



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
Bureau of Working Conditions



HANDBOOK

WORKERS' STATUTORY MONETARY BENEFITS

2022 EDITION



HANDBOOK ON WORKERS' STATUTORY MONETARY BENEFITS

DEPARTMENT OF LABOR AND EMPLOYMENT
BUREAU OF WORKING CONDITIONS
INTRAMUROS, MANILA
2022

The Project Team

Ma. Teresita S. Cucueco, Nicanor V. Bon, Emila T. de Guzman, Queen Therese D. Espinas, Pauli Andrenette Grace D. Ong, and other BWC staff

All Rights Reserved

This Handbook, or any part thereof, may not be reproduced for commercial purposes without the written permission of the Bureau of Working Conditions, Department of Labor and Employment.

This Handbook is published by the:
Bureau of Working Conditions (BWC)
Department of Labor and Employment (DOLE)
3rd Floor, DOLE Building, Muralla cor. Gen. Luna Streets, Intramuros, Manila
Tel. No. (02) 8527-3000 locals 303, 306 - 308; Telefax No. (02) 8527-3478;
email: askbwc@gmail.com; website: bwc.dole.gov.ph

– NOT FOR SALE –

Cover Art : Marc Vincent M. Labrador



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
Intramuros, Manila



FOREWORD



The challenges brought by the COVID-19 pandemic did not stop us from maintaining our effort in bringing awareness on labor laws to employees, employers, as well as students, practitioners and the general public. The Department of Labor and Employment is once again pleased to present to you the 2022 Edition of the Handbook on Workers' Statutory Monetary Benefits covering updates on labor standards and developments on labor rules and regulations.

In this edition, we reflected the latest prescribed minimum wages rates of workers in the private sector including the increase in the minimum wage for the kasambahay in some regions. We also enhanced the discussions on mandatory social benefits to include a quick guide on membership coverage and benefits. This is to further strengthen the information campaign so that more workers will be aware of the benefits that they can enjoy out of their mandatory contributions.

Also, we updated the factors in the computation of the Estimated Equivalent Monthly Rate of Monthly-Paid and Daily-Paid Employees due to the additional declared special non-working holidays to be observed every year. Similarly important is the newly portion on the principles to be considered in the determination of compensable workings hours of workers.

With all these, we truly hope that this work will continue to serve as an easy reference on workers' and employers' rights and responsibilities, among others.

The Department shall remain committed in promptly addressing violations of labor laws to maintain decent and productive employment opportunities to all Filipino workers. Makakaasa po kayo na mas pag-iigihan pa namin ang aming pag-sisilbi sa bayan.

Patuloy po ang ating pagtupad ng serbisyong tapat!


SILVESTRE H. BELLO III
Secretary

TABLE OF CONTENTS

1. COMPLIANCE GUIDE	1
A. SUBSIDIZED MEALS AND SNACKS.....	1
B. SALARY OF KASAMBAHAY WHO WORKS AS SALESCLERK.....	1
2. MINIMUM WAGE	2
A. COVERAGE.....	3
B. MINIMUM WAGE RATES.....	3
C. RULES IN DETERMINING COMPENSABLE WORKING HOURS.....	5
1. Hours worked:.....	5
2. Principles in determining hours worked.....	5
3. Treatment on waiting time.....	5
4. Attendance at lectures, meetings, training programs, and other similar activities.....	6
5. Meal and Rest Periods.....	6
D. MONTHLY-PAID EMPLOYEES AND DAILY-PAID EMPLOYEES.....	6
E. COMPUTATION OF THE ESTIMATED EQUIVALENT MONTHLY RATE (EEMR) OF MONTHLY-PAID AND DAILY-PAID EMPLOYEES.....	6
F. MINIMUM WAGE AND RIGHTS OF KASAMBAHAY.....	8
G. MANDATORY BENEFITS OF KASAMBAHAYS.....	9
H. RIGHTS AND PRIVILEGES OF KASAMBAHAYS.....	9
I. EFFECT OF REDUCTION OF WORKDAYS ON WAGES.....	9
J. PENALTY AND DOUBLE INDEMNITY FOR VIOLATION OF THE PRESCRIBED INCREASES OR ADJUSTMENTS IN THE WAGE RATES (RA 8188).....	9
K. BARANGAY MICRO BUSINESS ENTERPRISES (BMBEs).....	10
L. MINIMUM WAGE OF WORKERS PAID BY RESULTS.....	10
M. MINIMUM WAGE OF APPRENTICES, LEARNERS, AND PERSONS WITH DISABILITY....	10
N. COVERAGE FROM INCOME TAX OF MINIMUM WAGE EARNERS.....	11
3. HOLIDAY PAY	12
A. DEFINITION.....	12
B. COVERAGE.....	12
C. REGULAR HOLIDAYS.....	13
D. ABSENCES.....	14
E. SUCCESSIVE REGULAR HOLIDAYS.....	14
F. TEMPORARY OR PERIODIC SHUTDOWN/CESSATION OF WORK.....	14
G. HOLIDAY PAY OF CERTAIN EMPLOYEES.....	15
4. PREMIUM PAY	16
A. DEFINITION.....	16
B. COVERAGE.....	16
C. SPECIAL DAYS.....	17
1. Special (Non-Working) Days.....	17
2. Special (Working) Days.....	17
D. PREMIUM PAY RATES.....	18

5. OVERTIME PAY	19
A. DEFINITION	19
B. COVERAGE	19
C. OVERTIME PAY RATES	19
D. STIPULATED OVERTIME RATES	20
6. NIGHT SHIFT DIFFERENTIAL	21
A. DEFINITION	21
B. COVERAGE	21
C. COMPUTATION OF NIGHT SHIFT DIFFERENTIAL	22
D. GUIDE COMPUTATIONS FOR HOLIDAY PAY, PREMIUM PAY, OVERTIME PAY, AND NIGHT SHIFT DIFFERENTIAL	22
7. SERVICE CHARGES	24
A. COVERAGE	24
B. COVERED EMPLOYEES	24
C. DISTRIBUTION OF SERVICE CHARGES	24
D. FREQUENCY OF DISTRIBUTION	24
E. INCREASE IN MINIMUM WAGE	24
8. SERVICE INCENTIVE LEAVE	25
A. COVERAGE	25
B. MEANING OF “ONE YEAR OF SERVICE”	26
C. USAGE/CONVERSION TO CASH	26
9. MATERNITY LEAVE	27
A. COVERAGE	27
B. THE MATERNITY LEAVE BENEFIT	27
C. ELIGIBILITY	27
D. SALARY DIFFERENTIAL	27
10. PATERNITY LEAVE	28
A. COVERAGE	28
B. THE PATERNITY LEAVE BENEFIT	28
C. CONDITIONS FOR ENTITLEMENT	28
D. APPLICATION FOR PATERNITY LEAVE	29
E. NON-CONVERSION TO CASH	29
F. CREDITING OF EXISTING BENEFITS	29
11. PARENTAL LEAVE FOR SOLO PARENTS	30
A. COVERAGE	30
B. DEFINITION OF TERMS	30
C. THE PARENTAL LEAVE BENEFIT	31
D. CONDITIONS FOR ENTITLEMENT	31
E. NON-CONVERSION TO CASH	31
F. CREDITING OF EXISTING LEAVE	31
G. TERMINATION OF THE BENEFIT	31

H. PROTECTION AGAINST WORK DISCRIMINATION.....	31
12. LEAVE FOR VICTIMS OF VIOLENCE AGAINST WOMEN AND THEIR CHILDREN.....	32
A. DEFINITION.....	32
B. COVERAGE AND PURPOSE.....	32
C. REQUIREMENT FOR ENTITLEMENT.....	32
D. THE BENEFIT.....	32
E. USAGE OF THE BENEFIT.....	33
13. SPECIAL LEAVE FOR WOMEN.....	34
A. COVERAGE.....	34
B. DEFINITION OF TERM.....	34
C. CONDITIONS FOR ENTITLEMENT.....	34
D. THE SPECIAL LEAVE BENEFIT.....	34
E. USAGE.....	35
F. NON-CONVERSION TO CASH.....	35
14. THIRTEENTH-MONTH PAY.....	36
A. COVERAGE.....	36
B. DEFINITION OF RANK-AND-FILE EMPLOYEES.....	36
C. MINIMUM AMOUNT.....	36
D. FORMULA AND COMPUTATION OF 13TH MONTH PAY.....	37
E. EXEMPTED EMPLOYERS.....	37
F. TIME OF PAYMENT OF THIRTEENTH MONTH PAY.....	38
G. THIRTEENTH-MONTH PAY FOR CERTAIN TYPES OF EMPLOYEES.....	38
H. THIRTEENTH-MONTH PAY OF RESIGNED OR SEPARATED EMPLOYEE.....	39
I. THIRTEENTH-MONTH PAY OF FEMALE EMPLOYEE WHO IS ON MATERNITY LEAVE.....	39
J. NON-INCLUSION IN REGULAR WAGE.....	39
K. COVERAGE FROM INCOME TAX OF THIRTEENTH MONTH PAY AND OTHER BENEFITS.....	39
L. NO EXEMPTION OR DEFERMENT.....	40
M. REPORT OF COMPLIANCE.....	40
15. SEPARATION PAY.....	41
A. ONE-HALF (1/2) MONTH PAY PER YEAR OF SERVICE.....	41
B. ONE-MONTH PAY PER YEAR OF SERVICE.....	42
C. NOTICE OF TERMINATION.....	42
D. BASIS OF SEPARATION PAY.....	42
E. INCLUSION OF REGULAR ALLOWANCE IN THE COMPUTATION.....	42
F. COVERAGE FROM INCOME TAX OF SEPARATION PAY DUE TO RETRENCHMENT/REDUNDANCY.....	43
16. RETIREMENT PAY.....	44
A. COVERAGE.....	44
B. AMOUNT OF RETIREMENT PAY.....	44
C. RETIREMENT BENEFIT UNDER A COLLECTIVE BARGAINING AGREEMENT OR APPLICABLE CONTRACT.....	45

D. RETIREMENT BENEFIT OF WORKERS WHO ARE PAID BY RESULTS.....	45
E. RETIREMENT BENEFIT OF PART-TIME WORKERS	45
F. RETIREMENT BENEFIT OF UNDERGROUND OR SURFACE MINE EMPLOYEES UNDER REPUBLIC ACT NO. 8558, AS AMENDED BY REPUBLIC ACT NO. 10757	45
G. RETIREMENT BENEFIT OF RACEHORSE JOCKEYS.....	46
H. OTHER BENEFITS UPON RETIREMENT	46
I. COVERAGE FROM INCOME TAX OF RETIREMENT PAY	46
17. EMPLOYEES' COMPENSATION PROGRAM	48
A. THE EMPLOYEES' COMPENSATION PROGRAM.....	48
B. COVERAGE	48
C. CONDITIONS OF COMPENSABILITY	48
D. THE BENEFITS	49
E. NOTIFICATION AND FILING OF CLAIMS	50
F. CONTRIBUTION	50
18. PHILHEALTH BENEFITS	52
A. THE NATIONAL HEALTH INSURANCE PROGRAM.....	52
B. COVERAGE	52
C. THE BENEFITS	52
D. CONTRIBUTION	52
19. SOCIAL SECURITY BENEFITS	54
A. SOCIAL SECURITY BENEFITS	54
B. COMPULSORY COVERAGE	54
C. BENEFITS	54
D. CONTRIBUTION	55
20. PAG-IBIG BENEFITS	57
A. THE HOME DEVELOPMENT MUTUAL FUND (HDMF)	57
B. MANDATORY COVERAGE	57
C. THE PROGRAMS AND BENEFITS	58
D. MEMBERSHIP CONTRIBUTION	58
DIRECTORY OF DOLE REGIONAL OFFICES	60
DIRECTORY OF DOLE-NCR FIELD OFFICES.....	61
THE BWC	62
VISION.....	62
MISSION	62

1

COMPLIANCE GUIDE

Applicable Labor Standards	Retail & Service Establishments		Non-Agriculture/ Agriculture	Reference (Page no.)
	Employing 1 to 5 workers	Employing 1 to 9 workers		
Minimum Wage	✓	✓	✓	2
Holiday pay	N/A	N/A	✓	12
Premium pay	✓	✓	✓	16
Overtime pay	✓	✓	✓	19
Night shift differential	N/A	✓	✓	21
Service charges	✓	✓	✓	24
Service incentive leave	N/A	N/A	✓	25
Maternity leave	✓	✓	✓	27
Paternity leave	✓	✓	✓	28
Parental leave	✓	✓	✓	30
Leave for VAWC	✓	✓	✓	32
Special leave for women	✓	✓	✓	34
13th month pay	✓	✓	✓	36
Separation pay	✓	✓	✓	41
Retirement pay	N/A	N/A**	✓	44
ECC benefits*	✓	✓	✓	48
PhilHealth benefits*	✓	✓	✓	52
SSS benefits*	✓	✓	✓	54
Pag-IBIG benefits *	✓	✓	✓	57

* will be paid by the Government

** employing not more than 10 workers

A. Subsidized Meals and Snacks

The employer may provide subsidized meals and snacks to his employees provided that the subsidy shall not be less than 30% of the fair and reasonable value of such facilities. In such case, the employer may deduct from the wages of the employees not more than 70% of the value of the meals and snacks enjoyed by the employees, provided further that such deduction is with the written authorization of the employees concerned. (Sec. 4, Rule VII-A, Book III of the Rules Implementing the Labor Code). For the computation of the fair and reasonable value of the meals given, the employer may seek assistance from concerned Regional Tripartite Wages and Productivity Board (RTWPBs).

B. Salary of Kasambahay who Works as Salesclerk

A Kasambahay who works as salesclerk should receive salary in accordance with the prescribed minimum wage which is applicable in the retail and service establishments, under existing Wage Orders.

2

MINIMUM WAGE

Republic Act No. 6727 or the “Wage Rationalization Act” mandates the fixing of the minimum wages applicable to different industrial sectors, namely, non-agriculture, agriculture plantation, and non-plantation, cottage/handicraft, and retail/service, depending on the number of workers or capitalization or annual gross sales in some sectors.

The Rules Implementing RA 6727 define the industrial sectors as follows:

“Agriculture” refers to farming in all its branches and, among others, includes the cultivation and tillage of the soil, production, cultivation, growing and harvesting of any agricultural or horticultural commodities, dairying, raising of livestock or poultry, the culture of fish and other aquatic products in farms or ponds, and any activities performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, but does not include the manufacturing and/or processing of sugar, coconut, abaca, tobacco, pineapple, aquatic or other farm products.

