



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
 National Wages and Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD-IX
 Room 204, Fermin Bldg., Veterans Avenue, Zamboanga City



WAGE ORDER NO. RIX-16
 (PROVIDING FOR NEW MINIMUM WAGE RATES IN REGION-IX)

WHEREAS, Republic Act No. 6727, otherwise known as the **Wage Rationalization Act of 1989**, empowers the Regional Tripartite Wages and Productivity Boards (Board) to determine and fix minimum wage rates applicable in the regions and to issue corresponding wage orders subject to existing Guidelines issued by the National Wages and Productivity Commission (NWPC);

WHEREAS, the **Board** issued Wage Order No. RIX-15 that took effect on July 28, 2008, wherein Section 2 thereof provides that *“upon effectivity of this Wage Order, all covered workers and employees in the private sector in Region IX receiving the new minimum wage shall receive a Cost of Living Allowance of P 20.00 per day for the first three (3) months from effectivity of this Order and P15.00 per day three (3) months thereafter”*;

WHEREAS, Section 3 (b) of said Wage Order further provides that *“after one (1) year from the effectivity of this Wage Order, the Board shall assess/review the effects of the Cost of Living Allowance (COLA) for a possible integration into the basic minimum wage”*;

WHEREAS, on December 01, 2009, the Philippine Integrated Industries Labor Union-Trade Union Congress of the Philippines (PIILU-TUCP) filed a Petition seeking for an across-the-board wage increase in the amount of P50.00 per day, and the integration of the P15.00 COLA into the basic minimum wage;

WHEREAS, finding the Petition to have satisfied the required formalities and after due publication of proper notices, public hearings were held on 20 April 2010 in Pagadian City, 22 April 2010 in Zamboanga City, 17 June 2010 in Dipolog City, 18 June 2010 in Ipil, Zamboanga Sibugay, and 22 June 2010 in Isabela City;

WHEREAS, as a result of the public hearings and evaluation of the region’s political and socio-economic and labor market indicators, the Board finds sufficient basis in integrating the COLA and adjusting the present minimum wage rates;

NOW, THEREFORE, premises considered, this Board hereby issues **Wage Order No. RIX-16** providing, as follows:

Section 1. AMOUNT OF WAGE ADJUSTMENT

a. INTEGRATION OF COLA

Upon effectivity of this Order, the P15.00 COLA as prescribed by Wage Order No. RIX-15 is hereby **integrated** into the basic minimum wage.

b. WAGE INCREASE

Upon effectivity of this Order, the Minimum Wage Rates shall be increased by **P15.00** per day for all industries and categories under this Order.

Section 2. NEW MINIMUM WAGE RATES

Upon effectivity, the New Minimum Wage Rates by category/sector are as follows:

	Basic Wage under WAGE ORDER No. 15	COLA to be integrated per Wage Order No. 16	MINIMUM WAGE RATES after Integration	Wage increase per day per Wage Order No. 16	NEW MINIMUM WAGE RATES
NON-AGRICULTURAL (includes private hospital, educational institutions, security agencies, janitorial; and, retail/service establishments employing more than 30 workers)	₱ 225.00	₱ 15.00	₱ 240.00	₱ 15.00	₱ 255.00
AGRICULTURAL (includes rubber-based plantation)					
> Plantation Agricultural Enterprise	₱ 200.00	₱ 15.00	₱ 215.00	₱ 15.00	₱ 230.00
> Non-Plantation Agricultural Enterprise	₱ 180.00	₱ 15.00	₱ 195.00	₱ 15.00	₱ 210.00
RETAIL/SERVICE ESTABLISHMENTS employing not more than 30 workers	₱ 205.00	₱ 15.00	₱ 220.00	₱ 15.00	₱ 235.00
COTTAGE/HANDICRAFT	₱ 180.00	₱ 15.00	₱ 195.00	₱ 15.00	₱ 210.00

Section 3. COVERAGE

The wage increase prescribed herein shall apply to all the minimum wage earners in the private sector in the region, regardless of their position, designation or status and irrespective of the method by which their wages are paid.

This Wage Order shall not cover: household or domestic helpers, persons in the personal service of another, including family drivers, and workers in registered Barangay Micro Business Enterprises (BMBE's) with Certificates of Authority pursuant to Republic Act 9178.

