

**UNITED SEAMEN'S UNION OF THE PHILIPPINES, PETITIONER,
VS. COMPAÑIA MARITIMA, ET AL., RESPONDENTS.***G.R. No. L-23991. September 27, 1968*

Ponente: REYES, J.B.L., J.

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Review of the decision of the Court of Industrial Relations, in its Case No. 756-V, dismissing the claims of the petitioner, United Seamen's Union of the Philippines (USUP for short), for overtime pay against the respondent employer, Compañia Maritima, and not incorporating in the decisions certain agreements made between them in open court.

On 21 October 1952, USUP filed, under Commonwealth Act 103, a "petition de concesion" with the industrial court a quo, praying for an order to compel respondent Compañia Maritima to recognize the union's existence, to respect the rights and privileges of the union members, and for the company not to suspend or dismiss any of the union members without investigation and the consent of the Court of Industrial Relations.

On 28 November 1952, the petitioner union amended its petition, by including other demands, such as the grant of all rights and privileges of its members under Commonwealth Act No. 444 (the Eight-Hour Labor Law); stopping the company from suspending or dismissing union members without just cause and only upon consent of the court; the grant of vacation and sick leaves with pay, free hospitalization, funeral expenses, bonus and payment of overtime work from 1946 to 1952.

On 12 December 1962, the respondent filed its answer, amplified by another dated 9 November 1963. The Company averred that it had not dismissed any laborer without cause; that it did not have to secure permission from the court for suspensions or dismissals for cause; that it is not in a position to grant bonus and vacation leave with pay; that it had already provided for hospitalization of its employees; and that no overtime work had been performed.

In the course of the hearing, Compañia Maritima conceded certain demands made by USUP in open court, such as: for the company to give a memorandum to their doctor to attend to the laborers in their homes in case of sickness contracted in line of duty (t.s.n., 27 November 1953, page 22), and to post the memorandum in the bulletin board (Id., pages 33-34); that free medicines and expenses for transportation are already given by the company (Id., pages 35-36); and that laborers being transferred to another boat be paid their salaries during the period of waiting, provided the laborers accept the transfer (Id., page 49).

The Industrial Peace Act (Republic Act 875) having taken effect on 17 June 1953, USUP filed with the court a petition for certification election, which was docketed as Case No. 46-MC. However, another labor organization, the General Maritime Stevedoring Union of the Philippines, won the election, and was certified as the exclusive bargaining agent. On 21 August 1954, the certified union and Compañia Maritima entered into a collective bargaining agreement.

On 6 March 1964, after a long and protracted trial, characterized by the submission of evidence only on the claim for overtime pay, the industrial court rendered judgment, dismissing said claim for lack of substantial evidence to support it. A motion for reconsideration to the court en banc, likewise, failed; hence, the petitioner union sued out a petition for review in the Supreme Court.

Three errors are here ascribed to the lower court, namely: (1) its failure or refusal to process the claims for vacation and sick leaves, hospitalization and bonus, in accordance with Commonwealth Act No. 103, as amended; (2) its disregard of the agreements made by the parties in open court; and (3) the rejection of the claim for overtime pay.

The industrial court refused to exercise its power of compulsory arbitration under Commonwealth Act No. 103 and did not entertain the claims for vacation and sick leaves, hospitalization and bonus, and altogether brushed aside the concessions agreed upon by the parties at the trial, due to its belief that, after the effectivity of Republic Act 875, its power to arbitrate had been replaced by the policy of free bargaining between employer and employees. This belief is not entirely correct: for, as pointed out by USUP, the case was already pending then Republic Act 875 took effect, and should have been processed under the provisions of the prior laws. As held in *National Development Company vs. Court of Industrial Relations, et al.*, 106 Phil. 307, 312:

"When Republic Act 875 was enacted in June, 1953, curtailing some of the powers of the Court of Industrial Relations granted by Commonwealth Act 103, it did not deprive said court from taking cognizance of cases wrested from its jurisdiction by Republic Act 875; on the contrary, it empowered said court to process them in accordance with C.A. 103, as amended. Thus, the transitory provision of the Industrial Peace Act found in Section 27 thereof, authorized the court in the following language:

'SEC. 27. Transitory Provision.— All cases pending before the Court of Industrial Relations at the time of passage of this Act shall be processed by the Court according to Commonwealth Act Numbered One Hundred Three, as amended by Commonwealth Acts Numbered Two hundred fifty-four, Three hundred fifty-five and Five hundred fifty-nine but the judges of the Court shall call both parties to the dispute and make every attempt to help them reach a just and speedy solution by mutual agreement.' "

The court's mistake as to its powers notwithstanding, its refusal to compulsorily arbitrate the claims of petitioner union in accordance with Commonwealth Act 103, as amended, at a time when Republic Act 875 was already operative, did not constitute a reversible error: for the submitted claims were proper subjects of collective bargaining between management and labor under Republic Act 875, so that the resultant order, having only prospective operation, would have to yield to the terms and conditions of the collective bargaining agreement then being negotiated between the recognized labor representative General Maritime Stevedoring Union of the Philippines, and the employer of *Compañia Maritima*. In other words, any decree of compulsory arbitration issued in the case by the industrial court concerning the terms and conditions of employment demanded by petitioner would just be rendered nugatory, and would merely have caused confusion and unrest.

On the matter of overtime pay, petitioner union charges the respondent court with "grave errors" (Petition, page 16) for not having considered the documentary evidence it had adduced at the trial, as well as the testimonies of its witnesses. The documentary evidence alluded to are voluminous time records of mess-boys and cabin boys, a time schedule of mess-men and a memorandum by the Chief Enforcement Coordinator of the Department of Labor. Respondent court found that the evidence preponderated in favor of the respondent company. It found no proof of actual number of hours of overtime service rendered, nor of the amounts due, so that, even it had assumed that work

had been rendered in excess of eight hours, it could not make a definite award.

We find that the industrial court did not abuse of its discretion in appreciating the evidence, which was very conflicting. Further, the trial court was justified in rejecting the time records because, as it was subsequently shown, these records were not prepared in the regular course of work or business but were merely accomplished after the case had already been filed; they appeared on blank forms not used or prescribed by the company, but issued by the union officers "fresh from the printing press"; and many of them were prepared at one sitting (Decision, Annex G of Petition, pages 19-20). That this point is not disputed or explained constitutes in itself proof that the petitioner union wanted to impose upon the court—enough reason for the latter to discredit entirely the evidence for the petitioner, for a party is expected to come to court with clean hands. This Court has repeatedly ruled that where "forgery has been resorted to in order to strengthen the testimony, we must regard it as practically worthless".^[1]

The court a quo having found the evidence neither sufficient nor reliable, so as to justify or make an award for overtime, its conclusion is non-reviewable under the circumstances (*Atok-Big Wedge Mining Co. vs. Atok-Big Wedge Mutual Benefit Association*, 93 Phil. 62; *NASSCO vs. CIR, et al.*, L-20838, 30 July 1965).

FOR THE FOREGOING CONSIDERATIONS, the writ prayed for is hereby denied, and the decision under review affirmed, with costs against the petitioner.

Concepcion, C.J., Makalintal, Sanchez, Ruiz Castro, Angeles, Fernando, and Capistrano, JJ., concur.

Dizon, Zaldivar JJ., took no part.

Judgment affirmed.

[1] *Gonzalez vs. Mauricio*, 53 Phil. 728, 736; *Gabriel, et al. vs. Naval, et al.*, 102 Phil. 456, 461.

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