

Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
Regional Office No. IX
Zamboanga City

WAGE ORDER NO. RIX-01
PROVIDING A MINIMUM WAGE INCREASE

WHEREAS, recent developments in the Middle East have brought about worldwide disruption in the supply and price of crude oil and have adversely affected living conditions all over the world and more acutely so, the Philippines;

WHEREAS, such decrease in oil supply and increase in its prices have triggered the adjustment in the value of the peso against the US dollar, and made it imperative to increase the prices of domestic oil products by an average of P 1.42 per liter on September 21, 1990;

WHEREAS, said adjustments have resulted in significant increases in transportation costs and prices of basic commodities and services;

WHEREAS, in addition to the efforts of the government to contain prices of basic commodities, it is imperative to provide workers and their families with the means to cope up with the increasing costs of living, without hampering the growth and development of business and industry;

NOW, therefore by virtue of the power and authority vested under Republic Act No. 6727, known as the Wage Rationalization Act, the Regional Tripartite Wages and Productivity Board of Region IX hereby issues this Wage Order :

Section 1. Upon the effectivity of this Wage Order, the statutory minimum wage rates applicable to all workers and employees in the private sector in Western Mindanao shall be increased as follows:

- a. The City of Zamboanga - P13.00 for enterprises employing 20 or more workers;
P12.00 for enterprises employing less than 20 workers.
- b. The Provinces of Zamboanga del Sur and Zambonga del Norte, and the Cities of Pagadian Dipolog, and Dapitan - P11.00 for enterprises employing 20 or more workers;
P10.00 for enterprises employing less than 20 workers
- c. The Province of Basilan - P 8.00 for enterprises employing 20 or more workers;
P 7.00 for enterprises employing less than 20 workers.

The rates provided in this Wage Order shall be across the board for workers/employees who are receiving less than P125.00 a day.

Section 2. In the case of private educational institutions, the share of the covered workers and employees in the increase of tuition fees for school year 1990-91 shall be credited as compliance with the wage increases prescribed herein. Where their share is less than the wage increase provided herein, the employer shall pay the difference. Provided further that in the case of educational institutions, compliance shall be effective beginning School Year 1991-92.

Industries whose revenues are regulated by law shall be required to comply with the Wage Order immediately upon approval of an adjustment in their rates by the concerned government agency but not later than three (3) months from effectivity hereof. Provided that establishments granted rate adjustments by the appropriate government agency during the three (3) month period immediately preceding the issuance of this Wage Order shall comply with the minimum wage adjustments contained herein on the date this Wage Order takes effect.

Section 3. Exempted from the provisions of this Wage Order are household or domestic helpers and persons in the personal service of another, including family drivers.

Retail/service establishment regularly employing not more than ten (10) workers may be exempted from the applicability of this Wage Order upon application with and as determined by the Regional Board in accordance with the applicable rules and regulations. Whenever an application for exemption has been duly filed with the Regional Board, action on any complaint for alleged non-compliance with this Wage Order shall be deferred pending resolution of the application for the exemption by the Regional Board.

Likewise, may be exempted are workers and employees of new business enterprises in all of Western Mindanao (Region IX) pursuant to Department Order No. 12 on exemptions of new business enterprises under RA 6727.

Distressed employers whose capital has been impaired by at least twenty-five percent (25%) during the preceding year may be exempted from the applicability of this Wage Order upon application with and as determined by the Regional Board in accordance with the applicable rules and regulations. The Regional Board has the option whether to grant full or partial exemption to such distressed employer with respect to the amount and the period which shall not exceed one year from effectivity of this Wage Order.

In the event that applications for exemptions are not granted, employees shall receive the appropriate compensation due them as provided for in this Wage Order plus interest of one percent (1%) per month retroactive to the effectivity of this Wage Order.

Section 4. In the case for contracts for construction projects and for security, janitorial and similar services, the prescribed minimum wage increase for covered workers shall be borne by the principals or clients of the construction/service contractors and the contract shall be deemed amended accordingly. In the event, however, that the principal or client fails to pay the prescribed increase the construction/service contractor shall be jointly and severally liable with the principal or client.

