

Republic of the Philippines
Department of Labor and Employment
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
Regional Board No. IV

WAGE ORDER NO. IV - 05
SETTING THE NEW MINIMUM WAGE IN THE REGION

WHEREAS, the basic purpose of the minimum wage as a safety net is to advance the living standards of low income workers who are unable to keep up or adjust their income on their own given the erosion of said income due to inflation;

WHEREAS, while the safety net requirement as a “core” standard is needed to influence market outcomes and protect vulnerable workers, it should at the same time succeed in taking advantage of new market opportunities and not impede the inflow of capital nor the competitive management of the changing environment;

WHEREAS, the long-term regional aspiration is to put in place a framework for a wage policy that complements informal and rural labor markets, support an effective system of industrial relations, provide safeguard for the vulnerable, avoid biases that favor the relatively well-off worker and obviate obstacles to facilitate the transition to a more market-based and internationally integrated pattern of development;

WHEREAS, the development of the region’s Growth Corridor Area begins to approximate that of the National Capital Region and that the need to adjust the real wage gap of said regions to parity is manifest;

WHEREAS, this issuance is rational, consistent and progressive within the context of existing economic and social environment;

WHEREAS, the spatial configuration of the Region is marked by heterogeneity, with areas classified as:

a. Growth Corridor Areas or rapidly urbanizing and industrializing parts of the Region strategically located near Metro Manila; composed of the Provinces of Batangas, Cavite, Laguna, & Rizal the Cities of Batangas, Cavite, Lipa, San Pablo, Tagaytay, Trece Martirez & Lucena and the Municipalities of Tiaong, Candelaria, Sariaya in Quezon.

b. Emerging Growth Areas or areas with predominantly rural/agricultural resource potential located at/or near the rapidly urbanizing and industrializing parts of the Region and the large Metro Manila markets composed of the remaining parts of Quezon, Puerto Princesa City in Palawan, San Jose in Occidental Mindoro, Calapan in Oriental Mindoro and Sta. Cruz in Marinduque;

c. Resource Based Areas with predominantly rural/agricultural resource potential far from internal regional and Metro Manila markets composed of the provinces of Aurora, Romblon and the rest of : Occidental Mindoro, Oriental Mindoro, Palawan and Marinduque.

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 hereby issues this Wage Order:

SECTION 1. AMOUNT OF MINIMUM WAGE. In line with the rationalization of wages between and among particular groups of workers and eliminating marginal differences between wage categories, the daily minimum wage rates of workers in the Region upon effectivity of the Order shall be as follows:

SECTOR	Growth Corridor <u>Area</u> <i>pesos/day</i>	Emerging Growth <u>Area</u> <i>pesos/day</i>	Resource Based <u>Area</u> <i>pesos/day</i>
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1. NON-AGRICULTURE (includes Private Hospitals & Retail Service Establishments) Employing more than 10 workers.	170.00	152.00	142.00
2. <u>AGRICULTURE PLANTATION</u> regardless of gross sales	150.00	137.00	132.00
3. <u>AGRICULTURE NON-PLANTATION</u>	130.00	117.00	112.00
4. <u>COTTAGE/ HANDICRAFT</u> Regardless of no. of workers	138.00	125.00	120.00

Three months after effectivity of the Order, wages for the non-agriculture sector shall be adjusted anew and shall be as follows:

<u>NON-AGRICULTURE</u> includes Private Hospitals & Retail Service Establishments Employing more than 10 workers	Growth Corridor <u>Area</u> <i>pesos/day</i>	Emerging Growth <u>Area</u> <i>pesos/day</i>	Resource Based <u>Area</u> <i>pesos/day</i>
	175.00	157.00	147.00

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 2. ON COVERAGE. The minimum wage rates prescribed under this Order shall apply to all covered employees in the private sector in the Region regardless of their position, designation or status and irrespective of the method by which their wages are paid, except:

- (a) Household or domestic helpers, family drivers and persons in the personal service of another and
- (b) Workers or Employees of Retail/Service Establishments regularly employing not more than (10).

