

**PHILIPPINE ASSOCIATION OF FREE LABOR UNIONS (PAFLU),
ENRIQUE ENTILA & VICTORIANO TENAZAS, PETITIONERS, VS.
BINALBAGAN ISABELA SUGAR COMPANY, COURT OF INDUSTRIAL
RELATIONS, & QUI...**

G.R. No. L-23959. November 29, 1971

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

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/3851691084a9/>

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

May a non-lawyer recover attorney's fees for legal services rendered? This is the issue presented in this petition for review of an order, dated 12 May 1964, and the en banc resolution, dated 8 December 1964, of the Court of Industrial Relations, in its Case No. 72-ULP-Iloilo, granting respondent Quintin Muning, a non-lawyer, attorney's fees for professional services in the said case.

The above-named petitioners were complainants in Case No. 72-ULP-Iloilo, entitled, "PAFLU, et al. vs. Binalbagan-Isabela Sugar Co., et al." After trial, the Court of Industrial Relations rendered a decision, on 29 March 1961, ordering the reinstatement with backwages of complainants Enrique Entila and Victorino Tenazas. Said decision became final. On 18 October 1963, Cipriano Cid & Associates, counsel of record for the winning complainants, filed a notice of attorney's lien equivalent to 30% of the total backwages. On 22 November 1963, Atty. Atanacio Pacis also filed a similar notice for a reasonable amount. Complainants Entila and Tenazas, on 3 December 1963, filed a manifestation indicating their non-objection to an award of attorney's fees for 25% of their backwages, and, on the same day, Quintin Muning filed a "Petition for Award of Services Rendered" equivalent to 20% of the backwages. Muning's petition was opposed by Cipriano Cid & Associates on the ground that he is not a lawyer.

The records of Case No. 72-ULP-Iloilo show that the charge was filed by Cipriano Cid & Associates through Atty. Atanacio Pacis. All the hearings were held in Bacolod City and appearances made in behalf of the complainants were at first by Attorney Pacis and subsequently by respondent Quintin Muning.

On 12 May 1964, the Court of Industrial Relations awarded 25% of the backwages as compensation for professional services rendered in the case, apportioned as follows:

Attys. Cipriano Cid & Associates----	10%
Quintin Muning-----	10%
Atty. Atanacio Pacis-----	5%

The award of 10% to Quintin Muning, who is not a lawyer according to the order, is sought to be voided in the present petition.

Respondent Muning moved in this Court to dismiss the present petition on the ground of late filing but his motion was overruled on 20 January 1965.[1] He asked for reconsideration, but, considering that the motion

contained averments that go into the merits of the case, this Court admitted and considered the motion for reconsideration for all purposes as respondent's answer to the petition for review.[2] The case was considered submitted for decision without respondent's brief.[3]

Applicable to the issue at hand is the principle enunciated in *Amalgamated Laborers' Association, et al. vs. Court of Industrial Relations, et al.*, L-23467, 27 March 1968,[4] that an agreement providing for the division of attorney's fees, whereby a non-lawyer union president is allowed to share in said fees with lawyers, is condemned by Canon 34 of Legal Ethics and is immoral and cannot be justified. An award by a court of attorney's fees is no less immoral in the absence of a contract, as in the present case.

The provision in Section 5 (b) of Republic Act No. 875 that --

"In the proceeding before the Court or Hearing Examiner thereof, the parties shall not be required to be represented by legal counsel."

is no justification for a ruling that the person representing the party-litigant in the Court of Industrial Relations, even if he is not a lawyer, is entitled to attorney's fees: for the same section adds that ?

"it shall be the duty and obligation of the Court or Hearing Officer to examine and cross examine witnesses on behalf of the parties and to assist in the orderly presentation of evidence ",

thus making it clear that the representation should be exclusively entrusted to duly qualified members of the bar.

The permission for a non-member of the bar to represent or appear or defend in the said court on behalf of a party-litigant does not by itself entitle the representative to compensation for such representation. For Section 24, Rule 138, of the Rules of Court, providing --

"Sec. 24. Compensation of attorneys; agreement as to fees. - An attorney shall be entitled to have and recover from his client no more than a reasonable compensation for his services, ..."

imports the existence of an attorney-client relationship as a condition to the recovery of attorney's fees. Such a relationship cannot exist unless the client's representative in court be a lawyer. Since respondent Muning is not one, he cannot establish an attorney-client relationship with Enrique Entila and Victorino Tenazas or with PAFLU, and he cannot, therefore, recover attorney's fees. Certainly public policy demands that legal work in representation of parties litigant should be entrusted only to those possessing tested qualifications and who are sworn to observe the rules and the ethics of the profession, as well as being subject to judicial disciplinary control for the protection of courts, clients and the public.