Section 4. BASIS OF MINIMUM WAGE

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 5. PRODUCTIVITY BASED WAGES

In order to sustain rising levels of wages and enhance competitiveness, businesses are encouraged to adopt productivity improvement schemes such as: time and motion studies, good housekeeping, quality circles, labor management cooperation as well as implement gain-sharing programs. Accordingly, the Board shall provide the necessary studies and technical assistance pursuant to Republic Act No. 6971, otherwise known as the "Productivity Incentives Act of 1990."

Section 6. WORKERS PAID BY RESULTS

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

Section 7. WAGES OF SPECIAL GROUP OF WORKERS

Wages of apprentices under Apprenticeship Agreement and learners under Learnership Agreement shall in no case be less than seventy five percent (75 %) of the applicable minimum wage rates prescribed in this Wage 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 prescribed minimum wage rates.

All qualified handicapped workers shall receive the prescribed minimum wage rates pursuant to R.A. 7277.

Section 8. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS

In the case of private educational institutions, the share of covered workers and employees in the increase in tuition fees for School Year 2010-2011 shall be considered as compliance with the applicable minimum wage rates prescribed herein. However, payment of any difference shall be given starting School Year 2011-2012.

Private educational institutions which have not increased their tuition fees for School Year 2010-2011 may defer compliance with the provisions of this Wage Order until School Year 2011-2012.

In any case, all private educational institutions shall implement the minimum wage rates prescribed herein starting School Year 2011-2012.

Section 9. APPLICATION TO CONTRACTORS

In case of contracts for construction projects and for security, janitorial and similar services, the prescribed adjustment in the wage rates of the 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 wage increase, the construction/service contractor shall be jointly and severally liable with his principal or client.

Section 10. APPLICATION TO INDUSTRIES WHOSE REVENUES ARE REGULATED BY LAW

Industries whose revenues are regulated by law such as arrastre, transportation, utilities, etc., shall comply with this Wage Order immediately upon approval of an adjustment in their rates by the concerned government agencies but not later than six (6) months from effectivity of this Order.

Section 11. 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 their employer.

The minimum wage rates of workers working in branches or agencies of establishments within the region shall be those applicable in the place where they are stationed.

Section 12. TRANSFER OF PERSONNEL

The transfer of personnel to areas with lower rates shall in no case be a valid ground for the reduction of the higher wage rates being enjoyed by the worker prior to such transfer. However, where the worker is transferred to an area with higher minimum wage rate, the employee shall be entitled to the higher minimum wage rate in that region.

Section 13. CREDITABLE WAGE INCREASE

Wage increases granted by an employer in an organized establishment within six (6) months prior to the effectivity of this Order shall be credited as compliance with the prescribed increase set forth herein, provided that an agreement to this effect has been forged between the parties or a provision in the Collective Bargaining Agreement (CBA) allowing creditability exists. In the absence of such agreement or provision in the CBA, any increase granted by the employer shall not be credited as compliance with the increase prescribed in this Order.

In unorganized establishments, wage increases granted by the employer within six (6) months prior to the effectivity of this Order shall be credited as compliance.

In case the increase given is less than the prescribed increase, the employer shall pay the difference. Such increases shall not include anniversary increases, merit wage increases and those resulting from the regularization of employees.

Section 14. NON-DIMINUTION OF BENEFITS

Nothing in this Wage Order shall be construed to reduce existing wage rates, allowances and benefits of any form under existing laws, decrees, issuances and executive orders and/or under any contract of agreement between workers and employers.

Section 15. EFFECTS ON EXISTING WAGE STRUCTURE OR WAGE DISTORTION

Where the application of the increase in the wage rates under this Order results in distortion of the wage structure within an establishment, the same shall be corrected in accordance with the procedures provided for under Article 124 of the Labor Code, as amended.

Section 16. EXEMPTIONS

Distressed establishments may be exempted from compliance with this Order upon application with and as determined by the Board in accordance with the NWPC Guidelines No. 02, Series of 2007 (Amended Rules on Exemption). The extent and duration of exemption shall only be for a period of six (6) months.

Section 17. APPEAL TO THE COMMISSION

Any party aggrieved by this Wage Order may file a verified appeal with the Commission through the Board within ten (10) calendar days from the publication of this Order.

