



## WAGE ORDER NO. RBVI-16

### PROVIDING FOR EMERGENCY RELIEF ALLOWANCE FOR MINIMUM WAGE EARNERS IN WESTERN VISAYAS

*[Handwritten signature]*  
**WHEREAS**, the Regional Tripartite Wages and Productivity Board- Regional Board VI - Western Visayas (RTWPB-VI) is mandated under R.A. 6727 (The Wage Rationalization Act), to periodically assess the wage rates and conduct continuing studies in the determination of the minimum wage rates applicable in the region or industry;

**WHEREAS**, RTWPB VI issued on September 12, 2007 Wage Order No. RBVI-15 which took effect on October 5, 2007 and under Section 3, Rule IV of the Amended Rules of Procedure on Minimum Wage Fixing it is provided that any wage order issued by the Board may not be disturbed for a period of twelve months from its effectivity, and no petition for wage increase shall be entertained within the said period;

**WHEREAS**, in the event, however, that supervening conditions, such as extraordinary increase in prices of petroleum products and basic goods/services, demand a review of the minimum wage rates as determine by the Board and confirmed by the Commission, the Board shall proceed to exercise its wage fixing functions even before the expiration of the said period;

**WHEREAS**, on May 1, 2008, the Board passed Resolution No. 1 series of 2008 declaring the existence of supervening events which was affirmed by the National Wages and Productivity Commission on May 7, 2008;

*[Handwritten signature]*  
**WHEREAS**, prior to the above declaration, the Board, on April 2, 2008 received a petition from the NACUSIP-TUCP for a P50.00-a-day across the board wage increase;

*[Handwritten signature]*  
**WHEREAS**, after due notice to all concerned sectors, the RTWPB-VI conducted consultations with labor and employers sectors on April 28, 2008 in San Jose, Antique; April 29, 2008 in Roxas City, Capiz, April 30, 2008 in Kalibo, Aklan; May 6, 2008 in Iloilo City and May 7 and 22, 2008 and in Bacolod City;

**WHEREAS**, after the evaluation of the socio-economic factors in the region including the result of the public hearing and the position papers submitted, the Board determined the necessity of granting relief to the workers without impairing the viability of the employers;

**NOW, THEREFORE**, by virtue of the power and authority vested under Republic Act No. 6727, the RTWPB VI hereby issues this Wage Order.

*[Handwritten signature]*

**Section 1. AMOUNT OF EMERGENCY RELIEF ALLOWANCE (ERA).** Upon effectivity of this Wage Order, an **Emergency Relief Allowance (ERA) of P15.00 per day** shall be granted to all minimum wage earners in the region until October 15, 2008, thereupon, the Board will review and discuss the updates on the supervening issue that has created the ERA.

**Section 2. COVERAGE.** The Emergency Relief Allowance prescribed in this Wage 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 regardless of the method by which they are paid.

This Wage Order shall not cover household or domestic helpers; 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 Republic Act 9178.

**Section 3. APPLICATION TO CONTRACTORS.** In the case of contracts for construction projects and for security, janitorial and similar services, the ERA prescribed in this Order 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 principals or clients fail to pay the prescribed wage rates, the construction/service contractor shall be jointly and severally liable with his principal or client.

**Section 4. WORKERS PAID BY RESULT.** All workers paid by result, including those who are paid on piecework, "takay", "pakyaw" or task basis, shall be entitled to receive the prescribed ERA per eight (8) hours work a day, or a proportion thereof for working less than eight (8) hours.

**Section 5. WAGES OF SPECIAL GROUPS OF WORKERS.** The ERA of apprentices and learners shall in no case be less than seventy-five (75%) percent of the applicable ERA 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 minimum wage rates.

All qualified handicapped workers shall receive the full amount of the ERA prescribed herein pursuant to Republic Act No. 7277, otherwise known as the Magna Carta for Disabled Persons.

**Section 6. EXEMPTIONS.** No exemptions shall be allowed.

**Section 7. APPEAL TO THE COMMISSION.** Any party aggrieved by this Wage Order may file an appeal to the Commission, through the Board, in three (3) printed copies, not later than ten (10) days from the publication of this Wage Order.

