



Republic of the Philippines
Department of Labor and Employment
National Wages and Productivity Commission



REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD VII

WAGE ORDER NO. ROVII -21

**PROVIDING FOR INCREASE IN THE MINIMUM WAGE RATES IN
CENTRAL VISAYAS**

WHEREAS, Republic Act 6727 otherwise known as the Wage Rationalization Act of 1989 mandated the Regional Tripartite Wages and Productivity Boards to determine and fix the minimum wages of private sector workers in the regions;

WHEREAS, the Cebu Labor Coalition, Lonbisco Employees Union (LEO), Metaphil Workers Union (MWU), NUWHRAIN-Montebello Chapter, NLM-Katipunan and Union Bank Employees Association (UBEA), filed a Petition for One Hundred Fifty Five Pesos and Eight Centavos (₱155.80) across-the-board daily wage adjustment on February 28, 2018 which was still within the twelve month prohibitive period;

WHEREAS, the Trade Union Congress of the Philippines (ALU-TUCP) filed on March 20, 2018, a Petition seeking for an across-the-board wage increase in the amount of One Hundred Twenty (₱ 120.00) per day;

WHEREAS, since the existing wage order (Wage Order No. 20) reached its one-year anniversary on March 10, 2018, the Board issued Resolution No: 2-2018 on March 21, 2018 consolidating the two petitions for purposes of conducting joint public hearings and wage deliberations to expedite the resolution thereof;

WHEREAS, the Notice of Public Hearings was published in The Freeman Newspaper on March 24, 2018 and a series of wage public hearings were conducted in Negros Oriental and Siquijor (April 12, 2018), Bohol (April 13, 2018), Cebu (May 9, 2018) and Northern Cebu (May 10, 2018);

WHEREAS, as a result of the periodic and continuous review of the socio economic condition in the region and taking into consideration the issues raised during the public hearings and the position papers submitted by concerned stakeholders, the Board agreed to increase the existing minimum wage rates in Central Visayas;

WHEREAS, in line with the thrust to rationalize the wage structure and in consideration of the changes in the employment structure of the region, the Board agreed to sub-classify the non-agriculture wages and simplify the agriculture wages classification;

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

Section 1. Upon effectivity of this Wage Order, the daily minimum wage rates of all private sector workers and employees in Region VII, shall be as follows:

Geographical Areas	NON-AGRICULTURE					AGRICULTURE			
	Minimum Wage under No. ROVII-20	Wage Increase (10 workers and above)	New Minimum Wage (Employing 10 Workers and Above)	Wage Increase (less than 10 Workers)	New Minimum Wage (Employing less than 10 Workers)	Minimum Wage under No. ROVII-20		Wage Increase	New Minimum Wage
						Non-Sugar	Sugar		
CLASS A	P366	P20	P386	P10	P376	P348	P316	P20-52	P368
Cities of Carcar, Cebu, Danao, Lapulapu, Mandaue, Naga, Talisay Municipalities of Compostela, Consolacion, Cordova, Liloan, Minglanilla, San Fernando, or Expanded Metro Cebu									
CLASS B	P333	P15	P348	P10	P343	P318	P303	P10-25	P328
Cities of Toledo, Bogo, and the rest of Municipalities in Cebu Province except Bantayan and Camotes Islands									
CLASS C	P323	P15	P338	P10	P333	P303		P10	P313
Cities and Municipalities in Bohol and Negros Oriental Provinces									
CLASS D	P308	P15	P323	P10	P318	P288	P303	P10-25	P313
Municipalities in Siquijor Province & Municipalities in Bantayan and Camotes									

Section 2. COVERAGE. The adjustments prescribed under this Order shall apply to all minimum wage private sector workers and employees in Region VII.

Not covered from the provisions of this Order are household or domestic workers; persons in the personal service of another, and workers of establishments registered under the Barangay Micro Business Enterprises with valid Certificates of Authority.

Section 3. RECLASSIFICATION OF WAGE STRUCTURE. In line with the thrust to rationalize and simplify the wage structure, classification of wages shall be revised to reflect changes in the employment structure in the region. Non agriculture wages shall be sub-classified to a) employing 10 workers and above; b) employing less than 10 workers. Sugar and non-sugar sub-classification shall be simplified into agriculture wages.

Workers under the previous sugar and non-sugar sub-classification shall be adjusted to the new agriculture wage rates prescribed herein.

Section 4. BASIS OF MINIMUM WAGE. The minimum wage rates prescribed under this Order shall be for the normal working hours, which shall not exceed eight (8) hours work a day.

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 increase prescribed herein. However, payment of any shortfall in the wage increase set forth herein shall be covered starting School Year 2019-2020.

