NOTE

31 PEOPLE AND THE C.I.R.

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INTRODUCTION

When two persons quarrel, they go to a Court of Justice to have their differences settled. When laborers have troubles with their employers, they do the same. But Courts are slow in settling disputes. The laborer who depends upon his wages for a living cannot afford to wait one or two months for the settlement of his trouble. For this reason among many others, the C.I.R., a special tribunal vested with the power of compulsory arbitration with jurisdiction extending over the entire Philippines, was created. Under the Statute[1] creating said Court, however, it is expressly provided that before the Court can take cognizance of labor disputes, the involvement of at least thirty-one laborers therein is an absolute necessity. From the creation of the C.I.R. in 1936 up to the present, a considerable number of other labor legislations have been promulgated. Among them is the Industrial Peace Act[2] which expressly curtailed, but did not repeal entirely, the power of compulsory arbitration of the C.I.R., limiting in effect, its broad jurisdiction in labor disputes to certain specified cases. The Industrial Peace Act is, however, silent on the requirement that at least thirty-one laborers be involved in a case for the C.I.R. to acquire jurisdiction over it. This note therefore, is aimed at finding out, whether or not the requirement, that at least thirty-one employees be involved in a labor dispute before the C.I.R. can take cognizance of the case, is still applicable under the present status of our Labor laws.

BASIS AND LIMITATIONS OF THE ISSUES

The C.I.R. was created upon the passage of Commonwealth Act No. 103 approved on October 29, 1936. It was created as a means

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[1] Section 4, C.A. No. 103, infra.
[2] R.A. No. 875, effective, June 17, 1953.

for giving effect to the precepts embodied in the Constitution, more specifically Article II, Section 5 which states the general principle that the promotion of Social Justice to insure the well-being and economic security of all the people should be the concern of the State, and Article XIV, Section 6, providing that the State shall afford protection to labor especially to working women and minors, and shall regulate the relations between landowner and tenant, and between labor and capital in industry and in agriculture, and that the State may provide for compulsory arbitration. Directly sanctioning the creation of the C.I.R. is Article VIII, Section 1 of the Constitution, which provides that the judicial power shall be vested in one supreme court and in SUCH INFERIOR COURT AS MAY BE ESTABLISHED BY LAW, and Section 2 of the same article, which vests in Congress the power to define, prescribe, and apportion the jurisdiction of the various courts.

In line with these avowed principles of the Constitution, Congress created a special tribunal called the C.I.R. It is more of an Administrative body than a part of the nation's judicial system. Its primary purpose is to afford protection to labor, having for its major objective, the settlement of disputes between employers and employees, between landlord and tenant. Unlike an ordinary court of Justice, it is a court of compulsory arbitration and is active and dynamic, as can be gleaned from the provisions of Section 4, of C.A. No. 103 as amended by Section 2, of C.A. No. 559, which because of its significance, is quoted as follows:

"SEC. 2. Section four of the same Act is amended to read as follows:

SEC. 4. STRIKES AND LOCKOUTS. The Court shall take cognizance for purposes of prevention, arbitration, decision and settlement, of any industrial or agricultural dispute causing or likely to cause a strike or lockout, arising from differences as regards wages shares, or compensation, dismissals, lay-offs, or suspensions of employees or laborers, tenants or farm-laborers, hours of labor or conditions of tenancy or employment, between employers and employees or laborers provided that the number of employees, laborers, or tenants or farm laborers involved exceeds thirty, and such industrial or agricultural dispute is submitted to the Court by the Secretary of Labor, or by any or both of the parties to the controversy. In all such cases the Secretary of Labor or the party or parties submitting the disputes shall clearly and specifically state in writing the questions to be decided. Upon the submission of such controversy or question by the Secretary of Labor, his intervention therein as authorized by Law shall cease

The Court shall, before hearing the dispute and in the course of such hearing, endeavor to reconcile the parties and induce them to settle the dispute by amicable agreement. If any Agreement as to the whole or any part of the dispute is arrived at by the parties, a memorandum of its

terms shall be made in writing, signed and acknowledged by the parties thereto before a Notary Public. The Memorandum shall be filed in the office of the clerk of court, and unless otherwise ordered by the Court, shall as between the parties to the agreement, have the same effect as, and deemed to be, a decision or award."

