

THE MANILA ELECTRIC COMPANY, PETITIONER, VS. THE PUBLIC UTILITIES EMPLOYEES' ASSOCIATION, RESPONDENT.

G.R. No. L-1206. October 30, 1947

Ponente: FERIA, J.

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FERIA, J.:

This is an appeal by certiorari under Rule 44 of the Rules of Court interposed by the petitioner Manila Electric Company against the decision of July 15, 1946 of the Court of Industrial Relations, which reads as follows:

"Although the practice of the company, according to the manifestations of counsel for said company, has been to grant one day vacation with pay to every workingman who had worked for seven consecutive days including Sundays, the Court considers justified the opposition presented by the workingmen to the effect that they need Sundays and holidays for the observance of their religion and for rest. The Court, therefore, orders the respondent company to pay 50% increase for overtime work done on ordinary days and 50 per cent increase for work done during Sundays and legal holidays irrespective of the number of days they work during the week."

The appellant contends that the said decision of the Court of Industrial Relations is against the provision of section 4, Commonwealth Act No. 444, which reads as follows:

"No person, firm, or corporation, business establishment or place or center of labor shall compel an employee or laborer to work during Sundays and legal holidays, unless he is paid an additional sum of at least twenty-five per centum of his regular remuneration: Provided, however, That this prohibition shall not apply to public utilities performing some public service such as supplying gas, electricity, power, water, or providing means of transportation or communication."

After a careful consideration of the issue involved in this appeal, we are of the opinion and so hold that the decision of the Court of Industrial Relations is erroneous or contrary to the clear and express provision of the above quoted provisions. The power of the Court to settle industrial disputes between capital and labor, which include the fixing of wages of employees or laborers, granted by the general provisions of section 1 of Commonwealth Act No. 103, has been restricted by the above quoted special provisions of Commonwealth Act No. 444, in the sense that public utilities supplying electricity, gas, power, water, or providing means of transportation or communication may compel their employees or laborers to work during, Sundays and legal holidays without paying them an additional compensation of not less than 25 per cent of their regular remuneration on said days.

Since the provisions of the above quoted section 4, are plain and unambiguous and convey a clear and definite meaning, there is no need of resorting to the rules of statutory interpretation or construction in order to determine the intention of the Legislature. Said section 1 consists of two parts: the first, which is the enactment clause, prohibits a person, firm or corporation, business establishment, or place or center of labor from compelling an employee or laborer to work during Sundays and legal holidays, unless the former pays the latter an additional sum of at least twenty five per centum of his regular remuneration; and the second part, which is an exception,

exempts public utilities performing some public service, such as supplying gas, electricity, power, water or providing means of transportation or communication, from the prohibition established in the enactment clause. As the appellant is a public utility that supplies electricity and provides means of transportation to the public, it is evident that the appellant is exempt from the qualified prohibition established in the enactment clause, and may compel its employees or laborers to work during Sundays and legal holidays without paying them said extra compensation.

To hold that the exception or second part of section 4, Commonwealth Act No. 444, only exempts public utilities mentioned therein from the prohibition to compel employees or laborers to work during Sundays and legal holidays, but not from the obligation to pay them an extra or additional compensation for compelling them to work during those days, is to make the exception meaningless or a superfluity, that is, an exception to a general rule that does not exist, because the prohibition in the enactment clause is not an absolute prohibition to compel a laborer or employee to work during Sundays and legal holidays. The prohibition to compel a laborer or employee to work during those days is qualified by the clause "unless he is paid an additional sum of at least twenty five per centum of his regular remuneration," which is inseparable from the prohibition which they qualify and of which they are a part and parcel. The second portion of section 1 is in reality an exception and not a proviso although it is introduced by the word "provided"; and it is elemental that an exception takes out of an enactment something which would otherwise be a part of the subject matter of it.

