

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-13
SETTING THE MINIMUM WAGE FOR CALABARZON AREA

WHEREAS, under R. A. 6727 otherwise known as “The Wage Rationalization Act”, the Regional Tripartite Wages and Productivity Board – IVA (RTWPB - IVA) is mandated to fix the applicable minimum wage of workers in private establishments in the Region based on existing standard criteria in minimum wage fixing such as: needs of workers and their families, capacity to pay by the employers, comparability of wages, and requirements of economic development, and other relevant socio-economic indicators;

WHEREAS, the Regional Board in recognition of the increases in the prices of products and services, brought about by shortages in supply, high importation costs, and upward trend in world market prices, on its April 8, 2008 Board meeting motu proprio assessed the possible effects of these volatilities in the standards of living of workers, and to other wage-sensitive indicators in the Region, and on April 10, 2008, a preliminary discussion of the wage issue with tripartite sectors;

WHEREAS, President Gloria Macapagal-Arroyo, on April 14, 2008, in Calamba, Laguna, urged the Regional Tripartite Wages and Productivity Boards (RTWPBs) nationwide to convene and deliberate on the increases in the minimum wage of workers in the private sector to help them cope with the rising prices of rice, other food commodities and fuel;

WHEREAS, the Regional Board motivated by its intention to respond to the urgency of the issue, supported by the results of its overall assessment of the socio-economic condition in the Region declared the existence of supervening condition in the Region on April 17, 2008 and on April 22, 2008,) issued Resolution No. 01 series of 2008 “Resolution to Review Motu Proprio the Minimum Wage Levels in the Region Arising from a Supervening Condition” that would allow the Board to proceed with its wage fixing function even the wage order still in effect (Wage Order No. IVA-12) has not reached its one-year anniversary reglementary period;

WHEREAS, the Regional Board is guided by the NWPC Guidelines No. 01 Series of 2007 Amended Rules of Procedure on Minimum Wage Fixing, submitted for confirmation the Board Resolution No. 01 S. 2008, and subsequently confirmed by the National Wages and Productivity Commission on April 23, 2008;

WHEREAS, the Regional Board received a petition for wage increase on April 24, 2008, filed by the Nagkakaisang Lakas ng Manggagawa sa Laguna (NLML) asking for an increase in the minimum wage in the Region to the present amount of minimum wage in the National Capital Region (NCR) uniformly in all areas, across-the-board, without exemption and no crediting to incentives from collective bargaining agreements;

WHEREAS, the Regional Board with its objective for an extensive consultation, engaged the Regional Tripartite Industrial Peace Council - CALABARZON, Provincial representatives from both labor and employers sectors and other stakeholders across Region to wage consultations on April 24, 28, 30, 2008 and a public hearing on May 13, 2008;

WHEREAS, the Regional Board issues this Wage Order No. IVA-13, granting increases in the form of basic pay to all covered workers of private establishments in the region, effective fifteen (15) days upon publication in a newspaper of general circulation;

WHEREAS, coherent with the government's policy of achieving higher levels of productivity and competitiveness, promote economic growth and generate more employment, and to augment the net take home pay of workers, all business enterprises in the Region shall implement productivity improvement and gain sharing programs; and

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 16.00 – 20.00
- 2) Emerging Growth Area P 14.00
- 3) Resource Based Area P 12.00

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		
GROWTH CORRIDOR AREA	320.00	295.00	275.00	283.00	215.00
EMA/1					
CAVITE Bacoor, Imus					
LAGUNA Biñan, San Pedro					
RIZAL Cainta, Taytay					
CAVITE Carmona, Cavite City, Dasmariñas, Gen. Trias, Rosario	298.00	273.00	253.00	261.00	193.00
LAGUNA Cabuyao, Calamba City, Los Baños, San Pablo City, Sta. Cruz, Sta. Rosa.					
RIZAL Antipolo City					
CAVITE Kawit, Silang, Tagaytay City, Tanza, Trece Martirez	293.00	268.00	248.00	256.00	190.00
BATANGAS Batangas City, Bauan, Lipa City, San Pascual, Sto. Tomas, Tanauan City					
QUEZON Lucena City					
EGA/2	293.00	268.00	248.00	256.00	188.00
CAVITE General Alvarez					
RIZAL Rodriguez, Tanay					
EMERGING GROWTH AREA	274.00	249.00	229.00	237.00	173.00
BATANGAS Balayan, Calaca, Calatagan, Lemery, Mabini, Nasugbu, Rosario, San Jose					
RIZAL					

