



WAGE ORDER NO. RBVI-22

PROVIDING FOR THE NEW MINIMUM WAGE RATES IN WESTERN VISAYAS

WHEREAS, the Regional Tripartite Wages and Productivity Board VI, Western Visayas (otherwise referred to as the Board) 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;

WHEREAS, the last minimum wage adjustment took effect November 29, 2013, covered by Wage Order No. RBVI-21;

WHEREAS, on July 16, 2014, a petition for Wage Increase was filed by the General Alliance of Workers' Associations (GAWA) seeking for a Php85.00; Php75.00; and Php72.00 daily wage increase in the private sector in Region VI for: Non-Agricultural/Industrial/Commercial workers; Agricultural-Plantation workers; workers employed in establishments with ten (10) workers and below and Non-Plantation Workers, respectively.

WHEREAS, on September 22, 2014 an Amended Petition for Wage Increase was filed by the General Alliance of Workers' Associations (GAWA) and the New Independent Workers Organization (NIWO). The amounts sought for in the Amended Petition for Wage Increase were the same as the amounts sought for in the original petition.

WHEREAS, on November 11, 2014 a group consultation with the Provincial Tripartite Industrial Peace Council-Iloilo (PTIPC) was conducted by the Board in Iloilo City. On the same date, supplementary to the Amended Petition for Wage Increase was filed by the General Alliance of Workers' Associations (GAWA) and the CENECO Union of Rational Employees (CURE).

WHEREAS, a public consultation was conducted in Bacolod City on December 01, 2014 and public hearings were conducted on January 13, 2015 in Roxas City; January 30, 2015 in Kalibo, Aklan; February 10, 2015 in Iloilo City; and February 20, 2015 in Bacolod City. While in the process of conducting the public hearings another petition for wage increase was received by the Board on January 22, 2015 filed by the Association of Minimum Wage Earners and Advocates - Philippine Trade and General Workers Organization (AMWEA-PTGWO), seeking an increase of One Hundred Eighty-Two Pesos and 60/100 (Php182.60).

WHEREAS, the Board, in its deliberations, took into consideration the opinions/stands of the workers and management in the different public hearings conducted; Position Papers of the Iloilo Bakers Association, the Antique Chamber of Commerce and Industry, the Philippine Chamber of Commerce and Industry-Aklan, the Iloilo Business Sector, the Metro Bacolod Chamber of Commerce and Industry, the Confederation of Sugar Producers' Associations, Inc.-Negros/Panay Chapter, and the Western Visayas Inter-Chamber Regional Group; and the recent economic growth as manifested by the construction boom in Region VI and the projected effects of the ASEAN Economic Community (AEC) in 2015.

WHEREAS, after consideration of the above circumstances, the Board agreed to set the new minimum wage rates in the Region.

WHEREAS, the Board has been encouraging industries/establishments to implement their productivity improvement programs to enable them to grant productivity-based pay on top of and in addition to the minimum wage;

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

SECTION 1. NEW DAILY MINIMUM WAGE RATES. Upon effectivity of this Wage Order, the new minimum wage rates in the private sector in the Region are as follows:

Sector/Industry	Minimum Wage Under Wage Order No. RBVI-21	Basic Wage Increase	New Minimum Wage Rates.
1. Non-Agriculture/ Industrial / Commercial			
a. Employing more than ten (10) workers	Php287.00	Php11.50	Php298.50
b. Employing ten (10) workers and below	Php245.00	Php11.50	Php256.50
2. Agriculture			
a. Plantation	Php255.00	Php11.50	Php266.50
b. Non-Plantation	Php245.00	Php11.50	Php256.50

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SECTION 2. COVERAGE. The wage increase 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 irrespective of the method by which they are paid.

This Wage Order shall not cover household or domestic workers, persons in the personal service of another and workers of duly registered Barangay Micro Business Enterprises (BMBEs) with Certificates of Authority pursuant to Republic Act No. 9178.

SECTION 3. APPLICATION TO CONTRACTORS. In case of contracts for construction projects, and for security, janitorial and similar services, the prescribed increases in the wage rates of the workers shall be borne by the principal or client 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 will be jointly and severally liable with his principal or client.

SECTION 4. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS. In the case of private educational institutions, the share of covered workers and their employees in the increase of tuition fees for the School Year 2015-2016 shall be considered as compliance with the increase prescribed herein. However, payment of any shortfall in the wage increase set forth herein shall be covered starting School Year 2016-2017.