To construe Section 4, Commonwealth Act No. 444, as exempting public utilities, like the appellant, from the obligation to pay the additional remuneration required by said section 4 should they compel their employees or laborers to work on Sundays and legal holidays, would not make such exception a class legislation, violative of the constitutional guaranty of equal protection of the laws (Section 1 [1] Art. III of our Constitution). For it is a well-settled rule in constitutional law that a legislation which affects with equal force all persons of the same class and not those of another, is not a class legislation and does not infringe said constitutional guaranty of equal protection of the laws, if the division into classes is not arbitrary and is based on differences which are apparent and reasonable. (*Magonn vs. Illinois Trust Savings Bank*, 170 N. S., 283, 294; *State vs. Garbroski*, 111 Iowa, 496; 56 L. R. A., 570.) And it is evident that the division made by section 4, of Commonwealth Act No. 444, of persons, firms, and corporations into two classes: one composed of public utilities performing some public service such as supplying gas, electricity, power, water or providing means of transportation; and another composed of persons, firms, and corporations which are not public utilities and do not perform said public services, is not arbitrary and is based on differences which are apparent and reasonable.

The division is not arbitrary, and the basis thereof is reasonable. Public utilities exempted from the prohibition set forth in the enactment clause of Section 4, Commonwealth Act No. 444, are required to perform a continuous service including Sundays and legal holidays to the public, since the public good so demands, and are not allowed to collect an extra charge for services performed on those days; while the others are not required to do so and are free to operate or not their shops, business, or industries on Sundays and legal holidays. If they operate and compel their laborer to work on those days it is but just and natural that they should pay an extra compensation to them, because it is to be presumed that they can make money or business by operating on those days even if they have to pay such extra remuneration. It would be unfair for the law to compel public utilities like the appellant to pay an additional or extra compensation to laborers whom they have to compel to work during Sundays and legal holidays, in order to perform a continuous service to the public. To require public utilities performing public service to do so, would be tantamount to penalize them for performing public service during said days in compliance with the requirement of the law and public interest.

The conclusion on which the dissenting opinion is based, which is also substantially the basis of the resolution of

the lower court, is that "As to them [referring to public utilities like the petitioner] Section 4 of Commonwealth Act No. 444 may be considered as not having been enacted at all. * * * Therefore, when there is a labor dispute as in the present case, and the dispute is submitted to the Court of Industrial Relations for decision or settlement, the court is free to provide what it may deem just and more beneficial to the interested parties, and that freedom to settle and decide the case certainly includes the power to grant additional compensation to workers who work on Sundays and holidays. The general power granted by Sections 1, 4, and 13 of Commonwealth Act No. 103, are not affected in any way or sense by section 4 of Commonwealth Act No. 444."

This conclusion finds no support in law, reason or logic. It is a well settled rule of statutory construction adopted by courts of last resort in the States that if one statute enacts some thing in general terms, and afterwards another statute is passed on the same subject, which although expressed in affirmative language introduces special conditions or restrictions, the subsequent statute will usually be considered as repealing by implication the former regarding the matter covered by the subsequent act; and more specially so when the latter act is expressed in negative terms, as where for example it prohibits a certain thing from being done, or where it declares that a given act shall be performed in a certain manner and not otherwise. (See Black on Interpretation of Laws, 2d ed., p. 354, and Sutherland, Statutory Construction, 3d ed., Vol. 1, Section 1922, and cases therein cited.)

In accordance with this rule, the provision of Commonwealth Act No. 103 which confers upon the Court of Industrial Relations power to settle dispute between employers and employees in general, including those relating to compulsion of laborers to work on Sundays and legal holidays and additional compensation for those working on those days, should be considered as impliedly repealed by section 4 of Act No. 444, which limits or restricts the minimum of the additional compensation and specifies the persons, firms or corporation who may be required to pay said compensation. That is, that the Court of Industrial Relations may, under the provision of said section 4, order a person, firm or corporation or business establishment or place or center of labor who compel an employee or laborer to work on Sundays and legal holidays, to pay him an additional compensation of at least 25 per centum of his regular remuneration; but said court can not require public utilities performing public service mentioned therein to pay said extra compensation to laborers and employees required by them to work on Sundays and legal holidays, because the necessity of public service so requires.

It is evident that the principal purpose of the Legislature in enacting said section 4, is not only to restrict the general power of the Court of Industrial Relations granted by Act No. 103, to fix the minimum additional compensation which an employer may be required to pay a laborer compelled to work on those days, but principally to exempt public utilities affected with public interest, from the payment of such additional compensation. If it were the intention of the lawmakers in enacting Section 4 of Act No. 444 to fix the limit of the minimum of additional compensation for laborers working on those days, without exempting the public utilities, that is, leaving intact the general power of the court to require the said public utilities to pay said additional compensation, the law would have only provided, in substance, that all employers are prohibited from compelling their laborers to work on Sundays and legal holidays without paying them an additional compensation of not less than 50 per cent of their regular remuneration.