“Retail Establishment” is one principally engaged in the sale of goods to end-users for personal or household use. A retail establishment that regularly engages in wholesale activities loses its retail character.

“Service Establishment” is one principally engaged in the sale of service to individuals for their own or household use and is generally recognized as such.

The said law rationalized wage determination by establishing the mechanism and proper standards through the creation of Regional Tripartite Wages and Productivity Boards (RTWPBs) authorized to determine the daily minimum wage rates in the following different regions based on established criteria:

- National Capital Region (NCR) or Metro Manila
- Cordillera Administrative Region (CAR)
- Region I - Northern Luzon or Ilocos
- Region II - Cagayan Valley
- Region III - Central Luzon
- Region IV-A - CALABARZON (Cavite, Laguna, Batangas, Rizal, Quezon)
- Region IV-B - MIMAROPA (Mindoro, Marinduque, Romblon, Palawan)
- Region V - Bicol
- Region VI - Western Visayas
- Region VII - Central Visayas
- Region VIII - Eastern Visayas
- Region IX - Western Mindanao or Zamboanga Peninsula
- Region X - Northern Mindanao

- Region XI - Southern Mindanao or Davao
 Region XII - Central Mindanao or SOCCSKSARGEN (South Cotabato, North Cotabato, Sultan Kudarat, Sarangani, General Santos)
 Region XIII - Caraga
 Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)

The Regional Wage Orders prescribe the daily minimum wage rates per industry per locality within the region and in some instances depending on the number of workers and the capitalization of enterprises. The Wage Orders likewise provide the basis and procedure for application for exemption from compliance therefrom. Some Wage Orders grant allowances instead of wage increases.

A. Coverage

The wage increases prescribed under Wage Orders apply to all private sector workers and employees receiving the daily minimum wage rates or those receiving up to a certain daily wage ceiling, where applicable, regardless of their position, designation, or status of employment, and irrespective of the method by which their wages are paid, except workers of duly registered Barangay Micro Business Enterprises (BMBEs) with Certificate of Authority pursuant to Republic Act No. 10644.

Upon application with and as determined by an RTWPB, based on documentation and other requirements in accordance with applicable rules and regulations issued by the National Wages and Productivity Commission (NWPC), a company/establishment may be exempted from compliance with a Wage Order for a period not to exceed one (1) year.

B. Minimum Wage Rates

DAILY MINIMUM WAGE (MW)^a National Capital Region (As of January 2022)

Cities/Municipalities			
Cities of Caloocan, Las Piñas, Makati, Malabon, Mandaluyong, Manila, Marikina, Muntinlupa, Parañaque, Pasay, Pasig, Quezon, San Juan, Taguig, Valenzuela, and Municipalities of Navotas and Pateros			
Sector/Industry	Basic Wage/ Integration of COLA	Basic Wage Increase	New Minimum Wage Rates
Non-agriculture	₱ 512.00	₱ 25.00	₱ 537.00
Agriculture	₱ 475.00	₱ 25.00	₱ 500.00
Plantation			
Non-plantation			

^a Wage Order No. NCR-22 which took effect on 22 November 2018.

Sector/Industry	Basic Wage/ Integration of COLA	Basic Wage Increase	New Minimum Wage Rates
Retail/Service Establishments Employing 15 workers or less	P 475.00	P 25.00	P 500.00
Manufacturing Establishments Regularly employing less than 10 workers			

SOURCE: National Wages and Productivity Commission

Summary of Current Regional Daily Minimum Wage Rates
Non-Agriculture, Agriculture
(As of January 2022)

REGION	WO No/ DATE OF EFFECTIVITY	NON- AGRICULTURE	AGRICULTURE	
			Plantation	Non-Plantation
NCR	WO 22 / November 22, 2018	₱500.00 - ₱537.00	₱500.00	
CAR	WO 20 / November 18, 2019	340.00 - 350.00	340.00 - 350.00	
I	WO 20 / April 30, 2019	282.00 - 340.00	295.00	282.00
II	WO 20 / March 16, 2020	370.00	345.00	
III	WO 22 / January 1, 2020	369.00 - 420.00	354.00 - 390.00	342.00 - 374.00
IV-A	WO 18 / April 28, 2018	317.00 - 400.00	303.00 - 372.00	
IV-B	WO 09 / November 27, 2018	294.00 - 320.00	294.00 - 320.00	
V	WO 19 / September 21, 2018	310.00	310.00	
VI	WO 25 / November 26, 2019	310.00 - 395.00	315.00	
VII	WO 22 / January 5, 2020	356.00 - 404.00	351.00 - 394.00	
VIII	WO 21 / August 18, 2019	325.00	295.00	
IX	WO 20 / July 30, 2018	316.00	303.00	
X	WO 20 / November 1, 2018	343.00 - 365.00	331.00 - 353.00	
XI	WO 20 / August 16, 2018	396.00	391.00	
XII	WO 21 / February 2, 2020	336.00	315.00	
Caraga	WO 16 / May 1, 2019	320.00	320.00	
BARMM	WO 01 / January 1, 2020	300.00 - 325.00	290.00 - 300.00	

SOURCE: National Wages and Productivity Commission

C. Rules in Determining Compensable Working Hours^b

The basis of the minimum wage rates prescribed by law shall be the normal working hours of eight (8) hours a day.

1. Hours worked:

The following shall be considered as compensable hours worked:

- a. All time during which an employee is required to be on duty or to be at the employer's premises or to be at a prescribed work place; and
- b. All time during which an employee is suffered or permitted to work.

2. Principles in determining hours worked

The following general principles shall govern in determining whether the time spent by an employee is considered hours worked:

- a. All hours are hours worked which the employee is required to give his employer, regardless of whether or not such hours are spent in productive labor or involve physical or mental exertion.
- b. An employee need not leave the premises of the work place in order that his rest period shall not be counted, it being enough that he stops working, may rest completely and may leave his work place, to go elsewhere, whether within or outside the premises of his work place.
- c. If the work performed was necessary, or it benefited the employer, or the employee could not abandon his work at the end of his normal working hours because he had no replacement, all time spent for such work shall be considered as hours worked, if the work was with the knowledge of his employer or immediate supervisor.
- d. The time during which an employee is inactive by reason of interruptions in his work beyond his control shall be considered working time either if the imminence of the resumption of work requires the employee's presence at the place of work or if the interval is too brief to be utilized effectively and gainfully in the employee's own interest.

3. Treatment on waiting time

- a. Waiting time spent by an employee shall be considered as working time if waiting is an integral part of his work or the employee is required or engaged by the employer to wait.
- b. An employee who is required to remain on call in the employer's premises or so close thereto that he cannot use the time effectively and gainfully for his own purpose shall be considered as working while on call. An employee who is not required to leave word at his home or with company officials where he may be reached is not working while on call.

^b Rule I, Book III of the Omnibus Rules Implementing the Labor Code of the Philippines.

4. Attendance at lectures, meetings, training programs, and other similar activities

Attendance at lectures, meetings, training programs, and other similar activities shall not be counted as working time if all of the following conditions are met:

- a. Attendance is outside of the employee's regular working hours;
- b. Attendance is in fact voluntary; and
- c. The employee does not perform any productive work during such attendance.

5. Meal and Rest Periods

Every employer shall give his employees, regardless of sex, not less than one (1) hour time-off for regular meals, except in the following cases when a meal period of not less than twenty (20) minutes may be given by the employer provided that such shorter meal period is credited as compensable hours worked of the employee:

- a. Where the work is non-manual work in nature or does not involve strenuous physical exertion;
- b. Where the establishment regularly operates not less than sixteen (16) hours a day;
- c. In case of actual or impending emergencies or there is urgent work to be performed on machineries, equipment or installations to avoid serious loss which the employer would otherwise suffer; and
- d. Where the work is necessary to prevent serious loss of perishable goods.

Rest periods or coffee breaks running from five (5) to twenty (20) minutes shall be considered as compensable working time.

D. Monthly-Paid Employees and Daily-Paid Employees

“Monthly-paid employees” are those who are paid every day of the month, including unworked rest days, special days, and regular holidays. Factor 365 days in a year is used in determining the equivalent monthly salary of monthly-paid employees.

“Daily-paid employees” are those who are paid on the days they actually worked and on unworked regular holidays.

E. Computation of the Estimated Equivalent Monthly Rate (EEMR) of Monthly-Paid and Daily-Paid Employees

1. For monthly-paid employees:

Factor 365 days in a year is used in determining the equivalent annual and monthly salary of monthly-paid employees. To compute their Estimated Equivalent Monthly Rate (EEMR), the procedure is as follows:

$$\frac{\text{Applicable Daily Rate (ADR)} \times 365}{12 \text{ months}} = \text{EEMR}$$

Where 365 days/year	=	295	Ordinary working days
		52	Rest days
		12	Regular holidays
		6	Special non-working days
		<u>365</u>	Total equivalent no. of days/year

2. For daily-paid employees:

The following factors and formula may be used in computing the EEMR of different groups of daily-paid employees for purposes of entitlement to minimum wages and allied benefits under existing laws:

- a. For those who are required to work everyday, including Sundays or rest days, special days and regular holidays

$$\frac{\text{Applicable Daily Rate (ADR)} \times 394.4}{12 \text{ months}} = \text{EEMR}$$

Where 394.4 days/year	=	295	Ordinary working days
		67.6	Rest days (52 x 1.3)
		24	Regular holidays (12 x 2)
		7.8	Special non-working days (6 x 1.3)
		<u>394.4</u>	Total equivalent no. of days/year

- b. For those who do not work and are not considered paid on Sundays or rest days

$$\frac{\text{Applicable Daily Rate (ADR)} \times 313}{12 \text{ months}} = \text{EEMR}$$

Where 313 days/year	=	295	Ordinary working days
		12	Regular holidays
		6	Special non-working days (7.8 if worked)
		<u>313^c</u>	Total equivalent no. of days/year

- c. For those who do not work and are not considered paid on Saturdays and Sundays or rest days

$$\frac{\text{Applicable Daily Rate (ADR)} \times 261}{12 \text{ months}} = \text{EEMR}$$

Where 261 days/year	=	243	Ordinary working days
		12	Regular holidays
		6	Special non-working days (7.8 if worked)
		<u>261^d</u>	Total equivalent no. of days/year

^c Factor 307 may be used instead of 313 if the 6 special non-working days are not considered paid.

^d Factor 255 may be used instead of 261 if the 6 special non-working days are not considered paid.

Without prejudice to existing company policies, practices and/or agreements, the above formula are merely suggestions and may be used as guides in determining the equivalent monthly minimum wage rates.

F. Minimum Wage and Rights of Kasambahay^e

As of January 2022, the minimum wage of Kasambahay shall not be less than the following:

REGION	WO No./ DATE OF EFFECTIVITY	MONTHLY MINIMUM WAGE	
		Cities & 1st Class Municipalities	Other Municipalities
NCR	NCR-DW-02 / January 2, 2020	₱5,000.00	
CAR	CAR-DW-03 / May 1, 2019	4,000.00	3,000.00
I	RBI-DW-02 / April 30, 2019	4,500.00	3,500.00
II	RBII-DW-03 / March 16, 2020	4,000.00	
III	RBIII-DW-02 / January 1, 2020	4,500.00	4,000.00
IV-A	RBIVA-DW-02 / March 1, 2019	3,500.00	3,000.00
IV-B	RB-IVB-DW-02 / August 21, 2019	3,500.00	
V	RBV-DW-01 / June 2, 2017	3,000.00	2,500.00
VI	RBVI-DW-03 / May 8, 2019	4,000.00	
VII	RBVII-DW-02 / January 5, 2020	5,000.00	4,000.00
VIII	RBVIII-DW-02 / January 1, 2020	4,500.00	4,000.00
IX	RBIX-DW-02 / November 22, 2019	3,500.00	3,000.00
X	RBX-DW-02 / January 1, 2020	4,000.00	3,000.00
XI	RBXI-DW-01 / December 16, 2017	3,000.00	2,000.00
XII	RBXII-DW-02 / February 23, 2020	4,000.00	3,500.00
CARAGA	RBXIII-DW-02 / October 4, 2019	3,500.00	3,000.00

SOURCE: National Wages and Productivity Commission

After one year from the effectivity of the Batas Kasambahay and periodically thereafter, the Regional Tripartite Wages and Productivity Boards (RTWPBs) shall review and if proper, determine and adjust the minimum wage rates of Kasambahay. The RTWPBs shall conduct consultations/hearings with stakeholders prior to the issuance of a wage order.

^e See also DOLE Q&A on Batas Kasambahay (Republic Act No. 10361) Revised Edition. Published by the DOLE-Bureau of Workers with Special Concerns.

G. Mandatory Benefits of Kasambahays

1. Monthly minimum wage;
2. An aggregate of 8 hours daily rest period;
3. Weekly rest period of 24 (uninterrupted) hours;
4. 5 days annual service incentive leave with pay;
5. 13th month pay;
6. SSS benefit;
7. PhilHealth benefit; and
8. Pag-IBIG benefit.

H. Rights and Privileges of Kasambahays

1. Freedom from employers' interference in wage disposal;
2. Standard of treatment;
3. Board, lodging, and medical attendance;
4. Right to privacy;
5. Access to outside communication;
6. Access to education and training;
7. Right to be provided a copy of the employment contract;
8. Right to Certificate of Employment;
9. Right to form, join, or assist labor organization;
10. Right to terminate employment based on just cause; and
11. Right to exercise religious beliefs and cultural practices.

I. Effect of Reduction of Workdays on Wages

In situations where the employer has to reduce the number of regular working days to prevent serious losses, such as when there is a substantial slump in the demand for his/her goods or services or when there is lack of raw materials, the employer may deduct the wages corresponding to the days taken off from the workweek, consistent with the principle of "no work, no pay." This is without prejudice to an agreement or company policy which provides otherwise.

J. Penalty and Double Indemnity for Violation of the Prescribed Increases or Adjustments in the Wage Rates (RA 8188)

Any person, corporation, trust, firm, partnership, association or entity which refuses or fails to pay any of the prescribed increases or adjustments in the wage rates made in accordance with RA 6727, shall be punished by a fine of not less than Twenty-five Thousand Pesos (P25,000.00) nor more than One Hundred Thousand Pesos (P100,000.00) or imprisonment of not less than two (2) years nor more than four (4) years, or both such fine and imprisonment at the discretion of the court: Provided, That any person convicted hereof shall not be entitled to the benefits provided for under the Probation Law.