Angono, Binangonan, San Mateo					
QUEZON					
Candelaria, Sariaya					
CAVITE	263.00	238.00	218.00	226.00	160.00
Indang, Naic, Noveleta Ternate					
LAGUNA					
Paete, Pakil					
BATANGAS					
San Juan					
RIZAL					
Pililia					
QUEZON					
Tiaong					
RBA/3	258.00	233.00	213.00	221.00	159.00
BATANGAS					
Taysan					
RIZAL					
Teresa					
RESOURCE BASED AREA	254.00	229.00	209.00	217.00	155.00
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, Sta Maria, Siniloan, Victoria					
BATANGAS					
Agoncillo, Alitagtag, Balete, Cuenca, Ibaan, Laurel, Lian, Lobo, Malvar, Mataas na Kahoy, Padre Garcia, San Luis, San Nicolas, Sta. Teresita, Taal, Talisay, Tingloy, Tuy					
RIZAL					
Baras, Cardona, Jala-Jala, Morong					
QUEZON	236.00	216.00	196.00	204.00	148.00
Agdangan, Alabat, Atimonan, Buenavista, Burdeos, Calauag, Catanauan, Dolores, Gen. Luna,					

Gen. Nakar, Guinayangan, Gumaca, Infanta, Jomalig, Lopez, Lucban, Macalelon, Mauban, Mulanay, Padre Burgos, Pagbilao, Panulukan, Patnanungan, Perez, Pitogo, Plaridel, Polilio, Quezon, Real, Sampaloc, San Andres, San Antonio, San Francisco, San Narciso, Tagkawayan, Tayabas, Unisan					
--	--	--	--	--	--

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. RATIONALIZATION OF THE WAGE STRUCTURE. For adjoining establishments and/or those located in the same economic zone but separated geographically, and with different minimum wage rates under the prevailing wage order, the establishments concerned shall apply whichever is higher minimum wage rate favorable to labor.

SECTION 4. 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 5. 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 6. 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 7. PRODUCTIVITY BASED INCENTIVE SCHEMES. In order to

increase the net take home pay of the workers, and enhance the competitiveness of business, all private enterprises in the region shall endeavor to implement productivity and gainsharing programs at the enterprise level. Guidelines in the operationalization of productivity improvement and gainsharing programs shall be included in the Rules Implementing this Wage Order.

SECTION 8. 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 9. 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 2008-2009 shall be considered as compliance with the increase prescribed herein. However, payment of any short fall shall be covered starting SY 2009-2010. Those which have not increased their tuition fees for SY 2008-2009 may defer compliance with the provision of the Wage Order until the beginning of SY 2009-2010. In any event, all private educational institutions shall implement the minimum wage rate prescribed herein starting SY 2009-2010.

SECTION 10. 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 11. 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 12. 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 13. 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 14. 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 15. 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 16. 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 17. 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 18. 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 19. 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 20. 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 21. 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 22. 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 23. 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 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, 2009 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 this Wage Order are hereby repealed, amended or modified accordingly.

SECTION 26. 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 27. 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 28. EFFECTIVITY. This Order shall take effect fifteen (15) days upon publication in a newspaper of general circulation.

Approved this 14th day of May, 2008 in Calamba City, Laguna.

(Sgd.) ATTY. RICARDO S. MARTINEZ, SR., CESO III
Chairman

(Sgd.) SEVERINO C. SANTOS
Vice-Chairman

(Sgd.) MARILOU Q. TOLEDO
Vice-Chairman

(Sgd.) RENATO B. ALMEDA
Employer Representative

(Sgd.) LUCILA C. TARRIELA
Employer Representative

(Sgd.) BENJAMIN P. BASQUIÑAS, JR.
Worker Representative

(Sgd.) JUANITO S. FACUNDO
Worker Representative

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

**RULES IMPLEMENTING
WAGE ORDER NO. IVA – 13**

Pursuant to Section 6, Rule IV of the NWPC Amended Rules of Procedure on Minimum Wage Fixing and Section 27 of Wage Order No. IV-A-13, the following rules are hereby issued for the guidance and compliance by all concerned:

RULE I - GENERAL PROVISIONS

SECTION 1. TITLE. This Rules shall be known as “**Rules Implementing Wage Order No. IV A-13**”;

