

RUFINO MARTINEZ, ET AL., PETITIONER, VS. UNION DE MAQUINISTAS, FOGONEROS Y MOTORMEN, UNION DE EMPLEADOS DE TRENES, KAPISANAN NG MGA MANGGAGAWA SA MRR CO. AND MANILA RAILROAD COM...

G.R. Nos. L-19455-56. January 30, 1967

Ponente: DIZON, J.

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DIZON, J.:

In a decision rendered on September 29, 1956 in Case No. 237-MC involving a petition for certification election in the Manila Railroad Company, the Court of Industrial Relations designated the Union de Maquinistas Fogoneros y Motormen - hereinafter referred to as Union - as bargaining representative of all the Maquinistas, Fogoneros and Motor-men, while the Union de Empleados de Trenes was similarly designated as sole representative of all the Conductors Route Agents and Porters, and the Kapisanan Ng Mga Manggagawa sa MRRCO - hereinafter referred to as Kapisanan - was designated as the sole representative of the rest of the company's personnel, for purposes of collective bargaining. Appealed to Us (G. R. No. L-12336) said decision was affirmed.

Thereafter, the Union and the Union de Empleados de Trenes presented a set of demands to the Manila Railroad Company. Having failed to come to an agreement with the latter, the two Unions struck on October 6, 1957. The dispute was certified by the President of the Philippines to the Court of Industrial Relations where it gave rise to two separate cases docketed as Case No. 17-IPA entitled "Union de Maquinistas, Fogoneros etc. vs. Manila Railroad Company" and Case No. 18-IPA entitled "Union de Empleados de Trenes vs. Manila Railroad Company".

The Kapisanan was subsequently allowed to intervene in both cases.

As a result of negotiations had to settle the strike, the members of the Union and of the Union de Empleados de Trenes were given a P15.00 temporary increase effective July 1, 1957 - an agreement approved by the Court of Industrial Relations on October 7 of the same year.

In an order dated October 19, 1959, the Court of Industrial Relations also granted the members of the Kapisanan the benefit of the temporary increase of P15.00 effective July 1, 1957, but the Manila Railroad Company appealed from this order to Us (G.R. No. L-16433). The temporary increase thus granted was understood to be subject to the result of the evidence to be presented by the parties during the hearings of the cases. After several hearings had been held, on December 23, 1960 the Court of Industrial Relations rendered two separate decisions in the aforementioned cases Nos. 17-IPA and 18-IPA making permanent the aforementioned temporary increase and making it applicable likewise to every employee of the Manila Railroad Company. The latter appealed from said decisions (G. R. No. L-18100 and G. R. No. L-18101) but We dismissed said appeals on March 20, 1961. The Union, as well as the Union de Empleados de Trenes also appealed (G. R. No. L-18105 and L-18106, respectively) but both appeals were similarly dismissed by Us on March 14 of the same year.

It appears further that resolving a petition for a declaration of attorney's lien "on the P15.00 temporary wage increase extended to other employees of respondent company who are members of intervenor Union" - the Kapisanan - filed by Attys. Carlos E. Santiago and Sisenando Villaluz, the Court of Industrial Relations issued an order dated December 7, 1959, the dispositive portion of which reads as follows:

"WHEREFORE, IN VIEW OF THE FOREGOING, and pursuant to Section 6 of Commonwealth Act 103, and Section 22, Rule 127 of the Rules of Court, this Court hereby grants, as lien upon the P15.00 temporary wage increase to be paid mem-bers of intervenor union from July 1, 1957 to date attorney's fees, ten per cent (10%) to Atty. Carlos E. Santiago and five per cent (5%) to Sisenando Villaluz."