It is to be noted that the provision of law above-quoted, with regard to the jurisdiction of the Court in Agricultural disputes has been expressly repealed by R.A. No. 1267 as amended by Section 7, of R.A. No. 1409, the law creating the Court of Agrarian Relations, and which Section 7, states:

"SEC. 7. — The Court shall have original and exclusive jurisdiction over the entire Philippines, to consider, investigate, decide and settle all questions, matters, controversies or disputes involving all those relationships established by law which determine the varying rights of persons in the cultivation and use of Agricultural land where one of the parties works the land: Provided, however that cases pending in the Court of Industrial Relations upon approval of this Act which are within the jurisdiction of the Court of Agrarian Relations, shall be transferred to, and the proceedings therein continued in, the latter Court."

R.A. No. 1267, took effect on June 14, 1955; so that before that date, all agricultural disputes were under the jurisdiction of the C.I.R. By virtue of said law therefore, the jurisdiction of the C.I.R. is now limited to **Industrial** disputes only. For the sake of clarity, our Supreme Court in a number of cases[3] has interpreted the word "dispute" to mean as follows:

"In the light of the spirit of the Industrial Peace Act, taken from the Norris-La Guardia Act, the disputants need not stand in relation of Employer-employee for a case to involve a labor dispute.

Going back to the provisions of Section 4 of C.A. No. 103, it can readily be observed that in order that the C.I.R. may obtain jurisdiction over an Industrial dispute, it is an indispensable requisite that the number of laborers or workers involved in the dispute exceeds thirty, or not less than thirty-one. However, our Supreme Court in the case of **Cosmopolitan Workers' Union -vs.- Panciteria Moderna**[4] has a different view, for it ruled that a petition filed by only thirty workers or laborers is sufficient to confer jurisdiction on the Court of Industrial Relations over said petition. The Supreme Court in that case interprets the provision under consideration in this wise:

[3] Paflu, et al vs. Hon. Bienvenido Tan, et al, G.R. No. L-9115 August 31, 1956; Paflu, et al vs. Hon. Edilberto Barot, G.R. No. L-9281, September 28, 1956.

[4] G.R. No. L-7326, May 11, 1956.

"It is our considered opinion that the aforequoted provision of Law should be interpreted to the effect that the Court could only acquire jurisdiction over a petition filed by *thirty (30)* employees who have some quarrel, grievance, or dispute against their employer in connection with their labor condition and that a petition filed by less than *thirty (30)* employees cannot be acted upon or entertained by the Court. For, a contrary interpretation would give a single employee the right to file a petition against his employer even against the will of his co-workers, if the result of the petition may affect all of them which interpretation we believe, is beyond the purview of the afore-quoted provision of law."

The above decision, as can be observed, amply states the very reason for the provisions of law presently discussed. Notice is made of said reason, as it will be referred to repeatedly in the course of this note. At any rate, with due respect to the highest tribunal of the land, it is submitted that the interpretation of the provision of law at issue, in the foregoing decision, is contrary to the exact letter of the law. The law expressly states, "exceeds thirty," meaning to say that it should at least be thirty-one, and not thirty only, for thirty does not exceed thirty.

On the other hand, the moment jurisdiction has been acquired by the C.I.R., it does not matter how many laborers or workers may remain involved in the disputes. This is clearly illustrated by the case of **Manila Hotel Employees Assn. -vs.- Manila Hotel**[5] wherein the Supreme Court ruled:

"Once the Court of Industrial Relations acquires jurisdiction over a case under the law of its creation, it retains that jurisdiction until the case is completely decided. The dispute originally involved more than thirty-one employees of the Manila Hotel Company. The fact that all, but seven of said employees have, since the filing of the case, been readmitted, cannot divest the Court of jurisdiction to decide not only the question as to the reinstatement of said seven employees, but also that as to the payment of the back wages of those who have been readmitted."

Again, in the case of **Detective and Protective Bureau Inc. -vs.- Felipe Guevara and 61 others and the C.I.R.**[6], the Supreme Court reiterated this ruling in its statement that once the C.I.R. as any other Court, has acquired jurisdiction of a case, the same continues until the termination of the case, regardless of the change of the number of workers-petitioners, and especially where the majority of them are still employees of the respondent-employer. Moreover, it is the date of the filing of the complaint with the C.I.R. that

[5] 73 Phil 374 (1941).

[6] G.R. No. L-8738, May 31, 1957.

determines whether or not the Court has acquired jurisdiction over a dispute.[7]

From the foregoing discussion, it is easily gleaned that Section 4 of C.A. No. 103 is clear, plain and unambiguous, and therefore there is no need for interpretation.

