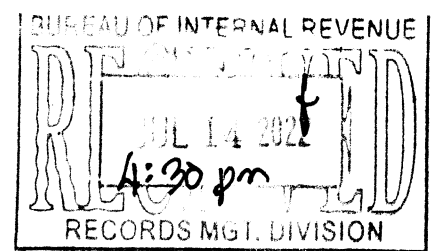




REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City



July 06, 2022

REVENUE MEMORANDUM CIRCULAR NO. 87-2022

SUBJECT : Publishing the Daily Minimum Wage Rates in Cordillera Administrative Region (CAR) under Wage Order No. CAR-21

TO : All Internal Revenue Officials, Employees and Others Concerned

For the information and guidelines of all internal revenue officers, employees and others concerned, we are publishing Wage Order No. CAR-21 which was issued on May 23, 2022 and published at Herald Express on May 29, 2022:

WAGE ORDER NO. CAR-21
PROVIDING FOR A MINIMUM WAGE INCREASE
IN THE CORDILLERA ADMINISTRATIVE REGION

WHEREAS, the Regional Tripartite Wages and Productivity Board - Cordillera Administrative Region (CAR) is mandated under *Republic Act No. 8727, otherwise known as The Wage Rationalization Act* to periodically assess wage rates and conduct continuing studies in the determination of the minimum wage applicable in the region or industry;

WHEREAS, the current Wage Order No. CAR-20 took effect on November 18, 2019;

WHEREAS, pursuant to Section 3(A), Rule 2 of the Omnibus Rules on Minimum Wage Determination, and in the absence of any petition for a minimum wage adjustment from the Board decided *motu proprio* to initiate wage review;

WHEREAS, after publication and due notice to all concerned stakeholders, the Board conducted public hearings in the following provinces:

Date	City/Province	Venue
April 19, 2022	Tabuk City, Kalinga	Golden Hermes Hotel and Convention Center, Tabuk City, Kalinga
April 20, 2022	Mountain Province	Anayah's Riverside Hideaway, Bontoc, Mountain Province
April 26, 2022	Abra	Lucky's Restaurant, Bangued, Abra
April 28, 2022	Baguio City	Hotel Supreme, Baguio City

WHEREAS, the Trade Union Congress of the Philippines (TUCP) filed a Petition on May 6, 2022 praying for a *Four Hundred Ten Pesos (Php410.00)* wage hike for all minimum wage earners in CAR;

WHEREAS, the Board unanimously agreed to treat the said Petition as a position paper considering that at the time the same was filed, the Board had already initiated *motu proprio* wage review and all scheduled public hearings had already been conducted;

WHEREAS, a clarificatory hearing thereon was set on May 18, 2022, 10 o'clock in the morning in Baguio City, to serve as additional input to the Board;

WHEREAS, in determining the propriety of adjusting the current minimum wage rates in the region, the Board has to consider the various criteria under Republic Act No. 8727, as well as the Guidelines on the Two-Tiered Wage System;

WHEREAS, upon prudent consideration of the positions of labor and management, as well as the prevailing minimum wage levels in neighboring regions, the principle of wage simplification, and after thorough review and evaluation of the existing socio-economic conditions in the region, the following findings were established:

- The Gross Regional Domestic Product (GRDP) of CAR improved in 2021 with a growth rate of 7.5%;
- The Consumer Price Index (CPI) in the region was at 103.3 in November 2021 and rose to 113.6 in April 2022;

c. The Poverty Threshold based on the latest available data provided by the Philippine Statistics Authority (PSA) for an average family size of five (5) in first semester 2021 in the amount of Three Hundred Eighty-Four Pesos (Php384) per day; and

d. Other relevant data available to the Board

NOW THEREFORE, by virtue of the power and authority vested under RA No. 8227, RTWPB-CAR hereby issues this Wage Order:

Section 1. Amount of Increase. Upon effectivity of this Wage Order, minimum wage earners in the private sector in the Region shall receive the following increase in the basic wage per day:

- a. THIRTY PESOS (Php 30.00) - Baguio City, La Trinidad and Tabuk City
- b. FORTY PESOS (Php 40.00) - Other areas in the region

Effective January 1, 2023, minimum wage earners in the private sector in the Region shall receive TWENTY PESOS (Php 20.00) increase in the basic wage per day.

