

I. WAGES

1. How much is the minimum wage in Metro Manila?

P446.00 (Basic Wage P426.00 + COLA P20.00) is the current minimum wage in National Capital Region (NCR) including Metro Manila under Wage Order NCR-17 which took effect on June 03, 2012 and P456.00 (additional P10.00 COLA) effective November 1, 2012.

2. Where can we find the current minimum wages in the different regions?

The public may visit the website at www.nwpc.dole.gov.ph or call the Regional Tripartite Wages and Productivity Board (RTWPB) which has jurisdiction over the workplace.

3. Who are covered by the wage orders?

All minimum wage earners in the private sector are covered by wage orders, regardless of their position, designation or status of employment and irrespective of the method by which their wages are paid.

4. Who are excluded from the coverage of the minimum wage law?

- a) Household or domestic helpers;*
- b) Persons employed in the personal service of another;*
- c) Workers of registered Barangay Micro Business Establishments (BMBEs)*

5. What is the basis for computing the minimum wage?

It is based on the normal working hours which shall not exceed eight (8) hours of work a day.

6. What is the basis for entitlement to COLA?

The basis for entitlement to COLA is whether or not a worker is paid the basic pay. Accordingly, a worker who is not paid the basic pay is not entitled to the COLA.

7. What is the rule in the case of transfer of personnel with regard to payment of wages?

The transfer of personnel to areas outside the NCR shall not be a valid ground for the reduction of the wage rates being enjoyed by the workers prior to such

transfer. The workers transferred to the National Capital Region shall be entitled to the minimum wage rate applicable therein.

8. What is the applicable minimum wage for mobile and branch workers?

The minimum wage for workers who, by the nature of their work have to travel, shall be those applicable in the domicile or head office of the employer. The minimum wage rates of workers working in branches or agencies of establishments in or outside the NCR shall be those applicable in the place where they are stationed.

9. How is a mobile worker different from a branch worker?

- *Mobile worker is a worker who by the nature of his work has to travel*
- *Branch worker is a worker working in branches or agencies of establishments in or outside the National Capital Region.*

10. Are exemptions from wage orders allowed?

Yes, provided that the wage order expressly provides for exemption. The following exemptible categories: (NWPC Amended Rules on Exemption)

- a) Distressed establishments;*
- b) New Business Enterprise;*
- c) Retail/Service establishments regularly employing not more than ten (10) workers; and*
- d) Establishments adversely affected by natural calamities.*

11. What is the maximum duration of exemption?

One (1) year from effectivity of the wage order

12. What is the application of wage orders to contractors?

- *Increase shall be borne by the principals or clients*
- *Contract is deemed amended*

13. What is the application of wage orders to workers paid by result?

All workers paid by result, including those who are paid on piece work, "takay" or task basis, shall be entitled to receive not less than the prescribed daily minimum wage or a proportion thereof for working less than eight (8) hours.

14. Are minimum wage earners exempt from paying income tax?

Yes, minimum wage earners shall be exempt from payment of income tax. (Sec. 2(2) of RA 9504 National Internal Revenue Code)

15. What are the elements of wage distortion?

- *Severe contraction by more than 50%;*
- *Existing hierarchy of position with corresponding salary rates;*
- *A significant change in the salary rates of a lower pay class without a concomitant increase in the salary rate of a higher one;*
- *The eliminations of the distinction between pay of 2 workers; and*
- *The existence of the distinction in the same region.*
(Prubankers Asso. Vs. Prudential Bank and Trusts Co. 302 SCRA 74)

16. What are the procedures to correct wage distortion?

- *For organized firms:*
 - *Employer and union negotiate through grievance procedure in the CBA*
 - *If unresolved, through voluntary arbitration*
- *For unorganized firms:*
 - *Employer and workers negotiate*
 - *Dispute settled through the NCMB*
 - *If unresolved, through compulsory arbitration at the NLRC*

17. Is the P22.00 under Wage Order No. NCR-16 subject to income tax?

No. It forms part of the new minimum wage rate for private sector workers in the NCR. Minimum wage earners are exempt from payment of income tax on their taxable income. (RA 9504 – An Act Granting Tax Exemption to Minimum Wage Earners).

