

# CHANROBLES PUBLISHING COMPANY

## **REPUBLIC ACT NO. 602**

### **AN ACT TO ESTABLISH A MINIMUM WAGE LAW, AND FOR OTHER PURPOSES (*REPEALED BY PRESIDENTIAL DECREE NO. 442*)**

SECTION 1. Short title of Act. — This Act shall be known as the Minimum Wage Law.

SECTION 2. Definitions. — As used in this Act —

- (a) “Person” means an individual, partnership, association, corporation, business trust, legal representative, or any organized group of persons.
- (b) “Employer” includes any person acting directly or indirectly in the interest of an employer in relation to an employee and shall include the Government, and the government corporations.
- (c) “Employee” includes any individual employed by an employer.
- (d) “Agriculture” includes farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities, the raising of livestock or poultry, and any practices 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 or processing of sugar, coconuts, abaca, tobacco, pineapple or other farm products.

- (e) “Industry” means a trade, business, industry or branch thereof, or group of industries, in which individuals are gainfully employed.
- (f) “Employ” includes to suffer or permit to work.
- (g) “Wage” paid to any employee shall mean the remuneration or earnings, however designated, capable of being expressed in terms of money, whether fixed or ascertained on a time, task, piece, commission basis, or other method of calculating the same, which is payable by an employer to an employee under a written or unwritten contract of employment for work done or to be done or for services rendered or to be rendered, and includes the fair and reasonable value, as determined by the Secretary of Labor, of board, lodging, or other facilities customarily furnished by the employer to the employee. “Fair and reasonable value” shall not include a profit to the employer or to any person affiliated with the employer which reduces the wage received by the employee below the minimum wage applicable to the employee under this Act, nor shall any transaction between an employer or any person affiliated with the employer and the employee of the employer include any profit to the employer or affiliated person which reduces the employee’s wage below the minimum wage applicable to the employee under this Act.
- (h) “Facilities” shall include articles or services of benefit to the employee or his family, but shall not include tools of the trade or articles or services primarily for the benefit of the employer or necessary to the conduct of the employer’s business.
- (i) “Hired farm labor” includes the labor of any person employed on a farm, except the labor of the operator and that of his parents, spouse and children.
- (j) “Farm enterprise” comprises all tracts of land, whether contiguous or not, under one management, located in a province and immediately adjacent provinces, on which

any of the operations enumerated in section two (d) are carried on.

SECTION 3. Minimum wage. — (a) Every employer shall pay to each of his employees who is employed by an enterprise other than in agriculture wages at the rate of not less than —

- (1) Four pesos a day on the effective date of this Act and thereafter, for employees of an establishment located in Manila or its environs;
- (2) Three pesos a day on the effective date of this Act and for one year after the effective date, and thereafter P4 a day, for employees of establishments located outside of Manila or its environs; Provided, That this Act shall not apply to any retail or service enterprise that regularly employs not more than five employees.

(b) Every employer who operates a farm enterprise comprising more than 12 hectares shall pay to each of his employees, who is engaged in agriculture, wages at the rate of not less than —

- (1) On the effective date of this Act and for one year thereafter, P1.75 a day, and no allowances for board and lodging shall reduce this wage below P1.50 in cash during that year;
- (2) One year after the effective date of this Act, P2 a day, and no allowances for board and lodging shall reduce this wage below P1.75 in cash; and
- (3) One year thereafter, P2.50 a day and no allowances for board and lodging shall reduce this wage below P2.25 in cash.

(c) Effective on the first of July, nineteen hundred and fifty-two, the minimum wage rates for employees in the Government service shall be those provided in subsections (a) and (b) of this section.

(d) This Act shall not apply to farm tenancy or to domestic servants.

(e) The crew of vessels of Philippine Registry calling regularly at Manila shall be subject to the minimum wage for non-agricultural workers in Manila as provided for in this Act.

(f) Until and unless investigations by the Secretary of Labor on his initiative or on petition of any interested party result in a different determination of the fair and reasonable value, the furnishing of meals shall be valued at not more than thirty centavos per meal for agricultural employees, and not more than forty centavos for any other employees covered by this Act, and the furnishing of housing shall be valued at not more than twenty centavos daily for agricultural workers and not more than forty centavos daily for other employees covered by this Act.

