COMMISSION ON HUMAN RIGHTS EMPLOYEES’ ASSOCIATION (CHREA) REPRESENTED BY ITS PRESIDENT, MARCIAL A. SANCHEZ, JR., PETITIONER, VS. COMMISSION ON HUMAN RIGHTS, RESPONDENT.

G.R. NO. 155336. July 21, 2006

Ponente: CHICO-NAZARIO, J.

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CHICO-NAZARIO, J.:

On 25 November 2004, the Court promulgated its Decision[1] in the above-entitled case, ruling in favor of the petitioner. The dispositive portion reads as follows:

WHEREFORE, the petition is GRANTED, the Decision dated 29 November 2001 of the Court of Appeals in CA-G.R. SP No. 59678 and its Resolution dated 11 September 2002 are hereby REVERSED and SET ASIDE. The ruling dated 29 March 1999 of the Civil Service Commission-National Capital Region is REINSTATED. The Commission on Human Rights Resolution No. A98-047 dated 04 September 1998, Resolution No. A98-055 dated 19 October 1998 and Resolution No. A98-062 dated 17 November 1998 without the approval of the Department of Budget and Management are disallowed. No pronouncement as to costs.[2]

A Motion for Reconsideration[3] was consequently filed by the respondent to which petitioner filed an Opposition.[4]

In its Motion, respondent prays in the main that this Court reconsiders its ruling that respondent is not among the constitutional bodies clothed with fiscal autonomy.

To recall, the facts[5] of the case are as follows:

> On 14 February 1998, Congress passed Republic Act No. 8522, otherwise known as the General Appropriations Act of 1998. It provided for Special Provisions Applicable to All Constitutional Offices Enjoying Fiscal Autonomy. The last portion of Article XXXIII covers the appropriations of the CHR. These special provisions state:
>
> - Organizational Structure. Any provision of law to the contrary notwithstanding and within the limits of their respective appropriations as authorized in this Act, the Constitutional Commissions and Offices enjoying fiscal autonomy are authorized to formulate and implement the organizational structures of their respective offices, to fix and determine the salaries, allowances, and other benefits of their personnel, and whenever public interest so requires, make adjustments in their personal services itemization including, but not limited to, the transfer of item or creation of new positions in their respective offices: PROVIDED, That officers and employees whose positions are affected by such reorganization or adjustments shall be granted retirement gratuities and separation pay in accordance with existing laws, which shall be payable from any unexpended balance of, or savings in the appropriations of their respective offices: PROVIDED, FURTHER, That the implementation hereof shall be in accordance with salary rates, allowances and other benefits authorized under compensation standardization laws.

> - Use of Savings. The Constitutional Commissions and Offices enjoying fiscal autonomy are hereby authorized to use savings in their respective appropriations for: (a) printing and/or publication of decisions, resolutions, and training information materials; (b) repair, maintenance and improvement of central and regional offices, facilities and equipment; (c) purchase of books, journals, periodicals and equipment; (d) necessary expenses for the employment of temporary, contractual and casual employees; (e) payment of extraordinary and miscellaneous expenses, commutable representation and transportation allowances, and fringe benefits for their officials and employees as may be authorized by law; and (f) other official purposes, subject to accounting and auditing rules and regulations. (Emphasis supplied)

On the strength of this special provisions, the Commission on Human Rights [or CHR], through its then Chairperson Aurora P. Navarette-Reciña and Commissioners Nasser A. Marohomsalic, Mercedes V. Contreras, Vicente P. Sibulo, and Jorge R. Coquia, promulgated Resolution No. A98-047 on 04 September 1998, adopting an upgrading and reclassification scheme among selected positions in the Commission, to wit:

> WHEREAS, the General Appropriations Act, FY 1998, R.A. No. 8522 has provided special provisions applicable to all Constitutional Offices enjoying Fiscal Autonomy, particularly on organizational structures and authorizes the same to formulate and implement the organizational structures of their respective offices to fix and determine the salaries, allowances and other benefits of their respective personnel and whenever public interest so requires, make adjustments in the personnel services itemization including, but not limited to, the transfer of item or creation of new positions in their respective offices: PROVIDED, That officers and employees whose positions are affected by such reorganization or adjustments shall be granted retirement gratuities and separation pay in accordance with existing laws, which shall be payable from any unexpanded balance of, or savings in the appropriations of their respective offices;
>
> Whereas, the Commission on Human Rights is a member of the Constitutional Fiscal Autonomy Group (CFAG) and on July 24, 1998, CFAG passed an approved Joint Resolution No. 49 adopting internal rules implementing the special provisions heretoforth mentioned;
>
> NOW THEREFORE, the Commission by virtue of its fiscal autonomy hereby approves and authorizes the upgrading and augmentation of the commensurate amount generated from savings under Personal Services to support the implementation of this resolution effective Calendar Year 1998;
>
> Let the Human Resources Development Division (HRDD) prepare the necessary Notice of Salary Adjustment and other appropriate documents to implement this resolution; x x x (Emphasis supplied).
>
> Annexed to said resolution is the proposed creation of ten additional plantilla positions, namely: one Director IV position, with Salary Grade 28 for the Caraga Regional Office, four Security Officer II with Salary Grade 15, and five Process Servers, with Salary Grade 5 under the Office of the Commissioners.

On 19 October 1998, CHR issued Resolution No. A98-055 providing for the upgrading or raising of salary grade of the following positions in the Commission:

x x x x

To support the implementation of such scheme, the CHR, in the same resolution, authorized the augmentation of a commensurate amount generated from savings under Personnel Services.

