



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
 National Wages and Productivity Commission



REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD-IX
 Compartment No. 2-F, HC Marketing Inc., Camins Avenue, Zamboanga City
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WAGE ORDER NO. RIX-20
PRESCRIBING THE NEW MINIMUM WAGE IN THE ZAMPEN REGION

WHEREAS, the Regional Tripartite Wages and Productivity Board-Region IX (RTWPB-IX) is mandated under Republic Act 6727, otherwise known as "The Wage Rationalization Act of 1989", to periodically set the applicable minimum wage of workers in private establishments in the region or industry, subject to existing Guidelines of the National Wages and Productivity Commission (NWPC);

WHEREAS, RTWPB-IX, *motu proprio*, has decided to review Wage Order No. RIX-19 (W.O. No. 19), as it has been in force and in effect since 01 October 2016;

WHEREAS, after due notices to all concerned sectors and stakeholders, RTWPB-IX conducted provincial consultations starting in Zamboanga City on 20 February 2018, in Isabela City on 12 March 2018, in Ipil, Zamboanga Sibugay on 13 March 2018, in Pagadian City, Zamboanga del Sur on 14 March 2018, in Dipolog City, Zamboanga del Norte on 15 March 2018; and, a regionwide public hearing on 14 June 2018 in Zamboanga City, to determine the propriety of adjusting the wage rates prescribed by W.O. No. 19;

WHEREAS, after consideration of the result of the public consultations and hearing conducted, and a thorough assessment of the socio-economic conditions in the region, particularly the Consumer Price Index, Erosion of the Purchasing Power of the Peso, and Poverty Threshold Level, the Board has determined the need to adjust the prevailing wage rates in the ZAMPEN Region, without impairing the viability of business and industry, consistent with the government's policy of achieving higher levels of productivity, promote economic growth, generate employment, and to augment the income of workers;

NOW, THEREFORE, by virtue of the power and authority vested under Republic Act No. 6727, the Regional Tripartite Wages and Productivity Board Region-IX hereby issues this Wage Order No. RIX-20.

Section 1. THE NEW DAILY MINIMUM WAGE RATES. Upon effectivity of this Order, the new daily Minimum Wage Rates in the Region shall be as follows:

Wage Categories	Minimum Wage under W.O.# RIX-19	Basic Wage Increase	New Minimum Wage Rates
NON-AGRICULTURAL (Includes private hospitals, educational institutions, security and janitorial agencies ; and retail/service establishments employing more than 30 workers.)	₱ 296.00	₱ 20.00	₱ 316.00
AGRICULTURAL/ RETAIL/SERVICE ESTABLISHMENTS (Includes rubber-based plantations/ Agricultural Plantation and Non-Plantation; Micro Enterprises; and retail/service establishments employing not more than 30 workers)	₱ 283.00	₱ 20.00	₱ 303.00

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Section 2. COVERAGE. The wage rates prescribed in this Order shall apply to all minimum wage earners in the private sector in the region, regardless of their position, designation or status of employment, and irrespective of the method by which they are paid.

This Wage Order shall not cover kasambahay/domestic workers; persons in the personal service of another; and workers of duly registered Barangay Micro Business Enterprises (BMBEs) with Certificates of Authority pursuant to Republic Act 9178, as amended by Republic Act 10644.

Section 3. 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 4. APPLICATION TO CONTRACTORS. In the case of contracting out of projects, and for security and similar services, the prescribed wage rates of covered workers shall be borne by the principal or client and the service agreement or contract shall be deemed amended accordingly.

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

Section 5. 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 2018-2019 shall be considered as compliance with the wage rates prescribed herein. However, where the share of the workers and employees is less than what is provided herein, the employer shall pay the difference starting school year 2019-2020.

Private educational institutions which have not increased their tuition fees for School Year 2018-2019 may defer compliance with the provisions of this Wage Order until School Year 2019-2020.

In any case, all private educational institutions shall implement the minimum wage rates prescribed herein starting School Year 2019-2020.

Section 6. APPLICATION TO WORKERS PAID BY RESULT. All workers paid by result, including those who are paid on piecework, "takay", "pakyaw" or task basis, shall be entitled to receive the prescribed wage rates per eight (8) hours of work a day, or a proportion thereof for working less than eight (8) hours.

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 in accordance with this Order.

