

Republic of the Philippines
Department of Labor and Employment
National Wages and Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
Cordillera Administrative Region
Baguio City

WAGE ORDER NO. RB-CAR-16

***PRESCRIBING NEW MINIMUM WAGE RATES AND PARTIAL
INTEGRATION OF THE COST OF LIVING ALLOWANCE (COLA)
TO THE BASIC PAY OF PRIVATE SECTOR EMPLOYEES IN THE
CORDILLERA ADMINISTRATIVE REGION***

WHEREAS, RA 6727, otherwise known as the Wage Rationalization Act, empowers the Regional Tripartite Wages and Productivity Boards to determine and fix minimum wage rates applicable in the regions and to issue the corresponding Wage Orders subject to the guidelines issued by the National Wages and Productivity Commission, in particular NWPC Guidelines No. 01 of 2007, as amended by NWPC Guidelines No. 02 of 2012;

WHEREAS, and in consonance with the aforementioned NWPC Guidelines, the Regional Tripartite Wages and Productivity Board - Cordillera Administrative Region (herein referred to as the Board) continuously adopts the Two-Tiered Wage System in the exercise of its minimum wage function consistent with the policy of the government to attain a higher level of productivity which generates jobs, increases employment and augments the income of workers without necessarily impairing the growth of business;

WHEREAS, the Two-Tiered Wage System (TTWS) comprising of two parts namely the First Tier which is mandatory for implementation, and the Second Tier which is voluntary in nature, is designed to allow employers and their workers to improve the existing terms and conditions of employment including levels of wages based on labor productivity and business performance;

WHEREAS, the First Tier provides criteria like average wage, poverty threshold, minimum wage and the region's specific economic situation maintaining a required ratio in order to strike a balance and promote the interest of both the workers and their employers;

WHEREAS, the Second Tier implementation is dependent upon labor productivity, the grant of which is based on the employer – employee agreement, the guidelines of which are found under Board Advisory No. 01, Series of 2013 and other board advisories that may be issued;

WHEREAS, the Board, in issuing Wage Order RB-CAR-15 has set the levels of floor wages in the region at two hundred eighty pesos (P280.00) per day in the BLIST Area comprising of Baguio City and the Municipalities of La Trinidad, Itogon, Sablan and Tuba, all in the province of Benguet and two hundred sixty three pesos (P263.00) per day in the Other Areas of the region, consistent with the NWPC Guidelines.



WHEREAS, records show that the Regional Tripartite Wages and Productivity Board, Cordillera Administrative Region has not received any petition for wage adjustments for the workers in the private sector in the region;

WHEREAS, the Board resolved motu proprio to initiate and conduct evaluations or studies on the economic situation of the region aside from undertaking public consultations/hearings throughout the region;

WHEREAS, after due notice, the Board conducted a series of public consultations/hearings on possible wage adjustments starting on July 30, 2013 for the province of Abra, August 7, 2013 in Baguio City and Benguet, September 4, 2013 for the provinces of Kalinga and Apayao, and on September 5, 2013, for the provinces of Ifugao and Mt. Province;

WHEREAS, after considering the requirements of the Two-Tiered Wage System and after deliberating on the results of the public consultations/hearings and studies on the socio-economic conditions of the region, the Board found the need to adjust the minimum wage levels of workers in the Cordillera Administrative Region;

NOW THEREFORE, by virtue of the power and authority vested under Republic Act No. 6727, otherwise known as the Wage Rationalization Act, the Regional Tripartite Wages and Productivity Board, Cordillera Administrative Region, hereby issues this Wage Order

Section 1. Coverage and Exemption. covered private sector workers and employees receiving the minimum wage in the Cordillera Administrative Region regardless of their position, designation or status and irrespective of the method their wages are paid are covered by this Wage Order. Exempted from this coverage are persons employed in the personal service of another including family drivers, workers in the registered Barangay Micro Business Enterprises with Certificates of Authority pursuant to Republic Act No. 9178, otherwise known as "Barangay Micro Business Enterprises Act of 2002" and the household or domestic helpers who are now covered by a new law, RA 10361, otherwise known as the "Domestic Workers Act" or the "Batas Kasambahay".

Section 2. Wage Adjustments to the Level of Floor Wages and COLA Integration. Upon effectivity of this Wage Order and to level up to the prescribed floor wages of P280.00/day in the BLIST area and P263.00/day in the Other Areas under the previous Wage Order, RB-CAR-15, the current minimum wage levels lower than the said floor wages shall be adjusted within the three (3) year period.