The problem arose, however, with the advent of the promulgation of R.A. No. 875, otherwise known as the Industrial Peace Act, in June 17, 1953. Like R.A. No. 1267, the law creating the Court of Agrarian Relations, the Industrial Peace Act has limited the jurisdiction of the C.I.R. It has divested the C.I.R. of the power of compulsory arbitration. The Supreme Court in a good number of cases[8] has consistently held that the broad jurisdiction of the C.I.R. has been curtailed by the Industrial Peace Act. The High Court in this connection stated:

"But this broad jurisdiction was somewhat curtailed upon the approval of Republic Act 875, the purpose being to limit it to certain specific cases, leaving the rest to the regular courts. Thus, as the law now stands, that power is confined to the following cases: (1) when the labor dispute affects an industry which is indispensable to the national interest and is so certified by the President to the industrial court (Section 10, Republic Act 875); (2) when the controversy refers to minimum wage under the Minimum Wage Law (Republic Act 602); (3) when it involves hours of employment under the Eight-Hour Labor Law (Commonwealth Act 444); and (4) when it involves an unfair labor practice [Section 5, (a) Republic Act 875]. In all other cases, even if they grow out of a labor dispute, the Court of Industrial Relations does not have jurisdiction, the intendment of the law being "to prevent undue restriction of free enterprise for capital and labor and to encourage the truly democratic method of regulating the relations between the employer and employee by means of an agreement freely entered into in collective bargaining" (Section 7, Rep. Act 875). In other words, the policy of the law is to advance the settlement of disputes between the employers and the employees through collective bargaining, recognizing "that real industrial peace cannot be achieved by compulsion of law. [See Section 1 (c), in relation to Section 20, Idem.]

It therefore appears that with the exception of the four cases above specified the Court of Industrial Relations has no jurisdiction even if it involves a labor dispute."

In the light of the above decision, defining the limits of the jurisdiction of the C.I.R., the question may be asked, thus.... Is the

[7] Pepsi-Cola, Inc. vs. National Labor Union, G.R. No. L-1500 July 30, 1948.

[8] Allied Free Workers' Union, et al vs. Hon. Judge Segundo Apostol, et al, G.R. No. L-8876, October 31, 1957; The Mindanao Bus Employees Labor Union (Plum) vs. The Mindanao Bus Company and CIR, G.R. No. L-9795, December 28, 1957; Chua Workers' Union (NLU) vs. City Automotive Company and Chua Hon G.R. No. L-11655, April 29, 1959; Phil. Sugar Institute vs. CIR, et al. G.R. No. L-13098, October 29, 1959.

provision of C.A. No. 103 relating to the jurisdictional requirement of thirty-one employees still applicable to disputes involving unfair labor practices, hours of employment, minimum wage and to disputes affecting an industry indispensable to the national interest as certified by the President to the CIR?

A resolution of this question requires examination of each particular case, the pertinent provisions of law governing each, together with the jurisprudence relative thereto, as enunciated by our Supreme Court in its decisions.

OBSERVATIONS AND FINDINGS

As the Supreme Court states in the cases immediately preceding, it is R.A. No. 875, otherwise cited as the Industrial Peace Act or the Magna Charta of Labor, that has curtailed the jurisdiction of the C.I.R. This conclusion no doubt was based by the Supreme Court on the provisions of Section 5 of R.A. No. 875 with respect to unfair labor practices, Section 7 of the same Act, having reference to the applicability of R.A. No. 602 or the Minimum Wage Law and C.A. No. 444 or the Eight-Hour Labor Law, and finally on the provisions of Section 10 of the said Act, in connection with industries indispensable to the national interest. These legislations therefore, are the subject of the following observations.

With regard to jurisdiction over **unfair labor practices: —**

SEC. 5 (a) of R.A. No. 875 provides:

"(a) The Court shall have jurisdiction over the prevention of unfair labor practices and is empowered to prevent any person from engaging in any unfair labor practice. This power shall be exclusive and shall not be affected by any other means of adjustment or prevention that has been or may be established by an agreement, code, law, or otherwise."

What constitutes unfair labor practice is enumerated in Section 4 of the same Act. Although unfair labor practices may also be commited by labor organizations, for the purpose of our discussion however, suffice it to say that it is in general, any interference of whatever nature by the employer with the right of employees to self-organization and to form, join, or assist labor organizations of their own choosing for the purpose of collective bargaining through representatives of their own choosing and to engage in concerted activities for the purpose of collective bargaining and other mutual aid or protection.

