplace Productivity, and 3) QC Tools. The revised training modules incorporate, among others, digital productivity tools and techniques that MSMEs could tap in designing and implementing productivity improvement programs. In addition, the NWPC also developed e-learning modules on 7S of Good Housekeeping and Pricing that may be accessed through the NWPC e-learning portal.

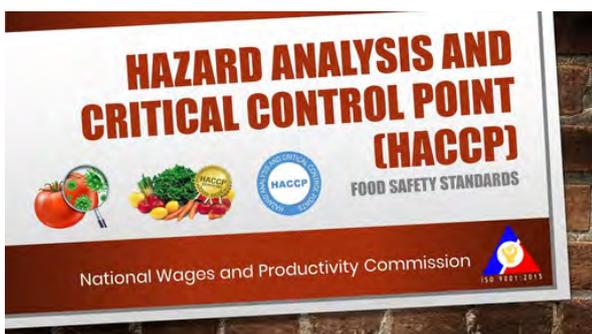
# ADVANCED PRODUCTIVITY TOOLS AND TECHNIQUES

To encourage enterprises to take the high road to productivity improvement, the NWPC developed a one-hour briefing modules on advance productivity tools and technologies. Essentially, the presentations cover concept, key elements, importance/benefits, snapshot of examples and demonstrations, and expected outcomes. These tools are Total Quality Management, Just in Time, Six Sigma, Time Management, and Hazard Analysis and Critical Control Point.



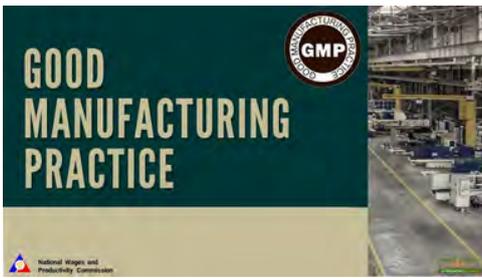
## TQM

A 1-hour orientation to advocate the importance of Total Quality Management in an enterprise.



## HACCP

A 1-hour training module to advocate the importance of Hazard Analysis Critical Control Points in an enterprise.



### **GMP**

A 1-hour orientation program to help improve the level of understanding in manufacturing guidelines and standards of food and beverages, cosmetics, pharmaceutical products, dietary supplements, and medical devices



### **Time Management**

A 1-hour orientation module to understand the concept and basics of Time Management and to avoid common time wasters



### **Just-in-Time (JIT)**

A 1-hour orientation module developed for businesses to reduce waste in production. It also described how material should be processed and moved in order to arrive "Just in Time" for the next operation.



### **Six Sigma**

A 1-hour orientation module is designed as an introductory module to understand the basics of six sigma concept, methodology and common used tools that aims to eliminate defects/errors in the processes.



### **Work-Life Balance**

A 1-hour orientation module is designed as an introductory module to understand the factors for an effective work-life balance programs and benefits and the importance of labor and management partnership for a success WLB program.

## 2019 PRODUCTIVITY OLYMPICS



The NWPC held the 7th Productivity Olympics in 2019, culminating in the awarding of eight (8) MSME national winners on October 4, 2019 at the Sheraton Hotel in Manila.

From 149 regional winners selected by the Tripartite Regional Screening Committees, the Tripartite National Screening Committees selected and endorsed 33 national finalists to the National Judging Panels, which selected eight national winners.

The 2019 national winners for the Agribusiness Sector were Jida Aqua Resources (Caraga Region) and Vicky's Pili and Food Products (Bicol Region). National winners in the Industry Sector were Bahi Enterprises (Bicol Region), 3D Container & Packaging Philippines Corporation (CALABARZON), and Cagayan 1 Electric Cooperative, Inc. (Cagayan Valley Region). For the Service Sector, the national winners were Coffee for Peace (Davao Region), Baguio-Benguet Community Credit Cooperative (Cordillera Administrative Region), and JMH Microfinance, Inc. (Bicol Region).