Section 5. All workers paid by result, including those who are paid on piecework, takay, pakyaw or task basis, shall be entitled to receive the prescribed minimum wage increase per eight (8) hours work a day, or a proportion thereof for working less than eight (8) hours.

Section 6. Wage increases granted by an employer on or after August 1, 1990 shall be credited as compliance with the minimum wage increase prescribed under this Wage Order. Provided that, where such increases are less than the prescribed adjustment, the employer shall pay the difference. Such increases shall not include anniversary wage increases, merit wage increases and those resulting from the regularization or promotion of employees.

Section 7. Where the application of the prescribed minimum wage increase under this Wage Order results in distortions of the wage structure in any establishment, such distortions shall be corrected using the procedure specified under Article 124 of the Labor Code as amended.

Section 8. The Regional Board shall prepare the necessary rules and regulations to implement this Wage Order, subject to approval of the Secretary of Labor and Employment.

Section 9. Any employer who refuses or fails to pay the minimum wage increase provided under this Wage Order shall be subject to the penalties specified under RA 6727.

Section 10. If any provision or part of this Wage Order is declared unconstitutional or illegal, the other provisions or parts shall remain valid. Nothing in this Wage Order shall be construed to reduce any existing wage rate, allowance or other benefits under existing laws, decrees, issuances, executive order and/or under any contract or agreement between workers and employers.

Section 11. This Wage Order shall take effect fifteen (15) days after its publication in at least one (1) newspaper of general circulation in the region.

Approved, November 16, 1990.

(SGD) FILAMER O. ALAESTANTE
Worker Representative

(SGD) ATTY. ARSENIO L. GONZALES, JR
Employer Representative

(SGD) VIVENCIO T. SAAGUNDO
Worker Representative

(SGD) ENGR. PETE TORRES
Employer Representative

(SGD) SOPHREMIANO B. ANTIPOLLO
Vice-Chairman

(SGD) NAZRULLAH B. MANZUR
Vice-Chairman

(SGD) HAKIM S. ABDULWAHID
Chairman

Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
Regional Office No. IX
Zamboanga City

RULES IMPLEMENTING WAGE ORDER NO. RIX-01

Pursuant to Section 5, Rule IV of the NWPC, Rules of Procedure on Minimum Wage Fixing and to the authority granted to the Regional Tripartite Wages and Productivity Board under Republic Act No. 6727, the following rules are hereby issued for the guidance and compliance by all concerned :

Chapter I - Definition of Terms

Section 1. Definition of Terms - As used in this Rules.

- a) "Act" means Republic Act No. 6727;
- b) "Order" means Wage Order No. RIX-01;
- c) "Commission" refers to the National Wages and Productivity Commission;
- d) "Board" refers to the Regional Tripartite Wages and Productivity Board of Region IX;
- e) "Region IX" covers the Provinces of Zamboanga del Sur, Zamboanga del Norte and Basilan and includes the cities of Pagadian, Dipolog, Dapitan and Zamboanga;
- f) "Agriculture" refers to farming in all its branches and among others, includes the cultivation and tillage of the soil, production, cultivation, growing and harvesting of any agricultural or horticultural commodities, dairying, raising of livestock or poultry, the culture of fish and other aquatic products in farms or ponds and any activities performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, but does not include the manufacturing and or processing of sugar, coconut, tobacco, pineapple, aquatic or other farm products;
- g) "Plantation Agricultural Enterprise" is one engaged in agriculture with an area of more than 24 hectares in a locality or which employs at least 20 workers; any other agricultural enterprises shall be considered as non-plantation agricultural enterprise.
- h) "Retail Establishment" is one principally engaged in the sale of goods to end-users for personal or household use;
- i) "Service Establishment" is one principally engaged in the sale of service to individuals for their own or household use and generally recognized as such;
- j) "Cottage/Handicraft Establishment" is one engaged in an economic endeavor in which the products are primarily done in the home or similar places for profit which requires manual dexterity and craftsmanship and whose capitalization does not exceed P 500,000.00;
- k) "Distressed Establishment" refers to establishments with capital impairment in the preceding year as may be determined by the Board;
- l) "Department" refers to the Department of Labor & Employment;
- m) "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 investments, premium payments, 13th month pay and other monetary benefits, which are not considered as parts or integrated into the regular salary of the workers on the date the Wage Order became effective;