Private educational institutions which have not increased their tuition fees for School Year 2015-2016 may defer compliance with the wage rates prescribed herein until the beginning of School Year 2016-2017.

In any case, all private educational institutions shall implement the wage rates prescribed herein starting School Year 2016-2017.

SECTION 5. 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 not less than the prescribed wage rates a day, or a proportion thereof for working less than eight (8) hours.



SECTION 6. WAGES OF 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 minimum wage rates.

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

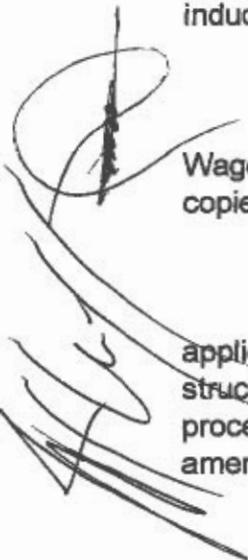
SECTION 7. EXEMPTIONS. No exemptions shall be allowed. However, in case of a calamity, the Board may accept applications for exemptions for establishments adversely affected by calamities such as natural and/or human induced disasters.

SECTION 8. APPEAL TO THE COMMISSION. Any party aggrieved by this Wage Order may file an appeal to the NWPC, through the Board, in three (3) printed copies, not later than ten (10) days from publication of this Wage Order.

SECTION 9. EFFECTS ON EXISTING WAGE STRUCTURE. Where the application of the increase 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 10. PRODUCTIVITY AND OTHER PERFORMANCE INCENTIVE PROGRAMS (PIP). In order to sustain rising levels of wages and enhance competitiveness, labor and management as partners are encouraged to adopt productivity improvement schemes to enable them to produce more and earn more and eventually improve their quality of life. These PIP may include time and motion studies, good housekeeping, quality circles, labor and management cooperation as well as implementation of gainsharing and other performance-incentive programs.

SECTION 11. 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 12. 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 13. 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 14. 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 15. 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, 2016 and every year thereafter in accordance with the form prescribed by the National Wages and Productivity Commission.

SECTION 16. PENAL PROVISION. Any employer who refuses or fails to comply with this Order shall be subject to the penalties specified under Republic Act No. 6727, as amended under Republic Act No. 8188.

SECTION 17. 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 18. 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 19. IMPLEMENTING RULES. The Regional Tripartite Wages and Productivity Board VI shall submit to the Commission the necessary Rules and Regulations to implement this Order subject to approval of the Secretary of Labor and Employment not later than ten (10) days from publication of the Wage Order.

SECTION 20. ADVISORY ON PRODUCTIVITY-BASED PAY (PBP). Pursuant to the Two-Tiered Wage System, the Board shall issue corresponding

advisories on the 2nd tier or the productivity-based pay which shall serve as guidelines for private establishments on the range of productivity bonuses and incentives that an enterprise may provide based on agreement between workers and management.

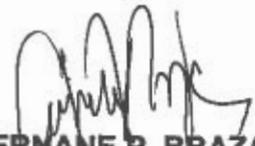
The Department of Labor and Employment (DOLE) Regional Office 6 shall monitor the implementation of the agreed Productivity-Based Pay.

SECTION 21. EFFECTIVITY. This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation in the Region.

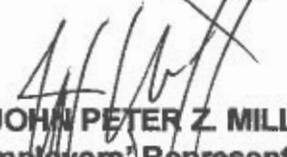
APPROVED. Iloilo City, Philippines, March 30, 2015.



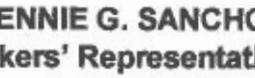
LUIS R. ESTRELLA
Employers' Representative



HERNANE P. BRAZA
Workers' Representative



JOHN PETER Z. MILLAN
Employers' Representative



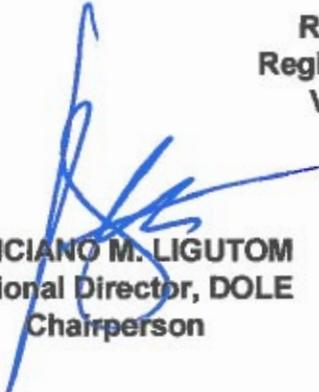
WENNIE G. SANCHO
Workers' Representative



WILHELM M. MALONES
Regional Director, DTI
Vice-Chairperson



RO-ANN A. BACAL
Regional Director, NEDA
Vice-Chairperson



PONCIANO M. LIGUTOM
Regional Director, DOLE
Chairperson



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



RULES IMPLEMENTING WAGE ORDER NO. RBVI-22

Pursuant to Section 6, Rule IV of the National Wages and Productivity Commission Guidelines No. 01-2007, otherwise known as the Amended Rules of Procedure on Minimum Wage Fixing and Section 19 of Wage Order No. RBVI-22, the following Rules are hereby issued for the guidance and compliance by all concerned:

RULE I GENERAL PROVISIONS

SECTION 1. TITLE. This shall be known as "The Rules Implementing Wage Order No. RBVI-21".

