

Republic of the Philippines  
 Department of Labor and Employment  
**REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD**  
 Region 10, Northern Mindanao

**WAGE ORDER NO. RX-17**  
 Prescribing a New Minimum Wage Rate in Region X

**WHEREAS**, the Regional Tripartite Wages and Productivity Board - X (RTWPB-X), is mandated under The Wage Rationalization Act (RA 6727), to periodically assess the wage rates and conduct continuing studies in the determination of the minimum wage applicable in the Region;

**WHEREAS**, RTWPB-X issued Wage Order No. RX-16 on July 4, 2011, which took effect on July 24, 2011, providing a COLA of Seventeen (P 17.00) pesos per day which was integrated into the basic wage six (6) months from effectivity thereof;

**WHEREAS**, on March 27, 2012 and April 15, 2013, Trade Union Congress of the Philippines (TUCP) and the Associated Labor Union - Trade Union Congress of the Philippines (ALU-TUCP) filed with the Board a petition for an Php 80.0 per day and Php 88.00 per day across the board wage increase, respectively;

**WHEREAS**, considering the result of the series of consultations held throughout the region on April 15, 16, 23 and 24, 2013, the public hearing conducted last April 29, 2013, the position papers submitted by labor and management groups, and the evaluation of the socio-economic conditions of the region vis-à-vis the consumer price indices and other indicators including its competitiveness, the Board resolved to provide assistance to the workers to cope up with the standard of living without necessarily affecting business viability;

**WHEREAS**, the Board finds it necessary to grant an adjustment in the minimum wage in recognition of the needs of workers, comparative wages and income, capacity of employers to pay and requirements of economic development;

**NOW, THEREFORE**, by virtue of the power and authority vested under Republic Act No. 6727, the Regional Tripartite Wages and Productivity Board of Region X hereby issues this Wage Order.

**Section 1. NEW MINIMUM WAGE RATES.** Upon effectivity of this Wage Order, the minimum daily wage rates of covered workers and employees in the private sector in Region X shall be increased by Twenty (P 20.00) Pesos per day: Ten (P10.00) Pesos in the Basic Wage and Ten (P10.00) Pesos Cost of Living Allowance (COLA), as follows:

CLASSIFICATION	NON-AGRICULTURE			AGRICULTURE		
	BASIC WAGE	COLA	NEW MINIMUM WAGE RATE	BASIC WAGE	COLA	NEW MINIMUM WAGE RATE
Wage Category I	P296.00	10.00	<b>P306.00</b>	P284.00	10.00	<b>P294.00</b>
Wage Category II	291.00	10.00	<b>301.00</b>	279.00	10.00	<b>289.00</b>
Wage Category III	286.00	10.00	<b>296.00</b>	274.00	10.00	<b>284.00</b>
Wage Category IV	281.00	10.00	<b>291.00</b>	269.00	10.00	<b>279.00</b>

**Effective January 1, 2014:** The Cost of Living Allowance of TEN (P10.00) PESOS will be integrated into the Basic Wage, to wit:

CLASSIFICATION	NON - AGRICULTURE	AGRICULTURE
	NEW MINIMUM WAGE RATE	NEW MINIMUM WAGE RATE
Wage Category I	<b>P306.00</b>	<b>P294.00</b>
Wage Category II	<b>301.00</b>	<b>289.00</b>
Wage Category III	<b>296.00</b>	<b>284.00</b>
Wage Category IV	<b>291.00</b>	<b>279.00</b>

Wage Category I	Cities of Cagayan de Oro and Iligan, and the Municipalities of Tagoloan, Villanueva and Jasaan;
Wage Category II	Cities of Malaybalay, Valencia, Gingoog, El Salvador and Ozamiz, and the Municipalities of Maramag, Quezon, and Manolo Fortich;
Wage Category III	Cities of Oroquieta and Tangub and the Municipalities of Lugait, Opol and Mambajao; All establishments employing ten (10) workers or less;
Wage Category IV	All other areas not covered under the above Categories;
Wage Category V	Sugar Agricultural Industry.