- n) "Statutory Minimum Wage" is the lowest wage rate fixed by law that an employer can pay his workers;
- o) "Minimum Wage Rates" refer to the lowest wage rates that an employer can pay his workers, as fixed by the Board, which shall not be lower than the applicable statutory minimum wage rates;
- p) "Wage Distortion" means a situation where an increase in prescribed wage rates results in the elimination or severe contraction of intentional quantitative differences in wage or salary rates between and among employee groups in an establishment as to effectively obliterate the distinction embodied in such wage structure based on skills, length of service, or other logical bases of differentiation;
- q) "Wage Order Year Rule" means that any Wage Order issued by the Board shall be effective for one (1) year and may not be disturbed during the said period. Therefore, within the said one year period, no petition for wage increase may be entertained by the Board, provided that in the event supervening conditions exist as provided for under Section 3, Rule IV in the Rules of Procedure on Minimum Wage Fixing, the Board shall proceed to exercise its wage functions even before the expiration of the said period;

Chapter II - Wage Increase

Section 1. Coverage

- a) The minimum wage increase prescribed under this Order shall apply to all workers and employees in Region IX, receiving a basic wage of less than one hundred twenty five pesos (P125.00) per day or its monthly equivalent, regardless of their position, designation or status and irrespective of the method by which their wages are paid, except :
 - i) House hold and domestic helpers, including family drivers and workers in the personal service of another;
 - ii) Workers and employees in retail/service establishments regularly employing not more than 10 workers when exempted from compliance with the Order for a period fixed by the Board in accordance with Section 3 of the Order;
 - iii) Workers and Employees of distressed establishments whose capitalization has been impaired by at least 25% during the year preceding the application or those belonging to a distressed industry as defined by NWPC when exempted from compliance of the Order;
 - iv) Workers and employees of new business enterprises that are established in the Region from July 01, 1989 to June 30, 1993, when exempted by the Board for not more than three years from start of operations.
 - v) Employees whose wage rates are hundred twenty five pesos (P125.00) per day and above on the date of effectivity of the Order.

Section 2. Amount of Minimum Wage Increase. Upon the effectivity of the Order, the daily minimum wage rates of covered workers and employees in Region IX shall be increased as follows :

- a) P13.00 for enterprises employing 20 or more workers, and P12.00 for enterprises employing less than 20 workers in the City of Zamboanga.
- b) P11.00 for enterprises employing 20 or more workers, and P10.00 for enterprises employing less than 20 workers in the Provinces of Zamboanga del Sur, Zamboanga del Norte, including the cities of Pagadian, Dipolog and Dapitan.
- c) P8.00 for enterprises employing 20 or more workers, and P7.00 for enterprises employing less than 20 workers in the Province of Basilan.

The rates provided in this Wage Order shall be across the board for workers/employees who are receiving less than P125.00 a day.

Section 3. Effectivity. The Wage Increase shall take effect December 4, 1990 or fifteen (15) days following complete publication of the Order in one (1) newspaper of general circulation pursuant to Section 11 thereof.