**Section 8. EFFECTS ON EXISTING WAGE STRUCTURE.** Where the application of the ERA prescribed in this Order results in distortions in the wage structure within the establishment, it shall be corrected in accordance with the procedure provided for under Article 124 of Presidential Decree No. 442, as amended, otherwise known as the Labor Code of the Philippines.

**Section 9. 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, and shall be the subject of enforcement proceedings under Articles 128 and 129 of the Labor Code, as amended.

**Section 10. PRODUCTIVITY AND OTHER PERFORMANCE INCENTIVE PROGRAMS.** In order to sustain rising levels of wages and enhance competitiveness, labor and management as partners are 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 and management cooperation as well as implement gain-sharing and other performance incentive programs.

**Section 11. NON-DIMINUTION OF BENEFITS.** Nothing in this Order shall be construed to reduce any existing wage rates, allowances and benefits of any form under existing laws, decrees, issuances, executive orders and/or under any contract or agreement between the workers and employers.

**Section 12. 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 13. FREEDOM TO BARGAIN.** This Order shall not be construed to prevent workers in particular firms or enterprises or industries from bargaining for higher wages with their respective employers.

**Section 14. REPORTING REQUIREMENT.** Any person, company, corporation, partnership or any entity engaged in business shall submit a verified report on their wage structure to the Board not later than January 31, 2009 and every year thereafter in accordance with the form prescribed by the National Wages and Productivity Commission.

**Section 15. PENAL PROVISION.** Any employer who refuses or fails to comply with this Order shall be subject to the penalties specified under RA 6727, as amended under R.A. No. 8188.

**Section 16. 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 17. **SEPARABILITY CLAUSE.** If any provision or part of this Wage Order is declared unconstitutional, or in conflict with existing law, the other provisions or parts thereof shall remain valid.

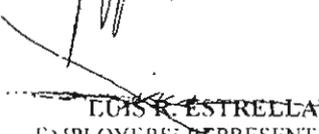
Section 18. **IMPLEMENTING RULES.** The Regional Tripartite Wages and Productivity Board VI shall submit to the Commission the necessary Rules and Regulations to implement this Order for approval by the DOLE Secretary.

Section 19. **EFFECTIVITY.** This Order shall take effect fifteen (15) days after its publication in at least one (1) newspaper of general circulation in the region.

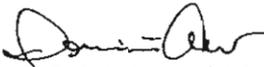
**APPROVED.** Bacolod City for Iloilo City, Philippines, 22 May 2008.



JOHN PETER Z. MILLAN  
EMPLOYERS' REPRESENTATIVE



~~LUIS R. ESTRELLA~~  
EMPLOYERS' REPRESENTATIVE



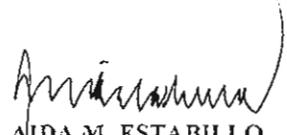
DOMINIC P. ABAD  
REGIONAL DIRECTOR, DTI  
VICE CHAIR

*Opposed*  
WENNIE G. SANCHO  
WORKERS' REPRESENTATIVE  
(See attached Opposition)

*Opposed*  
HERNANE P. BRAZA  
WORKERS' REPRESENTATIVE  
(See attached Opposition)



RO-ANN A. BACAL  
REGIONAL DIRECTOR, NEDA  
VICE CHAIR



AJDA M. ESTABILLO  
REGIONAL DIRECTOR, DOLE  
CHAIR

Republic of the Philippines  
Department of Labor and Employment  
National Wages and Productivity Commission  
**REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD**  
Regional Board No. VI  
Iloilo City

**RULES IMPLEMENTING WAGE ORDER NO. RBVI-16**

**RULE I  
GENERAL PROVISIONS**

Pursuant to Section 6, Rule IV of the National Wages and Productivity Commission Guidelines No. 001-2007, otherwise known as the Amended Rules of Procedure on Minimum Wage Fixing and Section 18 of Wage Order No. RBVI-16, the following Rules are hereby issued for the guidance and compliance by all concerned:

**Section 1. TITLE.** This shall be known as "The Rules Implementing Wage Order No. RBVI-16".

**Section 2. DEFINITION OF TERMS.** As used in these Rules:

- a) *Order* means Wage Order No. RBVI-16.
- b) *Department* means the Department of Labor and Employment.
- c) *Commission* means the National Wages and Productivity Commission.
- d) *Board* means the Regional Tripartite Wages and Productivity Board VI
- e) *Regional Office* refers to the regional office of the Department of Labor and Employment in Western Visayas
- f) *Region VI* covers the Provinces of Aklan, Antique, Capiz, Guimaras, Iloilo and Negros Occidental including their respective component cities and the highly urbanized Cities of Bacolod and Iloilo
- g) *Barangay Micro Business Enterprise (BMBE)* refers to any business entity or enterprise granted a Certificate of Authority under Republic Act No. 9178, otherwise known as the Barangay Micro Business Enterprises Act of 2002.
- h) *Non-stock, Non-profit Organization* refers to an organization, duly registered with Securities and Exchange Commission, organized principally for public purposes such as charitable, educational, cultural or similar purposes, and does not issue shares of stock to its members.

- i) **Wage Distortion** refers to a situation where an increase in the 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.
- j) **ERA** is the Emergency Relief Allowance is given IMMEDIATELY to minimum wage earners to answer the demands for higher income in response to higher prices of commodities and basic necessities in response to the findings of a supervening event as determined by the Board and confirmed by the Commission

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**RULE II**

**EMERGENCY RELIEF ALLOWANCE (ERA)**

**Section 1. AMOUNT OF EMERGENCY RELIEF ALLOWANCE (ERA).** Upon effectivity of this Wage Order, an ERA of FIFTEEN (15) PESOS per day will be given to all minimum wage earners up to October 15, 2008.

*[Handwritten signature]*

The new minimum wage rates shall be as follows:

Sector/Industry	Current Minimum Wage Rates	ERA upon effectivity until October 15, 2008
<b>I - Non-Agriculture/Industrial/Commercial</b>		
Employing more than 10 workers	P 235.00	P15.00
Employing 10 or less workers and Handicraft	P 193.00	P15.00
<b>II - Agriculture</b>		
Plantation	P 203.00	P15.00
Non-Plantation	P 193.00	P15.00

*[Handwritten signature]*

**Section 2. COVERAGE.** The ERA prescribed in this Wage 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 regardless of the method by which they are paid.

*[Handwritten signature]*

*[Handwritten signature]*

This ERA shall not cover household or domestic helpers; 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 Republic Act 9178.

**Section 3. BASIS OF ERA.** The ERA prescribed under this Order shall be for the normal working hours which shall not exceed eight (8) hours of work a day.

**Section 4. APPLICATION TO CONTRACTORS.** In case of contracts for construction projects, security, janitorial and other similar services, the ERA prescribed herein shall be borne by the principal or client of the contractor and the contract shall be deemed amended accordingly.

In the event, however, that the principal or client fails to pay the prescribed ERA, the construction/service contractor shall be jointly and severally liable with his principal or client.

**Section 5. WORKERS PAID BY RESULT.** All workers paid by result, including those who are paid on piecework, "takay", "pakyaw" or task basis, shall receive not less than the applicable ERA prescribed under the Order 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.

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

a. Amount of ERA\*  
----- = % Increase  
AMW

b. Existing rate per piece x % of 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 rate of workers who are paid by result shall continue to be established in accordance with Article 101 of the Labor Code of the Philippines, as amended, and its implementing rules and regulations.

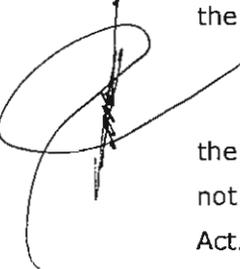
**Section 7. ERA OF SPECIAL GROUPS OF WORKERS.** ERA of apprentices and learners shall in no case be less than seventy-five (75%) percent of the applicable ERA prescribed in this Order.

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

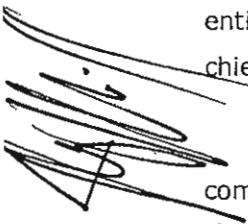
All qualified handicapped workers shall receive the full amount of the ERA prescribed herein pursuant to Republic Act No. 7277, otherwise known as the Magna Carta for Disabled Persons.

