

**THE PEOPLE OF THE PHILIPPINES, PLAINTIFF AND APPELLEE, VS.
VENANCIO MANANGCO, DEFENDANT AND APPELLANT.***G. R. No. 11326. April 30, 1958*

Ponente: FELIX, J.

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The accused was charged in the Court of First Instance of Manila, with a violation of Commonwealth Act No. 303 in relation to Article 315 of the Revised Penal Code. After due proceedings and hearing, the Court found him guilty of the crime charged and sentenced him to suffer the indeterminate imprisonment term ranging from 1 year and 1 day, to 1 year and 8 months of prision correccional, to indemnify the complainants in the sum of P477.34, with subsidiary imprisonment in case of insolvency, and to pay the costs. From this sentence defendant Venancio Manangco appealed to the Court of Appeals which by resolution of August 11, 1956, certified the case to this Court under the provision of Section 17-(6) of the Judiciary Act of 1948.

The facts of the case as correctly stated in the brief of the Solicitor General are substantially as follows:

On February 8, 1952, and in San Nicolas, Muelle de la Industria, Manila, appellant Venancio Manangco contracted the services of several laborers to do the loading and unloading of cement sacks that was to be undertaken in Mariveles, Bataan. The shipment of the cement belonged to the National Steel and Shipyard Company and the Pan-Philippine Shipping Co. was the entity that had entered into contract with several companies or persons for such loading and unloading (Exhibit 11). The laborers that are involved in this case to whom appellant bound himself to pay their respective wages, and the respective amounts that are due and unpaid to them for the services they have rendered in said enterprise, are the following:

Mariano Belen.....

P68.21

Gaudencio Durante.....

101.50

Diego Callejon.....

128.21

Pablo Villanueva.....

51.98

Marcelo Labar.....

42.41

Pacifico Labar.....

44.81

Felipe Samaniego.....

40.21

The loading and unloading in which these laborers worked was finished on February 26, 1952, and notwithstanding their repeated demands on appellant to pay them their respective wages due, he refused and failed to pay the same up to the present. The contract that appellant entered into with the Pan-Philippine Shipping Co. contains the following stipulations and conditions, to wit:

(1)

Venancio Manangco will put up all necessary laborers to undertake the job;

(7)

It is understood that the Pan-Philippine Shipping will not be responsible for non-payment to any laborers working under this contract;

(8)

That the Pan-Philippine Shipping will not entertain any protest from any laborer and that it should be Mr: Manangeo who must have to attend to all the laborers

(9)

The Pan-Philippine Shipping will advance some money to Venancio Manangco for buying of rice and other food stuff necessary to maintain themselves while they are in Mariveles (Exhibit I).

Pursuant to this contract the Pan-Philippine Shipping Co. paid P11,110, on account of the Nassco Cement which included the payment of the wages of laborers doing the loading and unloading of said cement, and P11,530 on account of the unloading of the Prisco Cement. On appeal counsel for the defense contends that the lower Court erred:

- In not taking into consideration the legal issue raised by the defendant and appellant to the effect that Commonwealth Act No. 602 has been repealed already in toto by Republic Act No. 602, otherwise known as the Minimum Wage Law;
- In not taking into consideration the fact that non-payment of wages to laborers does not constitute estafa as provided by Republic Act No. 602; and
- In not acquitting defendant and appellant.

Pursuing these defenses counsel for appellant states: (1) That appellant is an independent contractor and having signed a contract with the Pan-Philippine Shipping Co. he became a sub-contractor and the company the principal (Exhibit 1); (2) That upon the signing of the abovementioned contract appellant was ordered by his principal thru his General Manager Capt. Hilarion Benedicto to proceed to Mariveles immediately to start the unloading of cement, as stipulated, hence, said defendant and appellant gathered all his men and on February 8, 1952 went to Mariveles with all his laborers arriving there on the afternoon of the same day; (3) That appellant could not start immediately the unloading of cement because the ship supposed to have the Cargo had not yet arrived, so they had to wait in the meantime and without work until the arrival of the S.S. BANZAI Maru on the 12th day of February, 1952; (4) That appellant has paid the laborers for the 5 days' period and incurred in expenses for the daily subsistence of the laborers and the Pan-Philippine Shipping Co. has refused to reimburse the

defendant-appellant for his extra and unnecessary expenses; and (5) That at the termination of the unloading of the cargo of cement, the defendant and appellant was not able to pay in full the wages of his laborers, specially the herein seven complainants and, consequently, the City Fiscal's Office filed the corresponding complaint at the instance of the Department of Labor.