18. An employee reported for work during a regular holiday entitling him to additional compensation of 100% on his regular daily wage. Is his holiday pay subject to income tax?

No. The tax exemption on minimum wage covers holiday pay, overtime pay, night shift differential and hazard pay, if any. (RA 9504 and BIR Revenue Memorandum Circular No. 23-2011).

19. What income other than the minimum wage being received by an employee is subject to income tax?

It includes additional income earned from employment, business or practice of profession. Likewise, commissions and fixed monthly allowances received on top of the minimum wage paid the employee are subject to income tax.

20. An employee works in a manufacturing firm in the National Capital Region. He was promoted as supervisor in July 2011 for his exemplary performance, which raised his salary above the minimum wage. Is his entire salary earned during 2011 taxable?

No. He is still exempt from income tax during the time his salary does not exceed the minimum wage, particularly those earned from January to June 2011. He should only be subject to income tax beginning July 2011 if his salary exceeds his personal and additional exemptions.

21. An employee who works in a big mall in the National Capital Region is receiving the minimum wage of P426.00 a day. He was transferred to a branch in Dasmarinas Cavite, where the current minimum wage is P315.00 a day. Despite the transfer, he continued to receive P426.00 a day. Is he still considered a minimum wage earner exempt from income tax?

No. Since his daily wage is already above the current minimum wage in Dasmarinas, Cavite.

II. WAGE RELATED BENEFITS

22. What is the normal hours of work in a day?

8 hours is the normal work hours in a day.

23. How long is the meal period in a day?

60 minutes or 1 hour time-off for regular meals of employees should be provided by the employer. It is non-compensable.

24. What is the weekly rest day of an employee?

A rest day of 24 consecutive hours or 1 day for every 6 days of work should be scheduled by the employer upon consultation with the workers.

25. What is holiday pay?

Holiday pay refers to payment of the regular daily wage for any unworked regular holiday.

26. How many regular holidays are there in a year?

There are 12 regular holidays under Executive Order No. 292 as amended by RA 9849:

<i>New Year's Day</i>	-	<i>January 1</i>
<i>Maundy Thursday</i>	-	<i>Movable Date</i>
<i>Good Friday</i>	-	<i>Movable Date</i>
<i>Araw ng Kagitingan</i>	-	<i>April 9</i>
<i>Labor Day</i>	-	<i>May 1</i>
<i>Independence Day</i>	-	<i>June 12</i>
<i>National Heroes' Day</i>	-	<i>Last Monday of August</i>
<i>Eid'l Fitr</i>	-	<i>Movable Date</i>
<i>Eid'l Adha</i>	-	<i>Movable Date</i>
<i>Bonifacio Day</i>	-	<i>November 30</i>
<i>Christmas Day</i>	-	<i>December 25</i>
<i>Rizal Day</i>	-	<i>December 30</i>

27. What is the condition so that an employee will be entitled to holiday pay?

- He/She should be present on the workday immediately preceding the regular holiday; or*
- He/She should be on leave of absence with pay on the day immediately preceding the regular holiday*

28. How much is the holiday pay of an employee?

- For any unworked regular holiday, 100% of the employee's daily wage rate.*
- For work performed on a regular holiday, plus 100% or a total of 200% of the employee's daily wage rate.*

29. What is premium pay?

Premium pay refers to the additional payment for work within 8 hours on rest days or special days.

30. How many national Special Days are there in a year?

There are 3 special days under Executive Order No. 292 as amended by RA 9849:

<i>Ninoy Aquino Day</i>	<i>-</i>	<i>August 21</i>
<i>All Saints Day</i>	<i>-</i>	<i>November 1</i>
<i>Last Day of the Year</i>	<i>-</i>	<i>December 31</i>

31. How much is the premium pay of an employee?

- Plus 30% of the daily basic rate or a total of 130% for work performed on rest day or special day.*
- Plus 50% of the daily basic rate or a total of 150% for work performed on special day falling on the employee's rest day.*
- Plus 30% of the daily basic rate or a total of 260% for work performed on a regular holiday falling on the employee's rest day.*

32. What is overtime pay?

Overtime pay refers to the additional pay for work performed in excess of 8 hours a day.

