

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

SENATE

S. No. 672



Introduced by **SENATOR RAMON BONG REVILLA, JR.** 2019 JUL 22 P2:16

AN ACT

RECEIVED

INCREASING THE PENALTIES FOR NON-COMPLIANCE OF THE PRESCRIBED INCREASES AND ADJUSTMENTS IN THE WAGE RATES OF WORKERS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 6727, OTHERWISE KNOWN AS THE 'WAGE RATIONALIZATION ACT' AND FOR OTHER PURPOSES

EXPLANATORY NOTE

It is the declared policy of the State to affirm labor as the primary economic force. The Constitution further declares that the State shall protect the rights of workers and promote their welfare.

Some unscrupulous employers violate wage orders by not complying to prescribed increases and adjustments in the wage rates of their workers. The Department of Labor and Employment observes that one in every five workers is not paid the applicable minimum wage. Non-compliance to prescribed wages by employers continue to be a persistent problem.

In lieu of this, the proposed measure seeks to increase the penalties imposed on employers or establishments which do not comply to mandated rates. This bill seeks to protect and strengthen the rights of our workers and promote their welfare. They deserve this since they are the very backbone of our economy and the primary force that stirs our development.

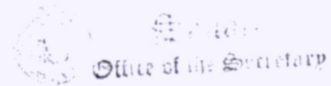
Immediate passage of this bill is earnestly sought.

RAMON BONG REVILLA, JR.

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 Section 1. Section 12 of Republic Act 6727, as amended by Republic Act No.
2 8188, is hereby further amended to read as follows:

3
4 Section 12. Any person, corporation, trust, firm,
5 partnership, association or entity which refuses or fails to pay
6 any of the prescribed increases or adjustments in the wage rates
7 made in accordance with this Act shall be punished by a fine [~~not~~
8 ~~less than Twenty-Five thousand pesos (P25,000) nor more than~~
9 ~~one hundred thousand pesos (P100,000)] **NOT LESS THAN**
10 **ONE HUNDRED THOUSAND PESOS (P100,000.00) PLUS**
11 **MORAL DAMAGES NOT EXCEEDING THIRTY THOUSAND**
12 **PESOS (P30,000.00) FOR EACH AFFECTED WORKER AND**
13 **THE COSTS OF LITIGATION INCLUDING ATTORNEY'S**
14 **FEE** or imprisonment of not less than two (2) years nor more~~

1 than four (4) years, or both such fine and imprisonment at the
2 discretion of the court:

3 *Provided.* That any person convicted under this Act shall not
4 be entitled to the benefits provided for under the Probation Law.

5 The employer concerned shall be ordered to pay an amount
6 equivalent to double the unpaid benefits owing to the employees:

7 *Provided.* That payment of indemnity shall not absolve the
8 employer from the criminal liability imposable under this Act.

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

15 **IN CASES WHERE A FINE IS DECREED BY THE**
16 **NATIONAL LABOR RELATIONS COMMISSION (NLRC)**
17 **AGAINST PERSON/S WHO VIOLATED THE PROVISIONS**
18 **OF THIS ACT AND CANNOT BE IMMEDIATELY SATISFIED**
19 **BECAUSE OF THE REFUSAL TO PAY, OR IN CASE OF THE**
20 **UNAVAILABILITY OR INADEQUACY OF FUNDS, THE**
21 **BANK DEPOSITS, FINANCIAL INTERESTS AND OTHER**
22 **PERSONAL PROPERTY NOT CAPABLE OF MANUAL**
23 **DELIVERY IN THE POSSESSION OR CONTROL OF THE**
24 **THIRD PARTIES OF THE OWNER IN CASE OF SOLE**
25 **PROPRIETORSHIP OR THE ASSETS OF THE**
26 **CORPORATION, ASSOCIATIONS OR ANY OTHER ENTITY,**
27 **SHALL BE AUTOMATICALLY GARNISHED. IF SUCH**
28 **PROPERTIES ARE NOT ENOUGH, MOVABLE AND**
29 **IMMOVABLE PROPERTIES MAYBE LEVIED TO SATISFY**
30 **FULLY THE IMPOSED FINES.**

31

1 Sec. 2. The penalties provided under this Act shall also be applicable in cases
2 involving workers hired by contractors undertaking infrastructure projects under
3 Republic Act No. 6685 and in relation to Department Order No. 19-93 of DOLE
4 governing the employment of workers in the construction industry with respect to any
5 violation in the payment of wages or its appropriate wage increase.

6
7 Sec. 3. *Separability Clause.* If any provision or part hereof, is held invalid or
8 unconstitutional, the remainder of the law or the provisions not otherwise affected
9 shall remain valid and subsisting.

10
11 Sec. 4. *Repealing Clause.* Any law, presidential decree or issuance, executive
12 order, letter of instruction, administrative order, rule or regulation contrary to, or
13 inconsistent with the provisions of this Act is hereby repealed, modified or amended
14 accordingly.

15
16 Sec. 5. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its
17 publication in at least two (2) newspapers of general circulation.

18
19 *Approved,*