BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
2:55 P.M.
SEP 01 2015
RECEIVED

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

August 13, 2015

REVENUE MEMORANDUM CIRCULAR NO. 47-2015

SUBJECT : Publishing the Daily Minimum Wage Rates in Region VIII Pursuant to Wage Order No. RB VIII – 18.

TO : All Internal Revenue Officials, Employees and Others Concerned

---

For the information and guidance of all concerned, quoted hereunder is the full text of Wage Order No. VIII - 18 issued on February 24, 2015 and published in the Eastern Visayas on March 15, 2015:

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-18

PRESCRIBING A NEW WAGE STRUCTURE FOR EASTERN VISAYAS

WHEREAS, due to the movements in the prices of oil and fuel products, transportation fares, other basic commodities, and the effects of Typhoon Yolanda on the economy of the region, the Regional Tripartite Wages and Productivity Board of Eastern Visayas (RTWPB VIII) *motu proprio* conducted public consultations on wages with the labor and management sectors in Borongan City on October 8, 2014, in Naval, Biliran City on October 29, 2014, Maasin City on November 20, 2014 and in Ormoc City on November 21, 2014;

WHEREAS, a public hearing, after due notice to all concerned sectors, was held in Tacloban City on February 17, 2015;

WHEREAS, the Board deemed it wise to address wage rates falling below poverty threshold level;

WHEREAS, the results of the consultations and public hearing as well as review of economic indicators have revealed the need to grant relief to minimum wage earners of Eastern Visayas without impairing the viability of business in the region;

NOW THEREFORE, by virtue of the power and authority vested under Republic Act 6727, known as the Wage Rationalization Act, the Regional Tripartite Wages and Productivity Board, Eastern Visayas (RTWPB VIII) hereby issues this Wage Order.

Section 1. NEW WAGE STRUCTURE FOR EASTERN VISAYAS. Upon the effectivity of this Wage Order, the **FIFTEEN PESOS (PhP15.00)** Cost of Living Allowance prescribed under Wage Order No. RB VIII-16 shall be integrated into the Basic Pay.

Further, all workers in the **Retail and Service Sector Employing 10 workers and below** shall receive an additional **SIX PESOS (PhP6.00)** increase in the Basic Pay.

Furthermore, all workers in the private sector in Eastern Visayas receiving the basic wage rates prescribed herein shall continue to receive the **SEVEN PESOS (PhP7.00)** Cost of Living Allowance in Wage Order No. RB VIII-17.

And finally, all workers in the Non-Plantation sector of the Sugar Industry shall receive an additional wage adjustment of **FOURTEEN PESOS AND FIFTY CENTAVOS (PhP14.50)** which shall be granted in two tranches:

a. **SEVEN PESOS and FIFTY CENTAVOS (PhP7.50)** upon effectivity; and,
b. **SEVEN PESOS (PhP7.00)** on May 1, 2015.

The wage classification of Non Plantation and Plantation workers are simplified and shall henceforth be reclassified as Farm by May 1, 2015.

The new wage structure for Region VIII upon effectivity shall now be as follows:

Sector/Industry	Minimum Wage Rates upon Effectivity	Cost of Living Allowance Under Wage Order No. RB VIII-17	New Daily Minimum Wage Rates
NON-AGRICULTURE	253.00	7.00	260.00
COTTAGE/HANDICRAFT	231.00	7.00	238.00
RETAIL/SERVICE Employing 10 workers and below	228.00	7.00	235.00

BUREAU OF INTERNAL REVENUE
INTERNAL COMMUNICATIONS DIVISION
RECEIVED
SEP 02 2015

AGRICULTURE (NON-SUGAR)	**234.00**	7.00	**241.00**
SUGAR INDUSTRY			
Mills	255.00	7.00	262.00
Plantation	228.00	7.00	235.00
Non-Plantation	221.00	7.00	228.00

On May 1, 2015, the wage structure for Region VIII shall be as follows:

Sector/Industry	Minimum Wage Rates upon Effectivity	Cost of Living Allowance Under Wage Order No. RB VIII-17	New Daily Minimum Wage Rates
NON-AGRICULTURE	253.00	7.00	260.00
COTTAGE/HANDICRAFT	231.00	7.00	238.00
RETAIL/SERVICE Employing 10 workers and below	228.00	7.00	235.00
AGRICULTURE (NON-SUGAR)	234.00	7.00	241.00
SUGAR INDUSTRY			
Mills	255.00	7.00	262.00
Farm	228.00	7.00	235.00

Section 2. BASIS OF NEW WAGE STRUCTURE AND COLA. The Minimum Wage Rates prescribed under this Order shall be for the normal working hours, which shall not exceed eight (8) hours a day.

