



Republic of the Philippines  
Department of Labor and Employment  
National Wages and Productivity Commission  
**REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD**  
**REGION IV-B - MIMAROPA**  
Calapan City, Oriental Mindoro

**WAGE ORDER NO. IV-B-06**

**SETTING NEW MINIMUM WAGE RATES IN REGION IV-B**

**WHEREAS**, the Regional Tripartite Wages and Productivity Board IV-B is mandated under R. A. 6727 (the Wage Rationalization Act), to periodically assess wage rates and conduct continuing studies in the determination of the minimum wage applicable in the region;

**WHEREAS**, Wage Order No. IV-B-05 is on its 2<sup>nd</sup> year of effectivity and considering the increases of prices of basic and prime commodities and other expenses, the Board has deemed it necessary to review, *motu proprio*, the existing minimum wage rates in the Region there being no petition filed;

**WHEREAS**, as part of its *motu proprio* review, the Board conducted consultations and public hearings with representatives from labor, employer and government sectors on 30 May 2012, 20 June 2012, 08 August 2012, and 26 September 2012 for the Province of Oriental Mindoro in Calapan City, for the Province of Palawan in Puerto Princesa City, for the Province of Occidental Mindoro in San Jose, and for the Province of Romblon in Odiongan, respectively, to determine the propriety of issuing a new wage order;

**WHEREAS**, considering the results of the sectoral consultations, public hearings and the changes in the socio-economic indicators in the region, the Board has decided to provide workers with immediate relief to cope with the rising cost of living without impairing the viability of business and industry;

**WHEREAS**, the Board deemed it wise to increase the minimum wage so that it reaches a decent level above the poverty threshold but still be reasonable, moderate and equitable;

**WHEREAS**, the Board collectively agreed to restructure the current wage order to simplify the grouping and improve the implementation of the Wage Order;

**WHEREAS**, the Board also considered to provide separate classification for first class municipalities of MIMAROPA taking into consideration the economic activity or income classification as contained in National Statistical Coordination Board list of municipalities by income class.

**NOW, THEREFORE**, the **REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD, REGION IV-B (MIMAROPA)**, by virtue of the powers granted to it under Republic Act No. 6727, otherwise known as the Wage Rationalization Act, hereby issues this Wage Order:

**Section 1. NEW MINIMUM WAGE RATES.** Upon effectivity of this Wage Order, the new daily minimum wage rates of covered workers in the private sector in MIMAROPA shall be as follows:

Industry Sector	AREAS											
	Highly Urbanized City (Puerto Princesa)			Calapan City, Puerto Galera, El Nido & Coron			First Class Municipalities of MIMAROPA			The Rest of the Region		
	Basic	COLA	TOTAL	Basic	COLA	TOTAL	Basic	COLA	TOTAL	Basic	COLA	TOTAL
<b>NON-AGRICULTURE</b>												
<b>Industry/Services</b>												
Establishments with more than 10 workers	270.00	5.00	275.00	265.00	5.00	270.00	255.00	5.00	260.00	250.00	5.00	255.00
Establishments with 10 workers & below	210.00	5.00	215.00	205.00	5.00	210.00	202.00	5.00	207.00	200.00	5.00	205.00
<b>AGRICULTURE</b>	220.00	5.00	225.00	220.00	5.00	225.00	210.00	5.00	215.00	210.00	5.00	215.00

However, non-agricultural establishments employing not more than ten (10) workers already paying the P259 or P247 in Basic Wage and P5 in Cost of Living Allowance (P264 or P252) shall continue to pay the P264 or P252 minimum wage rates mandated under Wage Order IV-B-05.

**Section 2. COVERAGE.** The wage increase prescribed in this Order shall apply to all private sector minimum wage workers in the region, regardless of their position, designation or status of employment 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 of duly registered Barangay Micro-Business Enterprises with Certificate of Authority, pursuant to R.A. 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 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 minimum wage rate for eight (8)

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normal working hours a day, or a proportion thereof for working less than eight (8) hours.

**Section 5. APPLICATION TO SPECIAL GROUPS OF WORKERS.** Apprentices and learners shall receive not less than seventy five (75%) percent 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 prescribed wage rates.

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

**Section 6. APPLICATION TO CONTRACTORS/SUB-CONTRACTORS.** In the case of contracts for construction, security, janitorial and similar services, the prescribed minimum wage rates for covered workers shall be borne by the principal or clients thereof, and the contracts shall be deemed amended accordingly. If the principal or client fails to pay the prescribed minimum wage rates, the construction/service contractors shall be jointly and severally liable with the principal or client.