Section 4. Daily Minimum Wage Rates. Upon the effectivity of the Order, the daily minimum wage rates of workers and employees in region IX shall be as follows :

	Under RA 6727 Effective July 1989	Required Wage Adjustment	Under Wage Order No. RIX-01 Upon Effectivity
A. City of Zamboanga			
1. Non-agricultural			
Employing 20 or more workers	P 89.00	P13.00	P102.00
Employing less than 20 workers	89.00	12.00	101.00
2. Agricultural			
Plantation gross sales of P 5M or more			
Employing 20 or more workers	79.00	13.00	92.00
Employing less than 20 workers	79.00	12.00	91.00
Plantation with annual gross sales of less than P5M			
Employing 20 or more workers	74.00	13.00	87.00
Employing less than 20 workers	74.00	12.00	86.00
Non-plantation			
Employing less than 20 workers	58.50	12.00	70.50
3. Cottage/Handicrafts			
Employing 20 or more	67.00	13.00	80.00
Employing less than 20 workers	65.00	12.00	77.00
4. Private Hospitals			
Employing 20 or more workers	85.00	13.00	98.00
Employing less than 20 workers	85.00	12.00	97.00
5. Retail/Service			
Cities with population of more than 150,000			
Employing 20 or more workers	89.00	13.00	102.00
Employing less than 20			
16 to 19 workers	89.00	12.00	101.00
11 to 15 workers	85.00	12.00	97.00
10 and below	58.00	12.00	70.00
Municipalities and cities with population of not more than 150,000.00			
Employing 20 or more workers	85.00	13.00	98.00
11 to 19 workers	85.00	12.00	97.00
10 and below	58.00	12.00	70.00

6. Sugar Mills			
Employing 20 or more workers	91.00	13.00	104.00
Employing less than 20 workers	91.00	12.00	103.00
Agriculture Plantation with annual gross sales of P5M or more			
Employing 20 or more workers	73.50	13.00	86.50
Employing less than 20 workers	73.50	12.00	85.50
Plantation w/ annual gross sales of less than P5M			
Employing 20 or more workers	68.50	13.00	81.50
Employing less than 20 workers	68.50	12.00	80.50
Non-plantation	58.50	12.00	70.50
7. Business Enterprises with capitalization of not more than P500,000 and employing less than 20 workers			
Non-Agricultural	79.00	12.00	91.00
Agri Plantation			
Products other than sugar	69.00	12.00	81.00
Sugar	63.50	12.00	75.50
Private Hospitals	75.00	12.00	87.00
B. <u>The Provinces of Zamboanga del Sur and Zamboanga del Norte and the Cities of Pagadian, Dipolog and Dapitan</u>			
1. Non-Agricultural			
Employing 20 or more workers	P 89.00	P11.00	P100.00
Employing less than 20 workers	89.00	10.00	99.00
2. Agricultural			
Plantation gross sales of P 5M or more			
Employing 20 or more workers	79.00	11.00	90.00
Employing less than 20 workers	79.00	10.00	89.00
Plantation with annual gross sales of less than P5M			
Employing 20 or more workers	74.00	11.00	85.00
Employing less than 20 workers	74.00	10.00	84.00
Non-plantation	58.50	10.00	68.50
3. Cottage/Handicrafts			
Employing 20 or more	67.00	11.00	78.00
Employing less than 20 workers	65.00	10.00	75.00
4. Private Hospitals			
Employing 20 or more workers	85.00	11.00	96.00
Employing less than 20 workers	85.00	10.00	95.00
5. Retail/Service			
Employing 20 or more workers	89.00	11.00	100.00
Employing less than 20			
16 to 19 workers	89.00	10.00	99.00
11 to 15 workers	85.00	10.00	95.00
10 and below	58.00	10.00	68.00
Municipalities and cities with population of not more than 150,000.00			
Employing 20 or more workers	85.00	11.00	96.00
Employing less than 20			
11 to 19 workers	85.00	10.00	95.00
10 and below	58.00	10.00	68.00