SECTION 2. DEFINITION OF TERMS. As used in these Rules:

- a. **Order** means Wage Order No. RBVI-22.
- 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. **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 activity performed by a farmer 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.

- h. **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".
- i. **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 Enterprise Act of 2002.
- j. **State of Calamity** refers to a condition involving mass casualty and/or major damages to property, disruption of means of livelihoods, roads and normal way of life of people in the affected areas as a result of the occurrence of natural or human-induced hazard.
- k. **Hazard** refers to a dangerous phenomenon, substance, human activity or condition that may cause loss of life, injury or other health impacts, property damage, loss of livelihood or services, social and economic disruption, or environmental damage; any potential threat to public safety and/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 hazard.
- l. **Disaster** refers to a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses or impacts, which exceeds 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 a lack of time, capacity or resources, resulting in unacceptable levels of damage or number of casualties.
- m. **Establishment** refers to an economic unit, which 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 separately registered with the 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.
- n. **Stock Corporation** refers to a corporation, duly registered with the Securities and Exchange Commission (SEC), organized for profit and issues shares of stock to its members.
- o. **Non-stock, Non-profit Organization** refers to an organization, duly registered with the Securities and Exchange Commission (SEC), organized principally for

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public purposes such as charitable, educational, cultural or similar purposes, and does not issue shares of stock to its members.

- p. **Partnership** refers to an association, duly registered with the Securities and Exchange Commission (SEC), of two or more persons who bind themselves to contribute money, property, or industry to a common fund with the intention of dividing the profits among themselves or for the exercise of a profession.
- q. **Single Proprietorship** refers to a business unit, duly registered with the Department of Trade and Industry (DTI), owned and controlled by only one person.
- r. **Cooperative** refers to a duly registered association of persons with the Cooperative Development Authority (CDA) who voluntarily join together to form a business establishment which they themselves own, control and patronize, and which may fall under any of the following types: credit, consumers, producers, marketing, service or multi-purpose.
- s. **Financial Statement** refers to a written report which quantitatively describes the financial health of a company. This includes the following: balance sheet, income statement, statement of changes in equity, cash flow statement and notes to financial statement.
- t. **Full Accounting Period** refers to a period of twelve (12) months of business operations.
- u. **Capital** refers to paid-up capital at the end of the last full accounting period in the case of corporations or total invested capital at the beginning of the period under review, in the case of partnerships and single proprietorships.
- v. **Stockholders' Equity** refers to the residual interest in the assets of an entity that remains after deducting its liabilities. It is total assets minus total liabilities. It is the same as equity and net worth.
- w. **Wage Distortion** refers to a situation where an application of the prescribed wage increase 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.

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**RULE II
NEW MINIMUM WAGE RATES**

SECTION 1. NEW MINIMUM WAGE RATES. Upon effectivity of this Wage Order, the new minimum wage rates in Region VI are as follows:

Sector/Industry	New Minimum Wage Rates.
1. Non-Agriculture/ Industrial / Commercial	
a. Employing more than ten (10) workers	Php 298.50
b. Employing ten (10) workers and below	Php 256.50
2. Agriculture	
a. Plantation	Php 266.50
b. Non-Plantation	Php 256.50

SECTION 2. COVERAGE. The wage increase prescribed in this Wage Order shall apply to all minimum wage earners Region VI, 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 household or domestic workers, persons in the personal service of another and workers of duly registered Barangay Micro Business Enterprises (BMBEs) with Certificates of Authority pursuant to Republic Act No. 9178.

SECTION 3. 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 of work a day.

SECTION 4. APPLICATION TO CONTRACTORS. In case of contracts for construction projects, and for security, janitorial and similar services, the prescribed increases in the wage rates of the workers shall be borne by the principal or client 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 will be jointly and severally liable with his principal or client.