33. How much is the overtime pay of an employee?

- Plus 25% of the hourly rate for work performed in excess of 8 hours on ordinary day.*
- Plus 30% of the hourly rate for work performed in excess of 8 hours on rest day, special day or regular holiday.*

34. What is night shift differential?

Night shift differential refers to the additional compensation for work performed from 10:00 O'clock in the evening to 6:00 O'clock in the morning.

35. How much is the night differential of an employee?

Plus 10% of the hourly rate for work between 10:00 O'clock in the evening and 6:00 O'clock in the morning.

36. What are the leave benefits that an employee is entitled to under existing laws?

- **5 days service incentive leave** with pay for employee who has rendered at least 1 year of service. (Article 95 of the Labor Code, as amended)
- **Maternity Leave of 60 days for normal delivery and 78 days for caesarian section delivery** for every pregnant employee in the private sector, whether married or unmarried. A female employee should be an SSS member and must have paid at least 3 monthly contributions within the 12-month period. (RA 1161, as amended by RA 8282)
- **7 days Paternity Leave** for all married male employees in the private sector regardless of status of employment. The purpose of this benefit is to allow the husband to lend support to his wife during her period of recovery and/or in nursing her newborn child. (RA 8187)

Conditions for entitlement:

- *He is an employee at the time of the delivery of his child;*
- *He is cohabiting with his spouse at the time that she gives birth or suffers a miscarriage;*
- *He has applied for paternity leave with his employer within a reasonable period of time; and*
- *His wife has given birth or suffered a miscarriage.*
- **7 days Solo Parent Leave** is granted to a solo parent to enable him/her to perform parental duties and responsibilities where physical presence is required. (RA 8972)

Conditions for entitlement:

- *He/she has rendered at least 1 year of service, whether continuous or broken;*

- *He/she has notified his/her employer that he/she will avail himself/herself of it, within a reasonable period of time; and*
- *He/she has presented to his/her employer a Solo Parent Identification Card, which may be obtained from the DSWD office of the city or municipality where he/she resides.*
- **10 days Leave for Victims of Violence Against Women and their Children (VAWC)** *is granted to women employees who are victims of physical, sexual, psychological harm or suffering, or economic abuse. The leave benefit shall cover the days that the woman employee has to attend to medical and legal concerns. (RA 9262)*

Conditions for entitlement:

- *The victim woman employee should present to her employer a certification from the barangay chairman (Punong Barangay) or barangay councilor (barangay kagawad) or prosecutor or the Clerk of Court that an action relative to the matter is pending.*
- **Special Leave for Women of 2 months** *with full pay who have rendered continuous aggregate employment service of 6 months for the last 12 months, following surgery caused by gynecological disorders. (RA 9710)*

37. What are service charges?

Service charges refer to the amount collected by hotels, restaurants and similar establishments.

38. Who are entitled to service charges?

85% of the total of service charges shall be given to all rank-and-file employees and 15% may be retained by management to answer for losses and breakages and for distribution to managerial employees.

39. What is the frequency of distribution of service charges?

It shall be distributed once every 2 weeks or twice a month at intervals not exceeding 16 days.

40. What is the required 13th Month Pay?

The amount of 13th month pay shall at least be 1/12 of the total basic salary earned for the year by any rank-and-file employee. It should be given to the employees not later than December 24 of every year.

41. What is retirement pay?

It is the amount given an employee who has reached the age of 60 years for optional retirement and 65 years old for compulsory and who has served the company for at least 5 years in the service.

42. How is the retirement benefits computed?

Minimum retirement pay = 22.5 days x daily rate x number of years of service

43. What is OSH accreditation program?

OSH accreditation program is established as a complementary mechanism in the enforcement of OSH Standards through the issuance of certificate of accreditation to qualified individuals (OSH Practitioners or Safety Practitioners) and organizations (Safety Training Organizations or STOs). Accredited individuals are considered DOLE partners in carrying out the provisions of the OSH Standards specifically in the implementation of safety and health program in the workplace.