Private educational institutions which have not increased their tuition fees for the School Year 2018-2019 may defer compliance with the increase prescribed herein until the beginning of School Year 2019-2020. In any case, private educational institutions shall implement the increase herein starting School Year 2019-2020.

Section 6. APPLICATION TO CONTRACTORS. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed increases in the wage rates of the workers shall be borne by the principals or clients of the construction/service contractors, and the contract shall be deemed amended accordingly. In the event, however, that the principal or client fails to pay the prescribed increase or new minimum wage rates, the construction/service contractor shall be jointly and severally liable with his principal or client.

Section 7. WORKERS PAID BY RESULTS. All workers paid by results, including those who are paid on piecework, "takay" or task basis, shall be entitled to receive not less than the prescribed minimum wage increase per eight (8) hours work a day, or a proportion thereof for working less than eight (8) hours.

Section 8. WAGES OF SPECIAL GROUPS OF WORKERS. Wages of apprentices and learners shall in no case be paid less than seventy-five percent (75%) of the applicable minimum wage rates prescribed in this Order.

All recognized 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 increase in this Order pursuant to R.A. 7277.

Section 9. APPLICATION TO TRANSFER, BRANCH AND MOBILE WORKERS. The applicable minimum wage of workers in establishment which have branches in different parts of the region or where headquarters is outside the region, shall be the rate applicable to the area where the worker is based.

In case of mobile workers, the minimum wage shall be the rate applicable to the head office. In case of transfer from a high class city/municipality to a lower class city/municipality, the higher rate shall continue to be applied.

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

- a) Distressed Establishments
- b) Establishments Adversely Affected by Calamities such as Natural and/or Human-Induced Disasters

Section 11. PRODUCTIVITY IMPROVEMENT PROGRAMS. In order to sustain rising level of wages and enhance competitiveness, businesses are strongly encouraged to adopt productivity improvement schemes, such as time and motion studies, good housekeeping, quality circles, labor-management cooperation, as well as implement gain sharing programs. The Regional Board shall provide the necessary technical assistance in the implementation of productivity improvement programs.

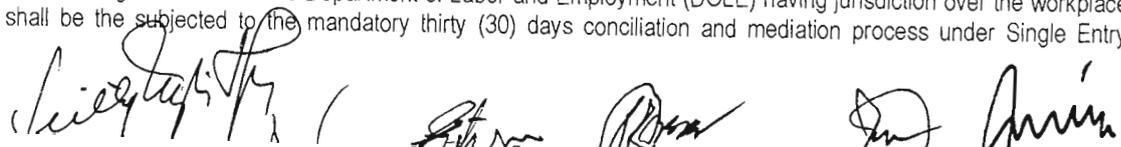
Section 12. IMPLEMENTATION OF TWO-TIERED WAGE SYSTEM. On voluntary basis and upon effectivity of this Order, employers who recognize and value the contribution of their workers, may provide productivity-based incentive pay to them based on indicators such as business performance, labor productivity, work behavior, competitiveness of establishments among others. The Board shall issue an advisory on the range of productivity incentive which may be applied by establishments.

Section 13. APPEAL TO THE COMMISSION. Any party aggrieved by this Wage Order may file a verified appeal with the Commission through the Board within ten (10) calendar days from the publication of this Order.

Section 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 a 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. EFFECTS ON EXISTING WAGE STRUCTURE. Where the application of the increases in the wage rates under this Order results in distortion of the wage structure within an establishment, the same shall be corrected in accordance with the procedure provided for under Art. 124 of the Labor Code as amended.

Section 16. 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 subjected to the mandatory thirty (30) days conciliation and mediation process under 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.

Section 17. 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 18. PENAL PROVISION. Any person, corporation, trust or firm, partnership, association or entity which refuses or fails to pay the prescribed wage increase/allowance/rates in accordance with this Order shall be subject to the penal provisions under RA 6727, as amended by RA 8188.

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 proceedings before the Board.

Section 20. FREEDOM TO BARGAIN. This Order shall not be construed to prevent workers in particular firms or enterprises of industries from bargaining for higher wages with their respective employers.

Section 21. REPORTING REQUIREMENT. 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, 2019 and every year thereafter in accordance with the form prescribed by the Commission.

Section 22. REPEALING CLAUSE. All orders, issuances, rules and regulations, or parts thereof inconsistent with the provision of this Wage Order are hereby repealed, amended or modified accordingly.

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

Section 24. IMPLEMENTING RULES. The Board shall prepare the necessary rules to implement this Order subject to approval of the Secretary of Labor and Employment.

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

CEBU CITY, PHILIPPINES, June 18, 2018


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