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

August 13, 2015

**REVENUE MEMORANDUM CIRCULAR NO. 50-2015**

**SUBJECT** : Publishing the Daily Minimum Wage Rates in Region VI Pursuant to Wage Order No. RB VI – 22.

**TO** : All Internal Revenue Officials, Employees and Others Concerned

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For the information and guidance of all concerned, quoted hereunder is the full text of Wage Order No. RB VI - 22 issued on March 30, 2015 and published in the Panay News on April 17, 2015:

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**Republic of the Philippines**
**Department of Labor and Employment**
**National Wages and Productivity Commission**
**REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD**
**Regional Board No. VI**
**Iloilo City**

**WAGE ORDER NO. RBVI-22**

**PROVIDING FOR THE NEW MINIMUM WAGE RATES IN WESTERN VISAYAS**

**WHEREAS**, the Regional Tripartite Wages and Productivity Board VI, Western Visayas (otherwise referred to as the Board) is mandated under R.A. 6727 (The Wage Rationalization Act), to periodically assess the wage rates and conduct continuing studies in the determination of the minimum wage rates applicable in the Region;

**WHEREAS**, the last minimum wage adjustment took effect November 29, 2013, covered by Wage Order No. RBVI-21;

**WHEREAS**, on July 16, 2014, a petition for Wage Increase was filed by the General Alliance of Workers' Associations (GAWA) seeking for a Php85.00; Php75.00; and Php72.00 daily wage increase in the private sector in Region VI for: Non-Agricultural/Industrial/Commercial workers; Agricultural Plantation workers; workers employed in establishments with ten (10) workers and below and Non-Plantation Workers, respectively.

**WHEREAS**, on September 22, 2014 an Amended Petition for Wage Increase was filed by the General Alliance of Workers' Associations (GAWA) and the New Independent Workers Organization (NIWO). The amounts sought for in the Amended Petition for Wage Increase were the same as the amounts sought for in the original petition.

**WHEREAS**, on November 11, 2014 a group consultation with the Provincial Tripartite Industrial Peace Council-Iloilo (PTIPC) was conducted by the Board in Iloilo City. On the same date, supplotory to the Amended Petition for Wage Increase was filed by the General Alliance of Workers' Associations (GAWA) and the CENECO Union of Rational Employees (CURE).

**WHEREAS**, a public consultation was conducted in Bacolod City on December 01, 2014 and public hearings were conducted on January 13, 2015 in Roxas City; January 30, 2015 in Kalibo, Aklan; February 19, 2015 in Iloilo City; and February 20, 2015 in Bacolod City. While in the process of conducting the public hearings another petition for wage increase was received by the Board on January 22, 2015 filed by the Association of Minimum Wage Earners and Advocates – Philippine Trade and General Workers Organization (AMWEA-PTGWO), seeking an increase of One Hundred Eighty-Two Pesos and 60/100 (Php182.60).

Rm. 30, 3/F, Doña Maria Building, Corner EL 98-La Castilla Streets, Jaro Iloilo City
Telefax No. (033) 320-5864 * E-mail Address: *rbvpb6@yahoo.com* * *Website: nwpc.dole.gov.ph*

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**WHEREAS**, the Board, in its deliberations, took into consideration the opinions/stands of the workers and management in the different public hearings conducted; Position Papers of the Iloilo Bakers Association, the Antique Chamber of Commerce and Industry, the Philippine Chamber of Commerce and Industry-Aklan, the Iloilo Business Sector, the Metro Bacolod Chamber of Commerce and Industry, the Confederation of Sugar Producers' Associations, Inc.-Negros/Panay Chapter, and the Western Visayas Inter-Chamber Regional Group; and the recent economic growth as manifested by the construction boom in Region VI and the projected effects of the ASEAN Economic Community (AEC) in 2015.

**WHEREAS,** after consideration of the above circumstances, the Board agreed to set the new minimum wage rates in the Region.

**WHEREAS**, the Board has been encouraging industries/establishments to implement their productivity improvement programs to enable them to grant productivity-based pay on top of and in addition to the minimum wage;

**NOW THEREFORE,** by virtue of the power and authority vested under Republic Act No. 6727, the RTWPB VI hereby issues this Wage Order.

**SECTION 1. NEW DAILY MINIMUM WAGE RATES.** Upon effectivity of this Wage Order, the new minimum wage rates in the private sector in the Region are as follows:

| Sector/Industry | Minimum Wage Under Wage Order No. RBVI-21 | Basic Wage Increase | New Minimum Wage Rates. |
|---|---|---|---|
| 1. Non-Agriculture/ Industrial / Commercial | | | |
| a. Employing more than ten (10) workers | Php287.00 | Php11.50 | Php298.50 |
| b. Employing ten (10) workers and below | Php245.00 | Php11.50 | Php256.50 |
| | | | |
| 2. Agriculture | | | |
| a. Plantation | Php255.00 | Php11.50 | Php266.50 |
| b. Non-Plantation | Php245.00 | Php11.50 | Php256.50 |

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**SECTION 2. COVERAGE.** The wage increase prescribed in this Wage 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.

