

Republic of the Philippines
NATIONAL WAGES AND PRODUCTIVITY COMMISSION
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
National Capital Region

WAGE ORDER NO. NCR-03

PROVIDING AN INCREASE IN THE REGIONAL MINIMUM WAGE

WHEREAS, the rationale for the grant of minimum wage is to afford the workers a decent standard of living;

WHEREAS, the purchasing power of the Philippine currency has substantially declined since the last Wage Order issued by the Board precipitating a concomitant erosion in the real wage of the minimum wage earner;

WHEREAS, the region's development has not been spared from the spate of economic setbacks which has affected the world market in general;

WHEREAS, it is imperative that adequate measures be undertaken to address the foregoing concerns through sustained productivity growth and enhanced employment opportunities;

WHEREAS, the Regional Tripartite Wages and Productivity Board-National Capital Region after conducting a thorough assessment and review of the various employment and other economic indicators, and after having duly considered the viability and competitiveness of business and industry in the region, has deemed it necessary to grant an increase in the minimum wage rates of workers and employees therein;

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

Section 1. All private sector workers and employees in the National Capital Region receiving one hundred fifty-four pesos (P154.00) and below a day shall receive a wage increase of twenty-seven pesos (P27.00) per day payable as follows:

Amount of Increase	Date of Effectivity
P 17.00	Fifteen days after publication of this Wage Order.
P 10.00	April 1, 1994

Section 2. In the case of private educational institutions, the share of covered workers and employees in the increase of tuition fees for the School Year 1993-1994 shall be considered as compliance with the wage increase prescribed herein for the said School Year. However, payment of any shortfall in the wage increase set forth herein shall be covered starting School Year 1994-95.

Private educational institutions which did not increase their tuition fees, for the School Year 1993-1994 may defer compliance with the provisions of this Wage Order until School Year 1994-1995.

In any case, all private educational institutions shall implement the increase in the daily minimum wage rate prescribed herein starting School Year 1994-1995.

Section 3. In the case of the Petroleum Retailing Industry, the prices of products of which are subject to government regulation, the adjustment in the regional minimum wage rate prescribed herein shall take effect only after twelve (12) months from the effectivity of this Order or upon approval by the proper governmental agency of a corresponding increase in gasoline and other petroleum products, whichever comes first.

Section 4. Exempted from the provisions of this Wage Order are household or domestic helpers and persons in the personal service of another, including family drivers.

Section 5. The following employers/establishments, may likewise be exempted from the provisions of this Order upon application with and due determination of the Board, in accordance with the applicable rules and regulations to be issued by the Board and existing provisions of the NWPC Guidelines on Exemption, viz.:

- a. Exporting firms, including indirect exporters with existing forward contracts with their foreign buyers/principals at the time of effectivity of this Wage Order may be exempt during the lifetime of the said contract but not to exceed twelve (12) months from the effectivity of this Order.
- b. Retail/service establishment regularly employing not more than ten (10) workers.
- c. Distressed firms as defined in the NWPC Revised Guidelines on Exemption.

Section 6. The Board has the discretion to grant full or partial exemption to such employer with respect to the amount and/or period of exemption but in no case shall it exceed one (1) year from the effectivity of this Wage Order.

Section 7. 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 its resolution.

Section 8. In the event that the application for exemption is not granted, the employees of the applicant-firm shall receive the appropriate compensation due them as provided for in this Order together with the payment of interest amounting to one per cent (1%) per month retroactive to the effectivity of this Order.

Section 9. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed amount set forth herein 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 failed to pay the prescribed increase, the construction/service contractors shall be jointly and severally liable with the principal or client.

Section 10. 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 11. **a.** 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 in regional minimum wage rates.

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

c. In any case, 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 12. 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 in accordance with the procedure specified under Article 124 of the Labor Code, as amended.

Section 13. The Regional Board shall prepare the necessary rules and regulations to implement this Wage Order, subject to the approval of the Secretary of Labor and Employment.

Section 14. Any Employer who refuses or fails to pay the regional minimum wage increase provided under this Wage Order shall be subject to the penalties specified under R.A. 6727.

Section 15. If any provision or part of this Wage Order is declared unconstitutional or illegal, the other provisions or parts thereof shall remain valid. Nothing in this Order shall be construed to reduce any existing wage rate, allowance or other benefit under existing laws, decrees, issuances, and executive orders and/or under any contract or agreement between workers and employers.

