

Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
National Wages and Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD
Regional Board No. VIII
Tacloban City

WAGE ORDER NO. RB VIII-20

PRESCRIBING A NEW MINIMUM WAGE RATES FOR EASTERN VISAYAS

WHEREAS, the Regional Tripartite Wages and Productivity Board – Region VIII (RTWPB VIII) is mandated under R.A. No. 6727 (The Wage Rationalization Act of 1989) to determine and fix minimum wage rates applicable in their region, provinces or industries therein and to issue the corresponding wage orders, periodically assess wage rates and conduct continuing studies in the determination of the minimum wage applicable in the region or industry;

WHEREAS, in consonance with the aforementioned mandate, the RTWPB VIII continuously adopts the Two-Tiered Wage System (TTWS) in the exercise of its minimum wage function recognizing the need to improve workers' productivity and income, enhance enterprise competitiveness, generate jobs and strengthen the link between pay and productivity;

WHEREAS, in the exercise of its wage-fixing function, the RTWPB VIII "motu proprio" conducted sectoral wage consultations in Catarman, Northern Samar on March 14, 2017 ; Catbalogan, Samar on March 15, 2017; Borongan, Eastern Samar on March 15, 2017 ; Ormoc on March 21, 2017 and Maasin City on March 22, 2017;

WHEREAS, a regional public hearing was conducted in Tacloban City on April 25, 2018 to gather inputs from the public at large on wage concerns that will guide the Board in its review of the current minimum wage rates in the region. The notice of the public hearing was published on 08 April 2018 in the "Sunday Punch", a local newspaper of general circulation in the region;

WHEREAS, the results of the consultations and public hearing as well as the review of socio-economic indicators revealed that there is a need to increase the minimum wage in Eastern Visayas without impairing the viability of businesses in the region;

NOW THEREFORE, by virtue of the power and authority vested under Republic Act No. 6727, known as the Wage Rationalization Act, the RTWPB VIII hereby issues this Wage Order;

Section 1. SECTOR/INDUSTRY RECLASSIFICATION AND WAGE INCREASES. Upon effectivity of this Wage Order, the industry/sector classifications shall be reclassified, as follows:

1.1 Sectoral/Industry Classifications

| Sector/Industry |
|---|
| NON-AGRICULTURE Sugar Mills and Retail/ Service Establishments employing 11 up to 30 workers) |
| COTTAGE/HANDICRAFT |
| RETAIL/SERVICE Employing 10 workers and below |
| AGRICULTURE Non-Sugar Sugar Farm |

1.2 COLA under Wage Order No. RB VIII-17.

The cost of living allowance amounting Seven Pesos (P7) as originally provided by Wage Order No. VIII-17 and adopted in Wage Order No. RB VIII -18 and Wage Order No. RB VIII-19 is hereby integrated to the new basic wage.

1.3 Increase.

There shall be an increase in the basic wage, as follows:

- a. P20.00 per day for Non-Agriculture;
- b. P30.00 per day for Retail/Service Employing 11 up to 30 workers (now merged to Non-Agriculture);
- c. P22.00 per day for Cottage/Handicraft;
- d. P30.00 per day for Retail/Service Employing 10 workers and below;
- e. P24.00 per day for Non-sugar Farm Agriculture (now collapsed under Agriculture);
- f. P30.00 per day for Sugar Farm Agriculture (now collapsed under Agriculture)

Section 2. NEW MINIMUM WAGE RATES. Upon the effectivity of this Wage Order No. RB VIII-20 the new minimum wages in the region shall be as follows:

| Sector/Industry | Minimum Wage Rates under WO No. RB VIII-19 (Basic + P7.00 COLA) | Amount of Increase in Minimum Wage | New Daily Basic Minimum Wage Rates upon effectivity |
|---|---|------------------------------------|---|
| NON-AGRICULTURE | 285.00 | 20.00 | 305.00 |
| • Sugar Mill, and • Retail/ Service employing 11 up to 30 workers) | 275.00 | 30.00 | 305.00 |
| COTTAGE/HANDICRAFT | 253.00 | 22.00 | 275.00 |
| RETAIL/SERVICE (Employing 10 workers & below) | 245.00 | 30.00 | 275.00 |
| AGRICULTURE | | | |
| Non-Sugar | 251.00 | 24.00 | 275.00 |
| Sugar Farm | 245.00 | 30.00 | 275.00 |

SECTION 3. BASIS OF WAGE INCREASE. The wage increase prescribed under this Order shall be for the normal working hours, which shall not exceed eight (8) hours work a day.

SECTION 4. COVERAGE. The wage rates per worker prescribed under this Order shall apply to all minimum wage earners in the private sector in the Region, regardless of their position, designation or status of employment and irrespective of the method by which they are paid.

Not covered are kasambahay/domestic workers, and workers of duly registered Barangay Micro Business, Enterprises (BMBEs) with Certificate of Authority pursuant to Republic Act No. 9178, as amended.

SECTION 5. EXEMPTION. No exemption from compliance under this Order shall be allowed. However, the Board may accept applications for exemption for establishments adversely affected by calamities such as natural and/or human-included disasters, subject to the NWPC Guidelines No.02, Series of 2007 as amended by NWPC Resolution No. 01, Series of 2014.

