



Republic of the Philippines
Department of Labor and Employment
National Wages Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD V
Bicol Region

ANST Building, Washington Drive, Legazpi City
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WAGE ORDER NO. RBV-18

PROVIDING FOR NEW WAGE STRUCTURE AND PRESCRIBING NEW MINIMUM WAGE RATES TO PRIVATE SECTOR WORKERS IN BICOL REGION

WHEREAS, under Republic Act (RA) 6727 otherwise known as *The Wage Rationalization Act*, the Regional Tripartite Wages and Productivity Boards are mandated to set the applicable minimum wage of workers in the private establishments in the regions following a standard minimum wage fixing process and set of criteria.

WHEREAS, pursuant to its mandate under the law to periodically assess the prevailing socio-economic conditions in the Region and to review *motu proprio* the existing minimum wage therein, the Regional Tripartite Wages and Productivity Board V (Board) after publication and due notice to all concerned sectors conducted public wage consultations/hearings in Camarines Norte on April 4, 2017, Camarines Sur on April 5, 2017, Albay on April 6, 2017, Catanduanes on April 7, 2017, Masbate on April 19, 2017 and Sorsogon on April 21, 2017;

WHEREAS, consistent with the government policy of achieving higher levels of productivity to promote economic growth and generate jobs, and to augment the income of workers, there is a need to build the capacity of business enterprises to be competitive through productivity improvement and gainsharing programs;

WHEREAS, there is a need to continuously promote the implementation of the Two-Tiered Wage System in the Region for the effective protection of the minimum wage earners by setting the floor wage and for the equitable distribution of the benefits from productivity growth by establishing performance-based incentives schemes applicable to both labor and management;

WHEREAS, after a thorough evaluation of the existing socio-economic conditions of the Region and based on the public hearings, consultations, studies and deliberations conducted, the Board has determined the need to provide workers with immediate relief to cope with the rising cost of living without impairing the viability of business;

WHEREAS, the Board has collectively agreed to simplify the wage structure and adopted employment size in determining the classification of the establishments for improved and easier implementation of the Wage Order;

WHEREAS, based on Philippine Statistics Authority (PSA) Data on 2015 List of Establishments, of the 34,186 establishments in Region V, most of them are micro establishments (*employing 1 to 9 workers*) which accounts for 92.4% thereof. Small establishments (*employing 10 to 99 workers*) are merely 7%, while medium (*employing 100 to 199 workers*) and large establishments (*employing 200 and above workers*) account for 0.3% only. In terms of employment in private establishments in Bicol, 80% of the workers belong to the service sector, while the 19% of the workers are in the industry sector and only 1% of the workers are in agriculture sector.

NOW, THEREFORE, by virtue of the power and authority vested under Republic Act No. 6727, the Regional Tripartite Wages and Productivity Board V hereby issues this Wage Order.

Section 1. Upon effectivity of this Wage Order:

1.1 Simplification of Sectoral/Industry Classifications. The industry/sector classifications shall be reclassified as follows:

<i>Employment Size, All Sectors</i>
A) Establishments employing 10 workers and above
B) Establishments employing 1 to 9 workers

- 1.2. Increase.** There shall be an increase in the basic wage, as follows:
- P25.00 per day for establishments employing 11 workers and above;
 - P42.00 per day for establishments employing 10 workers;
 - P32.00 per day for establishments employing 1 to 9 workers.

Section 2. NEW MINIMUM WAGE RATES. The new daily minimum wage rates of workers and employees in the private sector in the Region shall be as follows:

<i>Establishment Classification</i>	<i>New Minimum Wage Rates</i>
A) Establishments employing <u>10 workers and above</u>	P290.00
B) Establishments employing <u>1 to 9 workers</u>	P280.00

Section 3. COVERAGE. The wage rate per day prescribed in this Order shall apply to all minimum wage earners in the private sector in the Region regardless of their position, designation or status of employment and irrespective of the method by which they are paid.