Section 16. The Board shall review the wage structure in the National Capital Region should the circumstances so warrant.

Section 17. 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 29, 1993, Manila, Philippines.

* (SGD) VICENTE LEOGARDO, JR.
Member

*(SGD) DANIEL R. ANG
Member

* (SGD) CLETO T. VILLATUYA
Member

I dissent.
** (SGD) GERMAN N. PASCUA, JR.
Member

(SGD) IMELDA J. MADARANG
Vice Chairman

(SGD) MARCELINA E. BACANI
Vice Chairman

(SGD) BERNARDINO B. JULVE
Chairman

* *Concurring in a separate opinion*

** *Dissenting*

Republic of the Philippines
Department of Labor and Employment
NATIONAL WAGES AND PRODUCTIVITY COMMISSION
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
National Capital Region

RULES IMPLEMENTING WAGE ORDER NO. NCR-03

Pursuant to Section 5, Rule IV of the NWPC Rules of Procedure on Minimum Wage Fixing and Section 13 of Wage Order No. NCR-03, the following rules are hereby issued for guidance and compliance by all concerned:

Chapter I - Definition of Terms

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

- a) "Order" means Wage Order No. NCR-03;
- b) "Board" means the Regional Tripartite Wages and Productivity Board-National Capital Region;
- c) "Commission" means the National Wages and Productivity Commission;
- d) "National Capital Region" covers the cities of Kalookan, Manila, Pasay and Quezon and the municipalities of Las Pinas, Makati, Malabon, Mandaluyong, Marikina, Muntinlupa, Navotas, Paranaque, Pasig, Pateros, San Juan, Taguig and Valenzuela;
- e) "Agriculture" refers to farming in all its branches and among others, includes the cultivation, and tillage of the soil, production, cultivation, growing and harvesting of any agricultural or horticultural commodities, dairying, raising of livestock or poultry, the culture of fish and other aquatic products in farms or ponds, and any

activity performed by a farmer 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, abaca, tobacco, pineapple, aquatic or other farm products;

- f) "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 enterprise shall be considered as "Non-Plantation Agriculture Enterprise";
- g) "Retail Establishment" is one principally engaged in the sale of goods to end-users for personal or household use;
- h) "Service Establishment" is one principally engaged in the sale of service to individuals for their own or household use and is generally recognized as such;
- i) "Cottage/Handicraft Establishment" is 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 and whose capitalization does not exceed P500,000.00 regardless of previous registration with the defunct NACIDA;
- j) "Distressed Establishments" refer to establishments which meet the criteria enumerated in Section 3 (3) of the NWPC Guidelines on Exemption;
- k) "Petroleum retailing industry" includes diesel fuel oil filling station, gas and oil filling station, gasoline service station, grease and oil lubrication retailing as well as liquified petroleum gas retailing;
- l) "Exporting Firms" refer to individuals, corporations or entities duly organized and existing under Philippine laws which actually and directly engage in the manufacture and exportation of goods or commodities;
- m) "Indirect Exporters" - refer to individuals, corporations or entities duly organized and existing under Philippine laws engaged in the manufacture of goods or commodities for an exporting firm or principal;
- n) "Forward Contracts" refer to any written agreement entered into by an exporting firm as defined herein and its foreign buyer or principal prior to the effectivity of the Order;
- o) "Buyer/Principal" - any foreign individual, corporation, or entity with an existing contract for the importation of goods and commodities produced or manufactured by an exporting firm/indirect exporter as defined herein;
- p) "Department" refers to the Department of Labor and Employment;
- q) "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 payment, premium payments, 13th month pay and other monetary benefits which are not considered as part of or integrated into the regular salary of the workers on the date the Wage Order became effective;
- r) "Statutory Minimum Wage" is the lowest wage rate fixed by law that an employer can pay his workers;
- s) "Regional Minimum Wage Rates" refer to the lowest wage rates that an employer can pay his workers, as fixed by the Board, and which shall not be lower than the applicable statutory minimum wage rates;
- t) "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 distinctions embodied in such wage structure based on skills, length of service, or other logical bases of differentiation.

