

Republic of the Philippines
Department of Labor and Employment
National Wages and Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
Cordillera Administrative Region
206 Naguilian Road, Corner Sofia de Veyra Street

WAGE ORDER NO. RB-CAR-02
LIFTING OF THE COLA EXEMPTION FOR
HOTEL AND RESTAURANT EMPLOYEES/WORKERS AS
MANDATED BY WAGE ORDERS RB1-01-A AND RB1-02-A

WHEREAS, workers in the hotel business had been exempted from receiving the wage increase in terms of COLA in the amount of TEN PESOS (10.00) per day as mandated by Wage Order No. RB1-01-A promulgated on November 18, 1990 and subsequently the SEVEN PESOS (P7.00) per day as mandated by Wage Order RB1-02-A promulgated on June 11, 1991;

WHEREAS, workers in the restaurant business are partially covered by the COLA wage increase receiving only the amount of SEVEN PESOS (P7.00) per day as mandated by Wage Order RB1-02-A;

WHEREAS, the main reason why hotel and restaurant workers were exempted from the COLA increases was due to the 1990 killer earthquake which wrought havoc in the lives, properties and business in the Region especially in the tourism oriented industries particularly in the hotel and restaurant businesses;

WHEREAS, the tourism oriented industry in the Region has gradually normalized as evidenced by the increasing number of tourist arrivals and hotel occupancy during the last five (5) years approximately the highest level observed in 1988;

WHEREAS, the results of studies and public consultation revealed that there is a need to lift the COLA exemption to the hotel and restaurant workers without seriously affecting the business and investment climate in the Region so that they will be able to cope up with the ever rising cost of living;

WHEREAS, some hotels and restaurants owners/managers have already voluntarily granted the COLA increase even in the absence of a Wage Order mandating them to do so citing the improved condition of the hotel and restaurant business as their reason.

NOW THEREFORE, by virtue of the power and authority vested upon the RTWPB-CAR by RA 6727, this Regional Board hereby issues this Wage Order.

Sec. 1. Upon the effectivity of this Wage Order, the exemption on the granting of COLA by Wage Order RB1-01-A and RB1-02-A shall be lifted and the COLA for workers in the hotel and restaurant in the Provinces of Benguet, Abra, and Mountain Province and in the City of Baguio shall be granted as follows:

a) Workers and employees in the restaurant business shall receive an increase in COLA of FIVE PESOS (P5.00) per day upon the effectivity of this Wage Order and another FIVE PESOS (P5.00) COLA increase per day starting on January 1, 1996.

b) Workers and employees in the hotel business shall receive a COLA in the amount of SEVEN PESOS (P7.00) per day upon the effectivity of this Wage Order and an increase of TEN PESOS (P10.00) COLA per day starting on January 1, 1996.

Sec. 2. Hotel and restaurant employers who already granted to their employees and workers the COLA increase despite the absence of a Wage Order mandating them to do so shall be credited as compliance with the prescribed COLA under this Wage Order unless otherwise stipulated or agreed upon.

Where such increase or increases are less than that prescribed herein, the employer shall pay the difference.

Sec. 3. Any employer who refuses or fails to pay the wage increase prescribed in this wage order shall be subject to the penalties provided under RA 6727.

Sec. 4. If any provision or part of this wage order is declared unconstitutional or illegal, the other provisions or parts shall remain valid. Nothing in this wage order shall be construed to reduce any existing wage rate, allowance or other benefits under existing laws, decrees, issuances, executive order and/or under any contract or agreement between workers and employees.

Sec. 5. The Regional Tripartite Wages and Productivity Board - Cordillera Administrative Region (RTWPB-CAR) shall promulgate the necessary rules and regulations to implement the provisions of this wage order.

Sec. 6. This wage order shall take effect fifteen (15) days, following its complete publication in at least one (1) newspaper of general circulation in the Cordillera Administrative Region.

Approved this 3rd day of October 1995, Baguio City.