This Wage Order shall not cover kasambahay/domestic workers, persons in the personal service of another, including family drivers, and workers of duly registered Barangay Micro-Business Enterprises (BMBEs) with Certificates of Authority pursuant to RA 9178, as amended.

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

Section 5. 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 prescribed minimum wage rates per eight (8) hours work a day, or a proportion thereof for working less than eight (8) hours.

Section 6. WAGES OF SPECIAL GROUPS OF WORKERS. Apprentices and learners shall receive not less than seventy-five (75%) of the applicable minimum wage rate prescribed herein.

All 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 wage rates.

All qualified handicapped workers shall receive the full amount of the minimum wage rate in this Order pursuant to R.A. 7277, also known as *The Magna Carta for Disabled Persons*.

Section 7. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS. In the case of private educational institutions, the share of covered workers and employees in the increase in tuition fees for School Year 2017-2018 shall be considered as compliance with the increase set forth herein. However, payment of any shortfall in the wage increase set forth herein shall be covered starting school year 2018-2019.

Private educational institutions, which have not increased their tuition fees for the School Year 2017-2018, may defer compliance with the provisions of this Order until the beginning of School Year 2018-2019.

In any case, all private educational institutions shall implement the wage rates prescribed herein starting School Year 2018-2019.

Section 8. APPLICATION TO CONTRACTORS. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed minimum wage rates of the workers shall be borne by the principals or clients of the construction/service contractors and the contracts 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 his principal or client.

Section 9. PRODUCTIVITY AND OTHER PERFORMANCE INCENTIVE SCHEMES. In order to sustain the rising levels of wages and enhance competitiveness, businesses or labor and management as partners are strongly encouraged to adopt productivity improvement schemes, that will improve the quality of life of workers and in turn enable them to produce more and earn more, such as time and motion studies, good housekeeping, quality circles, labor-management cooperation as well as implement gainsharing programs and other performance incentive programs.

Section 10. EXEMPTION. No exemption from compliance under this Wage order shall be allowed except for those automatically exempted as provided by law.

However, in case of calamity, the Board may accept applications for exemption for establishments adversely affected by calamities such as natural and/or human-induced disasters, subject to NWPC Guidelines No. 02, series of 2007 as amended by NWPC Resolution No. 01, series of 2014.

Section 11. APPEAL TO THE COMMISSION. Any party aggrieved by this Wage Order may file a verified appeal with the Commission, through the Board, in three (3) printed copies, not later than ten (10) calendar days from the publication of this Order.

Section 14. 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) having jurisdiction over the workplace and shall be subject to mandatory thirty (30) days conciliation and mediation process under Single Entry Approach (SEnA) However, if settlement fails, the case becomes subject of enforcement proceedings under Article 128 and 129 of the Labor Code, *as amended*.

Section 15. NON-DIMINUTION OF BENEFITS. Nothing in this Order shall be construed to reduce any existing wage rates, allowances and benefits of any form under existing laws, decrees, issuances, executive orders and/or under any contract or agreement between the workers and employers or employer practices or policies.

Section 16. PENAL PROVISION. Any person, corporation, trust or firm, partnership, association or entity which refuses or fails to pay the prescribed wage increase/allowance/rates in accordance with this Order shall be subject to the penal provisions under R.A. 6727, *as amended by RA 8188*.

Section 17. PROHIBITION AGAINST INJUNCTION. No preliminary or permanent injunction or temporary restraining order may be issued by any court, tribunal or other entity against any proceedings before the Board.

Section 18. FREEDOM TO BARGAIN. This Order shall not be construed to prevent workers in particular firms or enterprises of industries from bargaining for higher wages with their respective employers.

Section 19. 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, 2018 and every year thereafter in accordance with section 3 of RA 6727 in relation to Article 124 of the Labor Code of the Philippines, as amended, and in the form prescribed by the Commission.