Chapter II - Wage Increase

SECTION 1. Coverage. a) The wage increase prescribed under the Order shall apply to all private sector workers and employees in the National Capital Region receiving a basic wage of not more than ONE HUNDRED FIFTY-FOUR PESOS (P154.00) 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) Household or 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, when exempted from compliance with the Order for a period fixed by the Board in accordance with the Revised Guidelines on Exemption issued by the Commission;
- iii) Workers and employees of distressed establishments when exempted from compliance for a period fixed by the Board in accordance with the Revised Guidelines on Exemption issued by the Commission;
- iv) Workers and employees of exporting firms, including indirect exporters, when exempted from compliance for a period fixed by the Board;
- v) Workers and employees falling within the purview of Sections 4 and 5 hereof;

vi) Workers and employees who, prior to the effectivity of the Order were receiving a basic wage rate of more than One Hundred Fifty-Four Pesos (P154.00) per day or its monthly equivalent may receive wage increases through the correction of wage distortions in accordance with Section 15, of this Rules.

SECTION 2. Amount and Effectivity. Workers and employees covered under Section 1 hereof shall receive a wage increase of Twenty-Seven Pesos (P27.00) per day payable as follows:

<u>AMOUNT</u>	<u>DATE OF EFFECTIVITY</u>
P 17.00	December 16, 1993
P 10.00	April 1, 1994

SECTION 3. Daily Minimum Wage Rates. a) The daily basic minimum wage rates of workers and employees in the National Capital Region shall be as follows:

Sector/Industry	<u>Under WO-NCR-03</u>	
	<u>As of December 16, 1993</u>	<u>As of April 1, 1994</u>
Non-Agriculture	P 135.00	P 145.00
Agriculture		
Plantation	125.00	135.00
Non-Plantation	114.50	124.50
Cottage/Handicraft		
Employing more than 30 workers	123.00	133.00
Employing not more than 30 workers	121.00	131.00
Private Hospitals		
With bed capacity of more than 100	135.00	145.00

With bed capacity of 100 or less	131.00	141.00
Retail/Service		
Employing more than 15 workers	135.00	145.00
Employing 11 to 15 workers	131.00	141.00
Employing not more than 10 workers	114.00	124.00

b) Without prejudice to existing company practices, agreements or policies, the suggested formula herein attached as Annex "A" may be used as a guide in determining the equivalent monthly minimum wage rates.

SECTION 4. Application to Private Educational Institutions.- In the case of private educational institutions, the share of covered workers and employees in the increase of tuition fees for the School Year 1993-1994 shall be considered as compliance with the wage increase prescribed in the Order for the said School Year. However, payment of any shortfall in the wage increase set forth in the Order shall be covered starting School Year 1994-1995.

Private educational institutions which did not increase their tuition fees, for the School Year 1993-1994 may defer compliance with the provisions of the Wage Order until School Year 1994-1995.

In any case, all private educational institutions shall implement the increase in the daily minimum wage rate prescribed in the Order starting School Year 1994-1995.

SECTION 5. Application to the Petroleum Retailing Industry. Establishments falling within the purview of the Petroleum Retailing Industry as defined herein, may defer compliance with the Order for a period of twelve (12) months from the date of its effectivity or upon approval by the proper governmental agency of a corresponding increase in the prices of gasoline and other petroleum products, whichever comes first.

SECTION 6. Application to Contractors. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed wage increases 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 rates, the construction/service contractor shall be held jointly and severally liable with his principal or client.

SECTION 7. Creditable Wage Increase. - Wage increases granted by an employer in an organized establishment from September 16 to December 15, 1993 shall be credited as compliance with the prescribed increase in regional minimum wage rates.

In unorganized establishments, wage increases granted by the employer from June 16 to December 15, 1993 shall be credited as compliance therewith.

In any case, 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 8. Exemption.

a) The following establishments may be exempted from compliance with the wage increase prescribed under the Order upon application with and as determined by the Board in accordance with the Revised Guidelines on Exemption issued by the Commission:

- 1) Retail/Service establishments regularly employing not more than 10 workers; and
- 2) Distressed establishments whose paid-up capital has been impaired by at least twenty-five percent (25%) or which registers capital deficiency or negative net worth.

b) Exporting firms, including indirect exporters, with existing forward contracts with their foreign buyers or principals at the time of effectivity of the Order may be exempted therefrom upon application with and due determination by the Board in accordance with the following Rules, viz.:

1. Filing of Application

A. Procedure

A.1 An application, in two (2) typewritten copies may be filed with the Board by the owner/manager or duly authorized representative of an establishment, in person or by registered mail. Application shall be filed not later than 60 days from date of the effectivity of the Order. The date of mailing shall be deemed as the date of filing.

