



## WAGE ORDER NO. RTWPB-II-DW-01

### **PRESCRIBING NEW MINIMUM WAGE RATES FOR DOMESTIC WORKERS IN CAGAYAN VALLEY**

WHEREAS the Regional Tripartite Wages and Productivity Board II (Board) is mandated under Republic Act (R.A.) 6727 (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 Section 24 of Republic Act No. 10361, entitled (An Act Instituting Policies for the Protection and Welfare of Domestic Workers or *Batas Kasambahay*) which took effect on 10 February 2013, sets the minimum wage rates of domestic workers and mandates the Regional Tripartite Wages and Productivity Boards to review and, if proper, determine and adjust the minimum wage rates of domestic workers one (1) year from the effectivity of the law and *periodically* thereafter;

WHEREAS after due notice, the Board conducted public consultations with stakeholders on February 16, 2016 and February 24, 2016 and separate consultations with the Philippine Chamber of Commerce and Industry (PCCI) and the Zonta Club and a public hearing on April 25, 2017 at Santiago City, Isabela to determine the propriety of issuing a wage order for domestic workers in the region, among others;

WHEREAS, in the said consultations, it was determined that majority of the respondents feel that there is a need for an increase in the prevailing minimum wage rates of *kasambahays* in the region;

WHEREAS it was determined by the Board that there is a need to increase the minimum wage rates of domestic workers, given the effect of the annual average inflation of 3.09 percent since the issuance of the minimum wage rates in 2013 to 2016, the need to bridge the gap between the minimum wage rates to the regional average annual per capita poverty threshold of P21,860 as of 2015 and considering the capacity of employers to pay the prescribed wage rates;

WHEREAS it was also determined, based on the results of the public hearing and the deliberation of the Board, that there is a need for a uniform minimum wage of *kasambahays* for all cities and municipalities in the region.

NOW THEREFORE, by virtue of the power and authority vested under Republic Act No. 6727 and RA 10361, the RTWPB-II hereby issues this Wage Order.

**Section 1. NEW MINIMUM WAGE RATES.** Upon effectivity of this Wage Order, the new monthly minimum wage rates for domestic workers in the Region shall not be less than the following:



compliance with Sections 11 and 12 of the NWPC Guidelines No. 01, Series of 2014.

**Section 7. COMPLAINTS FOR NON-COMPLIANCE.** Complaints for non-compliance with this Wage Order shall be filed before the DOLE Field/Provincial/Regional Office and shall go through the thirty (30) day mandatory conciliation under the DOLE Single Entry Approach (SEnA) program to exhaust all efforts for settlement

The DOLE Regional Director shall issue a compliance order within ten (10) days from the submission of the case for resolution.

**Section 8. UNLAWFUL ACTS AND PENALTIES.** Withholding and interference in the disposal of wages of the domestic workers are declared unlawful and shall be punishable with a fine of not less than Ten Thousand Pesos (P10,000.00) but not more than Forty Thousand Pesos (P40,000.00), without prejudice to the filing of the appropriate civil and/or criminal action by the aggrieved party pursuant to Rule XII, Sections 1 and 2 of Implementing Rules and Regulations of Republic Act No. 10361.

**Section 9. BOARD, LODGING AND MEDICAL ALLOWANCE.** The employer shall provide for the basic necessities of the domestic worker to include at least three (3) adequate meals a day and humane sleeping arrangements that ensure safety.

The employer shall provide appropriate rest and assistance to the domestic worker in case of illness and injuries sustained during service without loss of benefits.

At no instance shall the employer withdraw or hold in abeyance the provision of these basic necessities as punishment or disciplinary action to the domestic worker.

**Section 10. NON-DIMINUTION OF BENEFITS.** Nothing in this Order shall be construed to reduce any existing wage rates, allowances and benefits of any form under existing laws, decrees, issuances, executive orders and/or under any contract or agreement between the workers and employers.

**Section 11. 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 12. FREEDOM TO BARGAIN.** This Order shall not be construed to prevent domestic workers from bargaining for higher wages with their respective employers.

**Section 13. COMPETENCY-BASED PAY.** Household employers and their domestic workers may voluntarily and mutually agree to adopt a competency-based pay scheme in setting and adjusting the pay of domestic workers over and above the applicable wage.