Section 20. REPEALING CLAUSE. All orders, issuances, rules and regulations or parts thereof inconsistent with the provisions of this Wage Order are hereby repealed, amended or modified accordingly.

Section 21. SEPARABILITY CLAUSE. If, for any reason, any section or provision of this Order is declared unconstitutional, or in conflict with existing law,, the other provisions or parts thereof shall remain valid.

Section 22. IMPLEMENTING RULES. The Board shall submit to the Commission the necessary Rules and Regulations to implement this Wage Order subject to the approval of the Secretary of Labor and Employment, not later than ten (10) days from publication of this Wage Order.

Section 23. ADVISORY ON PRODUCTIVITY-BASED PAY. Based on the Two-Tiered Wage System, the Board shall issue the corresponding advisories on productivity-based pay which shall serve as guidelines for private sector on the range of productivity bonuses and incentives that an enterprise may provide based on agreement between the workers and the management.

The DOLE Regional Office shall monitor the implementation of the agreed productivity-based pay.

Section 24. EFFECTIVITY. This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation in the Region.

APPROVED: 25 April 2017, Legazpi City, Philippines.

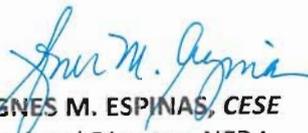
MARCELO S. TAN
Employer's Representative


EDGARDO T. NAVARROZA
Employer's Representative


ENGR. JOCELYN LB. BLANCO, CESO II
Regional Director, DTI
Vice-Chairperson


RONALDO C. AFABLE
Worker's Representative

(vacant)
Worker's Representative


AGNES M. ESPINAS, CESE
Regional Director, NEDA
Vice-Chairperson


ATTY. MA. KARINA B. TRAYVILLA
Regional Director, DOLE
Chairperson



RULES IMPLEMENTING WAGE ORDER NO. RBV-18

Rule I - General Provisions

Pursuant to Section 6, Rule IV of the National Wages Productivity Commission Guidelines No. 01, series of 2007, otherwise known as Amended Rules of Procedure on Minimum Wage Fixing and Section 22 of Wage Order No. RBV-18, the following Rules are hereby issued for the guidance and compliance by all concerned.

Section 1. Title. This Rules shall be known as the "Rules Implementing Wage Order No. RBV-18".

Section 2. Definition of Terms.

- a. **Order** means Wage Order No. RBV-18;
- b. **Department** refers to the Department of Labor and Employment;
- c. **Commission** refers to the National Wages and Productivity Commission;
- d. **Board** refers to the Regional Tripartite Wages and Productivity Board in Region V;
- e. **Regional Office** refers to the regional office of the Department of Labor and Employment in Region V;
- f. **Region V** covers the Provinces of Albay, Camarines Norte, Camarines Sur, Catanduanes, Masbate, Sorsogon and the Cities of Iriga, Legazpi, Ligao, Masbate, Naga, Sorsogon and Tabaco;
- g. **Establishment** refers to an economic unit that engages in one or predominantly one kind of economic activity at a single fixed location. For purposes of determining eligibility for exemption, establishments under the same owner/s but are separately registered with the Local Government Unit (LGU), Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) or Cooperative Development Authority (CDA) as the case may be, irrespective of their location, shall be treated as individual and distinct establishments;
- h. **Basic Wage** means all remuneration or earnings paid by an employer to a worker for services rendered on normal working days and hours but does not include cost-of-living allowances, profit-sharing payments, overtime and premium payments, 13th month pay or other monetary benefits which are not considered as part of nor integrated into the regular salary of the employees on the date the Order became effective;
- i. **Minimum Wage Rate** refers to the lowest wage rate that an employer can pay his workers as fixed by the Board which may consist of the basic wage only or the sum of the basic wage and COLA, if there is any;
- j. **Wage Distortion** means a situation where the application of the wage increase prescribed in a Wage Order, 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;