Subsequently, in view of the extension of the increase or award of P15.00 to each and every employee of the Manila Railroad Company, the attorneys who represented the Union, the Union de Empleados de Trenes and the Kapisanan filed a motion to have their lien for attorney's fees extended to the increase received by all other employees of the Manila Railroad Company who were not members of said parties. This motion was granted by the Court of Industrial Relations in an order dated October 30, 1961 (Annex C of the Petition for Certiorari), which is the subject of the present appeal. The herein twenty-four petitioners, who are all non-members of the parties represented by the lawyers mentioned heretofore, pray for the reversal of the order aforesaid, contending that (a) the Court of Industrial Relations had no jurisdiction to determine the disputed attorney's fees; (b) that said Court erred in awarding the disputed attorney's fees inspite of the absence of attorney and client relationship between the claimant lawyers, on the one hand, and the petitioners, on the other; and lastly, (c) that said Court committed a grave abuse of discretion in making the award summarily.

Upon the first question, We are of the opinion that since the Court of Industrial Relations obviously had juris-diction over the main cases, that is, over the subject matter of Cases No. 17-IPA and 18-IPA, it likewise had full juris-diction to consider and decide all matters collateral there-to, such as claims for attorney's fees made by the members of the bar who appeared therein.

The second issue has heretofore been resolved in a similar case - G. R. No. L-14762 entitled "Union de Empleados de Trenes vs. Kapisanan Ng Mga Manggagawa sa MRRCO" etc., decided on December 20, 1961, a pertinent portion of the decision therein rendered reading as follows:

"We find that the rulings of the Court below are just and equitable. The claim for 25% addi-tional pay for night work was secured in Case No. 368-V, but, as the Court has found, the award of said additional pay was originally secured in Case No. 270-V. As a matter of fact, the parties in Case No. 368-V had agreed to abide by the award granted in Case No. 270-V. So that the petitioner herein had secured, if not directly, at least in-directly, the benefits of services rendered by Atty. Gregorio E. Fajardo, although rendered in another case. It is only just that said attorney and Atty. Villaluz, be paid out of the additional amounts collected by all the employees as a result of the favorable award secured by said attorneys."

To be considered pertinent in this connection is the fact that the general policy of the law is to encourage Unionism to enable employees to bargain with their employer upon a more or less equal footing. Petitioners' view in this case runs counter to this policy because it tends to encourage a substantial portion of the employee force of any corporation not to affiliate with the Union that has collective bargaining agreement with the Company, and sit idly while the Union members are fighting to secure benefits that are later extended not only to them but also to all other employees of the company. In this way, the latter would have the opportunity of receiving benefits derived from the struggle and efforts exerted by Union members, without risking anything and without any effort on their part. Therefore, as we already said in the case mentioned above, it is but just that the attorneys who represented the struggling members of the Union to secure benefits for all the employees should be paid corresponding fees by all those favored or benefited by the award secured by them.

With respect to the contention that the order appealed from was issued summarily without giving petitioners an opportunity to present their side, it appears that upon the filing of the motion for the extension of the attorney's lien to the temporary increase also granted to the employees of the Manila Railroad Company who were not members of the striking Unions nor of the Kapisanan Ng Mga Manggagawa sa MRRCO, petitioners were served with notice and they filed their opposition there-to in which they stated in detail the grounds upon which they believed that the motion should be denied. The record not disclosing the contrary, it must be presumed that, upon the filing of the opposition, the Court heard the interested parties and that it was only thereafter that it issued the order appealed from on October 30, 1961. In fact, said order speaks clearly of the hearing held on the motions of the lawyers concerned and of the "manifestation of the parties". Moreover, petitioners, through counsel, also filed a motion for a reconsideration of said order of October 30, 1961 and submitted a lengthy written memorandum in support thereof (Annexes D and E attached to the petition for review). This motion, however, was denied by the Court. Upon these facts it is obvious that petitioners' claim that they were not duly heard is untenable.

However, considering all the facts and circumstances disclosed by the record, we are of the opinion that the award in favor of Attys. Santiago and Villaluz should be reduced to 5% for each on the amounts due as salary differentials to each and everyone of the petitioners herein.

THUS MODIFIED, the order appealed from is affirmed, with costs.

Concepcion, C.J., Reyes, J.B.L., Regala, Makalintal, Bengzon, J.P., Zaldivar, Sanchez, and Ruiz Castro, JJ., concur.

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