Section 18. EFFECTS OF THE FILING OF THE 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 of the corresponding increase or adjustment to employees affected by this Order in the event such Order is affirmed.

Section 19. COMPLAINTS FOR NON-COMPLIANCE

Complaints for non-compliance with this Order shall be filed with the Regional Office of the Department of Labor and Employment (DOLE) and shall be subject of enforcement proceedings under Article 128 of the Labor Code, as amended, without prejudice to criminal prosecution which may be undertaken against those who fail to comply.

Section 20. PENAL PROVISION

Any person, corporation, trust or firm, partnership, association, or entity which refuses or fails to pay the prescribed minimum wage rates in accordance with this Order shall be subject to the penal provisions pursuant to RA 6727, as amended by RA 8188.

Section 21. 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 22. 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 23. REPORTING REQUIREMENT

Any person, company, corporation, partnership or any entity engaged in business shall submit annually a verified itemized listing of their labor component to the Board not later than January 31, 2011 and every year thereafter in accordance with the form prescribed by the Commission.

Section 25. REPEALING CLAUSE

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

Section 26. SEPARABILITY CLAUSE

If, for any reason, any section or provision of this Wage Order is declared unconstitutional or illegal, the other provisions or parts hereof shall remain valid.

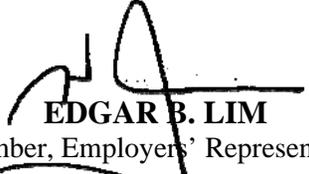
Section 27. IMPLEMENTING RULES AND REGULATIONS.

The Board shall issue the necessary implementing rules and regulations of this Wage Order subject to the approval of the Secretary of the Department of Labor and Employment.

Section 28. EFFECTIVITY

This Wage Order shall take effect fifteen (15) days from the date of publication in a newspaper of general circulation in the region.

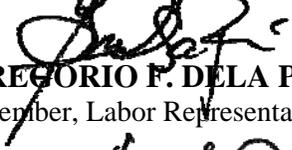
APPROVED this 16th day of August, 2010, in Zamboanga City, Philippines.


EDGAR B. LIM
Member, Employers' Representative


ROBERTO G. VALERIO
Member, Employers' Representative


ARTURO G. VALERO
Vice-Chairman, NEDA


JOSE J. SUAN
Member, Labor Representative


GREGORIO F. DELA PEÑA
Member, Labor Representative


NAZRUL A. B. MANZUR
Vice-Chairman, DTI


PONCIANO M. LICUTOM
Regional Board Chairman

This Wage Order No. RIX-16 is published on August 25, 2010, at Zamboanga Today.

This Wage Order shall take effect on 09 September 2010.



IMPLEMENTING RULES FOR WAGE ORDER NO. RIX-16

Pursuant to Section 6, Rule IV of the NWPC Guidelines No. 01, Series of 2007 on the Amended Rules of Procedure on Minimum Wage Fixing, and Section 27 of Wage Order No. RIX-16, the following rules and regulations are hereby issued for guidance and compliance by all concerned.

RULE I

GENERAL PROVISIONS

Section 1. TITLE.

This Rules and Regulations shall be known as the Implementing Rules for Wage Order No. RIX-16.

Section 2. DEFINITION OF TERMS.

- a. “**ACT**” refers to Republic Act No. 6727, otherwise known as the “**Wage Rationalization Act of 1989**”.
- b. “**ORDER**” means Wage Order No. RIX-16.
- c. “**COMMISSION**” refers to the National Wages and Productivity Commission (NWPC).
- d. “**BOARD**” refers to the Regional Tripartite Wages and Productivity Board (RTWPB), in Region-IX.
- e. “**DEPARTMENT**” refers to the Department of Labor and Employment (DOLE).
- 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 or fish and other aquatic products in farms or ponds and any activity 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, rubber, aquatic or other farm products.
- g. “**BASIC WAGE**” means all the remunerations or earnings paid by employer to a worker for services rendered on normal working days and hours but does not include cost-of-living allowances, profit-sharing-payments, premium payments, 13th month pay or other monetary benefits which are not considered as part of or integrated into the regular wage or salary of the workers on the date the wage increase becomes effective.
- h. “**COTTAGE/HANDICRAFT ESTABLISHMENT**” refers to one engaged in an economic endeavor in which the products are primarily done in the home or such other places for profit, which requires manual dexterity and craftsmanship.
- i. “**ESTABLISHMENT**” refers to an economic unit, which engages in one area or

predominantly one kind of economic activity at a single fixed location.