- k. **Two-Tiered Wage System** – refers to a pay system consisting of minimum wage (Tier One) and incentive pay based on productivity improvement and gainsharing (Tier Two);
- l. **Advisory** – refers to the Wage Advisory issued by the Board in accordance with the Two-Tiered System;
- m. **Establishments Adversely Affected by Natural Calamities and Human-Induced Disasters** refers to establishments in an area declared by a competent authority to be under a state of calamity. The natural calamities, such as earthquakes, lahar flow, typhoons, volcanic eruptions, fire floods and similar occurrences must have occurred within six (6) months prior to the effectivity of the Order;
- n. **State of Calamity** – refers to a condition involving mass casualty and/or major damage to property, disruption of means of livelihood, roads and normal way of life of people in the affected areas as a result of the occurrence of natural or human-induced hazard;
- o. **Hazard** – a dangerous phenomenon, substance, human activity or condition that may cause loss of life, injury and other health impacts, property damage, loss of livelihood or services, social and economic disruption, or environmental damage: any potential threat to public safety or public health; any phenomenon which has the potential to cause disruption or damage to people, their property, their services or their environment, i.e. their communities. The four classes of hazards are natural, technological, biological and societal hazards;
- p. **Disaster** – a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts, which exceed the ability of the affected community or society to cope using its own resources; an actual threat to public health and safety where the local government and the emergency services are unable to meet the immediate needs of the community; an event in which the local emergency management measures are insufficient to cope with a hazard, whether due to lack of time, capacity or resources, resulting in unacceptable levels of damage or number of casualties.

Rule II - The New Minimum Wage Rates

Section 1. Upon effectivity of this Wage Order:

1.1 Simplification of Sectoral/Industry Classifications. The industry/sector classifications shall be reclassified as follows:

<i>Employment Size, All Sectors</i>
A) Establishments employing 10 workers and above
B) Establishments employing 1 to 9 workers

1.2. Increase. There shall be an increase in the basic wage, as follows:

- a. P25.00 per day for establishments employing 11 workers and above;
- b. P42.00 per day for establishments employing 10 workers;
- c. P32.00 per day for establishments employing 1 to 9 workers.

[Handwritten signatures and initials in blue ink, including a large signature that appears to read 'Ambar' and another that reads 'M. Aguirre']

Section 2. New Minimum Wage Rates. The new daily minimum wage rates of workers and employees in the private sector shall be as follows:

<i>Establishments</i>	<i>New Minimum Wage Rates</i>
A) Establishments employing <u>10 workers and above</u>	P290.00
B) Establishments employing <u>1 to 9 workers</u>	P280.00

Section 3. Coverage. The wage rate per day prescribed in this Order shall apply to all minimum wage earners in the private sector in the Region regardless of their position, designation or status of employment and irrespective of the method by which they are paid.

This Wage Order shall not cover Kasambahay/domestic workers, persons in the personal service of another, including family drivers, and workers of duly registered Barangay Micro-Business Enterprises (BMBEs) with Certificates of Authority pursuant to RA 9178, as amended.

Section 4. Basis of Minimum Wage Rates. The new minimum wage rates prescribed under the Order shall be for the normal working hours, which shall not exceed eight (8) hours work a day.

Section 5. 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 prescribed minimum wage rates per eight (8) hours work a day, or a proportion thereof for working less than eight (8) hours.

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

- a. $\frac{\text{Amount in Increase in AMW}^*}{\text{Previous AMW}} \times 100 = \% \text{ Increase}$
- 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.

Section 6. Wages of Special Groups of Workers. Apprentices and learners shall receive not less than seventy-five (75%) of the applicable minimum wage rate prescribed herein.

All 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 wage rates.

All qualified handicapped workers shall receive the full amount of the minimum wage rate in this Order pursuant to R.A. 7277, also known as *The Magna Carta for Disabled Persons*.

Section 7. Application to Private Educational Institutions. In the case of private educational institutions, the share of covered workers and employees in the increase in tuition fees for School Year 2017-2018 shall be considered as compliance with the increase set forth herein. However, payment of any shortfall in the wage increase set forth herein shall be covered starting school year 2018-2019.

