

Republic of the Philippines
Department of Labor and Employment
National Wages and Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
Cordillera Administrative Region
Baguio City

WAGE ORDER NO. CAR-DW-02

**PRESCRIBING NEW MINIMUM WAGE RATES
FOR DOMESTIC WORKERS IN THE
CORDILLERA ADMINISTRATIVE REGION**

WHEREAS, Republic Act No. 10361, otherwise known as an Act Instituting Policies for the Protection and Welfare of Domestic Workers or Batas Kasambahay, mandates the Regional Tripartite Wages and Productivity Boards to review, determine and if proper, to issue a wage order adjusting the minimum wage rates of domestic workers in their respective regions within one (1) year from its effectivity and every year thereafter in conjunction with RA 6727, otherwise known as the Wage Rationalization Act of 1989;

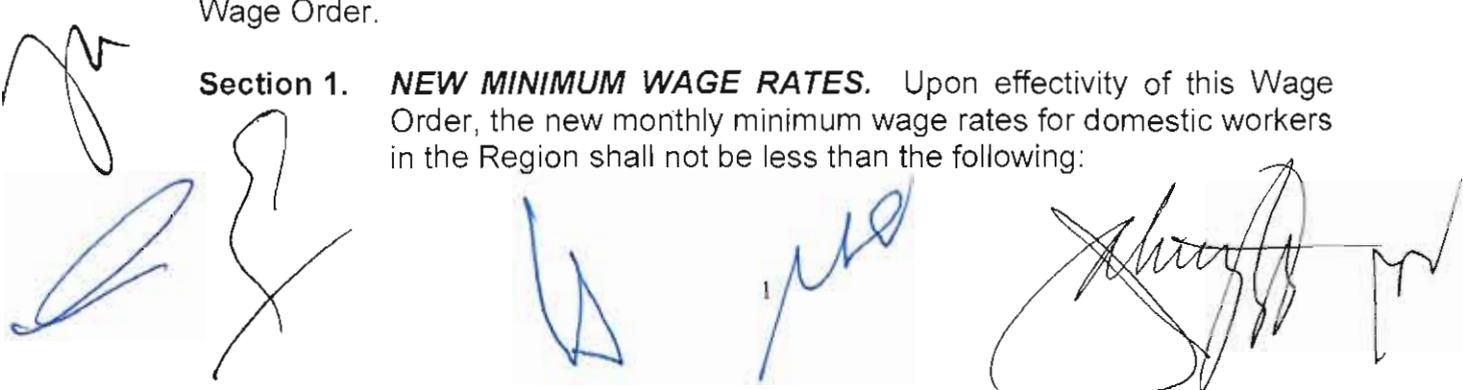
WHEREAS, the first wage order for domestic workers in the Cordillera Administrative Region (CAR), Wage Order No. CAR-DW-01, has reached its first year anniversary on August 10, 2016, the Regional Tripartite Wages and Productivity Board (RTWPB-CAR) resolved Motu Proprio to initiate and conduct wage review, studies on the socio-economic condition of the region including those data affecting the interests of both employers and domestic workers and the conduct of public consultations/hearings for possible adjustments on the current regional minimum wage levels for domestic workers;

WHEREAS, after due publication, posting and notice to concerned organizations, stakeholders and interest groups, the RTWPB-CAR conducted Public Consultations/Hearings in the region on November 29, 2016 for the province of Benguet and the City of Baguio, December 13, 2016 for the province of Ifugao, December 14, 2016 for the province of Mountain Province, January 10, 2017 for the province of Kalinga, January 11, 2017 for the province of Apayao and January 12, 2017 for the province of Abra;

WHEREAS, results of the continuing studies on the socio-economic condition obtaining in the region coupled with the results of the Public Consultations/Hearings on the issue of adjusting the current minimum wage rates of domestic workers in the region show that there is a sufficient ground or reason to increase the same. The increase is for providing relief to cope with the rising cost of living.

NOW THEREFORE, by virtue of the power and authority vested under Republic Act No. 10361 and RA 6727, the RTWPB-CAR hereby issues this Wage Order.

Section 1. NEW MINIMUM WAGE RATES. Upon effectivity of this Wage Order, the new monthly minimum wage rates for domestic workers in the Region shall not be less than the following:



(a) P 3,000 – In cities and first class municipalities

(b) P 2,500 – In other municipalities

Section 2. COVERAGE. This Wage Order shall apply to all domestic workers, whether on a live-in or live-out arrangement, such as but not limited to:

- (a) general househelp;
- (b) yaya;
- (c) cook;
- (d) gardener;
- (e) laundry person; or
- (f) any person who regularly performs domestic work in one household on an occupational basis;

The following are NOT covered:

- (a) Service providers;
- (b) Family drivers;
- (c) Children under foster family arrangement; and
- (d) Any other person who performs work occasionally or sporadically and not on occupational basis.

