



Republic of the Philippines  
**DEPARTMENT OF LABOR AND EMPLOYMENT**  
National Wages and Productivity Commission  
Regional Tripartite Wages and Productivity Board No. IV-A  
City of Calamba, Laguna

**WAGE ORDER NO. IVA-12**  
**SETTING THE MINIMUM WAGE FOR CALABARZON AREA**

**WHEREAS**, under R. A. 6727, Regional Tripartite Wages and Productivity Board –IVA (RTWPB- IVA) is mandated to rationalize minimum wage fixing in the Region based on various factors such as: the socio-economic condition affecting the cost of living of the workers, the business environment for the creation of new jobs and the preservation of existing employment, the capacity to pay by the majority of the employers, and the comparability of wages that will allow sustainable viability and competitiveness of business and industry;

**WHEREAS**, the Board issues this Wage Order No. IVA-12, granting increases in the basic pay of all covered private sector workers in the region effective fifteen (15) days upon publication in a newspaper of general circulation;

**WHEREAS**, the Board, as part of its regular functions made an assessment of the socio-economic indicators in the region and resolved to review the present wage structure of the region motu proprio;

**WHEREAS**, the Board, in the performance of its mandate, engaged its clientele and stakeholders in the region to a series of consultations on the wage adjustment issue on June 6 and 22, 2007, July 3, 5, 12 and 19, 2007 and a public hearing on August 7, 2007 specifically, the locators in selected economic zones, the garments industry, the labor sector, the employer sectors, including the officers and members of the Regional Tripartite Industrial Peace Council in the region;

**WHEREAS**, the Board as a result of its assessment, recognizes the need to adjust the minimum wage of workers in the region to compensate for the lost purchasing power of the peso without impairing the viability and competitiveness of business and industry;

**WHEREAS**, the Board as a result of its continuous study on the more appropriate wage structure in the region, decided to rationalize and simplify further the region's current wage structure by reducing the major area classifications from four to three, namely Growth Corridor Area, Emerging Growth Area, and Resource Based Area;

**WHEREAS**, consistent with the government's policy of achieving higher levels of productivity to promote economic growth and generate employment, and to augment the income of workers, there is need to build the capacity of business enterprises to be competitive through productivity improvement and gain sharing programs;

**WHEREAS**, this Wage Order applies to CALABARZON Area, (as defined under Executive Order 103 Series of 2002) which covers the provinces of Cavite, Laguna, Batangas, Rizal and Quezon;

**NOW, THEREFORE**, by virtue of the power and authority vested under Republic Act No. 6727, known as the Wage Rationalization Act, the Regional Tripartite Wages and Productivity Board of Region IV-A hereby issues this Wage Order:

**SECTION 1. AMOUNT OF INCREASE.** Upon the effectivity of this Wage Order, all minimum wage workers and employees in the private sector in Region IV-A shall receive a basic wage increase in the amount as follows:

- |                         |   |               |
|-------------------------|---|---------------|
| 1) Growth Corridor Area | P | 10.00 - 13.00 |
| 2) Emerging Growth Area | P | 8.00 - 9.00   |
| 3) Resource Based Area  | P | 6.00          |

**SECTION 2. NEW MINIMUM WAGE RATES.** The daily minimum wage rates of private workers and employees in Region IV-A upon effectivity of this Order shall be:

AREAS	Non-Agriculture	Agriculture		Cottage	Retail & Service Establishment employing not more than 10 workers
		Plantation	Non-Plantation		
<b>GROWTH CORRIDOR AREA</b>	<b>300.00</b>	<b>275.00</b>	<b>255.00</b>	<b>263.00</b>	<b>195.00</b>
<b>EMA/1</b> <b>CAVITE</b> Bacoor, Imus LAGUNA Binan, San Pedro RIZAL Cainta, Taytay					
CAVITE Carmona, Cavite City, Dasmarinas, Gen. Trias, Rosario LAGUNA Cabuyao, Calamba City, Los Baños, San Pablo City, Santa Cruz, Santa Rosa RIZAL Antipolo City	<b>282.00</b>	<b>257.00</b>	<b>237.00</b>	<b>245.00</b>	<b>177.00</b>
CAVITE Kawit, Silang, Tagaytay City, Tanza, Trece Martirez BATANGAS Batangas City, Bauan, Lipa City, San Pascual, Santo Tomas, Tanauan City QUEZON Lucena City	<b>277.00</b>	<b>252.00</b>	<b>232.00</b>	<b>240.00</b>	<b>174.00</b>
<b>EGA/2</b> CAVITE Gen. Alvarez RIZAL Rodriguez, Tanay	<b>277.00</b>	<b>252.00</b>	<b>232.00</b>	<b>240.00</b>	<b>172.00</b>
<b>EMERGING GROWTH AREA</b>	<b>260.00</b>	<b>235.00</b>	<b>215.00</b>	<b>223.00</b>	<b>159.00</b>
BATANGAS Balayan, Calaca, Calatagan, Lemery, Mabini, Nasugbu, Rosario, San Jose RIZAL Angono, Binangonan, San Mateo QUEZON Candelaria, Sariaya					

AREAS	Non-Agriculture	Agriculture		Cottage	Retail & Service Establishment employing not more than 10 workers
		Plantation	Non-Plantation		
CAVITE Indang, Naic, Noveleta, Ternate LAGUNA Paete, Pakil BATANGAS San Juan RIZAL Pilibia QUEZON Tiaong	<b>249.00</b>	<b>224.00</b>	<b>204.00</b>	<b>212.00</b>	<b>146.00</b>
<b>RBA/3</b> BATANGAS Taysan RIZAL Teresa	<b>244.00</b>	<b>219.00</b>	<b>199.00</b>	<b>207.00</b>	<b>145.00</b>
<b>RESOURCE BASED AREA</b>	<b>242.00</b>	<b>217.00</b>	<b>197.00</b>	<b>205.00</b>	<b>143.00</b>
CAVITE Alfonso, Amadeo, Gen. Aguinaldo, Magallanes, Maragondon, Mendez-Nunez LAGUNA Alaminos, Bay, Calauan, Cavinti, Famy, Kalayaan, Liliw, Luisiana, Lumban, Mabitac, Magdalena, Majayjay, Nagcarlan, Pagsanjan, Pangil, Pila, Rizal, Santa Maria, Siniloan, Victoria BATANGAS Agoncillo, Alitagtag, Balete, Cuenca, Ibaan, Laurel, Lian, Lobo, Malvar, Mataas na Kahoy, Padre Garcia, San Luis, San Nicolas, Santa Teresita, Taal, Talisay, Tingloy, Tuy RIZAL Baras, Cardona, Jala-Jala, Morong					
QUEZON Agdangan, Alabat, Atimonan, Buenavista, Burdeos, Calauag, Catanauan, Dolores, Gen. Luna, Gen. Nakar, Guinayangan, Gumaca, Infanta, Jomalig, Lopez, Lucban, Macalelon, Mauban, Mulanay, Padre Burgos, Pagbilao, Panukulan, Patnanungan, Perez, Pitogo, Plaridel, Polilio, Quezon, Real, Sampaloc, San Andres, San Antonio, San Francisco, San Narciso, Tagkawayan, Tayabas, Unisan	<b>224.00</b>	<b>204.00</b>	<b>184.00</b>	<b>192.00</b>	<b>136.00</b>

EMA1/ Reclassified Extended Metropolitan Area to Growth Corridor Area

EGA2/ Reclassified Emerging Growth Area to Growth Corridor Area

RBA3/ Reclassified Resource Based Area to Emerging Growth Area

All workers covered by this Wage Order receiving less than the prescribed minimum wage(s) shall be adjusted at least to the new daily minimum wage rates prescribed herein.

**SECTION 3. COVERAGE.** The minimum wage rates prescribed under this Order shall apply to all covered workers and employees in all private establishments in Region IV-A regardless of their position, designation or status of employment and irrespective of the method by which their wages are paid. Not covered by this Wage Order are household or domestic helpers, persons employed in the personal service of another, including family drivers and workers of Barangay Micro Business Enterprises (BMBEs) with Certificates of Authority, pursuant to R.A. 9178.