Section 3. COVERAGE OF THE NEW WAGE STRUCTURE AND COLA. The new minimum wage rates prescribed under this Order shall be applicable to all covered workers under Section 1 hereof regardless of their position, designation or status.

Excluded from the coverage of this Wage Order are household or domestic helpers, persons in the personal service of another, including family drivers, and workers in duly registered Barangay Micro Business Enterprises with Certificates of Authority pursuant to Republic Act 9178.

Section 4. 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 work a day, or a proportion thereof for working less than eight (8) hours a day.

Section 5. WAGES AND COLA 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 and COLA prescribed herein.

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
2:55 P.M.
SEP 01 2015
RECEIVED

Section 6. 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 2014-2015 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 covered starting School Year 2015-2016.

Private educational institutions which have not increased their tuition fees for School Year 2014-2015 may defer compliance with the minimum wage prescribed herein until the beginning of School Year 2015-2016.

In any case, all private educational institutions shall implement the minimum wage prescribed herein starting School Year 2015-2016.

Section 7. 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 8. PRODUCTIVITY BASED WAGES. To attain higher levels of productivity for competitiveness, to preserve and generate gainful employment and to augment the incomes of workers, business enterprises are encouraged to adopt productivity improvement and gain-sharing programs.

Section 9. 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 10. 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 payment of the corresponding increase to employees affected by the Order in the event such Order is affirmed.

Section 11. CREDITABLE WAGE INCREASES. Wage increases provided granted by an employer in an organized establishment within three (3) months prior to the effectivity of the Order shall be credited as compliance with the prescribed allowance set forth therein, provided that an agreement to this effect has been forged between the parties or a provision in the Collective Bargaining Agreement allowing creditability exists. In the absence of such an agreement of provision in the CBA, any increase granted by the employer shall not be credited as compliance with the increase prescribed in this Order

In case the increases given are less than the prescribed allowance, 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 12. 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 Art. 124 of the Labor Code as amended.

Section 13. 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 the 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 14. 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 15. **PENAL PROVISION.** Any person, corporation, trust or firm, partnership, association or entity which refuses or fails to pay the prescribed wage increase in accordance

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
2:55 P.M.
SEP 01 2015
RECEIVED

with this Order shall be subject to the penal provisions under RA 6727, as amended by RA 8188.

Section 16. 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 17. 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 18. 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, 2016 and every year thereafter in accordance with the form prescribed by the National Wages and Productivity Commission.

Section 19. 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 20. SEPARABILITY CLAUSE. If, for any reason, any section or provision of this Order is declared unconstitutional or illegal, the other provisions or parts shall remain valid.

Section 21. IMPLEMENTING RULES. The Board shall prepare the necessary rules to implement this Order subject to the approval of the Secretary of Labor and Employment.

Section 22. ADVISORY ON PERFORMANCE BASED PAY. In line with the two tiered wage system where 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 23. EFFECTIVITY. This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation in the Region.

Approved this 24th day of February 2015 at Tacloban City.

ORLANDO C. UY
Employers' Representative

MIGUEL T. TEZON
Workers' Representative

EFREN M. GABRIOLA
Workers' Representative

BONIFACIO G. UY
Vice-Chair, NEDA

CYNTHIA R. NIERRAS
Vice-Chair, DTI

ELIAS A. CAYANONG
Chairman

All revenue officials and employees are hereby enjoined to give this Circular a wide publicity as possible.

KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

J-5

BUREAU OF INTERNAL REVENUE
RECORDS MGT. DIVISION
2:55 P.M.
SEP 01 2015
RECEIVED

034865