

PHILIPPINE ASSOCIATION OF FREE LABOR UNIONS (PAFLU), PETITIONER, VS. HON. JOAQUIN M. SALVADOR AND SOCIAL SECURITY SYSTEM, RESPONDENTS.

G.R. No. L-29471. December 24, 1968

Ponente: FERNANDO, J.

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FERNANDO, J.:

In a joint decision, promulgated on September 28, 1968, we dismissed the petition for certiorari and prohibition, L-29471, and another petition for certiorari with preliminary injunction, L-29487, both filed by the Philippine Association of Free Labor Unions. As noted in the aforesaid decision: "In these two petitions for certiorari, both filed by the Philippine Association of Free Labor Unions, the jurisdiction of the respondent Judge in both cases, the Honorable Joaquin M. Salvador, in the second petition speaking for respondent Court of Industrial Relations en banc, to issue the orders complained of is assailed. It is the view of petitioner that there being no presidential certification, an urgent petition of August 29, 1968, filed by the other respondent, the Social Security System, to seek an authoritative interpretation of a provision of a collective bargaining agreement adopted as a formal award of the Court of Industrial Relations of August 5, 1966, is beyond the competence of respondent judge to pass upon." [1]

The stand of the Social Security System was set forth in such decision thus: "The respondent Social Security System met the issue squarely with the allegation that the absence of a new presidential certification is not necessarily fatal, there being a previous one as a result of which the formal award of the re-spondent court embodying a collective bargaining agreement reached by the parties was issued on August 5, 1966. It would follow that the appropriate provisions of the Court of Industrial Relations Act if utilized render manifest the undeniable power of such court during the effectiveness of such award, ordinarily covering a period of three years, after due hearing to 'alter, modify in whole or in part, or set aside any such award, order or decision, or reopen any question' that may be invoked. It likewise possesses authority under the succeeding section to determine the meaning or interpretation of an award, order, or decision." [2]

The question was answered by us in this wise: "We find the above contention persuasive and sustain the jurisdiction of respondent Judge Salvador. Accordingly, the petitions are dismissed." [3] We noted in the body of the opinion that "there is no question that under the collective bargaining agreement which was embodied in the award of August 5, 1966, the period of effectivity dated from July 1, 1966 and continues up to June 30, 1969, or for a period of three years." [4]

We characterized the power of the Court of Industrial Relations insofar as interpreting an award, order or decision issued by it as well as modifying the same in whole or in part during its effectiveness on the application of an interested party and after due hearing, a power which may extend to setting it aside, as "comprehensive in character" being given by us an interpretation "consistent with the well-nigh sweeping reach of its language." We went on to say: "It has never been construed in a niggardly sense; the recognition of such authority has been full

and sympathetic, never grudging."[5]

It has been thus from the earliest case decided in 1939, *Goseco v. Court of Industrial Relations*,^[6] where the then Justice Laurel, for this Tribunal, rejected a "narrow construction" of the authority vested in the Court of Industrial Relations which, according to him, could be justified only on "a fragmentary view of the law." It was our conclusion then: "We do not go as far as to hold that once there is a presidential certification under Section 10 of the Industrial Peace Act, the provisions of Commonwealth Act No. 103 necessarily apply. Nor is it necessary. For the purpose of passing upon these two petitions, it suffices to declare that there being a previous presidential certification resulting in an award, the effectivity of which continues up to the present, respondent Judge could appropriately rely on the two above sections for the purpose of considering the merit or lack of it of the urgent petition filed by respondent Social Security System."[7]

