REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

July 04, 2017

REVENUE MEMORANDUM CIRCULAR NO. 53-2017

SUBJECT : Publishing the Daily Minimum Wage Rates in Region III Pursuant to Wage Order No. RBIII-20

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. RBIII-20 which was issued on March 28, 2017 and published at Philippine Daily Inquirer on April 16, 2017:

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Republic of the Philippines
Department of Labor and Employment
National Wages and Productivity Commission
REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD NO. 3
San Fernando, Pampanga

WAGE ORDER NO. RBIII-20

SETTING NEW MINIMUM WAGE RATES IN REGION III

WHEREAS, Republic Act 6727 mandates the Regional Tripartite Wages and Productivity Boards to determine and fix the minimum wage rates applicable in their region, provinces and industries therein and to issue the corresponding Wage Orders, subject to guidelines issued by the National Wages and Productivity Commission;

WHEREAS, pursuant to Sec. 3 (a) of NWPC Guidelines No. 01, Series of 2007, ("Amended Rules of Procedure on Minimum Wage Fixing") and NWPC Guidelines No. 01, Series of 2015 ("Guidelines in the Conduct of Public Consultations"), the Regional Tripartite Wages and Productivity Board, Region III, hereinafter referred to as the Board, initiated *motu proprio* an inquiry to determine whether a new wage order should be issued considering the prevailing socio-economic conditions in the region and provinces;

WHEREAS, the Board conducted public consultations in the following provinces: Bulacan and Pampanga (February 2, 2017); Nueva Ecija (February 23, 2017); Aurora (February 24, 2017), Tarlac (February 28, 2017); Bataan and Zambales (March 2, 2017). A public hearing was held in Pampanga on March 10, 2017;

WHEREAS, after careful review by the Board of the prevailing socio-economic conditions in the region and provinces, together with the results of its public consultations and public hearing, the Board acknowledged the need to help workers cope with rising cost of living by providing them with immediate relief without impairing the viability of business and industries therein and taking into account the need for investment, competitiveness of the region and job preservation;

WHEREAS, the Board deemed it best to increase the minimum wage at a reasonable and equitable level in light of the regional poverty threshold level vis-a-vis average wage, along the need to promote performance-based incentive schemes under the Two-Tiered Wage System;

NOW THEREFORE, by virtue of the power and authority vested under Republic Act No. 6727, otherwise known as the Wage Rationalization Act, the Board hereby issues this Wage Order:

Section 1. AMOUNT OF INCREASE. Upon the effectivity of this Order, the basic pay of all private sector workers in the Region shall be adjusted by SIXTEEN PESOS (P16.00) per day in all provinces.

The new minimum wage rates of covered workers in the private sector in Region III shall be as follows:

SECTOR	MINIMUM WAGE					
	Provinces of Bataan, Bulacan, Nueva Ecija, Pampanga, Tarlac, Zambales			Province of Aurora		
	MW under W.O. # RBIII-19	Amount of increase upon effectivity of Wage Order	New Minimum Wage	MW under W.O. # RBIII-19	Amount of increase upon effectivity of Wage Order	New Minimum Wage
NON-AGRICULTURE				313	16.00	329
Establishment with total assets of P30M or more	364	16.00	380			
Establishment with total assets of less than P30M	357	16.00	373			
AGRICULTURE						
Plantation	334	16.00	350	298	16.00	314
Non-Plantation	318	16.00	334	286	16.00	302
RETAIL/SERVICE						
With 10 or more workers	353	16.00	369			
With less than 10 workers	339	16.00	355	248	16.00	264

Section 2. COVERAGE The new wage rates provided herein shall apply to all workers and employees receiving the minimum wage in the private sector in the region, regardless of their position, designation or status of employment and irrespective of the method by which their wages are paid.

This Wage Order shall not cover household or domestic helpers and persons employed in the personal service of another including family drivers and workers of Barangay Micro Business Enterprises with Certificates of Authority, pursuant to R.A. 9178.

Section 3. BASIS OF INCREASE. The wage increase prescribed under this Wage Order shall be for the normal working hours, which shall not exceed eight (8) hours work a day.

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 increase in this order per eight (8) hours a day, or a proportion thereof for working less than eight (8) hours.

Section 5. SPECIAL GROUP OF WORKERS The minimum wage rate of apprentices and learners shall in no case be less than seventy-five percent (75%) of the prescribed minimum wage rate under Section 1 of this Wage Order.

All recognized learnership and apprenticeship agreements entered into before the effectivity of this Order shall be considered automatically modified in accordance with the Wage Order.

All qualified handicapped workers shall receive the full amount of the new wage rates prescribed pursuant to R.A. 7277, otherwise known as the Magna Carta for Disabled Person.

