

**CALTEX (PHILIPPINES) INC., STANDARD-VACUUM OIL COMPANY,
AND THE SHELL COMPANY OF THE PHILIPPINES, LTD.,
PETITIONERS, VS. THE HONORABLE AURELIO QUITORIANO, IN HIS
CAPACITY AS ACT...**

G.R. No. L-7152. March 21, 1956

Ponente: REYES, J.B.L., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/280678924317/>

REYES, J.B.L., J.:

The petitioners, dealers in mineral oils and allied products, have filed this action for prohibition seeking to have the respondent Secretary of Labor restrained by this Court from enforcing his Administrative Order WB-6(a), treating a "Wage Board for the Mineral Oil Industry", for the purpose of "fixing a minimum wage for such industry." Upon their petition we issued a preliminary injunction.

It appears that a report of the Acting Chief of the Wage Administration Service, dated October 3, 1953 (Annex 1, Answer), called the attention of the then acting Secretary of Labor, Aurelio Qutoriano, to the circumstance that "a preliminary investigation of conditions and relevant labor matters in local oil firms in compliance with your instruction" revealed that "there are a total of , four oil companies operating throughout the Philippines, with an aggregate of around 3,000 employees; that the "approximate living cost per family of 4.9 members in the Manila area", based on current price indexes, was estimated at 128 monthly or P5.03 per day; that the adequate diet recommended by the Institute of Nutrition for an average family "requires at least Pa daily", which, added to non food necessities, gave a "minimum adequate standard of living" cost of between P6 and P7 per day; that the latest prevailing wage study of two of the oil firms showed that the employees received P6.40 or less per day, and that the reported minimum wage rate was P5.01. The report recommended the appointment of a wage board. Acting upon this report, the Secretary, as recommended, issued Administrative Order No. WB-6(a) setting up a Wage Board for the Oil Industry, pursuant to section 4 (a) of the Minimum Wage Law (Republic Act No. 602), reading as follows:

"Wage investigation: Appointment of Wage Board.— (a) Tile Secretary of Labor shall have the power, and it shall be his duty upon petition of six or 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 a Wage Board to fix a minimum -wage for such industry."

The petitioners contend that said Order WB-6(a) is null and void, because:

- (a) No investigation was conducted as required by law prior to the appointment of;a wage board;
- (b) The Secretary of Labor did not render an opinion that a substantial number of oil industry employees received wage "less than sufficient to maintain them in health, efficiency and general well-being."

- (c) That there was no proof before the Secretary to justify such an opinion;
- (d) That employers were not heard before the wage board was appointed.

We find the objections to be without merit. The report of the Chief of the Wage Service sufficiently shows, that the Secretary directed that the investigation required by law be made; and the facts disclosed in the report indicate that the average minimum wage in the oil industry was below the estimated requirements of an adequate standard of living. That the Secretary thereupon reached the conclusion that such wage were less than required for the health, efficiency and general well-being of the workers- affected is apparent from his creation of the Wage Board.

It is to be noted that the law does not prescribe that the investigation be made by the Secretary himself; nor attempt to specify what precise facts must be disclosed by his investigation, and for a good reason. It is the Wage Board that will conduct the real inquiry into the facts under -section 5(b) of the Minimum Wage law, and for that purpose the board is empowered to summon witnesses and call for such additional information as it may require. In addition, after the Wage Board has filed its report and recommendations, section 6 (a) of the law requires the Secretary to notify the interested parties and then hold public hearings thereon before issuing a final wage order.

Manifestly, the investigation preceding the appointment of a Wage Board is not intended to be final, but merely preliminary and sufficient for what is termed "a prima facie case"; otherwise, the fact finding by the Board and the public hearings upon its report would be superfluous repetitions. The Courts should not interfere with the preliminary opinion of the Secretary of the effect that the facts before him justify the constitution of the Wage Board, at least in the absence of an abuse of discretion, that here has not been shown to exist.

It is equally obvious that section 4 (a) of the Minimum Wage Act, in requiring that the Secretary should be "of the opinion" that a substantial number of employees in a given industry are receiving wages insufficient to maintain them "in health efficiency and general well-being", does not demand more than a reasonable belief or conviction of the Secretary that such undesirable conditions exist; much less does it prescribe that the Secretary should express or issued written statement of his opinion. Apparently petitioners have unwarrantedly assumed the requirement that the Secretary of Labor should be "of the opinion" that a Wage Board is warranted, to be a condition that he should "render an opinion".

Likewise apparent is the fact that the law contemplates no hearing or intervention of the employers affected in the investigation prior to the constitution of a Wage Board, precisely because it is a mere preliminary step for the full inquiry that will take place afterwards. The protection of the employers' interests is assured by the fact that the Wage Board is to be composed of two representatives of the employers,, two of the employees, and a Chairman representing the public (section 5 (a) Minimum Wage Act); and by the express provisions of section 6 (a) that the public hearings to be conducted by the Secretary of Labor on the Board's report "shall be consonant with due process of law," and upon notice to interested parties. No real injury was therefore caused to the petitioners herein by not giving them a hearing before setting up the Wage Board in question; and this in itself is sufficient ' ground for dismissing the petition (cf. *Bautista vs. Municipal Council of Mandaluyong*, supra, p. 409; *Race Horse Trainers Association vs. De la Fuente*, 88 Phil., 60).

That the petitioners and their employees have entered . into collective bargaining agreements can not bar the setting up of Wage Boards under the Minimum Wage Law, the purposes of the latter being, different. We can not ignore the fact that economic pressures may induce collective agreements that do not fully meet the minimum socially desirable.

The petition is dismissed and the preliminary injunction dissolved. Costs against the petitioner. So ordered.

Parás, C. J., Bengzon, Padilla, Montemayor, Reyes, A., Bautista Angelo, Labrador, Concepcion, and Endeneia, JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.