REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

October 27, 2016

REVENUE MEMORANDUM CIRCULAR NO. 115-2016

SUBJECT : Publishing the Daily Minimum Wage Rates for Domestic Workers in Region I Pursuant to Wage Order No. RBI-DW-01

TO : All Internal Revenue Officials, Employees and Others Concerned

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For the information and guidelines of all internal revenue officers, employees and others concerned, we are publishing Wage Order No. RBI-DW-01 which was issued on August 17, 2016 and published at Ilocos Herald on September 17, 2016:

Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
National Wages and Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD – I
Rm. 209 Juanita Commercial Bldg., Quezon Ave., San Fernando City, LU
Tel. Nos. (072) 607-9914

WAGE ORDER NO. RBI-DW-01

PRESCRIBING NEW MONTHLY MINIMUM WAGE RATES
FOR DOMESTIC WORKERS IN REGION I

WHEREAS, the Regional Tripartite Wages and Productivity Board I (RTWPB-I) is mandated under R.A. No. 6727 (The Wage Rationalization Act), to periodically assess wage rates and conduct continuing studies in the determination of the minimum wage applicable in the region or industry;

WHEREAS, Section 24 of the Republic Act No. 10361 (An Act Instituting Policies for the Protection and Welfare of Domestic Workers or Batas Kasambahay) which took effect on 10 February 2013, sets the minimum wage of domestic workers and mandated the Regional Tripartite Wages and Productivity Boards to review, and if proper, determine and adjust the minimum wage rates of domestic workers one (1) year from the effectivity of the law and periodically thereafter;

WHEREAS, after due notice of concerned sectors, the Board conducted stakeholders' consultations and public hearings at Dagupan City, Pangasinan on June 22, 2016, City of San Fernando, La Union on June 29, 2016 and Laoag City for the Provinces of Ilocos Sur and Ilocos Norte on July 6, 2016 to determine the propriety of issuing a new wage order for domestic workers in the Region;

WHEREAS, after a thorough evaluation of the existing socio-economic conditions of the region, the Board has determined the need to adjust the legislated monthly minimum wage of domestic workers to enable them to cope with the rising cost of living;

WHEREAS, to promote productivity-based pay at the household level in the Region, the Board encourages the adoption of competency-based pay in addition to the monthly minimum wage.

NOW THEREFORE, by virtue of the power and authority vested under RA 10361, this Board hereby issues this Wage Order.

Section 1. NEW MONTHLY MINIMUM WAGE RATES. Upon effectivity of this Wage Order the new monthly minimum wage rates of Domestic Workers in the region shall not be less than the following:

AREA CLASSIFICATION	MONTHLY MINIMUM WAGE UNDER RA 10361	INCREASE	NEW MONTHLY MINIMUM WAGE RATE
Cities and first class municipalities	Php2,000.00	Php1,500.00	Php3,500.00
Other municipalities	Php1,500.00	Php1,000.00	Php2,500.00

Section 2. COVERAGE. This Wage order shall apply to all Domestic Workers, whether on a live-in or live-out arrangements, such as, but not limited to:

a. General Household
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 an occupational basis.

Section. 3. MODE/FREQUENCY OF PAYMENT. 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 under 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 to the NWPC, through the Board, in three (3) printed 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 2014.

Section 7. COMPLAINTS FOR NON-COMPLIANCE. Complaints for non-compliance with the Wage Order shall be filed before the DOLE Field/Provincial/Regional Office No. I and shall go through the 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. Witholding 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 (Php10,000.00) but not more than Forty Thousand Pesos (Php40,000.00), without prejudice to the filing of the appropriate civil and/or criminal action by aggrieved party pursuant to Rule XII, Section 1 and 2 of Implementing Rules and Regulations of Republic Act 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 arrangements 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 INJUCTION. 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 who agree to adopt a competency-based pay scheme shall refer to the National Wages and Productivity Commission Advisory on Competency-based Wage for Domestic Workers issued on 24 February 2015.

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 law, the other provisions or parts thereof shall remain valid.

Section 16. 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 17. EFFECTIVITY. This Wage Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

UNANIMOUSLY APPROVED this 17th day of August, 2016, City of San Fernando, La Union, Philippines.

ATTESTED BY:

NATHANIEL L. PINEDA

APPROVED:

JERRY V. PARLAN
Employer's Representative

CATHERINE Q. PANGAN
Workers' Representative

SALVADOR R. POSERIO
Employers' Representative

ELISEO P. FLORA
Workers' Representative

NESTOR G. RILLON
Vice-Chairperson

FLORANTE O. LEAL
Vice-Chairperson

GRACE Y. URSUA
Chairperson

All concerned are hereby enjoined to be guided accordingly and to give this Circular as wide a publicity as possible.

(Original Signed)
CAESAR R. DULAY
Commissioner of Internal Revenue

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