By virtue of Resolution No. A98-062 dated 17 November 1998, the CHR "collapsed" the vacant positions in the body to provide additional source of funding for said staffing modification. Among the positions collapsed were: one Attorney III, four Attorney IV, one Chemist III, three Special Investigator I, one Clerk III, and one accounting Clerk II.

The CHR forwarded said staffing modification and upgrading scheme to the Department of Budget and

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Management [DBM] with a request for its approval, but the DBM secretary Benjamin Diokno denied the request on the following justification:

. . . Based on the evaluations made the request was not favorably considered as it effectively involved the elevation of the field units from divisions to services.

The present proposal seeks further to upgrade the twelve (12) positions of Attorney VI, SG-26 to Director IV, SG-28. This would elevate the field units to a bureau or regional office, a level even higher than the one previously denied.

The request to upgrade the three (3) positions of Director III, SG-27 to Director IV, SG-28, in the Central Office in effect would elevate the services to Office and change the context from support to substantive without actual change in functions.

In the absence of a specific provision of law which may be used as a legal basis to elevate the level of divisions to a bureau or regional office, and the services to offices, we reiterate our previous stand denying the upgrading of the twelve (12) positions of Attorney VI, SG-26 to Director III, SG-27 or Director IV, SG-28, in the Field Operations Office (FOO) and three (3) Director III, SG-27 to Director IV, SG-28 in the Central Office.

As represented, President Ramos then issued a Memorandum to the DBM Secretary dated 10 December 1997, directing the latter to increase the number of Plantilla positions in the CHR both Central and Regional Offices to implement the Philippine Decade Plan on Human Rights Education, the Philippine Human Rights Plan and Barangay Rights Actions Center in accordance with existing laws. (Emphasis in the original)

Pursuant to Section 78 of the General Provisions of the General Appropriations Act (GAA) FY 1998, no organizational unit or changes in key positions shall be authorized unless provided by law or directed by the President, thus, the creation of a Finance Management Office and a Public Affairs Office cannot be given favorable recommendation.

Moreover, as provided under Section 2 of RA No. 6758, otherwise known as the Compensation Standardization Law, the Department of Budget and Management is directed to establish and administer a unified compensation and position classification system in the government. The Supreme Court ruled in the case of Victorina Cruz vs. Court of Appeals, G.R. No. 119155, dated January 30, 1996, that this Department has the sole power and discretion to administer the compensation and position classification system of the National Government.

Being a member of the fiscal autonomy group does not vest the agency with the authority to reclassify, upgrade, and create positions without approval of the DBM. While the members of the Group are authorized to formulate and implement the organizational structures of their respective offices and determine the compensation of their personnel, such authority is not absolute and must be exercised within the parameters of the Unified Position Classification and Compensation System established under RA 6758 more popularly known as the Compensation Standardization Law. We therefore reiterate our previous stand on the matter. (Emphasis supplied)

In light of the DBM's disapproval of the proposed personnel modification scheme, the CSC-National Capital Region Office, through a memorandum dated 29 March 1999 recommended to the CSC-Central Office that the subject appointments be rejected owing to the DBM's disapproval of the plantilla reclassification.

Meanwhile, the officers of petitioner Commission on Human Rights Employees' Association [CHREA], in representation of the rank and file employees of the CHR, requested the CSC-Central office to affirm the recommendation of the CSC-Regional Office. CHREA stood its ground in saying that the DBM is the only agency with appropriate authority mandated by law to evaluate and approve matters of reclassification and

upgrading, as well as creation of positions.

The CSC-Central Office denied CHREA's request in a Resolution dated 16 December 1999, and reversed the recommendation of the CSC-Regional Office that the upgrading scheme be censured. The decretal portion of which reads:

> WHEREFORE, the request of Ronnie N. Rosero, Hubert V. Ruiz, Flordeliza A. Briones, George Q. Dumlao [and], Corazon A. Santos-Tiu, is hereby denied.

CHREA filed a motion for reconsideration, but the CSC-Central Office denied the same on 09 June 2000.

Given the cacophony of judgments between the DBM and the CSC, petitioner CHREA elevated the matter to the Court of Appeals. The Court of Appeals affirmed the pronouncement of the CSC-Central Office and upheld the validity of the upgrading, retitling, and reclassification scheme in the CHR on the justification that such action is within the ambit of CHR's fiscal autonomy. The fallo of the Court of Appeals decision provides:

> IN VIEW OF ALL THE FOREGOING, the instant petition is ordered DISMISSED and the questioned Civil Service Commission Resolution No. 99-2800 dated December 16, 1999 as well as No. 001354 dated June 9, 2000, are hereby AFFIRMED. No cost.

Unfazed, the petitioner elevated its case to this Court and successfully obtained the favorable action in its Decision dated 25 November 2004. In its Motion for Reconsideration of the said Decision, the respondent defined the assignment of errors[6] for resolution, namely:

> - WITH ALL DUE RESPECT, THE SECOND DIVISION OF THE HONORABLE SUPREME COURT GRAVELY AND SERIOUSLY ERRED WHEN IT RULED THAT THERE IS NO LEGAL BASIS TO SUPPORT THE CONTENTION THAT THE CHR ENJOYS FISCAL AUTONOMY.
>
> - WITH ALL DUE RESPECT, THE SECOND DIVISION OF THE HONORABLE SUPREME COURT ERRED IN STATING THAT THE SPECIAL PROVISION OF THE REP. ACT. (SIC) NO. 8522 DID NOT SPECIFICALLY MENTION CHR AS AMONG THOSE OFFICES TO WHICH THE SPECIAL PROVISION TO FORMULATE AND IMPLEMENT ORGANIZATIONAL STRUCTURES APPLY, BUT MERELY STATES ITS COVERAGE TO INCLUDE CONSTITUTIONAL COMMISSIONS AND OFFICES ENJOYING FISCAL AUTONOMY;
>
> - WITH ALL DUE RESPECT, THE SECOND DIVISION OF THE HONORABLE SUPREME COURT ERRED WHEN IT RULED THAT THE CHR ALTHOUGH ADMITTEDLY A CONSTITUTIONAL CREATION IS NONETHELESS NOT INCLUDED IN THE GENUS OF THE OFFICES ACCORDED FISCAL AUTONOMY BY CONSTITUTIONAL OR LEGISLATIVE FIAT.
>
> - WITH ALL DUE RESPECT, THE SECOND DIVISION OF THE HONORABLE SUPREME COURT ERRED IN DECIDING TO REINSTATE THE RULING DATED 29 MARCH 1999 OF THE CIVIL SERVICE COMMISSION - NATIONAL CAPITAL REGION;
>
> - WITH ALL DUE RESPECT, THE SECOND DIVISION OF THE HONORABLE SUPREME COURT ERRED IN DECIDING TO DISALLOW THE COMMISSION ON HUMAN RIGHTS RESOLUTION NO. A98-047 DATED SEPTEMBER 04, 1998, RESOLUTION NO. A98-055 DATED 19 OCTOBER 1998 AND RESOLUTION NO. A98-062 DATED 17 NOVEMBER 1998 WITHOUT THE APPROVAL OF THE DEPARTMENT OF BUDGET AND MANAGEMENT.

Although this Court may have been persuaded to take a second look at this case and partly modify the assailed Decision, such modification shall not materially affect the dispositive portion thereof.

As already settled in the assailed Decision of this Court, the creation of respondent may be constitutionally

mandated, but it is not, in the strict sense, a constitutional commission. Article IX of the 1987 Constitution, plainly entitled "Constitutional Commissions," identifies only the Civil Service Commission, the Commission on Elections, and the Commission on Audit. The mandate for the creation of the respondent is found in Section 17 of Article XIII of the 1987 Constitution on Human Rights, which reads that -

> Sec. 17. (1) There is hereby created an independent office called the Commission on Human Rights.

Thus, the respondent cannot invoke provisions under Article IX of the 1987 Constitution on constitutional commissions for its benefit. It must be able to present constitutional and/or statutory basis particularly pertaining to it to support its claim of fiscal autonomy.

The 1987 Constitution expressly and unambiguously grants fiscal autonomy only to the Judiciary, the constitutional commissions, and the Office of the Ombudsman.

The 1987 Constitution recognizes the fiscal autonomy of the Judiciary in Article VIII, Section 3, reproduced below -

> Sec. 3. The Judiciary shall enjoy fiscal autonomy. Appropriations for the Judiciary may not be reduced by the legislature below the amount appropriated for the previous year and, after approval, shall be automatically and regularly released.

Constitutional commissions are granted fiscal autonomy by the 1987 Constitution in Article IX, Part A, Section 5, a provision applied in common to all constitutional commissions, to wit -

> Sec. 5. The Commission shall enjoy fiscal autonomy. Their approved annual appropriations shall be automatically and regularly released.

The Office of the Ombudsman enjoys fiscal autonomy by virtue of Article XI, Section 14, of the 1987 Constitution, which provides that -

> Sec. 14. The Office of the Ombudsman shall enjoy fiscal autonomy. Its approved annual appropriations shall be automatically and regularly released.

Each of the afore-quoted provisions consists of two sentences stating that: (1) The government entity shall enjoy fiscal autonomy; and (2) its approved annual appropriation shall be automatically and regularly released. The respondent anchors its claim to fiscal autonomy on the fourth paragraph of Article XIII, Section 17, according to which -

> Sec. 17. x x x
>
> x x x x
>
> (4) The approved annual appropriations of the Commission shall be automatically and regularly released.

As compared to the previously quoted Article VIII, Section 3; Article IX, Part A, Section 5; and Article XI, Section 14 of the 1987 Constitution on the Judiciary, the constitutional commissions, and the Office of the Ombudsman, respectively, Article XIII, Section 17(4) on the Commission of Human Rights (CHR) evidently does not contain the first sentence on the express grant of fiscal autonomy, and reproduces only the second sentence on the automatic and regular release of its approved annual appropriations. Question now arises as to the significance of such a difference in the way the said provisions are worded.

To settle this ambiguity, a perusal of the records of the Constitutional Commission (ConCom) is enlightening.

During the drafting of Article XIII, Section 17(4), of the 1987 Constitution, the ConCom members had the