(SGD) ADRIANO M. BIALA
Workers' Representative

(SGD) JESSIE N. PAGARAN
Workers' Representative

(SGD) MARQUEZ C. GO
Employers' Representative

(On Sick Leave)
CIRILO L. CACHERO
Employers' Representative

(SGD) ARMANDO P. GALIMBA
Vice-Chairman

(On Official leave)
JUAN B. NGALOB
Vice-Chairman

(SGD.) ALEX E. MARAAN
Chairman

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CORDILLERA ADMINISTRATIVE REGION
206 Naguilian Road, Corner Sofia de Veyra Street
Baguio City

**WAGE ORDER NO. RB-CAR-02-A
(SUPPLEMENTAL)**

**LIFTING OF THE COLA EXEMPTION FOR THE OTHER TOURISM
ORIENTED ESTABLISHMENTS IN CAR AS MANDATED BY
WAGE ORDERS RB1-01-A AND RB-1-02-A**

WHEREAS, the tourism oriented industry in the Region has gradually normalized as evidenced by the increasing number of tourist arrivals and hotel occupancy during the last five (5) years approximating the highest level observed in 1988;

WHEREAS, a wage order, RB-CAR-02, was promulgated and took effect on October 23, 1995 lifting the exemption from the payment of COLA to some Tourism Oriented Industry workers specifically the hotel and restaurant employees;

WHEREAS, Wage Order RB-CAR-02 was of particular application covering only the hotel and restaurant workers and did not cover all the other Tourism Oriented Industry workers in the Region;

WHEREAS, studies and consultations conducted showed that there is also a need to lift the exemption from payment of COLA granted to the other Tourism Oriented establishments in the Region for the purpose of letting their workers be able to cope up with the ever rising cost of living but without seriously affecting the improved business climate of the said establishments.

NOW THEREFORE, by virtue of the power and authority vested upon RTWPB-CAR by RA 6727, this Regional Board hereby issues this Supplemental Wage Order.

- Sec. 1. Upon the effectivity of this Supplemental Wage Order, the exemption on the granting of COLA by Wage Orders RB1-01-A and RB1-02-A covering the workers in the Tourism Oriented Industries in the Provinces of Mt. Province, Abra, Benguet and the City of Baguio shall be lifted and the COLA for the covered workers shall be granted as follows:
- a) SEVEN PESOS (P7.00) COLA per day upon the effectivity of this Supplemental Wage Order; and
 - b) TEN PESOS (P10.00) COLA per day starting January 1, 1996.
- Sec. 2. Tourism Oriented Industry employers other than those of the hotel and restaurant establishments, who already granted to their employees and workers the COLA increase despite the absence of a wage order mandating them to do so shall be credited as compliance with the prescribed COLA under this Supplemental Wage Order unless otherwise agreed or stipulated upon.

Where such increase or increases are less than the prescribed COLA herein, the employer shall pay the difference.

Sec. 3. The provisions of Section 3, 4 and 5 of Wage Order RB-CAR-02 shall form parts and be incorporated to this Supplemental Wage Order.

Sec. 4. This Supplemental Wage Order shall take effect fifteen (15) days, following its complete publication in a t least one (1) newspaper of general circulation in the Cordillera Administrative Region.

Approved this 8th day of November 1995, Baguio City.

(SGD) ADRIANO M. BIALA
Workers' Representative

(SGD) JESSIE N. PAGARAN
Workers' Representative

(SGD) MARQUEZ O. GO
Employers' Representative

(On Sick Leave)
CIRILO L. CACHERO
Employers' Representative

(SGD) ARMANDO P. GALIMBA
Vice-Chairman

(SGD) JUAN B. NGALOB
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**RULES AND REGULATIONS IMPLEMENTING
WAGE ORDERS NO. RB-CAR-02 AND RB-CAR-02-A**

Pursuant to the authority granted to the Regional Tripartite Wages and Productivity Board under Sec. 5, Rule IV of the National Wages and Productivity Commission (NWPC) rules and Procedures on Minimum Wage Fixing, the following rules and regulations are hereby issued for strict compliance by all concerned in the Cordillera Administrative Region.

