

Title: Halagueña et al. vs. Philippine Airlines Inc.

Facts:

A group of female flight attendants, members of the Flight Attendants and Stewards Association of the Philippines (FASAP), challenged the compulsory retirement age of 55 for females and 60 for males stipulated in the Collective Bargaining Agreement (CBA) between their labor union and Philippine Airlines (PAL). On July 11, 2001, the PAL-FASAP CBA established the disputed provisions. The petitioners considered it discriminatory and demanded equal treatment with male counterparts. Despite written protests and demands, the provision remained. Consequently, the petitioners filed a Special Civil Action for Declaratory Relief with the RTC of Makati City, which resulted in the issuance of a TRO against the enforcement of the discriminatory retirement age.

PAL moved to question the RTC's jurisdiction and to lift the TRO. The RTC maintained its jurisdiction and issued a preliminary injunction, halting the implementation of the discriminatory CBA provision. Dissatisfied, PAL appealed to the CA, which held that the RTC had no jurisdiction, annulling its orders and directing it to dismiss the case, considering the issue a labor dispute. Petitioners then sought recourse in the Supreme Court.

Issues:

1. Whether the RTC has jurisdiction over an action challenging the legality or constitutionality of provisions in a CBA.
2. Whether the CA erred in considering the subject matter as a labor dispute and subsequently annulling the orders of the RTC.

Court's Decision:

The Supreme Court found that the RTC has jurisdiction over the petitioners' action as it involves a question of constitutionality, not merely labor law exclusively cognizable by labor tribunals. The issue at hand required the application of the Constitution, labor statutes, and international treaties rather than merely a labor dispute under the Labor Code or CBA. The Court remanded the case to the RTC to ascertain the facts and adjudicate the merits of the petition for declaratory relief. The CA's decision was reversed and set aside, and the RTC was directed to proceed with the case with deliberate dispatch.

Doctrine:

Jurisdiction of a court over a case is determined by the material allegations and the character of the relief sought irrespective of whether the plaintiff is entitled to such relief.

Not all disputes involving employer-employee relationships are within the exclusive jurisdiction of labor tribunals; those requiring the application of general civil law are for the regular courts. The Voluntary Arbitrator or panel of Voluntary Arbitrators lack the power to decide constitutional issues. Moreover, provisions of law, especially peremptory provisions dealing with matters heavily impressed with public interest, are deemed written into the contract and may not be contracted away.

Class Notes:

- The jurisdiction of a court is defined by the specifics of the complaint and the nature of the relief requested.
- Labor tribunals have jurisdiction limited to disputes resolved by reference to labor laws or CBAs.
- Declaratory relief actions involving constitutional questions fall under RTC jurisdiction.
- Discriminatory provisions in contracts may be voided if contrary to law, public morals, or policy.
- Regular courts cannot be divested of jurisdiction merely because the decision may impact terms of employment.
- Both unions and companies cannot contract away from applicable provisions of law, particularly those pertaining to public interest.
- The grievance machinery is unsuitable for addressing legal questions regarding the constitutionality of CBA provisions.

Historical Background:

The case addresses the longstanding issue of gender discrimination in employment, particularly in the context of early compulsory retirement policies that differ for men and women. It highlights the role of the judiciary in ensuring that negotiated labor agreements do not run afoul of constitutional guarantees for equality and anti-discrimination statutes and treaties, like the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), to which the Philippines is a signatory. This case reaffirms that while CBAs are contracts and generally sacrosanct, their provisions are still subject to review and must align with overarching legal and policy principles, including equity and non-discrimination.