- j. **“ESTABLISHMENT REGULARLY EMPLOYING NOT MORE THAN 30 WORKERS”** refers to an establishment employing not more than thirty (30) workers regardless of status, excluding the owner/s, for at least six (6) months in any calendar year.
- k. **“PLANTATION AGRICULTURAL ENTERPRISE”** refers to 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 enterprises shall be considered as “Non-Plantation Enterprise”.
- l. **“RETAIL ESTABLISHMENT”** is one principally engaged in the sale of goods to the end users for personal or household use. A retail establishment that regularly engages in wholesale activities loses its retail character.
- m. **“NEW MINIMUM WAGE RATES”** refer to the lowest wage rates that an employer can pay the workers, as fixed by the Regional Tripartite Wages and Productivity Board (RTWPB).
- n. **“REGION-IX”** is the geographical area covering the Zamboanga Peninsula Region comprising the Provinces of Zamboanga del Sur, Zamboanga del Norte, Zamboanga Sibugay and the Cities of Zamboanga, Pagadian, Dipolog, Dapitan and Isabela City.
- o. **“SERVICE ESTABLISHMENT”** is one principally engaged in the sale of services to individuals for their own or household use and is generally recognized as such.
- p. **“WAGE DISTORTION”** refers to a situation where an increase in prescribed minimum Wage rates results in the elimination or severe contraction of intentional quantitative differences in wage or salary rates between and among employees group in an establishment as to effectively obliterate the distinction embodied in such wage structure based on skills, length of service or other logical basis of differentiation.

RULE II

NEW MINIMUM WAGE RATES

Section 1. AMOUNT OF WAGE ADJUSTMENT

a. INTEGRATION OF COLA

Upon effectivity of this Order, the P15.00 COLA as prescribed by Wage Order No. RIX-15 is hereby **integrated** into the basic minimum wage.

b. WAGE INCREASE

Upon effectivity of this Order, the Minimum Wage Rates shall be increased by **P15.00** per day for all industries and categories under this Order.

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> Plantation Agricultural Enterprise	₱ 200.00	₱ 15.00	₱ 215.00	₱ 15.00	₱ 230.00
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RETAIL/SERVICE ESTABLISHMENTS employing not more than 30 workers	₱ 205.00	₱ 15.00	₱ 220.00	₱ 15.00	₱ 235.00
COTTAGE/HANDICRAFT	₱ 180.00	₱ 15.00	₱ 195.00	₱ 15.00	₱ 210.00

Section 3. COVERAGE.

The wage increases prescribed herein shall apply to all private sector workers and employees receiving the minimum wage in Region IX, regardless of their position, designation or status and irrespective of the method by which their wages are paid.

This Wage Order shall not cover: household or domestic helpers, persons employed in the personal service of another including family drivers, and employees and workers of registered Barangay Micro Business Enterprises (BMBEs) with Certificates of Authority pursuant to RA 9178, otherwise known as the “Barangay Micro Business Enterprises Act of 2002”.

Section 4. BASIS OF MINIMUM WAGE.

The minimum wage rates prescribed in this Wage Order shall be for the normal working hours, which shall not exceed eight (8) hours work a day.

Section 5. PRODUCTIVITY-BASED WAGES

In order to sustain rising levels of wages and enhance competitiveness, businesses are encouraged to strongly adopt productivity improvement schemes such as: time and motion studies, good housekeeping techniques, quality circle, ISTIV, labor-management cooperation as well as implement gain-sharing programs. Accordingly, the BOARD shall provide the necessary studies and technical assistance pursuant to Republic Act No. 6971, otherwise known as the “Productivity Incentives Act of 1990”.

Section 6. APPLICATION TO WORKERS PAID BY RESULTS.

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 this Wage Order for the normal working hours which shall not exceed eight (8) hours work a day, or a proportion thereof for work of less than normal working hours.

The wage rates 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 rules.