Section 1. Definition of Terms as used in this Rules:

- a. "Act" means Republic Act No. 6727;
- b. "Order" means Wage Order No. RB-CAR-02;
- c. "Supplemental Wage Order" means Order No. RB-CAR-02-A;
- d. "Commission" refers to the National Wages and Productivity Commission;
- e. "Board" refers to the Regional Tripartite Wages and Productivity Board-Cordillera Administrative Region;
- f. "Department" refers to the Department of Labor and Employment;
- g. "CAR" shall refer to the Cordillera Administrative Region composed of the Provinces of Abra, Benguet, Ifugao, Mt. Province, Kalinga and Apayao and the City of Baguio;
- h. "Tourism-oriented establishments" refers to those that minister to the comfort and accommodation of tourists, including but not limited to hotels, inns, restaurants, curio and souvenir shops and similar establishments and those that cater to the accommodation of tourists, foreign or local.

Section 2. Coverage

The wage increase prescribed under these orders shall apply to the covered private sector workers in the cordillera Administrative Region (CAR) in the provinces of Abra, Benguet and Mt. Province, and in the City of Baguio regardless of their position, designation or status and irrespective of the method by which their wages are paid.

Section 3. Amount of COLA Increase Per Day for the employees of:

	Upon effectivity of Wage Order RB - CAR - 02	Upon effectivity of Supplemental Wage Order RB - CAR - 02 -A January 1, 1996
a. Restaurant Establishments	P 5.00	P 5.00
b. Hotel Establishments	P 7.00	P10.00
c. Curio and souvenir shops and Similar establishments and others that cater to tourist accommodations	P 7.00	P10.00

Section 4. Application to those who already granted COLA

Covered employers who already granted COLA to their employees despite the exemption granted to them by Wage Order Nos. RB 1 -01-A and RB 1-02-A shall be credited as compliance with the prescribed COLA under Wage Orders RB-CAR-02 and RB-CAR-02-A unless otherwise stipulated or agreed upon.

However, where such grants of COLA are less than that prescribed herein, the employers shall pay the difference.

Section 5. No n - Diminution of Benefits..

Nothing in the orders shall be construed to reduce any existing wage rate, allowance or any benefit render existing laws, decrees, issuances, executive orders and/or under any contract or agreement between workers and employers or any employer practices or policies.

Section 6. Complaints for Non-Compliance.

Complaints for non-compliance with the increase in minimum wage provided under the orders shall be filed with the Regional Office of the Department in CAR and shall be the subject of enforcement proceedings in accordance with Articles 128 and 129 of the Labor Code, as mended.

Section 7. Report on Compliance

Establishments covered by the Wage Orders shall submit reports on compliance to the RTWPB - CAR thirty (30) days from the effectivity of Wage Orders.

Section 8. Penal Provisions.

Any employer who refuses or fails to pay any of the prescribed wage increases or adjustments made in accordance with the Orders shall be punished by a fine not exceeding Twenty Five Thousands (P25,000.00) Pesos and/or imprisonment of not less than one (1) year but not more than two (2) years. Provided that any person convicted for violation of the Orders shall not be entitled to the benefits prescribed for under the Probation Law.

Section 9. 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 10. Effects on other Issuances.

The provisions of existing laws, orders, issuances, rules and regulations and issuances not otherwise repealed, modified or inconsistent with the Orders and the Rules shall continue to have full force and effect.

Section 11. Effectivity.

This Implementing Rules and Regulations shall take effect upon the approval by the Secretary of Labor and Employment.

Done this 8th day of November, 1995, at Baguio City, Philippines.

(SGD) ADRIANO M. BIALA
Workers' Representative

(SGD) JESSIE N. PAGARAN
Workers' Representative

(SGD) MARQUEZ O. GO
Employers' Representative

(On Sick Leave)
CIRILO L. CACHERO
Employers' Representative

(SGD) ARMANDO P. GALIMBA
Vice - Chairman

(SGD) JUAN B. NGALOB
Vice - Chairman

(SGD) ALEX E. MARAAN
Chairman

Approved this 18th day of December 1995.

(SGD.) JOSE S. BRILLANTES
Acting Secretary