SECTION 2. DEFINITION OF TERMS. As used in this Rules,

- (a) “**Order**” means Wage Order No. IVA – 13;
- (b) “**Board**” means the Regional Tripartite Wages and Productivity Board of Region IVA;
- (c) “**Commission**” means the National Wages and Productivity Commission;
- (d) “**Department**” means the Department of Labor and Employment;
- (e) “**Region IVA**” or **CALABARZON** covers the Provinces of Cavite, Laguna, Batangas, Rizal, Quezon, and the Cities of Cavite, Tagaytay, Trece Martirez, Calamba, San Pablo, Sta. Rosa, Batangas, Lipa, Tanauan, Antipolo and Lucena, per Executive Order 103;
- (f) “**Growth Corridor Area**” or areas rapidly urbanizing and industrializing parts of the Region, covering the Cities and Municipalities of Bacoor, Carmona, Cavite City, Dasmariñas, Gen. Mariano Alvarez, Gen. Trias, Imus, Kawit, Rosario, Silang, Tagaytay City, Tanza and Trece Martires City in Cavite; Biñan, San Pedro, Cabuyao, Calamba City, Los Baños, San Pablo City, Sta Cruz and Sta. Rosa City in Laguna, Batangas City, Bauan, Lipa City, San Pascual, Sto. Tomas and Tanauan City in Batangas; Antipolo

City, Cainta, Rodriguez, Tanay and Taytay, in Rizal; Lucena City in Quezon;

(g) **Emerging Growth Area**” or areas with rural and agricultural resource potential located at/or near the rapidly urbanizing and industrializing parts of the Region, covering the Municipalities of Indang, Naic, Noveleta and Ternate in Cavite; Paete and Pakil, in Laguna; Balayan, Calaca, Calatagan, Lemery, Mabini, Nasugbu, Rosario, and San Jose, San Juan and Taysan in Batangas; Angono, Binangonan, Pililia, San Mateo and Teresa in Rizal; Candelaria, Sariaya and Tiaong in Quezon;

(h) **Resource Based Area**” or areas with predominantly rural and agricultural resource potential far from regional and Metro Manila markets, covering the Municipalities of Alfonso, Amadeo, Gen Aguinardo, Magallanes, Maragondon and Mendez-Nuñez, in Cavite; Alaminos, Bay, Calauan, Cavinti, Famy, Kalayaan, Liliw, Luisiana, Lumban, Mabitac, Magdalena, Majayjay, Nagcarlan, Pagsanjan, Pangil, Pila, Rizal, Sta. Maria, Siniloan and Victoria in Laguna; Agoncillo, Alitagtag, Balete, Cuenca, Ibaan, Laurel, Lian, Lobo, Malvar, Mataas na Kahoy, Padre Garcia, San Luis, San Nicolas, Sta Teresita, Taal, Talisay, Tingloy and Tuy in Batangas; Baras, Cardona, Jala-Jala and Morong in Rizal; 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 and Unisan in Quezon;

(i) **Minimum Wage Rates**” refer to the lowest wage rate(s), as fixed by the Board, that an employer is obliged to pay his workers;

(j) **Non-Agriculture**” refers to establishments and industries other than agriculture and retail or service, regardless of employment size;

(k) **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 or 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 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, tobacco, pineapple, aquatic or other farm products;

(l) **Plantation Agricultural Enterprise**” is one engaged in agriculture with an area of more than twenty four (24) hectares in a locality or which employs at least twenty (20) workers. Any other agricultural enterprise shall be considered as **Non-Plantation Agricultural Enterprise**”;

(m) **Cottage/Handicraft Establishment**” is one engaged in an economic endeavor in which the products are primarily done in the home or such other places for profit which requires manual dexterity and craftsmanship and whose capitalization does not

exceed P3 M (in conformity with SMED Resolution No. 1, series of 2003) regardless of previous registration with the defunct NACIDA;

(n) **“Retail Establishment”** refers to an entity 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. For purposes of this Implementing Rules, retail establishments must be regularly employing not more than 10 workers;

(o) **“Service Establishment”** refers to an entity principally engaged in the sale of services to individuals for their own or household use and is generally recognized as such. For purposes of this Implementing Rules, service establishments must be regularly employing not more than 10 workers;

(p) **“Economic Zone”** refers to selected areas with highly developed or which have the potential to be developed into agro-industrial, industrial tourist/recreational, commercial, banking, investment and financial centers. An ecozone may contain any or all of the following: Industrial Estates, Export Processing Zones, Free Trade Zones, and Tourist/Recreational Centers. (as defined under R.A. No. 7916)

(q) **“Barangay Micro Business Enterprise”** refers to any business entity or enterprise granted a Certificate of Authority under Republic Act No. 9178;

(r) **“Productivity Based Incentive Scheme”**: is a formal incentive program that will provide motivation for higher employer and employee productivity performance, track, measure and recognize positive individual or group performance achieved against productivity program goals over a defined period of time. Productivity Based Incentive comes in a variety, the more common types are cash and non-cash incentives which may in effect increase the net take home pay of workers.