## 'PAG PRODUKTIBO, AASENSO!



The NWPC unveiled a new tagline “Pag Produktibo, Aasenso!” as part of its continuing advocacy on the importance of productivity toolbox.

“Through this advocacy campaign, we will drive the message that productivity improvement adds value to business processes which means better business outcomes and higher real incomes for workers,” Deputy Executive Director Jeanette T. Damo said during the launching of the tagline.

This 2020, the NWPC and its regional boards plan to increase its brand awareness by maximizing the potential of new media and technology.



# 08

## Advocacy

### USAPANG 2Ps: PASAHOD AT PRODUCTIVITY



Usapang 2Ps is a marketing and advocacy strategy to encourage enterprises to improve productivity by availing of the training programs under NWPC's Productivity Toolbox and technical assistance in designing productivity incentive schemes.

In 2019, the NWPC/RTWPBs conducted Usapang 2Ps nationwide, benefiting 2,344 employers and workers from 1,282 MSMEs.

### TAMANG KAALAMAN SA KITA AT KAKAYANAN (T3K)

In its continuing effort to raise awareness on wage and productivity policies and programs, the NWPC and the RTWPBs ran the Tamang Kaalaman sa Kita at Kakayanan or T3K, a package of advocacy measures consisting of public information assistance, IEC materials dissemination, wage clinics, seminars, public fora, press conference/briefings, media releases, radio guesting and interviews. The information drive reached 350,773 clients nationwide:

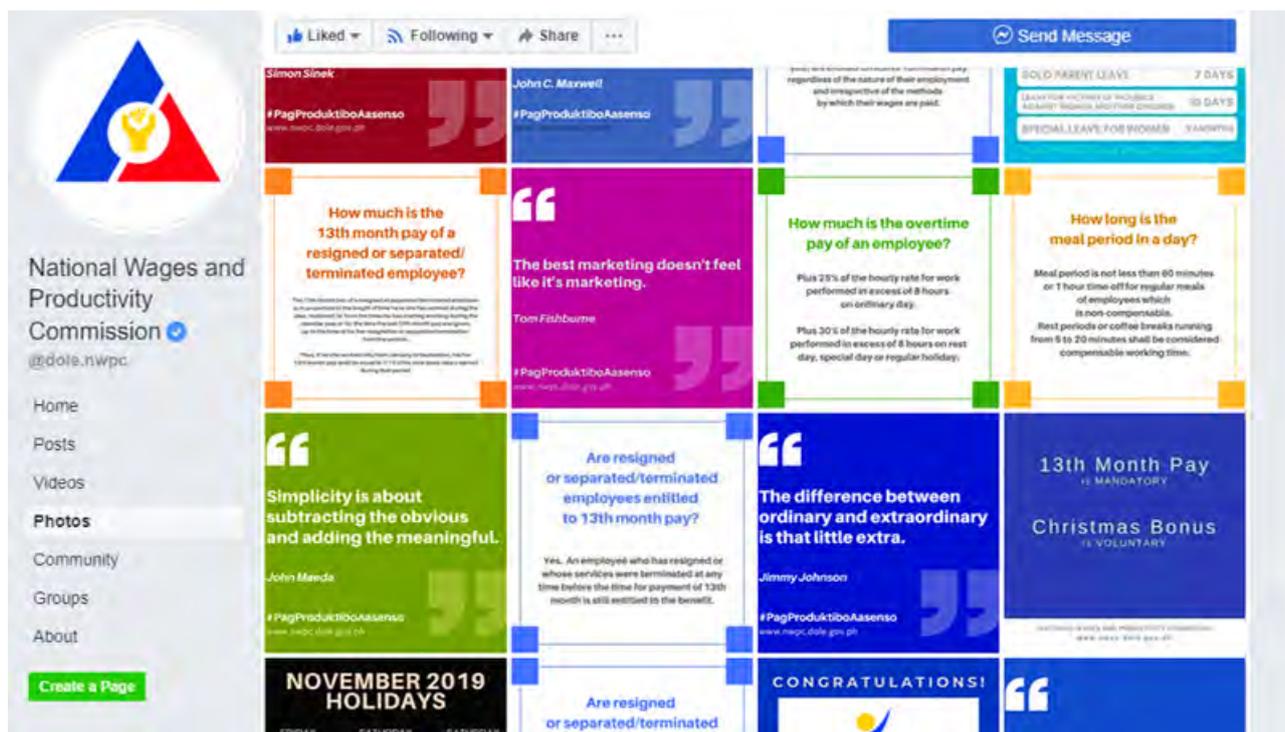
- 19,662 on public information assistance
- 129,439 on IEC materials
- 20,038 on wage clinics, seminars, and public fora
- 181,634 on mass media activities



