

F. NATIONAL WAGES AND PRODUCTIVITY COMMISSION

STRATEGIC OBJECTIVES

- MANDATE : The National Wages and Productivity Commission shall be responsible for the formulation of policies and guidelines on wages, incomes and productivity, determining the minimum wages at the regional, provincial and/or industry levels, and promotion of productivity improvement and gainsharing schemes, particularly among micro, small and medium enterprises.
- VISION : To be the primary policy development and resource center on wages, incomes and productivity.
- MISSION : To ensure a decent standard of living for workers and their families, and contribute to the competitiveness of enterprises through improved productivity of workers.
- KEY RESULT AREAS : Poverty reduction and empowerment of the poor and vulnerable
- SECTOR OUTCOME : A secure workforce
- ORGANIZATIONAL OUTCOME : 1. Capacity of MSMEs to implement plant level productivity improvement program enhanced
2. Fair and reasonable minimum wages within the two-tiered wage system ensured

**SECTION 1 : EXPENDITURE PROGRAM
(in pesos)**

No./ Code	GASS / STO / OPERATIONS / PROJECTS	2014 Actual	2015 Current	2016 Proposed
000001000000000	General Administration and Support	40,447,000	49,310,000	48,446,000
	PS	19,239,000	31,267,000	23,138,000
	MOOE	18,808,000	18,043,000	19,612,000
	CO	2,400,000		5,696,000
000003000000000	Operations	129,026,000	124,734,000	137,333,000
	PS	91,176,000	74,776,000	87,571,000
	MOOE	36,272,000	48,858,000	49,762,000
	CO	1,578,000	1,100,000	
	Projects		1,020,000	480,000
	MOOE			480,000
	CO		1,020,000	
TOTAL AGENCY BUDGET		169,473,000	175,064,000	186,259,000
	PS	110,415,000	106,043,000	110,709,000
	MOOE	55,080,000	66,901,000	69,854,000
	CO	3,978,000	2,120,000	5,696,000

STAFFING SUMMARY

	2014	2015	2016
TOTAL STAFFING			
Total Number of Authorized Positions	184	184	184
Total Number of Filled Positions	165	172	172

PROPOSED 2016

OPERATIONS BY MFO	PS	MOOE	CO	TOTAL
MFO 1: TECHNICAL ADVISORY SERVICES	20,035,000	28,361,000		48,396,000
MFO 2: WAGES REGULATION SERVICE	61,387,000	21,401,000		82,788,000

**SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016
(in pesos)**

REGION	PS	MOOE	CO	TOTAL
CENTRAL OFFICE	37,925,000	34,230,000	5,696,000	77,851,000
Regional Allocation (net of Central Office):	64,875,000	35,624,000		100,499,000
National Capital Region (NCR)	4,933,000	1,842,000		6,775,000
Region I - Ilocos	3,587,000	2,184,000		5,771,000
Cordillera Administrative Region (CAR)	4,063,000	2,010,000		6,073,000
Region II - Cagayan Valley	4,137,000	1,892,000		6,029,000
Region III - Central Luzon	4,270,000	2,452,000		6,722,000
Region IVA - CALABARZON	3,786,000	2,645,000		6,431,000
Region IVB - MIMAROPA	3,166,000	2,210,000		5,376,000
Region V - Bicol	4,063,000	2,111,000		6,174,000
Region VI - Western Visayas	4,415,000	2,342,000		6,757,000
Region VII - Central Visayas	4,434,000	2,649,000		7,083,000
Region VIII - Eastern Visayas	3,494,000	1,943,000		5,437,000
Region IX - Zamboanga Peninsula	4,101,000	2,326,000		6,427,000
Region X - Northern Mindanao	4,071,000	2,313,000		6,384,000
Region XI - Davao	4,779,000	2,286,000		7,065,000
Region XII - SOCCSKSARGEN	3,474,000	2,259,000		5,733,000
Region XIII - CARAGA	4,102,000	2,160,000		6,262,000
TOTAL AGENCY BUDGET	102,800,000	69,854,000	5,696,000	178,350,000