Section 3. PAYMENT OF WAGES. The wages of the domestic workers shall be paid in cash at least once a month. No deductions from the wages of the domestic workers shall be made other than those mandated by law.

Section 4. APPLICATION TO PRIVATE EMPLOYMENT AGENCIES (PEAs). In the case of hiring/contracting of domestic workers services through a licensed PEAs, the wage rates prescribed in this Order shall be borne by the principals or clients of the PEAs and the contract shall be deemed amended accordingly. In the event, however, that the principals or clients fail to pay the prescribed wage rates, the PEAs shall be jointly and severally liable with his principal or client.

Section 5. NON-APPLICABILITY OF EXEMPTION. This Wage Order does not allow exemption.

Section 6. APPEAL TO THE COMMISSION. Any party aggrieved by this Wage Order may file an appeal with the National Wages and Productivity Commission (NWPC), through the RTWPB-CAR, in three (3) legible copies, not later than ten (10) days from the publication of this Wage Order, subject to compliance with Sections 11 and 12 of the NWPC Guidelines No. 01, Series of 2014.

Section 7. COMPLAINTS FOR NON-COMPLIANCE. Complaints for non-compliance with this Wage Order shall be filed before the DOLE Field/Provincial/Regional Office CAR and shall go through the thirty (30) day mandatory conciliation under the DOLE Single

Entry Approach (SEnA) program to exhaust all efforts for settlement.

The DOLE Regional Director shall issue a compliance order within ten (10) days from the submission of the case for resolution.

Section 8. UNLAWFUL ACTS AND PENALTIES. Withholding and interference in the disposal of wages of the domestic workers are declared unlawful and shall be punishable with a fine of not less than Ten Thousand Pesos (P10,000.00) but not more than Forty Thousand Pesos (P40,000.00), without prejudice to the filing of the appropriate civil and/or criminal action by the aggrieved party pursuant to Rule XII, Sections 1 and 2 of Implementing Rules and Regulations of Republic Act No. 10361.

Section 9. BOARD, LODGING AND MEDICAL ALLOWANCE. The employer shall provide for the basic necessities of the domestic worker to include at least three (3) adequate meals a day and humane sleeping arrangement that ensure safety.

The employer shall provide appropriate rest and assistance to the domestic worker in case of illness and injuries sustained during service without loss of benefits.

At no instance shall the employer withdraw or hold in abeyance the provision of these basic necessities as punishment or disciplinary action to the domestic worker.

Section 10. NON-DIMINUTION OF BENEFITS. Nothing in this Order 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 employers.

Section 11. 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 12. FREEDOM TO BARGAIN. This Order shall not be construed to prevent domestic workers from bargaining for higher wages with their respective employers.

Section 13. COMPETENCY-BASED PAY. Household employers and their domestic workers may voluntarily and mutually agree to adopt a competency-based pay scheme in setting and adjusting the pay of domestic workers over and above the applicable wage.

Section 14. 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 15. SEPARABILITY CLAUSE. If any provision or part of this Wage Order is declared unconstitutional, or in conflict with existing laws, the other provisions or parts thereof shall remain valid.

Section 16. IMPLEMENTING RULES. The Regional Tripartite Wages and Productivity Board-CAR shall submit to the Commission the necessary Rules and Regulations to implement this Order subject to approval of the Secretary of Labor and Employment not later than ten (10) days from the publication of the Wage Order.

Section 17. EFFECTIVITY. This Wage Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

APPROVED: (This 19th day of April 2017, Baguio City, Philippines.)

MILTON L. BALAGTEY
Workers' Representative

ALFONSO T. LAO
Employers' Representative

RENERIO C. LARDIZABAL, JR.
Workers' Representative

JUAN JOHNNY R. DE LA CRUZ
Employers' Representative

MYRNA P. PABLO
Vice-Chairperson

MILAGROS A. RIMANDO
Vice-Chairperson

EXEQUIEL RONIE A. GUZMAN
Chairperson

Republic of the Philippines
Department of Labor and Employment
National Wages and Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
Cordillera Administrative Region
Baguio City

**RULES AND REGULATIONS IMPLEMENTING
WAGE ORDER NO. CAR-DW-02**

Pursuant to Section 16 of Wage Order No. CAR-DW-02, Prescribing New Minimum Wage Rates for Domestic Workers in the Cordillera Administrative Region, and NWPC Guidelines No. 01, series of 2014 as amended, the Rules of Procedure on Minimum Wage Fixing for Domestic Workers, the following Rules are hereby issued for the guidance and compliance by all concerned in the Cordillera Administrative Region.

RULE I

GENERAL PROVISIONS

Section 1. Title. These Rules shall be known as the Rules and Regulations implementing Wage Order CAR-DW-02.

Section 2. Definition of Terms as used in these Rules.

