

FAR EASTERN UNIVERSITY, PETITIONER, VS. THE COURT OF INDUSTRIAL RELATIONS, ET AL., RESPONDENT.

G.R. No. L-17620. August 31, 1962

Ponente: CONCEPCION, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/dbf26d6e6d2b/>

CONCEPCION, J.:

Appeal by certiorari, taken by the Far Eastern University, hereafter referred to as the University, from a resolution of the Court of Industrial Relations sitting en banc, modifying a decision of one of the Judges of said Court. The main facts are set forth in said decision, from which we quote:

"From the evidence on record, it appears that Tomas N. Aguirre became a faculty member of the respondent in 1948. He was first employed at the rate of P6.00 per hour and then was contracted to teach in the Boy's High School Department in the same university at the rate of P30.00 per class, earning an average of P500.00 to P600.00 a month. Aguirre joined the PACUP, a Legitimate labor organization, in June, 1953. In July or August, 1953, upon orders of the president of the PACUP, Jose M. Fernandez, Aguirre began to campaign and recruit members for the PACUP. As a result of his efforts in campaigning for membership, he was able to influence seven members from the faculty of the university (Exhibits 'B', 'B-1' to 'B-6' inclusive). In his campaign for membership, he approached practically all of the faculty members of the respondent's Institute of Education and some from the Arts and Sciences, Business Administration and Finance, but most of them were afraid to join the union. They were afraid of any retaliation that the respondent may make because of their joining the union.

"In the year 1953 respondent formed a committee to classify all faculty members and determine the rates of their back pay and assignments. Ninety-six of the more than four hundred faculty members were classified as full time instructors. Aguirre was one of those who was classified by the said committee as full time instructor in the respondent's Institute of Education, with a fixed compensation of P450.00 a month, effective September 1, 1953.

"During the months of December, 1953 up to May, 1954, for teaching in the Far Eastern University, respondent herein, Aguirre was paid the following December, 1953—P210.00; January, 1954—P302.40; February, 1954—P313.20; March, 1954—P249.00. In June, 1954, respondent stopped giving him teaching assignments.

"Aguirre claims that in June, 1954, he was no longer given an assignment because of his union activities while respondent claims that Aguirre was not given assignment because of decreased enrolment in the university. He further avers that after recruiting some members, his classification as full time instructor was changed to reserved full time instructor and his teaching load was decreased to two hours a day. Hence, his reduced earnings from December, 1953 to May, 1954, as previously mentioned. His salary as a full time instructor was P5,400.00 per annum or P450.00 per month, irrespective of his teaching load. Respondent, thru its witness, the dean in the Institute of Education where Aguirre was teaching, testified and admitted that the reason for Aguirre's not receiving any teaching assignment in June, 1954 was because enrolment in the Institute of Education was going down steadily in the Filipino Language class where Aguirre was teaching. Among the other Filipino Language instructors are Baldomero de Jesus, Teodoro Gener, Rosario Bernardo, Dolores Gupit,

Inigo Regalado, and Flordeliza Mendoza who are older members of the faculty than Aguirre except Regalado, Bernardo and Mendoza. The dean of the Institute of Education, Luz A. Zafra, admitted also that in the assignment of subjects to faculty members, length of service, experience, preparation and professional growth as well as student-faculty relation were taken into consideration. Hence, if these above-mentioned factors, particularly length of service and experience, were really taken into consideration, Aguirre, a full time professor should have been given the assignment instead of Regalado and Mendoza who were only part time professors and who started teaching after him. The other Tagalog instructors (professors under the classification) who were given assignments when Aguirre was not, are not members of the PACUP. It should also be noted that since before the last war, Aguirre had been teaching in the University of the Philippines.