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following discussion[7] -

> MR. BENGZON. I have another paragraph, Madam President. This could be a separate section or another paragraph depending on what the committee desires and what the Committee on Style would wish: "THE COMMISSION SHALL ENJOY FISCAL AUTONOMY. THE APPROVED ANNUAL APPROPRIATIONS OF THE COMMISSION SHALL BE AUTOMATICALLY AND REGULARLY RELEASED." It will align this Human Rights Commission with other commissions that we have created in the Constitution in order to further insure the independence of the Human Rights Commission.
>
> MR. DAVIDE. Madam President.
>
> THE PRESIDENT. Commissioner Davide is recognized.
>
> MR. DAVIDE. I introduced that particular amendment yesterday, but there was a proposed modification presented by Commissioner Maambong to delete the first sentence. I am in favor of the modification presented earlier. So, may I propose that the particular amendment should not carry the first sentence, only the second sentence which reads: "THE APPROVED ANNUAL APPROPRIATIONS OF THE COMMISSION SHALL BE AUTOMATICALLY AND REGULARLY RELEASED."
>
> MR. BENGZON. Why do we want to delete the sentence which says "THE COMMISSION SHALL ENJOY FISCAL AUTONOMY"?
>
> MR. DAVIDE. That would be a surplusage because the autonomy actually intended is the automatic release of these appropriations.
>
> MR. BENGZON. If that is the case, then maybe we should also delete such sentence in the other articles that we have approved. I will just leave it up to the Committee on Style, as long as it is in the record that that is the sense of the Commission, Madam President.
>
> THE PRESIDENT. What does the committee say on this point?
>
> MR. SARMIENTO. Accepted, Madam President. We leave it to the Committee on Style, so long as the intent is there.
>
> MR. BENGZON. In other words, what we are really saying is that if the Committee on Style feels that it would be more elegant and it is a surplusage to include the first sentence, then so be it as long as it is recorded in the Journal that it is the sense of the Commission that the Human Rights Commission will enjoy fiscal autonomy.
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> MR. GUINGONA. Madam President.
>
> MR. MONSOD. Madam President.
>
> THE PRESIDENT. Commissioner Guingona is recognized.
>
> MR. GUINGONA. May I respectfully invite the attention of the honorable Commissioners that there are two committees that are tasked with the same work and, therefore, reference can be made not only to the Committee on Style but also to the Sponsorship Committee.
>
> Thank you, Madam President.
>
> MR. MONSOD. Madam President.
>
> THE PRESIDENT. Commissioner Monsod is recognized.
>
> MR. MONSOD. Maybe we should just say that the minimum condition that the committee agrees to is: "THE APPROVED ANNUAL APPROPRIATIONS OF THE COMMISSION SHALL BE AUTOMATICALLY AND REGULARLY RELEASED." That is a minimum condition and we just allow the committees to add the

first sentence if they wish. But with the second sentence, the sense is already there.

MR. BENGZON. No problem, Madam President.

THE PRESIDENT. This was taken up yesterday.

MR. BENGZON. But it was deferred, I understand, Madam President. So if we approve this now, then it will be firmly included.

THE PRESIDENT. So, will the Commissioner please read it now as it is?

MR. BENGZON. I will read the amendment as accepted. "THE APPROVED ANNUAL APPROPRIATIONS OF THE COMMISSION SHALL BE AUTOMATICALLY AND REGULARLY RELEASED."

THE PRESIDENT. Is there any objection to this proposed amendment which has been accepted by the committee?

MR. PADILLA. Madam President.

THE PRESIDENT. Commissioner Padilla is recognized.

MR. PADILLA. The wording reminds me of the provisions under the judiciary and the constitutional commissions. Is the intention to elevate the position of this proposed commission which is only investigative and recommendatory to the high dignity of a constitutional commission, as well as the independence of the judiciary, by making a positive statement in the Constitution that its appropriation shall be released automatically and so forth? It seems that we are complicating and also reiterating several provisions that would make our Constitution not only too long but too complicated. I wonder if that is the purpose because even other bodies with semi-judicial functions do not enjoy such kind of constitutional guarantee. It is just an inquiry.

MR. BENGZON. It is not so much the fact that we want to elevate this into a constitutional commission as it is more of an insurance that the independence of the Human Rights Commission, even though it is not considered as a constitutional commission as contemplated and as compared to the Civil Service Commission, the COMELEC and COA, is maintained. And this is as elegant as the other sentences. So, we submit the same to the body.

MR. SARMIENTO. The proposed amendment has been accepted by the committee, but we have this objection from Commissioner Padilla. So, may we throw the issue to the body?

MR. GUINGONA. Madam President, just for clarification. Does the amendment of the honorable Commissioner Bengzon refer only to the release? I was thinking that although I am very, very strongly in favor of this commission and would give it one of the top priorities, there are other top priorities that we may want to address ourselves to. For example, in the Committee on Human Resources, we would like to give top priority to education; therefore, if this does not refer only to an automatic and regular release but would refer to the matter of priorities in the preparation of the budget, then I am afraid that we might already be curtailing too much the discretion on the part of both the legislature and the executive to determine the priorities that should be given at a given time.

MR. BENGZON. Madam President, the sentence means what it says and it is clear.

THE PRESIDENT. Will the Commissioner please read.

MR. BENGZON. It only refers to the release which should be automatic and regular.

THE PRESIDENT. Please state it again so that we will be clarified before we take a vote.

MR. GUINGONA. Thank you, Madam President.

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> MR. BENGZON. It will read: "THE APPROVED ANNUAL APPROPRIATIONS OF THE COMMISSION SHALL BE AUTOMATICALLY AND REGULARLY RELEASED."
>
> VOTING
>
> THE PRESIDENT. As many as are in favor of this particular section, please raise their hand. (Several Members raised their hand.)
>
> As many as are against, please raise their hand. (Few Members raised their hand.)
>
> As many as are abstaining, please raise their hand. (Two Members raised their hand.)
>
> The results show 26 votes in favor, 4 against and 2 abstentions; the amendment is approved. (Emphases supplied.)

The respondent relies on the statement of then Constitutional Commissioner Hilario G. Davide, Jr. that the first sentence on the express grant of fiscal autonomy to the respondent was deleted from Article XIII, Section 17(4) of the 1987 Constitution because it was a surplusage. Respondent posits that the second sentence, directing the automatic and regular release of its approved annual appropriations, has the same essence as the express grant of fiscal autonomy, thus rendering the first sentence redundant and unnecessary.