**RULE III**  
**PENAL PROVISIONS**

 **Section 1. PENALTIES.** Pursuant to the provisions of Section 12 of Republic Act No. 6727, as amended by Republic Act No. 8188, any person, corporation, trust, firm, partnership, association or entity which refuses or fails to pay the prescribed ERA in the Order shall be punished by a fine not less than Twenty-Five Thousand (PhP25,000.00) Pesos nor more than One Hundred Thousand (PhP100,000.00) Pesos 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 under the Probation Law.

 The employer 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 the criminal liability imposable under the aforementioned Act.

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 manager, managing director or partner.

 **Section 2. COMPLAINTS FOR NON-COMPLIANCE.** Complaints for non-compliance with the Order shall be filed with the Regional Office of the Department and shall be the subject of enforcement proceedings under Articles 128 and 129 of the Labor Code, as amended.

 **Section 3. CONDUCT OF INSPECTION BY THE DEPARTMENT.** In accordance with existing rules, the Department shall conduct inspections of establishments, as often as necessary, to determine whether the workers are paid the prescribed wage rates and other benefits granted by law or any Wage Order. In the

conduct of inspection in unionized/organized establishments, Department inspectors shall always be accompanied by the president or other responsible officer of the recognized collective bargaining unit or of any interested union. In the case of non-unionized/non-organized establishments, a worker representing his fellow employees in the establishment will accompany the inspector.

The workers' representative shall have the right to submit his own findings to the Department and to testify on the same if he does not concur with the findings of the labor inspector.

**Section 4. PRODUCTIVITY AND OTHER PERFORMANCE INCENTIVE PROGRAMS.** In order to sustain rising levels of wages and enhance competitiveness, labor and management as partners are 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 and management cooperation as well as implement gain-sharing and other performance incentive programs.

**Section 5. NON-DIMINUTION OF BENEFITS.** Nothing in this Order shall be construed to eliminate or in any way diminish, or as authorizing the reduction of any existing wage rates, allowances, benefits and supplements 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, being enjoyed at the time of the promulgation of this Order.

**Section 6. 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 as provided for under Article 126 of the Labor Code, as amended.

**Section 7. 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.

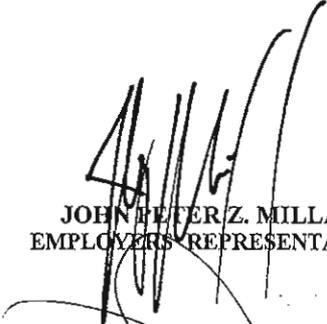
**Section 8. REPORTING REQUIREMENT.** Any person, company, corporation, partnership or any entity engaged in business shall submit a verified itemized listing of their labor component to the Board not later than January 31, 2009 and every year thereafter in accordance with the form prescribed by the Commission.

**Section 9. REPEALING CLAUSE.** All orders, issuances, rules and regulations or parts thereof inconsistent with the provisions of this Rules are hereby repealed, amended or modified accordingly.

**Section 10. SEPARABILITY CLAUSE.** If any provision or part of these Implementing Rules is declared unconstitutional, or in contrast with existing laws, the other provisions or parts thereof shall remain valid.

**Section 11. EFFECTIVITY.** This Rules shall take effect on July 6, 2008.

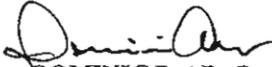
Done in the City of Iloilo, Philippines, June 23, 2008.

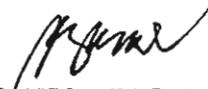
  
JOHN PETER Z. MILLAN  
EMPLOYERS' REPRESENTATIVE

*Opposed*  
WENNIE G. SANCHO  
WORKERS' REPRESENTATIVE

  
LUIS R. ESTRELLA  
EMPLOYERS' REPRESENTATIVE

*Opposed*  
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VICE CHAIR

  
RO-ANN A. BACAL  
REGIONAL DIRECTOR, NEDA  
VICE CHAIR

  
AIDA M. ESTABILLO  
REGIONAL DIRECTOR, DOLE  
CHAIR

Approved this 22nd day of July 2008.

  
MARIANITO DI ROQUE  
SECRETARY  
DEPARTMENT OF LABOR AND EMPLOYMENT