SECTION 3. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS. For Private Educational Institutions subject to the regulation of the Department of Education and Culture, the prescribed minimum wage rate of this Order shall be applicable upon approval of the Department of Education and Culture of the school's application for increase in tuition fee rates but in no case will this temporary deferment be more than one year.

SECTION 4. APPLICATION TO ESTABLISHMENTS SUBJECT TO GOVERNMENT REGULATORY CONTROL. Establishments whose product/service pricing is subject to government regulatory control as in the case of electric cooperatives and other similarly situated establishments, the prescribed minimum wage shall be applicable upon approval of their new rates but in no case will this temporary deferment be more than one year.

SECTION 5. APPLICATION TO COOPERATIVES OR ASSOCIATIONS IMPLEMENTING LIVELIHOOD PROGRAMS. Cooperatives, non-government agencies or associations implementing livelihood programs under the government's social reform agenda and registered with the appropriate government agency are exempted for a period of one year.

SECTION 6. APPLICATION TO CONTRACTORS. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed minimum wage rates for covered workers shall be borne by the principals or clients of the construction /service contractor and the contract shall be deemed amended accordingly. In the event, however, that the principal or client fails to pay the prescribed

minimum wage rates, the construction/service contractor shall be jointly and severally liable with the principal or client.

SECTION 7. 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 8. APPLICATION TO EXPORTERS. For establishments in the Export Industry which earn at least fifty percent (50%) of its 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 be for a period of more than one year.

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 plus thirty day payment lag.

A written internal agreement on the manner of deferment period as agreed between employers and employees in the export sector shall take precedence over and guidelines specified in this section of the Order and its Implementing Rules provided said agreed deferment does not exceed one year.

SECTION 9. APPLICATION TO SPECIAL GROUPS OF WORKERS. Wage rates of apprentices, learners and handicapped workers shall in no case be less than seventy-five (75%) of the applicable minimum wage rates.

SECTION 10. CREDITABILITY PROVISIO. All forms of basic wage and/or salary increases, regardless of nature, provided they bring the actual wage and/or salary to the new minimum wage rates and provided further the resultant are equal to or greater than the minimum wage rates established under this Order are deemed creditable.

Future wage and/or salary increases up to three (3) months from the effectivity of this Wage Order may be accelerated and shall be deemed creditable as compliance to this Wage Order provided the resultant is equal to or greater than the minimum wage rates established under this Order.

Where said increases are less than the prescribed minimum wage rates in the Order, the employer shall pay the difference.

SECTION 11. EXEMPTION. Upon application with and as determined by the Regional Board in accordance with the applicable rules and regulations, distressed establishments as defined in the NWPC Guidelines No.01, Series of 1996 (Rules on Exemption).

The Regional Board has the option to grant partial exemption to distressed establishment as the Rules on 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 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 granted, covered workers and employees shall receive the appropriate compensation due them as provided for in this Order plus interest of one percent (1%) per month retroactive to the effectivity of this Order.

SECTION 12. EFFECTS ON EXISTING WAGE STRUCTURE. Wage/salary distortions and/or severe compression that may result as a consequence of this Order shall be addressed through mutual agreement by the employer and its employees or their representative unions.

Advisory formulae to correct distortions or severe compression are annexed to this Order as possible alternatives for the parties to consider.

The annexed formulae are neither compulsory nor mandatory in nature and any other agreement the parties may adopt shall take precedence to these formulae.

The pendency of a dispute arising from a wage distortion shall not in any way delay the applicability of any increase prescribed in this Order.

Disputes that may arise as a result of this Order shall be resolved in accordance with Article 124 of the Labor Code as amended.

SECTION 13. PENAL PROVISIONS Any employer who refuses or fails to pay the corresponding rates provided under this Order shall be subject to the penalties under R.A 6727 as amended by R.A. 8188 issued June 1996.