Frontline services, which include public information services, learning sessions and training/orientation programs, were rated “very satisfactory” or better by 13,276 clients out of 13,542 participants (98% response rate).

## SOCIAL MEDIA

In 2019, NWPC’s official Facebook page had 265 posts, gathering 937,244 likes and 4,532 to 1,553,009 organic reach on average.



# LEARNING SESSIONS ON WAGES, INCOMES, AND PRODUCTIVITY



In 2019, the NWPC organized twenty (20) Learning Sessions attended by 1,028 participants from 555 companies.

Learning Session	No. of Participants
1. Workers' Benefits Under Existing Laws (General Labor Standards)	65
2. Handling Administrative Cases	76
3. Workers' Benefits Under Existing Laws (General Labor Standards)	42
4. DO 183: The Revised Rules on the Administration & Enforcement of Labor Laws/Labor and Employment Issues for Women	37
5. Adjustment Measures to Correct Wage Distortions	39
6. Tax Exemption for Minimum Wage Earners	50
7. Handling Administrative Cases	35
8. Department Order No. 174, Series of 2017 (Guidelines on Contracting and Subcontracting)	59
9. Workers' Benefits Under Existing Laws (General Labor Standards)	12
10. Business Compliance to Occupational Safety and Health Law (RA 11058) and Productivity 101: Facts You Need to Know	58
11. Minimum Wage and Exemption Policy/ Green Productivity, Green Pastures	44
12. Improving Productivity through Compliance to Labor Laws	7
13. Adjustment Measures to Correct Wage Distortions/ 7S of Good Housekeeping	46
14. Post-Employment and Other Concerns	94
15. Compensation and Benefits Administration	76
16. Aligning Marketing Strategies with Social Media	47
17. Incentivizing Performance Schemes	45
18. Business Compliance to Occupational Safety and Health Law (RA 11058) Productivity 101: Facts You Need to Know	57
19. Implementing Rules of the 105-Day Expanded Maternity Leave Law	48
20. Handling Administrative Cases	91

# 09 Policy, Research, and Technical Advice

In 2019, the NWPC submitted policy inputs and recommendations to the Senate and House of Representatives on bills relating to wages, income and productivity.

## HOUSE BILLS

- House Bill No. 1076
- House Bill No. 304 (Passive Income and Financial Intermediary Taxation Act)
- House Bill No. 4157 (Corporate Income Tax and Incentives Rationalization Act)

## SENATE BILLS

- Senate Bill No. 2205 (Rationalization of Wage Levels as a National of Industrial Basis)

## ASSESSMENT OF THE MINIMUM WAGE POLICY



The NWPC engaged a team of third-party experts to undertake a factual and objective assessment of the current minimum wage policy implementation. The study was designed to assess both the institutional framework and the outcome of the minimum wage policy.

As input to the institutional assessment, the NWPC convened consultation and validation workshops with members of the RTWPBs. The management and labor sector consultations were conducted on July 24 and 30, respectively both at the Microtel at UP Technohub, Quezon City, while the consultation with the RTWPB Chairpersons (as government-sector representatives) was held on August 1 at the Pan Pacific Hotel, Manila.