(s) **“Productivity Improvement Program”** refers to any intervention or scientific process designed to involve everyone in the organization in improving productivity through more efficient use/optimization of resources, on time production and delivery of quality goods and services that satisfy the requirements of the customer, such as: good housekeeping, quality circles, cost reduction, work simplification/process improvement, management control system, among others. It focuses on five (5) major areas of concern: a) quality improvement; b) competitive pricing; c) on time delivery; d) value addition; and e) safe and healthy work environment;

(t) **“Gainsharing Scheme”** refers to a system defining the manner or arrangement by which employees and company/employers share the financial gains arising from improved productivity and profitability based on predetermined set of policies, criteria and formula that governs both parties in interpreting and implementing the same.

(u) **“Exporter”** means any person, natural or juridical, licensed to do business in the

Philippines, engaged directly or indirectly in the manufacture or trade of products or services which earn at least fifty percent (50%) of its normal operating revenues from the sale of its products or services abroad for foreign currency. In the case of indirect exporters, the requirement that products or services be sold "abroad for foreign currency " shall not apply as, by the very nature of their business, the sale of their products or services takes place in the Philippines and such indirect exporters are usually paid in Philippine currency;

(v) **"New Business Enterprise"** refers to an establishment, including non-profit institutions, established within two (2) years from effectivity of the Wage Order based on the latest registration with the appropriate government agency such as SEC, DTI, CDA and Mayor's Office;

(w) **"Distressed Establishment"** refers to an establishment which meets the criteria enumerated in Section 3A of the National Wages and Productivity Commission (NWPC) Guidelines No. 02 S. 2007, known as Amended Rules on Exemption from Compliance with the Prescribed Wage Increases/Cost of Living Allowances Granted by the Regional Tripartite Wages and Productivity Boards;

(x) **"Notice to Workers (NTW)"** is a document that informs workers of the filing for exemption/deferment of the applicant firm with the Board. The NTW shall be under oath and shall contain information on the application and its supporting documents filed with the Board. The proper recipient of the NTW shall be the following; a.) union president, in case of organized establishments or b.) worker's representative, in case of non-unionized establishment;

(y) **"Acknowledgement Receipt (AR)"** is a document that shows that the NTW was received by the proper recipient. The AR shall be under oath and shall contain information on the recipient, his\her union affiliation, his/her company position/designation and/or information on what interest he/she represents. The recipient is deemed responsible for informing co-workers on the contents of the NTW and shall answer of misrepresentation should they arise.

RULE II - NEW MINIMUM WAGE RATES

SECTION 1. AMOUNT OF INCREASE. The amount of increase in the minimum wage rates of all workers and employees in the private sector in the region effective June 01, 2008 are as follows:

1) Growth Corridor Area	P	16.00 - 20.00
2) Emerging Growth Area	P	14.00
3) Resource Based Area	P	12.00

private workers and employees in Region IVA effective June 01, 2008 are as follows:

AREAS	Non-Agriculture	Agriculture		Cottage	Retail & Service Establishment employing not more than 10 workers
		Plantation	Non-Plantation		
GROWTH CORRIDOR AREA	320.00	295.00	275.00	283.00	215.00
EMA/1					
CAVITE Bacoor, Imus					
LAGUNA Biñan, San Pedro					
RIZAL Cainta, Taytay					
CAVITE Carmona, Cavite City, Dasmariñas, Gen. Trias, Rosario	298.00	273.00	253.00	261.00	193.00
LAGUNA Cabuyao, Calamba City, Los Baños, San Pablo City, Sta. Cruz, Sta. Rosa.					
RIZAL Antipolo City					
CAVITE Kawit, Silang, Tagaytay City, Tanza, Trece Martirez	293.00	268.00	248.00	256.00	190.00
BATANGAS Batangas City, Bauan, Lipa City, San Pascual, Sto. Tomas, Tanauan City					
QUEZON Lucena City					
EGA/2	293.00	268.00	248.00	256.00	188.00
CAVITE General Alvarez					
RIZAL					

Rodriguez, Tanay					
EMERGING GROWTH AREA	274.00	249.00	229.00	237.00	173.00
BATANGAS Balayan, Calaca, Calatagan, Lemery, Mabini, Nasugbu, Rosario, San Jose					
RIZAL Angono, Binangonan, San Mateo					
QUEZON Candelaria, Sariaya					
CAVITE Indang, Naic, Noveleta Ternate	263.00	238.00	218.00	226.00	160.00
LAGUNA Paete, Pakil					
BATANGAS San Juan					
RIZAL Pililia					
QUEZON Tiaong					
RBA/3	258.00	233.00	213.00	221.00	159.00
BATANGAS Taysan					
RIZAL Teresa					
RESOURCE BASED AREA	254.00	229.00	209.00	217.00	155.00
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, Sta Maria, Siniloan, Victoria					