**WAGE CATEGORY V. SUGAR AGRICULTURAL INDUSTRY.** For agricultural workers in the Sugar Industry, the applicable "Pakyaw Rates" regardless of geographical location are as follows:

ACTIVITY	RATE
A. Land Preparation and Cultivation	
1. Roamplow	
a. Moalboard-Labor Component	P 419/ha
b. Animal Plowing	
b.1. Owned by Planter	P 279/day
b.2. Owned by Worker excluding Premium Rate of Animal	
b.2.1. Normal Soil	P 1,814/ha
b.2.2. Coarse and Hilly	P3,292/ha
2. Harrowing (Karas) - Labor Component	P120/ha
3. Planting Basal Including Peeling	P820/lacsa
4. Hauling Cane Points	
a. Loading Only	P 112/lacsa
b. Loading and Unloading	P195/lacsa
5. Cutting Cane Points	
a. Sinsillo	P558/lacsa
b. Gupod	P446/lacsa
6. Peeling	P195/lacsa
7. Cutting Cane Points with Peeling	P921/lacsa
B. Fertilizing	
a. Tagad	P84/bag
b. Bubod	P56/bag
9. Weeding	
a. High Density	P 2000/ha



b. Medium Density	P1533/ha
c. Low Density	P1100/ha
10. Hilling-up (1 meter distance between rows)	P 463/pass/ha
11. Harvesting (Cutting and Loading Zero Trash)	P 195/ton
<b>B. RATOON</b>	
1. Peeling and Replanting	P 929/lacsa
2. Trash Scattering, Burning and Cutting Stump	P 725/ha

**Section 2. COVERAGE.** The wage increase prescribed herein shall apply to all minimum wage earners in the private sector in the region, regardless of their position, designation or status and irrespective of the method by which their wages are paid.

This Wage Order shall not cover household or domestic helpers, persons in the personal service of another, including family drivers, and workers in registered Barangay Micro Business Enterprises (BMBEs) with Certificates of Authority.

**Section 3. BASIS OF MINIMUM WAGE.** The minimum wage rates prescribed under this Order shall be for the normal working hours, which shall not exceed eight (8) hours work a day.

**Section 4. PRODUCTIVITY BASED WAGES.** In order to sustain rising levels of wages and enhance competitiveness, businesses are encouraged to adopt productivity improvement schemes such as time and motion studies, good housekeeping, quality circles, labor management cooperation as well as implement gain-sharing programs. Accordingly, the Board shall provide the necessary studies and technical assistance pursuant to Republic Act No. 6971 or the Productivity Incentives Act of 1990."

**Section 5. ADVISORY ON PERFORMANCE BASED PAY.** In line with the two-tiered wage system where the 1<sup>st</sup> tier is the mandatory wage adjustment prescribed in this Wage Order, the Board shall issue an advisory on the 2<sup>nd</sup> 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 6. CREDITABLE WAGE INCREASE.** All wage increases granted to workers within three (3) months prior to the effectivity of this Wage Order shall be credited as compliance with this Order. Where such increases are less than the prescribed adjustment, the employer shall pay the difference.

Such creditable increases shall not include anniversary wage increases, merit increases and those resulting from the regularization or promotion of employees.

**Section 7. 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 not less than the prescribed minimum wage rates per eight hours of work a day, or a proportion thereof for work less than eight (8) hours.

**Section 8. WAGES OF SPECIAL GROUPS OF WORKERS.** Wages of apprentices and learners of accredited learnership and apprenticeship programs 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 approved by TESDA and entered into before the effectivity of this Order shall be considered automatically modified insofar as their wage clauses are concerned to reflect the new prescribed wage rates.

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All qualified handicapped workers shall receive the full amount of increase in this Order pursuant to RA 7277.

**Section 9. APPLICATION TO PRIVATE EDUCATIONAL INSTITUTIONS INCLUDING THOSE OFFERING TECHNICAL/VOCATIONAL EDUCATION AND TRAINING (TVET).** In the case of private educational institutions, the share of covered workers and employees in the increase of tuition fees for school year 2013-2014 shall be considered as compliance with the increases prescribed herein. However, any shortfall in the basic wage set forth herein shall be paid starting school year 2014-2015.

Private educational institutions which have not increased their tuition fees for school year 2013-2014 may defer compliance with the provisions of this Wage Order until the beginning of school year 2014-2015.