6. Sugar Mills			
Employing 20 or more workers	91.00	11.00	102.00
Employing less than 20 workers	91.00	10.00	101.00
Agriculture Plantation with annual gross sales of P5M or more			
Employing 20 or more workers	73.50	11.00	84.50
Employing less than 20 workers	73.50	10.00	83.50
Plantation w/ annual gross sales of less than P5M			
Employing 20 or more workers	68.50	11.00	79.50
Employing less than 20 workers	68.50	10.00	78.50
Non-plantation	58.50	10.00	68.50
7. Business Enterprises with capitalization of not more than P500,000 and employing less than 20 workers			
Non-Agricultural	79.00	10.00	89.00
Agriculture plantation			
Products other than sugar	69.00	10.00	79.00
Sugar	63.50	10.00	73.50
Private Hospitals	75.00	10.00	85.00
B. The Province of Basilan			
1. Non-agricultural			
Employing 20 or more workers	P 89.00	P 8.00	P 97.00
Employing less than 20 workers	89.00	7.00	96.00
2. Agricultural			
Plantation with annual gross sales of P 5M or more			
Employing 20 or more workers	79.00	8.00	87.00
Employing less than 20 workers	79.00	7.00	86.00
Plantation with annual gross sales of less than P5M			
Employing 20 or more workers	74.00	8.00	82.00
Employing less than 20 workers	74.00	7.00	81.00
Non-plantation	58.50	7.00	65.50
3. Cottage/Handicrafts			
Employing 20 or more	67.00	8.00	75.00
Employing less than 20 workers	65.00	7.00	72.00
4. Private Hospitals			
Employing 20 or more workers	85.00	8.00	93.00
Employing less than 20 workers	85.00	7.00	92.00
5. Retail/Service			
Employing 20 or more workers	89.00	8.00	97.00
Employing less than 20			
16 to 19 workers	89.00	7.00	96.00
11 to 15 workers	85.00	7.00	92.00
10 and below	58.00	7.00	65.00
Municipalities and cities with population of not more than 150,000.00			
Employing 20 or more workers	85.00	8.00	93.00
Employing less than 20			
11 to 19 workers	85.00	7.00	92.00
10 and below	58.00	7.00	65.00

6. Sugar Mills			
Employing 20 or more workers	91.00	8.00	99.00
Employing less than 20 workers	91.00	7.00	98.00
Agri Plantation with annual gross sales of P5M or more			
Employing 20 or more workers	73.50	8.00	81.50
Employing less than 20 workers	73.50	7.00	80.50
Plantation w/ annual gross sales of less than P5M			
Employing 20 or more workers	68.50	8.00	76.50
Employing less than 20 workers	68.50	7.00	75.50
Non-plantation	58.50	7.00	65.50
7. Business Enterprises with capitalization of not more than P500,000 and employing less than 20 workers			
Non-Agricultural	79.00	7.00	86.00
Agri plantation			
Products other than sugar	69.00	7.00	76.00
Sugar	63.50	7.00	70.50
Private Hospitals	75.00	7.00	82.00

Section 5. Without prejudice to existing company practices, agreements or policies, the suggested formula herein attached as Annex "A" maybe used as guide in determining the equivalent monthly wage rates.

Section 6. Basis of Minimum Wage Rates. The minimum wage rates prescribed under the Order shall be for the normal working conditions and hours which shall not exceed eight (8) hours a day.

Section 7. Creditable Wage Increase.

a) Any wage increase or allowance (provided the employer agrees to convert it to basic salary) granted between August 1, 1990 to the effectivity of the Order shall be considered as compliance with the Order, provided that if the amount is less than that prescribed, the employer shall pay the difference.

b) Anniversary and merit wage increase and those resulting from regularization or promotion of employees shall not be credited as compliance thereto.

c) With respect to private educational institutions, the share of the covered workers and employees in the increase in tuition fees for school year 1990-1991 shall be credited as compliance with the wage increase prescribed in the Order. Where their share is less than that of the wage increase provided therein, the employer shall pay the difference.

Section 8. The change or increase in the minimum wage prescribed in the Order shall not be a ground to renegotiate any existing collective bargaining agreement, except where there is an expressed provision in said CBA on wage reopening as a result of an issuance of an Order or as mutually agreed upon by the parties.

Section 9. Workers Paid By Results.

a) All workers paid by results, including those who are paid on piece work, takay, pakyaw or task basis, shall receive not less than the applicable minimum wage rates prescribed under the Order for the normal working hours a day or a proportion thereof, for work less than the normal working hours.