From these activities, the experts found, among others, a varied understanding among board members on the concept of a minimum wage (e.g. floor wage, entry level wage, and living wage); the need to strengthen the research and development functions of the Boards to inform wage decisions; and preference among board members to retain the existing tripartite and multi-level system of minimum wage setting.

Meanwhile, the assessment of the minimum wage outcomes will focus on effects on average wages, inflation rate, and employment status, across demographics.

The research will be finalized by the 3rd quarter of 2020 for submission to the DOLE Secretary/NWPC Chairperson.

## **EMPIRICAL FRAMEWORK FOR SETTING MINIMUM WAGES FOR DOMESTIC WORKERS (RIDER SURVEY QUESTIONNAIRE ONLY) MODULE/MANUAL**

Towards developing an empirical framework for minimum wage setting for domestic workers, the NWPC collaborated with the Philippine Statistics Authority (PSA) for the inclusion of a rider survey module for domestic workers and household employers. It inquires on the employment, working conditions and pay and benefits of domestic workers. The results of the survey will be used by the Philippine Statistical Research and Training Institute (PSRTI) in developing the empirical framework for estimating the minimum wage of domestic workers.

To this end, a stakeholders' forum with social partners and representatives from both national and local government agencies was held. The NWPC also conducted a trainers' training on the module for all the PSA- Regional Offices to ensure the smooth conduct of field operations.

The empirical framework is expected to be developed and implemented in 2020, once results of the rider module to the October 2018 Labor Force Survey are available.

# EVALUATION OF THE IMPLEMENTATION OF PRODUCTIVITY-BASED INCENTIVE SCHEMES



The study seeks to assess the implementation of advisories on performance and productivity-based incentive schemes by identifying good practices, as well as gaps to improve the program's design and delivery.

Results of the series of focus group discussions among selected enterprises in NCR, Regions III and IVA revealed that the implementation of Tier 2 schemes is perceived to be mutually beneficial to workers and enterprises, evidenced by the higher take home pay for workers, harmonious relationship between management and their employees, and improved enterprise productivity and business performance.

However, the study also indicated gaps in the program's implementation. The study found that advisories remain to have very little influence on the incentive schemes implemented by establishments, and workers have limited influence over the design of incentive schemes. These highlight the need to strengthen advocacy work to encourage the adoption of said programs, and improve participation of workers thru the creation of firm-level productivity committees.

# PRODUCTIVITY IMPROVEMENT AND GAINSHARING PRACTICES IN WORKPLACE



To understand the productivity improvement and gainsharing practices of micro, small, and medium enterprises (MSMEs), NWPC developed a survey questionnaire on “Productivity Improvement Program and Gainsharing Practices” as rider module to the 2017/2018 Integrated Survey on Labor and Employment (ISLE) conducted by the Philippine Statistics Authority (PSA).

The results showed that of some 32,000 establishments with at least 20 workers, 54% or 17,563 establishments, covering 2.2 million workers, have productivity improvement programs (PIPs) in place in 2017. The most common reasons for establishing PIPs were cost reduction, product improvement and complaints reduction.

The survey results also revealed that 47% of establishments with PIPs have developed incentive schemes, mostly in the form of gainsharing (93%), which benefitted 906,534 workers.

# 10 Networking



The NWPC continued to expand partnerships with different stakeholders to foster synergy, efficiency and greater effectiveness in the implementation of its wage and productivity programs.

## PUBLIC CONSULTATIONS



In 2019, the DOLE organized a consultation meeting with public utility bus (PUB) owners and drivers to re-orient them on the NWPC guidelines on part fixed and part performance based compensation scheme. In attendance from the private sector were PUB owners and drivers engaged in city and provincial operations.

Issues raised during the consultation were the determination of compensable working time for long-hour and inter-island trips, implications on CBA-concluded wages and wage increases, mechanics and requirements for securing certificates of no pending case and application of wage and working time standards to circumstances unique to bus operations including owner-driver type of operations.