(g) If in a particular industry a Wage Board appointed by the Secretary of Labor within one year after the effective date of this Act recommends that a further extension of time before the application of the full statutory minimum is justified in such industry to avoid undue hardship to the industry, the board may recommend and the Secretary may approve an extension not to exceed six months and at a minimum wage not less than the rate provided to take effect on the effective date of this Act.

(h) With respect to piece-work or contract work, on petition of an interested party, the Secretary of Labor shall use all available devices of investigation to determine whether the work is being compensated in compliance with this Act, and shall issue findings and orders in connection therewith.

SECTION 4. Wage investigation: Appointment of Wage Board. — (a) The Secretary of Labor shall have the power, and it shall be his duty upon petition of six more employees in any industry, to cause an investigation to be made of the wages being paid to the employees in such industry and their living conditions, to ascertain if any substantial number of such employees are receiving wages which are less than sufficient to maintain them in health, efficiency and general well-being. If, after such investigation, the Secretary of Labor is of the opinion that any substantial number of such employees are receiving

such wages, he shall appoint the Wage Board to fix a minimum wage for such industry.

(b) A minimum wage to be established under this Act shall be as nearly adequate as is economically feasible to maintain the minimum standard of living necessary for the health, efficiency, and general well-being of employees. In the determination of a minimum wage, the Secretary of Labor and a Wage Board shall, among other relevant factors, consider the following:

- (1) The cost of living;
- (2) The wage established for work of like or comparable character by collective agreements or arbitration awards;
- (3) The wages paid for work of like or comparable character by employers who voluntarily maintain reasonable standard; and
- (4) Fair return of the capital invested.

(c) The Secretary of Labor shall make rules and regulations governing the appointment of a Wage Board, its public hearings and mode of procedure, consonant with the requirements of due process of law.

(d) The appointment of Wage Board shall not preclude the Secretary of Labor from subsequently appointing a new Wage Board for the same industry.

(e) The Secretary may appoint a Wage Board for any industry, whether it is named in section three of this Act or not.

**SECTION 5. Wage Board; Powers and duties: Recommendations. —**

(a) A Wage Board appointed under the provisions of this Act shall be composed of a member representing the public who shall act as chairman of the Board, two representatives of employees in the industry, and two representatives of the employers in the same industry. The representatives of the employees and employers shall be selected from nominations submitted by employees and

employers, or organizations thereof, in such industry. Three members of a Wage Board shall constitute a quorum and its recommendations shall require a vote of not less than a majority of all its members. The members of a Wage Board shall not be entitled to compensations except to per diems not exceeding seven pesos for each day of actual attendance and shall be reimbursed for all necessary travelling expenses incurred in the performance of their duties. The chairman, if a government employee, shall not be entitled to any per diem.

(b) The Secretary of Labor shall present to a Wage Board all the evidence and information in his possession relating to the wages in the industry for which the Wage Board was appointed and all other information which he deems relevant to the establishment of a minimum wage for such industry and shall cause to be brought before the Board any witness when he deems material. A Wage Board may summon other witnesses or call upon the Secretary to furnish information to aid in its deliberations.

(c) Within thirty days of its organization, a Wage Board shall submit to the Secretary of Labor its recommendations as to a minimum wage to be paid by the employers in the industry of for the various branches of the industry considered.

The Wage Board shall not recommend for any agricultural or non-agricultural industry a minimum wage of less than the prevailing wage obtaining on the effective date of this Act, and in no case less than the minimum wage rates set in section three of this Act. These wages may include minimum wages varying with localities, if in the judgment of the Board conditions make such local differentiation proper and necessary to effectuate the purpose of this Act and such differentiation does not give an undue competitive advantage to any locality; and may include terms and conditions relating to part-time employment and suitable treatment of other cases or classes of cases which, because of the nature and character of the employment, in the judgment of the Board, justify special treatment, including, in the case of persons employed as industrial homeworkers, the highest minimum rate which is economically feasible and which will not result in substantial curtailment of employment opportunities for such employees, and which shall not less than seventy-five per cent of the minimum wage rates established in section three of this Act.



Home industries covered by this Act shall include apparel, embroidery, other needle trades, shoes, weaving, basketry, and other handicrafts. The Secretary may add specific home industries to the coverage of this Act by regulation, when he deems it necessary to further the purposes of this Act. If the report of the Wage Board is not submitted within thirty days, the Secretary of Labor may appoint a new Wage Board.