BATANGAS Agoncillo, Alitagtag, Balete, Cuenca, Ibaan, Laurel, Lian, Lobo, Malvar, Mataas na Kahoy, Padre Garcia, San Luis, San Nicolas, Sta. 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, Panulukan, Patnanungan, Perez, Pitogo, Plaridel, Polilio, Quezon, Real, Sampaloc, San Andres, San Antonio, San Francisco, San Narciso, Tagkawayan, Tayabas, Unisan	236.00	216.00	196.00	204.00	148.00

All workers covered by the 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. RATIONALIZATION OF THE WAGE STRUCTURE. Anent to Section 2, Rule II, adjoining establishments and/or those located in the same economic zone but separated geographically, and with different minimum wage rates under the prevailing wage order, the establishments concerned shall apply whichever is higher minimum wage rate favorable to workers.

To effect the initial rationalization of the wage structure, affected establishments locating in Laguna Technopark Inc, Sta. Rosa, Laguna and Lima Technology Center, Malvar, Batangas shall adjust the minimum wage rates of their covered workers by the amount of adjustment applicable in Binan and Lipa City under this Wage Order, and the remaining adjusting amount shall be given in tranches as follows:

Economic Park/Zone and Location	Upon Effectivity of Wage Order IVA-13 June 1, 2008	Effective October 1, 2008	Effective February 1, 2009	Effective June 1, 2009	Effective October 1, 2009
Laguna Technopark Inc. Sta. Rosa, Laguna	P302.00	P312.00	P320.00		
LimaTechnology Center Malvar, Batangas	P258.00	P268.00	P278.00	P288.00	293.00

It is understood however, that employers are not precluded from giving the adjusting amount in one tranche only but should not go beyond the time frame specified in the matrix.

SECTION 4. COVERAGE. The minimum wage rates prescribed under the Order shall apply to all minimum wage 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 5. BASIS OF MINIMUM WAGE RATES. The minimum wage rates prescribed herein shall be for the normal working hours, which shall not exceed eight hours work a day.

SECTION 6. APPLICATION TO 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 applicable minimum wage rates prescribed under the Order for the normal working hours which shall not exceed eight (8) hours work a day, or a proportion thereof for work of less than the normal working hours.

The adjusted minimum wage rates of workers paid by results shall be computed in accordance with the following steps:

$$\frac{\text{a. Amount of increase in AMW}}{\text{Previous AMW}} \times 100 = \% \text{ increase;}$$

- b. Existing rate/piece x % increase = Increase in rate/piece;
- c. Existing rate/piece + Increase in rate/piece = Adjusted rate/piece

Where: AMW is the applicable minimum wage rate.

The wage rates of workers who are paid by results shall be in accordance with Article 101 of the Labor Code, as amended and its Implementing Regulations.

SECTION 7. PRODUCTIVITY BASED INCENTIVE SCHEMES. In order to enhance the competitiveness of business, both labor and management shall endeavor 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 in order to increase the net take home pay workers. An advisory guidelines in the operationalization of Productivity Improvement and Gainsharing Programs is contained in this Implementing Rules attached as Annex B.

SECTION 8. 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 the Order. Apprenticeship shall be guided by the Kasanayan at Hanapbuhay Program – an Apprenticeship and Employment Program of the Department of Labor and Employment.

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

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

SECTION 9. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS. In the case of private educational institutions, the share of covered workers and employees in the increase of tuition fees for school year 2008-2009 shall be considered as compliance with the wage increase prescribed in this Order. However, payment of any shortfall in the prescribed increase set forth in this Order shall be covered starting SY 2009-2010.

Private educational institutions, which have not increased their tuition fees for SY 2008-2009, may defer compliance with the provisions of the Order until the beginning of SY 2009-2010. In any case all private educational institutions shall implement the prescribed increase in the Order starting SY 2009-2010.

SECTION 10. 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.

For contracts entered into by registered BMBEs, their non coverage to the payment of the minimum wage does not in anyway extend to the principals or clients of the said BMBE.

SECTION 11. APPLICATION TO MOBILE, BRANCH AND TRANSFERRED EMPLOYEES.

Mobile and Branch Employees

The minimum wage rates of mobile workers, who by 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 within or outside the Region shall be those applicable in the place where they are stationed or based.

Transfer of Personnel

The transfer of personnel to areas outside the Region or from a high rate city/municipality to a lower rate city/municipality shall not be a valid ground for the reduction of the wage rates being enjoyed by the workers prior to such transfer. Workers transferred to other Regions or from a lower rate municipality to a higher rate municipality shall be entitled to the minimum wage rates applicable therein.

RULE III - DEFERMENT

SECTION 1. DEFERMENT FOR EXPORT ESTABLISHMENTS. Upon application with and as determined by the Board, establishments in the export industry 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 rates, may be granted deferment from the Order but such deferment shall not to exceed one year.