DOLE and NWPC agreed on the need to clarify compensable working time for the bus industry, re-issue the labor advisory exempting owner-driver arrangements from coverage of the NWPC guidelines, and to meet with concerned transport regulating agencies to secure their support to the implementation of DO118-12 and the guidelines on compensation.

For its part, the NWPC and the Boards committed to provide the necessary technical assistance to PUB companies in designing compensation schemes compliant with the guidelines.

## ILO WAGE EXPERT IN NWPC WAGE POLICY ASSESSMENT

International Labour Organization (ILO) Senior Regional Specialist on Wages Daniel Kostzer visited the NWPC in April 2019 to provide technical assistance in the assessment of the minimum wage policy.



In his presentation to the Commission entitled “How to Make a Perfect Triangle: Minimum Wages, Collective Bargaining, and Economic Policy,” Kostzer emphasized the need to understand the complexities of the minimum wage policy in order to effectively address the dilemmas surrounding the system such as imperfect information and interests, different needs and interests of stakeholders, simple vs. complex/mixed minimum wage systems, and whether minimum wage serves as a corrector or trigger of wage growth.

The Commission, for its part, said while it is important to look at the labor market outcomes of the minimum wages, it is equally important to assess how the institutional framework of the minimum wage policy.

## BARMM-MOLE STUDY VISIT

The Ministry of Labor and Employment of the Bangsamoro Autonomous Region in Muslim Mindanao (MOLE-BARMM) visited the National Wages and Productivity Commission in April 2019.



Headed by Chief Administrative Officer Datu Surab A. Abutazil, Jr. and Assistant Regional Secretary Abdul Gani Cadir, the MOLE-BARMM team was briefed by the NWPC officials on the minimum wage policy and productivity programs of the Commission.

Among the concerns of the MOLE were the composition of its Regional Tripartite Wage and Productivity Board, minimum wage for domestic workers, and the wage exemption policy. Executive Director Maria Criselda R. Sy committed to assist MOLE-ARMM in the area of minimum wage setting and productivity promotion.

## ROUND TABLE DISCUSSION ON THE PROPOSED AMENDMENTS TO R.A. 6971

The NWPC organized a round table discussion on the proposed amendments to R.A. 6971 "Productivity Incentives Act of 1990" in December 2019.



Inputs from the DBM, DTI, DOF, DOST, DAP, TESDA, BIR, ECC, NCMB, BWC, and FFW were gathered to secure support and commitment to the proposed amendments which include the mandatory creation of a productivity incentives committee; mainstreaming productivity modules into the curriculum for basic and higher education and in the training regulations for vocational-technical training programs; creation of a productivity agenda; and creation of a committee to implement the agenda.

## NATIONAL GOVERNMENT PORTAL

The NWPC together with other DOLE agencies attended the meeting on the National Government Portal (NGP) project in April 2019. Representatives from the Department of Information and Communications Technology (DICT) presented the portal's overview, 2019 workplan for the labor and employment sector, each government agency's Single Point of Contact (SPOC), and other concerns relative to the project. The NWPC committed to join and support the implementation of the NGP.

## PSA's DATA DISSEMINATION FORUM



NWPC DED Patricia Hornilla joined Assistant Secretary Alex V. Avila and other DOLE technical staff in the Data Dissemination Forum of the PSA for the 2017/2018 Integrated Survey on Labor and Employment and the 2018 Occupational Wages Survey (OWS).

DED Hornilla expressed the importance of statistics for planning and policy formulation. She underscored the importance of timely and accurate statistics to the exercise of NWPC's and RTWPB's minimum wage setting function as well as in the promotion of productivity.

Citing the OWS results, Deputy Executive Director Hornilla said wage data are used by industry stakeholders for human resource planning as well as in designing competitive wage and compensation packages. She also referred to the rider module on productivity improvement programs and gainsharing schemes as key to NWPC's continuing effort to promote worker and enterprise productivity.

