

The TTWS will set a genuine floor or minimum wage for better workers protection. The TTWS will see to it that the minimum wage is slightly above the poverty threshold to help workers and their families meet their basic needs but should also not exceed average wage, taking into account employers' capacity to pay.



The grant of productivity performance-based pay will benefit both workers and employers since it will help raise workers' standard of living while encouraging workers and enterprises to become more competitive and productive.

Productivity-based pay is voluntary, flexible and negotiable. RTWPBs will issue Productivity-based Pay Advisories on various productivity improvement and incentives schemes, including the performance and outlook of the industry, labor market conditions, and other related indicators as reference in the design of the enterprise's productivity incentives program.

For additional information and questions regarding the TTWS, please contact:

Wage Policy and Research Division  
3rd Floor Dy International Bldg.,  
#1011 Gen. Malvar cor. San Marcelino Sts.,  
Malate, Manila  
Contact No.: (02) 527-8011  
Email: wrpdd@yahoo.com

Tel. No.: (02) 527-8014  
Website: www.nwpc.dole.gov.ph  
Email: web.nwpc@yahoo.com

## Regional Tripartite Wages and Productivity Boards Directory

<b>NCR</b>	2/F, Dy International Bldg., # 1011 Gen. Malvar cor. San Marcelino Sts., Malate, Manila Tel. No.: (02) 400-6765 / Fax: (02) 527-5155 Email: wage_ncr@yahoo.com.ph
<b>CAR</b>	3/F DOLE Bldg, # 1 Cabinet Hills, Baguio City Tel. No.: (074) 300-3452 / Fax: (074) 424-3416 Email: rtwpbcar@yahoo.com
<b>I</b>	Rm. 201 Juanita Commercial Bldg., Quezon Ave., San Fernando, La Union Tel. No.: (072) 242-4396 / Fax: (072) 607-8914 Email: rtwpb1_rb1@yahoo.com
<b>II</b>	3/F Andrew's Bldg., cor. Luna and Blumentritt Sts., Tuguegarao City, Cagayan Tel. No.: (078) 846-4708 / 844-1553 Email: rtwpb2@yahoo.com
<b>III</b>	2/F Suburbia Commercial Center I, McArthur Highway, Maimpis, City of San Fernando, Pampanga Tel. No.: (045) 963-1346 / Fax: (045) 963-1162 Email: rtwpb3@yahoo.com.ph
<b>IV-A</b>	3/F Milan Prestige Bldg. National Highway Brgy. Halang, Calamba, Laguna Tel. No.: (049) 545-5511/ Fax: (049) 8344030 Email: rtwpb4a@yahoo.com
<b>IV-B</b>	2/F Luna Bldg. 3, Gov. Infantado St., Calapan City, Oriental Mindoro Tel. No.: (043) 288-1425 Email: rtwpbivb_dole@yahoo.com
<b>V</b>	ANST Bldg., Washington Drive, Legazpi City, Albay Tel. No.: (052) 481-5676 / Fax: (052) 820-6692 Email: rtwpb5@yahoo.com
<b>VI</b>	Rm. 30, 3/F Dona Maria Bldg., La Castilla cor. EL 98 Sts., Jaro, Iloilo City Telefax: (033) 320-5864 Fax: (033) 329-0880 / Email: rtwpb6@yahoo.com
<b>VII</b>	6/F DOLE VII Bldg., Gorordo Ave., Kamputhaw, Cebu City, Cebu Tel. No.: (032) 266-8068 / 412-9072 Email: rtwpb7@yahoo.com
<b>VIII</b>	DOLE Compound, Trece Martires St., Tacloban City, Leyte Tel. No.: (053) 321-0959 Email: rtwpb_8@yahoo.com
<b>IX</b>	Compartment No. 2-F H.C. Marketing Bldg. Camins Avenue, Zamboanga City Tel. No.: (062) 991-2672 Email: dole_rtwpb9@yahoo.com
<b>X</b>	Room 301, Ficco-Rector Branch, Tiano Bros-Abellanosa Sts., Cagayan De Oro City Tel./Fax: (088) 880-3920 Email: rtwpb10@gmail.com
<b>XI</b>	2nd Floor R & T Yap Building cor. Bangoy and Monteverde Sts., Davao City Tel. No.: (082) 2224652/3051877: Telefax: (082) 2242027 Email: rtwpbxi@gmail.com/rtwpbxi@yahoo.com
<b>XII</b>	#102 ACEPAL Bldg., Mabini Ext., Koronadal City 9506 Tel. No.: (083) 520-0129 Email: rtwpbxii@yahoo.com
<b>XIII</b>	Nimfa Tiu Bldg. J.P. Rosalez Ave. Butuan City, Agusan del Norte Tel. No.: (085) 3429987, (085) 342-0744 Email: rtwpb13@yahoo.com2027
<b>ARMM</b>	ARMM Complex, Cotabato City, Maguindanao Tel. No.: (064) 546-0410/ Fax: (064) 421-9728 Email: rtwpbarmm@gmail.com