44. Who may be accredited as OSH Practitioner?

Any individual (i.e., safety officer, OH nurse, OH physician) who has completed the prescribed training course on OSH from DOLE accredited STOs and has met the minimum years of relevant experience in OSH shall be accredited by the concerned DOLE Regional Office having jurisdiction in his/her place of employment. (Department Order No. 16 s. 2001)

45. What is the validity of accreditation as OSH Practitioner?

Accreditation shall be valid for three (3) years and shall be renewed upon compliance with the minimum requirements, unless suspended, revoked, cancelled on grounds specified under Department Order No. 16 s. 2001.

46. What are the grounds for suspension/cancellation of accreditation?

Suspension:

- a. Inactive as OSH practitioner for 3 consecutive years*
- b. Failure to renew accreditation on or before the anniversary date of the original accreditation*
- c. Non-compliance with the provisions or other requirements issued by DOLE*

Cancellation:

- a. Convicted for criminal offense*
- b. Violation of professional ethics*
- c. Two consecutive suspension*

47. What is a Construction Safety and Health Program or CSHP?

CSHP refers to a set of rules covering system, processes and practices utilized in a specific construction project site in conformity with the OSH Standards. It includes the required personnel who shall be responsible in the implementation of the program. It shall be executed and verified by the construction project manager. Likewise, prior to the start of the project, a CSHP must be submitted by the main contractor to the concerned DOLE Regional Office having jurisdiction on the worksite for evaluation and approval. (Section 5 of DO 13 s. 1998 and AO No. 152 s. 2011)

48. Why is it important to secure an approval of CSHP?

An approved CSHP facilitates for an effective implementation of suitable programs, activities, systems and procedures to prevent costly worksite accidents and injuries. It establishes commitment, proper coordination and participation among workers and contractors towards worksite harmony and closer working relationship.

49. What is a company safety and health policy?

It is a written statement of commitment duly signed by the highest company official or his duly authorized representative which serves as a guiding principles in the implementation of the safety and health program and activities. A policy must clearly define management attitude and commitment in ensuring safety and health of the employees as well as the public and the company.

50. What are the administrative reporting requirements to the OSH Standards?

Companies are required to submit the following reports to the concerned Regional Office, copy furnished the Bureau of Working Conditions:

- a. Rule 1020 – Registration of Establishments (Registry of Establishments)*
- b. Rule 1040 – Organization of Health and Safety Committee (HSC) and Minutes of HSC Meeting*
- c. Rule 1050 – Notification of Keeping of Records of Accidents/Illness*
 - 1. Employer's Work Accident/Illness Report (Form-DOLE/BWC/OHSD/IP-6)*
 - 2. Annual Work Accident/Illness Exposure Data Report (Form-DOLE/BWC/OHSD/IP-6B)*
(Notification of Company's Safety Milestone for Safety Recognition)
- d. Rule 1060 – Occupational Health Services*
 - 1. Annual Medical Report (Form-DOLE/BWC/OHSD/OH-47-A)*

51. What is the purpose of registration?

The purpose of registration is to provide the DOLE with information as guide and reference in its planning and programming activities.

52. When and where should establishments register?

Within 30 days before operation at the concerned DOLE Regional Office having jurisdiction over the workplace.

53. What is one registrable unit?

The establishment regardless of size or economic activity whether small, medium or large in one single location.

54. What is Health and Safety Committee (HSC)?

An HSC is a group of employees and management that plans and makes policies in all matters pertaining to safety and health in the workplace. It shall be organized according to the number of workers in the workplace. (Rule 1040 of the OSH Standards)

55. When should an HSC be organized?

The HSC must be organized within one month from the date the business starts operating and shall be re-organized every January of the following year.

III. OCCUPATIONAL SAFETY AND HEALTH

56. What are the OSH Standards?

The Occupational Safety and Health Standards (OSHS) are the rules and regulations governing work safety and health as mandated in PD 442, Book IV, Article 162, of the Labor Code of the Philippines.

57. What industries are covered by the OSH Standards?

The OSHS covers all workplaces.