That the intention of the Legislature is to exempt the public utilities under consideration from the prohibition set forth in the enactment clause of Section 4, Act No. 444, is supported by the provision of section 19 of Act No. 103. As amended this section provides "that with the exception of employers engaged in the operation of public services or in the business coupled with a public interest, employers will not be allowed to engage the services of strike breakers within fifteen days after the declaration of the strike;" which shows a contrario sensu that public utilities performing public services are permitted to engage the services of strike breakers within fifteen days, that is, immediately upon the declaration of the strike. The same public interest, the reason of the exception in the

above quoted provision, underlies the exception provided in section 4, of Act No. 444.

Therefore, the ruling of the Court of Industrial Relations quoted in the first part of this decision appealed from, being contrary to law, is set aside. So ordered.

Paras, Pablo, Hilado, Bengzon, Briones, Padilla, and Tuason, JJ., concur.

MORAN, C.J.:

I concur in the result.

DISSENTING

PERFECTO, J.:

The petitioner complains against the following judgment of the Court of Industrial Relations with reference to respondent's demand for 100 per cent overtime pay on Sundays and holidays and 50 per cent increase in pay after eight hours work:

"Although the practice of the Company, according to the manifestations of counsel for said company, has been to grant one day vacation with pay to every workingman who had worked for seven consecutive days including Sundays, the Court considers justified the opposition presented by the workingmen to the effect that they need Sundays and holidays for the observance of their religion and for rest. The Court, therefore, orders the respondent company to pay 50 per cent increase for overtime work done on ordinary days and 50 per cent increase for work done during Sundays and legal holidays, irrespective of the number of days they work during the week."

The power and jurisdiction of the Court of Industrial Relations to render said judgment under the authority given by sections 1, 4, and 13 of Commonwealth Act No. 103, quoted below, cannot be disputed.

"SECTION 1. The Judge: his appointment, qualifications, compensation, tenure.—There is hereby created a Court of Industrial Relations, which shall have jurisdiction over the entire Philippines, to consider, investigate, decide, and settle any question, matter, controversy or dispute arising between, and/or affecting, employers and employees or laborers, and landlords and tenants or farm-laborers, and regulate the relation between them, subject to, and in accordance with, the provisions of this Act. * * *"

"SEC. 4. Strikes and lockouts.—The Court shall take cognizance for purposes of prevention, arbitration, decision and settlement, of any industrial or agricultural dispute causing or likely to cause a strike or lockout, arising from differences as regards wages, shares or compensation, hours of labor or conditions of tenancy or employment, between employers and employees or laborers and between landlords and tenants or farm-laborers, provided that the number of employees, laborers or tenants or farm-laborers involved exceeds thirty, and such industrial or agricultural dispute is submitted to the Court by the Secretary of Labor, or by any or both of the parties to the controversy and certified by the Secretary of Labor as existing and proper to be dealt with by the Court for the sake of public interest. In all such cases, the Secretary of Labor or the party or parties submitting the disputes, shall clearly and specifically state in writing the questions to be decided. Upon the submission of such a controversy or question by the Secretary of Labor, his intervention therein as authorized by law, shall cease.

"The Court shall, before hearing the dispute and in the course of such hearing, endeavor to reconcile the parties and induce them to settle the dispute by amicable agreement. If any agreement as to the whole or any part of the dispute is arrived at by the parties, a memorandum of its terms shall be made in writing, signed and acknowledged by the parties thereto before the Judge of the Court or any official acting in his behalf and

authorized to administer oaths or acknowledgments, or, before a notary public. The memorandum shall be filed in the office of the Clerk of the Court, and, unless otherwise ordered by the Court, shall, as between the parties to the agreement, have the same effect as, and be deemed to be, a decision or award."

"SEC. 13. Character of the award.—In making an award, order or decision, under the provisions of section four of this Act, the Court shall not be restricted to the specific relief claimed or demands made by the parties to the industrial or agricultural dispute, but may include in the award, order or decision any matter or determination which may be deemed necessary or expedient for the purpose of settling the dispute or of preventing further industrial or agricultural disputes."