SECTION 5. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS. In the case of private educational institutions, the share of covered workers and their employees in the increase of tuition fees for the School Year 2015-2016 shall be considered as compliance with the increase prescribed herein. However, payment of any shortfall in the wage increase set forth herein shall be covered starting School Year 2016-2017.

Private educational institutions which have not increased their tuition fees for School Year 2015-2016 may defer compliance with the provisions of this Wage Order until the beginning of School Year 2016-2017.

In any case, all private educational institutions shall implement the wage rates prescribed herein starting School Year 2016-2017 whether they increase their tuition fees or not.

SECTION 6. WORKERS PAID BY RESULT. All workers paid by result/output, 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 working less than the normal working hours.

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

- a.
$$\frac{\text{Amount of Increase in AMW}^*}{\text{Previous AMW}} = \% \text{ Increase}$$
- b. Existing rate per 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 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. WAGES OF 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 adjustments prescribed under the same Order.

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

SECTION 8. 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 estimated equivalent monthly rates:

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

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

Where 393.50 days:

298	Days	-	Ordinary working days
24	Days	-	11 Regular Holidays x 200%
67.60	Days	-	52 Rest Days x 130%
3.90	Days	-	3 Special Days x 130%
393.50	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
365	Total equivalent number of days		

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

$$\text{EMR} = \frac{\text{ADR} \times 313 \text{ days}}{12}$$

Where 313 days:

298	Days	-	Ordinary working days
12	Days	-	Regular Holidays
3	Days	-	Special days
313	Total equivalent number of days		

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

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

Where 261 days:

246	Days	-	Ordinary working days
12	Days	-	Regular Holidays
3	Days	-	Special days
261	Total equivalent number of days		

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SECTION 9. MOBILE AND BRANCH WORKERS. The 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 establishment shall be those applicable in the place where they are stationed.

SECTION 10. 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.

RULE III EXEMPTIONS

SECTION 1. EXEMPTIONS. No exemptions shall be allowed. However, in case of a calamity, the Board may accept applications for exemptions for establishments adversely affected by calamities such as natural and/or human induced disasters.

SECTION 2. CRITERIA FOR EXEMPTION. The following criteria shall be used to determine whether an establishment adversely affected by calamities, such as natural and human induced disasters, is qualified for exemption:

- a. The establishment must be located in an area declared by a competent authority as under a state of calamity.

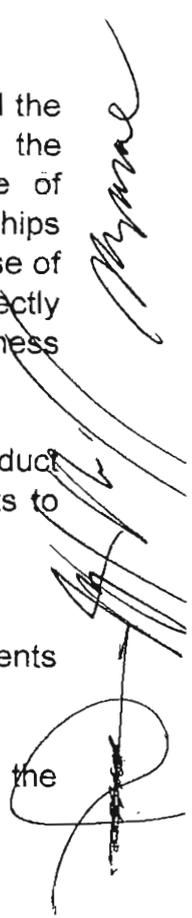
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- b. The calamity must have occurred within six (6) months prior to the effectivity of the Order. However, if based on the assessment by a competent authority, the damage to properties is at least fifty percent (50%) and the period of recovery will exceed one (1) year, the six (6) month period may be extended to one year.
- c. Losses suffered by the establishment as a result of the calamity that exceed the insurance coverage should amount to twenty percent (20%) or more of the stockholders' equity as of the last full accounting period in the case of corporations and cooperatives, total invested capital in the case of partnerships and single proprietorships and fund balance/members' contribution in the case of non-stock, non-profit organizations. Only losses or damage to properties directly resulting from the calamity and not incurred as a result of normal business operations shall be considered.
- d. Where necessary, the Board or its duly-authorized representative shall conduct an ocular inspection of the establishment or engage the services of experts to validate the extent of damages suffered.

SECTION 3. DOCUMENTS REQUIRED. The following supporting documents shall be submitted together with the application:

- a. Affidavit from the General Manager or Chief Executive Officer of the establishment regarding the following:
 - i. Date and type of calamity.
 - ii. Amount of losses/damages suffered as a direct result of the calamity.
 - iii. List of properties damaged/lost together with estimated valuation. For properties that are not insured, a statement that the same are not covered by insurance.
- b. Copies of Insurance Policy Contracts covering the properties damages, if any.
- c. Adjuster's report for insured properties.
- d. Audited financial statements for the last full accounting period preceding the effectivity of the Order stamped received by the appropriate government agency. The Board may require the submission of other pertinent documents to support the application for exemption.
- e. In case of severe damage to properties caused by the calamity, a Certification issued by the Barangay and pictures of the damaged properties may be submitted in lieu of the audited financial statements.