**Section 7. 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 2013-2014 shall be considered as compliance with the minimum wage rates prescribed in this Order. However, payment of any shortfall in the minimum wage rates set forth in the Order shall be covered starting School Year 2014-2015.

Private educational institutions, which have not increased their tuition fees for the School Year 2013-2014, may defer compliance with the provisions of this Order.

In any case, all private educational institutions shall implement the minimum wage rate prescribed herein starting School Year 2014-2015.

**Section 8. APPLICATION TO MOBILE, BRANCH AND TRANSFERRED EMPLOYEES.** 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. For those workers working in branches or agencies of establishments in or outside the Region, the minimum wage rates shall be those applicable in the place where they are stationed or based.

The transfer of personnel from a high rate city/municipality to a lower rate city/municipality shall not be a valid ground for the reduction of the wage rates being enjoyed by the workers prior to such transfer. Workers transferred from a lower rate municipality to a higher rate municipality shall be entitled to the minimum wage rates applicable therein.

**Section 9. 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, if expressly provided for and agreed upon in a collective bargaining agreement.

In unorganized establishments, wage increases granted by the employer within three (3) months prior to the effectivity of this Order shall be credited as compliance therewith.

If such increases are less than the prescribed minimum wage increase herein, 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 10. EFFECT ON EXISTING WAGE STRUCTURE.** Where the application of the wage increases prescribed in this Order results in distortion in the wage structure within the establishment, it shall be corrected in accordance with the procedure under Article 124 of the Labor Code, as amended.

**Section 11. PRODUCTIVITY-BASED WAGES.** In order to sustain rising levels of wages and enhance competitiveness, private businesses are encouraged to adopt productivity improvement schemes such as Service Quality for the Supply Chain in the Tourism Industry, ISTIV Productivity Awareness Program, 5S good housekeeping, time and motion studies, as well as implement green productivity and gain-sharing programs and other related productivity incentive schemes. Accordingly, the Board shall provide the necessary studies and technical assistance, pursuant to Republic Act No. 6971 or the Productivity Incentives Act of 1990.

**Section 12. EXEMPTION.** This Wage Order shall not allow exemption from compliance with the provisions of this Order.

**Section 13. APPEAL TO THE COMMISSION.** Any party aggrieved by the 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 14. EFFECT OF FILING AN 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 surety or sureties satisfactory to the Commission for payment of the corresponding increase to employees affected by the Order, in the event such Order is affirmed.

**Section 15. COMPLAINTS FOR NON-COMPLIANCE.** Complaints for non-compliance with the Wage Order shall be filed with the Regional Office of the Department of Labor and Employment (DOLE) and shall be the subject of enforcement proceedings under Article 128 and 129 of Labor Code, as amended without prejudice to criminal prosecution which may be undertaken against those who fail to comply.

**Section 16. NON-DIMINUTION OF BENEFITS.** Nothing in this Order shall be construed to reduce any existing wage rates, allowances or other benefits under

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existing laws, decrees, issuances and executive orders and/or under any contract or agreement between workers and employers.

**Section 17. 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 18. REPORTING REQUIREMENTS.** Any person, company, corporation, partnership or any entity engaged in business shall submit an itemized listing under oath of their labor component to the Board not later than January 31, 2013 and every year thereafter in accordance with the form prescribed by the National Wages and Productivity Commission.

**Section 19. PENAL PROVISION.** Any employer who refuses or fails to pay the minimum wage rate prescribed in this Order shall be subject to the penalties imposed under R.A. 6727, as amended by R.A. 8188.

**Section 20. 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 21. 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 22. 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 23. IMPLEMENTATION OF TIER-TWO.** On a voluntary basis and upon effectivity of this Order, employers who recognize and value the contribution of their workers may provide productivity and incentives based pay to them based on indicators like business performance, labor productivity, work behaviour, competitiveness of establishments, among others.

The Board shall issue an Advisory in accordance with NWPC Guidelines No. 2 Series of 2012 "Guidelines on the Implementation of the Two-Tiered Wage System".

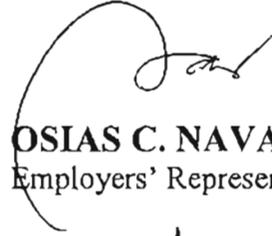
**Section 24. IMPLEMENTING RULES.** The Regional Tripartite Wages and Productivity Board IV-B (MIMAROPA) shall submit to the NWPC the necessary Rules and Regulations to implement this Order subject to the approval of the Secretary of Labor and Employment not later than ten (10) days from the publication of the Wage Order.