Before dealing directly with the question, a few observations are made on the above-quoted legal provision. As worded, it seems to convey the idea that the C.I.R. has exclusive jurisdiction over all

matters, including the issuance of injunctions pertaining to any unfair labor practice. This was affirmatively so decided by the majority of the members of the Supreme Court in the case of **National Garments and Textiles Worker's Union-PAFLU vs. Honorable Hermogenes Caluag.**[9] However, in the same case, Mr. Justice Montemayor has a strong dissenting opinion, the pertinent portion of which is as follows:

"x x x It is granted that the C.I.R. has exclusive jurisdiction over cases involving unfair labor practice, but to me that exclusive jurisdiction refers to hearing the cases and deciding them on the merits. Issuing a Writ of Injunction to stop the commission of violence and other illegal acts in connection with and on the occasion of picketing in connection with an unfair labor practice case, is entirely a different matter. Said illegal acts can have no relation whatsoever with the merits of the unfair labor practice case. The company charged with unfair labor practice is no less guilty of the charge or complaint just because the complainant Union or its members, while picketing, threatened to commit or actually committed acts of violence and other illegal acts; and the picketers cannot affect or prejudice the merits of their complaint against the company for unfair labor practice, merely because they committed or threatened to commit violence or acts against peace and order while picketing. I maintain that threats, intimidation, coercion, acts of violence, etc., directly affect peace and order and the people in general, regardless of place and occasion of commission, so that they are cognizable by the ordinary courts in the place or places where committed, not only in the prosecution thereof, but in the issuance of Writs of Injunction to stop and restrain the same.

Therefore, granting that the C.I.R. has jurisdiction to issue Writs of Injunction in cases involving unfair labor practice, said jurisdiction in my opinion, is by no means exclusive because the ordinary courts of the Philippines are vested with the same jurisdiction."

Though seemingly not in conformity with the exact provision of the law, it is believed that Mr. Justice Montemayor is correct. For while the C.I.R. with its limited number of Judges and personnel is situated in Manila, the unlawful acts threatened and which will be committed unless restrained, or have been committed and will be continued unless restrained, may take place or may have taken place outside of Manila and far from it, as for example in Aparri or in Davao, and it would be difficult, if not impossible for the aggrieved party to come to Manila to seek any remedy from the C.I.R. Besides, supposing that even despite the expense and inconvenience to the aggrieved party, he is able to come to Manila, during all the interval between the commission of the unlawful acts and the actual issuance of a restraining order by the C.I.R. in Manila and its notification to the offender in such far-off places as that given in the example,

[9] G.R. No. L-9104, September 10, 1956.

irreparable injury may already have been committed and the efforts of the aggrieved party may after all prove futile and of no avail. Furthermore, the opinion of the learned Justice is in consonance with the presumption of Statutory Construction against inconvenience. Said presumption states that it is always presumed that the legislature intends the most reasonable and beneficial construction of its enactments, when their design is obscure or not explicitly expressed, and such as will avoid INCONVENIENCE, HARDSHIP, or PUBLIC INJURIES. Hence, if a law, by its terms is fairly susceptible of two or more constructions, the Courts having this presumption in mind, will give weight to arguments drawn from the inconvenient results which would follow from putting one of such constructions upon the Statute, and will therefore adopt the other.[10]

However, with regard to entities created for the benefit and service of its members, the C.I.R. has no jurisdiction to hear charges of unfair labor practices filed against the same.[11] Likewise, the C.I.R. has no jurisdiction to hear and determine a complaint of unfair labor practice filed against an educational or non-profit organization.[12] With some points of the law already discussed, let us now limit our discussion to the main issue.

Section 5(b) of R.A. 875 provides for the procedure to be followed by the C.I.R. in unfair labor practice cases. Nowhere in said section can be found any reference to the jurisdictional requirement of thirty-one employees, as provided for in Section 4, of C.A. No. 103. The previously quoted Section 5(a) likewise is silent on the thirty-one employees requirement. From these observations alone, it may seem that the said jurisdictional requirement, does not apply to unfair labor practice cases. Moreover, bearing in mind that the reason for the said requirement is to prevent a single employee from dragging his co-employees without their consent to a dispute with their employer when the result of the petition filed by him will affect them all,[13] it is inferred that where a petition affects exclusively the petitioner alone, the thirty-one-employee requirement is not applicable. A similar inference regarding the non-applicability of the thirty-one-employee requirement in unfair labor practice cases may be drawn from the fact that in a considerable number of labor cases,[14]