SECTION 6. Wage orders. — (a) Upon the filing of the Wage Board's report, the Secretary of Labor shall give notice to interested parties and conduct a public hearing thereon within fifteen days. On the basis of the Wage Board's report and recommendations and on the basis of the public hearing, the Secretary of Labor shall, within fifteen days after the termination of the hearing, approve or reject, but shall not modify, the minimum wages recommended by the Wage Board. If he rejects the minimum wages recommended by the Wage Board, he shall issue a statement of his reasons therefor, and shall submit the matter to the same Board shall be convened within fifteen days, and such Board shall submit its report and recommendations within thirty days after it has been convened, and in case of further disagreement between the Secretary and the Board, the decision of the Secretary shall prevail. If he approves the recommendation of the Wage Board, he shall, on the date of approval, issue a wage order prescribing the minimum wages to be paid to the employees in the industry. Due notice of any hearing provided for in this section shall be given by publication in such newspapers of general circulation and by such other means as the Secretary of Labor deems reasonably calculated to give general notice to interested parties. The procedure at the public hearings before the Secretary shall be consonant with due process of law. The rules of evidence applied by the courts in proceedings at law shall not strictly apply in any proceeding conducted by or before a Wage Board.

(b) Orders issued under this section shall define the industry to which they shall apply and may include such administrative regulations as the Secretary of Labor finds necessary to carry out the purposes of this Act and of the orders. Except as provided in section nine the rates established by any minimum wage order shall apply alike to all employees regardless of age or sex.

(c) No such order shall take effect until fifteen days after due notice is given of the issuance thereof by publication in such newspapers of general circulation and by such other means as the Secretary of Labor deems reasonably calculated to give to interested parties general notice of such issuance. A certified copy of each of such order shall be filed in the office of the President of the Philippines.

(d) No employer shall, after the effective date of a minimum wage order, pay an employee who is within the scope of the wage order, employed by him, wages at less than the amount prescribed in this Act or in such order, as the case may be.

SECTION 7. Right of review. — (a) Any person aggrieved by an order of the Secretary of Labor issued under this Act may obtain a review of such order in the Supreme Court by filing in such Court within fifteen days after the entry and publication of such order a written petition praying that the order of the Secretary of Labor be modified or set aside in whole or in part. The review by the Court shall be limited to questions of law, and findings of fact by the Secretary of Labor when supported by substantial evidence shall be conclusive. If the petitioner or appellant is an employee, wage earner, farmer, or laborer, he shall be exempted from filing appeal bond, and docketing fee and he can file typewritten pleadings in all cases.

(b) The commencement of proceedings under subsection (a) shall not, unless specifically ordered by the Court, operate as a stay of the order unless the person complaining of such order shall file in court an undertaking with a surety or sureties satisfactory to the Court for the payment to the employees affected by the order, in the event such order is affirmed, of the amount by which the compensation such employees are entitled to receive under the order exceeds the compensation they actually received while such stay is in effect.

SECTION 8. Oaths: Affidavits: Subpoena. — (a) The Secretary of Labor or the Chairman of the Wage Board shall have the power to administer oaths, to take or cause to be taken the deposition of witnesses and to require by subpoena the attendance and testimony of witnesses and the production of all books, records, and other evidence relative to any matter under investigation. In case of failure of any person to comply with a subpoena lawfully issued under this



section or on the refusal of any witness to produce evidence or to testify to any matter regarding which he may be lawfully interrogated, it shall be the duty of the proper court of First Instance, upon application of the Secretary of Labor, or the Chairman of the Wage Board, to compel obedience by proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued by such court or a refusal to testify therein. The Secretary of Labor or the Chairman of the Wage Board shall have the power to certify to official acts.