This Court, however, believes otherwise. The statement of then Constitutional Commissioner Davide should be read in full. Referring to the deletion of the first sentence on the express grant of fiscal autonomy, he explained that the first sentence "would be a surplusage because the autonomy actually intended is the automatic release of these appropriations.[8]" (Emphasis supplied.)

Even in the latter discussion between Constitutional Commissioners Jose F.S. Bengzon, Jr. and Serafin V.C. Guingona, wherein Constitutional Commissioner Guingona asked for clarification whether respondent shall also be extended priorities in the preparation of the national budget, Constitutional Commissioner Bengzon replied that "x x x the sentence means what it says and it is clear,"[9] and that "[i]t only refers to the release which should be automatic and regular."[10]

Therefore, after reviewing the deliberations of the ConCom on Article XIII, Section 17(4), of the 1987 Constitution, in its entirety, not just bits and pieces thereof, this Court is convinced that the ConCom had intended to grant to the respondent the privilege of having its approved annual appropriations automatically and regularly released, but nothing more. While it may be conceded that the automatic and regular release of approved annual appropriations is an aspect of fiscal autonomy, it is just one of many others.

This Court has already defined the scope and extent of fiscal autonomy in the case of Bengzon v. Drilon,[11] as follows -

> As envisioned in the Constitution, the fiscal autonomy enjoyed by the Judiciary, the Civil Service Commission, the Commission on Audit, the Commission on Elections, and the Office of the Ombudsman contemplates a guarantee of full flexibility to allocate and utilize their resources with the wisdom and dispatch that their needs require. It recognizes the power and authority to levy, assess and collect fees, fix rates of compensation not exceeding the highest rates authorized by law for compensation and pay plans of the government and allocate and disburse such sums as may be provided by law or prescribed by them in the course of the discharge of their functions.
>
> Fiscal autonomy means freedom from outside control. x x x

The foregoing excerpt sufficiently elucidates that the grant of fiscal autonomy is more extensive than the mere automatic and regular release of approved annual appropriations of the government entity. It is also worth

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stressing herein that in Bengzon v. Drilon, this Court, ruling En Banc, only recognized the fiscal autonomy of the Judiciary; the constitutional commissions, namely, the Civil Service Commission, the Commission on Audit, and the Commission on Elections; and the Office of the Ombudsman. Respondent is conspicuously left out of the enumeration.

Moreover, the ConCom had the following deliberations[12] on the meaning of the fiscal autonomy extended to the constitutional commissions in what is to become later Article IX, Part A, Section 5, of the 1987 Constitution -

> THE PRESIDING OFFICER (Mr. Treñas). Commissioner de Castro is recognized.
>
> MR. DE CASTRO: Thank you.
>
> This morning, I asked the proponent of this resolution what is included in the term "fiscal autonomy." The answer I got is that it is for the automatic release of the budget. I propose that the sentence "The Commissions shall enjoy fiscal autonomy" be deleted but the second sentence shall remain. The reason is that it is already redundant. Fiscal autonomy means the automatic release of appropriations.
>
> MR. MONSOD. Mr. Presiding Officer, may we answer the honorable Commissioner.
> I think the answer of the Chairman of our Committee this morning was that it would involve the automatic and regular release of the funds once approved. In addition, we are suggesting that fiscal autonomy include the nonimposition of any other procedures, for example, a preaudit system in the commissions or bodies that enjoy fiscal autonomy. So, actually, the definition of fiscal autonomy would be a bit broader than just the automatic release.
>
> MR. DE CASTRO. Does the Commissioner mean that these commissions will not be subjected to preaudit?
>
> MR. MONSOD. Our proposal actually in the provisions on the Commission on Audit is that they be subjected to comprehensive postaudit procedures and where their internal control system is inadequate, in the opinion of the Commission on Audit, then the commission may also take such measures as are necessary to correct the inadequacies which might include special preaudit systems.
>
> THE PRESIDING OFFICER (Mr. Treñas). The Chair understands, therefore, that the proposed amendment of Commissioner de Castro is not acceptable to the Committee?
>
> MR. DE CASTRO. Not yet, Mr. Presiding Officer, because we are still on the answer to me this morning, which stated - the record will bear me out - that fiscal autonomy means the automatic release of appropriations. It means the automatic release and nothing more. We were in the same Committee and when we asked the COA about this, they insisted that there must be preaudit. If fiscal autonomy means that there will be no preaudit, I do not know what will happen to this.
>
> THE PRESIDING OFFICER (Mr. Treñas). So, what is the stand of the Committee insofar as the proposed amendment of Commissioner de Castro is concerned?
>
> MR. DE CASTRO. May I just say one sentence, Mr. Presiding Officer? If the Committee's stand is that fiscal autonomy means the automatic release of the appropriations, then I say that the first sentence " -The Commissions shall enjoy fiscal autonomy" -- should be deleted because it is a repetition of the second sentence.
>
> Thank you.
>
> MR. MONSOD. Mr. Presiding Officer, the position of the Committee is that fiscal autonomy may include other things than just the automatic and regular release of the funds.
>
> THE PRESIDING OFFICER (Mr. Treñas). With that explanation, what is the pleasure of Commissioner de Castro? Does he insist on his amendment?