## PUBLIC CONSULTATION ON THE IRR OF R.A. 11032

NWPC team led by Deputy Executive Director Jeanette T. Damo took part in the public consultation on the Implementing Rules and Regulations (IRR) of RA 11032 and the Philippine Business Databank hosted by the Anti-Red Tape Authority (ARTA), an attached agency of the Office of the President. It was held at the Jose Rizal Hall of the PICC on February 13, 2019.

The IRR of the Ease of Doing Business and Efficient Government Service Delivery Act of 2018 establishes mechanisms in streamlining current systems and procedures of government services. It is a landmark law of the Duterte administration that addresses one of the 10-Point Socio-economic Agenda which was crafted to improve the country's competitiveness and ease of doing business.

## FORUM ON DIGITAL PRODUCTIVITY TOOLS FOR MSMES

NWPC organized a forum on digital productivity tools for micro, small, and medium enterprises on November 26, 2019 at the Badjao Conference Room, Century Park Hotel Manila.



Various topics on digitalization for MSMEs were discussed by industry experts namely Ms. Janette Toral of DigitalFilipino.com on marketing plan for MSMEs; Ms. Marianne

Donato and Ms. Gladys Lacorte of Canva Philippines on graphic design solutions for product branding/labeling; Mr. Mark Brainard Gregorio of Sprout Solutions on digital human resource; Ms. Gettsie de Jesus of Salarium on digital accounting; Atty. Cyril Alfred Sison Castro of Lazada Philippines on marketing opportunities and challenges in an online marketplace; and Mr. Mark Angala of PayMaya Philippines and Ms. Michiko Castañeda of Globe myBusiness on digital payment solutions for MSMEs.

The forum was attended by the RTWPB Board Secretaries, NWPC officers and staff, and MSMEs from MIMAROPA, CAR, and NCR. It is envisioned that similar fora focused on digital productivity tools and technologies will be organized by the Boards under the banner program Usapang 2Ps 4.0.

# 11 Commission At Work



In 2019, the Commission reviewed and passed upon eight (8) wage orders and implementing rules for minimum wage earners and eleven (11) wage orders and implementing rules for domestic workers.

The Commissioners also approved the revised NWPC Guidelines No. 1 (series of 2019) on the Adoption of Part-Fixed, Part-Performance Based Compensation Scheme in the Public Bus Transport Industry.

The Commission likewise, reviewed and approved the criteria and mechanics of the 2019 Productivity Olympics. Each member of the Commission also chaired one of the tripartite National Screening Committees which selected and endorsed the national finalists to the National Judging Panels.

# 12 Good Governance



## PRIME HRM AWARD LEVEL II

NWPC received recognition from the Civil Service Commission for meeting HR Maturity Level II for human resource systems and competencies in connection with CSC's Program to Institutionalize Meritocracy and Excellence in Human Resource Management (PRIME-HRM) on January 15, 2019 at Atla D' Tagaytay Hotel in Tagaytay City.

Under the PRIME-HRM, the CSC assesses the maturity of an agency's competencies, systems and practices in the four (4) HR core systems: (1) Recruitment, Selection, and Placement, (2) Performance Management, (3) Learning and Development, and (4) Rewards and Recognition.

# STRATEGIC PLANNING EXERCISE

The NWPC held a strategic planning exercise on November 27-29, 2019 at the Century Park Hotel Manila with NWPC directors, program managers, and regional board secretaries as participants.



The three-day activity revisited the agency's vision, mission, and core values; assessed the organization's accomplishments in the last five years; evaluated internal capacities vis-à-vis requirements of the stakeholders; and identified strategic issues, concerns, and plans.

Ms. Ruth Collantes of Catalyst 360 served as training consultant on strategic planning models and tools, to prepare the organization in revisiting its purpose and corporate values.

In preparation for the strategic planning exercise, the central office and the regional boards conducted their respective SWOT analyses. A stakeholders' consultation with NWPC's partner agencies - BWC, BWSC, OSHC, and BLR - was conducted to clarify their expectations from the NWPC relative to its wage and productivity mandates.