(b) No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, contracts, agreements, or other records and documents before the Secretary of Labor or a Wage Board, or in obedience to the subpoena of the Secretary of Labor or a Wage Board or in any cause or proceeding instituted under this Act, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty for forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which he is compelled to testify or produce evidence, documentary or otherwise, after having claimed his privilege against self-incrimination, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

SECTION 9. Learners or apprentices: Handicapped workers. — The Secretary of Labor and/or any of his authorized representatives, to the extent necessary to prevent curtailment of opportunities for their employment, shall, by regulations or by orders provide for (a) the employment of learners or apprentices under special certificates issued by the Secretary pursuant to such regulations, at wages which in no case shall be lower than 75 per cent of the applicable minimum, and subject to such limitations as to period, number, proportion, and length of service, which in no case shall be more than one year, as shall be prescribed in such certificates, and (b) the employment of individuals whose earning capacity is impaired by physical or mental deficiency or injury, at such wages, which in no case shall be lower than 50 per cent of the applicable minimum and for such period as shall be fixed in special certificates issued by the Secretary pursuant

to such regulations: Provided, however, That the employment of learners or apprentices who are students or graduates of authorized nautical schools, in vessels of Philippine registry, may be permitted without compensation.

SECTION 10. Direct payment of wages. — (a) Payment in legal tender:

- (1) Except as herein otherwise provided, wages payable in money shall be paid in legal tender of the Philippines, and it shall hereafter be unlawful to pay such wages in the form of promissory notes, vouchers, coupons, tokens or any other form alleged to represent legal tender;
  - (a) In accordance with such regulations as the Secretary of Labor may prescribe, the payment of wages may be made by bank check or postal check or money order in cases in which payment in such manner is customary or is necessary because of special circumstances.
- (b) Wages, including wages which may be paid retroactively for whatever reason, shall be paid directly to the employee to whom they are due, except:
  - (1) In cases where the employee is insured with his consent by the employer, the latter shall be entitled to deduct from the wage of the employee the amount paid by the employer for premiums on the insurance;
  - (2) In cases of force majeure rendering such payments impossible; and
  - (3) In cases where the right of the employees or his union to check-off has been recognized by the employer or authorized in writing by the individual employees concerned.
- (c) An employer may pay the wages of a deceased employee to the heirs of the latter, without the necessity of intestate proceedings, as

hereinafter prescribed. The heirs of a deceased employee, if they are all of age, shall execute an affidavit attesting to their relationship to the deceased and the fact that they are his heirs, to the exclusion of all other persons. If any of the heirs is a minor, the affidavit shall be executed in his behalf by his natural guardian or next of kin. The affidavit shall be presented to the employer, who make payment through the Secretary of Labor or his representative. The representative of the Secretary of Labor shall act as referee in dividing the amount paid among the heirs. The payment of wages under this subsection shall absolve the employer of any further liability with respect to the amount paid.

(d) No employer shall limit or otherwise interfere with the freedom of any employee to dispose of his wages.

(e) No employer shall in any manner, force, compel or oblige his employees directly or indirectly to make use of any store or services operated by such employer or any other person.

(f) No employer shall make any deduction from the wages of his employees, except under authority of law, or require his employees to make deposits from which deduction shall be made, for the reimbursement of loss or damage to tools, materials, or equipment supplied by the employer, unless he shall have first obtained authorization from the Secretary. Such authorization to make deductions from wages or require deposits for reimbursement for the purpose stated shall be based upon a finding that the practice of making deductions or requiring deposits is a recognized one in the trade or occupation concerned; or that it is necessary or desirable in such trade or occupation.

The authorization to make such deductions shall be subject to the following conditions:

- (1) That the employer shall inform the employees in the manner prescribed by the Secretary of Labor of the extent to which and the conditions under which such deductions may be made.

- (2) That the employee concerned is clearly shown to be responsible for the loss or damage;
- (3) That such employee is given reasonable opportunity to show cause why deduction should not be made; and
- (4) That the amount of such deduction is fair and reasonable and shall not exceed the actual amount of the loss or damage, and shall be paid at such rate that the amount deducted in any week shall not exceed twenty per cent of the employee's wages for that week.

(g) It shall be unlawful for any person, including but not restricted to, any employer, supervisor, foreman or other representative of an employer, employment agent, labor contractor, recruiter, or any officer or representative of a labor organization, or any officer of the National Government or any provincial, city or municipal government, or any superintendent, supervisor, foreman, time-keeper, or person in charge in the service of such government, to make any deductions or withhold any amount from the wages of an employee or induce any employee to give up any part of the wages to which he is entitled by force, intimidation, threat or procuring dismissal or in any other manner whatsoever.

