

NORTHWEST AIRLINES EMPLOYEES ASSOCIATION AND LOUISE MATEU, PETITIONERS, VS. NORTHWEST AIRLINES INC., AND COURT OF INDUSTRIAL RELATIONS, RESPONDENTS.

G.R. No. L-24592. May 29, 1970

Ponente: MAKALINTAL, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/9395b687d059/>

MAKALINTAL, J.:

Petition for certiorari to review the resolution en banc of the Court of Industrial Relations dated July 21, 1964 in its Case No. 3260-ULP.

Petitioner Louise Mateu was employed as a flight stewardess of the respondent company since 1947 until September 23, 1960, when she was dismissed from the service. Together with the Northwest Airlines Employees Association, of which she was a member, she charged the respondent company with unfair labor practice, alleging that her dismissal was due to her union activities.

On June 28, 1962, during the pendency of the case, the petitioner applied to and was reemployed by respondent company, this time as passenger sales agent. On October 29, 1962 the company wrote her a letter inquiring if she would be willing to accept the position on a permanent basis, stating at the same time that the suit she had filed appeared to be a "lack of desire on (her) part to be a regular passenger-sales agent." On November 15, 1962 she gave a rather equivocal reply, saying that her acceptance of the offer should not be construed as a waiver of her claim in the case pending before the Court of Industrial Relations.

On September 30, 1963 the said Court, through Judge Jose S. Bautista, decided the case, finding the respondent company guilty of unfair labor practice and ordering it to reinstate the petitioner to her job as flight stewardess "with full back wages and without loss to her seniority and other acquired rights therein."

The company moved to reconsider, and on July 21, 1964, the Court en banc, with three Judges concurring in full, resolved the motion as follows:

"Justice and fair play demands that she is only entitled to receive what she missed to receive during the period of her wrongful dismissal, or from September 24, 1960 to June, 1962. The excess over P445.07 that she received from the company under the new designation should also be deducted, unless she could claim that she would have been entitled to same increase had she not been dismissed."

One Judge wrote a separate concurring and dissenting opinion to the effect that there should be no deduction from her back pay corresponding to the period of her dismissal, that is, from September 23, 1960 to June 28, 1962, and that upon her reinstatement as flight stewardess she should be entitled to a salary no lower than what she was then receiving as passenger sales agent.

When petitioner Louise Mateu was dismissed as flight stewardess her salary was P445.07 a month. She was reemployed as passenger sales agent on June 28, 1962 at the same monthly rate. Since then, however, she received a number of salary increases. On August 9, 1965 after the instant petition was filed and pursuant to a

motion for execution pending appeal, she was reinstated to her former position of flight stewardess and was paid her back salaries for the period of her lay-off (from September 23, 1960 to June 27, 1962) at the rate of P445.07 a month, minus all that she had received in excess of that rate during the period of her employment as passenger sales agent, that is, from, June 28, 1962 to August 8, 1965. The amount actually deducted was P2,480.95.

The first issue raised in this petition is the validity of such deduction as ordered in the respondent Court's resolution of July 21, 1964. To justify the said order the respondent company cites several decisions of this Court,[1] wherein it was held that whatever the dismissed laborers had actually earned during the period of their illegal dismissal should be deducted, on the principle that no one should be allowed to enrich himself at the expense of another.

Several reasons militate against the application of those decisions in the case now before us. First, whatever Louise Mateu earned during the time she was working as passenger sales agent was for services rendered to the respondent company; she did not unduly enrich herself at its expense in being paid for them; on the contrary, it is the company that would be unduly enriched if, after having received the benefit of such services, it should be allowed to pay less than what they were worth. Secondly, since the parties are agreed that the period of the petitioner's dismissal was only from September 23, 1960 to June 28, 1962, and since she was adjudged entitled to back salaries only during such period, there is neither logic nor equity in taking into account, for purposes of deduction, the income she received thereafter. In those cases where deductions have been authorized and/or upheld by this Court, only earnings during the period of suspension or dismissal have been considered. Finally, the deduction authorized by the resolution appealed from is contrary to the provision of Article III, paragraph 5, of the bargaining agreement between the Northwest Airlines Employees Association, of which Louise Mateu is a Member, and the respondent company, as follows:

"5. An employee hereunder who is assigned temporarily by the company to perform duties and accept the responsibility of a higher classification of work shall be paid the rate of the higher classification so worked. . ."

The next issue raised by the petitioners is whether or not the respondent company was justified in reinstating petitioner Louise Mateu to her former position as flight stewardess at the old salary rate of P447.07, considering that when she was reinstated she was already receiving P570.00 a month as passenger sales agent. Article III, paragraph 7, of the collective bargaining contract is cited, to wit:

"7. An employee who is permanently assigned to a lower classification shall receive the maximum rate of that classification but not more than the rate he received in the higher classification."

The reliance on the foregoing stipulation is misplaced. It obviously refers to a situation where an employee is permanently employed in a certain position and then permanently assigned to another with a lower classification. In the present case, however, Louise Mateu's reemployment as passenger sales agent was temporary in nature, as it was without prejudice to her claim to the position of flight stewardess. Indeed, she impliedly admits this by citing Article III, paragraph 5, of the bargaining agreement in challenging the deductions made from her back salaries, which provision precisely refers to an employee "Who is assigned temporarily... to perform duties and accept the responsibility of a higher classification of work," and who is entitled to be "paid the rate of the classification so-worked."

Be that as it may, the decision of the respondent Court of September 30, 1963 specifically orders the reinstatement of "complainant Louise Mateu to her job as flight stewardess, with full back wages and without loss to her seniority and other acquired rights therein." This order was not modified by the resolution of the Court en banc dated July 21, 1964, nor has it been appealed from, and is therefore final. However, since there are questions of fact involved and raised by the parties concerning this particular aspect of the judgment, its

implementation should be left to the lower court, where the matter may be heard and evidence, if necessary, may be received.

Wherefore, the resolution appealed from is reversed and set aside and the respondent company is ordered to restore to the petitioner Louise Mateu the amount deducted from her salaries corresponding to her as flight stewardess from September 23, 1960 to June 27, 1962, without prejudice to whatever other rights she may have under the judgment as indicated in the preceding paragraph. Costs against the respondent company.

Concepcion, C.J., Reyes, Dizon, Zaldivar, Fernando, Teehankee, Barredo, and Villamor, JJ., concur.
Castro, J., on leave.

[1] Philippine Airlines vs. PALEA, G.R. No. L-15544, July 26, 1960, 60 O.G. 8269; McLeod & Co., vs. Progressive Federation of Labor, G.R. No. L-7881, May 31, 1955; Western Mindanao Federation of Labor, G.R. No. L-10170, April 25, 1957.

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.