58. What is the gravest penalty for violation of the OSH Standards?

Any work environment that exposes its employees to imminent danger will be suspended or stopped until the company corrects the unsafe conditions. This is why it is important to follow the OSHS or the company's operation will be stopped indefinitely. (Rule 1010 of the OSHS)

59. What agencies of the Department of Labor and Employment (DOLE) can we approach regarding work safety and health?

- a. OSHC conducts various types of training and researches on occupational safety and health as well as the conduct of work environment assessment and test of PPEs. OSHC also provides IEC materials such as safety posters, flyers and brochures.*
- b. DOLE Regional Offices (ROs) enforce the provision of the OSH Standards through the conduct of inspection/monitoring of establishments. ROs also conduct advocacy, orientation and training activities on OSH (i.e., Training and Advisory Visits (TAV), Continuing Labor and Education Program (CLEP) etc.)*
- c. BWC provides advisory services and formulates policy guidelines on workplace safety and health as well as technical supervision and assistance to DOLE-ROs in the enforcement of OSH Standards.*

- d. BWSC provides policy guidelines for the welfare and protection including safety and health of child workers, women workers, rural workers, workers with disability and other related workers with special concerns.

60. What agency gives training programs on work safety and health?

The OSHC conducts different training courses on work safety and health. The Bureau of Working Conditions (BWC) also conducts OSH training programs. Safety training organizations accredited by DOLE-BWC and OSH Networks also conduct OSH training programs.

61. Why is it important for the company's safety man to attend training courses on work safety and health?

So that s/he can assist the employer develop safety and health programs that will prevent accidents and diseases in the workplace. (Rule 1030 of the OSH Standards).

62. When and where to report work related accidents/injuries involving deaths of workers?

Work related accidents involving deaths/fatalities and/or serious injuries must be reported within 24 hours using the fastest means of communication to DOLE or to the nearest DOLE Regional Office having jurisdiction on the workplace for the conduct of an accident investigation by the DOLE-Work-ALERT (Work Accident and Labor Exigencies Response Team)

63. What are welfare facilities?

Companies are required to have facilities in their premises that are clean and provide comfort for all their employees. These facilities include potable water; clean eating areas; an adequate number of comfort rooms; sinks where utensils can be washed and separate toilets for male and female employees. There should also be an adequate number of separate changing areas and locker rooms for male and female workers. (Rule 1060 of the OSH Standards)

64. What does 5s in workplace safety and health mean?

5s is a systematic way of organizing the work area, following rules and regulations on safety and health, maintaining discipline to make work faster, cheaper, effective, more organized, safer and productive. 5s stands for sort, systematize, sweep, sanitize and self-discipline.

65. Are workers wearing Personal Protective Equipment (PPEs) 100% safe from any danger?

NO. In fact, PPE is considered as the last line of defense in any danger. If possible, all engineering and administrative controls must be used. For example, if a workplace is dusty, the first step is to install appropriate local exhaust ventilation or if the factory is too hot, lessen the number of work hours in the hot area. It is best if engineering controls are in place followed by administrative controls. PPEs are useful in protecting workers against exposure to hazards but they do not eliminate or reduce hazards at its source.

IV. EMPLOYEES' COMPENSATION

66. What is the Employees' Compensation Program?

The Employees' Compensation Program (ECP) is the benefit package for public and private sector employees and their dependents in the event of work-related sickness, injuries or death.

67. Who are covered under the ECP?

Employees belonging to both the public and private sectors are compulsorily covered under the ECP.

68. When shall coverage of employees under the ECP start?

Employees shall be covered starting on the first day of their employment.

69. What are the administering agencies of the ECP?

The administering agencies of the ECP are:

- *The Government Service Insurance System (GSIS) for the public sector, and*
- *The Social Security System (SSS), for the private sector.*

70. Are Filipinos employed abroad covered under the ECP?

- *No. Only Filipino seamen compulsorily covered under the SSS are covered under the ECP.*
- *Landbased contract workers are covered only if their employer is engaged in trade or business undertaking in the Philippines.*

71. What contingencies are compensable under the ECP?

Any work-connected injury or sickness which resulted to disability or death shall be compensable under the ECP.