- a. **Order** - refers to Wage Order No. CAR-DW-01;
- b. **Commission or NWPC** - refers to the National Wages and Productivity Commission;
- c. **Board** - refers to the Regional Tripartite Wages and Productivity Board of the Cordillera Administrative Region;
- d. **DOLE-CAR** - refers to the regional office of the Department of Labor and Employment, Cordillera Administrative Region;
- e. **TESDA** – refers to the Technical Education and Skills Development Authority;
- f. **Republic Act 10361 (Domestic Workers Act or Batas Kasambahay)** - the law enacted by Congress known as an "Act Instituting Policies for the Protection and Welfare of Domestic Workers";
- g. **NWPC Guidelines 01-14** - refers to the rules of procedure on minimum wage fixing for domestic workers;
- h. **Domestic Worker** – refers to any person engaged in domestic work within an employment relationship such as, but not limited to, the following: general household, nursemaid or "yaya", cook, gardener, or laundry person, but shall exclude any person who performs domestic work occasionally or sporadically and not on an occupational basis and children under foster family arrangement;



- i. **Basic Necessities** – Basic Necessities is defined pursuant to Rule IV, Section 13, Rules Implementing R.A. 10361 to include: a.) At least three (3) adequate meals a day, taking into consideration the Kasambahay's religious beliefs and cultural practices; b.) Humane sleeping conditions that respects the person's privacy for live-in arrangement; and c.) Appropriate rest and medical assistance in the form of first-aid medicines, in case of illness and injuries sustained during service without loss of benefits.

For the Kasambahay under live-out arrangement, he/she shall be provided space for rest and access to sanitary facilities.

- j. **Private Employment Agency (PEA)** - refers to any individual, legitimate partnership, corporation or entity licensed to engage in the recruitment and placement of domestic workers for local employment;
- k. **Single Entry Approach (SENA)** - refers to an administrative approach to provide a speedy, impartial, inexpensive and accessible settlement procedure of all labor issues or conflicts to prevent them from ripening into full blown disputes;
- l. **Competency-Based Pay Scheme** – refers to a compensation system that rewards domestic workers with additional pay in exchange for formal TESDA certification of the domestic worker's mastery of skills, knowledge and/or competencies.



RULE II

WAGE ADJUSTMENTS

Section 1. Coverage of the Wage Order

The Wage Order shall apply to all domestic workers, whether on a live-in or live-out arrangement, such as but not limited to:

- (a) general househelp;
- (b) yaya;
- (c) cook;
- (d) gardener;
- (e) laundry person; or
- (f) any person who regularly performs domestic work in one household on an occupational basis;

Not covered are the following:

- (a) Service providers;
- (b) Family drivers;
- (c) Children under foster family arrangement; and
- (d) Any other person who performs work occasionally or sporadically and not on occupational basis.



Section 2. New Monthly Minimum Wage Rates

Upon effectivity of the Wage Order, the new monthly minimum wage rates for domestic workers in the Cordillera Administrative Region shall not be less than the following:

- (a) P 3,000.00 – In chartered cities and first class municipalities
- (b) P 2,500.00 – In other municipalities.

Section 3. Mode and Frequency of Payments of Wages

The wages of the domestic workers shall be paid in cash at least once a month. No payment by means of promissory notes, vouchers, coupons, tokens, tickets, chits, or any object other than cash shall be allowed.

Section 4. Deductions for Loss or Damage

Other than those mandated by law, the employer shall not deduct any amount from the wages of the Domestic Worker without his/her written consent or authorization; provided that, deduction for loss or damage shall only be made under the following conditions:

- a) The domestic worker is clearly shown to be responsible for the loss or damage;
- b) The domestic worker is given reasonable opportunity to show cause why deductions should not be made;
- c) The total amount of such deductions is fair and reasonable and shall not exceed the actual loss or damage; and
- d) The deduction from the wages of the domestic worker does not exceed 20% of his/her wages in a month.

The DOLE shall extend free assistance in the determination of fair and reasonable wage deductions under this Section.

Section 5. Deduction for Loans

By written agreement, the employer may deduct the loans from the wages of the domestic worker, which amount shall not exceed 20% of his/her wages every month.

Section 6. Application to Private Employment Agencies (PEAs)

In the case of hiring/contracting of domestic workers services through a licensed PEAs, the wage rates prescribed in the Order shall be borne by the principals or clients of the PEAs and the contract shall be deemed amended accordingly.

In the event, however, that the principals or clients fail to pay the prescribed wage rates, the PEAs shall be jointly and severally liable with his principal or client.

Section 7. Exemption from Compliance

Filing of applications for exemption from compliance with the Wage Order is not allowed.

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Section 8. Provision of Basic Necessities

The employer shall provide for the basic necessities of the domestic workers as defined in Rule I, Section 2.i of this Rules.

