REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

October 27, 2016

REVENUE MEMORANDUM CIRCULAR NO. 116-2016

SUBJECT : Publishing the Daily Minimum Wage Rates for Kasambahays or Domestic Workers in the Zampen Region Pursuant to Wage Order No. RIX-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. RIX-DW-01 which was issued on August 15, 2016 and published at Zamboanga Today on September 16, 2016:

Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
National Wages and Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD-IX
Compartment No. 2-F, HC Marketing Inc., Camins Avenue, Zamboanga City
Email: dole_rtwpb9@yahoo.com | Tel. No. (062) 991-2672

WAGE ORDER NO. RIX-DW-01

PRESCRIBING THE NEW MINIMUM WAGE FOR *KASAMBAHAYS* OR DOMESTIC WORKERS IN THE ZAMPEN REGION

WHEREAS, the Regional Tripartite Wages and Productivity Board-ZAMPEN Region (Board) is mandated under Republic Act No. 6727 **(Wage Rationalization Act of 1989)**, to periodically assess wage rates and conduct continuing studies in the determination of the minimum wage applicable in the region;

WHEREAS, Section 24 of 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 Board 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 to concerned sectors, the Board conducted consultations with concerned sectors and stakeholders at the provinces of Isabela City (22 April 2016), Ipil, Zamboanga Sibugay (23 May 2016), Pagadian City, Zamboanga del Sur (24 May 2016), Dipolog City, Zamboanga del Norte (25 May 2016), and Zamboanga City (31 May 2016), and a public hearing in Zamboanga City (August 15, 2016);

WHEREAS, an evaluation of the changes in the socio-economic conditions in the ZAMPEN Region reveals that:

a) taking into account the 2015 Consumer Price Index (CPI) as against the CPI level at the time of issuance of RA 10361 in 2013, coupled by the erosion of the Purchasing Power of the Peso (PPP), an upward adjustment of existing wage rates is warranted to enable the workers to cope up with the rising cost of living; and

b) the prevailing average Poverty Threshold level of P283.00 per day for a family with five (5) members in the region is over and above the wage rates prescribed by R.A. 10361;

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

NOW, THEREFORE, premises considered, this Board hereby issues **WAGE ORDER NO. RIX-DW-01**, prescribing as follows:

Section 1. NEW MINIMUM WAGE RATES. Upon effectivity, the New Monthly Minimum Wage Rates of Domestic Workers in the Region shall be as follows:

Categories	Existing Minimum Wage per Month (₱)	Increase in Minimum Wage per Month (₱)	New Monthly Minimum Wage Rate (₱)
Cities and First (1st) Class Municipalities	2,000.00	500.00	2,500.00
Other Municipalities	1,500.00	500.00	2,000.00

Section 2. COVERAGE. This Wage Order shall apply to all domestic workers, whether on a stay-in or stay-out arrangements, such as, but not limited to:

a) General Househelp;
b) Baby-sitter *(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 OR FREQUENCY OF PAYMENT. The wages of domestic workers shall be paid in cash at least once a month. No deductions from wages shall be made other than those mandated by law.

Section 4. APPLICATION TO PRIVATE EMPLOYMENT AGENCIES (PEAs). In case of hiring or contracting of domestic worker's services through a licensed PEA, the wage rate prescribed under this Wage Order shall be borne by the principal or client of the PEA, 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 National Wages and Productivity Commission (NWPC), through RTWPB-IX, in three (3) printed copies, not later than ten (10) days from the publication of this Wage Order, and in accordance with Sections 11 and 12 of NWPC Guideline No. 01, Series of 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 **IX** and shall go through the thirty (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. Withholding or interference in the disposal of wages of the domestic workers are unlawful and shall be punishable with a fine of not less than Ten Thousand Pesos (P10,000.00), but not more than Forty Thousand Pesos (P40,000.00), without prejudice to the filing of the appropriate civil and/or criminal action by the aggrieved party, pursuant to Rule XII, Sections 1 and 2 of the Implementing Rules and Regulations of R.A. 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 which ensures 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.

In 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 the Wage Order shall be construed as to reduce any existing wage rates, allowances and benefits of any form under existing law, decrees, issuances, executive orders and/or under any contract or agreement between the workers and employers.

Section 11. 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 12. FREEDOM TO BARGAIN. This Wage Order shall not be construed as to prevent domestic workers from bargaining for higher wages with their respective employers.

Section 13. COMPETENCY BASED PAY. Employers and domestic workers may voluntary and mutually agree to adopt a competency-based pay scheme in setting and adjusting the pay of domestic workers, over and above the applicable minimum wage.

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 NWPC the necessary rules and regulations to implement this Wage 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 in the region.

APPROVED this 15th day of August 2016, at Zamboanga City, Philippines.

EDGAR B. LIM
Member, Employers' Representative

JOSE J. SUAN
Member, Labor Representative

ROBERTO G. VALERIO
Member, Employers' Representative

REY ANTHONY D. TRIO
Member, Labor Representative

TERESITA SOCORRO C. RAMOS
Vice-Chairperson, NEDA

SITTIE AMINA M. JAIN
Vice-Chairperson, DTI

SISINIO B. CANO, CESO IV
Chairperson, DOLE

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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