A.2 The application shall be under oath and accompanied by complete supporting documents as enumerated under sub-section 2 hereof. In the case of an application with incomplete supporting documents, the applicant shall be notified to complete the same within ten (10) days from receipt of the notice; otherwise, the application shall be dismissed.

2. Documents Required - The following supporting documents as applicable, shall be submitted together with the application:

a. Proof of notice of filing of the application to the President of the union/contracting party if one is organized in the establishment, or if there is no union, a copy of the circular giving general notice of the filing of the application to all the workers in the establishment. The proof of notice, which may be translated in the vernacular, shall state that the workers' representative was furnished a copy of the application with all the supporting documents. The notice shall be posted in a conspicuous place in the establishment.

b. Affidavit from the employer regarding the following:

- 1.) Principal economic activity;
- 2.) List of forward contracts entered into with the following information among others:
 - i) name of foreign buyers or principals and addresses;
 - ii) date of contracts;
 - iii) delivery or shipping dates;
 - iv) amount and volume of orders;
- 3.) Business Permit for the current year from the Office of the City/Municipal Mayor, or registration from BOI, DTI, or CDA, or articles of incorporation from SEC or other governmental agencies;
- 4.) No. of employees/workers;
- 5.) Existing union, if any.

c. Basic Documents to be submitted are:

- 1.) Certified true copies of the forward contracts covered;
- 2.) Irrevocable Letters of Credit.

d. Other Documents to support the application for exemption:

- 1.) Purchase Orders;
- 2.) Proof of acceptance of the Purchase Order;
- 3.) Bill of Lading;

The Board may require the submission of other pertinent commercial documents to support the application for exemption.

3. Criteria for Exemption

The following criteria shall be used to determine whether the applicant establishment is qualified for exemption:

- a. The applicant must have forward contracts executed prior to December 16, 1993;
- b. The applicant must be engaged in the manufacture or processing of export products;
- c. The applicant must be directly exporting its export products, or selling them:
 - 1.) to an exporting firm that subsequently exports the said products; or
 - 2) to other export producers who utilize said products as direct inputs in products subsequently manufactured or processed by them and thereafter exported; or
 - 3) to foreign buyers and foreign principals.

SECTION 9. Extent of Exemption. The Board has the option to grant full or partial exemption with respect to the amount and the period which shall not exceed one (1) year from the effectivity of the Order.

SECTION 10. Effect of Filing of an Application for Exemption. Whenever an application for exemption has been filed with the Board, the Regional Office of the Department shall be notified. Pending resolution of the said application, action by the Regional Office of the Department in the National Capital Region on any complaint for alleged non-compliance with the Order shall be deferred.

SECTION 11. Effect of Disapproved Application. In the event that the application for exemption is not granted, the workers and employees shall receive the appropriate compensation due them as provided for under the Order plus interest of one percent (1%) per month retroactive to December 16, 1993.

SECTION 12. Basis of Minimum Wage Rates. The minimum wage rates prescribed under the Order shall be for the normal working hours, which shall not exceed eight (8) hours of work a day.

SECTION 13. 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 regional minimum wage rates prescribed under the Order for the normal working hours which shall not exceed eight (8) hours work a day, or a proportion thereof for work of less than the normal working hours.

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

- 1) $\frac{\text{Amount of increase in AMW}^*}{\text{Previous AMW}} \times 100 = \% \text{ increase};$
- 2) Existing rate/pc. x % increase = increase in rate/pc.;
- 3) Existing rate/pc. + increase in rate/pc. = adjusted rate/pc.

*AMW is the applicable minimum wage rate.

b) 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 regulations.

SECTION 14. Wages of Special Groups of Workers. Wages of apprentices, learners, and handicapped workers shall in no case be less than seventy-five percent (75%) of the applicable regional minimum wage rates.

All recognized learnership and apprenticeship agreements entered into before December 16, 1993 shall be considered as automatically modified insofar as their wage clauses are concerned to reflect the increase prescribed under the Order.