**SECTION 4. BASIS OF MINIMUM WAGE.** The minimum wage prescribed under this Order shall be for the normal working hours, which shall not exceed eight (8) hours work a day.

**SECTION 5. APPLICATION TO WORKERS PAID BY RESULTS.** All workers paid by result, including those who are paid on piece work, takay, pakyaw or task basis, shall be entitled to receive the prescribed minimum wage rates for the normal working hours which shall not exceed eight (8) hours work a day, or a proportion thereof for working less than the normal working hours.

**SECTION 6. PRODUCTIVITY BASED SCHEMES.** In order to enhance the competitiveness of business, both labor and management are encouraged to adopt productivity improvement schemes such as: good housekeeping, quality circles, labor management cooperation, among others at the company level, set up the mechanisms for productivity improvement programs and gain sharing schemes. An advisory formula for the gain sharing schemes and other details of the same shall be included in the Rules Implementing this Wage Order.

**SECTION 7. APPLICATION TO SPECIAL GROUPS OF WORKERS.** Wages of apprentices and learners shall in no case be less than seventy-five percent (75%) of the applicable minimum wage rates prescribed in this Order.

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

All qualified handicapped workers shall receive the full amount of the minimum wage rate prescribed herein pursuant to R.A. 7277.

**SECTION 8. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS.** In the case of private educational institutions, the share of covered workers in the increase in tuition fees for SY 2007-2008 shall be considered as compliance with the increase prescribed herein. However, payment of any short fall shall be covered starting SY 2008-2009. Those which have not increased their tuition fees for SY 2007-2008 may defer compliance with the provision of the Wage Order until the beginning of SY 2008-2009. In any event, all private educational institutions shall implement the minimum wage rate prescribed herein starting SY 2008-2009.

**SECTION 9. APPLICATION TO CONTRACTORS.** In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed increase in the wage rate of covered workers shall be borne by the principals or clients of the construction/service contractor and the contracts shall be deemed amended accordingly. In the event, however, that the principals or clients fail to pay the prescribed wage rates, the contractors shall be jointly and severally liable with the principals or clients.

**SECTION 10. APPLICATION TO TRANSFER, BRANCH AND MOBILE EMPLOYEES.** In cases where the establishment may have branches in different parts of the region or where its headquarters is outside the region, the applicable rate is the rate of the particular city/municipality where the employee is based. In cases of mobile employees, the home base rate shall apply. In cases of transfer from a high rate city/municipality to a lower rate city/municipality, the higher rate shall continue to be applied.

**SECTION 11. APPLICATION TO EXPORT ESTABLISHMENTS.** Upon application with and as determined by the Board, export establishments which earn at least fifty percent (50%) of their normal operating revenues from export sales and whose product pricing is computed using labor costs based on previous mandated minimum wage rates, the effectivity of minimum wage rates under this Order shall be deferred but shall not to exceed one year.

The allowable length of period of deferment grant shall be based on the weighted value or volume of which specific contract with the time and/or expected time of receipt of payment of each specific contract in proportion to the total contract value or volume for a one- year period plus thirty days payment lag.

Deferment of the increases provided herein shall apply only for increases made effective fifteen (15) days upon publication in a newspaper of general circulation.

**SECTION 12. EXEMPTION** Upon application with and as determined by the Board based on the criteria and supporting documents, exemption from the applicability of this Order maybe allowed on the following categories of establishments as defined in the NWPC Guidelines No. 02 Series of 2007 "Amended Rules on Exemption from Compliance with the Prescribed Wage Increases/Cost of Living Allowances Granted by the Regional Tripartite Wages and Productivity Boards":

- a. New Business Enterprises
- b. Distressed Establishments

**SECTION 13. APPLICATION FOR EXEMPTION.** Applications for all categories shall be filed not later than seventy five (75) days from publication of the approved Implementing Rules of this Order, provided that all required documents in support of the application must be filed within the said 75-day filing period and that no further extension of filing and submission of required documents shall be allowed.

In the case of New Business Enterprises, applications shall be filed not later than sixty (60) days after the date of registration.