**Section 25. EFFECTIVITY.** This Wage Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

APPROVED this 25<sup>th</sup> of October, 2012 at Calapan City, Oriental Mindoro, Philippines.



**EMILIO L. LEACHON, JR.**  
Employers' Representative



**OSLAS C. NAVARRO**  
Employers' Representative



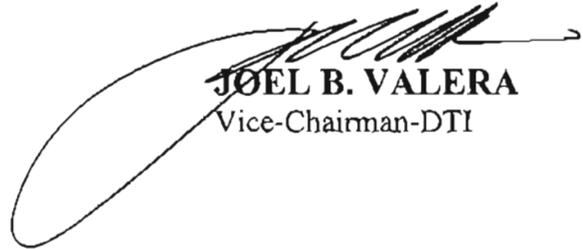
**ARTURO A. BASEA**  
Workers' Representative



**ROMEO R. ARICA**  
Workers' Representative



**REMIGIO A. MERCADO**  
Vice-Chairman-NEDA



**JOEL B. VALERA**  
Vice-Chairman-DTI



**MA. ZENAIDA EUSEBIA A. ANGARA**  
Chairman



Republic of the Philippines  
Department of Labor and Employment  
National Wages and Productivity Commission  
**REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD**  
**REGION IV-B - MIMAROPA**

**IMPLEMENTING RULES AND REGULATIONS**  
**WAGE ORDER NO. IV-B-06**

Pursuant to Section 6, Rule IV of the National Wages and Productivity Commission (NWPC) Amended Rules of Procedure on Minimum Wage Fixing, and Section 24 of Wage Order No. IV-B-06, the following rules are hereby issued for the guidance and compliance of all concerned.

**RULE 1 – GENERAL PROVISIONS**

**SECTION 1. TITLE.** This Rules shall be known as "Implementing Rules and Regulations Wage Order No. IV-B-06";

**SECTION 2. DEFINITION OF TERMS.** As used in this Rules:

(a) "Order" means Wage Order No. IV - B - 06;

(b) "Board" means the Regional Tripartite Wages and Productivity Board of Region IV-B;

(c) "Commission" means the National Wages and Productivity Commission;

(d) "Department" means the Department of Labor and Employment;

(e) "Region IV-B" covers the Provinces of Occidental Mindoro, Oriental Mindoro, Marinduque, Romblon and Palawan, otherwise known as MIMAROPA, including the City of Calapan and the Highly Urbanized City of Puerto Princesa;

(f) "Minimum Wage Rates" refer to lowest minimum wage rates that an employer is obliged to pay his workers, as fixed by the Board;

(g) "Agriculture" refers to farming in all its branches and among others, includes the cultivation and tillage of the soil, production, 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 farm 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) "Highly urbanized city" refers to Puerto Princesa City;

(i) "First class municipalities of MIMAROPA" are the following:

(1) Palawan

- a. Aborlan
- b. Bataraza
- c. Brooke's Point
- d. Narra
- e. Quezon
- f. Roxas
- g. San Vicente
- h. Taytay
- i. Rizal (Marcos)

(2) Oriental Mindoro

- a. Bongabong
- b. Naujan
- c. Pinamalayan

(3) Occidental Mindoro

- a. Sablayan
- b. San Jose
- c. Santa Cruz

(4) Marinduque

- a. Boac
- b. Santa Cruz

(j) The rest of the region" – areas that are not included in the aforecited classifications.

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## RULE II – NEW MINIMUM WAGE RATES

**SECTION 1. NEW MINIMUM WAGE RATES.** Effective February 01, 2013, the new daily minimum wage rates in MIMAROPA shall be as follows:

Industry Sector	AREAS											
	Highly Urbanized City (Puerto Princesa)			Calapan City, Puerto Galera, El Nido & Coron			First Class Municipalities of MIMAROPA			The Rest of the Region		
	Basic	COLA	TOTAL	Basic	COLA	TOTAL	Basic	COLA	TOTAL	Basic	COLA	TOTAL
<b>NON-AGRICULTURE Industry/Services</b>												
Establishments with more than 10 workers	270.00	5.00	275.00	265.00	5.00	270.00	255.00	5.00	260.00	250.00	5.00	255.00
Establishments with 10 workers & below	210.00	5.00	215.00	205.00	5.00	210.00	202.00	5.00	207.00	200.00	5.00	205.00
<b>AGRICULTURE</b>	220.00	5.00	225.00	220.00	5.00	225.00	210.00	5.00	215.00	210.00	5.00	215.00

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**SECTION 2. COVERAGE.** The minimum wage rates prescribed under the Order shall apply to all private sector minimum wage workers in the Region regardless of their position, designation or status, and irrespective of the method by which their wages are paid, except household or domestic helpers, persons in

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the personal service of another including family drivers and workers of registered Barangay Micro-Enterprises with Certificate of Authority, pursuant to R.A. 9178.