## ISO 9001:2015 CERTIFICATION

The NWPC maintained its ISO 9001:2015 certification. In its external audit, TUV Rhineland recommended the continuation of the NWPC/RTWPBs QMS certification under ISO 9001:2015 standard.

The maintenance of certification covered regional operations, top management, internal quality audit/corrective action, policy formulation/conduct of research, customer feedback, human resource development, records management, annual planning performance review, procurement, appeals resolution management, disbursement, and facilities/equipment/vehicles preventive maintenance.

## TEAM BUILDING EXERCISE



NWPC organized a team building activity with the theme “Unlocking Team Creativity, Exploring Possibilities” at the G Beach Resort in Bolinao, Pangasinan on May 30-31, 2019. The team building activities signified the organization’s value for creativity and innovation as key strategies to improve the agency’s productivity and performance.

## HEALTH AND WELLNESS BENEFITS

As part of its human resource development program, the NWPC organized health and wellness programs for its employees.

- An annual physical examination, in coordination with St. Cecilia Polyclinic, was held last May 8, 2019 covering basic laboratory procedures.



- An influenza vaccine was given to NWPC employees on August 06, 2019



- A series of stress management activities such as free haircut, massage and spa services were organized for officers and staff in coordination with the Manila Manpower Development Center.

## LIVELIHOOD PROGRAMS

In coordination with the Manila Manpower Development Center, the NWPC conducted a series of livelihood programs for its employees, especially those approaching retirement. The programs include workshops on beads setting, table arrangement and making steamed delicacies.

## GENDER AND DEVELOPMENT



The NWPC participated in the 2019 National Women's Day Conference at the Philippine International Conventional Center (PICC), Pasay City on March 8, 2019. The conference's main events were the launching of the Gender Equality and Women's Empowerment (GEWE) Plan 2019-2025, GEWE Monitoring and Evaluation Compendium, Gender Responsive Local Government Unit (GERL) Toolkit, and the certification of New GAD Local Learning Hubs.

## FINANCIAL REPORT PREPARATION AND UPDATING ON E-NGAS AND E-BUDGET



The NWPC through its Financial and Management Division (FMD) conducted its annual activity on CY 2018 Financial Reports Preparation using Enhanced e-NGAS Reporting System and e-Budget for the FMD staff and accountants and budget designates of the regional boards. This was held on January 23 to 25, 2019 at the Armada Hotel, Malate, Manila.

FMD Chief Editha M. Saus presented the 2019 NWPC/RTWPB budget and discussed recent COA and DBM issuances.

## 2018 MOST OUTSTANDING ACCOUNTING OFFICE



The NWPC was a recipient of eNGAS/eBudget System Gallantry Award by the Government Financial Management Innovation Circle, Inc. and the Most Outstanding Accounting Office Award by the Association of Government Accountants of the Philippines given on June 19 and October 23, 2019, respectively.



## UNQUALIFIED COA OPINION

NWPC received its second unqualified COA opinion having satisfied the state auditor in all material respects, which means compliance in form and content with all statutory accounting and auditing rules and regulations of the agency's true and fair reflection of its financial condition, position, and operations.

According to the Commission on Audit (COA), "unqualified opinion" is the highest findings an agency could receive after it underwent audit of the financial statements.

# 13 Staff Development

Recognizing the need for competency-based training to ensure the agency's continuing preparedness to implement existing and new policies and programs on wage and productivity, participants from the Central Office and the Boards were sent to different international and local trainings, fora, seminars, and workshops.