From the existing COLA, P17.00 in BLIST and P6.00 in Other Areas shall be integrated in the basic pay.



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Section 3. The Minimum Wage Levels. Upon effectivity of this Wage Order, the levels of applicable minimum wages in the Region shall be as follows:

Industry/ Sector	DAILY MINIMUM WAGE RATES					
	Baguio City, Municipalities of La Trinidad, Itogon, Sablan, and Tuba, Benguet (BLIST)			Other Areas in the Region		
	Basic	COLA	Total	Basic	COLA	Total
Non-Agriculture & Retail/Service with 11 workers and above	260.00	20.00	280.00	243.00	20.00	263.00
Agriculture & Retail/Service with 10 workers and below	248.00	20.00	268.00	227.00	20.00	247.00

Section 4. Basis of Minimum Wage. 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 5. Implementation of Second Tier. The Second Tier or the Productivity Based Pay shall continue to be implemented following the guidelines provided by Advisory No. 01, series of 2013 issued by the Board on January 10, 2013 and other board advisories that may be issued.

Section 6. Creditable Productivity Based Pay. For establishments identified as priority industries and already granting Productivity Based Pay or its equivalent to their workers, may be credited as compliance to the Second Tier. Merit increases, anniversary increases or wage increases resulting from the regularization or promotion of the employees per company policy or as provided by law are not credited as compliance to the Second Tier.

Section 7. Tax Incentives. Establishments implementing the Productivity Based Pay as provided by Advisory No. 01, series of 2013 may avail of the tax incentives under RA 6971 provided they comply with the provisions set therein.

Section 8. Application to Private Educational Institutions. In the case of private educational institutions, the share of covered workers and employees in the tuition fee increases for School Year 2013-2014 shall be considered as compliance to this Wage Order. However, payment of any shortfall shall be done starting School Year 2014-2015.

Private Educational institutions which did not increase their tuition fees for the School Year 2013-2014, may defer compliance with this Wage Order until School Year 2014-2015.

In any case, all private educational institutions shall implement this Wage Order starting School Year 2014-2015.

Section 9. *Application to Contractors.* In the case of contracts for construction projects and for security, janitorial and other similar services, the prescribed increases shall be borne by the principals or clients of the construction/service contractors and the contract shall be deemed amended accordingly. In the event, however, that the principals or clients fail to pay the prescribed increases, the construction/service contractors shall be jointly and severally liable with their principals or clients.

Section 10. *Application to Public Utility Bus Owners and/or Operators Employing Drivers and Conductors under the Provisions of D.O. 118-12.* In the case of contracts/agreements entered into by owners and/or operators and their drivers and conductors under the provisions of D.O. 118-12, the fixed component of the Compensation Scheme shall be based on an amount mutually agreed upon by them but which shall in no case be lower than the applicable minimum wage prescribed by this Order. In the event that the amount earlier agreed upon by them be lower than what is prescribed in this Order, their Contract/Agreement shall be deemed amended accordingly.

Section 11. *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 adjusted amount prescribed by this Order for the normal working hours which shall not exceed eight (8) hours per day or a proportion thereof for working less than eight (8) hours.

Section 12. *Apprentices and learners.* Persons employed under Apprenticeship or learnership agreement shall be entitled to not less than Seventy Five Percent (75%) of the new minimum wage rate under this Order.

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

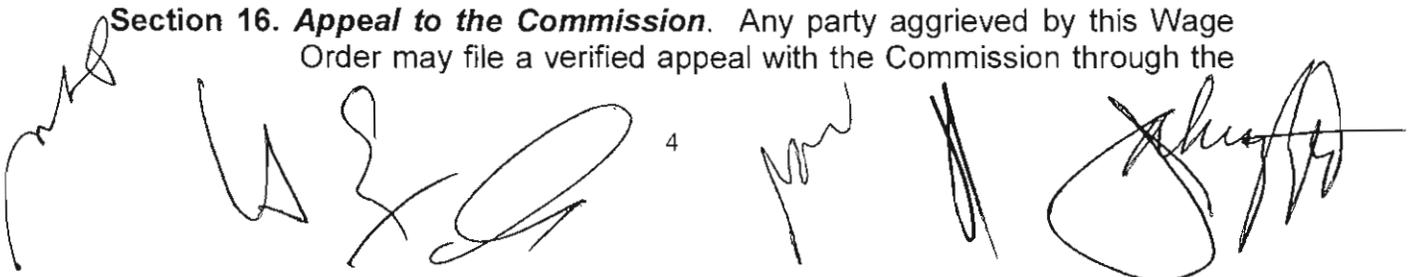
Section 13. *Mobile and Branch Workers.* The minimum wage rates of workers, who by the nature of their work have to travel, shall be those applicable in the domicile or head office of the employer.