SECTION 3 : SPECIAL PROVISION(S)

1. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

SECTION 4 : PERFORMANCE INFORMATION

KEY STRATEGIES :

Promotion of better observance of labor standards toward protection of workers through the implementation of Two-Tiered Wage System along the objectives of adequate protection to income of vulnerable workers and improved productivity and competitiveness within the total incomes policy framework

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	Baseline	2016 Targets
Capacity of MSMEs to implement plant level productivity improvement program enhanced		
Percentage of MSMEs trained with productivity improvement programs implemented	No Baseline, new indicator	50%
Percentage of MSMEs assisted on productivity based pay advisory with productivity incentives scheme installed	No baseline data available since TTWS implementation started on 2012	10%
Fair and reasonable minimum wages within the two-tiered wage system ensured		
Percentage of minimum wage rates above poverty thresholds not exceeding average wage levels	2013: 92 out of 113 minimum wage rates above poverty thresholds (81%)	100%

MFO / PIs	2016 Targets
MFO 1: TECHNICAL ADVISORY SERVICES	
Development and Implementation of Plans and Projects related to Wages, Income and Productivity Improvement	
Number of productivity assignments undertaken	277,000
Percentage of clients who rate technical advice as satisfactory or better	100%
Percentage of request for advice acted upon within 5 days of request	100%
MFO 2: WAGES REGULATION SERVICE	
Development of Policies, Guidelines on Wages and Productivity and Resolution on Appealed Cases	
Number of public hearings/consultations conducted	32
Percentage of wage consideration case decision upheld by a higher authority	100%
Percentage of wage cases resolved within 45 days upon receipt of application	100%

Appropriations/Obligations

(In Thousand Pesos)

Description	2014	2015	2016
New General Appropriations	165,203	167,714	178,350
General Fund		167,714	178,350
R.A. No. 10633	165,203		
Automatic Appropriations	7,374	7,350	7,909
Retirement and Life Insurance Premiums	7,374	7,350	7,909
Continuing Appropriations	527	2,904	
Unobligated Releases for Capital Outlays			
R.A. No. 10633		22	
Unobligated Releases for MOOE			
R.A. No. 10352	527		
R.A. No. 10633		2,882	

Budgetary Adjustment(s)	<u>2,294</u>		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	<u>2,294</u>		
Total Available Appropriations	175,398	177,968	186,259
Unused Appropriations	<u>(5,925)</u>	<u>(2,904)</u>	
Unobligated Allotment	<u>(5,925)</u>	<u>(2,904)</u>	
TOTAL OBLIGATIONS	<u>169,473</u>	<u>175,064</u>	<u>186,259</u>
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Proposed New Appropriations Language
 For general administration and support, and operations, including locally-funded projects as indicated hereunder.....
 P 178,350,000
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New Appropriations, by Programs/Activities/Projects, by Operating Units