The employer concerned shall be ordered to pay an amount equivalent to double the unpaid benefits owing to the employees: Provided, That payment of indemnity shall not absolve the employer from the criminal liability imposable hereof.

If the violation is committed by a corporation, trust, firm, partnership, association or any other entity, the penalty of imprisonment shall be imposed upon the entity's responsible officers, including, but not limited to, the president, vice-president, chief executive officer, general manager, managing director or partner.

K. Barangay Micro Business Enterprises (BMBEs)

BMBEs or business enterprises engaged in the production, processing or manufacturing of products or commodities including agro-processing, trading and services whose total assets, excluding 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) shall be exempt from the coverage of the Minimum Wage Law: Provided, that all employees shall still be entitled to the same benefits given to regular employees such as social security and health care benefits.

The DTI, through the Negosyo Center in the city or municipality level, shall have the sole power to issue the Certificate of Authority for BMBEs to avail of the benefits provided by R.A. No. 9178, otherwise known as the "Barangay Micro Business Enterprises (BMBE's) Act of 2002".¹

The BMBE workers and owners shall agree on the acceptable wage rates based on the wage advisories issued by the RTWPBs.

L. Minimum Wage of Workers Paid by Results

All workers paid by results, including homeworkers and those who are paid on piece rate, takay, pakyaw or task basis, shall receive not less than the prescribed minimum wage rates under the Regional Wage Orders for normal working hours which shall not exceed eight (8) hours a day, or a proportion thereof.

The wage rates of workers who are paid by results may be determined through time and motion studies or consultation with representatives of employers' and workers' organizations in a tripartite called by the DOLE Secretary.

M. Minimum Wage of Apprentices, Learners, and Persons with disability

Wage of apprentices and learners shall in no case be less than seventy-five (75%) percent of the applicable minimum wage rates.

Apprentices and learners are those who are covered by apprenticeship and learnership agreements duly approved by the Technical Education and Skills Development Authority (TESDA).

A qualified employee with disability shall be subject to the same terms and

¹ Section 5(b) of Republic Act No. 10644 entitled *An Act Promoting Job Generation and Inclusive Growth Through the Development of Micro, Small and Medium Enterprises*. Issued on 15 July 2014.

conditions of employment and the same compensation, privileges, benefits, fringe benefits or allowances as a qualified able-bodied person (Sec. 1 of RA 10524 or the Magna Carta for Persons with Disability).

N. Coverage from Income Tax of Minimum Wage Earners

Effective January 1, 2018, salaried individuals earning annual gross compensation of ₱250,000 or below per year are exempted from paying income taxes.⁹

The following income of MWEs shall also be exempt from income tax:

1. Statutory Minimum Wage (SMW) inclusive of the COLA;
2. Holiday pay;
3. Overtime pay;
4. Night shift differential pay; and
5. Hazard pay.

<p>For questions regarding minimum wage rates, please contact:</p> <p style="text-align: center;">NATIONAL WAGES AND PRODUCTIVITY COMMISSION</p> <p>Address: 2F & 3F, DY Intl., Building, San Marcelino corner Gen. Malvar Streets, Malate, Manila Telephone numbers: (02) 8527-8014 or (02) 8527-5171 Website: https://nwpc.dole.gov.ph Facebook: www.fb.com/dole.nwpc E-mail address: info@nwpc.dole.gov.ph</p>	<p>For questions regarding rights and benefits of domestic workers, please contact:</p> <p style="text-align: center;">BUREAU OF WORKERS WITH SPECIAL CONCERNS</p> <p>Address: 9th Floor G.E. Antonino Building, T.M Kalaw corner, Jorge Bocobo St, Ermita, Manila Telephone numbers: (02) 8404 3336 Website: https://bwsc.dole.gov.ph Facebook: www.fb.com/BWSC.DOLE E-mail address: mail@bwsc.dole.gov.ph</p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

⁹ BIR Revenue Regulations No. 11-2018 [Amending Certain Provisions of Revenue Regulations No. 2-98, as Amended, to Implement Further Amendments Introduced by Republic Act No. 10963, Otherwise Known as the "Tax Reform for Acceleration and Inclusion (TRAIN)" Law, Relative to Withholding of Income Tax]. Issued on 31 January 2018.

3

HOLIDAY PAY

(Article 94)

A. Definition

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

B. Coverage

This benefit applies to all employees except:

1. Government employees, whether employed by the National Government or any of its political subdivisions, including those employed in government-owned and/or controlled corporations with original charters or created under special laws;
2. Those of retail and service establishments regularly employing less than ten (10) workers;
3. Kasambahay and persons in the personal service of another;
4. Managerial employees, if they meet all of the following conditions:
 - 4.1 Their primary duty is to manage the establishment in which they are employed or of a department or subdivision thereof;
 - 4.2 They customarily and regularly direct the work of two or more employees therein; and
 - 4.3 They have the authority to hire or fire other employees of lower rank; or their suggestions and recommendations as to hiring, firing, and promotion, or any other change of status of other employees are given particular weight.
5. Officers or members of a managerial staff, if they perform the following duties and responsibilities:
 - 5.1 Primarily perform work directly related to management policies of their employer;
 - 5.2 Customarily and regularly exercise discretion and independent judgment;
 - 5.3 (a) Regularly and directly assist a proprietor or managerial employee in the management of the establishment or subdivision thereof in which he or she is employed; or (b) execute, under general supervision, work along specialized or technical lines requiring special training, experience, or knowledge; or (c) execute, under general supervision, special assignments and tasks; and
 - 5.4 Do not devote more than twenty percent (20%) of their hours worked in a workweek to activities which are not directly and closely related to the performance of the work described in paragraphs 5.1, 5.2, and 5.3 above.

6. Field personnel and other employees whose time and performance is unsupervised by the employer, including those who are engaged on task or contract basis, purely commission basis or those who are paid a fixed amount for performing work irrespective of the time consumed in the performance thereof.

C. Regular Holidays

Every employee covered by the Holiday Pay Rule is entitled to the minimum wage rate (daily basic wage and COLA). This means that the employee is entitled to at least 100% of his/her minimum wage rate even if he/she did not report for work, provided he/she is present or is on leave of absence with pay on the work day immediately preceding the holiday.

Work performed on that day merits at least twice (200%) the daily wage of the employee.

Illustration:

Using the NCR minimum wage of P537.00 per day for the non-agricultural sector, effective November 22, 2018 under Wage Order No. NCR-22.

For work within eight (8) hours, plus 100% of the minimum wage of 100% or a total of 200%.

Sector/Industry	Rate	Amount
Non-agriculture	P537.00	P537 x 200% = ₱1,074.00
Retail/Service Establishment employing less than 10 workers	P500.00	Not covered or exempted

Where the holiday falls on the scheduled rest day of the employee, work performed on said day merits at least an additional 30% of the employee's regular holiday rate of 200% or a total of at least 260% (Please see **4. Premium Pay**).

When a regular holiday falls on a Sunday, the following Monday shall not be a holiday, unless a proclamation is issued declaring it a special day.

Pursuant to Proclamation No. 1236, issued on 29 October 2021, the following are the twelve (12) regular holidays for the year 2022:

New Year's Day	01 January 1 (Saturday)
Araw ng Kagitingan	09 April (Saturday)
Maundy Thursday	14 April (Thursday)
Good Friday	15 April (Friday)
Labor Day	01 May (Sunday)
Eidl Fitr	Movable Date
Independence Day	12 June (Sunday)

Eidl Adha	Movable Date
National Heroes' Day	29 August (Monday)
Bonifacio Day	30 November (Wednesday)
Christmas Day	25 December (Sunday)
Rizal Day	30 December (Friday)

When Araw ng Kagitingan falls on the same day as Maundy Thursday or Good Friday, a covered employee is entitled to at least two hundred percent (200%) of his/her daily wage even if said day is unworked. Where the employee is required to work on that day, he/she is entitled to an additional 100% of the daily wage.

D. Absences

1. All covered employees shall be entitled to holiday pay when they are on leave of absence with pay on the workday immediately preceding the regular holiday. Employees who are on leave of absence without pay on the day immediately preceding a regular holiday may not be paid the required holiday pay if they do not work on such regular holiday.
2. Employers shall grant the same percentage of the holiday pay as the benefit granted by competent authority in the form of employee's compensation or social security payment, whichever is higher, if the employees are not reporting for work while on such leave benefits.
3. Where the day immediately preceding the holiday is a non-work day in the establishment or the scheduled rest day of the employee, he/she shall not be deemed to be on leave of absence on that day, in which case he/she shall be entitled to the holiday pay if he/she worked on the day immediately preceding the nonwork day or rest day.

E. Successive Regular Holidays

Where there are two (2) successive regular holidays, like Maundy Thursday and Good Friday, an employee may not be paid for both holidays if he/she absents himself/herself from work on the day immediately preceding the first holiday, unless he/she works on the first holiday, in which case he/she is entitled to his/her holiday pay on the second holiday.

F. Temporary or Periodic Shutdown/Cessation of Work

In cases of temporary or periodic shutdown and temporary cessation of work of an establishment, as when a yearly inventory or when the repair or cleaning of machineries and equipment is undertaken, the regular holidays falling within the period shall be compensated in accordance with the Rules Implementing the Labor Code, as amended.

G. Holiday Pay of Certain Employees

1. Where the covered employee is paid on piece-rate basis, his / her holiday pay shall not be less than his/her average daily earnings for the last seven (7) actual work days preceding the regular holiday; provided, however, that in no case shall the holiday pay be less than the applicable statutory minimum wage rate.
2. Seasonal workers may not be paid the required holiday pay during off-season when they are not at work.
3. Workers who do not have regular working days, such as stevedores, shall be entitled to this benefit.

4

PREMIUM PAY

(Articles 91-93)

A. Definition

Premium pay refers to the additional compensation for work performed within eight (8) hours on non-work days, such as rest days and special days.

B. Coverage

This benefit applies to all employees except:

1. Government employees, whether employed by the National Government or any of its political subdivisions, including those employed in government-owned and/or controlled corporations with original charters or created under special laws;
2. Managerial employees, if they meet all of the following conditions:
 - 2.1 Their primary duty is to manage the establishment in which they are employed or of a department or subdivision thereof;
 - 2.2 They customarily and regularly direct the work of two or more employees therein; and
 - 2.3 They have the authority to hire or fire other employees of lower rank; or their suggestions and recommendations as to hiring, firing, and promotion, or any other change of status of other employees are given particular weight.
3. Officers or members of a managerial staff, if they perform the following duties and responsibilities:
 - 3.1 Primarily perform work directly related to management policies of their employer;
 - 3.2 Customarily and regularly exercise discretion and independent judgment;
 - 3.3 (a) Regularly and directly assist a proprietor or managerial employee in the management of the establishment or subdivision thereof in which he or she is employed; or (b) execute, under general supervision, work along specialized or technical lines requiring special training, experience, or knowledge; or (c) execute, under general supervision, special assignments and tasks; and
 - 3.4 Do not devote more than twenty percent (20%) of their hours worked in a workweek to activities which are not directly and closely related to the performance of the work described in paragraphs 3.1, 3.2, and 3.3 above.
4. Kasambahay and persons in the personal service of another;
5. Workers who are paid by results, including those who are paid on piece rate,

takay, pakyaw, or task basis, and other non-time work, if their output rates are in accordance with the standards prescribed in the regulations, or where such rates have been fixed by the Secretary of Labor and Employment; and

6. Field personnel, if they regularly perform their duties away from the principal or branch office or place of business of the employer and whose actual hours of work in the field cannot be determined with reasonable certainty.

C. Special Days

1. Special (Non-Working) Days

Pursuant to Proclamation No. 1236, issued on 29 October 2021, the following are the six (6) special (non-working) days for the year 2022:

Chinese New Year	01 February (Tuesday)
EDSA People Power Revolution Anniversary	25 February (Friday)
Black Saturday	16 April (Saturday)
Ninoy Aquino Day	21 August (Sunday)
All Saints' Day	01 November (Wednesday)
Feast of Immaculate Conception of Mary	08 December (Thursday)

The “no work, no pay” principle applies during special days and on such other special days as may be proclaimed by the President or by Congress.

Workers who are not required or permitted to work on special days are not entitled to any compensation. This, however, is without prejudice to any voluntary practice or provision in the Collective Bargaining Agreement (CBA) providing for payment of wages and other benefits for days declared as special days even if unworked.

On the other hand, work performed on special days merits additional compensation of at least thirty percent (30%) of the basic wage or a total of one hundred thirty percent (130%). Where the employee works on a special day falling on his rest day, he/she shall be entitled to an additional compensation of at least fifty percent (50%) of his/her basic wage or a total of one hundred fifty percent (150%).

2. Special (Working) Days

Pursuant to Proclamation No. 1236, issued on 29 October 2021, the following are the three (3) special (working) days for the year 2022:

All Souls' Day	02 November (Wednesday)
Christmas Eve	24 December (Saturday)
Last Day of the Year	31 December (Saturday)

For work performed on a declared Special Work Day, an employee is entitled only to his/her daily wage. No premium pay is required since work performed on said day is considered work on an ordinary workday.

D. Premium Pay Rates

The COLA shall not be included in the computation of premium pay. The minimum statutory premium pay rates are as follows:

For work performed on rest days or on special days: Plus 30% of the daily basic wage of 100% or a total of 130%.

Sector/Industry	Rate	Amount
Non-agriculture	P537.00	$P537 \times 130\% = \mathbf{P698.10}$
Retail/Service Establishment	P500.00	$P500 \times 130\% = \mathbf{P650.00}$

For work performed on a rest day which is also a special day: Plus 50% of the daily basic wage of 100% or a total of 150%.

Sector/Industry	Rate	Amount
Non-agriculture	P537.00	$P537 \times 150\% = \mathbf{P805.50}$
Retail/Service Establishment	P500.00	$P500 \times 150\% = \mathbf{P750.00}$

For work performed on a regular holiday which is also the employee's rest day (not applicable to employees who are not covered by the holiday-pay rule): Plus 30% of the regular holiday rate of 200% based on his/her daily basic wage rate or a total of 260%.

Sector/Industry	Rate	Amount
Non-agriculture	P537.00	$(P537.00 \times 260\%) = \mathbf{P1,396.20}$
Retail/Service Establishment	P500.00	Not covered by holiday pay rule

5

OVERTIME PAY

(Article 87)

A. Definition

Overtime pay refers to the additional compensation for work performed beyond eight (8) hours a day.