**SECTION 3. BASIS OF MINIMUM WAGE RATES.** The minimum wage rates prescribed herein shall be for the normal working hours, which shall not exceed eight (8) hours of work a day.

**SECTION 4. APPLICATION TO WORKERS PAID BY RESULT.** All workers paid by result, including those who are paid on piecework, takay, pakyaw, or task basis, shall receive not less than the applicable minimum wage rates prescribed under the Order for the normal working hours which shall not exceed eight hours work a day, or a proportion thereof for work of less than the normal working hours.

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

- |   |   |                  |   |                         |
|---|---|------------------|---|-------------------------|
| a) $\frac{\text{Amount of increase in AMW}^*}{\text{Previous AMW}}$ | x | 100              | = | % increase;             |
| b) Existing rate/piece  | x | % increase       | = | Increase in rate/piece; |
| c) Existing rate/piece  | + | Increase in rate | = | Adjusted rate/piece     |

\* Where: AMW is the applicable minimum wage rate.

The wage rates of workers who are paid by result shall continue to be established in accordance with Article 101 of the Labor Code, as amended and its Implementing Rules and Regulations.

**SECTION 5. APPLICATION TO SPECIAL GROUPS OF WORKERS.** Wages of apprentices and learners shall in no case be less than 75 percent of the applicable minimum wage rates prescribed in the Order.

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

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

**SECTION 6. PRODUCTIVITY AND OTHER PERFORMANCE INCENTIVE PROGRAMS.** In order to sustain rising levels of wages and enhance competitiveness, private businesses are encouraged to adopt productivity improvement schemes such as Service Quality for Key Employment Generators, ISTIV Productivity Awareness Program, 5S good housekeeping, time and motion studies, implement green productivity programs, gain-sharing programs and other related productivity incentive schemes. Accordingly, the Board shall provide the necessary studies and technical assistance, pursuant to Republic Act No. 6971 or the Productivity Incentives Act of 1990.

**SECTION 7. 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 2013-2014 shall be considered as compliance with the increase prescribed in the Order. However, payment of any shortfall shall be covered starting School Year 2014-2015.

Private educational institutions which have not increased their tuition fees for the School Year 2013-2014, may defer compliance with the wage increase prescribed in the Wage Order.

In any case, all private educational institutions shall implement the increase prescribed herein starting School Year 2014-2015.

**SECTION 8. APPLICATION TO CONTRACTORS.** In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed minimum wage rates for covered workers shall be borne by the principal or clients of the construction/service contractor and the contract shall be deemed amended accordingly. In the event, however, that the principal or client fails to pay the prescribed minimum wage rates, the construction/service contractor shall be jointly and severally liable with the principal or client.

**SECTION 9. APPLICATION TO MOBILE, BRANCH AND TRANSFERRED EMPLOYEES.** 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. For those workers working in branches or agencies of establishments in or outside the Region, the minimum wage rates shall be those applicable in the place where they are stationed or based.

The transfer of personnel from a high rate city/municipality to a lower-rate city/municipality shall not be a valid ground for the reduction of the wage rates being enjoyed by the workers prior to such transfer. Workers transferred from a lower-rate city/municipality to a higher rate city/municipality shall be entitled to the minimum wage rates applicable therein.

**SECTION 10. 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 equivalent monthly minimum wage rates (EMMR)

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

$$\text{Applicable Daily Rate (ADR)} \times 393.5 / 12 \text{ months} = \text{EMMR}$$

Where 393.5 days/year	=	298	Ordinary working days
		24	12 Regular holidays X 200%
		67.6	52 Rest days X 130%
		3.9	3 Special days X 130%
		<u>393.5</u>	<b>Total no. of days/year</b>

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

$$\text{ADR} \times 313 / 12 \text{ months} = \text{EMMR}$$

Where 313 days/year	=	298	Ordinary working days
		12	Regular holidays
		3	Special days
		<u>313</u>	<b>Total no. of days/year</b>