The minimum wage rates of workers working in branches or agencies of establishments in or outside the Region shall be those applicable in the place where they are stationed.

Section 14. *Exemption.* No applications for exemption from compliance with this Order shall no longer be allowed.

Section 15. *Transfer of Personnel.* The transfer of personnel from one province or region to another shall not be a valid reason for the reduction of the wage rate being enjoyed by the worker prior to the transfer.

Section 16. *Appeal to the Commission.* Any party aggrieved by this Wage Order may file a verified appeal with the Commission through the



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Board within ten (10) calendar days from the publication of this Order.

Section 17. *Effect of Filing of Appeal.* The filing of the appeal does not operate to stay this 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 increases for covered employees in the event this Order is affirmed.

Section 18. *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, executive orders and/or under any contract or agreement between the workers and employers.

Section 19. *Effects on Existing Wage Structure.* Where effects of the wage increases provided for by this Order result in the distortion of the wage structure within an establishment, the same shall be corrected in accordance with the procedure provided for under Art. 124 of the Labor Code as amended. The following formula may be used to correct the same.

$$\begin{array}{r} \text{Previous Minimum Wage} \\ \text{(Wage Order RB-CAR-15)} \\ \hline \text{-----} \\ \text{Actual Salary} \end{array} \times \begin{array}{l} \text{Prescribed} \\ \text{Increase} \end{array} = \begin{array}{l} \text{Amount of wage} \\ \text{adjustment due to} \\ \text{distortion} \end{array}$$

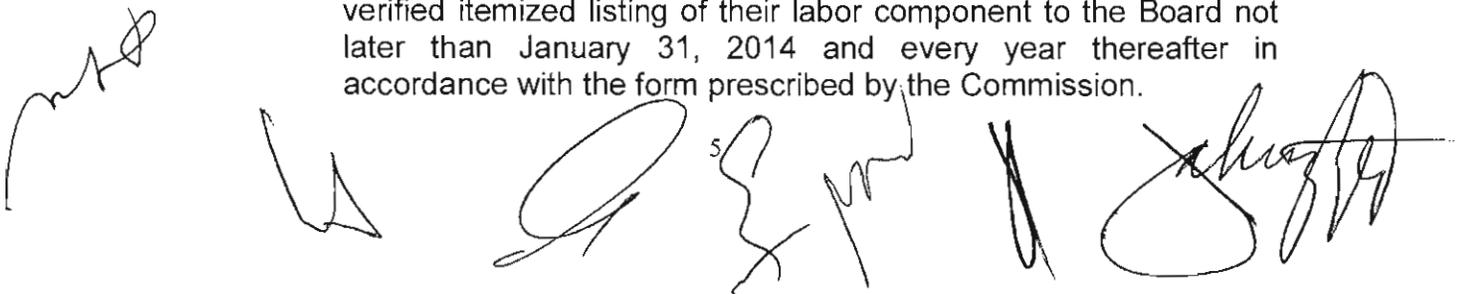
Section 20. *Complaints for Non-Compliance.* Complaints for non-compliance with this wage order may be filed with the Regional Office of the Department of Labor and Employment (DOLE-CAR) and shall be the subject of enforcement proceedings under Article 128 of the Labor Code, as amended, without prejudice to criminal prosecution which maybe undertaken against those who fail to comply.

Section 21. *Penal Provisions.* Any person, corporation, trust or firm, partnership, association or entity who refuses or fails to pay the prescribed increases in accordance with this Order shall be subject to the penal provisions under R.A. 6727, as amended by RA 8188.

Section 22. *Prohibition Against Injunction.* No preliminary or permanent injunction or temporary restraining order maybe issued by any court, tribunal or other entity against any proceedings before the Board.

Section 23. *Freedom to Bargain.* This Order shall not be construed to prevent workers in particular firms or enterprises or industries from bargaining for higher wages with their respective employers.

Section 24. *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, 2014 and every year thereafter in accordance with the form prescribed by the Commission.



Section 25. Repealing Clause. All orders, issuances, rules and regulations, or parts thereof inconsistent with the provision of this Wage Order are hereby repealed, amended or modified accordingly.