B. Coverage

Same as those covered under 4. **Premium Pay.**

C. Overtime Pay Rates

The COLA shall not be included in the computation of overtime pay. The minimum overtime pay rates vary according to the day the overtime work is performed, as follows:

1. For work in excess of eight (8) hours performed on ordinary working days:
Plus 25% of the hourly rate.

Sector/Industry	Rate	Amount
Non-agriculture	P537.00	$P537/8 \times 125\% = P67.125 \times 125\% \times$ number of hours OT work
Retail/Service Establishment	P500.00	$P500/8 \times 125\% = P62.50 \times 125\% \times$ number of hours OT work

2. For work in excess of eight (8) hours performed on a scheduled rest day or a special day: Plus 30% of the hourly rate on said days.

Sector/Industry	Rate	Amount
Non-agriculture	P537.00	$P537/8 \times 130\% \times 130\% = P67.125 \times$ $130\% \times 130\% \times$ number of hours OT work
Retail/Service Establishment	P500.00	$P500/8 \times 130\% \times 130\% = P62.50 \times$ $130\% \times 130\% \times$ number of hours OT work

3. For work in excess of eight (8) hours performed on a special day which falls on a scheduled rest day: Plus 30% of the hourly rate on said days.

Sector/Industry	Rate	Amount
Non-agriculture	P537.00	$P537/8 \times 150\% \times 130\% = P67.125 \times$ $150\% \times 130\% \times$ number of hours OT work

Sector/Industry	Rate	Amount
Retail/Service Establishment	₱500.00	$\text{₱}500/8 \times 150\% \times 130\% = \text{₱}62.50 \times 150\% \times 130\% \times \text{number of hours OT work}$

4. For work in excess of eight (8) hours performed on a regular holiday: Plus 30% of the hourly rate on said days.

Sector/Industry	Rate	Amount
Non-agriculture	₱537.00	$\text{₱}537/8 \times 200\% \times 130\% = \text{₱}67.125 \times 200\% \times 130\% \times \text{number of hours OT work}$
Retail/Service Establishment	₱500.00	Not covered by the rule on holiday pay

5. For work in excess of eight (8) hours performed on a regular holiday which falls on a scheduled rest day: Plus 30% of the hourly rate on said days.

Sector/Industry	Rate	Amount
Non-agriculture	₱537.00	$\text{₱}537/8 \times 260\% \times 130\% = \text{₱}67.125 \times 260\% \times 130\% \times \text{number of hours OT work}$
Retail/Service Establishment	₱500.00	Not covered by the rule on holiday pay

D. Stipulated Overtime Rates

Generally, the premium pay for work performed on rest days, special days, or regular holidays is included as part of the regular rate of the employee in the computation of overtime pay for overtime work rendered on said days, especially if the employer pays only the minimum overtime rates prescribed by law.

The employees and employer, however, may stipulate in their collective agreement the payment for overtime work at rates higher than those provided by law.

6

NIGHT SHIFT DIFFERENTIAL

(Article 86)

A. Definition

Night Shift Differential (NSD) refers to the additional compensation of ten percent (10%) of an employee's regular wage for each hour of work performed between 10 p.m. and 6 a.m.

B. Coverage

This benefit applies to all employees except:

1. Government employees, whether employed by the National Government or any of its political subdivisions, including those employed in government-owned and/or controlled corporations with original charters or created under special laws;
2. Those of retail and service establishments regularly employing not more than five (5) workers;
3. Kasambahay and persons in the personal service of another;
4. Managerial employees, if they meet all of the following conditions:
 - 4.1 Their primary duty is to manage the establishment in which they are employed or of a department or subdivision thereof;
 - 4.2 They customarily and regularly direct the work of two or more employees therein; and
 - 4.3 They have the authority to hire or fire other employees of lower rank; or their suggestions and recommendations as to hiring, firing, and promotion, or any other change of status of other employees are given particular weight.
5. Officers or members of a managerial staff, if they perform the following duties and responsibilities:
 - 5.1 Primarily perform work directly related to management policies of their employer;
 - 5.2 Customarily and regularly exercise discretion and independent judgment;
 - 5.3 Regularly and directly assist a proprietor or managerial employee in the management of the establishment or subdivision thereof in which he or she is employed; or (b) execute, under general supervision, work along specialized or technical lines requiring special training, experience, or knowledge; or (c) execute, under general supervision, special assignments and tasks; and
 - 5.4 Do not devote more than twenty percent (20%) of their hours worked in a workweek to activities which are not directly and closely related to the performance of the work described in paragraphs 5.1, 5.2, and 5.3 above;
6. Field personnel and those whose time and performance are unsupervised by the employer.

C. Computation of Night Shift Differential

The minimum night shift pay rates vary according to the day the night shift work is performed.

Sector/Industry	Rate	Amount
Non-agriculture	₱537.00	$P537/8 \times *110\% = ₱67.125 \times 110\% \times$ number of hours work
Retail/Service Establishment	₱500.00	$P500/8 \times *110\% = ₱62.50 \times 110\% \times$ number of hours work

* This value may be substituted based on the above rates depending on the day the night shift work is performed.

D. Guide Computations for Holiday Pay, Premium Pay, Overtime Pay, and Night Shift Differential

The COLA shall not be included in the computation of night shift pay. The table below may be used to guide computations:

Work on:

Ordinary day
 Sunday or rest day
 Special day
 Special day falling on rest day
 Regular Holiday
 Regular Holiday falling on rest day
 Double holiday
 Double holiday falling on rest day

Equivalent pay:

1 or **100%**
 1.3 or **130%**
 1.3 or **130%**
 1.5 or **150%**
 2 or **200%**
 2.6 or **260%**
 3 or **300%**
 3.9 or **390%**

Ordinary day, night shift
 Rest day, night shift
 Special day, night shift
 Special day, rest day, night shift
 Regular Holiday, night shift
 Regular Holiday, rest day, night shift
 Double holiday, night shift
 Double holiday, rest day, night shift

$1 \times 1.1 = 1.1$ or **110%**
 $1.3 \times 1.1 = 1.43$ or **143%**
 $1.3 \times 1.1 = 1.43$ or **143%**
 $1.5 \times 1.1 = 1.65$ or **165%**
 $2 \times 1.1 = 2.2$ or **220%**
 $2.6 \times 1.1 = 2.86$ or **286%**
 $3 \times 1.1 = 3.3$ or **330%**
 $3.9 \times 1.1 = 4.29$ or **429%**

Ordinary day, overtime (OT)
 Rest day, overtime
 Special day, overtime
 Special day, rest day, overtime
 Regular Holiday, overtime
 Regular Holiday, rest day, overtime
 Double holiday, overtime
 Double holiday, rest day, overtime

$1 \times 1.25 = 1.25$ or **125%**
 $1.3 \times 1.3 = 1.69$ or **169%**
 $1.3 \times 1.3 = 1.69$ or **169%**
 $1.5 \times 1.3 = 1.95$ or **195%**
 $2 \times 1.3 = 2.6$ or **260%**
 $2.6 \times 1.3 = 3.38$ or **338%**
 $3 \times 1.3 = 3.9$ or **390%**
 $3.9 \times 1.3 = 5.07$ or **507%**

Ordinary day, night shift, overtime	$1 \times 1.1 \times 1.25 = 1.375$ or 137.5%
Rest day, night shift, overtime	$1.3 \times 1.1 \times 1.3 = 1.859$ or 185.9%
Special day, night shift, overtime	$1.3 \times 1.1 \times 1.3 = 1.859$ or 185.9%
Special day, rest day, night shift, overtime	$1.5 \times 1.1 \times 1.3 = 2.145$ or 214.5%
Regular Holiday, night shift, overtime	$2 \times 1.1 \times 1.3 = 2.86$ or 286%
Reg. Holiday, rest day, night shift, overtime	$2.6 \times 1.1 \times 1.3 = 3.718$ or 371.8%
Double holiday, night shift, overtime	$3 \times 1.1 \times 1.3 = 4.29$ or 429%
Double holiday, rest day, night shift, overtime	$3.9 \times 1.1 \times 1.3 = 5.577$ or 557.7%

7

SERVICE CHARGES

(Article 96, as amended by RA No. 11360^h)

A. Coverage

All establishments collecting service charges such as hotels, restaurants, and other similar establishments, including those entities operating primarily as private subsidiaries of the Government.

B. Covered Employees

All employees, except managerial employees as defined by law, under the direct employ of the covered establishment, regardless of their positions, designations or employment status, and irrespective of the method by which their wages are paid.

C. Distribution of Service Chargesⁱ

All service charges actually collected shall be distributed completely and equally, based on actual hours or days of work or service rendered, among the covered employees, including those already receiving the benefit of sharing in the service charges.

D. Frequency of Distribution

The service charges collected shall be distributed and paid to the covered employees once every two (2) weeks or twice a month at intervals not exceeding sixteen (16) days.

E. Increase in Minimum Wage

In the event that the minimum wage is increased by law or wage order, the service charges paid to the employees shall not be considered in determining the establishment's compliance with the increased minimum wage.

^h See also DOLE Department Order No. 206, Series of 2019 or the *Implementing Rules and Regulations of Republic Act No. 11360 entitled "An Act Providing that Service Charges Collected by Hotels, Restaurants and other Similar establishments be Distributed in Full to All Covered Employees Amending for the Purpose Presidential Decree No. 442, As Amended, Otherwise Known as the "Labor Code of the Philippines."* Issued on 19 November 2019. See also DOLE Labor Advisory No. 10, Series of 2020 entitled *Clarification on the Effectivity Date of Republic Act. No. 11360* (issued on 28 February 2020). Republic Act 11360 was signed into law on 07 August 2019. It was published on 19 August 2019 in Manila Bulletin and Business Mirror, and took effect fifteen days after its publication or on 04 September 2019. Its Implementing Rules and Regulations was signed on 19 November 2019 and published on 26 November 2019 in Manila Times.

ⁱ See also DOLE Labor Advisory No. 14, Series of 2019 entitled *Distribution of Collected Service Charge in Relation to Non-Diminution of Benefits*. Issued on 26 December 2019.

8

SERVICE INCENTIVE LEAVE

(Article 95)

A. Coverage

Every employee who has rendered at least one (1) year of service is entitled to Service Incentive Leave (SIL) of five (5) days with pay.

This benefit applies to all employees except:

1. Government employees, whether employed by the National Government or any of its political subdivisions, including those employed in government-owned and/or controlled corporations with original charters or created under special laws;
2. Persons in the personal service of another;
3. Managerial employees, if they meet all of the following conditions:
 - 3.1 Their primary duty is to manage the establishment in which they are employed or of a department or subdivision thereof;
 - 3.2 They customarily and regularly direct the work of two or more employees therein; and
 - 3.3 They have the authority to hire or fire other employees of lower rank; or their suggestions and recommendations as to hiring, firing, and promotion, or any other change of status of other employees are given particular weight.
4. Officers or members of a managerial staff, if they perform the following duties and responsibilities:
 - 4.1 Primarily perform work directly related to management policies of their employer;
 - 4.2 Customarily and regularly exercise discretion and independent judgment;
 - 4.3 Regularly and directly assist a proprietor or managerial employee in the management of the establishment or subdivision thereof in which he or she is employed; or (b) execute, under general supervision, work along specialized or technical lines requiring special training, experience, or knowledge; or (c) execute, under general supervision, special assignments and tasks; and
 - 4.4 Do not devote more than twenty percent (20%) of their hours worked in a workweek to activities which are not directly and closely related to the performance of the work described in paragraphs 4.1, 4.2, and 4.3 above;
5. Field personnel and those whose time and performance is unsupervised by the employer;
6. Those already enjoying this benefit;
7. Those enjoying vacation leave with pay of at least five (5) days; and
8. Those employed in establishments regularly employing less than ten (10) employees.

B. Meaning of “one year of service”

The phrase “one year of service” of the employee means service within twelve (12) months, whether continuous or broken, reckoned from the date the employee started working. The period includes authorized absences, unworked weekly rest days, and paid regular holidays. If through individual or collective agreement, company practice or policy, the period of the working days is less than twelve (12) months, said period shall be considered as one year for the purpose of determining the entitlement to the service incentive leave.

C. Usage/Conversion to Cash

The service incentive leave may be used for sick and vacation leave purposes. The unused service incentive leave is commutable to its money equivalent at the end of the year. In computing, the basis shall be the salary rate at the date of conversion.

The use and conversion of this benefit may be on a pro rata basis.^j

Illustration:

An employee was hired on 1 January 2000 and resigned on 1 March 2001. Assuming that he/she has not used or commuted any of his/her accrued SIL, he/she is entitled to the conversion of his/her accrued SIL, upon his/her resignation, as follows:

SIL earned as of 31 December 2000	5.000 days
Proportionate SIL for January and February 2001 $(2/12) \times 5$ days	<u>0.833 day</u>
Total accrued SIL as of 1 March 2001	5.833 days

^j DOLE Legal Service Opinion.

9

MATERNITY LEAVE

(RA 8282, as amended by RA 11210^k)

A. Coverage

This benefit applies to all covered female employees, regardless of civil status, employment status, and the legitimacy of her child.

B. The Maternity Leave Benefit

The maternity leave benefit shall be for one hundred five (105) days with full pay, and additional fifteen (15) days with full pay in case the female employee qualifies as a solo parent under RA 8972, or the “solo Parents’ Welfare Act of 2000”. in case of miscarriage or emergency termination of pregnancy, the maternity leave shall be for sixty (60) days with full pay.

In cases of live childbirth, an additional maternity leave of thirty (30) days without pay, can be availed of, at the option of the female employee, provided that the employer shall be given due notice.

C. Eligibility

To qualify for the maternity leave benefit, the female employee must have at least three monthly contributions to the SSS in the twelve-month period immediately preceding the semester of childbirth, miscarriage, or emergency termination of pregnancy, and she shall have notified her employer of her pregnancy and the probable date of her childbirth, which notice shall be transmitted to SSS in accordance its rules and regulations.

D. Salary Differential^l

The employer shall pay for the difference between the full salary and the actual cash benefits received from the SSS.

^k Entitled *An Act Increasing the Maternity Leave Period to One Hundred Five (105) Days for Female Workers with an Option to Extend for an Additional Thirty (30) Days Without Pay, and Granting an Additional Fifteen (15) Days for Solo Mothers, and for Other Purposes*. Enacted on 20 February 2019 and was published in the Manila Bulletin on 23 February 2019. RA 11210 took effect on 11 March 2019. See also the Implementing Rules and Regulations of RA 11210 issued on 01 May 2019.