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

ADR X 261 /12 months = EMMR

Where 261 days/year	246	Ordinary working days
	12	Regular holidays
	3	Special days
	<u>261</u>	<b>Total No. of days/year</b>

Meanwhile, as to factor 365 days/year, although there is no effect as to the payment in monthly salary of employees as they are paid all days of the year, its breakdown will be as follows:

ADR x 365 / 12 months = EMMR

Where 365 days/year	298	Ordinary working days
	52	Sundays/rest days
	12	Regular holidays
	3	Special days
	<u>365</u>	<b>Total No. of days/year</b>

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### RULE III – EXEMPTION

**SECTION 1. EXEMPTION.** The Wage Order shall not allow exemption from compliance with the provisions of this Order.

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### RULE IV – CREDITABLE INCREASE AND WAGE DISTORTION

**SECTION 1. 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, if expressly provided for and agreed upon in a collective bargaining agreement.

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In unorganized establishments, wage increases granted by the employer within three (3) months prior to the effectivity of this Order shall be credited as compliance therewith.

If such increases are less than the prescribed minimum wage increase herein, 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 2. 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 distortion through the grievance procedure under their collective bargaining agreement, and if it remains unresolved, through

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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 is 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. 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, 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 distortion shall not in any way delay the applicability of any increase prescribed in the Order.

## RULE V – SPECIAL PROVISIONS

**SECTION 1. APPEAL TO THE COMMISSION.** Any party aggrieved by the Wage Order may file an appeal with the Commission within ten (10) calendar days from the publication of the Order. 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 such Order is affirmed.

**SECTION 3. PENAL PROVISION.** Pursuant to provisions of Section 12 of RA 6727, as amended by RA 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 of not less than Twenty-five Thousand pesos (P25,000.00) nor more than One Hundred Thousand Pesos (P100,000.00) or imprisonment of not less 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 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 managers, managing director or partner.

The employer/s 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 criminal liability imposable under this Act.

**SECTION 4. 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 5. COMPLAINTS FOR NON-COMPLIANCE.** Complaints for non-compliance with the Order shall be filed with the Regional Office of the Department having jurisdiction over the workplace and shall be the subject of enforcement proceedings under Articles 128 and 129 of the Labor Code, as amended.

**SECTION 6. CONDUCT OF INSPECTION BY THE DEPARTMENT.** The Department shall conduct inspections of establishment, as often as necessary, to determine whether the workers are paid the prescribed wage rates and other benefits granted by law or any Wage Order. In the conduct of inspections 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 establishments, a worker representing the workers in the said company will accompany the inspector.



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

**SECTION 7. NON-DIMINUTION OF BENEFITS.** Nothing in the Order and in this Rules 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 the employers.



**SECTION 8. 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 9. REPORTING REQUIREMENTS.** Any person, company, corporation, partnership or any entity engaged in business shall submit a verified itemized listing of their labor component to the Board not later than January 31, 2014 and every year thereafter in accordance with the form prescribed by the Commission. Non-compliance shall be subject to the provision of Section 5, Rule V of this Rules.



**SECTION 10. REPEALING CLAUSE.** All orders, issuances, rules and regulations on wages, or parts thereof inconsistent with the provisions of the Wage Order and/or this Rules are hereby repealed, amended or modified accordingly.

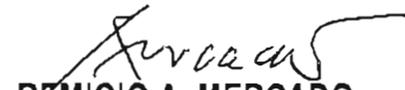
**SECTION 11. SEPARABILITY CLAUSE.** If any provision or part of the Order and this Rules, or the application thereof to any person or circumstance is held invalid or unconstitutional, the remainder of the Order and this Rules or the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.



**SECTION 12. EFFECTIVITY.** This Rules shall take effect on 01 February 2013.

Done this 15<sup>th</sup> day of January 2013, Calapan City, Oriental Mindoro, Philippines.

  
**MA. ZENaida Eusebia A. ANGARA**  
Chairperson

  
**REMIGIO A. MERCADO**  
Vice-Chairperson-NEDA

  
**JOEL B. VALERA**  
Vice-Chairperson-DTI

  
**ROMEO R. ARICA**  
Workers' Representative

  
**ARTURO A. BASEA**  
Workers' Representative

  
**OSIAS C. NAVARRO**  
Employers' Representative

  
**EMILIO L. LEACHON, JR.**  
Employers' Representative

APPROVED: This 4th day of February, 2013.

  
**ROSALINDA DIMAPILIS-BALDOZ**  
Secretary, Department of Labor and Employment

Dept. of Labor & Employment  
Office of the Secretary



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