Private educational institutions, which have not increased their tuition fees for the School Year 2017-2018, may defer compliance with the provisions of this Order until the beginning of School Year 2018-2019.

In any case, all private educational institutions shall implement the wage rates prescribed herein starting School Year 2018-2019.

Section 8. Application to Contractors. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed minimum wage rates of the workers shall be borne by the principals or clients of the construction/service contractors and the contracts 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 his principal or client.

Section 9. Suggested Formula in Determining the Equivalent Monthly Regional Minimum Wage Rates. Without prejudice to existing company practices, agreements or policies, the following formula may be used as guides in determining the equivalent monthly minimum wage rates:

- A. For those who are required to work everyday including Sundays or rest days, special days and regular holidays:

$$\text{Equivalent Monthly Rate (EMR)} = \frac{\text{Applicable Daily Wage Rate (ADR)} \times 393.50 \text{ days}}{12}$$

Where 393.50 days:

298	Days	- Ordinary working days
24	Days	- 12 regular holidays x 200%
67.60	Days	- 52 rest days x 130%
3.90	Days	- 3 special days x 130%
<u>393.50</u>	Days	- Total equivalent number of days

- B. For those who do not work but are considered paid on rest days, special days and regular holiday:

$$\text{EMR} = \frac{\text{ADR} \times 365 \text{ days}}{12}$$

Where 365 days:

298	Days	- Ordinary working days
52	Days	- Rest days/Sundays
12	Days	- Regular Holidays
3	Days	- Special days
<u>365</u>	Days	- Total equivalent number of days

- C. For those who do not work and are not considered paid on Sundays or rest days:

$$\text{EMR} = \frac{\text{ADR} \times 310 \text{ days}}{12}$$

Where 313 days:

298	Days	- Ordinary working days
12	Days	- Regular Holidays
3	Days	- 3 Special days (if worked) x 130%
<u>313</u>	Days	- Total equivalent number of days

- D. For those who do not work and are not considered paid on Saturdays and Sundays or rest days:

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$$\text{EMR} = \frac{\text{ADR} \times 261 \text{ days}}{12}$$

12

Where 261 days:

246	Days	-	Ordinary working days
12	Days	-	Regular Holidays
3	Days	-	3 Special days (if worked) x 130%
261	days	-	Total equivalent number of days

Section 10. Mobile and Branch Workers. The prescribed minimum wage rates of workers, who by the 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 the Region shall be those applicable in the place where they are stationed.

Section 11. Transfer of Personnel. The transfer of personnel to areas outside the Region shall not be a valid ground for the reduction of the wage rates being enjoyed by the workers prior to such transfer. The workers transferred to other regions with higher wage rates shall be entitled to the minimum wage rates applicable therein.

Section 12. Productivity and other Performance Incentive Schemes. In order to sustain the rising levels of wages and enhance competitiveness, businesses or labor and management as partners are strongly encouraged to adopt productivity improvement schemes, that will improve the quality of life of workers and in turn enable them to produce more and earn more, such as time and motion studies, good housekeeping, quality circles, labor-management cooperation as well as implement gainsharing programs and other performance incentive programs.

Section 13. Creditable Wage Increase. Wage increases or allowances granted by an employer within three (3) months before the effectivity of this Order shall be credited as compliance with the prescribed increase set forth herein. Where the wage increases or allowances granted are less than that prescribed under this Order, the employer shall pay the difference.

Anniversary wage increases provided in collective bargaining agreements, merit wage increases and those resulting from the regularization or promotion of employees shall not be credited as compliance herewith.

Section 14. Exemption. No exemption from compliance under the Wage Order shall be allowed. However, in case of calamity, the Board may accept applications for exemption for establishments adversely affected by calamities such as natural and/or human-induced disasters, subject to NWPC Guidelines No. 02, series of 2007 as amended by NWPC Resolution No. 01, series of 2014.