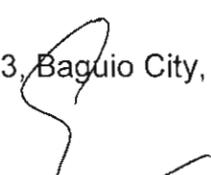
Section 26. Rules Implementing this Order. The Board shall prepare the necessary rules to implement this Order subject to approval of the Secretary of Labor and Employment.

Section 27. Separability Clause. If, for any reason, a section or provision of this Order is declared unconstitutional or illegal, the other provisions or parts shall remain valid.

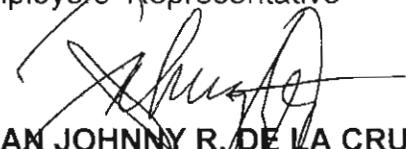
Section 28. Effectivity. This Order shall take effect fifteen (15) days after its publication in at least one (1) local newspaper of general circulation in the Region.

APPROVED: This 20th day of December 2013, Baguio City, Philippines.

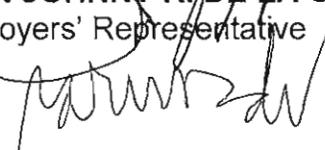

MILTON L. BALAGTEY
Workers' Representative

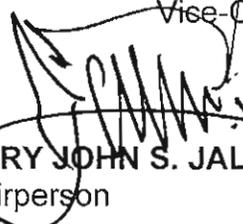

ALFONSO T. LAO
Employers' Representative


RENERIO C. LARDIZABAL, JR.
Workers' Representative


JUAN JOHNNY R. DE LA CRUZ
Employers' Representative


MYRNA P. PABLO
Vice-Chairperson


MILAGROS A. RIMANDO
Vice-Chairperson


HENRY JOHN S. JALBUENA
Chairperson

RULES AND REGULATIONS IMPLEMENTING WAGE ORDER NO. RB-CAR-16

Pursuant to Section 6, Rule IV of the NWPC Revised Rules of Procedure on Minimum Wage Fixing, series of 2007, and Section 26 of Wage Order No. RB-CAR-16, the following Rules are hereby issued for guidance and compliance by all concerned in the Cordillera Administrative Region.

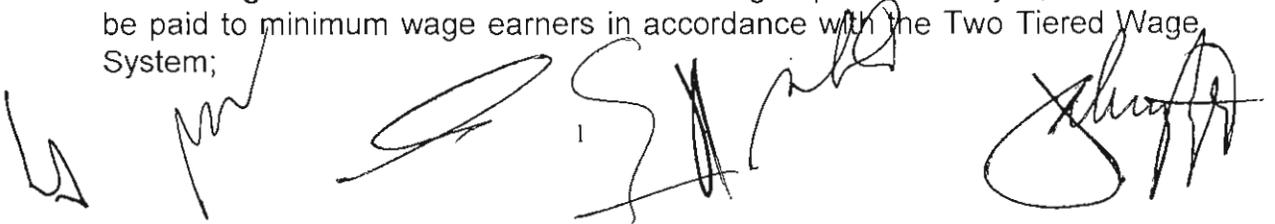
RULE I

GENERAL PROVISIONS

Section 1. Title. This Rules shall be known as the "The Rules Implementing Wage Order RB-CAR-16".

Section 2. Definition of Terms as used in this Rules.

- a. **Order** - refers to Wage Order No. RB-CAR-16;
- b. **Commission or NWPC** - refers to the National Wages and Productivity Commission;
- c. **Board** - refers to the Regional Tripartite Wages and Productivity Board of the Cordillera Administrative Region;
- d. **Agriculture** - refers to farming in all its branches and among others, includes the cultivation and tillage of the soil, production, cultivation, growing and harvesting of any agricultural and horticultural commodities, dairying, raising of livestock or poultry, the culture of fish and other aquatic products in farms or ponds and any activities performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, but does not include the manufacturing and/or processing of sugar, coconut, abaca, pineapple, aquatic or other farm products;
- e. **Retail Establishment** - is one principally engaged in the sale of goods to end users for personal or household use. A retail establishment that regularly engages in wholesale activities loses its retail character;
- f. **Service Establishment** - is one principally engaged in the sale of services to individuals for their own or household use and is generally recognized as such;
- g. **Minimum Wage** – refers to the lowest wage rates that an employer is obliged to pay his workers as fixed by the Board;
- h. **Basic Wage** - refers to all remunerations or earnings paid by an employer to a worker for services rendered on normal working days and hours but does not include cost of living allowance, profit sharing payments, premium payments, 13th month pay and other monetary benefits which are not considered as part of or integrated into the regular salary of the worker on the date the wage became effective;
- i. **Floor Wage**- refers to the lowest level of wages prescribed by the Board to be paid to minimum wage earners in accordance with the Two Tiered Wage System;