**Section 10. APPLICATION TO CONTRACTORS.** In the case of contracts for construction projects, security, janitorial and similar services, their wages shall be automatically adjusted in accordance with this Order. The adjustment in the wage rates shall be borne by the principal of the construction/service contractor and the contract shall be deemed amended accordingly.

In the event, however, that the principal fails to pay the prescribed increase, the construction/service contractor shall be jointly and severally liable.

**Section 11. EXEMPTIONS.** Upon application with and as determined by the Board in accordance with the National Wages and Productivity Commission (NWPC) Guidelines No. 02, Series of 2007 (Amended Rules on Exemption from Compliance with the Prescribed Wage Increases), the following maybe exempted from the applicability of this Wage Order, to wit:

- a. Distressed establishment and other sectors adversely affected by the economic, power/energy and other crisis as determined by the Board;
- b. New Business Enterprises (NBEs) as defined in the Implementing Rules and Regulations (IRR);
- c. Establishments whose total assets, including those arising from loans, but exclusive of the land on which the particular business entity's office, plant and equipment are situated, are not more than Three Million Pesos (P3,000,000.00);
- d. Establishments adversely affected by natural calamities;
- e. Establishments which are producing gifts, toys and housewares (GTH) items using indigenous materials.

**Section 12. EFFECT OF APPLICATION FOR EXEMPTION.** An application for exemption duly filed shall have the effect of deferring any action in any complaint for non-compliance with the Order until the resolution of the application by the Regional Board.

In case the application for exemption is not approved, covered employees/workers of the applicant-establishment shall be paid the mandated wage increase under this Wage Order plus one percent (1%) interest per month retroactive to the effectivity of this Wage Order.

**Section 13. 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.

The filing of the appeal does not operate to 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 the employees affected by the Order in the event such Order is affirmed.



**Section 14. EFFECTS ON EXISTING WAGE STRUCTURE.** Where the application of the increase in the wage rates under this Order results in distortion of the wage structure within an establishment, the same shall be corrected in accordance with the procedure provided for under Article 124 of the Labor Code, as amended.

**Section 15. COMPLAINTS FOR NON-COMPLIANCE.** Complaints for non-compliance with this Wage Order shall be filed before the Regional Office of the Department of Labor and Employment (DOLE) or any of its Provincial Extension Offices subject to the Single Entry Approach (SENA) as defined under Department Order No. 107-10, Series of 2010, 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 16. NON-DIMINUTION OF BENEFITS.** Nothing in this Wage Order shall be construed to reduce any existing wage rates, allowances and benefits in any form under existing laws, decrees, issuances, executive orders and/or under any contract or agreement between the workers and employers.

**Section 17. PENAL PROVISION.** Any person, entity or employer who refuses or fails to pay the prescribed minimum wage in accordance with this Order shall be subject to the penal provisions under RA 6727, as amended by RA 8188.

**Section 18. 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 19. FREEDOM TO BARGAIN.** This Order shall not prevent workers in particular firms or enterprises from bargaining for higher wages and/or benefits with their respective employers.

**Section 20. 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, 2014 and every year thereafter in accordance with the form prescribed by the Commission.

**Section 21. 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 22. 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.

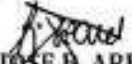
**Section 23. IMPLEMENTING RULES.** The Board shall issue the necessary rules to implement this Wage Order subject to the approval of the Secretary of Labor and Employment.

**Section 24. EFFECTIVITY.** This Wage Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation in the region.

**APPROVED,** May 15, 2013, Cagayan de Oro City, Philippines.




**ARSENIO L. SEBASTIAN III**  
Management Representative



**JOSE B. ARES**  
Labor Representative



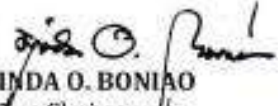
**PRUDENCIO T. PLAZA, JR.**  
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**MILBERT M. MACARAMBON**  
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**ENGR. LEON M. DACANAY, JR.**  
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**LINDA O. BONIAO**  
Vice-Chairperson  
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**ATTY. JOHNSON G. CAÑETE**  
Chairperson, DTWPB-X  
Regional Director, DOLE-X

This Wage Order No. RX-17 was published on June 5, 2013 at Gold Star Daily

This Wage Order shall take effect on June 20, 2013.