Subsequently, on October 3, 1968, a Motion for Reconsideration was filed by petitioner in the two above cases inviting attention to what it considered the adverse impact of our decision "not only upon [its] rights but, more importantly, also upon the basic policies of the Industrial Peace Act relative to the workingman's fundamental right to a collective bargaining, * * *." [8] It is its contention, as more fully set forth in its Urgent Amended Motion for Reconsideration, filed on October 14, 1968, that we should have given due course to its two petitions on a finding of lack of jurisdiction on the part of the respondent Court of Industrial Relations in view of the express policies and provisions of the Industrial Peace Act establishing collective bargaining as the primary method of resolving industrial disputes and curtailing and limiting compulsory arbitration, stressing that the jurisdiction originally acquired by respondent Court in 1963 should not be made to extend to a 1968 labor dispute and that such jurisdiction could not be justified under its power to interpret, set aside or modify any award, order or decision. It concluded by asserting that to view a collective bargaining agreement as an award and thus to confer complete control upon the Court of Industrial Relations over any question or differences that may arise there under would negate particular policies and provisions of the Industrial Peace Act.

It is to be admitted that the points raised by petitioner in the Motion for Reconsideration as well as the later pleading entitled an Urgent Amended Motion for Reconsideration are serious in character and were discussed with thoroughness and exhaustiveness. Considered from the purely theoretical aspect divorced from the controlling facts of this case, its plea may be said to be impressed with an element of persuasiveness.

If such a motion for consideration should be denied, as we are denying it, it is due to the legal proposition therein contained being bereft of support in the circumstances from which these two petitions originated. As explained in the answer of respondent Social Security System, former Solicitor General Antonio Barredo, now a member of this Court: "In the case at bar, petitioner decries this Honorable Court's virtual sanction of judicial arbitration, but in truth it has no reason to complain. To start with, strictly speaking, the collective bargaining agreement which petitioner so much invokes is not, in fact, the product or result of real and free bargaining between petitioner and respondent SSS. The records clearly show that before any such collective bargaining agreement was formulated, the respondent court had already rendered a decision or made an award laying down the terms and conditions that would govern the relations between the parties. When this award was in the process of being appealed to this Honorable Court, the parties came to an understanding that to restore harmonious relations between them as early as possible the appeal be abandoned and, instead, they submitted to the court a so-called collective bargaining agreement which, in effect, and except for some inconsequential differences, was the award already made by the court. In other words, the terms and conditions of the collective bargaining agreement were practically the very same terms and conditions enjoined by the court. So, if what petitioner wishes is for this Honorable Court to give effect in this case to what petitioner alleges is the spontaneous or voluntary will of the parties or an agreement the terms and conditions of which were 'determined,' to use petitioner's expression, by the parties, which a genuine

collective bargaining agreement implies, the effort would be in vain." [9]

What lends force and emphasis to the above refutation of the contention of petitioner is the succeeding paragraph in the answer of respondent: "On the other hand, if it be contended that even if such were the case, at least, the parties reviewed the award and discussed it among themselves, hence, in a sense, it is the mutual agreement of the parties that has given it legal life and standing and not the imposition of the court, we would respectfully invite the attention of this Honorable Court to the important point, which to your respondents is decisive, that when the parties submitted said collective bargaining agreement to the CIR, they did not, as we have previously pointed out in our answer, just inform the court that they had arrived at an amicable settlement or compromise between themselves and asked for the dismissal of the case. What they did was to ask the court that the agreement reached between them be approved by the court and made its award. For emphasis, we beg leave to reiterate our discussion of this particular point in our answer, which, indeed, we were hoping this Honorable Court would pass upon in its decision to bolster its finding that what is really in issue in this case is not a collective bargaining agreement but an award hence the jurisdiction of the CIR had not been terminated." [10]

It likewise cannot escape attention that as made clear by respondent Social Security System, the previous actuations of petitioner stand in opposition to the plea now submitted. Thus: "In petitioner's Urgent Motion For Execution, Manifestation - Motion and Motion To Deny, filed with the Court of Industrial Relations under the same docket number 46-IPA, it had been categorically stated that the CBA had been approved and adopted by the Court of Industrial Relations 'as its formal and final award in the case.' In other words, the petitioner was even the first to go to the CIR and invoke its residuary power under Section 17 of C.A. No. 103, as early as February 2, 1967, and, naturally, ahead of what has been done now by the respondent SSS, to make the Court act on the award, with the difference that the respondent SSS is only asking for the interpretation of a single provision, under Sec. 18 of C.A. No. 103, as will be explained later, whereas the petitioner wanted the implementation or execution of the whole award and Atty. Cid wanted to be as-certain of his 12% attorney's fees." [11]

