

**[ DEPARTMENT ORDER NO. 195, S. 2018,  
September 05, 2018 ]**

**RULE AMENDING SECTION 10 OF RULE VIII OF THE  
IMPLEMENTING RULES AND REGULATIONS OF THE LABOR CODE  
ON WAGE DEDUCTION**

*ADOPTED: 27 JULY 2018  
DATE FILED: 05 SEPTEMBER 2018*

Pursuant to Article 113 (c) of the Labor Code of the Philippines, as renumbered, authorizing the Secretary of Labor and Employment to issue regulations on wage deduction, and Section 10 of Rule VIII of the implementing Rules and Regulations of Book III of the Labor Code, this issuance is hereby issued amending the rules on wage deduction for the guidance of all concerned:

**1. AMENDED RULE ON WAGE DEDUCTION**

Section 10 (b) (Wage deduction) of Rule VIII (Payment of Wages) is hereby amended, as follows:

"SEC. 10. Wage deduction. - Deductions from the wages of the employees may be made by the employer in any of the following:

a. xxx xxx xxx

b. When the deductions are with written authorization of the employees for payment to THE EMPLOYER or a third person and the employer agrees to do so, provided that the latter does not receive any pecuniary benefit, directly or indirectly, from the transaction."

**II. NON-DIMINUTION OF BENEFIT**

Nothing in this issuance shall be construed to cause the diminution or substitution of any benefits and privileges currently enjoyed by the employee at the time of the issuance hereof.

**III. REPEALING CLAUSE**

All policies, rules, orders and other issuances inconsistent with the provisions of this issuance are hereby repealed or modified accordingly.

**IV. COMPLIANCE AND ENFORCEMENT**

The DOLE Regional Offices shall inspect and monitor the proper implementation of this issuance