(h) Wages shall be paid not less than once every two weeks or twice a month at intervals not exceeding sixteen days. In the case of employees hired to perform a task, the completion of which requires more than a fortnight, and in respect of whom intervals for the payment of wages are not otherwise fixed by collective agreement or arbitration award, it shall be the duty of the employer:

- (1) To make payment on account not less often than once every two weeks or twice a month at intervals not exceeding sixteen days; and
- (2) To make a final settlement within two weeks after the completion of the task.

(i) Payment of wages shall be made at or near the place of undertaking, except as otherwise provided by such rules and regulations as the Secretary of Labor may prescribe.

(j) Employer's responsibility of contractor's payroll:

(1) Whenever an employer shall contract with another person for the performance of the employer's work, then it shall be the duty of such employer to provide in such contract that the employees of the contractor and the latter's subcontractor shall be paid according to the provisions of this Act and in the event that such contractor or subcontractor shall fail to pay wages to his employee as specified in this Act, such employer shall become civilly liable to the employees of the contractor or subcontractor to the extent that such work is performed under such contract, in the same manner as if said employees were directly employed by such employer.

(2) The provisions of paragraph one of this subsection shall likewise be applicable to any person, firm, partnership, association or corporation who, not being employer, and hereinafter referred to as "Indirect Employer", contracts with a contractor for the performance of his work.

(3) In the cases prescribed in paragraphs one and two hereof, the employer or indirect employer shall have the right to require the contractor to furnish bond in a sum equal to the cost of labor under the contract, on condition that such contractor shall pay the wages of the employees for the performance of such contract in accordance with the provisions of this Act.

(k) Notification of wage conditions. — It shall be the duty of every employer to notify his employees at the time of hiring of the wage conditions under which they are employed, which shall include the following particulars:

(1) The rate of wages payable;

- (2) The method of calculation of wages;
- (3) The periodicity of wage payment; the day, hour and place of payment; and
- (4) Any change with respect to any of the foregoing items.

(l) This section shall apply to all employees to whom a minimum wage applies under this Act, including those who are paid wages higher than the applicable minimum.

SECTION 11. Regulations and orders. — (a) The Secretary of Labor may make, issue, amend and rescind such regulations and orders as are necessary or appropriate to carry out the provisions of this Act. Such regulations or orders, and without limiting the generality of the foregoing, may define terms used in this Act and may include such terms and conditions, including the regulations of industrial home work or such other acts or practices, as the Secretary of Labor finds necessary or appropriate to carry out the purposes of the Act or Wage Order issued thereunder and to prevent the circumvention or evasion thereof and to safeguard the standards therein established, and may provide for the reasonable valuation of board, lodging or other similar services furnished by an employer to his employees.

(b) Regulations or orders of the Secretary which relate to industrial homework may restrict such work or may establish piece rates which shall yield to the average employee of an undertaking the minimum wage applicable to the industrial homeworkers involved.

(c) Regulations or orders of the Secretary of Labor issued pursuant to subsection (a) or (b) of this section, which relate to industrial homework shall be made only after notice to interested persons and a public hearing by the Secretary of Labor at which such persons may be heard.

(d) Regulations or orders issued pursuant to this section shall take effect upon publication in such newspapers of general circulation, and by such other means as the Secretary of Labor deems reasonably calculated to give to interested persons general notice of such issuance.



(e) Regulations or orders issued pursuant to this section shall be subject to court review, in accordance with the same procedure as provided in section seven of this Act.

SECTION 12. Administration and enforcement. — (a) There is hereby created the Wage Administration Service, in the Department of Labor, under a Chief, who shall be compensated at the rate of seven thousand two hundred pesos per annum.

(b) The Wage Claims Division of the Bureau of Labor is hereby abolished, and its functions transferred to the Wage Administration Service, together with the records, and equipments, and unexpected appropriation of that Division, and such personnel as the Secretary may direct.

(c) The Secretary may, on the recommendation of the Chief of the Wage Administration Service and subject to civil service laws, appoint such employees as he deems to be necessary to carry out his functions under this Act, and shall fix the compensation of such employees in accordance with law.

(d) The Secretary may make arrangements for the use of existing national, provincial, or local agencies, and may utilize such agencies, and such voluntary and uncompensated services, as may regularly or from time to time be needed in carrying out his functions under this Act.