^l See also DOLE Department Advisory No. 1, Series of 2019 or the *Guidelines on the Computation of Salary Differential of Female Workers during her Maternity Leave and its Criteria for Exemption Pursuant to Republic Act No. 11210 and its Implementing Rules and Regulations*. Issued on 09 July 2019.

10

PATERNITY LEAVE

(RA 8187)

A. Coverage

Paternity Leave is granted to all married male employees in the private sector, regardless of their employment status (e.g., probationary, regular, contractual, project basis). 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.

Government employees are also entitled to the paternity leave benefit. They shall be governed by the Civil Service rules.

B. The Paternity Leave Benefit

Paternity leave benefit shall apply to the first four (4) deliveries of the employee's lawful wife with whom he is cohabiting. For this purpose, "cohabiting" means the obligation of the husband and wife to live together.

If the spouses are not physically living together because of the workstation or occupation, the male employee is still entitled to the paternity leave benefit.

The paternity leave shall be for seven (7) calendar days, with full pay, consisting of basic salary and mandatory allowances fixed by the Regional Wage Board, if any, provided that his pay shall not be less than the mandated minimum wage.

Usage of the paternity leave shall be after the delivery, without prejudice to an employer's policy of allowing the employee to avail of the benefit before or during the delivery, provided that the total number of days shall not be more than seven (7) calendar days for each covered delivery.

C. Conditions for Entitlement

A married male employee shall be entitled to paternity leave benefit provided that he has met the following conditions:

1. He is an employee at the time of the delivery of his child;
2. He is cohabiting with his spouse at the time that she gives birth or suffers a miscarriage;
3. He has applied for paternity leave with his employer within a reasonable period of time from the expected date of delivery by his pregnant spouse, or within such period as may be provided by company rules and regulations, or by collective bargaining agreement; and
4. His wife has given birth or suffered a miscarriage.

D. Application for Paternity Leave

The married male employee shall apply for paternity leave with his employer within a reasonable period of time from the expected date of delivery by his pregnant spouse, or within such period as may be provided by company rules and regulations, or by collective bargaining agreement. In case of a miscarriage, prior application for paternity leave shall not be required.

E. Non-conversion to Cash

In the event that the paternity leave is not availed of, it shall not be convertible to cash and shall not be cumulative.

F. Crediting of Existing Benefits

If the existing paternity leave benefit under the collective bargaining agreement, contract, or company policy is greater than seven (7) calendar days as provided for in RA 8187, the greater benefit shall prevail.

On the other hand, if the existing paternity leave benefit is less than that provided in RA 8187, the employer shall adjust the existing benefit to cover the difference.

Where a company policy, contract, or collective bargaining agreement provides for an emergency or contingency leave without specific provisions on paternity leave, the employer shall grant to the employee seven (7) calendar days of paternity leave.

11

PARENTAL LEAVE FOR SOLO PARENTS

(RA 8972)

A. Coverage

Parental leave for solo parents is granted to any solo parent or individual who is left alone with the responsibility of parenthood due to:

1. Giving birth as a result of rape or, as used by the law, other crimes against chastity;
2. Death of spouse;
3. Spouse is detained or is serving sentence for a criminal conviction for at least one (1) year;
4. Physical and/or mental incapacity of spouse as certified by a public medical practitioner;
5. Legal separation or de facto separation from spouse for at least one (1) year: Provided that he/she is entrusted with the custody of the children;
6. Declaration of nullity or annulment of marriage as decreed by a court or by a church: Provided, that he/she is entrusted with the custody of the children;
7. Abandonment of spouse for at least one (1) year;
8. Unmarried father/mother who has preferred to keep and rear his/her child/children, instead of having others care for them or give them up to a welfare institution;
9. Any other person who solely provides parental care and support to a child or children: Provided, that he/she is duly licensed as a foster parent by the Department of Social Welfare and Development (DSWD) or duly appointed legal guardian by the court; and
10. Any family member who assumes the responsibility of head of family as a result of the death, abandonment, disappearance, or prolonged absence of the parents or solo parent: Provided, that such abandonment, disappearance, or prolonged absence lasts for at least one (1) year.

B. Definition of Terms

“Parental leave” shall mean leave benefits granted to a solo parent to enable him/her to perform parental duties and responsibilities where physical presence is required.

“Child” refers to a person living with and dependent on the solo parent for support. He/she is unmarried, unemployed, and below eighteen (18) years of age, or even eighteen (18) years old and above but is incapable of self-support because he/she is mentally- and/or physically-challenged.

C. The Parental Leave Benefit

The parental leave, in addition to leave privileges under existing laws, shall be for seven (7) work days every year, with full pay, consisting of basic salary and mandatory allowances fixed by the Regional Wage Board, if any, provided that his/her pay shall not be less than the mandated minimum wage.

D. Conditions for Entitlement

A solo parent employee shall be entitled to the parental leave, provided that:

1. He/she has rendered at least one (1) year of service, whether continuous or broken;
2. He/she has notified his/her employer that he/she will avail himself/herself of it, within a reasonable period of time; and
3. 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.

E. Non-conversion to Cash

In the event that the parental leave is not availed of, it shall not be convertible to cash, unless specifically agreed on previously.

F. Crediting of Existing Leave

If there is an existing or similar benefit under a company policy or a collective bargaining agreement, the same shall be credited as such. If the same is greater than the seven (7) days provided for in RA 8972, the greater benefit shall prevail.

Emergency or contingency leave provided under a company policy or a collective bargaining agreement shall not be credited as compliance with the parental leave provided for under RA 8972.

G. Termination of the Benefit

A change in the status or circumstance of the parent claiming the benefit under the law, such that he/she is no longer left alone with the responsibility of parenthood, shall terminate his/her eligibility for this benefit.

H. Protection Against Work Discrimination

No employer shall discriminate against any solo parent employee with respect to terms and conditions of employment on account of his/her being a solo parent.

12

LEAVE FOR VICTIMS OF VIOLENCE AGAINST WOMEN AND THEIR CHILDREN

(RA 9262)

A. Definition

“Violence against women and their children,” as used in Republic Act 9262 (the “Anti-Violence Against Women and Their Children Act of 2004”), “refers to any act or a series of acts committed by any person against a woman who is his wife, former wife, or against a woman with whom the person has or had a sexual or dating relationship, or with whom he has a common child, or against her child whether legitimate or illegitimate, within or without the family abode, which will result in or is likely to result in physical, sexual, psychological harm or suffering, or economic abuse including threats of such acts, battery, assault, coercion, harassment or arbitrary deprivation of liberty.”

B. Coverage and Purpose

Private sector women employees who are victims as defined in RA 9262 shall be entitled to the paid leave benefit under such terms and conditions provided herein.

The leave benefit shall cover the days that the woman employee has to attend to medical and legal concerns.

C. Requirement for Entitlement

To be entitled to the leave benefit, the only requirement is for the victim-employee to present to her employer a certification from the barangay chairman (punong barangay) or barangay councilor (barangay kagawad) or prosecutor or the Clerk of Court, as the case may be, that an action relative to the matter is pending.

D. The Benefit

In addition to other paid leaves under existing labor laws, company policies, and/or collective bargaining agreements, the qualified victim-employee shall be entitled to a leave of up to ten (10) days with full pay, consisting of basic salary and mandatory allowances fixed by the Regional Wage Board, if any.

The said leave shall be extended when the need arises, as specified in the protection order issued by the barangay or the court.

E. Usage of the Benefit

The usage of the ten-day leave shall be at the option of the woman employee. In the event that the leave benefit is not availed of, it shall not be convertible into cash and shall not be cumulative.

13

SPECIAL LEAVE FOR WOMEN

(RA 9710)

A. Coverage

Any female employee regardless of age and civil status shall be entitled to a special leave benefit under such terms and conditions provided herein.

B. Definition of Term

“Gynecological disorders” refers to disorders that would require surgical procedures such as, but not limited to dilatation and curettage and those involving female reproductive organs such as the vagina, cervix, uterus, fallopian tubes, ovaries, breast, adnexa and pelvic floor, as certified by a competent physician. It shall also include hysterectomy, ovariectomy and mastectomy.

C. Conditions for Entitlement^m

1. She has rendered at least six (6) months continuous aggregate employment service for the last twelve (12) months prior to surgery;
2. She has filed an application for special leave with her employer within a reasonable period of time from the expected date of surgery or within such period as may be provided by company rules and regulations or collective bargaining agreement; and
3. She has undergone surgery due to gynecological disorders as certified by a competent physician.

D. The Special Leave Benefit

The employee is entitled to special leave benefit of two (2) months with full pay based on her gross monthly compensation.

Gross monthly compensation refers to the monthly basic pay plus mandatory allowances fixed by the regional wage boards.

^m See DOLE Department Order No. 112, Series of 2011 or the *Guidelines on the Implementation of the Special Leave benefits for women Employees in the Private Sector*. Issued on 11 March 2011.

E. Usageⁿ

The special leave shall be granted to the qualified employee after she has undergone surgery without prejudice to an employer allowing an employee to receive her pay before or during the surgery.

F. Non-conversion to Cash

The special leave shall be non-cumulative and non-convertible to cash unless otherwise provided by a collective bargaining agreement (CBA).

ⁿ See DOLE Department Order No. 112A, Series of 2012 entitled *Amending the Guidelines on the Implementation of the Special Leave*. Issued on 22 May 2012.

14

THIRTEENTH-MONTH PAY^o

(PD 851)

A. Coverage

All employers are required to pay their rank-and-file employees thirteenth-month pay, regardless of the nature of their employment and irrespective of the methods by which their wages are paid, provided they worked for at least one (1) month during a calendar year. The thirteenth-month pay should be given to the employees not later than December 24 of every year.

B. Definition of Rank-and-File Employees

The Labor Code, as amended, distinguishes a rank-and-file employee from a managerial employee. A managerial employee is one who is vested with powers or prerogatives to lay down and execute management policies and/or to hire, transfer, suspend, layoff, recall, discharge, assign, or discipline employees, or to effectively recommend such managerial actions. All employees not falling within this definition are considered rank-and-file employees.

The above distinction shall be used as guide for the purpose of determining who are rank-and-file employees entitled to the thirteenth-month pay.

C. Minimum Amount

The thirteenth-month pay shall not be less than one-twelfth (1/12) of the total basic salary earned by an employee in a calendar year.

The "basic salary" of an employee for the purpose of computing the thirteenth-month pay shall include all remunerations or earnings paid by his or her employer for services rendered. It does not include allowances and monetary benefits which are not considered or integrated as part of the regular or basic salary, such as the cash equivalent of unused vacation and sick leave credits, overtime, premium, night shift differential and holiday pay, and cost of living allowance (COLA). However, these salary-related benefits should be included as part of the basic salary in the computation of the thirteenth-month pay if these are treated as part of the basic salary of the employees, through individual or collective agreement, company practice or policy.

^o See DOLE Labor Advisory No. 18, Series of 2021 entitled *Guidelines on the Payment of Thirteenth Month Pay*. Issued on 25 October 2021.

D. Formula and Computation of 13th Month Pay

$$\frac{\text{Total basic salary earned during the year}}{12 \text{ months}} = \text{proportionate 13th month pay}$$

Illustration:

Using the basic wage in the National Capital Region at ₱537.00 per day and a six-day workweek or an equivalent Monthly Basic Salary of ₱14,006.75 ($\frac{537 \times 313}{12 \text{ months}}$):

January	no absence	₱ 14,006.75
February	no absence	14,006.75
March	no absence	14,006.75
April	company shutdown	no salary
May	company shutdown	no salary
June	5 days leave with pay	14,006.75
July	company shutdown	no salary
August	company shutdown	no salary
September	10 days leave without pay	8,636.75
October	no absence	14,006.75
November	1 days leave without pay	13,469.75
December	no absence	14,006.75
Total basic salary earned for the year		₱106,147.00

$$\frac{₱106,147.00}{12 \text{ months}} = \mathbf{₱8,845.58 \text{ is the proportionate 13th month pay}}$$

E. Exempted Employers

The following employers are not covered by PD 851:

1. The government and any of its political subdivisions, including government-owned and controlled corporations, except those corporations operating essentially as private subsidiaries of the government;
2. Employers who are already paying their employees thirteenth-month pay or more in a calendar year or its equivalent at the time of the issuance of PD 851;
3. Persons in the personal service of another in relation to such workers; and
4. Employers of those who are paid on purely commission, boundary or task basis, and those who are paid a fixed amount for performing specific work, irrespective of the time consumed in the performance thereof (except those workers who are paid on piece-rate basis, in which case their employer shall grant them thirteenth-month pay).

As used herein, "workers paid on piece-rate basis" shall refer to those who are paid a standard amount for every piece or unit of work produced that is more or less regularly replicated, without regard to the time spent in producing the same.

The term "its equivalent" as used in item D.2 above shall include Christmas bonus, midyear bonus, cash bonuses, and other payments amounting to not less than one-twelfth (1/12) of the basic salary but shall not include cash and stock dividends, cost of living allowance, and all other allowances regularly enjoyed by the employee, as well as non-monetary benefits.

F. Time of Payment of Thirteenth Month Pay

The thirteenth-month pay shall be paid not later than December 24 of every year. An employer, however, may give to his or her employees one-half (1/2) of the thirteenth-month pay before the opening of the regular school year and the remaining half on or before December 24 of every year. The frequency of payment of this monetary benefit may be the subject of an agreement between the employer and the recognized/collective bargaining agent of the employees.

G. Thirteenth-Month Pay for Certain Types of Employees

1. Employees who are paid on piecework basis are entitled to the thirteenth-month pay.
2. Employees who are paid a fixed or guaranteed wage plus commission are also entitled to the thirteenth-month pay, based on their earnings during the calendar year (i.e., on both their fixed or guaranteed wage and commission).

In the consolidated cases of *Boie Takeda Chemicals, Inc. vs. Dionisio de la Serna*, G.R. No. 92174 December 10, 1993, and *Philippine Fuji Xerox Corporation vs. Cresenciano B. Trajano and Philippine Fuji Xerox Employees Union*, G.R. No. 102552 December 10, 1993, the Supreme Court ruled that commissions, while included in the generic term wage, are not part of "basic salary/wage" and therefore should not be included in computing the thirteenth-month pay. Thus:

In remunerative schemes consisting of a fixed or guaranteed wage plus commission, the fixed or guaranteed wage is patently the "basic salary" for this is what the employee receives for a standard work period. Commissions are given for extra efforts exerted in consummating sales or other related transactions. They are, as such, additional pay, which this Court has made clear do not form part of the "basic salary" (228 SCRA 329 [1993]).