The extent and duration of exemption shall be in accordance with Section 5 of the NWPC Guidelines No. 02 Series of 2007.

The application shall be under oath and accompanied by complete supporting documents as enumerated under Section 4 of the NWPC Guidelines No. 02 Series of 2007.

Whenever an application for exemption has been filed with the Regional Board, action by the Regional Office of the Department of Labor and Employment on any complaint for alleged non-compliance with this Order shall be deferred pending resolution of the application for exemption by the Regional Board.

In the event that an application for exemption is not approved, covered workers and employees shall be paid the mandated wage increase as provided for under the Order retroactive to the date of the effectivity of the Order plus simple interest of one percent (1%) per month.

**SECTION 14. MOTION FOR RECONSIDERATION.** Any aggrieved party may file with the Board a motion for reconsideration of the decision on the application for exemption within ten (10) days from its receipt and shall state the particular grounds upon which the motion is based, copy furnished the other party and the DOLE Regional Office concerned.

**SECTION 15. APPEAL TO THE COMMISSION.** Any party aggrieved by the decision of the Board may file an appeal to the Commission, through the Board, in two (2) legible copies, not later than ten (10) days from the date of receipt of the decision.

**SECTION 16. EFFECT OF FILING AN 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 to employees affected by the Order of the corresponding increase, in the event such Order is affirmed.

**SECTION 17. EFFECTS ON EXISTING WAGE STRUCTURE.** Where the application of the wage increase prescribed in this Order results in distortion in the wage structure within the establishments, it is being left to the parties concerned to address in accordance with the procedure under Article 124 of the Labor Code, as amended.

Advisory formulae to correct distortions will be contained in the Implementing Rules of this Order.

**SECTION 18. COMPLAINTS FOR NON-COMPLIANCE.** Complaints for non-compliance with this Order shall be filed with the Regional Office of the Department of Labor and Employment (DOLE) and shall be subject of enforcement proceedings under Article 128 of the Labor Code, as amended without prejudice to criminal prosecution which may be undertaken against those who fail to comply.

**SECTION 19. NON-DIMINUTION OF BENEFITS.** Nothing in this Order shall be construed to reduce existing wage rates, allowances, and benefits of any form under existing laws, decrees, issuances, executive orders and/or under any contract of agreement between the workers and employers.

**SECTION 20. PENAL PROVISIONS.** Any employer who refuses or fails to pay the corresponding rates provided under this Order shall be subject to the penalties under RA. 6727, as amended by R.A.8188.

**SECTION 21. PROHIBITIONS AGAINST INJUNCTION.** No preliminary or permanent injunction of temporary restraining order may be issued by any court, tribunal or other cities against any proceeding before the Board.

**SECTION 22. FREEDOM TO BARGAIN.** This Order shall not be construed to prevent workers in particular firms or enterprises from bargaining for higher wages with their respective employers.

**SECTION 23. 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, 2008 and every year thereafter in accordance with the form prescribed by the Commission.

**SECTION 24. REPEALING CLAUSE.** All orders, issuances, rules and regulations, or parts thereof inconsistent with this Wage Order are hereby repealed, amended or modified accordingly.

**SECTION 25. SEPARABILITY CLAUSE.** If for any reason, any section or provision of this Order is declared unconstitutional or invalid, the other provisions or parts shall remain valid.

**SECTION 26. IMPLEMENTING RULES.** The Regional Board shall prepare the necessary rules and regulations to implement this Order, subject to the approval of the Secretary of Labor and Employment.

**SECTION 27. EFFECTIVITY.** This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation.

Approved this 22<sup>nd</sup> day of August, 2007 in Calamba City, Laguna.

**ATTY. RICARDO S. MARTINEZ, SR., CESO III**  
Chairman

**SEVERINO C. SANTOS**  
Vice-Chairman

**MARILOU Q. TOLEDO**  
Vice-Chairman

**RENATO B. ALMEDA**  
Employer Representative

**LUCILA C. TARRIELA**  
Employer Representative

**BENJAMIN P. BASQUIÑAS, JR.**  
Worker Representative

**JUANITO S. FACUNDO**  
Worker Representative