(e) The Secretary of Labor may delegate any or all of his powers in the administration or enforcement of this Act to the Chief of the Wage Administration Service, who may act personally or through duly authorized representatives.

(f) Unless otherwise provided, the Chief of the Wage Administration Service is authorized and it shall be his duty to enforce the provisions of this Act and the orders and regulations issued thereunder.

(g) Every employer shall keep a printed abstract of the law and a copy of any minimum wage order to which he may be subjected,

conspicuously posted in or about the premises wherein any person subject thereto is employed. He shall keep in or about the premises wherein any employee is employed a record of the name, address and occupation of each such employee, of the amount paid each pay period to each such employee, of the amount paid each pay period or each workweek to each such employee, and of such other information and for such periods of time as the Secretary of Labor may by regulation or order prescribe.

(h) The Secretary of Labor or his authorized representatives shall for the purpose of examination have access to and the right to copy from such record, to question such employee and investigate such fact, condition, or matter as he may deem necessary or appropriate to determine whether any person has violated any provision of this Act or any wage order or regulation issued by the Secretary of Labor, or which may aid in the enforcement of the provisions of this Act and of the wage orders or regulations issued hereunder.

SECTION 13. Discrimination. — On and after the effective date of this Act it shall be unlawful for any person to discharge in any other manner to discriminate against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act, or has testified or is about to testify in any such proceeding, or has served or is about to serve on a Wage Board.

SECTION 14. False reporting. — On and after the effective date of this Act it shall be unlawful for any person to make any statement, report, or record filed or kept pursuant to the provisions of this Act or of any regulation or order thereunder, knowing such statement, report or record to be false in a material respect.

SECTION 15. Penalties and recovery of wage due under this Act. —

- (a) Any person who willfully violates any of the provisions of this Act shall upon conviction thereof be subject to a fine of not more than two thousand pesos, or, upon second conviction, to imprisonment of not more than one year, or to both such fine and imprisonment, in the discretion of the court.

- (b) If any violation of this Act is committed by a corporation, trust, partnership or association, the manager or in his default, the person acting as such when the violation took place, shall be responsible. In the case of a government corporation, the managing head shall be made responsible, except when shown that the violation was due to an act or commission of some other person, over whom he had no control, in which case the latter shall be held responsible.
- (c) The Secretary is authorized to supervise the payment of the unpaid minimum wages or the wages found owing to any employee under this Act.
- (d) The Secretary may bring an action in any competent court to recover the wages owing to an employee under this Act, with legal interest. Any sum thus recover by the Secretary on behalf of an employee pursuant to this subsection shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to the employee or employees affected. Any such sums not paid to an employee because he cannot be located with a period of three years shall be covered into the Treasury as miscellaneous receipts.
- (e) Any employer who underpays an employee in violation of this Act shall be liable to the employee affected in the amount of the unpaid wages with legal interest. Action to recover such liability may be maintained in any competent court by anyone or more employees on behalf of himself or themselves. The court in such action shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee which shall not exceed ten per cent of the amount awarded to the plaintiffs, unless the amount awarded is less than one hundred pesos, in which event the fee may be ten pesos, but not in excess of the amount. Payment of the amount found due to the plaintiffs shall be made directly to the plaintiffs, in the presence of a representative of the Secretary of the Court. In the event payment is witnessed by the court of its representative, the

Secretary shall be notified within ten days of payment that the payment has been made.

- (f) No employer, attorney, or any other person, other than the employee to whom under payment are found due, shall receive any part of the underpayment due the employee; and no attorney shall receive any fee in excess of the maximum specified herein.
- (g) In determining when an action is commenced under this section for the purposes of the statute of limitation, it shall be considered to be commenced in the case of any individual claimant on the date when the complaint is filed if he is specifically named as a party plaintiff in the complaint, or if his name did not so appear, on the subsequent date on which his name is added as a party plaintiff in such action.

SECTION 16. Jurisdiction of the courts. — (a) The Court of First Instance shall have jurisdiction to restrain violations of this act; action by the Secretary or by the employees affected to recover underpayment may be brought in any competent Court, which shall render its decision on such cases within fifteen days from the time the case has been submitted for decision; in appropriate instances, appeal from the decisions of these courts on any action under this Act shall be in accordance with applicable law.