These conditions shall be verified based on predominant and accepted documents used in the industry that should show applicant entered into contracts before June 01, 2008, but these contracts shall be concluded, that is, produced and delivered, and consequently paid for between the periods June 01, 2008 to May 31, 2009.

SECTION 2. APPLICATION FOR DEFERMENT. Application for deferment shall be filed not later than seventy-five (75) days from the date of publication of the approved Rules Implementing 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. The date of mailing shall be the date of filing. All required and supporting documents should be submitted in two (2) legible copies with proper tabs and labels

Documents Required:

a. Application letter under oath with attendant information on the firm's principal economic activity, amount of total assets, date of start of operation, the regular number and names of workers with their corresponding salaries and wages and dates of employment, certificate of compliance with the prescribed minimum wage under Wage Order immediately preceding the new Wage Order; and

b. Proof of notice of filing of the application to the President of the union/contracting party if one is organized in the establishment, or if there is no union, a copy of the circular giving general notice of the filing of application to all workers in the establishment. The proof of notice, which may be translated in the vernacular, shall state that the workers' representative was furnished a copy of the application with all the supporting documents. The notice shall be posted in a conspicuous place in the establishment.

Additional Supporting Documents Required:

1. Direct Exporters

- a. Certification of at least 50% Export Sales Status to be secured from PEZA Central Office in coordination with concerned PEZA Manager/s in the area/or from BOI.
- b. Certified true copy of Contracts with Foreign Buyers/s entered into before June 01, 2008, but for production, delivery and subsequent payment between the periods June 01, 2008 to May 31, 2009, including summary listing of contracts with corresponding volume, value and date of shipment.
- c. Invoices, Bills of Lading, Confirmed Inward Letters of Credit, Lading Certificate and other Commercial documents with reference to the contracts described above.

2. Indirect Exporters

- a. Certification from Consignee/s that export products consigned were in fact sold by consignee/s.
- b. Certification of at least 50% Export Sales Status of Consignee/s to be secured from PEZA Central Office in coordination with concerned PEZA Manager/s in the area/or from BOI.
- c. Certified true copy of Contracts with Consignee/s entered into before June 01, 2008, but for production, delivery and subsequent payment between the periods June 01, 2008 to May 31, 2009, including summary listing of contracts with corresponding volume, value and date of shipment.

- d. Certified true copy of Purchase Orders, Invoices, Receipts and other Commercial Documents with reference to contracts described above.

SECTION 3. BASIS AND DURATION OF DEFERMENT. The allowable length of period of deferment grant shall be based on the weighted value or volume of each 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.

SECTION 4. EFFECT OF FILING OF APPLICATION FOR DEFERMENT. Whenever an application for deferment 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 the Order shall be deferred pending resolution of the application for deferment by the Regional Board.

SECTION 5. EFFECT OF DISAPPROVED APPLICATION FOR DEFERMENT. In the event that an application for deferment is not granted, covered workers and employees shall receive the appropriate compensation due them as provided for in the Order plus interest of one percent (1%) per month retroactive to the effectivity of the said Order or from the period not covered by the grant of deferment, whichever is applicable.

SECTION 6. MOTION FOR RECONSIDERATION. An 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.

No second motion for reconsideration shall be entertained in any case. The decision of the Board shall be final and executory unless appealed to the Commission.

RULE IV - EXEMPTION

SECTION 1. EXEMPTION. Upon application with and as determined by the Regional Board in accordance with the applicable rules and regulations, New Business Enterprises and Distressed Establishments as defined in the NWPC Guidelines No. 02 S. 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" may be exempted from compliance with the Order. The criteria for exemption for these exemptible categories shall be those provided for in the said Amended Rules on Exemption except, in the case of Distressed Establishments, only full or partial exemption may be allowed.

1. New Business Enterprise (NBE)

Documents Required:

- a. Application letter under oath with attendant information on the firm's address of economic activity, principal economic activity and product/s, date of start of operation provided it is registered with appropriate government agency, amount of total assets/investments, number of employees employed with the corresponding basic salaries/wages;
- b. Proof of notice of filing of the application to the President of the union/contracting party if one is organized in the establishment, or if there is no union, a copy of the circular giving general notice of the filing of application to all workers in the establishment. The proof of notice, which may be translated in the vernacular, shall state that the workers' representative was furnished a copy of the application with all the supporting documents. The notice shall be posted in a conspicuous place in the establishment;
- c. Certified true copy of Business Permit or Certificate of registration with appropriate government agency such as SEC, DTI, CDA, Mayors Office; and
- d. Certificate of Commercial Operation to be secured from the PEZA Central Office in coordination with concerned PEZA Manager/s in the area/or from BOI.