Section 7. APPLICATION TO SPECIAL GROUP 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 the Wage Order.

All recognized learnership and apprenticeship agreements entered into before the effectivity of the Wage Order shall be considered automatically modified insofar as their wage provisions are concerned to reflect the increases prescribed under this Order.

All qualified handicapped workers shall receive the prescribed minimum wage rates pursuant to R.A. 7277.

Section 8. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS

In the case of private educational institutions, the share of covered workers and employees in the increase in tuition fees for School Year 2010-2011 shall be considered as compliance with the applicable minimum wage rates prescribed herein. However, payment of any difference shall be given starting School Year 2011-2012.

Private educational institutions which have not increased their tuition fees for School Year 2010-2011 may defer compliance with the provisions of this Wage Order until School Year 2011-2012.

In any case, all private educational institutions shall implement the minimum wage rates prescribed herein starting School Year 2011-2012.

Section 9. APPLICATION TO CONTRACTORS

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

Section 10. APPLICATION TO INDUSTRIES WHOSE REVENUES ARE REGULATED BY LAW

Industries whose revenues are regulated by law (such as arrastre, transportation, electric cooperatives, other utilities, etc) shall comply with this Wage Order immediately upon approval of an adjustment in their rates by the concerned government agencies, but not later than six (6) months from the effectivity of the Wage Order.

Section 11. MOBILE AND BRANCH WORKERS

The minimum wage rate of workers who by nature of their work have to travel shall be those applicable in the domicile or head office of their employer.

The minimum wage rates of workers working in branches or agencies of establishments within the Region shall be those applicable in the place where they are stationed.

Section 12. TRANSFER OF PERSONNEL

The transfer of personnel to areas with lower rates shall in no case be a valid ground for the reduction of the higher wage rates being enjoyed by the worker prior to such transfer. However,

where the worker is transferred to an area with higher minimum wage rate, he or she shall be entitled the higher minimum wage rate in that region or location.

Section 13. CREDITABLE WAGE INCREASE

Wage increases granted by an employer in an organized establishment, within six (6) months prior to the effectivity of this Order, shall be credited as compliance with the prescribed increase set forth herein. Provided, that an agreement to this effect has been forged between the parties or a provision in the Collective Bargaining Agreement (CBA) allowing creditability exists. In the absence of such agreement or provision in the CBA, any increase granted by the employer shall not be credited as compliance with the increase prescribed in this Order.

In unorganized establishments, wage increases granted by the employer within six (6) months prior to the effectivity of this Order shall be credited as compliance.

In case the increase given is less than the prescribed increase in this Order, the employer shall pay the difference. Such increases shall not include anniversary increases, merit wage increases, and those resulting from the regularization of employees.

RULE III

EXEMPTION

Section 1. EXEMPTIONS

Distressed establishments may be exempted from compliance with this Order upon application with and as determined by the Board in accordance with the NWPC Guidelines No. 02, Series of 2007 (Amended Rules on Exemption). The extent and duration of exemption shall only be for a period of six (6) months.

RULE IV

APPEAL AND EFFECTS

Section 1. APPEAL TO THE COMMISSION

Not later than ten (10) calendar days from the date of the publication of this Wage Order, any party aggrieved by this Wage Order may appeal to the Commission by filing a verified appeal with the BOARD in three (3) printed legible copies. The Appeal shall be accompanied by a Memorandum of Appeal which state the grounds relied upon, the arguments in support of the appeal and the relief being sought.

The BOARD shall serve notice of the appeal to concerned parties. Failure to file an appeal within the reglementary period fixed under this section or to submit the required documents shall be a ground for dismissal of the Appeal.

A Motion for Reconsideration on this Wage Order filed with the BOARD shall be treated as an appeal subject to the requisites for the perfection of the appeal under this Rule.

Section 2. EFFECTS OF FILING OF AN APPEAL

The filing of an Appeal does not operate to stay the Order unless the party appealing such Order shall file with the Commission an Undertaking. The Undertaking must be with a surety or sureties satisfactory to the Commission for payment of the corresponding increase or adjustment to employees affected by this Wage Order in the event such Order is affirmed.

RULE V

SPECIAL PROVISIONS

Section 1. EFFECTS ON EXISTING WAGE STRUCTURE.