72. What are the forms of compensation for injury, sickness, disability and death?

- *Cash income benefit – for disability or death;*
- *Medical and related services - for injury or sickness;*
- *Rehabilitation services (in addition to monthly cash income benefit) for temporary and permanent disability.*

73. When is the injury compensable?

An injury is compensable when it was sustained due to an accident arising out of or in the course of employment.

74. When is sickness compensable?

Any sickness is compensable when it is listed by the ECC as an "occupational disease".

75. Can an illness not listed as an "occupational disease" be considered compensable?

Yes, if proof is shown that the risk of contracting the sickness was increased by the working conditions.

76. When shall EC claims be filed?

Claims for EC benefits must be filed with the GSIS or the SSS, as the case may be, within three years from the time of cause of action occurred (loss of earning capacity/separation from the service due to work-related sickness or injury).

77. Where are EC claims filed?

All EC claims may be filed by the claimant at his option in the Regional Office/Branch of the System (GSIS/SSS) nearest to the place of work or residence. (as provided under Board Resolution No. 10-10-157 dated October 20, 2010)

V. EMPLOYMENT PROGRAMS FOR SPECIAL GROUP OF WORKERS

78. What is the DOLE's employment program for the marginalized and vulnerable groups of workers?

The Department of Labor and Employment (DOLE) implements the DOLE Integrated Livelihood Programs towards Community Enterprise Development (DILP-CED) which aims to assist community groups in developing sustainable enterprises or undertakings right in their communities thereby providing opportunities for generating incomes through wage and self-employment.

79. Is there an employment intervention program for displaced workers affected by globalization and financial crisis?

The DOLE Adjustment Measures Program (DOLE-AMP) is a special package of interventions which include livelihood assistance and training/retraining services for displaced workers. This is done through the Quick Response Teams (QRTs) in all DOLE Regional Offices.

80. Is there an emergency employment program provided by DOLE for displaced workers as a result of natural disasters and calamities?

The Community-Based Employment Program (CBEP) is a project for workers displaced due to financial crisis, natural calamities, disasters and other emergency situations. The program provides livelihood opportunities or short-term employment through various community projects such as dredging of canals, repair of public facilities, etc.

81. Does the DOLE provide assistance to graduating students of college or technical-vocational courses?

The Youth Entrepreneurship Support (YES) Project envisions young college and tech-voc graduating students, college graduates or would-be member of the labor force as productive, resourceful and self-reliant entrepreneurs through the provision of livelihood-entrepreneurship support system.

82. Does DOLE provide social protection services that connect marginalized workers to social protection benefits and scheme?

The following programs give social protection benefits and provide social protection schemes:

1. **Social Amelioration Program (SAP) in the Sugar and Biofuels Industries** – is a production sharing scheme instituted in the sugar and biofuels industries by virtue of RA 6982 (Sugar Amelioration Act of 1991) and RA 9867 (Biofuels Act of 2006). The SAP strengthens the rights of sugar and biofuels workers to their just share in the fruits of production by augmenting their incomes and institutionalizing the mechanism among partners in the sugar and biofuels industries to enable the workers and their families to enjoy decent living. The components of these programs include cash bonus distribution, maternity benefit, death benefit and socio-economic projects.
2. **Integrated Services for the Advancement of Migratory Sugar Workers (I-SERVE)** – is an integrated approach geared at changing the socio-economic condition of the migratory sugar workers and their families by augmenting their income, ensuring compliance of employers/contractors to social protection policies and providing them opportunities to engage in social dialogues so that their problems and concerns may be addressed appropriately.
3. **Child Labor Prevention and Elimination Program (CLPEP)** – is the DOLE's contribution to the Philippine Program Against Child Labor (PPACL). The Sagip Batang Manggagawa, Kabuhayan Para sa Magulang ng Batang Manggagawa (KaSaMa) Project, Project Angel Tree and Advocacy campaign against child labor are some of the projects under the DOLE's CLPEP.

83. Are students given an opportunity to be employed while on vacation?

The Special Program for the Employment of Students (SPES) helps poor but deserving students pursue their education by encouraging their employment during summer and/or Christmas vacations. SPES provides them income to finance/subsidize their studies. Qualified high school, college or vocational students or drop outs are hired by participating employers/companies.