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- j. **Productivity Based Pay**- additional income given to workers as incentives derived from successful implementation of productivity programs through any gain-sharing scheme designed by the employer or by virtue of an agreement with his workers;
- k. **CAR-Cordillera Administrative Region** - covers the Provinces of Mt. Province, Abra, Benguet, Ifugao, Kalinga and Apayao and the City of Baguio;
- l. **Two-Tiered Wage System** – refers to a two pronged regional wage structure comprising of the First Tier which is mandatory for implementation, and the Second Tier which is voluntary and is designed to allow employers and their workers agree on how to improve the existing terms and conditions of employment including levels of incentives based on labor productivity and business performance;
- m. **Advisory 01, Series of 2013** – refers to the set of guidelines issued by the Board for the proper implementation of the Productivity Based Pay under the Second Tier of Wage Order No. RB-CAR-16;
- n. **Department Order 118-12** – Refers to the rules and regulations governing the employment and working conditions of drivers and conductors in the public utility bus transport industry;

. . . RULE II

WAGE ADJUSTMENTS

Section 1. Coverage and Exemption

Covered private sector workers and employees receiving the minimum wage in the Cordillera Administrative Region regardless of their position, designation or status and irrespective of the method their wages are paid are covered by this Wage Order. Exempted from this coverage are persons employed in the personal service of another including family drivers, workers in the registered Barangay Micro Business Enterprises with Certificates of Authority pursuant to Republic Act No. 9178, otherwise known as "Barangay Micro Business Enterprises Act of 2002" and the household or domestic workers who are now covered by a new law, RA 10361, otherwise known as the "Domestic Workers Act" or the "Batas Kasambahay".

Section 2. Wage Adjustments to the Level of Floor Wages and COLA Integration.

Following the guidelines of the Two-Tiered Wage System and to level up to the prescribed floor wages of P280.00/day in the BLIST Area and P263.00/day in the Other Areas within a period of three (3) years, the daily minimum wage levels lower than the said floor wages shall be adjusted starting with this Wage Order.

In addition to the basic pay adjustments, the existing COLA ranging from P22.00 to P37.00/day in both BLIST and Other Areas, P20.00 shall be retained as COLA and the other amounts shall be integrated in the basic pay of the covered workers.



Section 3. The Minimum Wage Levels.

Upon effectivity of the Order, the levels of applicable minimum wages in the Region shall be as follows:

Industry/ Sector	DAILY MINIMUM WAGE RATES					
	Baguio City, Municipalities of La Trinidad, Itogon, Sablan, and Tuba, Benguet (BLIST)			Other Areas in the Region		
	Basic	COLA	Total	Basic	COLA	Total
Non-Agriculture & Retail/Service with 11 workers and above	260.00	20.00	280.00	243.00	20.00	263.00
Agriculture & Retail/Service with 10 workers and below	248.00	20.00	268.00	227.00	20.00	247.00

Section 4. Basis of Minimum Wage

The minimum wage rates prescribed under the Order shall be for the normal working hours, which shall not exceed eight (8) hours work a day.

Section 5. Implementation of Second Tier

The Second Tier or the Productivity Based Pay shall continue to be implemented following the guidelines provided by Advisory No. 01, series of 2013 issued by the Board on January 10, 2013 and other board advisories that may be subsequently issued.

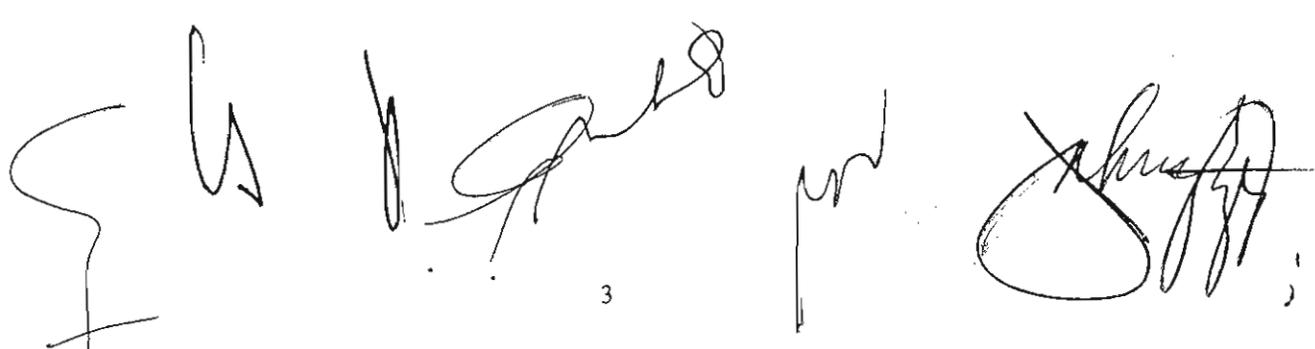
But nothing can prevail over other industries or companies outside the identified priority industries from having their own initiative or desire to adopt and implement the Second Tier in their workplaces.