"It is true that there were charges brought by respondent against Aguirre but the same had been investigated and found to be groundless. On the other hand, Aguirre brought charges against the respondent before the Department of Education when his teaching load was reduced and the Director of Private Schools, in his decision of November 5, 1954, directed the respondent to pay the salary differential which Aguirre failed to earn from December 1, 1953 to 1954 and to give Aguirre assignment in the college department during the first semester of that current school year under the same condition before his teaching load was reduced. The Secretary of Education, in his decision, dated June 22, 1955, affirmed the decision of the Director of Private Schools and on December 8, 1956, the Executive Secretary by authority of the President of the Philippines, affirmed the decision of the Director of Private Schools as well as the Secretary of Education's decisions previously mentioned. Of course, those proceedings, in no could be considered as controlling or affecting the case at bar. At best, they may serve as a grim reminder of the actions of the governmental entity that could be something to bolster the relationship between the university and the faculty members. The allegation of respondent to the effect that it suffered reduced enrolment in 1953-1954, hence necessitating the laying off the Aguirre, cannot be taken into consideration after a careful examination of the balance sheet submitted by the respondent in relation to its motion to dismiss. Said balance sheet shows that in the 1952-1953 fiscal year, respondent made a net profit of P153,035.25 and in 1953-1954, P258,619.98, while in 1954-1955, a net profit of P707,003.70 and in 1955-1956, P999,766.88. These figures show that respondent from 1952 to 1956, has been steadily increasing its income until in 1958-1959 when it made a net-income of P1,511,293.42. And even on the assumption that enrolment in the department where Aguirre was teaching was reduced, still the Court cannot validly reconcile the fact that Aguirre who was a full time professor receiving a fixed monthly salary could not any further be given assignment the part time professors and whose length of service in the university cannot compare with that of Aguirre were given assignments and suffered no reduction in salary. Undoubtedly, this Court cannot but conclude that when the respondent changed the status of Aguirre from a full time professor at P450.00 a month to that of a reserved full time professor with a teaching load of two hours and finally got no assignments in June, 1954, it was motivated other than decreased enrolment, especially in the case of the evidence that Aguirre campaigned for union membership among the professors, instructors and teachers of the respondent and the further fact, that other full time instructors similarly situated but are not union members did not suffer the same facts of abrupt reduction in their teaching load and salary. As indicated Aguirre was later deprived of any teaching load in the Institute of Education. Even part time professors as Panganiban, Mendoza and Regalado had assignments to the exclusion of Aguirre who was a full time professor. This eventuality, was apparently, the fear of most of the faculty members who refused to join the PACUP when Aguirre asked them to become members.

"Ordinarily, back wages are granted whenever there is a finding of a commission of unfair labor practices. However, in this particular case the testimony of Aguirre, himself as well as the documentary evidence on the record show that since June, 1955, Aguirre began teaching at the Philippine College of Commerce with an income of P100.00 a month. and on November 17, 1955, he began working as a permanent employee in the Central Bank of the Philippines with a compensation of P300.00 per annum. On September 5, 1956, his salary was raised to P3,060.00 per annum. The permanent employment obtained by Aguirre in the Central Bank of the Philippines as well as in the Philippine College of Commerce is substantial and under the concept of the Industrial Peace Act, his employment elsewhere in a permanent capacity is sufficient to bar his reinstatement

to his former position in the respondent. While it may be true that his earnings with the Central Bank may be less than that he was receiving from the Far Eastern University, yet his status with the Central Bank, is permanent and he could teach as a sideline in any school, as in fact he is connected with the Philippine College of Commerce, a fact that could not happen if he were still connected with the Far Eastern University."