The question raised by petitioner refers to the applicability to the controversy of section 4 of Commonwealth Act No. 444, which reads as follows:

"No person, firm or corporation, business establishment or place or center of labor shall compel an employee or laborer to work during Sundays and legal holidays, unless he is paid an additional sum of at least twenty-five per centum of his regular remuneration: Provided, however, That this prohibition shall not apply to public utilities performing some public service such as supplying gas, electricity, power, water, or providing means of transportation or communication."

Petitioner prayed that the part of the decision of the Court of Industrial Relations of July 15, 1946, relating to demand No. 4 of the respondent Labor Union, above quoted, and the order of the same court of October 15, 1946, overruling petitioner's motion to set aside said part and for a new trial, be vacated.

As petitioner invokes the authority of section 4 of Commonwealth Act No. 444, above quoted, the whole controversy in this case hinges upon the interpretation of said section.

No correct interpretation can be given unless the document in dispute is read correctly. Section 4 of Commonwealth Act No. 444 appears to be composed of two parts: a general provision and an exception. The main provision is prohibitory in nature. It says that "no person, firm, or corporation, business establishment or place or center of labor shall compel employees or laborers to work during Sundays and legal holidays unless he is paid an additional sum of at least twenty-five per centum of the regular remuneration." The exception excludes from the prohibitory general provision public utilities performing public service such as supplying gas, electricity, power, water or providing means of transportation or communication.

It will be seen that section 4 of Commonwealth Act No. 444 divides the employers into two classes: 1. Those not engaged in public utilities, and 2. those engaged in public utilities. The first class cannot compel their employees or laborers to work on Sundays and holidays without giving them an additional salary or remuneration equivalent to not less than twenty-five per centum of the basic remuneration. There is no limit as to the time or circumstances under which the additional compensation is to be paid. Employers engaged in public utilities are excluded from the prohibition. This means simply that employers engaged in public utilities may or may not pay the additional compensation or any additional compensation for compelling their laborers to work on Sundays and holidays. The exception should not be interpreted as providing that employers engaged in public utilities cannot be compelled to pay additional compensation to workers required to work on Sundays and holidays. As to them, section 4 of Commonwealth Act No. 444 may be considered as not having been enacted at all. Exception or exemption from a negative or prohibitory legal provision is not a positive or affirmative provision commanding the excepted or exempted person to do what is enjoined in the general provision.

The general provision of said section does not work either way with respect to public utilities. Therefore, when there is a labor dispute as in the present case, and the dispute is submitted to the Court of Industrial Relations for decision or settlement, the court is free to provide what it may deem just and more beneficial to the interested

parties, and that freedom to settle and decide the case certainly includes the power to grant additional compensation to workers who work on Sundays and holidays. The general power granted by Sections 1, 4, and 13 of Commonwealth Act No. 103, above quoted, are not affected in any way or sense by section 4 of Commonwealth Act No. 444.

The right to collect an additional sum of at least twenty-five per centum of the basic remuneration is guaranteed to all workers and employees not engaged in public utilities and that right is enforceable not only in the Court of Industrial Relations but in any other competent court of justice. It must be remembered that the jurisdiction of the Court of Industrial Relations is limited to labor disputes in which a minimum number of laborers are involved. Under section 4 of Commonwealth Act No. 444, a single laborer may claim in a competent ordinary court of justice for the additional compensation provided therein in case he is compelled to work on Sundays and holidays.

Under the powers granted by Sections 1, 4, and 13 of Commonwealth Act No. 103, the Court of Industrial Relations had and still has perfect power and authority to make the award with respect to demand No. 4 in the way expressed in the judgment quoted at the beginning of this opinion. In granting 50 per cent increase for work or service done on Sundays and legal holidays, the Court of Industrial Relations undoubtedly had taken into consideration the circumstances of the case.

Furthermore, it is a fact that Sundays and legal holidays are set aside by law as days of rest. The life, existence, and happiness of a person do not depend only on the satisfaction of his physical needs. There are moral, intellectual and spiritual needs as imperative as the physical ones. Ordinarily, Sundays and legal holidays are dedicated to reading and instruction so as to fill the mind with culture or some sort of advancement. On those days the laborer enjoys longer hours in the company of his family. That gives him an opportunity to satisfy his moral needs. During Sundays and holidays more time is dedicated to worship and other religious services. That gives a laborer an opportunity to satisfy his spiritual needs. The deprivation of that opportunity to satisfy mental, moral, and spiritual needs should not be ignored, and should be properly compensated.

For all the foregoing, we are of opinion and so we vote, that the petition should be dismissed.

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