BOUNTIFUL CAGAYAN VALLEY REGION



*[Handwritten signature]*

Area	Minimum Wage under RA 10361	Increase	New Minimum Wage
1) Chartered Cities and First Class Municipalities	2,000.00	500.00	<b>2,500.00</b>
2) Other municipalities	1,500.00	1,000.00	<b>2,500.00</b>

**Section 2. COVERAGE.** This Wage Order shall apply to all domestic workers, whether on-a live-in or live-out arrangement, such as but not limited to:

- (a) general househelp;
- (b) yaya;
- (c) cook;
- (d) gardener
- (e) laundry person; or
- (f) any person who regularly performs domestic work in one household on an occupational basis.

*[Handwritten signature]*

The following are not covered:

- (a) Service providers;
- (b) Family drivers,
- (c) Children under foster family arrangement; and
- (d) Any other person who performs work occasionally or sporadically and not on occupational basis.

**Section 3. MODE/FREQUENCY OF PAYMENT OF WAGES.** The wages of the domestic workers shall be paid in cash at least once a month. No deductions from the wages of the domestic worker shall be made other than those mandated by law.

*[Handwritten signature]*

**Section 4. APPLICATION TO PRIVATE EMPLOYMENT AGENCIES (PEAs).** In the case of hiring/contracting of domestic workers services through licensed PEAs, the wage rates prescribed in this Order shall be borne by the principals or clients of the PEAs and the contract shall be deemed amended accordingly.

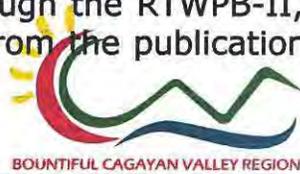
In the event, however, that the principals or clients fail to pay the prescribed wage rates, the PEAs shall be jointly and severally liable with his principal or client.

*[Handwritten signature]*

**Section 5. NON-APPLICABILITY OF EXEMPTION.** This Wage Order does not allow exemption.

**Section 6. APPEAL TO THE COMMISSION.** Any party aggrieved by this Wage Order may file an appeal with the National Wages and Productivity Commission (NWPC), through the RTWPB-II, in three (3) legible copies, not later than ten (10) days from the publication of this Wage Order, subject to

*[Handwritten signature]*



*[Handwritten signature]*



**Section 14. REPEALING CLAUSE.** All orders, issuances, rules and regulations or parts thereof inconsistent with the provisions of this Wage Order are hereby repealed, amended or modified accordingly.

**Section 15. SEPARABILITY CLAUSE.** If any provision or part of this Wage Order is declared unconstitutional, or in conflict with existing law, the other provisions or parts thereof shall remain valid.

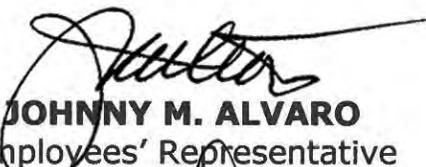
**Section 16. IMPLEMENTING RULES.** The Regional Tripartite Wages and Productivity Board-II shall submit to the Commission the necessary Rules and Regulations to implement this Order subject to approval of the Secretary of Labor and Employment not later than ten (10) days from the publication of the Wage Order.

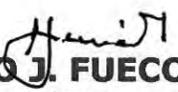
**Section 17. EFFECTIVITY.** This Wage Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

APPROVED by the Board this 26<sup>th</sup> of April 2017 at Tuguegarao City, Cagayan.

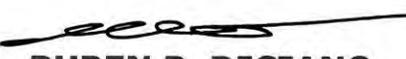
  
**CECILIA LA MADRID DY**  
Employers' Representative

  
**ARCELI L. DULIN**  
Employers' Representative

  
**JOHNNY M. ALVARO**  
Employees' Representative

  
**ERNESTO J. FUECONCILLO**  
Employees' Representative

  
**MARYANNE E.R. DARAUAY**  
Vice Chairperson

  
**RUBEN B. DICIANO**  
Vice Chairperson

  
**MANUEL C. ROLDAN**  
Chairperson





## RULES AND REGULATIONS IMPLEMENTING WAGE ORDER NO. RTWPB-II-DW-01

Pursuant to Section 16 of Wage Order No. RTWPB-II-DW-01, Prescribing New Minimum Wage Rates for Domestic Workers in Region 2, and NWPC Guidelines No. 01, series of 2014, the Rules of Procedure on Minimum Wage Fixing for Domestic Workers, the following Rules are hereby issued for the guidance and compliance by all concerned.

### RULE I

#### GENERAL PROVISIONS

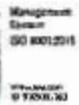
**Section 1. Title.** These Rules shall be known as the Rules and Regulations implementing Wage Order RTWPB-II-DW-01.