Section 6. Creditable Productivity Based Pay.

For establishments identified as priority industries and already granting Productivity Based Pay or its equivalent to their workers, the same may be credited as compliance to the Second Tier. Merit increases, anniversary increases or wage increases resulting from the regularization or promotion of the employees per company policy or as provided by law are not credited as compliance to the Second Tier.

Section 7. Tax Incentives

Establishments implementing the Productivity Based Pay as provided by Advisory No. 01, series of 2013 may avail of the tax incentives under RA 6971 provided they comply with the provisions set therein.



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Section 8. Suggested Formulae in Determining the Equivalent Monthly Regional Minimum Wage Rates

Without prejudice to existing company practices, agreements or policies more beneficial to workers, the following suggested formula maybe used as guides in determining the Equivalent Monthly Basic Wages:

- a. For those who are required to work everyday including Sundays or rest days, special days and holidays

$$EMR = \frac{ADR \times 393.5}{12}$$

Where 393.5 days/year =

298.0	- ordinary working days
24.0	- regular holidays
67.6	- 52 rest days x 130%
3.9	- 3 special days x 130%
<u>393.5</u>	Total no. of days/year

- b. For those who do not work and are considered paid on rest days, special days and regular holidays:

$$EMR = \frac{ADR \times 365}{12}$$

Where 365 days/year =

298	- ordinary working days
52	- Sundays/rest days
12	- regular holidays
3	- special days
<u>365</u>	Total no. of days/year

- c. For those who do not work and are not considered paid on Sundays or rest days:

$$EMR = \frac{ADR \times 313}{12}$$

Where 313 days / year =

298	- ordinary working days
12	- regular holidays
3	- special days
<u>313</u>	Total no. of days/year

- d. For those who do not work and are not considered paid on Saturdays and Sundays or rest days:

$$EMR = \frac{ADR \times 261}{12}$$

Where 261 days/year =

246	- ordinary working days
12	- regular holidays
3	- special days
<u>261</u>	Total no. of days/year

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*where: EMR is Equivalent Monthly Rate
ADR is Applicable Daily Wage Rate

Section 9. Application to Private Educational Institutions

In the case of private educational institutions, the share of covered workers and employees in the tuition fee increases for School Year 2013-2014 shall be considered as compliance to the Order. However, payment of any shortfall in compliance with the Order shall be done 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 the Order until School Year 2014-2015.

In any case, all private educational institutions shall implement the Order starting School Year 2014-2015.

Section 10. Application to Contractors.

In the case of contracts for construction projects and for security, janitorial and other similar services, the prescribed increase shall be borne by the principals or clients of the construction/service contractors and the contract shall be deemed amended accordingly. In the event, however, that the principals or clients fail to pay the prescribed increase, the construction/service contractors shall be jointly and severally liable with their principals or clients.

Section 11. Application to Public Utility Bus Owners and/or Operators for their Drivers and Conductors under Department Order 118-12.

In the case of contracts/agreements entered into by owners and/or operators and their drivers and conductors under the provisions of D.O. 118-12, the fixed component of the Compensation Scheme shall be based on an amount mutually agreed upon by them but which shall in no case be lower than the applicable minimum wage prescribed by the Order.

