

## REFERENCE DIGEST

**COMMERCIAL LAW: THE PHILIPPINE SOCIAL SECURITY LAW.** The Social Security Act of 1954 as amended by Republic Act No. 1792, has met some vigorous opposition from some quarters. Proponents of the Social Security System maintain that it is about time that the Philippines keep abreast with modern social legislation; that the Social Security Act as amended is the best we can have as a piece of legislation to start from. On the other hand, opponents of the Social Security Act advance the argument that this law is unconstitutional, that it is a system for the security of the system rather than the members thereof.

The author, in appraising the various provision of the Social Security Act, has found some glaring inequities in the law as a social security legislation. To point one, among the many defects of the law, the author gives this graphic illustration: Employee A, with a monthly salary of ₱400.00 is 30 years old at the time he was compelled to join the system. His monthly contribution will be 2.5% of his monthly salary, or ₱10.00 a month. While his employer will contribute 3.5% or ₱14.00 thereby making a total contribution to the System of ₱24.00, so that in one year both employer and employee would have contributed to the System ₱288.00.

If A reaches the retirement age of 60 years he shall have the option to retire and shall be entitled to a life pension equivalent to 1/2 of 1% of his average monthly salary, multiplied by the number of years he has been a member of the System.

In this example, A has been a member for 30 years: hence he shall receive a monthly pension of ₱60.00 until he dies. Being already 60 years old on his retirement, his remaining life expectancy would likely not exceed 10 years more. Assuming that he dies at the age of 70 years, he would have therefore received from the System the total amount of ₱7,200.00 only.

Inasmuch as the total contributions of both A and his employer to the System for 30 years would amount to ₱8,640.00, the System is bound to profit, at the expense of the employee in the sum of ₱1,440.00. And if A should die before 70 years, (which is very probable in many cases) then the System would still make greater profit. Thus, if A continues to live only for two years from his retirement, dying at 62, A would only receive from the System the sum of ₱1,440.00 out of a total investment of ₱8,640.00 of both employee and employer.

The author proposes several amendments. (Sulpicio Guevara, *The Philippine Social Security Law: An Appraisal*, 32 PHIL. L. J. No. 3, at 365-377 (1957). ₱2.50 at U.P., Diliman, Q.C. This issue also contains, Padilla, *Suggested Reforms*; Abad Santos, "So" *That's It*).

**CONSTITUTIONAL LAW: EFFECT OF THE MILITARY BASES AGREEMENT.** When the U.S. Attorney General rendered an opinion on August 28, 1953 to the effect that the United States retained title, "the proprietary interest" to land areas comprising the bases, military and naval covered by the Military Bases Agreement, a passionate reaction was generated among our people. Fortunately the controversy had been happily settled.

However, the picture has not all together changed. Some thorns still remain sticking on the side of Philippine-American relationship. Cause of some of our strained relations with the United States can be traced to some features of the Military Bases Agreement which are derogatory to our national sovereignty.

The author, a ranking member of the Philippine panel in the Military Bases negotiations, outlines some of the proposals which the Philippine panel advanced during the last Military Bases negotiations. (Hon. Jesus G. Barrera, *The Constitution and the Military Bases Agreement*, 13 DECISION L. J. No. 9, at 643-655 (1957). ₱2.00 at University Publishing Company, 927 Morayta, Manila. This issue also contains: *Digest of Supreme Court Cases.*)

**LABOR LAW: DO AGRICULTURAL TENANTS HAVE THE RIGHT TO STRIKE?** "Agricultural tenants have not been accorded by the law expressly the right to strike; neither has the law expressly provided that they do not have such right." The author, an Executive Judge of the Court of Agrarian Relations believes, however, that agricultural tenants do not have the right to strike.

A comparison of the laws applicable to industrial laborers on the one hand and agricultural tenants on the other shows some enlightening revelations. Republic Act No. 875 expressly encourages collective bargaining and the right of industrial workers to strike. On the other hand, Republic Act No. 1199 seeks to place the relationship of landlord and tenant upon the principles of social justice, equitable sharing, delineation of rights and obligations, the right to elect the sharing basis or system of tenancy. A tenant is a partner in the agricultural enterprise; an industrial laborer is not. The agricultural tenant is expressly enjoined to perform his duties, and failure to do so or by resorting to strikes is a ground for ejection. All these, among others, point to the conclusion that agricultural tenants do not now have the right to strike. (Guillermo G. Santos, *Agricultural*

Tenants — *Do They Have the Right to Strike?* 5 F.E.U. L.Q. No. 3 at 229-237 (1957). ₱2.50 at Far Eastern University Institute of Law, F.E.U. Quezon Blvd., Manila. This issue also contains: Guevara, *A Critique on the Proposed Corporation Code*; Nollodo, *When is the Crime of Arson Attempted, Frustrated, or Consummated.*)

## LEGISLATION

[R.A. NO. 1700]

## AN ACT TO OUTLAW THE COMMUNIST PARTY OF THE PHILIPPINES AND SIMILAR ASSOCIATIONS, PENALIZING MEMBERSHIP THEREIN, AND FOR OTHER PURPOSES.

WHEREAS, the Communist Party of the Philippines, although purportedly a political party, is in fact an organized conspiracy to overthrow the Government of the Republic of the Philippines not only by force and violence but also by deceit, subversion and other illegal means, for the purpose of establishing in the Philippines a totalitarian regime subject to alien domination and control;

WHEREAS, the continued existence and activities of the Communist Party of the Philippines constitutes a clear, present and grave danger to the security of the Philippines; and

WHEREAS, in the face of the organized, systematic and persistent subversion, national in scope but international in direction, posed by the Communist Party of the Philippines, and its activities, there is urgent need for special legislation to cope with this continuing menace to the freedom and security of the country: Now, therefore,

SECTION 1. This Act shall be known as Anti-Subversion Act.

SEC. 2. The Congress hereby declares the Communist Party of the Philippines to be an organized conspiracy to overthrow the Government of the Republic of the Philippines for the purpose of establishing in the Philippines a totalitarian regime and place the Government under the control and domination of an alien power. The said party and any other organization having the same purpose and their successors are hereby declared illegal and outlawed.

SEC. 3. As used in this Act, the term "Communist Party of the Philippines" shall mean and include the organizations now known as the Communist Party of the Philippines and its military arm, the *Hukbong Mapagpalaya ng Bayan*, formerly known as HUKBALAHAPS, and any successors or such organizations.

SEC. 4. After the approval of this Act, whoever knowingly, wilfully and by overt acts affiliates himself with, becomes or remains a member of the Communist Party of the Philippines and/or its successor or of any subversive association as defined in section two hereof shall be punished by the penalty of *arresto mayor* and shall be disqualified permanently from holding any public office, appointive and elective, and from exercising the right to vote; in case of a second conviction, the principal penalty shall be *prisión correccional*, and in all subsequent convictions the penalty of *prisión mayor* shall be imposed; and any alien convicted under this Act shall be deported immediately after he shall have served the sentence imposed upon him: *Provided, That*