3. Employees with multiple employers.

Government employees working part-time in a private enterprise, including private educational institutions, as well as employees working in two or more private firms, whether on full-time or part-time basis, are entitled to the thirteenth-month pay from all

their private employers, regardless of their total earnings from each of their employers.

H. Thirteenth-Month Pay of Resigned or Separated Employee

An employee who has resigned or whose services are terminated at any time before the time of payment of the thirteenth-month pay is entitled to this monetary benefit in proportion to the length of time he or she has worked during the year, reckoned from the time he or she has started working during the calendar year up to the time of his or her resignation or termination from the service. Thus, if he or she worked only from January to September, his or her proportionate thirteenth-month pay should be equal to one-twelfth (1/12) of his or her total basic salary earned during that period.

I. Thirteenth-Month Pay of Female Employee who is on Maternity Leave^P

The salary differential shall be included as part of the basic salary for purposes of computation of the 13th month pay of the rank-and-file employee.

J. Non-inclusion in Regular Wage

The thirteenth-month pay is not part of the regular wage of employees for purposes of determining overtime and premium payments, fringe benefits, contributions to the State Insurance Fund, Social Security System, National Health Insurance Program, and private retirement plans.

K. Coverage from Income Tax of Thirteenth Month Pay and Other Benefits^Q

Pursuant to Section 2.78.1(B)(11) of BIR Revenue Regulation No. 2-98, as amended, among other income payments, the following are exempted from the requirement of withholding tax on compensation but may be subject to income tax depending on the nature/sources of income earned by the individual recipient:

(a) Thirteenth month pay equivalent to the mandatory one (1) month basic salary of official and employees of the government (whether national or local), including government-owned or controlled corporations, and/or private offices received after the twelfth month pay; and

(b) Other benefits such as Christmas bonus, productivity incentives, loyalty award, gift in cash or in kind, and other benefits of similar nature actually received by officials and employees of both government and private offices, including the Additional

^P See Department Advisory No. 01, Series of 2019 or the *Guidelines on the Computation of Salary Differential of Female Workers during her Maternity Leave and its Criteria for Exemption Pursuant to Republic Act No. 11210 and its Implementing Rules and Regulations*. Issued on 09 July 2019.

^Q As amended by BIR Revenue Regulations No. 11-2018 [*Amending Certain Provisions of Revenue Regulations No. 2-98, as Amended, to Implement Further Amendments Introduced by Republic Act No. 10963, Otherwise Known as the "Tax Reform for Acceleration and Inclusion (TRAIN)" Law, Relative to Withholding of Income Tax*]. Issued on 31 January 2018.

Compensation Allowance (ACA) granted and paid to all officials and employees of the National Government Agencies (NGAs) including State Universities and Colleges (SUCs), Government-Owned and/or Controlled Corporations (GOCCs), Government Financial Institutions (GFIs) and Local Government Units (LGUs).

The above stated exclusions under (a) and (b) shall cover benefits paid or accrued during the year, provided that the total amount shall not exceed ninety thousand pesos (₱ 90,000), which may be increased through rules and regulations issued by the Secretary of Finance, upon recommendation of the Commissioner, after considering among others, the effect on the same of the inflation rate at the end of the taxable year.

L. No Exemption or Deferment

No request or application for exemption from payment of 13th month pay, or for deferment of the payment thereof shall be accepted and allowed.

M. Report of Compliance

Employers shall make a report of their compliance through the DOLE Establishment Report System at reports.dole.gov.ph not later than January 15 of the following year.

15

SEPARATION PAY

(Articles 298-299^r)

Separation pay is given to employees in instances covered by Articles 298 and 299 (formerly Articles 283 and 284) of the Labor Code of the Philippines. An employee's entitlement to separation pay depends on the reason or ground for the termination of his or her services. An employee may be terminated for just cause (i.e., gross and habitual neglect of duty, fraud, or commission of a crime), and other similar causes as enumerated under Article 297 (formerly Article 282) of the Labor Code and, generally, may not be entitled to separation pay.^s On the other hand, where the termination is for authorized causes, separation pay is due.

A. One-Half (1/2) Month Pay per Year of Service

An employee is entitled to receive a separation pay equivalent to one-half (1/2) month pay for every year of service, a fraction of at least six (6) months being considered as one (1) whole year, if his/her separation from the service is due to any of the following authorized causes:

1. Retrenchment to prevent losses (i.e., reduction of personnel effected by management to prevent losses);
2. Closure or cessation of operation of an establishment not due to serious losses or financial reverses; and
3. When the employee is suffering from a disease not curable within a period of six (6) months and his/her continued employment is prejudicial to his/her health or to the health of his/her co-employees.
4. Lack of service assignment of security guard for a continuous period of six (6) months.^t

In no case will an employee get less than one (1) month separation pay if the separation is due to the above stated causes.

^r Formerly Articles 283-284. Renumbered pursuant to DOLE Department Advisory No. 1, Series of 2015 issued on 21 July 2015.

^s The Supreme Court has ruled in certain cases that separation pay shall be granted to workers.

^t See DOLE Department Order No. 150, Series of 2016 or the *Revised Guidelines Governing the Employment and Working Conditions of Security Guards and Other Private Security Personnel in the Private Security Industry*. Issued on 09 February 2016.

B. One-Month Pay per Year of Service

An employee is entitled to separation pay equivalent to his/her one-month pay for every year of service, a fraction of at least six (6) months being considered as one whole year, if his/her separation from service is due to any of the following:

1. Installation by employer of labor-saving devices;
2. Redundancy, as when the position of the employee has been found to be excessive or unnecessary in the operation of the enterprise; and
3. Impossible reinstatement of the employee to his or her former position or to a substantially equivalent position for reasons not attributable to the fault of the employer, as when the reinstatement ordered by a competent authority cannot be implemented due to closure or cessation of operations of the establishment/employer, or the position to which he or she is to be reinstated no longer exists and there is no substantially equivalent position in the establishment to which he or she can be assigned.^u
4. Lack of service assignment of security guard by reason of age.^v

C. Notice of Termination^w

The employer may terminate the employment of an employee due to the above-mentioned authorized causes by serving a written notice on the employee and the Department of Labor and Employment through its regional office having jurisdiction over the place of business at least one (1) month before the intended date thereof.

Notice of termination may be done (a) by accomplishing RKS Form 5 of 2020^x and submitting the same to the DOLE Provincial/Field Office having jurisdiction over the workplace or (b) by accomplishing and submitting an online report at the DOLE Establishment Report Systems (<https://reports.dole.gov.ph/>)

D. Basis of Separation Pay

The computation of separation pay of an employee shall be based on his/her latest salary rate.

E. Inclusion of Regular Allowance in the Computation

In the computation of separation pay, it would be error not to integrate the allowance with the basic salary. The salary base properly used in computing the separation pay should include not just the basic salary but also the regular allowances that an

^u Gaco vs. NLRC, et al., G.R. No. 104690, February 23, 1994.

^v Department Order No. 150 s. 2016 or the *Revised Guidelines Governing the Employment and Working Conditions of Security Guards and Other Private Security Personnel in the Private Security Industry*. Issued on 09 February 2016.

^w See DOLE Department Order No. 147, Series of 2015 entitled *Amending the Implementing Rules and Regulations of Book VI of the Labor Code of the Philippines, as amended*. Issued on 07 September 2015.

^x See DOLE Labor Advisory No. 17-A, Series of 2020 entitled *Establishment Report Form*. Issued on 11 June 2020.

employee has been receiving.^y

F. Coverage from Income Tax of Separation Pay Due to Retrenchment/Redundancy

Pursuant to Section 32(B)(6)(b) of the Tax Code of 1997, as amended, any amount received by an official or employee or by his heirs from the employer as a consequence of separation of such official or employee from the service of the employer due to death, sickness or other physical disability or for any cause beyond the control of the said official or employee shall not be included in the gross income and shall be exempt from taxation under Title II of the same Code.

Accordingly, the separation pay to be received by the retrenched employees as a result of their separation from the service is exempt from income tax and consequently from the withholding tax.^z

^y Planters' Products, Inc. vs. NLRC, G.R. No. 78524, January 20, 1989.

^z BIR Ruling No. 057-2014.

16

RETIREMENT PAY

(Article 302^{aa})

A. Coverage

Employees shall be retired upon reaching the age of sixty (60) years or more but not beyond sixty-five (65) years old [and have served the establishment for at least five (5) years].

This benefit applies to all employees except:

1. Government employees; and
2. Employees of retail, service and agricultural establishments/ operations regularly employing not more than ten (10) employees.

B. Amount of Retirement Pay

The minimum retirement pay shall be equivalent to one-half (1/2) month salary for every year of service, a fraction of at least six (6) months being considered as one (1) whole year.

For the purpose of computing retirement pay, "one-half month salary" shall include all of the following:

1. Fifteen (15) days salary based on the latest salary rate;
2. Cash equivalent of five (5) days of service incentive leave; and
3. One-twelfth (1/12) or 2.5 days^{bb} of the thirteenth-month pay.

Thus, "one-half month salary" is equivalent to 22.5 days (*Capitol Wireless, Inc. v. Honorable Secretary Ma. Nieves R. Confesor*, G. R. No. 117174, November 13, 1996).

The COLA shall not be included in the computation of retirement pay.

Illustration:

Minimum Retirement Pay = Daily Rate^{cc} x 22.5 days x number of years in service

Other benefits may be included in the computation of the retirement pay upon agreement of the employer and the employee or if provided in the Collective Bargaining

^{aa} Formerly Article 287. Renumbered pursuant to DOLE Department Advisory No. 1, Series of 2015 issued on 21 July 2015.

^{bb} $1/12 \times 365/12 = .083 \times 30.41 = 2.5$

^{cc} *Cebu Institute of Technology vs. Ople*, GR No. 58870, Dec. 18, 1987- Existing laws exclude allowances from the basic salary or wage in the computation of the amount of retirement and other benefits payable to an employee.

Agreement (CBA).

C. Retirement Benefit under a Collective Bargaining Agreement or Applicable Contract

Any employee may retire or be retired by his or her employer upon reaching the retirement age established in the collective bargaining agreement (CBA) or other applicable agreement/contract and shall receive the retirement benefit granted therein; provided, however, that such retirement benefit shall not be less than the retirement pay required under RA 7641, and provided further that if such retirement benefit under the agreement is lesser, the employer shall pay the difference.

Where both the employer and the employee contribute to a retirement fund pursuant to the applicable agreement, the employer's total contributions and the accrued interest thereof should not be less than the total retirement benefit to which the employee would have been entitled had there been no such retirement benefits' fund. If such total portion from the employer is lesser, the employer shall pay the deficiency.

D. Retirement Benefit of Workers who are Paid by Results

For covered workers who are paid by results and do not have a fixed monthly salary rate, the basis for the determination of the salary for fifteen (15) days shall be their average daily salary (ADS). The ADS is derived by dividing the total salary or earnings for the last twelve months reckoned from the date of retirement by the number of actual working days in that particular period, provided that the determination of rates of payment by results are in accordance with the established regulations.

E. Retirement Benefit of Part-time Workers

Part-time workers are also entitled to retirement pay of "one-half month salary" for every year of service under RA 7641 after satisfying the following conditions precedent for optional retirement: (a) there is no retirement plan between the employer and the employee and (b) the employee should have reached the age of sixty (60) years, and should have rendered at least five (5) years of service with the employer.

Applying the foregoing principle, the components of retirement benefit of part-time workers may likewise be computed at least in proportion to the salary and related benefits due them.

F. Retirement Benefit of Underground or Surface Mine Employees under Republic Act No. 8558, as amended by Republic Act No. 10757^{dd}

The retirement age of underground or surface mine employees has been reduced

^{dd} Entitled *An Act Reducing the Retirement Age of Surface Mine Workers from Sixty (60) to Fifty (50) Years, amending for the purpose Article 302 of PD 442, otherwise known as the "Labor Code of the Philippines."* Enacted on 08 April 2016.

to a much lower age. For this purpose, an underground or surface mine employee refers to any person employed to extract mineral deposits underground or in the surface, or to work in excavations or workings such as shafts, winzes, tunnels, drifts, crosscuts, raises, working places whether abandoned or in use beneath or in the earth's surface for the purpose of searching for and extracting mineral deposits. Moreover, surface mine workers shall only include mill-plant workers, electrical, mechanical and tailings pond personnel.

In the absence of a retirement plan or other applicable agreement providing for retirement benefit of underground mine employees in the establishment, an employee may retire upon reaching the compulsory retirement age of sixty (60) years or upon optional retirement at the age of fifty (50) years, provided he/she has served for at least five (5) years as an underground mine employee or in underground mine of the establishment.

G. Retirement Benefit of Racehorse Jockeys

The compulsory retirement age of professional racehorse jockeys who are duly licensed by the Philippine Racing Commission (PHILRACOM) is fifty-five (55) years old, provided that he/she has served for at least five (5) years as racehorse jockey and has paid additional premium to the SSS.

H. Other Benefits upon Retirement

The retirement benefits under RA 7641 and RA 8558 are separate and distinct from those granted by the Social Security System.

Under the law, upon optional or compulsory retirement, the employee is also entitled to the proportionate thirteenth-month pay for the calendar year and to the cash equivalent of accrued leave benefits.

I. Coverage from Income Tax of Retirement Pay

Exempted from taxation are the retirement benefits received under RA 7641 (now Article 302 herein) and those received by officials and employees of private firms, whether individual or corporate, in accordance with a reasonable private benefit plan maintained by the employer: Provided, That the retiring official or employee has been in the service of the same employer for at least ten (10) years and is not less than fifty (50) years of age at the time of his retirement: Provided, further, That the benefits granted under this subparagraph shall be availed of by an official or employee only once.

For purposes herein, the term 'reasonable private benefit plan' means a pension, gratuity, stock bonus or profit-sharing plan maintained by an employer for the benefit of some or all of his officials or employees, wherein contributions are made by such employer for the officials or employees, or both, for the purpose of distributing to such officials and employees the earnings and principal of the fund thus accumulated, and

wherein it is provided in said plan that at no time shall any part of the corpus or income of the fund be used for, or be diverted to, any purpose other than for the exclusive benefit of the said officials and employees.^{ee}

^{ee} Pursuant to Section 32(B)(6)(a) of the National Internal Revenue Code of the Philippines, as amended.