SECTION 14. PROHIBITION AGAINST INJUNCTION. No preliminary or permanent injunction or temporary restraining order may be issued by any court, tribunal or other entity against any proceeding before the Board

SECTION 15. 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 16. REPEALING /SEPARABILITY CLAUSE. If any provision or part of this Order is declared unconstitutional or invalid , the other provisions or parts shall remain valid. Nothing in this Wage Order shall be construed to reduced any existing wage rates, allowance or other benefits under existing laws, degrees, issuances , executive orders and/or under any contract or agreement between workers and employers.

SECTION 17. EFFECTIVITY. This Order shall take effect fifteen (15) days after its publication in at least one newspaper of general circulation in the Region.

Approved this 2nd day of April 1997 in Quezon City, Philippines.

(SGD) MAXIMO B. LIM
Chairman

(SGD) DITA M. MARALIT
Vice-Chairman

(SGD) OSCAR D. BALBASTRO
Vice-Chairman

(SGD) BENJAMIN P. BASQUINAS, JR.
Worker Representative

(SGD) OSCAR M. ACERON
Worker Representative

(SGD) MARCELINO C. PINEDA
Employer Representative

(SGD) RENATO B. ALMEDA
Employer Representative

Republic of the Philippines
Department of Labor and Employment
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
Regional Board No. IV

RULES IMPLEMENTING WAGE ORDER NO. IV-05

Pursuant to the authority granted to the Regional Tripartite Wage and Productivity Board under Revised Rules of Procedure on Minimum Wage Fixing, the following rules are hereby issued for guidance and compliance by all concerned:

RULE 1
GENERAL PROVISIONS

SECTION 1. TITLE. This Rules shall be known as “ Rules Implementing Wage Order IV-05;

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

- (a) “ *Order* “ means Wage Order No. IV - 05;
- (b) “ *Board*” means the Regional Tripartite Wages and Productivity Board of Region IV;
- (c) “ *Commission*” means the National Wages and Productivity Commission;
- (d) “ *Department*” means the Department of Labor and Employment;
- (e) “ *Region IV*” covers the provinces of Aurora, Batangas, Cavite, Laguna, Marinduque, Occidental Mindoro, Oriental Mindoro, Palawan, Quezon, Rizal and Romblon and the cities of Batangas, Cavite, Lipa, Lucena, Puerto Princesa, San Pablo, Tagaytay and Trece Martirez;
- (f) “ *Growth Corridor Area*” covers the provinces of Batangas, Cavite, Laguna and Rizal; the cities of Batangas, Cavite, Lipa, San Pablo, Tagaytay, Trece Martirez and Lucena; and the Municipalities of Tiaong, Candelaria, Sariaya in Quezon;
- (g) “ *Emerging Growth Area*” covers the remaining parts of Quezon, Puerto Princesa City in Palawan, San Jose in Occidental Mindoro, Calapan in Oriental Mindoro and Sta. Cruz in Marinduque.
- (h) “ *Resource Based Area*” covers the provinces of Aurora, Romblon and the rest of Occidental Mindoro, Oriental Mindoro, Palawan and Marinduque;
- (i) “ *Minimum Wage Rates*” refer to the minimum wage rates , as fixed by the Board, that an employer is obliged to pay his workers.
- (j) “ *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;
- (k) “ *Plantation Agricultural Enterprise*” is one engaged in agriculture with an area of more than 24 hectares in a locality or which employs at least 20 workers. Any other agricultural enterprise shall be considered as " Non-Plantation Agricultural Enterprise";
- (l) “ *Cottage/Handicraft*” 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/or capitalization of P 1,500,000.00 regardless of previous registration with the defunct NACIDA.

- (m) “*Distressed Establishments*” refer to establishments which meet the criteria enumerated in Section 3 A of NWPC No. 01, Series of 1996 (Rules on Exemption);
- (n) “*Retail Establishment*” is one principally engaged in the sale of goods to end-users for personal or household use;
- (o) “*Service Establishment*” is one principally engaged in the sale of service to individuals for their own or household use and is generally recognized as such;
- (p) “*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.