		<u>Current Operating Expenditures</u>			
		<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS					
0000010000000000	General Administration and Support	<u>21,378,000</u>	<u>19,612,000</u>	<u>5,696,000</u>	<u>46,686,000</u>
1030010001000000	General Management and Supervision	P <u>20,110,000</u>	P <u>15,271,000</u>	P <u>5,696,000</u>	P <u>41,077,000</u>
	National Capital Region (NCR)	<u>20,110,000</u>	<u>15,271,000</u>	<u>5,696,000</u>	<u>41,077,000</u>
	Central Office	20,110,000	15,271,000	5,696,000	41,077,000
1030010002000000	Human Resource Development		<u>4,341,000</u>		<u>4,341,000</u>
	National Capital Region (NCR)		<u>4,341,000</u>		<u>4,341,000</u>
	Central Office		4,341,000		4,341,000
1030010003000000	Administration of Personnel Benefits	<u>1,268,000</u>			<u>1,268,000</u>
	National Capital Region (NCR)	<u>1,268,000</u>			<u>1,268,000</u>
	Central Office	1,268,000			1,268,000
	Sub-total, General Administration and Support	<u>21,378,000</u>	<u>19,612,000</u>	<u>5,696,000</u>	<u>46,686,000</u>
0000030000000000	Operations	<u>81,422,000</u>	<u>49,762,000</u>		<u>131,184,000</u>
0000030100000000	MFO 1: TECHNICAL ADVISORY SERVICES	<u>20,035,000</u>	<u>28,361,000</u>		<u>48,396,000</u>
1610030101000000	Development and Implementation of Plans and Projects Related to Wages, Income and Productivity Improvement	<u>20,035,000</u>	<u>28,361,000</u>		<u>48,396,000</u>
	National Capital Region (NCR)	<u>16,765,000</u>	<u>14,878,000</u>		<u>31,643,000</u>
	Central Office	16,547,000	14,138,000		30,685,000
	Regional Office - NCR	218,000	740,000		958,000
	Region I - Ilocos	<u>218,000</u>	<u>898,000</u>		<u>1,116,000</u>
	Regional Office - I	218,000	898,000		1,116,000

	Cordillera Administrative Region (CAR)	<u>218,000</u>	<u>899,000</u>	<u>1,117,000</u>
	Regional Office - CAR	218,000	899,000	1,117,000
	Region II - Cagayan Valley	<u>218,000</u>	<u>1,078,000</u>	<u>1,296,000</u>
	Regional Office - II	218,000	1,078,000	1,296,000
	Region III - Central Luzon	<u>218,000</u>	<u>801,000</u>	<u>1,019,000</u>
	Regional Office - III	218,000	801,000	1,019,000
	Region IVA - CALABARZON	<u>218,000</u>	<u>1,139,000</u>	<u>1,357,000</u>
	Regional Office - IVA	218,000	1,139,000	1,357,000
	Region IVB - MIMAROPA	<u>218,000</u>	<u>895,000</u>	<u>1,113,000</u>
	Regional Office - IVB	218,000	895,000	1,113,000
	Region V - Bicol	<u>218,000</u>	<u>792,000</u>	<u>1,010,000</u>
	Regional Office - V	218,000	792,000	1,010,000
	Region VI - Western Visayas	<u>218,000</u>	<u>778,000</u>	<u>996,000</u>
	Regional Office - VI	218,000	778,000	996,000
	Region VII - Central Visayas	<u>218,000</u>	<u>922,000</u>	<u>1,140,000</u>
	Regional Office - VII	218,000	922,000	1,140,000
	Region VIII - Eastern Visayas	<u>218,000</u>	<u>866,000</u>	<u>1,084,000</u>
	Regional Office - VIII	218,000	866,000	1,084,000
	Region IX - Zamboanga Peninsula	<u>218,000</u>	<u>972,000</u>	<u>1,190,000</u>
	Regional Office - IX	218,000	972,000	1,190,000
	Region X - Northern Mindanao	<u>218,000</u>	<u>742,000</u>	<u>960,000</u>
	Regional Office - X	218,000	742,000	960,000
	Region XI - Davao	<u>218,000</u>	<u>939,000</u>	<u>1,157,000</u>
	Regional Office - XI	218,000	939,000	1,157,000
	Region XII - SOCCSKSARGEN	<u>218,000</u>	<u>1,007,000</u>	<u>1,225,000</u>
	Regional Office - XII	218,000	1,007,000	1,225,000
	Region XIII - CARAGA	<u>218,000</u>	<u>755,000</u>	<u>973,000</u>
	Regional Office - XIII	218,000	755,000	973,000
000003020000000	MFO 2: WAGES REGULATION SERVICE	<u>61,387,000</u>	<u>21,401,000</u>	<u>82,788,000</u>
161003020100000	Development of Policies, Guidelines on Wages and Productivity and Resolution on Appealed Cases	<u>61,387,000</u>	<u>21,401,000</u>	<u>82,788,000</u>
	National Capital Region (NCR)	<u>4,715,000</u>	<u>1,102,000</u>	<u>5,817,000</u>
	Regional Office - NCR	4,715,000	1,102,000	5,817,000

