



## WAGE ORDER NO. RB1-21

### PROVIDING FOR A MINIMUM WAGE INCREASE IN REGION - 1

**WHEREAS**, the Regional Tripartite Wages and Productivity Board - I is mandated under **Republic Act No. 6727, otherwise known as The Wage Rationalization Act**, to periodically assess wage rates and conduct continuing studies in the determination of the minimum wage applicable in the region or industry;

**WHEREAS**, the current Wage Order No. **RB1-20** took effect on April 30, 2019;

**WHEREAS**, Section 3 (A), Rule II of the NWPC Guidelines No. 03, Series of 2020 or the *Omnibus Rules on Minimum Wage Determination* provides that in the commencement of minimum wage determination, whenever conditions in the region so warrant, the Board may, *motu proprio*, initiate action or inquiry to determine whether a wage order shall be issued;

**WHEREAS**, considering that the last wage order issued was on April 30, 2019, and considering further the rising price of basic commodities, such as food, electricity and water utilities, the skyrocketing prices of oil products, and other changes in the values of wage-related socio-economic indicators, the Board upon deliberation during its meeting on March 21, 2022, deemed it necessary *motu proprio* to commence the minimum wage determination process and review the current minimum wage rates;

**WHEREAS**, after due notice to all stakeholders, the Board conducted consultations on March 29, 2022 in Bantay, Ilocos Sur for the provinces of Ilocos Norte and Ilocos Sur and on April 8, 2022 in Dagupan City, Pangasinan for the provinces of La Union and Pangasinan; and a public hearing on April 20, 2022 in the City of San Fernando, La Union, to assess and determine the propriety of issuing a new wage order;

**WHEREAS**, after the consultations, public hearing and deliberations conducted last April 2022, the Board received on May 5, 2022, a petition filed by the Trade Union Congress of the Philippines seeking a ₱420.00 per day minimum wage increase for all workers in the private sector in the region;

**WHEREAS**, said petition is considered as a position paper submitted to the Board, the matters stated therein were likewise raised and discussed during the public hearing and threshed out during the deliberations of the Board;

**WHEREAS**, in setting the minimum wage, the Board considered the various criteria under **Republic Act No. 6727**, such as the prevailing wage levels, cost of living, and capacity to pay of employers, among others, and ensured that the rate is above the poverty threshold;

**WHEREAS**, after due consideration of the results of the consultations and public hearing, and a thorough review and evaluation of the existing socio-economic conditions in the region, the Board unanimously agreed to adjust the prevailing daily wage rates of workers/employees in the Region to enable them to cope with the rising cost of living without impairing the viability of business and industry;

**WHEREAS**, further, in view of the thrust to rationalize the wage structure in the region and taking into account the recommendations for wage simplification by stakeholders during the consultations and public hearing, the Board acted to simplify the wage levels into two (2) classifications;

**NOW, THEREFORE,** by virtue of the power and authority vested under RA No. 6727, RTWPB-1 hereby issues this Wage Order.

**Section 1. New Minimum Wage Rates.** Upon effectivity of this Wage Order, the new minimum wage rates of all workers/employees in the private sector in the Region shall be increased as follows:

- a. For workers receiving ₱340.00/day from the previous wage order, or establishments employing 30 or more employees, they shall receive an increase of ₱60.00/day to be given in two tranches, namely: ₱30.00/day upon effectivity, and another ₱30.00/day on December 1, 2022;
- b. For workers receiving ₱310.00/day from the previous wage order, or establishments employing 10 to 29 employees, they shall receive an increase of ₱90.00/day to be given in three tranches, namely: ₱30.00/day upon effectivity, another ₱30.00/day on December 1, 2022, and the last tranche of ₱30.00/day on March 1, 2023;
- c. For workers receiving ₱282.00/day from the previous wage order, or establishments employing less than 10 employees, and the agricultural non-plantation workers, they shall receive an increase of ₱90.00/day to be given in three tranches, namely: ₱30.00/day upon effectivity, another ₱30.00/day on December 1, 2022, and the last tranche of ₱30.00/day on March 1, 2023;
- d. For workers receiving ₱295.00/day from the previous wage order, or from the agricultural plantation workers, they shall receive an increase of ₱77.00/day to be given in two tranches, namely: ₱30.00/day upon effectivity, and another ₱47.00/day on December 1, 2022.

Thus, the minimum wage rates in the Region upon effectivity of all the tranches are:

- A. ₱400.00/day for all non-agriculture establishments employing 10 or more employees;
- B. ₱372.00/day for all non-agriculture establishments employing less than 10 employees and agriculture whether plantation or non-plantation.

The above increases are summarized in the table below:

Previous Wage Order RB1-20		NEW WAGE ORDER RB 1-21				
Previous Classification	Wage Rates	NEW CLASSIFICATION	Amount of Increase	NEW MINIMUM WAGE RATES under W.O. No. RB1-21		
				upon effectivity of the Wage Order (WO)	On 01 December 2022 (Second Tranche)	On 01 March 2023 (Third Tranche)
<b>I. Non-Agriculture</b>						
a. 30 or more employees	₱340.00	A. Non-agriculture employing 10 or more employees	₱30 upon effectivity of the WO  ₱30 on 01 December 2022 (second tranche)	₱370	₱400	-
b. 10-29 employees	₱310.00		₱30 upon effectivity of the WO  ₱30 on 01 December 2022 (second tranche)  ₱30 on 01 March 2023 (third tranche)	₱340	₱370	₱400
c. 1-9 employees	₱282.00					
<b>II. Agriculture</b>						
a. Non-Plantation	₱282.00	B. Non-Agriculture employing less than 10 employees; and  Agriculture	₱30 upon effectivity of the WO  ₱30 on 01 December 2022 (second tranche)  ₱30 on 01 March 2023 (third tranche)	₱312	₱342	₱372
b. Plantation	₱295.00		₱30 upon effectivity of the WO  ₱47 on 01 December 2022 (second tranche)	₱325	₱372	-

**Section 2. Basis of Minimum Wage Rates.** The minimum wage rates prescribed under this Order shall be for the normal working hours that shall not exceed eight (8) hours of work a day.

**Section 3. Covered.** The wage increase prescribed herein shall apply to all minimum wage earners in the private sector within the region, regardless of their position, designation or status and irrespective of the method by which their wages are paid.

**Section 4. Penal Provision.** Any person, corporation, trust, firm, partnership, association or entity who refuses or fails to pay the prescribed increase shall be dealt with pursuant to the provisions of *Section 12 of RA No. 6727, as amended by RA No. 8188.*

**Section 5. Effectivity.** This Wage Order shall take effect after fifteen (15) days from its publication in a newspaper of general circulation.

**APPROVED.** This 16<sup>th</sup> day of May 2022.

Done in the City of San Fernando, La Union, Philippines.

  
**CATHERINE Q. PANGAN**  
Labor Representative

  
**SALVADOR R. POSERIO**  
Management Representative

  
**SAMUEL G. ESLAVA**  
Labor Representative

  
**GRACE FALGUI-BALUYAN**  
Vice-Chairperson

  
**NESTOR G. RILLON**  
Vice-Chairperson

  
**ATTY. EVELYN R. RAMOS**  
Chairperson

This Wage Order was published in the Ilocos Herald on May 21, 2022 and shall take effect fifteen days thereafter which is JUNE 6, 2022.