Appellant admits that he has not paid in full the wages of herein complainants but his counsel contends that he had been erroneously prosecuted because, instead of accusing him of a violation of Republic Act No. 602, he was prosecuted erroneously for a violation of Commonwealth Act No. 303. It is, therefore, appellant's contention and his principal issue in this appeal that Commonwealth Act No. 303 was already repealed by Republic Act No. 602, which is the epitome of all labor laws in the Philippines.

The pertinent portions of the labor laws involved in this prosecution read as follows:

"COMMONWEALTH ACT NO. 303.—

Section 1.—Every employer, including the head of every government office, whether national, provincial or municipal, shall pay the salaries and wages of his employees and laborers at least once every two weeks or one-half month unless it be impossible to do so due to force majeure or to some other causes beyond his control, or unless he has been previously exempted by the Secretary of Labor from this requirement. Exemption may be granted by the Secretary of Labor only if, after proper inquiry, he becomes convinced that the conditions and exigencies of the business of tin employer require less frequent payment of salaries and wages but no employer shall be authorized to make such payment with less frequency than once a month and unless he establishes a store within or near the business premises from which the employees and laborers can conveniently buy foodstuffs and other articles of prime necessity at cost and on credit, payable at the following pay day.

Section 4.—Failure of the employer to pay his employees or laborers as required by Section one (1) of this Act, shall prima facie be considered a fraud committed by such employer against his employees or laborers by means of false pretenses similar to those mentioned in Article three hundred and fifteen, paragraph four, sub-paragraph two (2) of the Revised Penal Code and shall be punished in the same manner therein provided.

Section 7.—This Act shall take effect upon its approval.

Approved June 9, 1938."

"REPUBLIC ACT NO. 602.—

Section 10-(h).—Wages shall be paid not less often 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 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 contraction 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 employee 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 sub-section 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.

Section 15.—PENALTIES AND RECOVERY OF WAGE DUE UNDER THIS ACT.—(a) Any person who wilfully 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 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 the person acting as such when the violation took place, be responsible. In the case of a government corporation, managing head shall be made responsible, except when shown that the violation was due to an act or commission of some persons, over, whom he has 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 recovered 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 within a period of three years shall be covered into the Treasury as miscellaneous receipts.

SECTION 28.—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 is repealed.

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

APPROVED, April 6, 1951."

After a careful study of the provisions of the laws aforequoted, We are of the opinion that the failure of the defendant and appellant to pay the wages of the laborers herein concerned within the period specified therein, comes within the purview of both Acts, i.e., Commonwealth Act No. 303 and Republic Act No. 602. As under the facts of the case at bar, defendant cannot be prosecuted twice, i.e., one under Commonwealth Act No. 303 and another under Republic Act No. 602. We have to conclude the latter Act, at least in so far as the issues herein involved are concerned, covers and repeals the provisions of the former Act on the point, and although appellant has been prosecuted under Commonwealth Act No. 303 in connection with Article 315 of the Revised Penal Code, as the elements constituting a violation of Section 15 of Republic Act No. 602 are fully averred in the information, We would find no obstacle in declaring the defendant and appellant guilty of a violation of this law if the evidence appearing on record would show, as it does, his guilt of a violation thereof, although the penalty to be imposed upon said defendant and appellant would have to be imposed in accordance with the provisions of the latter law (Rep. Act No. 602, Section 15).

Wherefore, and on the strength of the foregoing considerations, the decision appealed from is hereby modified by finding the defendant and appellant guilty of a violation of Section 10-(h) in connection with Section 15 of Republic Act No. 602, and sentencing the defendant and appellant to pay a fine of P1,000, to further indemnify the complainants in the total amount of P477.33, or suffer the corresponding subsidiary imprisonment in case of insolvency or inability to pay both indemnity and fine, and to pay the costs in both instances. It is so ordered.

Paras, C. J., Bengzon, Reyes, A., Bautista Angelo, Labrador, Concepcion, Reyes, J. B. L., and Endencia, JJ., concur.

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