Region I - Ilocos	<u>3,369,000</u>	<u>1,286,000</u>	<u>4,655,000</u>
Regional Office - I	3,369,000	1,286,000	4,655,000
Cordillera Administrative Region (CAR)	<u>3,845,000</u>	<u>1,111,000</u>	<u>4,956,000</u>
Regional Office - CAR	3,845,000	1,111,000	4,956,000
Region II - Cagayan Valley	<u>3,919,000</u>	<u>814,000</u>	<u>4,733,000</u>
Regional Office - II	3,919,000	814,000	4,733,000
Region III - Central Luzon	<u>4,052,000</u>	<u>1,651,000</u>	<u>5,703,000</u>
Regional Office - III	4,052,000	1,651,000	5,703,000
Region IVA - CALABARZON	<u>3,568,000</u>	<u>1,506,000</u>	<u>5,074,000</u>
Regional Office - IVA	3,568,000	1,506,000	5,074,000
Region IVB - MIMAROPA	<u>2,948,000</u>	<u>1,315,000</u>	<u>4,263,000</u>
Regional Office - IVB	2,948,000	1,315,000	4,263,000
Region V - Bicol	<u>3,845,000</u>	<u>1,319,000</u>	<u>5,164,000</u>
Regional Office - V	3,845,000	1,319,000	5,164,000
Region VI - Western Visayas	<u>4,197,000</u>	<u>1,564,000</u>	<u>5,761,000</u>
Regional Office - VI	4,197,000	1,564,000	5,761,000
Region VII - Central Visayas	<u>4,216,000</u>	<u>1,727,000</u>	<u>5,943,000</u>
Regional Office - VII	4,216,000	1,727,000	5,943,000
Region VIII - Eastern Visayas	<u>3,276,000</u>	<u>1,077,000</u>	<u>4,353,000</u>
Regional Office - VIII	3,276,000	1,077,000	4,353,000
Region IX - Zamboanga Peninsula	<u>3,883,000</u>	<u>1,354,000</u>	<u>5,237,000</u>
Regional Office - IX	3,883,000	1,354,000	5,237,000
Region X - Northern Mindanao	<u>3,853,000</u>	<u>1,571,000</u>	<u>5,424,000</u>
Regional Office - X	3,853,000	1,571,000	5,424,000
Region XI - Davao	<u>4,561,000</u>	<u>1,347,000</u>	<u>5,908,000</u>
Regional Office - XI	4,561,000	1,347,000	5,908,000
Region XII - SOCCSKSARGEN	<u>3,256,000</u>	<u>1,252,000</u>	<u>4,508,000</u>
Regional Office - XII	3,256,000	1,252,000	4,508,000
Region XIII - CARAGA	<u>3,884,000</u>	<u>1,405,000</u>	<u>5,289,000</u>
Regional Office - XIII	3,884,000	1,405,000	5,289,000
Sub-total, Operations	<u>81,422,000</u>	<u>49,762,000</u>	<u>131,184,000</u>
TOTAL PROGRAMS AND ACTIVITIES	P 102,800,000	P 69,374,000	P 5,696,000
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0000400000000	Locally-Funded Projects		<u>480,000</u>		<u>480,000</u>
0000413000000	Research and Development		<u>480,000</u>		<u>480,000</u>
0000413060000	Information and Communication Technology		<u>480,000</u>		<u>480,000</u>
103004130600001	Information System Strategic Plan		<u>480,000</u>		<u>480,000</u>
	National Capital Region (NCR)		<u>480,000</u>		<u>480,000</u>
	Central Office		<u>480,000</u>		<u>480,000</u>
	Sub-total, Locally-Funded Project(s)		<u>480,000</u>		<u>480,000</u>
	TOTAL PROJECTS	P	<u>480,000</u>	P	<u>480,000</u>
			=====		=====
	TOTAL NEW APPROPRIATIONS	P	102,800,000	P	69,854,000
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		P	5,696,000	P	178,350,000
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Obligations, by Object of Expenditures