SECTION 15. Wage Distortion. Where the application of the wage increase provided under the Order results in distortions in the wage structure within an establishment, the employer and the union shall negotiate to correct the distortions. Any dispute arising from wage distortions 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 arbitrator or panel of voluntary arbitrators within ten (10) calendar 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, 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 any wage increase prescribed under the Order.

SECTION 16. Complaints for Non-Compliance. Complaints for non-compliance with the wage increase provided in the Order shall be filed with the Regional Office of the Department in the National Capital Region and shall be the subject of enforcement proceedings under Articles 128 and 129 of the Labor Code, as amended.

SECTION 17. Non-Diminution of Benefits. Nothing in the Order, and this Rules shall be construed as authorizing the reduction of any existing wage rates, allowances and benefits of any form under existing laws, decrees, issuances, executive orders, and/or under any contract or agreement between the workers and employers or employer practices or policies.

SECTION 18. Penal Provision. Any person, corporation, trust, firm, partnership, association or entity which refuses or fails to pay the prescribed increase under the Order shall be punished by a fine not exceeding P25,000 and/or imprisonment of not less than one (1) year nor more than two (2) years. 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 19. 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 20. Effect 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 21. Effectivity. - This Rules shall take effect on December 16, 1993.

Done in Metro Manila, Republic of the Philippines this 21st day of December 1993.

(SGD) DANIEL R. ANG
Workers Representative

(SGD) VICENTE LEOGARDO, JR.
Employers Representative

Absent
GERMAN N. PASCUA, JR.
Workers Representative

(SGD) CLETO T. VILLATUYA
Employers Representative

(SGD) IMELDA J. MADARANG
Vice-Chairman

(SGD) MARCELINA E. BACANI
Vice-Chairman

(SGD) BERNARDINO B. JULVE
Chairman

Approved this 29th day of December 1993.

(SGD) MARIA NIEVES R. CONFESOR
Secretary of Labor and Employment

The first sentence of Section 8, item b) 2 shall be revised as follows: "The following supporting documents, as applicable, shall be submitted together with the application".

ANNEX "A"

SUGGESTED FORMULA IN DETERMINING THE EQUIVALENT
MONTHLY MINIMUM WAGE RATES

Without prejudice to existing company practices, agreements or policies, the following formula may be used as guide in determining the equivalent monthly minimum wage rates:

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

$$\text{Equivalent Monthly Rate (EMR)} = \frac{\text{Applicable daily wage rate (ADR)} \times 390.90 \text{ days}}{12}$$

Where 390.90 days =

302 days - Ordinary working days
20 days - 10 regular holidays x 20%
66.30 days - 51 rest days x 130%

$\frac{2}{}$
2.60 days - 2 special days x 130%
390.90 days - Total equivalent number of days.

b) For those who do not work but considered paid on rest days, special days and regular holidays:

$$\text{EMR} = \frac{\text{ADR} \times 365 \text{ days}}{12}$$

Where 365 days =

302 days - Ordinary working days
52 days - Rest days
10 days - Regular holidays

$\frac{2}{}$
2 days - Special days
365 days - Total equivalent number of days

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

$$\text{EMR} = \frac{\text{ADR} \times 314 \text{ days}}{12}$$

Where 314 days =

302 days - Ordinary working days
10 days - Regular holidays

$\frac{2}{}$
2 days - Special days (If considered paid; if actually worked, this is equivalent to 2.6 days)
314 days - Total equivalent number of days

1/ Includes premium for holidays, special and rest days.

2/ November 1, and December 31 under Executive Order No. 203 dated June 30, 1987.

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

$$\text{EMR} = \frac{\text{ADR} \times 262 \text{ days}}{12}$$

Where 262 days =
250 days - Ordinary working days
10 days - Regular holidays
2/
2 days - Special days (If considered paid; if actually worked, this is
equivalent to 2.6 days)
262 days - Total equivalent number of days

2/*November 1 and December 31 under Executive Order No. 203 dated June 30, 1987.*

Note: *For workers whose rest days fall on Sundays, the number of rest days in a year is reduced from 52 to 51 days, the last Sunday of August being a regular holiday under Executive Order No. 203. For purposes of computation, said holiday, although still a rest day for them is included in the ten regular holidays. For workers whose rest days do not fall on Sundays, the number of rest days is 52 days, as there are 52 weeks in a year.*

Nothing herein shall be construed as authorizing the reduction of benefits granted under existing agreements or employer practices/policies.