**RULE 2
NEW MINIMUM WAGE RATES**

SECTION 1. COVERAGE .The minimum wage rates prescribed under this Order shall apply to all covered employees in the private sector in the Region regardless of their position, designation or status, and irrespective of the method by which their wages are paid, except:

- i) Household or domestic helpers, including family drivers and workers in personal service of another.
- ii) Workers and employees of retail/service establishments regularly employing not more than ten (10) workers.

SECTION 2. AMOUNT OF MINIMUM WAGE. In line with the rationalization of wages between and among particular groups of workers and eliminating marginal differences between wage categories, the daily minimum wage rates of workers in the Region upon effectivity of the Order shall be as follows:

SECTOR	Growth Corridor <u>Area</u> pesos/day	Emerging Growth <u>Area</u> pesos/day	Resource Based <u>Area</u> pesos/day
1. <u>NON-AGRICULTURE</u> includes Private Hospitals & Retail Service Establishments employing more than ten (10) workers.	170.00	152.00	142.00
2. <u>AGRICULTURE PLANTATION</u> regardless of gross sales	150.00	137.00	132.00
3. <u>AGRICULTURE NON-PLANTATION</u>	130.00	117.00	112.00
4. <u>COTTAGE / HANDICRAFT</u> regardless of no. of workers	138.00	125.00	120.00

Three months after the effectivity of the Order, wages for non-agriculture sector shall be adjusted anew and shall be as follows:

<u>NON-AGRICULTURE</u> includes Private Hospitals & Retail Service Establishments Employing more than 10 workers	Growth Corridor <u>Area</u> pesos/day	Emerging Growth <u>Area</u> pesos/day	Resource Based <u>Area</u> pesos/day
	175.00	157.00	147.00

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. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS. For private schools of all levels which determine their rate of tuition and other school fees or charges subject to guidelines issued by the Department of Education, Culture and Sports or the Commission on Higher Education (CHED) as the case may be, the new minimum wage rate in this Order shall apply for school year 1997-1998 if tuition fees are increased for said school year. If no increase in tuition and other school fees is planned for school year 1997-1998, payment of the new minimum wage rate may be deferred but in no case will this temporary deferment be for more than one school year.

SECTION 4 APPLICATION TO ESTABLISHMENTS SUBJECT TO GOVERNMENT REGULATORY CONTROL. Upon application with and as determined by the Board, establishments whose product/service pricing is subject to government regulatory control as in the case of electric cooperatives and other similarly situated establishments, the prescribed minimum wage shall be applicable upon approval of their new rates but in no case will this temporary deferment be for more than one year.

SECTION 5. APPLICATION TO CONTRACTORS. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed wage increases shall be borne by the principals or clients of the construction/service contractors and the contract shall be deemed amended accordingly. In the event, however, that the principal or client fails to pay the prescribed wage rates, the construction/service contractor shall be jointly and severally liable with his principal or client.

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 equivalent of the new 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.

Wage rates of workers who are paid by results are governed by Article 101 of the Labor Code as amended and its implementing regulations.

SECTION 7. APPLICATION TO EXPORTERS .For establishments in the export industry which earn at least fifty percent (50%) of its normal operating revenues from export sales, whose product pricing is computed using labor costs based on previous mandated minimum wage rates, the effectivity of the new minimum wage rates under this Order shall be deferred but shall not be for a period of more than one year.

These condition shall be verified based on predominant and accepted documents used in the industry that should show applicant entered into contracts before April 28, 1997 and/or July 28, 1997, but that these contracts shall be concluded, that is, produced and delivered and consequently paid for between the periods April 28, 1997 to April 27,1998 and/or July 28, 1997 to July 27, 1998.

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 plus a thirty day payment lag.

A written internal agreement on the manner of deferment period as agreed between employers and employees in the export sector shall take precedence over any guidelines specified in this section of the Order and its Implementing Rules provided said agreed deferment does not exceed one year.

For purposes of representation, the incumbent bargaining agent union in the case of organized enterprises or the representatives of choice of the employees in the case of non-unionized enterprises shall represent the employees in the said agreement.

This internal agreement however has no automatic application but subject to the basic requirements of a deferment application.

