

Republic of the Philippines  
Department of Labor and Employment  
National Wages and Productivity Commission  
**REGIONAL TRIPARTITE WAGES AND PRODUCTIVITY BOARD**  
National Capital Region

**WAGE ORDER NO. NCR-14**

**PROVIDING AN INCREASE IN THE DAILY MINIMUM WAGE  
IN THE NATIONAL CAPITAL REGION**

WHEREAS, the Regional Tripartite Wages and Productivity Board- National Capital Region (RTWPB-NCR) is mandated under R.A. 6727 (The Wage Rationalization Act), to periodically assess wage rates and conduct continuing studies in the determination of the minimum wage applicable in the region or industry;

WHEREAS, Wage Order No. NCR-13 took effect on 28 August 2007 and under Section 3, Rule IV of the Amended Rules of Procedure on Minimum Wage Fixing issued by the National Wages and Productivity Commission (NWPC), the Wage Order may not be disturbed for a period of twelve (12) months from its effectivity unless there is a supervening condition, such as extraordinary increase in prices of petroleum products and basic goods/services, as determined by RTWPB-NCR and confirmed by the NWPC;

WHEREAS, over the last eight months from August 2007 to April 2008 the price of Dubai crude oil shot up from US\$67.38 to 106.42 (58%) per barrel and the price of rice in the world market suddenly surged over a three month period from January to April 2008, from US\$ 375.00 to 795.00 (112.0%) per metric ton, with further increases expected due to tight supplies and other reasons;

WHEREAS, these price surges exert great pressure on local oil, rice and food prices, following the world-wide trend, as shown by the big increase in the NCR's consumer price index (CPI) from 146.0 in August 2007 to 152.9 in April 2008, while inflation rate increased from 2.6% in August 2007 to 7.4% as of April 2008;

WHEREAS, the Trade Union Congress of the Philippines (TUCP) filed on April 15, 2008 a petition for an Eighty Pesos (P80.00) per day across-the-board wage increase and National Federation of Labor Union (NAFLU) filed on May 12, 2008 a petition for a Fifty Pesos (P50.00) Cost of Living Allowance for those employees receiving up to P400.00 per day;

WHEREAS, the RTWPB-NCR issued on 21 April 2008 Resolution No. 01, Series of 2008, declaring the existence of supervening condition in the Region which was confirmed by the NWPC in its Resolution No. 01, Series of 2008 dated 24 April 2008;

WHEREAS, after due notice to all concerned sectors, the RTWPB-NCR pursuant to its power under Article 123 of the Labor Code conducted consultations with labor and employer sectors on the 1st and 2nd of May 2008, respectively, and a public hearing on the 13th of May 2008, to determine the propriety of issuing a new wage order;

WHEREAS, considering the result of the thorough evaluation of the existing socio-economic conditions of the Region, showing the ripple effects of price increases in basic and prime commodities including fuel and oil, the RTWPB-NCR has determined the need to provide workers with immediate relief measures to enable them to cope with the rising cost of living without impairing the viability of business and industry;

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

Section 1. NEW MINIMUM WAGE RATES. Upon effectivity of this Wage Order, all private sector minimum wage workers and employees in the National Capital Region shall receive an increase in the amount of Twenty Pesos (P20.00) per day consisting of Fifteen Pesos (P15.00) Basic Wage and Five Pesos (P5.00) Cost of Living Allowance. The Five Pesos (P5.00) COLA shall be automatically integrated into the basic wage on 28 August 2008.

a) The new daily minimum wage rates of covered workers in the private sector in the National Capital Region shall be as follows:

<b>Sector/Industry</b>	<b>Minimum Wage under Wage Order No. NCR 13</b>	<b>Basic Wage Under W.O. No-NCR 14</b>	<b>Cost of Living Allowance under W.O. NCR 14*</b>	<b>New Minimum Wage Rates</b>
Non-Agriculture	P 362.00	P15.00	P 5.00	P 382.00
Agriculture (Plantation and Non Plantation)	P 325.00	P15.00	P 5.00	P 345.00
Private Hospitals with bed capacity of 100 or less	P 325.00	P15.00	P 5.00	P 345.00
Retail/Service Establishments employing 15 workers or less	P 325.00	P15.00	P 5.00	P 345.00
Manufacturing Establishments regularly employing less than 10 workers	P 325.00	P15.00	P 5.00	P 345.00

\* To be integrated into the basic wage on 28 August 2008.