Section 15. Appeal to the Commission. Any party aggrieved by the Wage Order may file an appeal with the Commission through the Board within ten (10) calendar days from its publication. The Commission shall decide the appeal within sixty (60) calendar days from the date of filing. The appeal shall be accompanied by a memorandum of appeal which shall state the grounds relied upon and the arguments in support of the appeal.

Section 16. Grounds for Appeal. An appeal may be filed on the following grounds:

1. Non-conformity with prescribed guidelines and/or procedures;
2. Questions of law;
3. Grave abuse of discretion.

Section 17. Transmittal of Records. Immediately upon receipt of the appeal, the Board Secretariat shall transmit to the Commission Secretariat the appeal and a copy of the subject Wage Order together with the complete records of the case and all relevant documents.

Section 18. Effect of 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.

Rule III - Special Provisions

Section 1. Effect on Existing Wage Structure. Should any dispute arise as a result of wage distortion, the employer and the union shall negotiate to correct the distortions 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 disputes shall be decided by the voluntary arbitrator or panel of voluntary arbitrators within ten (10) calendar days from the time said dispute is referred to voluntary arbitration.

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

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

Section 2. 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) having jurisdiction over the workplace and shall be subject to mandatory thirty (30) days conciliation and mediation process under Single Entry Approach (SEnA) However, if settlement fails, the case becomes subject of enforcement proceedings under Article 128 and 129 of the Labor Code of the Philippines, *as amended*.

Section 3. Non-diminution of Benefits. Nothing in the Order and this Rule 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 or employer' practices or policies.

Section 4. Penal Provision. Pursuant to the 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 than 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 firms, partnership, association or any 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 manager, managing director or partner.

Section 5. Prohibition Against Injunction. No preliminary or permanent injunction or temporary restraining order may be issued by any court, tribunal or other entity against any proceedings before the Board.

Section 6. 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 7. 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, 2018 and every year thereafter in accordance with Section 3 of RA 6727 in relation to Article 124 of the Labor Code of the Philippines, *as amended*.

Section 8. Repealing Clause. All orders, issuances, rules and regulations on wage, or parts thereof inconsistent with the provisions of the Wage Order and this Rules are hereby repealed, amended or modified accordingly.

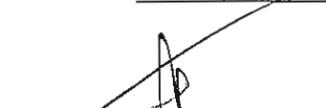
Section 9. Separability Clause. If any provision or part of the Order and this Rules, or the application thereof to any person or circumstance is held invalid or unconstitutional, the remainder of the Order and this Rules or the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.

Section 10. Advisory on Productivity-based Pay. Based on the Two-Tiered Wage System, the Board shall issue the corresponding advisories on productivity-based pay which shall serve as guidelines for private sector on the range of productivity bonuses and incentives that an enterprise may provide based on agreement between the workers and the management.

The DOLE Regional Office shall monitor the implementation of the agreed productivity-based pay.

Section 11. Effectivity of Rules. This Rules shall take effect upon the effectivity of the Wage Order.

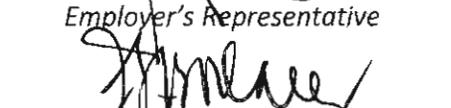
Done this 25th day of April 2017 in Legazpi City, Philippines.


MARCELO S. TAN
Employer's Representative


RONALDO C. AFABLE
Worker's Representative


EDGARDO T. NAVARROZA
Employer's Representative

(vacant)
Worker's Representative


ENGR. JOCELYN LB. BLANCO, CESO II
Regional Director, DTI
Vice-Chairperson


AGNES M. ESPINAS, CESO III
Regional Director, NEDA
Vice-Chairperson


ATTY. MA. KARINA P. TRAYVILLA
Regional Director, DOLE
Chairperson

APPROVED this 7th day of JUNE, 2017 in Manila, Philippines.


SILVESTRE H. BELLO III
Secretary
Department of Labor and Employment