



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
 National Wages and Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD-IX
 Room 203, Fermin Bldg., Veterans Avenue, Zamboanga City



WAGE ORDER NO. RIX-18
 (PRESCRIBING NEW MINIMUM WAGE RATES IN REGION-IX)

WHEREAS, Republic Act No. 6727, otherwise known as the **Wage Rationalization Act of 1989**, empowers the Regional Tripartite Wages and Productivity Boards to determine and fix minimum wage rates applicable in the regions and to issue corresponding wage orders subject to existing Guidelines issued by the National Wages and Productivity Commission (NWPC);

WHEREAS, the Regional Tripartite Wages and Productivity Board-IX (Regional Board) issued Wage Order No. RIX-17, that took effect on November 25, 2011; and, one year upon the effectivity of the same, the Regional Board is mandated to review the current wage rates whenever the conditions of the Region so warrants;

WHEREAS, in the absence of any petition for wage hike, the Regional Board deemed it proper to review *motu proprio* the current wage rates; hence, after giving notices to employees' and employers' groups, provincial, city and municipal officials and other interested parties, public consultations were conducted in different provinces of Region IX particularly at Pagadian City-Zamboanga Del Sur on 12 March 2013; Dipolog City-Zamboanga Del Norte on 13 March 2013; Ipil-Zamboanga Sibugay on 14 March 2013, and at Zamboanga City on 15 March 2013;

WHEREAS, as a result of the public consultations, the Regional Board proceeded to study the prevailing conditions of the region in order to determine the need to issue a new Wage Order, considering the adoption of a two-tiered wage system and other standards and criteria prescribed in determining the region's floor wage;

WHEREAS, upon evaluation of the region's socio-economic and labor market indicators, particularly the region's poverty incidence, the erosion of the purchasing power of the peso, as well as, the problematic power situation prevailing in the region, the Board deemed it just and equitable to adjust and increase the current minimum wage rates;

NOW THEREFORE, premises considered, this Board hereby issues **WAGE ORDER NO. RIX-18** prescribing as follows:

Section 1. AMOUNT OF WAGE ADJUSTMENT

Upon effectivity of this Order, the Minimum Wage Rates shall be increased by **P 13.00** per day for all industries and categories under this Order.

Section 2. NEW MINIMUM WAGE RATES

Upon effectivity, the New Minimum Wage Rates by category/sector are as follows:

Wage Categories	Basic Wage under WAGE ORDER No. 17	Daily Wage increase per WAGE ORDER No. 18	NEW MINIMUM WAGE RATES
NON-AGRICULTURAL (includes private hospital, educational institutions, security agencies, janitorial; and, retail/service establishments employing more than 30 workers)	P 267.00	P 13.00	P 280.00
AGRICULTURAL (includes rubber-based plantation)			
> Plantation Agricultural Enterprise	242.00	13.00	255.00
> Non-Plantation Agricultural Enterprise	222.00	13.00	235.00
RETAIL/SERVICE ESTABLISHMENT employing not more than 30 workers	247.00	13.00	260.00
COTTAGE/HANDICRAFT	222.00	13.00	235.00

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Section 3. COVERAGE

The wage increase prescribed herein shall apply to all the minimum wage earners in the private sector in the region, regardless of their position, designation or status and irrespective of the method by which their wages are paid.

This Wage Order shall not cover household or domestic helpers; persons in the personal service of another, including family drivers; and workers in registered Barangay Micro Business Enterprises (BMBE's) with Certificates of Authority pursuant to Republic Act 9178.

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 of work a day.

Section 5. PRODUCTIVITY-BASED WAGES

In order to sustain rising levels of wages and enhance competitiveness, businesses are 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. Accordingly, the Board shall provide the necessary studies and technical assistance pursuant to the intent and provisions of the Productivity-Based Wage System.

Section 6. WORKERS PAID BY RESULTS

All workers paid by results, 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 of work a day, or a proportion thereof for working less than eight (8) hours of work per day.

Section 7. WAGES OF SPECIAL GROUP OF WORKERS

Wages of apprentices under Apprenticeship Agreement and learners under Learnership Agreement shall in no case be less than seventy five percent (75 %) of the applicable minimum wage rates prescribed in this Wage Order.

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 new prescribed minimum wage rates.

All qualified workers with disability shall receive the prescribed minimum wage rates pursuant to R.A. 7277.

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 2013-2014 shall be considered as compliance with the applicable minimum wage rates prescribed herein.

Private educational institutions which have not increased their tuition fees for School Year 2013-2014 may defer compliance with the provisions of this Wage Order until School Year 2014-2015.

In any case, all private educational institutions shall implement the minimum wage rates prescribed herein starting School Year 2014-2015.

