

May 16, 1947

**EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT BETWEEN  
THE REPUBLIC OF THE PHILIPPINES AND THE UNITED STATES  
OF AMERICA REGARDING THE RECRUITMENT OF FILIPINOS FOR  
WORK BY THE UNITED STATES ARMY**

Note: The Agreement entered into force, May 16, 1947.

Reference: This Agreement is also published in 289 UNTS, p. 177; 7 UST,  
p. 2539 and TIAS 3646.

**I**

**EMBASSY OF THE UNITED STATES OF AMERICA**

May 13, 1947

Excellency:

I have the honor to refer to my notes of February 21 and March 14, 1947 requesting the approval of the Philippine Government for the recruitment of Philippine labor for assistance in repatriation of World War II dead and for duty with the Guam Air Material Area at Guam and the approval of the Philippine Government appearing in Your Excellency's note of April 8, 1947 enclosing a copy of a communication dated March 21 signed by the Secretary of Labor concerning the additional provision of food, lodging and laundry. Reference is also made to Your Excellency's letter to Colonel J. W. Boone GSC PHILRYCOM dated March 22, 1947 regarding the recruitment of Manuel Marquez and others as laborers in Okinawa.

The Commanding General PHILRYCOM has now requested this Embassy to present for the approval of the Philippine Government a coordinated proposal for the compensation of all Filipino laborers recruited within the Philippines which will apply in the case of labor recruited for service with the Army Graves Registration Service as well as other Filipino laborers employed by the United States Army for duty outside the Philippines.

The United States Army now foresees a need for about 8,000 Filipino laborers to be employed directly by the United States outside the Philippines including the Marianas-Bonins, Okinawa and elsewhere in the Pacific. Insofar as Filipino employees who are hired directly by the United States Government at any place outside of the Philippines are concerned, the United States Army will in all cases agree to the payment of an increase in the current Philippine wages of 15 centavos per hour in lieu of free quarters and subsistence suggested by Your Excellency's Government, plus a 25% overseas differential, and then charge all employees for quarters and subsistence as furnished. The charges for quarters and subsistence will be as follows:

(a) Quarters—P2.00 per month.

(b) Subsistence— 90 centavos per day for the Philippine Scout Ration, or P1.50 per day for the regular U.S. Army Ration, whichever is furnished.

In addition to the above, the following benefits affecting Filipino personnel employed directly by the Army are offered:

- (a) Free laundry facilities.
- (b) Free medical services and dental care of an emergency nature while out side of the Philippines.
- (c) Guaranteed transportation to and from point of hire regardless of the reason for separation from duty.
- (d) Pay while in a travel status not to exceed 40 hours a week, except while in a return travel status after having been removed for cause or for quit ting the job.
- (e) Treatment and compensation for service connected injuries and death by the United States Federal Security Agency, Bureau of Employees' Com pensation for Government employees.
- (f) Overtime payment at 1-1/2 times the basic rate for work in excess of the regular 40-hour weekly tour of duty performed by all employees. Laborers and mechanics will also be paid 1-1/2 times the basic rate for work performed in excess of 8 hours per day for which overtime compensation is paid will not count towards completion of the 40-hour week required for payment of overtime on a weekly basis.
- (g) Pay for absence on U.S. holidays, which are the only holidays celebrated in Guam. If work is performed on those holidays, holiday payment will be made at the rate of time and one-half of the basic compensation. It is desired to apply the above procedure to all operations carried on by the United States Army wherever they may be needed under the jurisdiction of the Commander-in-Chief, Far East Command. Upon approval of this over-all policy by the Philippine Government, authority is requested to recruit Filipino employees as are necessary for duty outside the Philippines, and then process and ship such employees to the desired areas without further contact with Philippine authorities, except to submit the names, addresses and next of kin of such employees subsequent to shipment, to the Philippine Government. Approval of this procedure is requested in order to avoid delays subsequent to processing caused by the submission of rosters for approval before shipment.

Information is requested as to what documents each individual must possess prior to departure in order to comply with the requirements of Your Excellency's Government.

In addition to the 8,000 employees mentioned above, it is understood that the arrangements with the Philippine Government have already been completed for the recruitment of 6,000 employees by the Morrison Knudsen Company, Inc. and Peter Kiewit Sons, Inc., Contractors under the jurisdiction of the District Engineer, which includes the payment of basic Philippine rates, plus free quarters and subsistence, and upon satisfactory fulfillment of the contract, grants a bonus of 25% on the base rate of pay.