

Title:

Republic of the Philippines, Represented by the National Parks Development Committee vs. Hon. Court of Appeals and the National Parks Development Supervisory Association, G.R. No. 90707, March 31, 1990

Facts:

Historical Context and Organizational Background:

1. The National Parks Development Committee (NPDC) was originally created under Executive Order No. 30 in 1963 as an executive body for the development of national parks in the Philippines.
2. NPDC was later renamed and formally established as a non-stock, non-profit corporation under Executive Order No. 68 on September 21, 1967.
3. Despite its registration with the Securities and Exchange Commission (SEC) as “The National Parks Development Committee, Inc.,” NPDC faced operational issues, leading the SEC to threaten suspension of its registration for non-compliance with reporting requirements in 1987.

Key Developments Leading to Conflict:

4. The NPDC employees organized themselves into unions and entered into collective bargaining agreements in 1987.
5. Employees staged a strike in March 1988, alleging unfair labor practices.
6. The NPDC sought judicial intervention from the Regional Trial Court (RTC) of Manila to declare the strike illegal, arguing that its employees, as government workers, had no right to strike.

Procedural History:

7. On March 21, 1988, NPDC filed a complaint in the RTC-Manila (Civil Case No. 88-44048) to declare the strike illegal and obtain a restraining order.
8. The RTC-Manila dismissed the complaint for lack of jurisdiction on March 24, 1988, ruling that the dispute fell under the jurisdiction of the Department of Labor and Employment (DOLE).
9. Unsatisfied, NPDC appealed to the Court of Appeals (CA-G.R. SP No. 14204), which upheld the RTC’s dismissal on March 31, 1989.
10. NPDC subsequently sought review by the Supreme Court.

Issues:

1. **Jurisdictional Question:** Whether NPDC employees are covered by the Civil Service

Law or the Labor Code, affecting their right to strike and the jurisdiction over their labor disputes.

2. **Classification of NPDC:** Determination of NPDC's status as a government agency or a government-owned or controlled corporation (GOCC) to ascertain the applicable legal framework for handling employee disputes.

Court's Decision:

NPDC as a Government Agency:

1. The Supreme Court reaffirmed NPDC as a government agency based on precedent (Jesus P. Perlas, Jr. vs. People of the Philippines, G.R. Nos. 84637-39), noting it was created by executive orders and funded through government appropriations.
2. Observable from its historical operation, NPDC functions under the auspices of the Office of the President and, later, the Department of Tourism, making it subject to civil service laws and regulations.

Applicability of Civil Service Laws:

3. NPDC employees, being part of a government agency, are covered by civil service rules and are thus civil service employees (Section 2, Article IX, 1987 Constitution).
4. Per Executive Order No. 180, NPDC employees may organize but do not currently have the legal right to strike. Disputes involving their employment are to be resolved by the Public Sector Labor-Management Council, not DOLE.

Doctrine:

1. **Classification of Agencies:** Government-created entities through executive orders, funded by appropriations, and managed by government offices are considered government agencies, not GOCCs.
2. **Jurisdiction:** Labor disputes involving government agencies' employees must be brought before the Public Sector Labor-Management Council as dictated by Executive Order No. 180, rather than the Department of Labor and Employment.

Class Notes:

- **Civil Service Inclusion:** Employees of government agencies fall under civil service protection, limiting their rights to strike but allowing union organization.
- **Jurisdictional Boundaries:** Differentiation between civil service rules and labor laws is crucial for determining appropriate forums for employment disputes.
- **EO No. 180 Implementation:** Establishes the Public Sector Labor-Management Council as the correct adjudicative body for disputes involving government employees.

Historical Background:

Context of Organizational Alignment:

- The creation and subsequent evolution of NPDC reflect the continuous reforms and administrative realignments seen in the Philippine government's management of public parks and recreation areas.
- The case underscores the evolving legal landscape for public sector labor relations in the Philippines, particularly during the late 20th century's shifting balance of governmental and labor interests.