Requirements of a deferment application are as follows:

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.

Proof of notice of filing of 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 a 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.

1. Supporting Documents as follows:

3.1 For Direct Exporters

- a. Proof of *50% Export Sales Status*
- b. Contracts with Foreign Buyer/s entered into before April 28, 1997 and/or July 28, 1997 but for production, delivery and subsequent payment between the periods April 28, 1997 to April 27, 1998 and/or July 28, 1997 to July 27, 1998.
- c. Invoices, Bills of Lading, Confirmed Inward Letters of Credit, Lading Certificate and other Commercial Documents with reference to contracts described in 3.1b.

3.2 For Indirect Exporters

- a. Certification from Consignee/s that export products consigned were in fact sold by consignee/s.
- b. Proof of *50% Export Sale Status* of Consignee/s
- c. Contracts with Consignee/s entered into before April 28, 1997 and/or July 28, 1997, but for production, delivery and subsequent payment between the period April 28, 1997 to April 27, 1998 and /or July 28, 1997 to July 27, 1998.
- d. Purchase Orders, Invoices, Receipts and other Commercial Documents with reference to contracts described in 3.2c.

3.3. For Exporters (Direct or Indirect) and Workers who Decide to Agree on the Length of Period of Deferment.

- a. In the case of Direct Exporters, proof of *50% Export Sale Status*. In the Case of Indirect Exporters, certification from Consignee/s that export products consigned were in fact sold by Consignee/s and proof of *50% Export Sale Status* of Consignee/s.
- b. Written internal agreement under oath between the employers and employees on the length of period of deferment.

Deferment application shall be filed not later than sixty (60) days from the publication of these Rules. The date of mailing shall be the date of filing.

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 this Order shall be deferred pending resolution of the application for deferment by the Regional Board.

In the event that an application for deferment is not granted or is fully granted, covered workers and employees shall receive the appropriate compensation due them as provided for in this Order plus interest of one (1%) per month retroactive to the effectivity of this Order or from the period not covered by the grant of deferment, whichever is applicable.

SECTION 8. APPLICATION TO SPECIAL GROUPS OF WORKERS. Wage rates of apprentices, learners and handicapped workers shall in no case be less than seventy-five (75%) of the applicable minimum wage rates .

All recognized learnership and apprenticeship agreements entered into before April 28, 1997 and/or July 28, 1997, shall be considered as automatically modified insofar as their wage clauses are concerned to reflect the increase prescribed under the Order

SECTION 9. CREDITABILITY PROVISIO. All forms of basic wage and/or salary increases, regardless of nature, provided they bring the actual wage and/or salary to the new minimum wage rates and provided further the resultant is equal to or greater than the minimum wage rates established under this Order are deemed creditable .

Future wage and/or salary increases up to three (3) months from the effectivity of this Wage Order may be accelerated and shall be deemed creditable as compliance to this Wage Order provided the resultant is equal to or greater than the minimum wage rates established under this Order .

Where said increases are less than the new minimum wage rates in the Order, the employer shall pay the difference.

SECTION 10. EXEMPTION. Upon application with and as determined by the Board in accordance with the applicable rules and regulations issued by the Commission , distressed establishments as defined in the NWPC Guidelines No.01, Series of 1996 (Rules on Exemption) may be exempted.

Requirements of exemption applications are as follows:

1. 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.
2. Proof of notice of filing of 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 a 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 worker's representative was furnished a copy of the application with all the supporting documents. The notice shall be posted in a conspicuous place.
3. Supporting Documents as follows:
 - 3.1 Audited Financial Statements together with auditor's opinion and the notes thereto for the last two full accounting periods (1995-1996) filed with and stamped "received" by the Securities and Exchange Commission and the Bureau of Internal Revenue;
 - 3.2 Audited interim quarterly financial statements together with Auditor's opinion and the notes thereto for the period immediately preceding the effectivity of the order;

Application for exemption shall be filed not later than sixty days from the publication of this Rules. The date of mailing shall be the date of filing.