17

EMPLOYEES' COMPENSATION PROGRAM

(PD 626)

A. The Employees' Compensation Program

The Employees' Compensation Program (ECP) is a government program designed to provide a compensation package to public and private sector employees or their dependents in the event of work-related sickness, injury, or death.

B. Coverage

The following are the workers covered under the ECP:

1. Private sector workers who are compulsory members of the Social Security System (SSS) and sea-based Overseas Filipino Workers (OFWs) Employees shall be covered starting on the first day of their employment.
2. Government sector employees who are members of the Government Service Insurance System (GSIS), including members of the Armed Forces of the Philippines, elective government officials who are receiving regular salary and all casual, emergency, temporary and substitute or contractual employees.
3. Active self-employed members of the SSS.^{ff}

C. Conditions of Compensability

A sickness, injury, disability or death resulting from an employment accident is compensable if:

1. The employee is injured at the workplace;
2. The employee is performing official functions; and
3. If the injury is sustained elsewhere, the employee is executing an order for the employer.

No compensation will be allowed to an employee or the dependents if the injury, sickness, disability or death is due to:

1. Drunkenness;
2. Willful intention to injure or kill himself or another; or
3. Notorious negligence.

^{ff} ECC Board Resolution No. 19-03-05 entitled *Promulgating the Policy on Expanding the Coverage of the Employee' Compensation Program (ECP) to the Self-Employed Compulsory Members of the SSS*. Issued on 06 March 2019.

The conditions for the compensability of COVID-19 are the following⁹⁹:

1. There must be a direct connection between the offending agent or event and the worker based on epidemiologic criteria and occupational risk (g., healthcare workers, screening and contact tracing teams, etc.);
2. The tasks assigned to the worker would require frequent face-to-face and close proximity interactions with the public or with confirmed cases for healthcare workers;
3. Transmission occurred in the workplace; or
4. Transmission occurred while commuting to and from work.

D. The Benefits

The following are the benefits under the EC Program:

1. **Loss of income benefits** – Under the ECP, it is the disability, or the incapacity to work, which is being compensated and not the illness or the injury. There are three types of loss of income benefit, namely:
 - a. **Temporary Total Disability (TTD)** - For a disability that prevents an employee from performing his work for a continuous period not exceeding 120 days. The amount of daily income benefit shall be ninety percent (90%) of the employee's average daily salary credit as determined by the Systems.
 - b. **Permanent Total Disability (PTD)** - A monthly income benefit granted for disabilities, such as, but not limited to, complete loss of sight of both eyes, loss and function loss of both limbs, and brain injury resulting to imbecility or insanity. The amount of monthly income benefit for PTD shall be determined by the Systems based on the average monthly salary credit or average monthly compensation (AMSC/AMC).
 - c. **Permanent Partial Disability (PPD)** - A monthly income benefit is granted for disabilities that result in physical loss (amputation) or functional loss of a body part. The number of monthly pensions is based on the corresponding body part loss or functional loss, as provided under Article 193 of PD No. 626, as amended, and EC schedule of Compensation.
2. **Medical services** – It includes reimbursement of the cost of medicines for the illness or injury, payment to providers of medical care, hospital care, surgical expenses, and the costs of rehabilitation appliances and supplies. The medical services are limited to ward services of hospitals duly accredited by the Department of Health (DOH).
3. **Carers' allowance** – A supplemental pension of P1,000/month is provided to

⁹⁹ ECC Board Resolution No. 21-04-14 entitled *Conditions for the Compensability of COVID-19 under the ECC List of Occupational and Work-Related Disease or Annex A of the Amended Rules on Employees' Compensation* EC. Issued on 06 April 2021.

pensioners under the ECP who suffer from work-connected PPD and PTD.

4. **Rehabilitation Services/KaGabay Program (Katulong at Gabay sa Manggagawang May Kapansanan)** – Persons with work-related disabilities (PWRD) with an approved EC TTD, PPD or PTD are qualified to avail of the benefits and services under the Katulong at Gabay sa Manggagawang May Kapansanan, or KaGabay Program.
5. **Death benefit** – The beneficiaries of the deceased employee are entitled to an income benefit if the employee died as a result of a work-related injury or sickness. They shall receive an income benefit paid at the beginning of the month of death of the member and will continue for as long as they are entitled thereto.
6. **Funeral benefit** – An amount of ₱30,000 may be granted for the Private and Public Sectors upon the death of an employee who died as a result of a work-related accident or disease.

For workers who contracted COVID-19 may avail of the following benefits:

1. Loss of income benefit;
2. Medical benefit;
3. Death benefit; and
4. Funeral benefit.

E. Notification and Filing of Claims

The employer should be notified of the member's sickness, injury or death within five days from the occurrence of the contingency. Notice is not necessary if the contingency occurred during working hours, at the place of work and with the knowledge of the employer or representative.

Claims for EC benefits are filed at any SSS branch or representative office nearest the member's residence or place of work.

F. Contribution^{hh}

Employers pay for the EC contributions of their employees. For a covered employee in the private sector, his or her employer shall remit to the SSS a monthly contribution in accordance with the following schedule:

^{hh} ECC Circular No. 2019-01 entitled *Advisory on the Amount of EC Contribution Relative to the Increase in SS Monthly Salary Credit (MSC)*. Issued on 01 April 2019.

Range of Compensation	Employers' Contribution
₱900.00 - ₱14,749.00	₱10.00
₱14,750 - over	₱30.00

When a covered employee dies during employment, or is separated from employment, his employer's obligation to pay the monthly contribution arising from that employment shall cease on the last day of the month of contingency. Likewise, when a covered employee becomes disabled during employment, his employer's obligation to pay the monthly contribution shall be suspended during such months that he is not receiving salary or wages.

For questions regarding the ECP, please contact:

EMPLOYEES' COMPENSATION COMMISSION

Address: ECC Building, 355 Sen. Gil J. Puyat Avenue, Makati City

Tel. Nos.: 896-7837; 899-4251 loc. 239, 227 & 228

Telefax No.: 897-7597

Website: www.ecc.gov.ph

Facebook: www.facebook.com/ecc.official

E-mail address: info@ecc.gov.ph

18

PHILHEALTH BENEFITS

(RA 7875, as amended by RA 9241 and RA 10606)

A. The National Health Insurance Program

The National Health Insurance Program (NHIP) is a compulsory health insurance program of the government established to provide universal health insurance coverage and ensure affordable, acceptable, available and accessible health care services for all citizens of the Philippines.

B. Coverage

Pursuant to Republic Act No. 11223 or the Universal Health Care (UHC) Act, all Filipinos are now members of PhilHealth. Families who are not yet registered/enlisted with PhilHealth will be assisted by their health care provider with the next steps.

C. The Benefitsⁱⁱ

1. Inpatient Benefits
2. Outpatient Benefits
3. Z Benefits
4. SDG Related

D. Contribution^{jj}

Pursuant to PhilHealth Circular No. 2020-0005, below is the premium contribution table for direct contributors:

Premium Rate	Monthly Basic Salary	Premium Rate	Monthly Premium
2022	₱10,000.00	4.00%	₱400.00
	₱10,000.01 to ₱79,999.99		₱400.00 to ₱3,200.00
	₱80,000.00		₱3,200.00
2023	₱10,000.00	4.50%	₱450.00
	₱10,000.01 to ₱89,999.99		₱450.00 to ₱4,050.00
	₱90,000.00		₱4,050.00

ⁱⁱ Refer to the following link: <https://www.philhealth.gov.ph/benefits/>

^{jj} PhilHealth Circular No. 2020-0005 entitled *Premium Contribution Schedule in the National Health Insurance Program (NHIP) Pursuant to R.A. No. 11223 Known as the "Universal Health Care Act" (Revision 1)*. Issued on 19 February 2020.

Premium Rate	Monthly Basic Salary	Premium Rate	Monthly Premium
2024 to 2025	₱10,000.00	5.00%	₱500.00
	₱10,000.01 to ₱99,999.99		₱500.00 to ₱5,000.00
	₱100,000.00		₱5,000.00

Direct Contributors are the following:

1. Employees with formal employment;
2. Kasambahays;
3. Self-earning individuals and professional practitioners;
4. Overseas Filipino Workers;
5. Filipinos living abroad and those with dual citizenship;
6. Lifetime members; and
7. All Filipinos aged 21 years and above with capacity to pay.

The premium of Employed members in the government and private sector, including household help and sea based OFWs, shall be computed straight based on the monthly basic salary of the employee to be equally shared between the employee and employer.

For those whose basic monthly salary is below the income floor, the premium contribution shall be computed based on the income floor, while those whose basic monthly income is above the income ceiling, the premium contribution shall be computed based on the income ceiling in accordance with the DBM Circular Letter No. 2019-8.

Employers shall ensure that premium contribution of women who are on maternity leave shall be regularly remitted to PhilHealth pursuant to DOLE Department Advisory No. 1, Series of 2019.

For questions regarding the NHIP, please contact:

PHILIPPINE HEALTH INSURANCE COMMISSION

Address: Citystate Centre, 709 Shaw Boulevard, Pasig City

Call Center Hotline: (02) 8441-7442

Callback Channel: 0921-630-0009 (Text "PHICcallback [space] Mobile No.or Metro Manila landline [space] details of your concern." PHIC will call you during office hours.

Website: www.philhealth.gov.ph

Facebook: www.facebook.com/PhilHealthOfficial

E-mail address: actioncenter@philhealth.gov.ph

19

SOCIAL SECURITY BENEFITS

(RA 1161, as amended by RA 11199)

A. Social Security Benefits

Covered employees are entitled to a package of benefits under the Social Security and Employees' Compensation (EC) Programs in the event of death, disability, sickness, maternity and old age. Self-employed and voluntary members also get the same benefits as covered employees, except those benefits under the EC program.

Basically, the SSS provides for a replacement of income lost on account of the aforementioned contingencies.

B. Compulsory Coverage

1. Employer (Business or Household Employer);
2. Employee;
3. Self-Employed;
4. Househelper or Kasambahay; and
5. Overseas Filipino Workers (land-based and sea-based, except for Filipino permanent migrants, including Filipino immigrants, permanent residents, and naturalized citizens of their host countries, who may be covered on a voluntary basis).

C. Benefits

If you are regularly paying your contributions, you will be entitled to these social security benefits:

1. **Sickness**— a daily cash allowance paid for the number of days a member is unable to work due to sickness or injury.
2. **Maternity**— a daily cash allowance granted to a female member in every instance of pregnancy resulting in childbirth, miscarriage or emergency termination of pregnancy, regardless of frequency, her civil status, employment status or the legitimacy of her child.
3. **Retirement** — a cash benefit granted—either as a monthly pension or a lump sum amount—to a member who can no longer work due to old age.
4. **Disability** — a cash benefit granted—either as a monthly pension or a lump sum amount—to a member who becomes permanently disabled, either partially or totally.

5. **Death** – a cash benefit granted—either as a monthly pension or a lump sum amount—to the beneficiaries of a deceased member.
6. **Funeral** – a cash benefit given to whomever paid for the burial expenses of the deceased member or pensioner.
7. **Unemployment^{kk}** - a cash benefit granted to eligible employees – including householders and OFWs – who were involuntarily separated from employment.

An employee shall not be qualified to receive the benefit if he/she has been involuntarily separated from employment due to the following:

1. Serious misconduct;
2. Willful disobedience to lawful orders;
3. Gross and habitual neglect of duties;
4. Fraud or willful breach of trust/loss of confidence;
5. Commission of a crime or offense; or
6. Analogous cases like abandonment, gross inefficiency, disloyalty/ conflict of interest/ dishonesty.

D. Contribution^{ll}

Effective January 2021, the following is the new schedule of contributions of employers (ER) and employees (EE):

RANGE OF COMPENSATION	AMOUNT OF CONTRIBUTIONS					
	REGULAR SOCIAL SECURITY			MANDATORY PROVIDENT FUND		
	ER	EE	TOTAL	ER	EE	TOTAL
Below 3,250	255.00	135.00	390.00	-	-	-
3,250 - 3,749.99	297.50	157.50	455.00	-	-	-
3,750 - 4,249.99	340.00	180.00	520.00	-	-	-
4,250 - 4,749.99	382.50	202.50	585.00	-	-	-
4,750 - 5,249.99	425.00	225.00	650.00	-	-	-
5,250 - 5,749.99	467.50	247.50	715.00	-	-	-
5,750 - 6,249.99	510.00	270.00	780.00	-	-	-
6,250 - 6,749.99	552.50	292.50	845.00	-	-	-
6,750 - 7,249.99	595.00	315.00	910.00	-	-	-
7,250 - 7,749.99	637.50	337.50	975.00	-	-	-
7,750 - 8,249.99	680.00	360.00	1,040.00	-	-	-
8,250 - 8,749.99	722.50	382.50	1,105.00	-	-	-
8,750 - 9,249.99	765.00	405.00	1,170.00	-	-	-
9,250 - 9,749.99	807.50	427.50	1,235.00	-	-	-
9,750 - 10,249.99	850.00	450.00	1,300.00	-	-	-

^{kk} See also DOLE Department Circular No. 1, Series of 2019 or the *Guidelines on the Issuance of DOLE Certification as a Requirement for Application for Payment of Unemployment Insurance or Involuntary Separation Benefit*. Issued on 29 July 2019.

^{ll} SSS Circular No. 2020-033-b entitled *Revised Schedule of SSS Contributions Effective January 2021*. Issued on 22 December 2020.