This Wage Order shall not cover household or domestic workers, persons in the personal service of another and workers of duly registered Barangay Micro Business Enterprises (BMBEs) with Certificates of Authority pursuant to Republic Act No. 9178.

**SECTION 3. APPLICATION TO CONTRACTORS.** In case of contracts for construction projects, and for security, janitorial and similar services, the prescribed increases in the wage rates of the workers shall be borne by the principal or client 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 wage rates, the construction/service contractor will be jointly and severally liable with his principal or client.

**SECTION 4. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS.** In the case of private educational institutions, the share of covered workers and their employees in the increase of tuition fees for the School Year 2015-2016 shall be considered as compliance with the increase prescribed herein. However, payment of any shortfall in the wage increase set forth herein shall be covered starting School Year 2016-2017.

Private educational institutions which have not increased their tuition fees for School Year 2015-2016 may defer compliance with the wage rates prescribed herein until the beginning of School Year 2016-2017.

In any case, all private educational institutions shall implement the wage rates prescribed herein starting School Year 2016-2017.

**SECTION 5. WORKERS PAID BY RESULT.** All workers paid by result, including those who are paid on piecework, "takay", "pakyaw" or task basis, shall be entitled to receive not less than the prescribed wage rates a day, or a proportion thereof for working less than eight (8) hours.

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**SECTION 6. WAGES OF SPECIAL GROUPS OF WORKERS.** Wages of apprentices and learners shall in no case be less than seventy-five percent (75%) of the applicable minimum wage rates prescribed in this 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 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 7. EXEMPTIONS.** No exemptions shall be allowed. However, in case of a calamity, the Board may accept applications for exemptions for establishments adversely affected by calamities such as natural and/or human induced disasters.

**SECTION 8. 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 publication of this Wage Order.

**SECTION 9. EFFECTS ON EXISTING WAGE STRUCTURE.** Where the application of the increase prescribed in this Order results in distortions in the wage structure within the establishment, it shall be corrected in accordance with the procedure provided for under Article 124 of Presidential Decree No. 442, as amended, otherwise known as the Labor Code of the Philippines.

**SECTION 10. PRODUCTIVITY AND OTHER PERFORMANCE INCENTIVE PROGRAMS (PIP).** In order to sustain rising levels of wages and enhance competitiveness, labor and management as partners are encouraged to adopt productivity improvement schemes to enable them to produce more and earn more and eventually improve their quality of life. These PIP may include time and motion studies, good housekeeping, quality circles, labor and management cooperation as well as implementation of gainsharing and other performance-incentive programs.

**SECTION 11. 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 and shall be the subject of enforcement proceedings under Articles 128 and 129 of the Labor Code, as amended.

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**SECTION 12. 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 13. 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 14. 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 15. REPORTING REQUIREMENT**. Any person, company, corporation, partnership or any entity engaged in business shall submit a verified report on their wage structure 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 16. PENAL PROVISION.** Any employer who refuses or fails to comply with this Order shall be subject to the penalties specified under Republic Act No. 6727, as amended under Republic Act No. 8188.

**SECTION 17. 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 18. 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 19. IMPLEMENTING RULES.** The Regional Tripartite Wages and Productivity Board VI shall submit to the Commission the necessary Rules and Regulations to implement this Order subject to approval of the Secretary of Labor and Employment not later than ten (10) days from publication of the Wage Order.

**SECTION 20. ADVISORY ON PRODUCTIVITY-BASED PAY (PBP).** Pursuant to the Two-Tiered Wage System, the Board shall issue corresponding

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advisories on the 2nd tier or the productivity-based pay which shall serve as guidelines for private establishments on the range of productivity bonuses and incentives that an enterprise may provide based on agreement between workers and management.

The Department of Labor and Employment (DOLE) Regional Office 6 shall monitor the implementation of the agreed Productivity-Based Pay.

**SECTION 21. EFFECTIVITY.** This Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation in the Region.

APPROVED. Iloilo City, Philippines, March 30, 2015.

**LUIS R. ESTRELLA**
**Employers' Representative**

**HERNANE P. BRAZA**
**Workers' Representative**

**JOHN PETER Z. MILLAN**
**Employers' Representative**

**WENNIE G. SANCHO**
**Workers' Representative**

**WILHELM M. MALONES**
**Regional Director, DTI**
**Vice-Chairperson**

**RO-ANN A. BACAL**
**Regional Director, NEDA**
**Vice-Chairperson**

**PONCIANO M. LIGUTOM**
**Regional Director, DOLE**
**Chairperson**

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

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KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

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