SECTION 6. WORKERS PAID BY RESULTS. All workers paid by result, including those who are paid on piecework, takay, pakyaw or task basis, shall be entitled to receive the prescribed new minimum wage rates per eight (8) hours work a day, or a proportion thereof for working less than eight (8) hours a day.

SECTION 7. WAGES OF SPECIAL GROUPS OF WORKERS. The minimum wages of apprentices and learners shall in no case be less than seventy-five percent (75%) of the applicable minimum wage rates prescribed herein.

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 prescribed minimum wage rates.

All qualified handicapped workers shall receive the full amount of the new wage rates prescribed herein pursuant to republic Act No. 7277, otherwise known as the Magna Carta for Disabled Persons.

SECTION 8. 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 2017-2018 shall be considered as compliance with the wage increase prescribed herein. However, payment of any shortfall in the wage increase set forth herein shall be complied with starting school year 2018-2019.

Private educational institutions which have not increased their tuition fees for school year 2017-2018 may defer compliance with the minimum wage prescribed herein until the beginning of school year 2018-2019.

In any case, all private educational institutions shall implement the minimum wage prescribed herein starting school year 2018-2019.

SECTION 9. APPLICATION TO CONTRACTORS. In the case of contracts for construction projects and for security, janitorial and similar services, the prescribed wage increase under this Order 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, the construction/ service contractor shall be jointly and severally liable with his principal or client.

SECTION 10. PRODUCTIVITY-BASED WAGES. To sustain rising levels of wages and enhance competitiveness, labor and management as partners are encouraged to adopt productivity improvement schemes that will improve the quality of life of workers and in turn enable them to produce more and earn more, such as time and motion studies, good housekeeping, quality circles, labor and management cooperation as well as implement gain-sharing and other performance incentive programs.

In line with the two-tiered wage system wherein the 1st tier is the mandatory wage adjustment prescribed in this Wage Order, the Board shall issue an advisory on the 2nd tier or the performance-based pay which shall serve as guidelines for private establishments on the range of productivity bonuses and incentives that an enterprise or industry may provide based on agreement between workers and management.

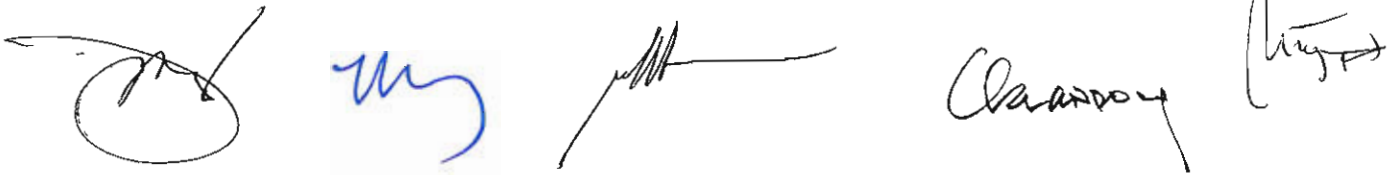
SECTION 11. APPEAL TO THE COMMISSION. Any party aggrieved by this Wage Order may file a verified appeal with the National Wages and Productivity Commission (NWPC) through the Board within ten (10) calendar days from the publication of this Order.

SECTION 12. EFFECT OF FILING OF APPEAL. The filing of the appeal does not 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 the payment of the corresponding increase to employees affected by the Order in the event such Order is affirmed.

SECTION 13. EFFECTS ON EXISTING WAGE STRUCTURE. Where the application of the new minimum wage rates results in the distortion of the wage structure within an establishment, the same shall be corrected in accordance with the procedure provided for under Article 124 of the Labor Code as amended.

SECTION 14. 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 days (30) 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 15. 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 16. PENAL PROVISION. Any person, corporation, trust or firm, partnership, association or entity which refuses or fails to pay the prescribed wage increase in accordance with this Order shall be subject to the penal provisions under RA 6727, as amended by RA 8188.

SECTION 17. 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 in accordance with pertinent provisions of the labor Code as amended.

SECTION 18. FREEDOM TO BARGAIN. This Order shall not be construed to prevent workers in particular firms, enterprises or industries from bargaining for higher wages with their respective employers.

SECTION 19. 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 National Wages and Productivity Commission.

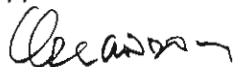
SECTION 20. REPEALING CLAUSE. All orders, issuances, rules and regulations, or parts thereof inconsistent with the provision of this Wage Order are hereby repealed, amended or modified accordingly.

SECTION 21. SEPARABILITY CLAUSE. If, for any reason, any section or provision of this Order is declared unconstitutional or illegal, the other provisions or parts thereof shall remain valid.

SECTION 22. IMPLEMENTING RULES. The Board shall submit to the Commission 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 23. EFFECTIVITY. This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation in the Region.

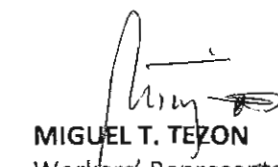
Approved this 7th day of May 2018.



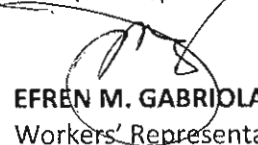
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