> MR. DE CASTRO. Is the Chairman changing his answer from this morning's question? If he does, I will ask some more questions about fiscal autonomy.
>
> MR. MONSOD. Mr. Presiding Officer, I think at the beginning of this exchange, we already told the honorable Commissioner that the Chairman of the Committee had not meant to make it an all-inclusive definition. And if he was misled into thinking of another meaning, we apologize for it. But our position is that fiscal autonomy would include other rights than just merely automatic and regular disbursement.
>
> MR. DE CASTRO. Does it include exception from preaudit?
>
> MR. MONSOD. Yes, it would include the imposition of certain preaudit requirements for release, because if the preaudit requirements are inserted into the process of release, it would defeat the objective of automatic and regular release.

Based on the preceding exchange, it can be derived that the first sentence of Article IX, Part A, Section 5, of the 1987 Constitution, expressly granting fiscal autonomy to constitutional commissions, does not have the same meaning as the second sentence, directing the automatic and regular release of their approved annual appropriations, hence, the resistance of Constitutional Commissioner Christian S. Monsod to the suggested amendment of Constitutional Commissioner Crispino M. De Castro to just delete the first sentence.

In addition, the Constitutional Fiscal Autonomy Group (CFAG), to which respondent avers membership, defined the term "fiscal autonomy" in its Joint Resolution No. 49, dated 24 July 1998, as follows -

> IV. Definition of Terms:
>
> - Fiscal Autonomy shall mean independence or freedom regarding financial matters from outside control and is characterized by self direction or self determination. It does not mean mere automatic and regular release of approved appropriations to agencies vested with such power in a very real sense, the fiscal autonomy contemplated in the constitution is enjoyed even before and, with more reasons, after the release of the appropriations. Fiscal autonomy encompasses, among others, budget preparation and implementation, flexibility in fund utilization of approved appropriations, use of savings and disposition of receipts. x x x (Emphasis supplied.)

While the assailed Decision and the present Resolution may render the status of respondent's membership in CFAG uncertain, the then Chairperson of respondent, Aurora P. Navarrete-Recina, duly signed CFAG Joint Resolution No. 49, and respondent should be held bound by the definition of fiscal autonomy therein. CFAG Joint Resolution No. 49 categorically declares that fiscal autonomy means more than just the automatic and regular release of approved appropriation, and also encompasses, among other things: (1) budget preparation and implementation; (2) flexibility in fund utilization of approved appropriations; and (3) use of savings and disposition of receipts. Having agreed to such a definition of fiscal autonomy, respondent has done a complete turn-about herein and is now contradicting itself by arguing that the automatic and regular release of its approved annual appropriations is already tantamount to fiscal autonomy.

Consequently, this Court concludes that the 1987 Constitution extends to respondent a certain degree of fiscal autonomy through the privilege of having its approved annual appropriations released automatically and regularly. However, it withholds from respondent fiscal autonomy, in its broad or extensive sense, as granted to the Judiciary, constitutional commissions, and the Office of the Ombudsman. Operative herein is the rule of statutory construction, expressio unius est exclusio alterius, wherein the express mention of one person, thing, or consequence implies the exclusion of all others.[13] The rule proceeds from the premise that the legislature (or in this case, the ConCom) would not have made specific enumerations in a statute (or the Constitution) had the intention not been to restrict its meaning and to confine its terms to those expressly mentioned.[14]

The provisions of Executive Order No. 292, otherwise known as the Administrative Code of 1987, on the fiscal autonomy of constitutional commissions, the Office of the Ombudsman, and the respondent, merely follow the phraseology used in the corresponding provisions of the 1987 Constitution, thus -

> Book II, Chapter 5, Section 26. Fiscal Autonomy. - The Constitutional Commissions shall enjoy fiscal autonomy. The approved annual appropriations shall be automatically and regularly released.
>
> Book V, Title II, Subtitle B, Section 4. Fiscal Autonomy. - The Office of the Ombudsman shall enjoy fiscal autonomy. Its approved annual appropriations shall be automatically and regularly released.
>
> Book V, Title II, Subtitle A, Section 6. Annual Appropriations. - The approved annual appropriations of the Commission on Human Rights shall be automatically and regularly released.

While the Administrative Code of 1987 has no reference to the fiscal autonomy of the Judiciary, it does have provisions on the fiscal autonomy of the constitutional commissions and the Office of the Ombudsman. It is very interesting to note that while Book II, Chapter 5, Section 26 (on constitutional commissions) and Book V, Title 2, Subtitle B, Section 4 (on the Office of the Ombudsman) of the Code are entitled "Fiscal Autonomy," Book V, Title 2, Subtitle A, Section 6 (on respondent) bears the title "Annual Appropriations." Further, the provisions on the constitutional commissions and the Office of the Ombudsman in the Administrative Code of 1987, just like in the 1987 Constitution, are composed of two sentences: (1) The government entity shall enjoy fiscal autonomy; and (2) Its approved annual appropriation shall be automatically and regularly released. The provision on respondent in the same Code is limited only to the second sentence.

Respondent asserts that it is granted fiscal autonomy by Book VI, Chapter 1, Section 1, paragraph 9, of the Administrative Code of 1987, which reads -

> SEC. 1. Constitutional Policies on the Budget. -
>
> x x x x
>
> (9) Fiscal autonomy shall be enjoyed by the Judiciary, Constitutional Commissions, Office of the Ombudsman, Local Government and Commission on Human Rights.