The new applicable minimum wage rate for workers paid by results shall be computed in accordance with the following steps :

1. $\frac{\text{Amount of increase in applicable minimum wage}}{\text{Previous A M W}} \times 100 = \% \text{ increase}$
2. Existing Rate/ Piece \times % increase = increase in rate/piece
3. Existing rate/piece + increase in rate/piece = adjusted rate/piece

b) The wage rate of workers who are paid by results shall continue to be established in accordance with Article 101 of the Labor Code as amended and its implementing regulations.

Section 10. Wages of Special Group of Workers. Wages of apprentices, learners and handicapped workers shall in no case be less than 75 percent of the applicable minimum wage rates provided in the Order.

All recognized learnership and apprenticeship agreements entered into before November 1990 shall be considered as automatically modified in so far as their wage clauses are concerned to reflect the increase prescribed under the Order.

Section 11. Application To Contractors. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed wage increase shall be borne by the principals or clients of the contractors/service contractors and the contract shall be deemed amended accordingly. In the event however, that the principal or client fails to pay the prescribed wage rates, the construction/service contractor shall be jointly and severally liable with the principal or client.

Section 12. Application on Private Educational Institutions. Private educational institutions shall be required to comply with the wage increase prescribed under the Order effective School Year 1991-1992, provided that they shall immediately comply with the Order in case an increase in the tuition fee was granted them during the three (3) month period immediately preceding the effectivity of this Order.

Section 13. Application on Industries Whose Revenue Rates are Regulated by Laws. Other industries whose revenues are regulated by law (such as arrastre, transportation, utilities, etc.) shall be required to comply with the Order immediately upon approval for an adjustment in their rates by the concerned government agency, including any adjustment in their rates granted by the government retroactive to August 1, 1990. Provided, however, that compliance shall not be later than three (3) months from effectivity of the Order.

Section 14. 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.

Section 15. Transfer of Personnel. The transfer of personnel from one province to another shall not be a valid ground for the reduction of the wage rate being enjoyed by the worker prior to such transfer.

Section 16. Exemptions. Employers falling under Section 1, Chapter II of this Rules may apply for exemption from compliance with the minimum wage increase prescribed under the Order or within ninety (90) days from the effectivity thereof.

Applications for exemptions must be filed with the Board through the nearest office of the Department in the region and must be accomplished with the following documents as prescribed :

1. Retail/service establishments regularly employing not more than 10 workers as prescribed under RTWPB RIX-01 derived from NWPC Guidelines No. 1.
2. New establishments as prescribed under RTWPB RIX-01 derived from Department Order No. 12.
3. Distressed establishments as prescribed therein.

Whenever an application for exemption has been duly filed with the Board, action on any complaint for alleged non-compliance with the Order shall be deferred pending resolution by the

Board of said application. The Board shall have the option whether to grant full or partial exemption to such applicant establishment with respect to the amount and/or period covered.

In the event that the application for exemption is not granted, the workers and employees shall receive the appropriate adjustment due them as provided for under the Order plus interest of one (1) percent per month retroactive to the date of effectivity of the Order.

Section 17. Effects on Existing Wage Structure. Where the application of the prescribed minimum wage increase under the Order results in distortion in the wage structure in any establishments, such distortion shall be negotiated for correction by the recognized union and the management in the case of recognized labor and the representatives of the workers and employees in the case of unorganized establishments, provided further that in any wage adjustments arising therefrom, viability of the establishments shall be considered.

Any dispute arising from wage distortion shall be resolved through the grievance procedure under their collective bargaining agreement and, if it remains unresolved, through voluntary arbitration. Unless otherwise agreed by the parties in writing, such dispute shall be decided by the voluntary arbiter or panel of voluntary arbitrators within ten (10) days from the time said dispute was referred to voluntary arbitration.

In cases where there are no collective bargaining agreements or recognized labor unions, the employers and workers shall endeavor to correct the wage distortion. Any dispute arising therefrom shall be settled through the National Conciliation and Mediation Board (NCMB), and if it remains unresolved after ten (10) calendar days of conciliation, it 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 a wage distortion shall not in any way delay the applicability of the wage increase prescribed under the Order.