CYs 2014-2016
(In Thousand Pesos)

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	63,373	61,244	65,905
Total Permanent Positions	<u>63,373</u>	<u>61,244</u>	<u>65,905</u>
Other Compensation Common to All			
Personnel Economic Relief Allowance	3,984	3,816	4,128
Representation Allowance	1,804	1,734	1,902
Transportation Allowance	2,065	1,734	1,902
Clothing and Uniform Allowance	830	795	860
Productivity Incentive Allowance	318	318	
Honoraria	4,412		
Overtime Pay	85		
Year End Bonus	5,333	5,104	5,491
Cash Gift	827	795	860
Per Diems	8,929	22,104	18,360
Step Increment	5	154	298
Collective Negotiation Agreement	4,023		
Productivity Enhancement Incentive	825		860
Performance Based Bonus	1,318		
Total Other Compensation Common to All	<u>34,758</u>	<u>36,554</u>	<u>34,661</u>
Other Compensation for Specific Groups			
Longevity Pay	5		
Other Personnel Benefits	2,883		
Total Other Compensation for Specific Groups	<u>2,888</u>		
Other Benefits			
Retirement and Life Insurance Premiums	7,644	7,350	7,909
PAG-IBIG Contributions	226	189	205
PhilHealth Contributions	619	517	556
Employees Compensation Insurance Premiums	199	189	205
Terminal Leave	708		1,268
Total Other Benefits	<u>9,396</u>	<u>8,245</u>	<u>10,143</u>
TOTAL PERSONNEL SERVICES	<u>110,415</u>	<u>106,043</u>	<u>110,709</u>

Maintenance and Other Operating Expenses

Travelling Expenses	4,958	5,919	6,341
Training and Scholarship Expenses	3,700	3,653	3,435
Supplies and Materials Expenses	4,574	10,381	8,066
Utility Expenses	3,563	5,276	4,241
Communication Expenses	2,454	4,642	3,908
Survey, Research, Exploration and Development Expenses			700
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	489	342	366
Professional Services	1,982	5,989	3,613
General Services	4,030	2,700	4,531
Repairs and Maintenance	1,576	2,144	2,411
Taxes, Insurance Premiums and Other Fees	465	500	742
Other Maintenance and Operating Expenses			
Advertising Expenses	1,645	1,523	2,316
Printing and Publication Expenses	341	482	1,245
Representation Expenses	9,247	9,671	11,515
Transportation and Delivery Expenses	73	138	269
Rent/Lease Expenses	12,356	13,190	14,711
Membership Dues and Contributions to Organizations		50	
Subscription Expenses	246	301	407
Other Maintenance and Operating Expenses	3,381		1,037
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>55,080</u>	<u>66,901</u>	<u>69,854</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>165,495</u>	<u>172,944</u>	<u>180,563</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Buildings and Other Structures	100		
Machinery and Equipment Outlay	860	1,020	2,480
Transportation Equipment Outlay	2,400	1,100	2,600
Furniture, Fixtures and Books Outlay	612		
Other Property Plant and Equipment Outlay	6		
Intangible Assets Outlay			616
TOTAL CAPITAL OUTLAYS	<u>3,978</u>	<u>2,120</u>	<u>5,696</u>
GRAND TOTAL	<u>169,473</u>	<u>175,064</u>	<u>186,259</u>