(b) In the event that a dispute case before the Court of Industrial Relations involves as the sole issue or as one of the issues a dispute as to minimum wages above the applicable statutory minimum, and the Secretary of Labor has issued no wage order for the industry or locality applicable to the enterprise, the Court of Industrial Relations may hear and decide such wage issue: Provided, however, That the Secretary of Labor shall not undertake to fix the minimum wage for an industry or branch thereof which involves only a single enterprise or a single employer.

(c) Where the demands of minimum wages involve an actual strike, the matter shall be submitted to the Secretary of Labor, who shall attempt to secure a settlement between the parties through

conciliation. Should the Secretary fail within fifteen days to effect said settlement, he shall indorse the matter together with other issues involved, to the Court of Industrial Relations which will acquire jurisdiction on the case including the minimum wages issue, and after a hearing where the views of the Secretary of Labor will be given, will decide the case in the same manner as provided in other cases. The decision shall be rendered by the court in banc within fifteen days after the case has been submitted for determination, and its finding of facts shall be conclusive if supported by substantial evidence, and shall be subject only to an appeal by certiorari.

SECTION 17. Statute of Limitation. — Any action commenced on or after the effective date of this Act enforce any cause of action under this Act may be commenced within three years after the cause of action accrued, and every such action shall be forever barred unless commenced within three years after the cause of action accrued.

SECTION 18. Protection of the service. — (a) All persons appointed or assigned to work in the Government in the administration and enforcement of this Act shall be appointed and shall serve under the Civil Service rules and regulations.

(b) No person engaged in the administration and enforcement of this Act, shall, during his tenure of office, be an employer, or an officer, representative, or agent of an employer or an employers' association, or of an association of employees, and no Communist may be appointed to or may hold such office, nor shall any person engaged in the administration and enforcement of this act as attorney or agent for parties to a labor dispute, or have any financial interest in such dispute.

(c) Any official of the Government to whom responsibility in administration and enforcement has been delegated under this Act shall be removable on the sustaining of charges of malfeasance or nonfeasance in office.

(d) Any person engaged in the administration and enforcement of this Act who is found to have accepted any bribe from or on behalf of any party in interest under this Act shall be summarily dismissed, and criminal action shall be instituted against such person.

SECTION 19. Relations to other labor laws and practices. — Nothing in this Act shall deprive an employee of the right to seek fair wages, shorter working hours and better working conditions nor justify an employer in violating any other labor law applicable to his employees, in reducing the wage now paid to any of his employees in excess of the minimum wage established under this Act, or in reducing supplements furnished on the date of enactment.

SECTION 20. Superseding of those provisions or terms of private agreement or contracts that are in contravention of the requirements of this Act. — No worker or organization of workers may voluntarily or otherwise, individually or collectively, waive any rights established under this Act, and no agreement or contract oral or written, to accept a lower wage or less than any other benefit required under this Act shall be valid.

SECTION 21. Report by the Secretary. — The Secretary of Labor shall submit annually in January a public report to the President and Congress covering his activities in the administration and enforcement of this Act during the preceding year and including such information, data, and recommendations for amendments or further legislation in connection with matters covered by this Act as he may find advisable.

SECTION 22. Appropriation. — The sum of one hundred fifty thousand pesos or so much thereof as may be necessary is hereby authorized to be appropriated out of the unappropriated funds of the Philippine Treasury, for salaries, per diems, travelling expenses, purchase of materials and equipment and other necessary sundry expenses that may be incurred in carrying out the provisions of this Act. The expenses for succeeding fiscal years shall be provided in the current appropriations for such years.

SECTION 23. Repeal of inconsistent prior enactment. — Any provisions of law previously enacted on the subject matter of this Act that is inconsistent with any provisions of this Act is hereby repealed.

SECTION 24. Separability. — If any provision of this Act or the application of such provision to any person or circumstance is held



invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 25. Effective date. — This Act shall take effect one hundred twenty days after its enactment, except that the appointment of personnel and preparations for administration and enforcement may take effect immediately upon its enactment.

**Approved: April 6, 1951**

---

Philippine Copyright © 2005  
ChanRobles Publishing Company  
[www.chanrobles.com](http://www.chanrobles.com)