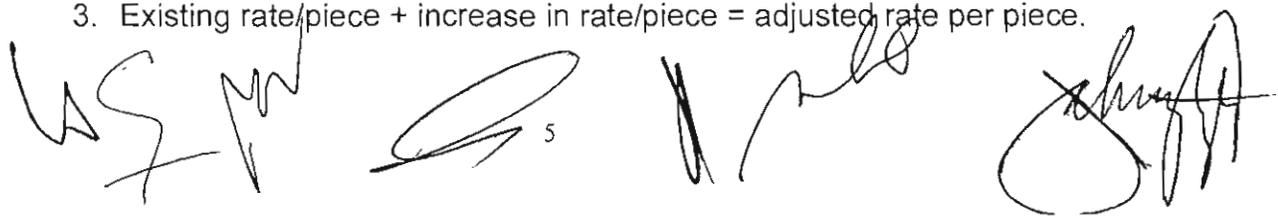
In the event that the amount earlier agreed upon by them be lower than what is prescribed by the Order, their Contract/Agreement shall be deemed amended accordingly.

Section 12. Workers Paid by Results

- a. All workers paid by results, including those who are paid on piecework, takay, pakyaw, or task basis, shall receive not less than the increases prescribed under the Order for normal working hours which shall not exceed eight (8) hours per day, or a proportion thereof, for working less than eight (8) hours.

The increases for the workers paid by results shall be computed in accordance with the formula provided hereunder.

- 1.
$$\frac{\text{Amount of Increase in AMW}}{\text{previous applicable min. wage}} \times 100 \% = \% \text{ increase}$$
- 2. Existing rate/piece x % increase = increase in rate/piece;
- 3. Existing rate/piece + increase in rate/piece = adjusted rate per piece.



*where: **AMW** is Applicable Minimum Wage Rate

- b. Wage rates of workers paid by results. In order to ensure payment of fair and reasonable wage rates, the same shall be determined through time and motion studies or in consultation with representatives of workers and employer's organizations;

Section 13. *Wages of Special Groups of Workers*

Apprentices or learners shall receive not less than Seventy Five Percent (75%) of the new minimum wage prescribed in the Order.

All recognized learnership and apprenticeship agreements entered into before the effectivity of the Order shall be amended automatically insofar as their wage clauses are concerned to reflect the adjustment prescribed.

All qualified handicapped workers shall receive the full amount of increases pursuant to RA 7277.

Section 14. *Mobile and Branch Workers*

The minimum wage rates of workers, who by the nature of their work have to travel, shall be those applicable in the domicile or head office of the employer.

The minimum wage rates of workers working in branches or agencies of establishments in or outside the Region shall be those applicable in the place where they are stationed.

Section 15. *Exemption*

Filing of applications for exemption from compliance to the Order shall no longer allowed.

Section 16. *Transfer of Personnel*

The transfer of personnel from one province or region to another shall not be a valid ground for the reduction of the wage rate being enjoyed by the worker prior to the transfer. Workers transferred to other Regions with higher wage rates shall be entitled to the minimum wage rate applicable therein.

R U L E I I I

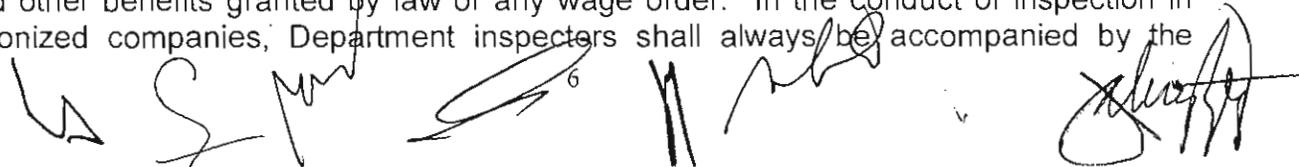
SPECIAL PROVISIONS

Section 1. *Complaints for Non-Compliance*

Complaints for non-compliance with the increases set forth in the Order shall be filed with the Regional Office of the Department of Labor and Employment - Cordillera Administrative Region and shall be the subject of enforcement proceedings under Articles 128 and 129 of the Labor Code, as amended.

Section 2. *Conduct of Inspection by the Department*

The Department shall conduct inspections of establishments, as often as necessary, to determine whether the workers are paid the prescribed wage increases and other benefits granted by law or any wage order. In the conduct of inspection in unionized companies, Department inspectors shall always be accompanied by the



president or other responsible officer of the recognized bargaining unit or of any interested union. In the case of non-unionized establishments, a worker representing the workers in the said company will accompany the inspector.

The workers' representative shall have the right to submit his own findings to the Department of Labor and Employment and to testify on the same if he cannot concur with the findings of the labor inspector.

Section 3. Non-Diminution of Benefits

Nothing in the Order and these Rules shall be construed as authorizing the reduction of 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 and employer practices or policies.