Should any dispute arise as a result of wage distortion, the employer and the union shall negotiate to correct the distortions through the grievance procedure under their Collective Bargaining Agreement (CBA), 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 was referred for voluntary arbitration.

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

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

Section 2. COMPLAINTS FOR NON-COMPLIANCE

Complaints for non-compliance with the wage increases prescribed under this Wage Order shall be filed with the Regional Office of the Department of Labor and Employment (DOLE) having the jurisdiction over the workplace and shall be the subject of the enforcement proceedings under Articles 128 of the Labor Code, as amended, without prejudice to criminal prosecution which may be undertaken against those who fail to comply.

Section 3. CONDUCT OF INSPECTION BY THE DEPARTMENT OF LABOR AND EMPLOYMENT

The Department shall conduct inspections of establishments, as often as necessary, to determine whether the covered workers are paid the prescribed wage rates and other benefits granted by law or any Wage Order. In the conduct of inspection in unionized companies, Department Inspectors shall always be accompanied by the President or other Responsible Officer of the recognized bargaining unit or of any interested union. In the case of non-unionized establishment, a worker representing the workers in the said company will accompany the Inspector(s).

The workers' representative shall have the right to submit his or her own findings to the Department and to testify on the same if he or she does not concur with the findings of the Labor Inspector(s).

Section 4. NON-DIMINUTION OF BENEFITS

Nothing in this Wage Order and this Rules shall be construed to reduce any existing wage rates and benefits of any form under existing laws, decrees, executive order, any contract or agreement between workers and employers.

Section 5. PENAL PROVISIONS

Pursuant to the provisions of Section 12 of R.A. No. 6727, as amended by R.A. 8188, otherwise known as the "Double Indemnity Act of 1996", any person, corporation, trust, firm, partnership, association or entity which refuses or fails to pay any of the prescribed increase in the Wage Order, shall be punished by a fine of 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 this Wage Order shall be entitled to the benefits provided for under Presidential Decree No. 1257 otherwise known as the "Probation Law of 1976".

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

Section 6. PRODUCTIVITY ENHANCEMENT

In order to sustain rising levels of wages and enhance competitiveness, businesses are encouraged to strongly adopt productivity improvement schemes such as time and motion studies, good housekeeping techniques, quality circle, ISTIV, labor-management cooperation as well as implement gain-sharing programs. Accordingly, the Board shall provide the necessary studies and technical assistance pursuant to Republic Act No. 6971 otherwise known as the Productivity Incentives Act of 1990.

Section 7. PROHIBITION AGAINST INJUNCTION

No Preliminary or Permanent Injunction or Temporary Restraining Order (TRO) may be issued by the court, tribunal or other entity against any proceedings before the Commission or the Regional Boards.

Section 8. FREEDOM TO BARGAIN

This Wage Order shall not be construed to prevent workers in particular firms or enterprises or industries from bargaining for higher wages and flexible working arrangement with their respective employers.

Section 9. REPORTING REQUIREMENTS

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

Section 10. REPEALING CLAUSE

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

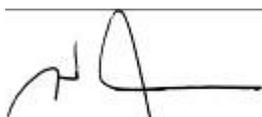
Section 11. SEPARABILITY CLAUSE

If, for any reason, any provision of this Wage Order is held unconstitutional or illegal, the other provisions or parts thereof shall remain valid.

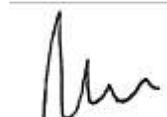
Section 12. EFFECTIVITY

These Rules and Regulations shall take effect on _____, 2010.

APPROVED this August 17, 2010, in Zamboanga City, Philippines.



EDGAR B. LIM
Member, Employers' Representative



JOSE J. SUAN
Member, Labor Representative



ROBERTO G. VALERIO
Member, Employers' Representative



GREGORIO F. DELA PEÑA
Member, Labor Representative



ARTURO G. VALERO
Vice-Chairman, NEDA



NAZRULLAH B. MANZUR
Vice-Chairman, DTI



PONCIANO M. LIGUTOM
Chairman, DOLE IX

APPROVED this 8th day of September 2010, in the City of Manila, Philippines.

HON. ROSALINDA DIMAPILIS-BALDOZ
Secretary
DEPARTMENT OF LABOR AND EMPLOYMENT