At no instance shall the employer withdraw or hold in abeyance the provision of these basic necessities as punishment or disciplinary action to the domestic worker.

Section 9. Non-Diminution of Benefits

Nothing in the Wage Order 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 employers or policies instituted by employers.

Section 10. Competency-Based Pay Scheme

Household employers and their domestic workers may voluntarily and mutually agree to adopt a compensation system that rewards domestic workers with additional pay in exchange for formal TESDA certification of the domestic workers mastery of skills, knowledge and/or competencies.

Those who will adopt the Competency-Based Pay Scheme may refer to the NWPC Advisory on Competency-Based Wage for Domestic Workers issued on 24 February 2015.

R U L E I I I

SPECIAL PROVISIONS

Section 1. Appeal to the Commission

Any party aggrieved by the Wage Order may file an appeal with the National Wages and Productivity Commission (NWPC), through the RTWPB-CAR, in three (3) legible copies, not later than ten (10) days from the publication of this Wage Order, subject to compliance with Sections 11 and 12 of the NWPC Guidelines No. 01, Series of 2014.

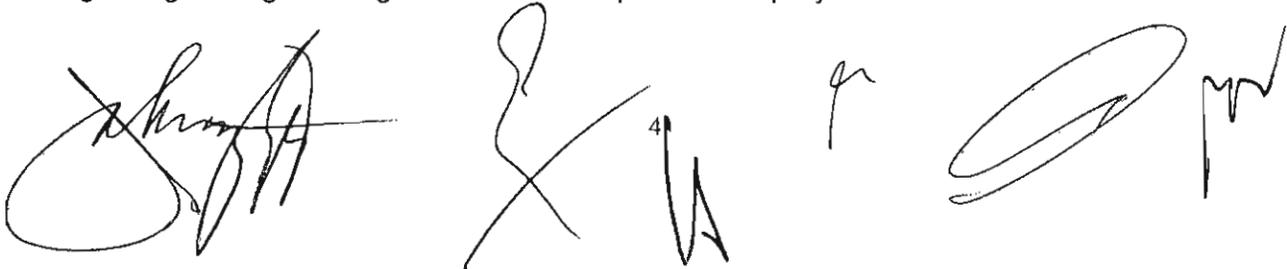
Section 2. Complaints for Non-Compliance

Complaints for non-compliance with the Wage Order shall be filed before the DOLE Field/Provincial/Regional Office CAR and shall go through the thirty (30) day mandatory conciliation under the DOLE Single Entry Approach (SEnA) program to exhaust all efforts for settlement.

The DOLE Regional Director shall issue a Compliance Order within ten (10) days from the submission of the case for resolution.

Section 3. Freedom to Bargain

The Wage Order shall not be construed to prevent domestic workers from bargaining for higher wages with their respective employers.



Section 4. Unlawful Acts and Penalties

Withholding and interference in the disposal of wages of the domestic workers are declared unlawful and shall be punishable with a fine of not less than Ten Thousand Pesos (P10,000.00) but not more than Forty Thousand Pesos (P40,000.00), without prejudice to the filing of the appropriate civil and/or criminal action by the aggrieved party pursuant to Rule XII, Sections 1 and 2 of Implementing Rules and Regulations of Republic Act No. 10361.

Section 5. 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 6. Repealing Clause

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

Section 7. Separability Clause

If any provision or part of the Wage Order is declared unconstitutional, or in conflict with existing law, the other provisions or parts thereof shall remain valid.

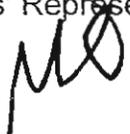
Section 8. Effectivity

These Implementing Rules and Regulations shall have the same date of effectivity as that of the Wage Order, CAR-DW-02, which is May 8, 2017.

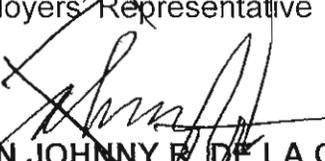
Done this 26th day of April 2017, Baguio City, Philippines.

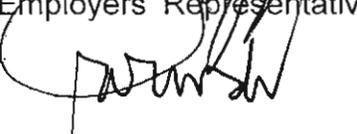

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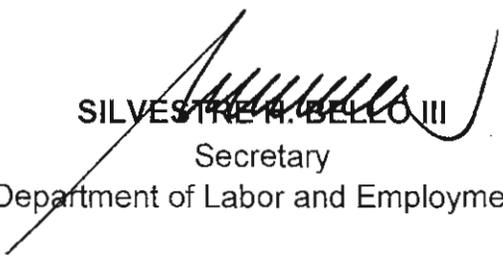

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EXEQUIEL RONIE A. GUZMAN
Chairperson

Approved this 5th day of JULY, 2017, in the City of Manila, Philippines.


SILVESTRE A. BELLO III
Secretary
Department of Labor and Employment