As its title suggests, the afore-cited provision is supposed to merely re-state the policies on budget as declared by the 1987 Constitution and, therefore, cannot grant or extend to the respondent a privilege not found in the 1987 Constitution. Book VI of the Administrative Code of 1987, under which the said provision is found, pertains to National Government Budgeting. Respondent may have been included in the enumeration of fiscally autonomous government entities because it does enjoy an aspect of fiscal autonomy, that of the automatic and regular release of its approved annual appropriations from the national budget. The general declaration of fiscal autonomy of the respondent in Section 1, paragraph 9, of Book V of the Administrative Code of 1987 on National Government Budgeting, must be qualified and limited by Section 6 of Book V, Title II, Subtitle A of the same Code specifically pertaining to respondent. It should be borne in mind that the general rule is that a word, phrase or provision should not be construed in isolation, but must be interpreted in relation to other provisions of the law.[15]

To reiterate, under the Constitution, as well as the Administrative Code of 1987, respondent enjoys fiscal autonomy only to the extent that its approved annual appropriations shall be automatically and regularly released, but nothing more.

On the main issue of whether or not the approval by the Department of Budget and Management (DBM) is a condition precedent to the enactment of an upgrading, reclassification, creation and collapsing of plantilla

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positions in the CHR, this Court staunchly holds that as prescinding from the legal and jurisprudential yardsticks discussed in length in the assailed Decision, the imprimatur of the DBM must first be sought prior to implementation of any reclassification or upgrading of positions in government.

Regardless of whether or not respondent enjoys fiscal autonomy, this Court shares the stance of the DBM that the grant of fiscal autonomy notwithstanding, all government offices must, all the same, kowtow to the Salary Standardization Law. This Court is of the same mind with the DBM[16] on its standpoint, thus -

> Being a member of the fiscal autonomy group does not vest the agency with the authority to reclassify, upgrade, and create positions without approval of the DBM. While the members of the Group are authorized to formulate and implement the organizational structures of their respective offices and determine the compensation of their personnel, such authority is not absolute and must be exercised within the parameters of the Unified Position Classification and Compensation System established under RA 6758 more popularly known as the Compensation Standardization Law. x x x (Emphasis supplied).

To drive home this point, in the special provision covering the Judiciary as quoted above, the judiciary was not vested with the power to formulate and implement organizational structures beyond the salary rates, allowances and other benefits under the compensation standardization laws. Stated differently, although the Judiciary is allowed to reorganize, any such reorganization must, nevertheless, be in strict adherence to the Salary Standardization Law. Ergo, any reorganization therein must be with the conformity of the DBM inasmuch as it is the government arm tasked by law to implement the Salary Standardization Law.

In Republic Act No. 9227, or "An Act Granting Additional Compensation in the Form of Special Allowances for Justices, Judges and All Other Positions in the Judiciary with the Equivalent Rank of Justices of the Court of Appeals and Judges of the Regional Trial Court, and for Other Purposes," the grant of Special Allowances to members of the Judiciary did not operate to exempt members thereof from the Salary Standardization Law. In Section 7 of Republic Act No. 9227, the Supreme Court and the DBM were specifically tasked to issue the necessary guidelines for the proper implementation of this Act in respect to funds coming from the National Treasury.[17] Resultantly, the Supreme Court and the DBM issued Joint Circular No. 2004-1 on 13 January 2004 which provided guidelines on the funding source for the grant of this special allowance. Thus, although Administrative Order No. 137, issued by President Gloria Macapagal-Arroyo on 27 December 2005, extended to the Chairman and Commissioners or Members of the CHR the same benefits and privileges enjoyed by members of constitutional commissions and the Judiciary in the matter of rationalized rate of allowances and liberalized computation of retirement benefits and accumulated leave credits, it still does not exempt respondent from the Salary Standardization Law.

If the judiciary, a co-equal branch of government, which was expressly granted by the Constitution with fiscal autonomy, is required to conform to the Salary Standardization Law and is subject to the scrutiny of the DBM, sagaciously, the respondent cannot be deemed to enjoy a better position than the Judiciary. The respondent must, likewise, toe the line.

This Court shall no longer belabor the point it has already delved upon in length in its Decision that Congress has delegated to the DBM the power to administer the Salary Standardization Law, which power is part of the system of checks and balances or system of restraints in the Philippine government. This Court, thus, reiterates the point that the DBM's exercise of such authority is not in itself an arrogation inasmuch as it is pursuant to the 1987 Constitution, the paramount law of the land; the Salary Standardization Law; and the Administrative Code of 1987.

In line with its role to breathe life into the policy behind the Salary Standardization Law of "providing equal pay

for substantially equal work and to base differences in pay upon substantive differences in duties and responsibilities, and qualification requirements of the positions," the DBM, in the case under review, made a determination, after a thorough evaluation, that the reclassification and upgrading scheme proposed by the respondent lacks legal rationalization.

The DBM expounded that Section 78 of the General Provisions of the General Appropriations Act (GAA), FY 1998, which the respondent heavily relies upon to justify its reclassification scheme, explicitly provides that "no organizational unit or changes in key positions shall be authorized unless provided by law or directed by the President." Here, the DBM discerned that there is no law authorizing the creation of a Finance Management Office and a Public Affairs Office in the CHR. Anent respondent's proposal to upgrade twelve (12) positions of Attorney VI, SG-28 to Director IV, SG-28, and three (3) positions of Director III, SG-27 to Director IV, SG-28, in its Central Office, the DBM denied the same as this would change the context from support to substantive without actual change in functions.

This view of the DBM, as the law's designated body to implement and administer a unified compensation system, is beyond cavil. The interpretation of an administrative government agency, which is tasked to implement a statute, is accorded great respect and ordinarily controls the construction of the courts. In Energy Regulatory Board v. Court of Appeals,[18] the Court echoed the basic rule that the courts will not interfere in matters which are addressed to the sound discretion of government agencies entrusted with the regulation of activities coming under the special technical knowledge and training of such agencies.