RANGE OF COMPENSATION	AMOUNT OF CONTRIBUTIONS					
	REGULAR SOCIAL SECURITY			MANDATORY PROVIDENT FUND		
	ER	EE	TOTAL	ER	EE	TOTAL
10,250 - 10,749.99	892.50	472.50	1,365.00	-	-	-
10,750 - 11,249.99	935.00	495.00	1,430.00	-	-	-
11,250 - 11,749.99	977.50	517.50	1,495.00	-	-	-
11,750 - 12,249.99	1,020.00	540.00	1,560.00	-	-	-
12,250 - 12,749.99	1,062.50	562.50	1,625.00	-	-	-
12,750 - 13,249.99	1,105.00	585.00	1,690.00	-	-	-
13,250 - 13,749.99	1,147.50	607.50	1,755.00	-	-	-
13,750 - 14,249.99	1,190.00	630.00	1,820.00	-	-	-
14,250 - 14,749.99	1,232.50	652.50	1,885.00	-	-	-
14,750 - 15,249.99	1,275.00	675.00	1,950.00	-	-	-
15,250 - 15,749.99	1,317.50	697.50	2,015.00	-	-	-
15,750 - 16,249.99	1,360.00	720.00	2,080.00	-	-	-
16,250 - 16,749.99	1,402.50	742.50	2,145.00	-	-	-
16,750 - 17,249.99	1,445.00	765.00	2,210.00	-	-	-
17,250 - 17,749.99	1,487.50	787.50	2,275.00	-	-	-
17,750 - 18,249.99	1,530.00	810.00	2,340.00	-	-	-
18,250 - 18,749.99	1,572.50	832.50	2,405.00	-	-	-
18,750 - 19,249.99	1,615.00	855.00	2,470.00	-	-	-
19,250 - 19,749.99	1,657.50	877.50	2,535.00	-	-	-
19,750 - 20,249.99	1,700.00	900.00	2,600.00	-	-	-
20,250 - 20,749.99	1,700.00	900.00	2,600.00	42.50	22.50	65.00
20,750 - 21,249.99	1,700.00	900.00	2,600.00	85.00	45.00	130.00
21,250 - 21,749.99	1,700.00	900.00	2,600.00	127.50	67.50	195.00
21,750 - 22,249.99	1,700.00	900.00	2,600.00	170.00	90.00	260.00
22,250 - 22,749.99	1,700.00	900.00	2,600.00	212.50	112.50	325.00
22,750 - 23,249.99	1,700.00	900.00	2,600.00	255.00	135.00	390.00
23,250 - 23,749.99	1,700.00	900.00	2,600.00	297.50	157.50	455.00
23,750 - 24,249.99	1,700.00	900.00	2,600.00	340.00	180.00	520.00
24,250 - 24,749.99	1,700.00	900.00	2,600.00	382.50	202.50	585.00
24,750 - over	1,700.00	900.00	2,600.00	425.00	225.00	650.00

For questions regarding SSS benefits, please contact:

SOCIAL SECURITY SYSTEM

Address: SSS Building, East Avenue, Diliman, Quezon City

Call Center Hotline: (02) 8920-6446 to 55

Website: www.sss.gov.ph

Facebook: www.facebook.com/SSSPH

E-mail address: member_relations@sss.gov.ph

20

PAG-IBIG BENEFITS

(RA 9679)

A. The Home Development Mutual Fund (HDMF)

The Home Development Mutual Fund, otherwise known as Pag-IBIG (Pagtutulungan sa kinabukasan: Ikaw, Bangko, Industriya at Gobyerno) Fund is a mutual provident savings system for private and government employees and other earning groups, supported by matching mandatory contributions of their respective employers with housing as the primary investment.

B. Mandatory Coverage^{mm}

1. All employees who are or ought to be covered by the Social Security System (SSS), provided that actual membership in the SSS shall not be a condition precedent to the mandatory coverage in the Fund. It shall include, but are not limited to:
 - a. A private employee, whether permanent, temporary, or provisional who is not over sixty (60) years old.
 - b. A household helper earning at least ₱1,000.00 a month. A household helper is any person who renders domestic services exclusively to a household such as a driver, gardener, cook, governess, and other similar occupations.
 - c. A Filipino seafarer upon the signing of the standard contract of employment between the seafarer and the manning agency, which together with the foreign ship owner, acts as the employer.
 - d. A self-employed person regardless of trade, business or occupation, with an income of at least ₱1,000.00 a month and not over sixty (60) years old.
 - e. An expatriate who is not more than sixty (60) years old and is compulsorily covered by the Social Security System (SSS), regardless of citizenship, nature and duration of employment, and the manner by which the compensation is paid. In the absence of an explicit exemption from SSS coverage, the said expatriate, upon assumption of office, shall be covered by the Fund.
An expatriate shall refer to a citizen of another country who is living and working in the Philippines.
2. All employees who are subject to mandatory coverage by the Government Service Insurance System (GSIS), regardless of their status of appointment, including members of the judiciary and constitutional commissions;
3. Uniformed members of the Armed Forces of the Philippines, the Bureau of Fire Protection, the Bureau of Jail Management and Penology, and the Philippine National Police;
4. Filipinos employed by foreign-based employers, whether they are deployed here or abroad or a combination thereof.

^{mm} HDMF Circular No. 274 entitled *Revised Guidelines on Pag-IBIG Fund Membership*. Issued on 07 January 2010.

C. The Programs and Benefits

The Fund offers its members the following programs and benefits:

1. Housing Loans
 - a. Pag-IBIG Housing Loan
 - b. Special Housing Loan Restructuring 2
 - c. Pag-IBIG Home Equity Appreciation Loan (HEAL)
 - d. Affordable Housing Loan for Minimum-Wage Earners
 - e. Home Savers Programs
2. Short-Term Loans
 - a. Multi-Purpose Loan
 - b. Calamity Loan
3. Other Services
 - a. Pag-IBIG Savings Claim (Regular & MP2 Savings)
 - b. Loyalty Card Plus

D. Membership Contributionⁿⁿ

The contribution rate of all members, except for non-working spouses of Pag-IBIG members, shall be as follows:

Monthly Compensation	Contribution Rate	
	Employee	Employer (if any)
₱1,500 and below	1%	2%
Over ₱1,500	2%	2%

Monthly Compensation shall refer to the basic salary and other allowances, where basic salary includes, but is not limited to, fees, salaries, wages, and other similar items received in a month. It shall mean the remuneration of earnings, however designated, capable of being expressed in terms of money, whether fixed or ascertained on a time, task, or piece or commission basis, or other method of calculating the same, which is payable by an employer to an employee or by one person to another under a written or unwritten contract of employment for work done or to be done, or for services rendered or to be rendered.

The maximum monthly compensation to be used in computing the employee and employer contributions shall not be more than ₱5,000.00. Employers shall remit two percent (2%) of the monthly compensation of the contributing member as counterpart of or, otherwise, to recover from the employee the employer's contribution.

ⁿⁿ Id.

For questions regarding the programs and benefits of the Fund, please contact:

HOME DEVELOPMENT MUTUAL FUND.

Address: JELP Business Solution Center, 409 Shaw Boulevard, Brgy. Addition Hills, Mandaluyong City

















































Call Center Hotline: (02) 8724-4244

Website: <https://www.pagibigfund.gov.ph/>













Facebook: www.facebook.com/PagIBIGFundOfficialPage

E-mail address: publicaffairs@pagibigfund.gov.ph

DIRECTORY OF DOLE REGIONAL OFFICES

<p>National Capital Region (NCR) DOLE-NCR Building, 967 Maligaya Street, Malate, Manila 1004</p> <p> (02) 8310-4018  dolencr2008@gmail.com  http://ncr.dole.gov.ph/</p>	<p>Cordillera Administrative Region (CAR) DOLE-CAR New Building, Cabinet Hill, Baguio City 2600</p> <p> (074) 443-5339  dolecar88@yahoo.com  https://car.dole.gov.ph/</p>
<p>Region I (Ilocos Region) Parammata Building B, Biday, San Fernando City, La Union 2500</p> <p> (072) 607-9981; (072) 888-0047  dole_ro1@yahoo.com  http://ro1.dole.gov.ph/</p>	<p>Region II (Cagayan Valley) Regional Government Center, Carig Sur, Tuguegarao City, Cagayan 3500</p> <p> (078) 304 5085  doler02@gmail.com  http://ro2.dole.gov.ph/</p>
<p>Region III (Central Luzon) Diosdado Macapagal Regional Government Center, Brgy. Maimpis, City of San Fernando, Pampanga 2000</p> <p> (045) 455-1613; (045) 1614  dolero3@gmail.com  http://ro3.dole.gov.ph/</p>	<p>Region IV-A (CALABARZON) 3rd and 4th Floors, Andenson Building II, Parian, Calamba City, Laguna 4027</p> <p> (049) 545-7360  dolero4a@gmail.com  http://calabarzon.dole.gov.ph/</p>
<p>Region IV-B (MIMAROPA) 3rd Floor, Confil Building, Roxas Drive cor. Sampaguita St., Lumangbayan, Calapan City, Oriental Mindoro 5200</p> <p> (043) 288-2078  dolemimaropa@gmail.com  http://mimaropa.dole.gov.ph/</p>	<p>REGIONAL OFFICE V (Bicol Region) Doña Aurora St., Old Albay, Legaspi City 4500</p> <p> (052) 481-0768  ro5dole@yahoo.com  http://ro5.dole.gov.ph/</p>
<p>Region VI (Western Visayas Region) Swan Rose Building, Commission Civil St., Jaro, Iloilo City 5000</p> <p> (033) 320-8026; (033) 509-0400</p> <p> doleregion6@yahoo.com  http://ro6.dole.gov.ph/</p>	<p>Region VII (Central Visayas Region) 3rd and 4th Floors, DOLE-RO 7 Building, General Maxilom Avenue corner Gorordo Avenue, Cebu City 6000</p> <p> 09158859835; (032) 2662792; 5128133; (032) 2366795  dole_centralvisayas@yahoo.com  http://ro7.dole.gov.ph/</p>
<p>Region VIII (Eastern Visayas Region) DOLE Compound, Trece Martires St., Tacloban City 6500</p> <p> (053) 325-6293  ro8@dole.gov.ph  http://ro8.dole.gov.ph/</p>	<p>Region IX (ZamPen Region) 3rd Flr. QNS Bldg., Vet. Ave. Ext., Tumaga Rd., Zamboanga City 7000</p> <p> (062) 991-2673; (062) 993-1754  dole9record@yahoo.com  https://ro9.dole.gov.ph/</p>
<p>Region X (Northern Mindanao Region) Trinidad Building, Corrales-Yacapin Street, Cagayan de Oro City 9000</p> <p> (088) 858-1658</p> <p> dole10.imsd@gmail.com  http://ro10.dole.gov.ph/</p>	<p>Region XI (Davao Region) 4/F AMQ Bldg., Corner Dacudao Ave. and Lakandula St., Agdao, Davao City 8000</p> <p> (082) 227-4289; (082) 227-3157; (082)226-2481  dole11regionaloffice@gmail.com  http://ro11.dole.gov.ph/</p>
<p>Region XII (SOCCSKSARGEN) 102 Acepal Building, Mabini Extension, Koronadal City 9506</p> <p> (083)228-2190; (083)520-0568  dole12.ro@gmail.com  https://ro12.dole.gov.ph/</p>	<p>Region XIII (CARAGA Region) Nimfa Tiu Building, J.P. Rosales Avenue, Butuan City 8600</p> <p> (085) 817-2358  dolecaraga13@gmail.com  http://caraga.dole.gov.ph/</p>

DIRECTORY OF DOLE-NCR FIELD OFFICES

<p style="text-align: center;">CAMANAVA Field Office (Caloocan, Malabon, Navotas, and Valenzuela) 5/F, Araneta Square Center, Monumento Circle, Caloocan City, Metro Manila</p> <p> (02) 8282-1842, (02) 8283-5044 (02) 8367-3188</p> <p> dole_camanava@yahoo.com</p>	<p style="text-align: center;">MPFO Field Office (Makati and Pasay) 2/F, ECC Building, Sen. Gil J. Puyat Avenue Extension, Makati City, Metro Manila</p> <p> (02) 8772-8210, (02) 8800-7211 (02) 8800-7211, (02) 8336-5062</p> <p> dolencrmpfo@yahoo.com</p>
<p style="text-align: center;">Manila Field Office</p> <p>4/F, DY International Building, 1650 General Malvar corner San Marcelino Streets, Malate, Manila</p> <p> (02) 8244-1532, (02) 8244-1318 (02) 5302-9269, (02) 5302-9270</p> <p> dolencr_wawd@yahoo.com</p>	<p style="text-align: center;">MUNTAPARLAS Field Office (Muntinlupa, Taguig, Parañaque, Las Piñas) 3/F, Valenzuela Building, Alabang-Zapote Road, Pamplona 3, Las Piñas City, Metro Manila</p> <p> (02) 8815-0086, (02) 8808-6165 (02) 8808-0422</p> <p> mtpifo@yahoo.com</p>
<p style="text-align: center;">PAPAMAMARISAN Field Office (Pasig, Pateros, Mandaluyong, Marikina, San Juan) 4/F, Rudgen II Building, #17 Shaw Boulevard, Barangay San Antonio, Pasig City, Metro Manila</p> <p> (02) 8477-3630</p> <p> papamamarisan@yahoo.com</p>	<p style="text-align: center;">Quezon City Field Office</p> <p>4/F, Arcadia Building, Quezon Avenue, Quezon City, Metro Manila</p> <p> (02) 8921-4973 / 09478813044 (02) 8376-5983</p> <p> dolencrqcfo@yahoo.com</p>

**For inquiries, please call the DOLE Hotline at 1349
or the DOLE Regional Office having jurisdiction
over the workplace of the employee.**

The BWC

The Bureau of Working Conditions (BWC) is responsible for the formulation and development of labor standards in the areas of hours of work, occupational safety and health, and other conditions of employment.

In May 1982, the Bureau of Labor Standards, which was created in June 1957 under Reorganization Plan No. 20-A, was renamed the Bureau of Working Conditions. The BWC performs all functions in relation to the formulation of policies and enforcement of labor standards performed by the then Wage Administrative Service and the Industrial Safety Division of the Bureau of Labor.

Vision

The Bureau of Working Conditions envisions well-guided employers and workers committed to a safe, healthful, and productive work environment, adaptive to industry trends and developments, and equitably enjoying the gains of joint endeavors.

Mission

- To formulate policies and initiate legislations on labor standards, based on relevant information culled from monitoring, consultations, networking, and researches.
- To standardize the use of enforcement instruments and to clothe the inspectorate system with strong enforcement authority to ensure compliance with laws and regulations.
- To develop and sustain the capability of enterprises toward self-management of safety and health in workplaces, thus, upholding the principle of shared responsibility between workers and employers.
- To enhance the capability of small enterprises in implementing practical and efficient methods of improving working conditions and productivity.
- To inform and advise the public on labor standards, including occupational safety and health, and on innovative work practices or arrangements.



3rd Floor DOLE Building, Muralla corner
Gen. Luna Streets, Intramuros, Manila



facebook.com/BWC1949



bwc.dole.gov.ph



DOLE Hotline 1349