Section 9. APPLICATION TO CONTRACTORS

In case of contracts for construction projects and for security, janitorial and similar services, the prescribed adjustment 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

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prescribed wage increase, the construction/service contractor shall be jointly and severally liable with his principal or client.

Section 10. APPLICATION TO INDUSTRIES WHOSE REVENUES ARE REGULATED BY LAW

Industries whose revenues are regulated by law such as arrastre, transportation, utilities, etc., shall comply with this Wage Order immediately upon approval of an adjustment in their rates by the concerned government agencies but not later than six (6) months from effectivity of this Order.

Section 11. MOBILE AND BRANCH WORKERS

The minimum wage rates of workers who, by the nature of their work have to travel, shall be those applicable in the domicile or head office of their employer.

The minimum wage rates of workers working in branches or agencies of establishments within the region shall be those applicable in the place where they are stationed.

Section 12. TRANSFER OF PERSONNEL

The transfer of personnel to areas with lower rates shall in no case be a valid ground for the reduction of the higher wage rates being enjoyed by the worker prior to such transfer. However, where the worker is transferred to an area with higher minimum wage rate, the employee shall be entitled to the higher minimum wage rate in that region.

Section 13. CREDITABLE WAGE INCREASE

Wage increases granted by an employer in an organized establishment within six (6) months prior to the effectivity of this Order shall be credited as compliance with the prescribed increase set forth herein, provided that an agreement to this effect has been forged between the parties or a provision in the Collective Bargaining Agreement (CBA) allowing creditability exists. In the absence of such agreement or provision in the CBA, any increase granted by the employer shall not be credited as compliance with the increase prescribed in this Order.

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

In case the increase given is less than the prescribed increase, the employer shall pay the difference. Such increases shall not include anniversary increases, merit wage increases and those resulting from the regularization of employees.

Section 14. NON-DIMINUTION OF BENEFITS

Nothing in this Wage Order shall be construed to reduce existing wage rates, allowances and benefits of any form under existing laws, decrees, issuances and executive orders and/or under any contract of agreement between workers and employers.

Section 15. EFFECTS ON EXISTING WAGE STRUCTURE OR WAGE DISTORTION

If the application of the increase 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 procedures provided for under Article 124 of the Labor Code, as amended.

Section 16. EXEMPTIONS

Distressed establishments may be exempted from compliance with this Order upon application with and as determined by the Board in accordance with the NWPC Guidelines No. 02, Series of 2007 (Amended Rules on Exemption). The extent and duration of exemption shall be for a period of one-year.

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Section 17. 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 18. EFFECTS OF THE FILING OF THE 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 or adjustment to employees affected by this Order in the event such Order is affirmed.

Section 19. 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) and shall be subject of enforcement proceedings under Article 128 of the Labor Code, as amended, without prejudice to criminal prosecution which may be undertaken against those who fail to comply.

Section 20. PENAL PROVISION

Any person, corporation, trust or firm, partnership, association, or entity which refuses or fails to pay the prescribed minimum wage rates in accordance with this Order shall be subject to the penal provisions pursuant to RA 6727, as amended by RA 8188.

Section 21. 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 22. FREEDOM TO BARGAIN

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

Section 23. REPORTING REQUIREMENT

Any person, company, corporation, partnership or any entity engaged in business shall submit annually a verified itemized listing of their labor component to the Board not later than January 31, 2014 and every year thereafter in accordance with the form prescribed by the Commission.

Section 24. 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 25. SEPARABILITY CLAUSE

If, for any reason, any section or provision of this Wage Order is declared unconstitutional or illegal, the other provisions or parts hereof shall remain valid.

Section 26. IMPLEMENTING RULES AND REGULATIONS

The Board shall issue the necessary implementing rules and regulations of this Wage Order subject to the approval of the Secretary of the Department of Labor and Employment.

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Section 27. EFFECTIVITY

This Wage Order shall take effect fifteen (15) days from the date of publication in a newspaper of general circulation in the region.

APPROVED this 6th day of May 2013.


EDGAR B. LIM
Member, Employers' Representative

w/ reservation on sec 13 par 2-3


ROBERTO G. VALERIO
Member, Employers' Representative

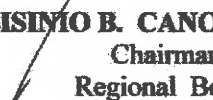
w/ reservation w/ section 19, par 2+3


TERESITA SOCORRO C. RAMOS
Vice-Chairman, NEDA


JOSE J. SUAN
Member, Labor Representative


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SISIMIO B. CANO, CESO IV
Chairman
Regional Board

This Wage Order No. RIX-18 was published on May 26, 2013 at Zamboanga Today and Mindanao Observer, and on May 28, 2013 at Pagadian Times.

This Wage Order shall take effect on June 10, 2013.