

Title: JAG & HAGGAR JEANS AND SPORTSWEAR CORPORATION vs. NATIONAL LABOR RELATIONS COMMISSION, et al.

Facts:

1. In September 1988, members of Lakas Manggagawa sa Jag, a union of rank-and-file employees of Jag & Hagggar Jeans and Sportswear Corporation (the petitioner), went on strike.
2. The petitioner filed a petition to declare the strike illegal.
3. On November 29, 1988, Labor Arbiter Eduardo Madriaga declared the strike illegal and ordered the dismissal of officers and members of the union who participated in the strike.
4. The union officers and members appealed to the National Labor Relations Commission (NLRC), which overturned the Labor Arbiter's decision on August 31, 1989, and ordered the reinstatement of the employees.
5. Upon a motion for reconsideration by the petitioner, the NLRC modified its decision on May 31, 1990, allowing the dismissal of certain union officers with separation pay and directing mere union members to return to work.
6. Both parties filed motions for reconsideration; however, they agreed to negotiate a settlement before the NLRC could resolve these motions.
7. On October 23, 1990, a Compromise Agreement was executed and signed, providing separation pay for the affected employees and additional financial assistance for certain employees.
8. Out of 114 affected employees, 90 availed benefits under the Compromise Agreement.
9. On May 15, 1991, 24 employees moved for execution of the May 31, 1990 NLRC Decision.
10. Petitioner's opposition cited the Compromise Agreement.
11. Labor Arbiter Salimathar Nambi denied the execution motion on September 12, 1991.
12. Twelve employees appealed to the NLRC, which ruled in their favor on February 26, 1992, directing petitioner to accept them back with back wages.
13. The petitioner filed a motion for reconsideration, denied on April 22, 1992.
14. On May 19, 1992, the petitioner filed a petition for certiorari to the Supreme Court but was dismissed for procedural non-compliance.
15. A motion for leave to refile the certiorari petition was filed on June 19, 1992, and the Supreme Court issued a temporary restraining order on June 29, 1992.

Issues:

1. Whether the Compromise Agreement is binding on the union members who did not ratify or avail themselves of its benefits.
2. Whether the union officers and members had the authority to enter into the Compromise

Agreement on behalf of all affected workers.

Court's Decision:

1. The Supreme Court ruled that the Compromise Agreement was not binding on the union members who did not sign or avail themselves of its benefits, emphasizing that waivers of employment rights require individual consent or ratification.
2. It was highlighted that only union members who actively participated in the Compromise Agreement or availed of its benefits could be considered as legally bound by its terms.
3. The Court affirmed that Domingo Namia and Rizalde Flores, being board members, were subject to the modified NLRC decision allowing dismissal with separation pay.

Doctrine:

- Individual workers have a personal right to employment benefits or claims, and such rights cannot be waived without personal consent. Union leaders cannot unilaterally waive these rights without the express consent of the individual workers involved, as per statutory requirements.
- A majority decision by union leadership does not automatically bind minority members unless individual rights are expressly waived.

Class Notes:

- Key Concept: Individual consent is required for the waiver of employment rights.
- Relevant Legal Provision: Section 7, Rule IV of the New Rules of Procedure of the NLRC - Attorneys cannot enter into compromise agreements affecting individual claims without a special power of attorney or express consent from the parties involved.
- Application: Employment benefits or rights accrued by a court decision should be accepted or rejected individually by the union members themselves for legal finality.

Historical Background:

- During the late 1980s in the Philippines, labor disputes and strikes were common as workers struggled for better conditions amid economic challenges. This case highlights the tension between union authority and individual worker rights, reflecting broader themes of labor relations and the protection of individual employment rights prevalent in that era.