2. Distressed Establishment

Documents Required:

- a. Application letter under oath with attendant information on the firm's address of economic activity, principal economic activity and product/s, amount of total assets, date of start of operation, regular number and names of workers with their corresponding basic salaries and wages and dates of employment, certificate of compliance with the prescribed minimum wage under Wage Order immediately preceding the new Wage Order;
- b. Proof of notice of filing of the application, to the President of the union/contracting party if one is organized in the establishment, or if there is no union, a copy of the circular giving general notice of the filing of application, to all workers in the establishment. The proof of notice, which may be translated in the vernacular, shall state that the workers' representative was furnished a copy of the application with all the supporting documents. The notice shall be posted in a conspicuous place in the establishment;
- c. Full or Partial Exemption. Audited financial statements (together with the Auditor's opinion and the notes thereto) for the last two (2) full accounting periods preceding the effectivity of the Order (2006-2007) filed with and stamped "received" by the appropriate government agency; and

SECTION 2. SUBMISSION OF OTHER DOCUMENTS. The Board may require the submission of other pertinent documents to support the application for exemption.

SECTION 3. APPLICATION FOR EXEMPTION: Application for exemption shall be filed not later than seventy-five (75) days from the date of publication of the approved Rules Implementing 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. The date of mailing shall be the date of filing.

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

The application shall be under oath and accompanied by complete supporting documents as enumerated under Section 1, Rule IV of this Implementing Rules. All required and supporting documents should be submitted in two (2) legible copies with proper tabs and labels.

SECTION 4. EXTENT AND DURATION OF EXEMPTION. The extent and duration of exemption shall be in accordance with Section 5 of the NWPC Guidelines No. 02 S. 2007 except, in the case of Distressed Establishments only full or partial exemption may be allowed as follows:

Full exemption of one (1) year from effectivity of the Order shall be granted to all exemptible categories of establishments that meet the applicable criteria for exemption.

Partial exemption of 50% from effectivity of the Order with respect to the period of exemption shall be granted only in the case of distressed establishments.

SECTION 5. DISTRESSED PRINCIPAL. Exemption granted to a distressed principal shall not extend to its contractor in case of contract (s) for construction, security, janitorial and/or similar services with respect to the employees of the latter assigned to the former.

SECTION 6. ADOPTION OF PRODUCTIVITY IMPROVEMENT PROGRAMS. Establishments granted exemption are required to adopt productivity improvement initiatives or schemes to improve business viability. The Board shall provide technical assistance in the development of a productivity improvement program in the establishment.

SECTION 7. EFFECT OF FILING OF APPLICATION FOR EXEMPTION. 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 complaints for alleged non-compliance with this Order shall be deferred pending resolution of the application for exemption by the Regional Board.

SECTION 8. EFFECT OF DISAPPROVED APPLICATION FOR EXEMPTION. In the event that the application for exemption is not approved, covered workers shall be paid the mandated wage increase as provided for under the Order retroactive to the date of effectivity of the Order plus simple interest of one percent (1%) per month.

SECTION 9. MOTION FOR RECONSIDERATION. An aggrieved party may file with the Board a motion for reconsideration of the decision on the application for exemption within ten (10) days from receipt of the decision, stating the particular grounds upon which the motion is based, copy furnished the other party and the Regional Office of the Department.

No second motion for reconsideration shall be entertained in any case. The decision of the Board shall be final and executory unless appealed to the Commission.

RULE V - WAGE DISTORTION

SECTION 1. WAGE DISTORTION. A situation where an increase in prescribed wage rates results in the elimination or severe contraction of intentional quantitative differences in wage or salary rates between and among employee groups in an establishment as to effectively obliterate the distinctions embodied in such wage structure based on skills, length of service, or other logical bases of differentiation.

SECTION 2. CORRECTION OF WAGE DISTORTION. Where the application of any prescribed wage increase by virtue of a Wage Order issued by the Board results in distortions of the wage structure within an establishment, the employer and the union shall negotiate to correct the distortions. Any dispute arising from wage distortions shall be resolved through the grievance procedure under their collective bargaining agreement, and if it remains unresolved, through voluntary arbitration. Unless otherwise agreed by the parties in writing, such dispute shall be decided by the voluntary arbitrator or panel of voluntary arbitrators within ten (10) days from the time said dispute was referred to voluntary arbitration.

In cases where there are no collective agreements or recognized labor unions, the employers and workers shall endeavor to correct such distortions. Any dispute arising therefrom shall be settled through the National Conciliation and Mediation Board and, if it remains unresolved after ten (10) days of conciliation, shall be referred to the appropriate branch of the National Labor Relation Commission (NLRC). It shall be mandatory for the NLRC to conduct continuous hearings and decide the dispute within twenty (20) days from the time said dispute is submitted for compulsory arbitration.

