

# [ PRESIDENTIAL DECREE NO. 525, July 31, 1974 ]

## **MAKING MANDATORY THE PAYMENT OF EMERGENCY ALLOWANCE UNDER LETTER OF INSTRUCTIONS NO. 174.**

To enable the workers in the private sector to cope with the rising cost of living under the prevailing abnormal situation, and consistent with our policy of growth with justice, **I, FERDINAND E. MARCOS**, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order:

**SECTION 1.** Effective 1 August, 1974, all employers who have not paid their employees emergency allowance in accordance with Letter of Instructions No. 174 shall pay their employees who are receiving less than P600.00 a month emergency allowance of P50.00 a month if their capitalization is more than one million pesos, P30.00, if their capitalization is more than 100 thousand pesos but does not exceed 1 million pesos and P15.00 if their capitalization is 100 thousand pesos or less; *Provided*, That this Decree shall not apply to any severely distressed industry or branch thereof, or enterprise therein, as defined by the Department of Labor in accordance with established standards and methods of determining the same.

**SEC. 2.** The Secretary of Labor shall compile a list of all employers who have voluntarily complied with Letter of Instructions No. 174 for such measures of recognition and assistance as he may deem appropriate to grant to them within his authority. He shall furnish all appropriate government institutions with copies of such list for the same purpose.

**SEC. 3.** The Department of Labor and the National Labor Relations Commission shall not entertain any complaints under this Decree against employers who have complied with Letter of Instructions No. 174 and filed the necessary reports with the Department of Labor.

**SEC. 4.** The example made by the government of granting a ten per cent across-the-board increase to all government employees but in no case more than P200.00 monthly shall serve as a guideline in collective bargaining and in arbitration concerning wage adjustment: *Provided, however*, That these provisions may not be invoked as a basis for reopening existing collective bargaining agreements, including the wage provisions thereof.

**SEC. 5.** Employees entitled to emergency allowance under Letter of Instructions No. 174 and this Decree may report violations thereof to the regional offices of the Department of Labor two months after the effective date of this Decree. After such period, all employers who shall not have complied herewith may no longer avail of the privileges granted under paragraphs 4 and 7 of Letter of Instructions No. 174.

**SEC. 6.** All employers shall report their compliance with this Decree to the Labor Statistics Service of the Department of Labor in Manila, furnishing a copy thereof to the nearest Department of Labor regional office.

**SEC. 7.** Any person guilty of the violation of this Decree shall suffer a fine of not less than five thousand pesos nor more than ten thousand pesos or an imprisonment ranging from six months to six years or both such fine and imprisonment at the discretion of the court or military tribunal: *Provided*, That if the offender is a corporation, firm, partnership, or association, the penalty shall be