Section 2. New Minimum Wage Rates. The new daily minimum wage rates in Region - CAR shall be as follows:

Upon Effectivity

Area	Current Minimum Wage Rates	Wage Increase	New Minimum Wage Rate
Baguio City, La Trinidad, & Tabuk City	Php 350.00	Php 30.00	Php 380.00
Other Areas in the Region	Php 340.00	Php 40.00	

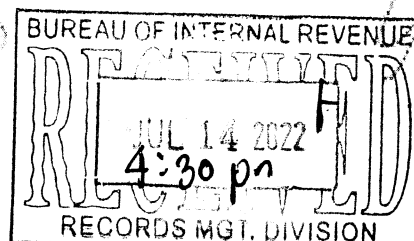
Effective January 1, 2023, the new daily minimum wage rate in Region - CAR shall be as follows:

Area	Current Minimum Wage Rate	Wage Increase	New Minimum Wage Rate
Cordillera Administrative Region	P380.00	P20.00	P400.00

Section 3. Basis of Minimum Wage Rates. The minimum wage rates prescribed under this Order shall be for the normal working hours which shall not exceed eight (8) hours of work a day.

Section 4. Coverage. The wage increase prescribed herein shall apply to all minimum wage earners in the private sector within the region, regardless of their position, designation or status and irrespective of the method by which their wages are paid.

Section 5. Effects on Existing Wage Structure. Where the application of the wage rates prescribed in this Order results in distortions in the wage structure within an establishment, the same shall be corrected in accordance with the procedure provided for under Art. 124 of the Labor Code, as amended.



Section 6. Exemptible Categories. The following establishments may apply for exemption from compliance with the present Wage Order, pursuant to Rule VII, Section 1 of the Omnibus Rules on Minimum Wage Determination:

- A. Retail/Service Establishments regularly employing not more than ten (10) workers and
- B. Establishments adversely affected by natural calamities and/or human-induced disasters

Section 7. Penal Provision. Any person, corporation, trust, firm, partnership, association or entity who refuses or fails to pay the prescribed increase shall be dealt with pursuant to the provisions of Section 12 of RA No. 5727, as amended by RA No. 8788.

Section 8. Effectivity. This Wage Order shall take effect after fifteen (15) days from its publication in a newspaper of general circulation.

APPROVED: This 20th day of May, 2022

Done in Baguio City, Philippines

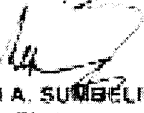

MILTON L. BALAGTEY
Workers' Sector

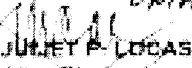

ALFONSO T. LAO
Employers' Sector

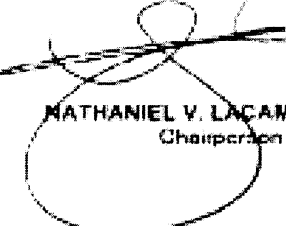

RENERIO C. LARDIZABAL, JR.
Workers' Sector


JUAN JOHNNY R. DE LA CRUZ
Employers' Sector

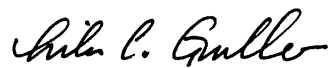
*WITH ATTACHED
MANIFESTO OF MY DISSENTING
OPINION AND VOTE.*


SUSAN A. SUMBELING
Vice-Chairperson
National Economic & Development Authority


JULIET A. LUCAS
Vice-Chairperson
Department of Trade & Industry


NATHANIEL V. LACAMBRA
Chairperson

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


LILIA CATRIS GUILLERMO
Commissioner of Internal Revenue

000055

J-5