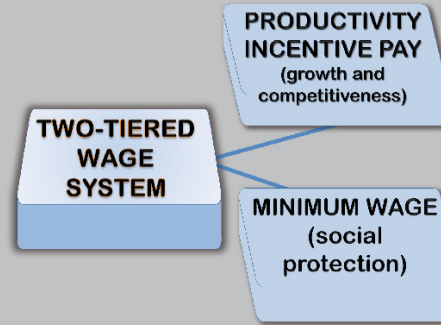
# TWO-TIERED WAGE SYSTEM



Department of Labor and Employment  
National Wages and Productivity Commission

## WHAT IS TWO-TIERED WAGE SYSTEM?

The two-tiered wage system is a reform that maintains the mandatory minimum wage setting under R.A. 6727 or the Wage Rationalization Act, as the first tier (TIER 1) and complemented by a voluntary productivity-based pay scheme as the second tier (TIER 2). It was conceptualized in 2010 and implemented in 2012 with the support of social partners.



## HOW DOES IT WORK?

### Mandatory Minimum Wage (Tier 1)

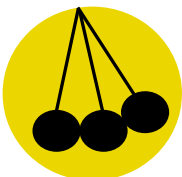
In setting the mandatory minimum wage, the RTWPBs refer to the official data on:



Poverty threshold (NSCB)



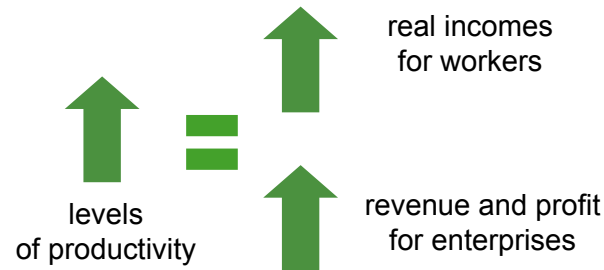
Prevailing average wage rates (Labor Force Survey)



Socio-Economic indicators such as Consumer Price Index (CPI), inflation, employment, Gross Regional Domestic Product (GRDP), among others

### Voluntary Productivity Based Pay Scheme (Tier 2)

The voluntary productivity-based pay shall be implemented through a labor-management mechanism such as the productivity committee or any similar body.



Workers' representation in the Productivity committees ensures fair and reasonable setting of performance criteria, standards, targets and profit sharing scheme among others.

## Regional Wage Boards' Advisory on Productivity-Based Pay



The RTWPBs issue advisories on productivity incentive pay schemes as reference of workers and enterprises in the implementation of productivity improvement and gain-sharing programs.



The RTWPBs identify priority or growth industries including their supply chain, as the subject of their advisories. Industry players participate in the crafting and issuance of their advisories, including advocacy campaigns and monitoring of its implementation.



The advisories shall form part of the Voluntary Codes of Good Practice in the various Regional Industry Tripartite Councils (RITCs) in line with the envisioned industry self-regulation.