

THE PEOPLE OF THE PHILIPPINES, PLAINTIFF AND APPELLANT, VS. FRANCO VEBE REYES, DEFENDANT AND APPELLEE.*G.R. No. 45748. April 05, 1939*

Ponente: IMPERIAL, J.

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The defendant was charged in the Court of First instance of Manila by the assistant city fiscal with a violation of Act No. 2549, as amended by Acts Nos. 3085 and 3958. The information alleged that from September 9 to October 28, 1936, and for some time after, the accused, in his capacity as president and general manager of the Consolidated Mines, having engaged the services of Severa Velasco de Vera as stenographer, at an agreed salary of P35 a month willfully and illegally refused to pay the salary of said stenographer corresponding to the above-mentioned period of time, which was long due and payable, in spite of her repeated demands. The accused interposed a demurrer on the ground that the facts alleged in the information do not constitute any offense, and that even if they did, the laws penalizing it are unconstitutional. After the hearing, the court sustained the demurrer, declaring unconstitutional the last part of section 1 of Act No. 2549 as last amended by Act No. 3958, which considers as an offense the facts alleged in the information, for the reason that it violates the constitutional prohibition against imprisonment for debt, and dismissed the case, with costs de officio. The fiscal appealed from said order.

In this appeal the Solicitor-General contends that the court erred in declaring Act No. 3958 unconstitutional, and in dismissing the case.

Section 1 of Act No. 2549, as last amended by section 1 of Act No. 3958, reads as follows:

"Section 1. It shall be unlawful for any person, firm or corporation engaged in any business or enterprise in the Philippine Islands in any manner to force, compel, or oblige any laborer or employee employed by him to purchase directly or indirectly merchandise, commodities or personal property of any kind or nature from such person, firm or corporation, or to pay or cause to be paid the wages due to a laborer or employee before and after pay day or part of said wages by means of tokens, tickets, chits or objects other than the legal tender currency of the Philippine Islands ; or to negotiate directly or indirectly with the laborers or employees or with other persons, firms or corporations by means of chits, tickets or other objects which may represent sums of money paid in advance to the former for wages that are not yet due at the time of the issuance of such chits or tickets: Provided, That any contract between employer and laborer by virtue of which the latter binds himself to accept payment or any part thereof in tokens, tickets or other objects and any other contract between them, the direct or indirect purpose of which shall be to defeat the purposes of this Act, shall be null and void: Provided, further, That the employer shall pay the salary of his laborers or employees on the fifteenth or last day of every month, or on Saturday of every week with only two days extension, and the nonpayment of the salary within said period shall constitute a violation of this Act, unless satisfactorily proven that it was impossible to make such payment."

Section 2 of Act No. 2549, as amended by section 3 of Act No. 3085, reads as follows:

"Sec. 2. Every person violating the provisions of this Act and every member of a firm, and every director or officer of a corporation, who knowingly consents to any violation of this Act or directs the same, shall, for each offense, be punished by a fine of not less than one hundred pesos nor more than one thousand pesos, or by imprisonment for a period of not less than one month nor more than one year, or by both such fine and imprisonment, in the discretion of the court."

The last part of section 1 considers as illegal the refusal of an employer to pay, when he can do so, the salaries of his employees or laborers on the fifteenth or last day of every month or on Saturday of every week, with only two days extension, and the nonpayment of the salary within the periods specified is considered as a violation of the law. The same Act exempts from criminal responsibility the employer who, having failed to pay the salary, should prove satisfactorily that it was impossible to make such payment. The court held that this provision is null because it violates the provision of section 1 (12), Article III, of the Constitution, which provides that no person shall be imprisoned for debt. We do not believe that this constitutional provision has been correctly applied in this case. A close perusal of the last part of section 1 of Act No. 2549, as amended by section 1 of Act No. 3958, will show that its language refers only to the employer who, being able to make payment, shall abstain or refuse to do so, without justification and to the prejudice of the laborer or employee. An employer so circumstanced is not unlike a person who defrauds another, by refusing to pay his just debt. In both cases the deceit or fraud is the essential element constituting the offense. The first case is a violation of Act No. 3958, and the second is estafa punished by the Revised Penal Code. In either case the offender cannot certainly invoke the constitutional prohibition against imprisonment for debt.

Police power is the power inherent in a government to enact laws, within constitutional limits, to promote the order, safety, health, morals, and general welfare of society. (12 C.J., p. 904.) In the exercise of this power the Legislature has ample authority to approve the disputed portion of Act No. 3958 which punishes the employer who, being able to do so, refuses to pay the salaries of his laborers or employees in the specified periods of time. Undoubtedly, one of the purposes of the law is to suppress possible abuses on the part of employers who hire laborers or employees without paying them the salaries agreed upon for their services, thus causing them financial difficulties. Without this law, the laborers and employees who earn meager salaries would be compelled to institute civil actions which, in the majority of cases, would cost them more than that which they would receive in case of a decision in their favor.

We hold that the last part of section 1 of Act No. 2549, as last amended by section 1 of Act No. 3958, is valid, and we reverse the appealed order with instructions to the lower court to proceed with the trial of the criminal case until it is terminated, without special pronouncement as to costs in this instance. So ordered.

Avanceña, C. J., Villa-Real, Diaz, Laurel, Concepcion, and Moran, JJ., concur.

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