## ENGAGEMENT WITH ASIAN PRODUCTIVITY ORGANIZATION



- Conference on the Future of Work (Taipei, Taiwan)
- Forum on Disruptive Technologies and Technology-Driven Productivity (Jakarta, Indonesia)
- Workshop on Sustainable Productivity (Tokyo, Japan)
- Workshop on the Internet of Things for Productivity Enhancement (Taipei, Taiwan)
- Training of Trainers and Consultants in Green Productivity (Taipei, Taiwan)
- Global Value Chains and Green Trade Workshop (Beijing, China)



## WAGES AND PRODUCTIVITY

- Capacity Building on Quality Control Tools, New/Upgraded Training Modules, Advanced Productivity Tools and Techniques
- Forum on Digital Productivity Tools for MSMEs
- Training on the Enumerators' Manual

## LABOR AND EMPLOYMENT

- Third Workshop on the Effects of Trade on Employment





## QUALITY AWARD

- Philippine Quality Award Strategic Planning

## TECHNOLOGY, NEW MEDIA, AND DESIGN

- Briefing on Digital Technology (Batch 1 & 2)
- Briefing on Virtual Store
- Web Content Management Training

## GENDER AND DEVELOPMENT

- Seminar on Menopause and Andropause

## ADMINISTRATIVE COMPETENCY AND UPGRADING

- Ease of Doing Business and Efficient Government Service Delivery Act of 2018
- Earthquake Preparedness Briefing
- Climate Change Seminar
- CY 2018 Financial Reports Preparation and Updating e-NGAS and e-Budget Systems
- Echo Session on Accounting for Non-Accountants
- Emergency General Assembly on Building Security Concerns
- Forum on Budget Preparation and Execution
- Skills Enhancement Training for DOLE Information Officers

# PROMOTION AND HIRING

In 2019, four (4) employees were promoted and twelve (12) new employees joined the central office and RTWPBs.



Promoted Employees		New Employees	
Terence Joy O. Amores	LEO III – TTSD	Jerome P. Yanson	Board Secretary IV – RB III
Johannes C. Bitoon	LEO III – RB VII	Atty. Marie Ronette Salve E. Barreda	Attorney IV – RB VIII
Erly E. Javier	LEO II – RB VII	Atty. Sharon Grace S. Sanoy	Attorney IV – RB IX
Jessielee R. Bilog	LEO II – RB XI	Atty. Grace Lyn C. Pantaleon	Attorney IV – RB IVB
		Raymund P. Escalante	Supervising LEO – RB V
		April Jamaicah Joie S. Estoque	Administrative Officer – FMD
		Jessa Margareth R. Guzman	LEO II – RB I
		Andrea Nicole E. Gonzaga	Administrative Asst. III – RB VI
		Roy Ryan M. Salise	Administrative Asst. III – RB XI
		Joan Kris Mago	Administrative Asst. I – RB VII
		Rachel N. Majam	Administrative Asst. I – AD
		Recto I. Marquez	Administrative Aide III – OED

## NWPC'S 30TH ANNIVERSARY

NWPC celebrated its 30th anniversary at the Philippine International Convention Center (PICC) in Pasay City with the theme "30 Years of Public Service @ its best" on July 5, 2019. The event was attended by current and former employees of the Commission as well as senior officials from the different offices of DOLE and partner agencies.



Leading the guests were Secretary Silvestre H. Bello III, Undersecretary Ciriaco A. Lagunzad III, Undersecretary Ana C. Dione, Undersecretary Renato L. Ebarle, and Assistant Secretary Alex V. Avila. In his message, Secretary Bello III wished for NWPC to continue realizing the vision of high and rising living standards for Filipino workers and competitiveness among enterprises.





Special citations were also awarded to Commissioners Lucila Castillo-Tarriela, David L. Diwa, and Cedric P. Bagtas for their dedication and service to the Commission. The NWPC also conferred Mr. Juan A. Quintos Jr. of Rosehall Management Consultants a special citation for being one of the key personalities leading the productivity movement. Former heads, Ms. Carmelita “Lily” M. Pineda, the first NWPC Executive Director (1989-1997) and Undersecretary Ciriaco A. Lagunzad III, former NWPC Executive Director (1997-2013) were also honoured for their role and contribution to the achievements of the Commission.



Outstanding NWPC employees were also recognized for their significant contribution to the agency. The Financial Management Division was awarded for ensuring efficient financial management systems, earning various recognitions for the agency and Mr. Jerome P. Lucas for his innovative and extensive use of the social media in promoting NWPC’s programs.



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# Directory

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