Section 4. Effects on Existing Wage Structure

Where effects of the wage increases provided for by this Order result in the distortion of the wage structure within an establishment, the same shall be corrected in accordance with the procedure provided for under Art. 124 of the Labor Code as amended. The following formula may be used to correct the same.

$$\frac{\text{Previous Minimum Wage (Wage Order RB-CAR-15)}}{\text{Actual Salary}} \times \text{Prescribed Increase} = \text{Amount of wage adjustment due to distortion}$$

Section 5. Penal Provision

Any person, corporation, trust or firm, partnership, association or entity who refuses or fails to pay the prescribed increases in accordance with the Order shall be subject to the penal provisions of Section 12 of R.A. 6727 as amended by RA 8188.

Section 6. Appeal to the Commission

Any party aggrieved by the 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 7. Effect of Filing of Appeal

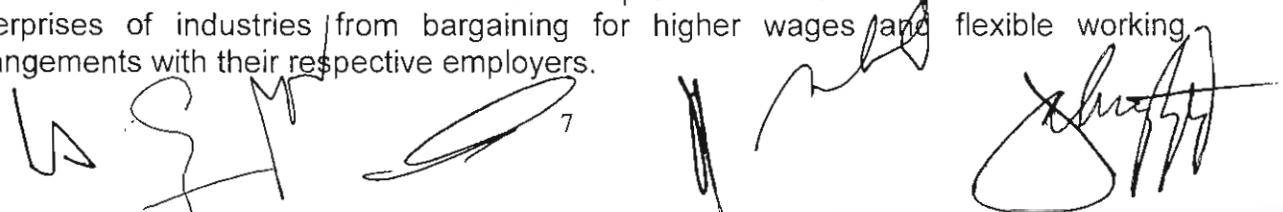
The filing of the appeal does not operate to stay the Order unless the party appealing such Order shall file with the Commission an undertaking with a surety or sureties satisfactory to the Commission for payment of the corresponding increases for covered employees in the event this Order is affirmed.

Section 8. Prohibition Against Injunction

No preliminary or permanent injunction or temporary restraining order may be issued by any court, tribunal or other entity against any proceeding before the Commission or Board.

Section 9. Freedom to Bargain

The Order shall not be construed to prevent workers in particular firms or enterprises of industries from bargaining for higher wages and flexible working arrangements with their respective employers.



Section 10. Reporting Requirements

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 11. Repealing Clause

All orders, issuances, rules and regulations on wages, or parts thereof inconsistent with the provisions of the Order and these Rules are hereby repealed, amended or modified accordingly.

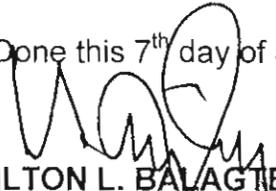
Section 12. Separability Clause

If any provision or part of the Order and these Rules, or the application thereof to any person or circumstance is held invalid or unconstitutional, the remainder of the Order and these Rules or the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.

Section 13. Effectivity

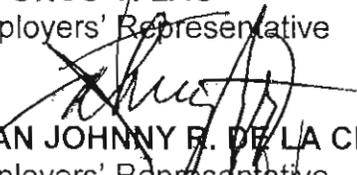
These Implementing Rules and Regulations shall take effect on February 3, 2014.

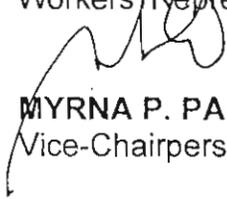
Done this 7th day of January 2014, Baguio City, Philippines.

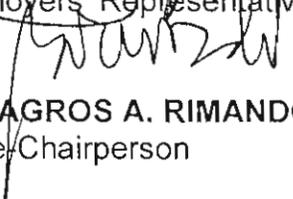

MILTON L. BALAGTEY
Workers' Representative

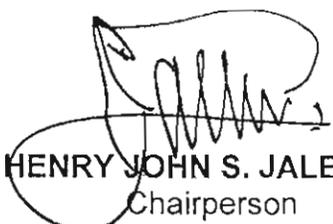

ALFONSO T. LAO
Employers' Representative


RENERIO C. LARDIZABAL Jr.
Workers' Representative

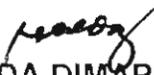

JUAN JOHNNY B. DE LA CRUZ
Employers' Representative


MYRNA P. PABLO
Vice-Chairperson


MILAGROS A. RIMANDO
Vice-Chairperson


HENRY JOHN S. JALBUENA
Chairperson

Approved this 14th day of March, 2014


ROSALINDA DIMAPILIS-BALDOZ
Secretary
Department of Labor and Employment