The Regional Board has the option to grant partial exemption to distressed establishment as warranted

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 granted, covered workers and employees shall receive the appropriate compensation due them as provided for in this Order plus interest of one percent (1%) per month retroactive to the effectivity of this Order.

SECTION 11. EFFECTS ON EXISTING WAGE STRUCTURE. Wage/salary distortions and/or severe compression which may result as a consequence of this Order shall be addressed through mutual agreement by the employer and its employees or their representative unions .

Advisory formulae to correct distortions or severe compression annexed to the Order as possible alternatives for the parties to consider. (Annex A)

The annexed formulae are neither compulsory nor mandatory in nature and any other agreement the parties may adopt shall take precedence to this formulae.

The pendency of a dispute arising from a wage distortion shall not in any way delay the applicability of any increase prescribed in this Order.

Disputes which may arise as a result of this Order shall be resolved in accordance with Article 124 of the Labor Code as amended .

SECTION 12. COMPLAINTS FOR NON-COMPLIANCE. Complaints for non-compliance with the new minimum wage rates provided in this rules shall be filed with the regional Office of the Department of Labor and Employment and shall be subject to enforcement proceedings under 128 and 129 of the Labor Code as amended.

SECTION 13. PENAL PROVISIONS. Any employer who refuses or fails to pay the corresponding rates provided under this Order shall be subject to the penalties under R.A 6727 as amended by R.A.8188 issued June 1996 .

SECTION 14 . PROHIBITION AGAINST INJUNCTION. No preliminary or permanent injunction or temporary restraining order may be issued by any court, tribunal or other entity against any proceeding before the Board

SECTION 15. REPEALING / SEPARABILITY CLAUSE. If any provision or part of this Order is declared unconstitutional or invalid , the other provisions or parts shall remain valid. Nothing in this Wage Order shall be construed to reduce any existing wage rates, allowance or other benefits under existing laws, degrees, issuances, executive orders and/or under any contract or agreement between workers and employers.

SECTION 16. EFFECTIVITY. This Rules shall take effect concurrent with the effectivity of the Order of which it is part of .

Done this 2nd day of April 1997 . Quezon City, Philippines .

(SGD) MAXIMO B. LIM
Chairman

(SGD)DITA M. MARALIT
Vice-Chairman

(SGD) OSCAR D.BALBASTRO
Vice-Chairman

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

(SGD) OSCAR M. ACERON
Worker Representative

(SGD)MARCELINO C. PINEDA
Employer Representative

(SGD) RENATO B. ALMEDA
Employer Representative

Approved this 29th day of May 1997. Manila, Philippines.

(SGD) LEONARDO A. QUISUMBING
Secretary of Labor and Employment

AMENDING WAGE ORDER NO. IV-05, DELETING SECTION 5 THEREOF

WHEREAS, on April 02, 1997, the Regional Tripartite Wages and Productivity Board, Regional Board No. IV issued Wage Order IV-05 pursuant to its mandate under Republic Act No. 6727;

WHEREAS, Section 5 of Wage Order IV-05 reads: “**Application to Cooperatives or Associations Implementing Livelihood Programs**. Cooperatives, non-government agencies or associations implementing livelihood programs under the governments’ Social Reform Agenda and registered with the appropriate government agency are exempted for a period of one year”;

WHEREAS, in retrospect, Section 5 is deemed apt, that is, any form of disincentives to workers of said entities would run counter to their commitments and the very purpose of their creation;

NOW THEREFORE, in view of the foregoing, the Board resolves, as it hereby resolves, to delete Section 5 of Wage Order IV-05 in its entirety

The effectivity of this amendment shall retroact to 28 April 1997 concurrent with the effectivity of the Order of which it is part of.

Done this 19th day of June 1997. Quezon City, Philippines

MAXIMO B. LIM

Chairman

DITA M. MARALIT

Vice-Chairman

OSCAR D. BALBASTRO

Vice-Chairman

BENJAMIN P. BASQUIÑAS, JR.

Workers Representative

OSCAR M. ACERON

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MARCELINO C. PINEDA

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RENATO B. ALMEDA

Employer Representative