Section 2. COVERAGE. The P 20.00 per day Basic Wage and COLA increase prescribed in this 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 helpers; persons in the personal service of another, including family drivers, and workers of duly registered Barangay Micro Business Enterprises (BMBEs) with Certificates of Authority pursuant to Republic Act 9178.

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

Section 4. APPLICATION TO CONTRACTORS. In the case of contracts for construction projects and for security, janitorial and similar services, the Basic Wage and COLA prescribed in 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 principals or clients fail to pay the prescribed wage rates, the construction/service contractor shall be jointly and severally liable with his principal or client.

Section 5. 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 2008-2009 shall be considered as compliance with the Basic Wage and COLA prescribed herein. However, payment of any shortfall in the wage increase set forth herein shall be covered starting School Year 2009-2010.

Private educational institutions which have not increased their tuition fees for School Year 2008-2009 may defer compliance with the Basic Wage and COLA prescribed herein until the beginning of School Year 2009-2010.

In any case, all private educational institutions shall implement the Basic Wage and COLA prescribed herein starting School Year 2009-2010.

Section 6. 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 the prescribed Basic Wage and COLA per eight (8) hours work a day, or a proportion thereof for working less than eight (8) hours.

Section 7. 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 minimum wage rate prescribed herein pursuant to Republic Act No. 7277, otherwise known as the Magna Carta for Disabled Persons.

Section 8. EXEMPTIONS. Upon application with and as determined by the Board, based on documentation and other requirements in accordance with applicable rules and regulations issued by the NWPC, the following may be exempted from the applicability of this Order:

1. Distressed Establishments;
2. 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 P3Million;
3. Retail/Service Establishments Regularly Employing Not More Than Ten (10) workers;
4. Establishments Adversely Affected by Natural Calamities;
5. Micro and small indigenous exporters as certified by the Export Development Council, subject to the criteria and requirements to be provided for in its Implementing Rules.

Section 9. 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 the publication of this Wage Order.

Section 10. CREDITABLE WAGE INCREASE. Any increase granted by an employer in an organized establishment within three (3) months prior to the effectivity of this Order shall be credited as compliance with the prescribed increase set forth herein, provided that an agreement to this effect has been forged between the parties or a collective bargaining agreement provision allowing creditability exists. In the absence of such an agreement or provision in the CBA, any increase granted by the employer shall not be credited as compliance with the Basic Wage and COLA prescribed in this Order.

In unorganized establishments, any increase granted by the employer within five (5) months prior to the effectivity of this Order shall be credited as compliance therewith.

In case the increases given are less than the prescribed Basic Wage and COLA, the employer shall pay the difference. Such increases shall not include anniversary increases, merit wage increases and those resulting from the regularization or promotion of employees.

Section 11. EFFECTS ON EXISTING WAGE STRUCTURE. Where the application of the Basic Wage and COLA 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 12. COMPLAINTS FOR NON-COMPLIANCE. Complaints for non-compliance with this Order shall be filed with the National Capital Region 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.

Section 13. 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 14. PROHIBITION AGAINST INJUNCTION. Pursuant to Article 126 of the Labor Code, 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 15. 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 16. 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, 2009 and every year thereafter in accordance with the form prescribed by the National Wages and Productivity Commission.

Section 17. PENAL PROVISION. Any employer who refuses or fails to comply with this Order shall be subject to the penalties specified under RA 6727, as amended under R.A. No. 8188.

Section 18. 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 19. 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 20. IMPLEMENTING RULES. The Regional Tripartite Wages and Productivity Board-National Capital Region 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 the publication of the Wage Order.

Section 21. EFFECTIVITY. This Wage Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

APPROVED.

Manila, Philippines, 16 May 2008.

**(Sgd.) JESSIE L. AGUILAR**  
Labor Representative

**(Sgd.) VICENTE LEOGARDO, JR**  
Employer Representative

Abstained  
**(Sgd.) GERMAN N. PASCUA, JR.**  
Labor Representative

**(Sgd.) ALBERTO R. QUIMPO**  
Employer Representative

**(Sgd.) MA. THERESA L. PELAYO**  
Vice-Chairperson

**(Sgd.) MYRNA CLARA B. ASUNCION**  
Vice-Chairperson

**(Sgd.) RAYMUNDO G. AGRAVANTE**  
Chairperson