**Section 2. Definition of Terms as used in these Rules.**

- a. Order** - refers to Wage Order No. RTWPB-II-DW-01;
- b. Commission or NWPC** - refers to the National Wages and Productivity Commission;
- c. Board** - refers to the Regional Tripartite Wages and Productivity Board-II;
- d. DOLE-RO2** - refers to the regional office of the Department of Labor and Employment, Region 2;
- e. TESDA** - refers to the Technical Education and Skills Development Authority;
- f. Republic Act 10361 (Domestic Workers Act or Batas Kasambahay)** - the law enacted by Congress known as an "Act Instituting Policies for the Protection and Welfare of Domestic Workers";
- g. NWPC Guidelines 01-14** - refers to the rules of procedure on minimum wage fixing for domestic workers;
- h. Domestic Worker** - refers to any person engaged in domestic work within an employment relationship, whether on a live-in or live-out arrangement, such as, but not limited to, general househelp, "yaya", cook, gardener, or laundry person, but shall exclude service, family drivers, children who are under foster family arrangement, or any person who performs domestic work only occasionally or sporadically and not on an occupational basis;



BOUNTIFUL CAGAYAN VALLEY REGION



**i. Basic Necessities** - Basic Necessities is defined pursuant to Rule IV, Section 13, Rules Implementing R.A. 10361 to include: a.) At least three (3) adequate meals a day, taking into consideration the Kasambahay's religious beliefs and cultural practices; b.) Humane sleeping conditions that respects the person's privacy for live-in arrangement; and c.) Appropriate rest and medical assistance in the form of first-aid medicines, in case of illness and injuries sustained during service without loss of benefits.

For the Kasambahay under live-out arrangement, he/she shall be provided space for rest and access to sanitary facilities.

**j. Private Employment Agency (PEA)** - refers to any individual, legitimate partnership, corporation or entity licensed to engage in the recruitment and placement of domestic workers for local employment;

**k. Single Entry Approach (SEnA)** - refers to an administrative approach to provide a speedy, impartial, inexpensive and accessible settlement procedure of all labor issues or conflicts to prevent them from ripening into full blown disputes;

**l. Competency-Based Pay Scheme** - refers to a compensation system that rewards domestic workers with additional pay in exchange for formal TESDA certification of the domestic worker's mastery of skills, knowledge and/or competencies.

## RULE II

### WAGE ADJUSTMENTS

**Section 1. Coverage of the Wage Order.** The Wage Order shall apply to all domestic workers, whether on a live-in or live out arrangement, such as but not limited to:

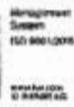
- (a) general househelp;
- (b) yaya;
- (c) cook;
- (d) gardener;
- (e) laundry person; or
- (f) any person who regularly performs domestic work in one household on an occupational basis;

Not covered are the following:

- (a) Service providers;
- (b) Family drivers;
- (c) Children under foster family arrangement; and
- (d) Any other person who performs work occasionally or sporadically and not on occupational basis.



BOUNTIFUL CAGAYAN VALLEY REGION



**Section 2. New Monthly Minimum Wage Rates.** Upon effectivity of the Wage Order, the new monthly minimum wage rates for domestic workers in Region 2 shall be the following:

Area	Minimum Wage under RA 10361	Increase	New Minimum Wage
1) Chartered Cities and First Class Municipalities	2,000.00	500.00	<b>2,500.00</b>
2) Other municipalities	1,500.00	1,000.00	<b>2,500.00</b>

**Section 3. Mode and Frequency of Payments of Wages.** The wages of the domestic workers shall be paid in cash at least once a month. No payment by means of promissory notes, vouchers, coupons, tokens, tickets, chits, or any object other than cash shall be allowed.

**Section 4. Deductions for Loss or Damage.** Other than those mandated by law, the employer shall not deduct any amount from the wages of the Domestic Worker without his/her written consent or authorization; provided that, deduction for loss or damage shall only be made under the following conditions:

- The domestic worker is clearly shown to be responsible for the loss or damage;
- The domestic worker is given reasonable opportunity to show cause why deductions should not be made;
- The total amount of such deductions is fair and reasonable and shall not exceed the actual loss or damage; and
- The deduction from the wages of the domestic worker does not exceed 20% of his/her wages in a month.

The DOLE shall extend free assistance in the determination of fair and reasonable wage deductions under this Section.

**Section 5. Deduction for Loans.** By written agreement, the employer may deduct the loans from the wages of the domestic worker, which amount shall not exceed 20% of his/her wages every month.

**Section 6. Application to Private Employment Agencies (PEAs).** In the case of hiring/contracting of domestic workers services through a licensed PEAs, the wage rates prescribed in the Order shall be borne by the principals or clients of the PEAs and the contract shall be deemed amended accordingly.

In the event, however, that the principals or clients fail to pay the prescribed wage rates, the PEAs shall be jointly and severally liable with his principal or client.