Any dispute involving wage distortion shall not be a ground for a strike or a lockout.

Section 18. Employees whose wage rates are equal to or over and above the ceiling wage rate of one hundred twenty five pesos (P125.00) per day on the date of effectivity of the Order are exempted from compliance of said Order. This shall be without prejudice, however, on the part of unionized establishments from taking cognizance of the reasons promoting the issuance of the Order as basis for representatives of labor and management to sit down and explore possibilities of wage improvement through the processes of free and voluntary negotiation and collective bargaining.

Any dispute or disagreement arising out of such negotiations and or collective bargaining shall not be a ground for strike or lockout. Such dispute shall be referred to voluntary arbitration for resolution. The decision of the voluntary arbitration in this case shall be binding, final, executory and unappealable.

Section 19. Complaints for Non-Compliance. The Department of Labor and Employment 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 Order.

In the conduct of inspection of unionized establishments, Department Inspectors shall always be accompanied by the President or any other responsible officer of the recognized union. In the case of non-unionized establishments, a worker representing the workers therein shall 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 20. Non-Diminution of Benefits. Nothing in the Order and this Rules shall be construed as authorizing the reduction of any existing rates, allowances and benefits of any form under existing laws, decrees, issuances, executive orders and or under any contract or employer practices or policies.

Section 21. Penal Provisions. Any person, corporation, trust, firm, partnership, association or entity which refuses or fails to pay the prescribed increases under the Order shall be punished by a fine not exceeding P25,000.00 and/or imprisonment of not less than one (1) year nor more than two (2) years as provided under RA 6727. Provided, that any person convicted under the Order shall not be entitled to the benefits provided for under the Probation Law.

If the violation is committed by a corporation, trust or firm, partnership, association or any other entity, the penalty of imprisonment shall be imposed upon the entity's responsible officers, including but not limited to the president, vice-president, chief executive officer, general manager, managing director or partner.

Section 22. Registration/Reporting Requirements. Any person, company, corporation, partnership or any entity covered by the Order shall submit to the Board and the National Statistics Office not later than January 31 each year beginning Calendar Year 1991, a verified itemized listing of their workers/employees below managerial level, including learners, apprentices, disabled/handicapped workers using the form prescribed by the Commission, hereto attached, as Annex "B".

Section 23. Prohibition Against Injunction. No preliminary or permanent injunction or temporary restraining order may be issued by any court, tribunal or other entity against any proceeding before the Board.

Section 24. Effects on Other Issuances. The provisions of existing laws and decrees on wages and their implementing rules and regulations and issuances not otherwise repealed, modified or inconsistent with the Order and this Rules shall continue to have full force and effect.

Section 25. Payment of Wages. Upon written petition of the majority of the workers and employees concerned, all private establishments, companies, business and other entities with at least twenty five workers located within one kilometer radius to a commercial, saving or rural bank, shall pay the wages and other benefits of their workers through any said banks, within the period and in the manner prescribed under the Labor Code as amended.

Section 26. Duty of the Bank. Whenever applicable and upon request of a concerned worker or union, the bank, through which wages and other benefits are paid shall issue a certification of the record of payment of said wages and benefits to a particular worker or workers for a particular payroll period.

Section 27. Effectivity. This Rules shall take effect on December 4, 1990.

Done in the City of Zamboanga, Philippines, this 10th day of December 1990.

(SGD) FILAMER C. ALAESTANTE
Worker Representative

(SGD) ARSENIO L. GONZALES, JR.
Employer Representative

(SGD) VIVENCIO T. SAAGUNDO
Worker Representative

(SGD) PETE E. TORRES
Employer Representative

(SGD) SOPHREMIANO B. ANTIPOLLO
Vice-Chairman

(SGD) NAZRULLAH B. MANZUR
Vice-Chairman

(SGD) HAKIM S. ABDULWAHID
Chairman

APPROVED THIS 24TH day of January 1991.

(SGD.) RUBEN D. TORRES
Secretary