

ATOK-BIG WEDGE MINING CO., INC., PETITIONER, VS. ATOK-BIG WEDGE MUTUAL BENEFIT ASSOCIATION, RESPONDENT.*G. R. No. L-5276. March 03, 1953*

Ponente: LABRADOR, J.

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This is an appeal by certiorari against a decision of the Court of Industrial Relations. On September 4, 1950, a demand was submitted to petitioner by respondent union through its officers for various concessions, among which were (a) an increase of P0.50 in wages, (b) commutation of sick and vacation leave if not enjoyed during the year, (c) various privileges, such as free medical care, medicine, and hospitalization, (d) right to a closed shop, check off, etc., (e) no dismissal without prior just cause and with a prior investigation, etc. Some of the demands, were granted by the petitioner, and the others were rejected, and so hearings were held and evidence submitted on the latter. After the hearings the respondent court rendered a decision, the most important provisions of which were those fixing the minimum wage for the laborers at P3.20, declaring that additional compensation representing efficiency bonus should not be included as part of the wage, and making the award effective from September 4, 1950. It is against these portions of the decision that this appeal is taken.

On the issue of the wage, it is contended by petitioner that as the respondent court found that the laborer and his family at least need the amount of P2.58 for food, this should be the basis for the determination of his wage, not what, he actually spends; that it is not justifiable to fix a wage higher than that provided by Republic Act No. 602; and that respondent union made the demand in accordance with a pernicious practice of claiming more after an original demand is granted. The respondent court found that P2.58 is the minimum amount actually needed by the laborer and his family. That does not mean that it is his actual expense. A person's needs increase as his means increase. This is true not only as to food but as to everything else—education, clothing, entertainment, etc. The law guarantees the laborer a fair and just wage. The minimum must be fair and just. The "minimum wage" can by no means imply only the actual minimum. Some margin or leeway must be provided, over and above the minimum, to take care of contingencies, such as increase of prices of commodities and increase in wants, and to provide means for a desirable improvement in his mode of living. Certainly, the amount of P0.22 a day (difference between P2.80 fixed and P2.58 actual) is not excessive for this purpose. That the P3 minimum wage fixed in the law is still far below what is considered a fair and just minimum is shown by the fact that this amount is only for the year after the law takes effect, as thereafter the law fixes it at P4. Neither may it be correctly contended that the demand for increase is due to an alleged pernicious practice. Frequent demands for increase are indicative of a healthy spirit of wakefulness to the demands of a progressing and an increasingly more expensive world. We, therefore, find no reason or ground for disturbing the finding contained in the decision fixing the amount of P3.20 as the minimum wage.

It is next contended that the efficiency bonus paid the laborer should have been included in his (minimum) wage, in the same manner as the value of living quarters. Whether or not bonus forms part of wages depends upon the circumstances or conditions for its payment. If it is an additional compensation which the employer promised and

agreed to give without any conditions imposed for its payment, such as success of business or greater production or output, then it is part of the wage. But if it is paid only if profits are realized or a certain amount of productivity achieved, it can not be considered part of the wages. In the case at bar, it is not payable to all but to laborers only. It is also paid on the basis of actual production or actual work accomplished. If the desired goal of production is not obtained, or the amount of actual work accomplished, the bonus does not accrue. It is evident that under the circumstances it is paid only when the labor becomes more efficient or more productive. It is only an inducement for efficiency, a prize therefor, not a part of the wage.

The last question raised in the appeal is the grant of the increase from September 4, 1950, the date of the presentation of the original demand, instead of from April 5, 1951, the date of the amended demand. The decision states:

Both parties agreed that any award should be retroactive to the date of the presentation of the demands, which is September 4, 1950. (Annex A, p. 5.)

The terms of the stipulation are clearly against petitioner's contention. There being no question as to its (agreement) existence, the same must be given force and effect.

The petition is hereby dismissed, with costs.

Paras, C. J., Feria, Pablo, Bengzon, Padilla, Tuason, Reyes, Jugo, and Bautista Angelo, JJ., concur.
Montemayor, J., concurs in the result.

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