BOUNTIFUL CAGAYAN VALLEY REGION



**Section 7. Exemption from Compliance.** Filing of applications for exemption from compliance with the Wage Order is not allowed.

**Section 8. Provision of Basic Necessities.** The employer shall provide for the basic necessities of the domestic workers as defined in Rule I, Section 2.i of this Rules.

At no instance shall the employer withdraw or hold in abeyance the provision of these basic necessities as punishment or disciplinary action to the domestic worker.

**Section 9. Non-Diminution of Benefits.** Nothing in the Wage Order shall be construed to reduce any existing wage rates, allowances and benefits of any form under existing laws, decrees, issuances, executive orders and/or under any contract or agreement between the workers and employers.

**Section 10. Competency-Based Pay Scheme.** Household employers and their domestic workers may voluntarily and mutually agree to adopt a compensation system that rewards domestic workers with additional pay in exchange for formal TESDA certification of the domestic workers mastery of skills, knowledge and/or competencies.

Those who will adopt the Competency-Based Pay Scheme may refer to the NWPC Advisory on Competency-Based Wage for Domestic Workers issued on 24 February 2015.

### RULE III

#### SPECIAL PROVISIONS

**Section 1. Appeal to the Commission.** Any party aggrieved by the Wage Order may file an appeal with the National Wages and Productivity Commission (NWPC), through the RTWPB-II, in three (3) legible copies, not later than ten (10) days from the publication of this Wage Order, subject to compliance with Sections 11 and 12 of the NWPC Guidelines No. 01, Series of 2014.

**Section 2. Complaints for Non-Compliance.** Complaints for non-compliance with the Wage Order shall be filed before the DOLE Field/Provincial/Regional Office-02 and shall go through the thirty (30) day mandatory conciliation under the DOLE Single Entry Approach (SEnA) program to exhaust all efforts for settlement.

The DOLE Regional Director shall issue a Compliance Order within ten (10) days from the submission of the case for resolution.

**Section 3. Freedom to Bargain.** The Wage Order shall not be construed to prevent domestic workers from bargaining for higher wages with their respective employers.





**Section 4. Unlawful Acts and Penalties.** Withholding and interference in the disposal of wages of the domestic workers are declared unlawful and shall be punishable with a fine of not less than Ten Thousand Pesos (P10,000.00) but not more than Forty Thousand Pesos (P40,000.00), without prejudice to the filing of the appropriate civil and/or criminal action by the aggrieved party pursuant to Rule XII, Sections 1 and 2 of Implementing Rules and Regulations of Republic Act No. 10361.

**Section 5. 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 6. Repealing Clause.** All orders, issuances, rules and regulations or parts thereof inconsistent with the provisions of the Wage Order are hereby repealed, amended or modified accordingly.

**Section 7. Separability Clause.** If any provision or part of the Wage Order is declared unconstitutional, or in conflict with existing law, the other provisions or parts thereof shall remain valid.

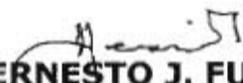
**Section 8. Effectivity.** These Implementing Rules and Regulations shall have the same date of effectivity as that of Wage Order No. RTWPB-II-DW-01.

Tuguegarao City, Cagayan, April 26, 2017.

  
**CECILIA LA MADRID DY**  
 Employers' Representative

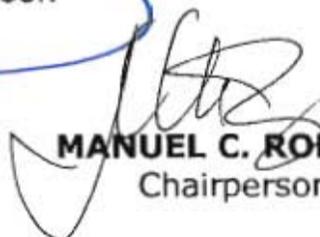
  
**ARCELI L. DULIN**  
 Employers' Representative

  
**JOHNNY M. ALVARO**  
 Employees' Representative

  
**ERNESTO J. FUECONCILLO**  
 Employees' Representative

  
**MARYANNE E.R. DARAUAY**  
 Vice Chairperson

  
**RUBEN B. DICIANO**  
 Vice Chairperson

  
**MANUEL C. ROLDAN**  
 Chairperson



*ArceLi*

*Johnny*



Management System  
 GO 2007-2015



Approved this 7<sup>th</sup> day of JUNE, 2017.

*Handwritten signature*

*Handwritten signature*  
**SILVESTRE H. BELLO III**  
 Secretary  
 Department of Labor and Employment

Dept. of Labor & Employment  
 Office of the Secretary



024313

*Handwritten signature*

*Large handwritten signature in blue ink*

*Handwritten signature in blue ink*

*Handwritten signature in blue ink*



BOUNTIFUL CAGAYAN VALLEY REGION