SECTION 4. EXTENT AND DURATION OF EXEMPTION. Full exemption of one (1) year shall be granted establishments adversely affected by calamities, such as natural and human induced disasters, that meet the applicable criteria for exemption under Section 3 of the NWPC Guidelines No. 2, series of 2007 as amended.

SECTION 5. APPLICATION FOR EXEMPTION. The procedure in applying for exemption are as follows:

- a. An application, in three (3) legible copies may be filed with the appropriate Board by the owner/manager or duly authorized representative of an establishment, in person or by registered mail. The date of mailing shall be deemed as the date of filing. Applications for exemptions filed with the DOLE regional, district or provincial offices are considered filed with the appropriate Board in the Region.
- b. Applications shall be filed not later than seventy-five (75) days from publication of the approved implementing rules of the Order, provided that all the required documents in support of the application must be filed within the said seventy-five (75) day filing period and that no further extension of filing and submission of required documents shall be allowed. However, where the calamity occurred after the expiration of the period for the filing of an application for exemption, the Board may re-open the same.
- c. A Certification that a general assembly to explain to its workers and employees its intent to file an application for exemption, has been conducted prior to the filing of the application and an undertaking to conduct another general assembly informing its workers and employees of the decision of the Board on its application shall be submitted by the applicant establishment.
- d. The application shall be under oath and accompanied by complete supporting documents as enumerated under Section 4 of the NWPC Guidelines No. 2, series of 2007 as amended.

SECTION 6. EFFECT OF FILING AN APPLICATION FOR EXEMPTION. Whenever an application for exemption has been duly filed with the Board, the Regional Office of the Department shall be duly notified. Pending resolution of the said application, action on any complaint for alleged non-compliance with the Order shall be deferred by the Regional Office of the Department.

SECTION 7. FILING OF OPPOSITION TO THE APPLICATION FOR EXEMPTION. Any worker or, if unionized, the union in the applicant establishment, may file with the appropriate Board within fifteen (15) days from receipt of the notice of the filing of the application, an opposition to the application for exemption stating the reasons why the same should not be approved, furnishing the applicant a copy thereof.

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The opposition shall be in three (3) legible copies, under oath and accompanied by pertinent documents, if any.

SECTION 8. EFFECT OF DISAPPROVED APPLICATION FOR EXEMPTION.

In the event that an application for exemption is not approved, affected workers shall be paid the mandated wage increase/allowance 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. The 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.

SECTION 10. 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 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. The appeal shall be deemed perfected if filed with the DOLE Regional, District or Provincial Offices pursuant to Resolution No. 3, series of 2004.

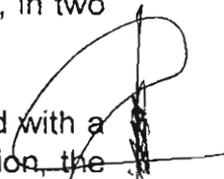
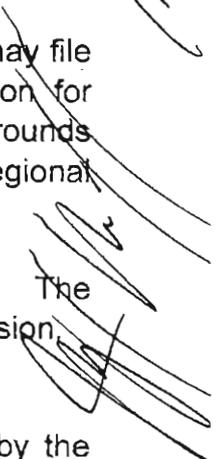
An appeal may be filed on the following grounds:

- a. Non-conformity with the prescribed guidelines and/or procedures on exemption;
- b. Prima facie evidence of grave abuse of discretion on the part of the Board; or
- c. Questions of Law.

The appellee may file with the Board his reply or opposition to the appeal within ten (10) days from receipt of the appeal. Failure of the appellee to file his reply or opposition shall be construed as waiver on his part to file the same.

SECTION 11. ADOPTION OF PRODUCTIVITY IMPROVEMENT PROGRAMS.

Establishments granted exemption are required to adopt productivity improvement initiatives or schemes to improve business viability. The Commission and the Boards shall provide technical assistance in the development of a productivity improvement program in the company.



SECTION 12. NON-DIMINUTION OF BENEFITS. Exemption granted shall not be construed to reduce existing wages and other benefits enjoyed by the workers under existing laws, decrees, issuances or under any contract of agreement between workers and employees.

SECTION 13. SUPPLEMENTARY GUIDELINES ON EXEMPTION. The Board may issue supplementary guidelines for exemption in accordance with NWPC Guidelines No. 2, series of 2007 as amended, subject to review/approval by the Commission.