Mention was then made of the motion for execution of February 2, 1967, where petitioner alleged that on August 5, 1966, the respondent Court of Industrial Relations issued an order approving and adopting "as its formal and final award in the case" the collective bargaining agreement between it and respondent Social Security System. Then in another motion of February 7, 1967, the counsel for petitioner reiterated that on the date above-mentioned the respondent Court of Industrial Relations "issued its order and adopting as its formal and final award in the case the Collective Bargaining Agreement * * *." With but the slightest modification, petitioner, again in a motion of March 16, 1967, referred to the "formal and final award in the case."

To emphasize such point, respondent Social Security System stressed: "'In a way, the petitioner Union was forced again to run to this Court for aid since the Collective Bargaining Agree-ment implementation was being delayed and industrial peace and harmony being made insecure.'" [12]

No valid objection then could possibly be taken from the conclusion reached by respondent Social Security System in its answer to petitioner's Urgent Amended Motion for Reconsider-ation. "As we have said at the outset, we join petitioner in its desire that the great strides achieved by labor for its protection should not be rendered naught, but we must emphasize that in this case, what is being enforced is not, in truth the order of the court with its taint of compulsory arbitration but the clear definite and unmistakable will of the parties that their collective bargaining agreement be made in the form of and given the status of an award. Indeed, as already related above, it was petitioner who first went to the CIR to invoke said award as such and it was petitioner's counsel, none other than the signer of the subject motion Atty. Cipriano Cid himself, who asked for an order regarding his attorney's fees under such award. To reiterate, our point is that if the so-called collective bargaining agreement is being treated as an award, it is only because the parties wanted it that way and so asked the court to make it such. And

now, to argue that this Honorable Court should not speak of an award but of collective bargaining agreement is surely violative of the will of the parties as expressed in their past actuations and definitely contrary to the very spirit of giving effect to the mutual understanding and agreement of the parties, the principle which petitioner is fighting for. As we see it, petitioner is now arguing in the light of principles, which are always right, but has over-looked the specific application of those principles to the proven facts of this case. Petitioner's present position is based on erroneous premises and necessarily, the conclusion cannot be correct." [13]

WHEREFORE, the Motion for Reconsideration of petitioner, dated October 3, 1968, and its Urgent Amended Motion for Re-consideration, dated October 14, 1968, are denied.

Concepcion, C.J., Reyes, J.B.L., Dizon, Makalintal, Zaldivar, Sanchez, Castro, and Capistrano, JJ., concur. Teehankee and Barredo, JJ., did not take part.

[1] Decision of September 28, 1968, pp. 1-2.

[2] Ibid, pp. 2-3.

[3] Ibid, p. 3.

[4] Ibid, p. 5.

[5] Ibid, p. 6.

[6] 68 Phil. 444. The following cases were likewise cited: Luzon Brokerage Co. v. Luzon Labor Union, 83 Phil. 801 (1949); Church v. La Union Labor Union, 91 Phil. 163 (1952); Hotel & Restaurant Free Workers v. Kim San Cafe, 102 Phil. 470 (1957); National Development Co. v. CIR, 106 Phil. 307 (1959); Hda. Luisita v. National Labor Union, L-13072, March 30, 1960; San Pablo Oil Factory v. CIR, L-18270, November 28, 1962; NAWASA v. NAWASA Cons. Unions, L-18938, August 31, 1964.

[7] Decision of September 28, 1968, p. 7.

[8] Motion for Reconsideration.

[9] Answer of respondent Social Security System, p. 3.

[10] Ibid, p. 4.

[11] Ibid, p.10.

[12] Ibid, p. 12.

[13] Ibid, pp. 12-13.

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