The pendency of a dispute arising from a wage distortion shall not in any way delay the applicability of any increase in prescribed wage rates pursuant to the provisions of the Wage Order.

SECTION 3. FORMULA. Advisory formulae to correct distortion are contained in this Implementing Rules attached as Annex A.

RULE VI - APPEAL

SECTION 1. APPEAL ON THE WAGE ORDER. Not later than ten (10) days from the date of publication of the Order, any party aggrieved by a Wage Order issued by

the Board may appeal such Order to the Commission by filing a verified appeal with the Board in three (3) printed legible copies. The appeal shall be accompanied by a memorandum of appeal which shall state the grounds relied upon, the arguments in support of the appeal and the relief being sought.

The Board shall serve notice of the appeal to concerned parties. Failure to file an appeal within the reglementary period fixed under this section or to submit the required documents shall be a ground for dismissal of the appeal.

A motion for reconsideration on the Wage Order filed with the Board, shall be treated as an appeal subject to the requisites for the perfection of appeal under the NWPC Guidelines No. 01 Series of 2007.

An appeal may be filed on the grounds of non-conformity with prescribed guidelines and/or procedures, questions of law, and grave abuse of discretion.

SECTION 2. APPEAL ON EXEMPTION. 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 date of receipt of the decision.

The appeal, with proof of service to the other party, shall be accompanied with a memorandum of appeal which shall state the date appellant received the decision, the grounds relied upon and the arguments in support thereof.

RULE VII - SPECIAL PROVISIONS

SECTION 1. COMPLAINTS FOR NON-COMPLIANCE. Complaints for non-compliance with the Order shall be filed with the Regional Office of the Department having jurisdiction over the workplace and shall be the subject of enforcement proceedings under Articles 128 and 129 of the Labor Code, as amended.

SECTION 2. NON-DIMINUTION OF BENEFITS. Nothing in the Order and in this Rules 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 the employers.

SECTION 3. PENAL PROVISION. Pursuant to provisions of Section 12 of RA 6727, as amended by RA 8188, any person, corporation, trust, firm, partnership, association or entity which refuses or fails to pay the prescribed increase in the Order shall be punished by a fine of not less than Twenty-five Thousand pesos (P25,000.00) nor more than One Hundred Thousand Pesos (P100,000.00) or imprisonment of not less two (2) years nor more than four (4) years or both such fine and imprisonment at the discretion of the court. Provided, that any person convicted under the order shall not be entitled to the benefits provided for under the Probation Law.

If the violation is committed by a corporation, trust or firm, partnership, association or

any other entity, the penalty of imprisonment shall be imposed upon the entity's responsible officers, including but not limited to the president, vice president, chief executive officer, general managers, managing director or partner.

The employer/s concerned shall be ordered to pay an amount equivalent to double the unpaid benefits owing to the employees: Provided that payment of indemnity shall not absolve the employer from criminal liability imposable under this Act.

SECTION 4. PROHIBITION AGAINST INJUNCTION. No preliminary or permanent injunction or temporary restraining order may be issued by any court, tribunal or other entity against and proceedings before the Commission or Boards.

SECTION 5. 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 6. 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, 2009 and every year thereafter in accordance with the form prescribed by the Commission.

SECTION 7. REPEALING CLAUSE. All orders, issuances, rules and regulations on wages, or parts thereof inconsistent with the provisions of the Wage Order and this Rules are hereby repealed, amended or modified accordingly.

SECTION 8. SEPARABILITY CLAUSE. If any provision or part of the Order and this Rules, or the application thereof to any person or circumstance is held invalid or unconstitutional, the remainder of the Order and this Rules or the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.

SECTION 9. EFFECTIVITY. This Rules shall take effect on 01 June 2008.

Done this 21ST day of May 2008 in Calamba City, Laguna, Philippines.

(Sgd.) ATTY. RICARDO S. MARTINEZ, SR., CESO III

Chairman

(Sgd.) SEVERINO C. SANTOS

Vice-Chairman

(Sgd.) MARILOU Q. TOLEDO

Vice-Chairman

(Sgd.) BENJAMIN P. BASQUIÑAS, JR

Worker Representative

(Sgd.) JUANITO S. FACUNDO

Worker Representative

(Sgd.) RENATO B. ALMEDA

Employer Representative

(Sgd.) LUCILA C. TARRIELA

Employer Representative

Approved this 5th day of June, 2008

(Sgd)MARIANITO D. ROQUE

Secretary

DEPARTMENT OF LABOR AND EMPLOYMENT