At the instance of the Philippine Association of Colleges and University Professors, hereafter referred to as the PACUP, and/or Tomas N. Aguirre, on September 28, 1954, an Acting Prosecutor of the Court of Industrial Relations filed a complaint for unfair labor practice against the University, which later moved on November 17, 1954, to dismiss the complaint. Subsequently, on February 4, 1955, the complainant and/or the offended party, Tomas N. Aguirre, filed a motion to withdraw said complaint upon the ground that there was a decision of the Director of Private Schools ordering his reinstatement and the payment of back wages, as well as wage differential, and that the University was "using the pendency" of the case "as a ground for not complying with the said decision". Acting upon this latter motion, on March 29, 1955, the Court dismissed said complaint. However, on August 30, 1955, the order of dismissal was, on motion of the complainant, dated April 22, 1955, set aside for the reason that the expected amicable settlement of the case had not materialized. On October 10, 1955, the University filed a "supplemental pleading" to its motion to dismiss of November 17, 1954, both of which were denied by the Court on June 23, 1956. Later on the University filed its answer and, the issues having been joined, the case was tried, after which Judge Arsenio I. Martinez of said Court rendered the aforementioned decision finding the University guilty of unfair labor practice and sentencing said institution to pay to Aguirre the salary differential due him from December 1, 1953 to May 31, 1954, based on Aguirre's salary of P450.00 a month, as well as back wages at the same rate, from June 1, 1954, to November 17, 1955, after deducting therefrom the compensation paid to him by the Philippine College of Commerce from June 1, 1955 to November 17, 1955, as well as to cease and desist from further committing unfair labor practices. However, said Judge did not order the reinstatement of Aguirre in the University, upon the ground that his employment in the Central Bank of the Philippines is, within the purview of the Industrial Peace Act, a substantial equivalent of his position as full time instructor in said University.

On motion for reconsideration filed by the complainant, a majority of the judges of said Court sitting en banc, affirmed the decision of Judge Martinez, insofar as the commission of unfair labor practice charged and the payment of the salary differential and back wages are concerned, but held that Aguirre's employment in the Central Bank and the Philippine College of Commerce are not the substantial equivalent of his aforementioned position as full time instructor in the University, and, accordingly, modified said decision by, likewise, sentencing the University to reinstate Tomas N. Aguirre, in addition to paying him the aforementioned wage differential and back wages, plus "other emoluments". Hence, this appeal by certiorari taken by the University. The Court of Industrial Relations, as one of the appellees herein, has filed a motion, which we consider as its answer, to dismiss the appeal for lack of merit, upon the ground that appellant raises no question of law.

Appellant's contention is that the employment of Aguirre in the Central Bank and his teaching load in the Philippine College of Commerce are substantial equivalent to his former position in the University. Upon the other hand, the resolution appealed reached the opposite conclusion for the following reasons:

"(a) Aguirre's work in the respondent university is that of a professor, while his work in the Central Bank is clerical in nature;

"(b) As professor, Aguirre's maximum teaching period is five (5) hours daily, while in the bank, he works eight (8) hours a day;

"(c) Although his work in the bank allows him to teach part time in the Philippine College of Commerce for one hour, he could also do the same work even if he were employed in the university; and

"(d) Aguirre was receiving from the respondent university P5,400.00 a year, while he receives from the Central Bank P3,000.00 a year only. This one fact decides the issue, namely, that Aguirre's position in the Central Bank is not substantially equivalent to his position in the Far Eastern University." 'Any employment at lower wage rate is not substantially equivalent employment' (Willard, Inc, (1937 2 NLRB 1094, Moorseville Cotton Nills vs. NLRB (CCA-4, 1940), 2, Labor Cases, 18,576; 110 fed. (2d) 79; Puleski Veneer Corp. (1938) 10 NLRB 136; Quidnick Dye Works, Inc. (1937) 2 NLRB 963)."

Although Mr. Aguirre was, not a professor, but a full time instructor in the University, we agree with the opinion of the lower court, sitting en banc. In addition to the circumstances relied upon by the latter, one important factor, not mentioned in the resolution appealed from, is decisively in favor of the conclusion therein reached, and that is that Mr. Aguirre is an instructor in Tagalog, and that, as such, his position as researcher in the Central Bank has no future for him. The situation would perhaps have been different had his line been economics. Inasmuch, however, as Mr. Aguirre has specialized in the Tagalog dialect, his work as a researcher in the Central Bank is inferior to his job as full time instructor in the University, not so much because his salary in the latter is substantially bigger, even if we add thereto his emoluments in the Philippine College of Commerce, but, specially, because of the future his position as instructor in the University offers him as a career, which is non-existent in the Central Bank.

Wherefore, the resolution appealed from is hereby affirmed, with costs against petitioner. It is so ordered.

Bengzon, C. J., Padilla, Bautista Angelo, Labrador, Reyes, J. B. L., Barrera, Paredes, Dizon, Regala, and Makalintal, JJ., concur.

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.