Section 6. PRODUCTIVITY-BASED WAGES In order to sustain rising levels of wages and enhance competitiveness, businesses are strongly encouraged to adopt productivity improvement schemes, such as, time and motion studies, good housekeeping, quality circles, labor-management cooperation, as well as implement

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Order, provided that, where such increases are less than what is provided in the Order, the employer shall pay the difference.

Such increases shall not include CBA anniversary wage increases, merit wage increases and those resulting from the regularization or promotion of employee, unless there is an agreement expressly allowing such crediting.

Section 13. EFFECTS ON EXISTING WAGE STRUCTURE. Pursuant to Article 124 of the Labor Code of the Philippines, as amended, any dispute that should arise as a result of a significant wage distortion, the employer and the union shall negotiate to correct the distortion through the grievance procedure under their Collective Bargaining Agreement, and if it remains unresolved, through voluntary arbitration. Unless otherwise agreed by the parties in writing, such dispute shall be decided by the voluntary arbitrator or panel of voluntary arbitrators within ten (10) calendar days from the time said dispute was referred to voluntary arbitration.

In cases where there are no collective bargaining agreements or recognized labor unions, the employers and workers shall endeavor to correct such distortions. Any dispute arising therefrom shall be settled through the National Conciliation and Mediation Board (NCMB) and if it remains unresolved after ten (10) calendar days of conciliation, the same shall be referred to the appropriate branch of the National Labor Relations Commission (NLRC). The NLRC shall conduct continuous hearings and decide the dispute within twenty (20) calendar days from the time said dispute is submitted for compulsory arbitration.

Section 14. COMPLAINTS FOR NON-COMPLIANCE. Complaints for non-compliance with this Wage Order shall be filed with the Regional Office of the Department of Labor and Employment (DOLE) having jurisdiction over the workplace and shall be subject to the mandatory thirty (30) conciliation and mediation process under Single Entry Approach (SEna). However, if settlement fails, the case becomes subject of enforcement proceedings under Article 128 and 129 of the Labor Code, as amended.

Section 15. NON-DIMINUTION OF BENEFITS. Nothing in this Wage Order shall be construed to reduce any existing wage rates, allowances, and benefits of any form under existing laws, decrees, issuance, executive orders and/or under any contract or agreement between workers and employers.

Section 16. PENAL PROVISION. Any person, corporation, trust or firm, partnership, association or entity which refuses or fails to pay the prescribed wage rates in accordance with this Wage Order shall be subject to the penal provisions under R.A. 6727, as amended by R.A. 8188.

Section 17. 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 18 FREEDOM TO BARGAIN. This Wage Order shall not be construed to prevent workers in particular firms or enterprises of industries from bargaining for higher wages with their respective employers.

Section 19. REPORTING REQUIREMENTS. Any person, company, corporation, partnership, or any entities engaged in business shall submit a verified

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itemized listing of their labor component to the Board not later than January 31, 2018 and every year thereafter in accordance with the form prescribed by the Commission.

Section 20. REPEALING CLAUSE. All orders, rules, and regulations, or parts thereof inconsistent with the provision of this Wage Order are hereby repealed, amended or modified accordingly.

Section 21. SEPARABILITY CLAUSE. If, for any reason, any section or provision of this Wage Order is declared unconstitutional or illegal, the other provisions or parts shall remain valid.

Section 22. IMPLEMENTING RULES. The Board shall prepare the necessary rules to implement this Wage Order subject to the approval of the Secretary of Labor and Employment.

Section 23. ADVISORY ON PERFORMANCE BASED INCENTIVE PAY. Pursuant to the Two-Tiered Wage System, Advisory No. RTWPBIII-01 has been issued to guide establishments in the formulation, adoption and implementation of productivity programs and performance and productivity-based incentive schemes that an enterprise may provide based on agreement between workers and management.

Section 24. EFFECTIVITY. This Wage Order shall take effect fifteen (15) days after its publication in at least one (1) newspaper of general circulation.

APPROVED this 28th day of March 2017 at the City of San Fernando, Pampanga.

FLORDELIZA MARIA REYES-RAYEL
Member, Employers' Representative

MARCO D. NEPOMUCENO
Member, Employers' Representative

RAUL C. REMODO
Member, Workers' Representative

EDGAR B. VENTURA
Member, Workers' Representative

SEVERINO C. SANTOS
NEDA Regional Director
Vice-Chairperson

JUDITH P. ANGELES
DTI Regional Director
Vice-Chairperson

ANA C. DIONE
DOLE Regional Director
Chairperson

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

CAESAR R. DULAY
Commissioner of Internal Revenue

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