All qualified handicapped workers shall receive the prescribed minimum wage rates pursuant to R.A. 7277, otherwise known as the Magna Carta for Disabled Persons.

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Section 8. APPLICATION TO INDUSTRIES WHOSE REVENUES ARE REGULATED BY LAW. Industries whose revenues are regulated by law such as arrastre and stevedoring, transportation, utilities, and the like, 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 9. MOBILE AND BRANCH WORKERS; AND, TRANSFER OF PERSONNEL. 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.

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 10. EXEMPTIONS. Upon application with and as determined by the Board, based on documentation and other requirements submitted in accordance with applicable rules and regulations issued by NWPC, the following may be exempted from the applicability of this Order:

- a) Distressed Establishments
- b) New Business Enterprises (NBEs)
- c) Retail/Service Establishments Employing Not More Than Ten (10) workers, and
- d) Establishments Adversely Affected by Calamities such as natural and human-induced disasters

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

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Section 12. 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.

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Section 13. CREDITABLE WAGE INCREASE. Wage increases granted by an employer in an organized establishment within three (3) 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 such 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 wage increase, the employer shall pay the difference. Such increases shall not include anniversary increases, merit wage increases and those resulting from the regularization or promotion of employees.

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Section 14. EFFECTS ON EXISTING WAGE STRUCTURE OR WAGE DISTORTION. If the application of the increase in the wage rates under this Order results in distortion of the wage structure within an establishment, it shall be corrected in accordance with the procedures provided for under Article 124 of the Labor Code of the Philippines, as amended.

Section 15. COMPLAINTS FOR NON-COMPLIANCE. Complaints for non-compliance with this Order shall be filed with the Regional Office of the Department of Labor and Employment (DOLE) having jurisdiction over the workplace and shall be the subject to the mandatory 30-day conciliation and mediation process under the Single Entry Approach (SEnA). However, if settlement fails, the case becomes subject of enforcement proceedings under Articles 128 and 129 of the Labor Code, as amended, without prejudice to criminal prosecution which may be undertaken against those who fail to comply.

Section 16. PRODUCTIVITY AND OTHER PERFORMANCE INCENTIVE PROGRAMS. In order to sustain rising levels of wages and enhance competitiveness, labor and management, as partners, are encouraged to adopt productivity improvement schemes such as time and motion studies, good housekeeping, quality circle, labor and management cooperation and implement gainsharing and other performance incentives schemes that will improve the quality of life of workers and in turn enable them to perform better and contribute to enterprise growth.

Pursuant to the Two-Tiered Wage System, the Board issued Advisory No. 1 on the Implementation of productivity-based Incentives scheme, attached to Wage Order No. RIX-20, for reference.

Section 17. NON-DIMINUTION OF BENEFITS. Nothing in this Order shall be construed to reduce existing wage rates, allowances and benefits of any form under existing laws, decrees, issuances, executive orders and/or under any contract or agreement between workers and employers.

Section 18. 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 19. 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 20. REPORTING REQUIREMENT. All business establishments shall submit a verified report on their wage structure to the Board not later than January 31 of each year, and every year thereafter in accordance with the form prescribed by the National Wages and Productivity Commission.

Section 21. PENAL PROVISIONS. 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 22. 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.

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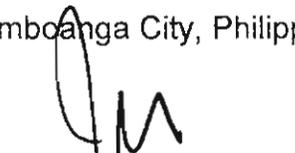
Section 23. SEPARABILITY CLAUSE. If, for any reason, any section or provision of this Wage Order is declared unconstitutional or illegal, the other provisions or parts shall remain valid.

Section 24. IMPLEMENTING RULES AND REGULATIONS. The Board shall issue the necessary rules and regulations to implement this Wage Order, subject to the approval of the Secretary of the Department of Labor and Employment.

Section 25. EFFECTIVITY. This Wage Order shall take effect fifteen (15) days from the date of publication in newspaper/s of general circulation in the region.

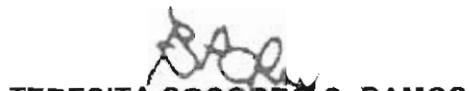
APPROVED this 29th day of June 2018, in Zamboanga City, Philippines.

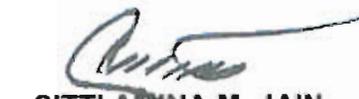

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