To be sure, considering his expertise on matters affecting the nation's coffers, the Secretary of the DBM, as the President's alter ego, knows from where he speaks inasmuch as he has the front seat view of the adverse effects of an unwarranted upgrading or creation of positions in the CHR in particular and in the entire government in general.

As the final thrust, given this Court's previous pronouncement in the present Resolution that the fiscal autonomy granted to the respondent by the 1987 Constitution and the Administrative Code of 1987 shall be limited only to the automatic and regular release of its approved annual appropriations, respondent is precluded from invoking the Special Provisions Applicable to All Constitutional Offices Enjoying Fiscal Autonomy in the 1998 GAA. The said Special Provisions read -

> Special Provisions Applicable to All Constitutional Offices Enjoying Fiscal Autonomy
>
> - Organization Structure. Any provision of law to the contrary notwithstanding and within the limits of their respective appropriations as authorized in this Act, the Constitutional Commissions and Offices enjoying fiscal autonomy are authorized to formulate and implement the organizational structures of their respective offices, to fix and determine the salaries, allowances, and other benefits of their personnel, and whenever public interest so requires, make adjustments in the personal services itemization including, but not limited to, the transfer of item or creation of new positions in their respective offices: PROVIDED, That the officers and employees whose positions are affected by such reorganization or adjustments shall be granted retirement gratuities and separation pay in accordance with existing laws, which shall be payable from any unexpended balance of, or savings in the appropriations of their respective offices: PROVIDED, FURTHER, That the implementation hereof shall be in accordance with salary rates, allowances and other benefits authorized under compensation standardization laws.
>
> - Use of Savings. The Constitutional Commissions and Offices enjoying fiscal autonomy are hereby authorized to use savings in their respective appropriations for; (a) printing and/or publication of decisions, resolutions, and training information materials; (b) repair, maintenance and improvement of central and regional offices, facilities and equipment; (c) purchase of books, journals, periodicals and equipment; (d) necessary expenses

> for the employment or temporary, contractual and casual employees; (e) payment of extraordinary and miscellaneous expenses, commutable representation and transportation allowances, and fringe benefits for their officials and employees as may be authorized by law; and (f) other official purposes, subject to accounting and auditing rules and regulations.

It is unequivocal that the afore-quoted Special Provisions of the 1998 GAA refer to the broad and extensive concept of fiscal autonomy. They already go beyond ensuring the automatic and regular release of the approved annual appropriations, but already enumerate the ways by which the named government entities can use their appropriations to effect changes in their organizational structure and their savings for certain official purposes. Even assuming arguendo that the said Special Provisions are applicable to respondent, it should be noted that the last sentence in paragraph 1 qualifies the power of a fiscally autonomous government entity to formulate and implement changes in its organizational structure so that, "x x x the implementation hereof shall be in accordance with salary rates, allowances and other benefits authorized under compensation standardization laws." And, as exhaustively expounded in the assailed Decision and the herein Resolution, only the DBM has the authority and the technical expertise to determine compliance by respondent to the provisions of the Salary Standardization Law.

WHEREFORE, the Motion for Reconsideration is PARTIALLY GRANTED. The assailed decision of this Court dated 25 November 2004 is hereby MODIFIED, declaring the respondent CHR as a constitutional body enjoying limited fiscal autonomy, in the sense that it is entitled to the automatic and regular release of its approved annual appropriations; nonetheless, it is still required to conform to the Salary Standardization Law. Accordingly, its entire reclassification scheme remains subject to the approval of the DBM. No pronouncement as to costs.
SO ORDERED.

Puno, (Chairman), Austria-Martinez, Callejo, Sr., and Tinga, JJ., concur.

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[1] Penned by Associate Justice Minita V. Chico-Nazario with Acting Chief Justice Reynato S. Puno, Associate Justices Ma. Alicia Austria-Martinez, Romeo J. Callejo, Sr., and Dante O. Tinga, concurring; Rollo, pp. 198-226.

[2] Id. at 224-225.

[3] Id. at 227-250.

[4] Id. at 262-265.

[5] Id. at 200-208.

[6] Id. at 228-229.

[7] Record of Constitutional Commission, Vol. IV, pp. 10-12 (28 August 1986).
[8] Id. at 10.

[9] Id. at 11.

[10] Id.

[11]G.R. No. 103524, 15 April 1992, 208 SCRA 133, 150.

[12] Record of Constitutional Commission, vol. i, pp. 559-560 (15 July 1986).

[13] Ruben E. Agpalo, STATUTORY CONSTRUCTION, p. 222 (2003). See Centeno v. Villalon-Pornillos, G.R. No. 113092, 1 September 1994, 236 SCRA 197.

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[14]Commissioner of Customs v. Court of Tax Appeals, G.R. No. 48886-88, 21 July 1993, 224 SCRA 665, 670.

[15]Supra note 12 at 191.

[16]Letter, dated 20 January 1999, of DBM Secretary Benjamin E. Diokno addressed to CHR Chairperson Aurora P. Navarette-Reciña; Rollo, p. 63.

[17] Sec. 7. Issuance of Implementing Guidelines. - The Supreme Court and the Department of Budget and Management shall issue the necessary guidelines for the proper implementation of this Act in respect to funds coming from the National Treasury within ninety (90) days from approval hereof.

[18]G.R. No. 113079, 20 April 2001, 357 SCRA 30, 40; citing Nestlè Philippines, Incorporated v. Court of Appeals, G.R. No. 86738, 13 November 1991, 203 SCRA 504, 510-511.

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