RULE IV APPEAL AND EFFECTS

SECTION 1. APPEAL TO THE COMMISSION. Any party aggrieved by this Wage Order may file an appeal to the Commission within ten (10) calendar days from the publication of the Order pursuant to Republic Act No. 6727. 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 2. 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 that such Order is affirmed.

RULE V SPECIAL PROVISIONS

SECTION 1. EFFECTS ON EXISTING WAGE STRUCTURE. In accordance with Article 124 of the Labor Code, 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 dispute shall be decided by the voluntary arbitrator or panel of voluntary arbitrators within ten (10) calendar days from the time said dispute shall have been 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.

Pursuant to existing rules, any dispute arising therefrom shall be settled through the National Conciliation and Mediation Board; 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 any dispute arising from wage distortion shall not in any way delay the applicability of the increase prescribed in the Order and such issue shall not be ground for strike/lockout.

SECTION 2. PRODUCTIVITY AND OTHER PERFORMANCE INCENTIVE PROGRAMS (PIP). In order to sustain rising levels of wages and to 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 3. COMPLAINTS FOR NON-COMPLIANCE. Complaints for non-compliance with the Order shall be filed with the Regional Office of the Department and shall be subject of enforcement proceedings under Articles 128 and 129 of the Labor Code, as amended.

SECTION 4. NON-DIMUNITION 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 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 proceeding before the Board as provided for under Article 126 of the Labor Code, as amended.

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 REQUIREMENT. Any person, company, corporation, partnership or any entity engaged in business shall submit a verified itemized listing of

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their labor component to the Board not later than January 31, 2016 and every year thereafter in accordance with the form prescribed by the Commission.

SECTION 8. PENAL PROVISION. 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 increase in the Order shall be punished by a fine not less than Twenty-Five Thousand Pesos (Php25,000.00) nor more than One Hundred Thousand Pesos (Php100,000.00) 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 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 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. ADVISORY ON PRODUCTIVITY BASED PAY. Pursuant to the Two-Tiered Wage System, the Board shall issue corresponding advisories on the 2nd tier or the productivity-based pay which shall serve as guidelines for private establishments on the range of productivity bonuses and incentives that an enterprise may provide based on agreement between workers and management pending issuance of such guidelines the enterprise may provide Productivity Incentives based on agreement between the workers and management.

The Department of Labor and Employment (DOLE) Regional Office 6 shall monitor the implementation of the agreed Productivity-Based Pay.

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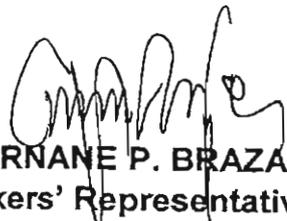
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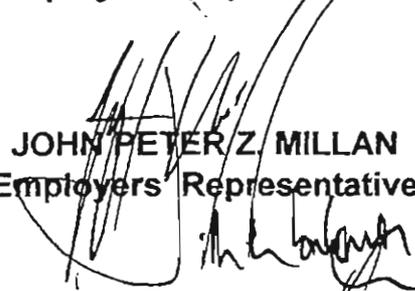
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SECTION 12. EFFECTIVITY. These Rules shall take effect on May 02, 2015.

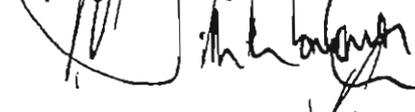
Done in Iloilo City, Philippines, April 22, 2015.


LUIS R. ESTRELLA
Employers' Representative

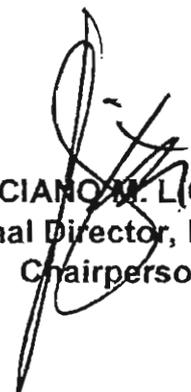

HERNANE P. BRAZA
Workers' Representative


JOHN PETER Z. MILLAN
Employers' Representative

WENNIE G. SANCHO
Workers' Representative


WILHELM M. MALONES
Regional Director, DTI - VI
Vice-Chairperson


RO-ANN A. BACAL
Regional Director, NEDA - VI
Vice-Chairperson


PONCIANO M. LIGUTOM
Regional Director, DOLE - VI
Chairperson

Approved this 26th day of June, 2015, in the City of Manila, Philippines


ROSALINDA DIMAPILIS-BALDOZ
SECRETARY
DEPARTMENT OF LABOR AND EMPLOYMENT

Dept. of Labor & Employment
Office of the Secretary



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