

**NINETEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES**  
*First Regular Session*



Senate  
Office of the Secretary

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SENATE  
S.B. No. 1503

RECEIVED BY: \_\_\_\_\_

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**Introduced by Senator Ramon Bong Revilla, Jr.**

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**AN ACT  
INCREASING THE PENALTIES FOR NON-COMPLIANCE OF THE  
PRESCRIBED INCREASES AND ADJUSTMENTS IN THE WAGE RATES OF  
WORKERS, AMENDING FOR THE PURPOSE OF 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 levied to employers or establishments which do not comply to prescribed rates. This bill seeks to protect the rights of our workers and promote their welfare, as our Constitution mandated it. The workers deserve all this since they are the very backbone of our economy and the primary force that stirs our development.

The Filipino labor force deserve the protection of the State, thus, consideration 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 Congress assembled:*

1           SECTION 1. Section 12 of Republic Act 6727, as further amended by Republic  
2 Act 8188, is hereby 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) 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 RA  
3 6685 and in relation to DOLE Order No. 19, with respect to any violation in the  
4 payment of wages or its appropriate wage increase.

5  
6           Sec. 3. *Separability Clause.* If any provision or part hereof, is held invalid or  
7 unconstitutional, the remainder of the law or the provision not otherwise affected shall  
8 remain valid and subsisting.

9  
10          Sec. 4. *Repealing Clause.* Any law, presidential decree or issuance, executive  
11 order, letter of instruction, administrative order, rule or regulation contrary to, or  
12 inconsistent with the provisions of this Act is hereby repealed, modified or amended  
13 accordingly.

14  
15          Sec. 5. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its  
16 publication in at least two (2) newspapers of general circulation.

*Approved.*