On the present issue, the rule in American jurisdictions is persuasive. There, it is stated:

"But in practically all jurisdictions statutes have now been enacted prohibiting persons not licensed or admitted to the bar from practising law, and under statutes of this kind, the great weight of authority is to the effect that compensation for strictly legal services cannot be recovered by one who has not been admitted to practice before the court or in the jurisdiction where the services were rendered."[5]

"No one is entitled to recover compensation for services as an attorney at law unless he has been duly admitted to practice. . . .and is an attorney in good standing at the time."[6]

The reasons are that the ethics of the legal profession should not be violated[7]; that acting as an attorney without authority constitutes contempt of court, which is punishable by fine or imprisonment or both[8], and the law will not assist a person to reap the fruits or benefit of an unlawful act or an act done in violation of law[9]; and that if fees were to be allowed to non-lawyers, it would leave the public in hopeless confusion as to whom to consult in case of necessity and also leave the bar in a chaotic condition, aside from the fact that non-lawyers are not

amenable to disciplinary measures.[10]

"And the general rule above-stated (referring to non-recovery of attorney's fees by non-lawyers) cannot be circumvented when the services were purely legal, by seeking to recover as an 'agent' and not as an attorney." [11]

The weight of the reasons heretofore stated why a non-lawyer may not be awarded attorney's fees should suffice to refute the possible argument that appearances by non-lawyers before the Court of Industrial Relations should be excepted on the ground that said court is a court of special jurisdiction; such special jurisdiction does not outweigh the aforesaid reasons and cannot justify an exception.

The other issue in this case is whether or not a union may appeal an award of attorney's fees which are deductible from the backpay of some of its members. This issue arose because it was the union PAFLU, alone, that moved for an extension of time to file the present petition for review; union members Entila and Tenazas did not ask for extension but they were included as petitioners in the present petition that was subsequently filed, it being contended that, as to them (Entila and Tenazas), their inclusion in the petition as co-petitioners was belated.

We hold that a union or legitimate labor organization may appeal an award of attorney's fees which are deductible from the backpay of its members because such union or labor organization is permitted to institute an action in the industrial court [12], on behalf of its members; and the union was organized "for the promotion of the employees' moral, social and economic well-being" [13]; hence, if an award is disadvantageous to its members, the union may prosecute an appeal as an aggrieved party, under Section 6, Republic Act 875, which provides:

"Sec. 6. Unfair Labor Practice Cases - Appeals. - Any person aggrieved by any order of the Court may appeal to the Supreme Court of the Philippines.",

since more often than not the individual unionist is not in a position to bear the financial burden of litigations.

Petitioners allege that respondent Muning is engaged in the habitual practice of law before the Court of Industrial Relations, and many others like him who are not licensed to practice, registering their appearances as "re-presentatives" and appearing daily before the said court. If true, this is a serious situation demanding corrective action that respondent court should actively pursue and enforce by positive action to that purpose. But since this matter was not brought in issue before the court a quo, it may not be taken up in the present case. Petitioners, however, may file proper action against the persons alleged to be illegally engaged in the practice of law.

WHEREFORE, the orders under review are hereby set aside insofar as they awarded 10% of the backwages as attorney's fees for respondent Quintin Muning. Said orders are affirmed in all other respects. Costs against respondent Muning.

Concepcion, C.J., Makalintal, Zaldivar, Ruiz Castro, Fernando, Teehankee, Barredo, Villamor, and Makasiar, JJ., concur.

[1] Rollo, page 37.

[2] Rollo, page 62.

[3] Rollo, page 75.

[4] 22 SCRA, 1266.

[5] 4 A.L.R. 1088, Editorial note.

[6] 7 C.J.S. 1022.

[7] See also *Foundation Finance Co. vs. Robins*, 153 So. 833, 179 La. 259, reversing (App.) 149 So. 166.

[8] Rule 71, Rules of Court.

[9] *Harris v. Clark*, 142 N. E. 881, 81 Ind. App. 494.

[10] *Harriman v. Straham*, 33 P. 2d 1067, 47 Wyo. 208.

[11] 4 A.L.R. 1089.

[12] *NLU v. Dinglasan*, L-7945, 23 March 1956, 52 O.G. No. 4, 1933.

[13] Section 1(a), Republic Act 875.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.