[10] Black, on Interpretation of Laws, 2nd ed. p. 122.
[11] Manila Elks Club vs. United Laborers and Employees G.R. No. L-9747, February 27, 1959.
[12] University of Sto. Tomas vs. Hon. Baltazar Villanueva, a Judge of the CIR, U.S.T. Employees and Laborers Assn., et al, G.R. No. L-13748, October 30, 1959.
[13] Cosmopolitan Workers' Union vs. Panciteria Modern, G.R. No. L-7326, May 11, 1956.
[14] Graciano Indias vs. Phil. Iron Mines, Inc., G.R. No. L-9987 April 29, 1957; Scoty's Dept. Store, et al vs. Nena Micaller, G.R. No. L-8116, August

the C.I.R. has entertained petitions regarding unfair labor practices, filed by only one or two individuals solely in their own behalf, without being in representation of a body of at least thirty-one employees, as required by Section 4, of C.A. No. 103.

With regard to jurisdiction over hours of employment: —

Commonwealth Act No. 444 otherwise known as the EIGHT-HOUR labor law took effect upon its approval in June 3, 1939. Its principal aim is to discourage overtime work for the protection of the health of the worker. Said law provides for the normal maximum number of hours within which an employee may be compelled to work. Thus, Section 1 of the Act provides:

"SEC. 1. The legal working day for any person employed by another shall be of not more than eight hours daily. When the work is not continuous, the time during which the laborer is not working and can leave his working place and can rest completely shall not be counted."

The above-quoted section, however is subject to the exceptions provided in Sections 3 and 5 of the same Act. With regard to Section 3, the law provides that work may be performed beyond eight hours a day in case of actual or impending emergencies in order to prevent loss to life and property or imminent danger to public safety, or in order to avoid a serious loss which the employer would otherwise suffer, or some other just cause of a similar nature.[15] Under Section 5, exemptions may be granted by the Secretary of Labor for work beyond eight hours in the interest of the public, or if in his opinion, such exemption is justifiable either because the organization or the nature of the work requires it, or because of lack or insufficiency of competent laborers in a locality or because the relieving of laborer must be done under certain conditions, or by reason of any other exceptional circumstances or conditions of the work or industry concerned.[16] In all cases where overtime work is allowed, however, the laborers and employees shall be entitled to receive compensation for the overtime at the rate as their regular wages or salary, plus at least twenty-five per centum additional.[17]

On the other hand, where overtime work is performed without previous authority of the Secretary of labor, it would constitute a

25, 1956; Operator's Inc. vs. Jose Pelagio and Vicente Lagman, G.R. No. L-9182, September 12, 1956; National Union of Printing Workers vs. The Asia Printing and/or Lu Ming, et al, G.R. No. L-8750, July 20, 1956.

[15] Section 3, C.A. No. 444.

[16] Section 5, C.A. No. 444.

[17] Sections 3 and 5, C.A. No. 444.

violation of the Law. In this regard, our Supreme Court in an early case,[18] held:

"x x x Act No. 4123 as amended by Act No. 4242 and by C.A. No. 444, limits the number of working hours to eight, although in special cases mentioned in its Sections 3 and 5, employees may work overtime for not more than twelve hours and shall in those cases be entitled to additional compensation. But the power of deciding whether or not the laborers or employees may work for more than the legal number of hours does not rest with the laborers or their employers, but with the Secretary of Labor who is empowered by law to 'decide in each case whether or not it is proper to increase or decrease the number of hours of labor.' (Sec. 3, Act No. 4123). The Law requires both the employees and the employer to address an application to the Secretary of Labor for this purpose. Performance of overtime work except in the manner provided is prohibited and penalized (Sec. 11, Act No. 4123). Compliance with the law in this regard is a matter of public interest. Having failed to fulfill the mandate of the Law, and under the circumstances found by the Court of Industrial Relations, we are of the opinion that said Court did not err in declining to extend the benefits of Section 5, of Act No. 4123 to laborers concerned of the Petitioner Union."

This Ruling was however, abandoned by the Supreme Court in its later decisions.[19] In said later decisions, The Supreme Court maintained that under the Eight-Hour Labor Law, only the employer has the obligation to secure the overtime permit from the Secretary of Labor. Lack of prior permit, it is further held, does not operate to exempt the employer from paying the overtime compensation due his employees. With respect to prescription of the action, the same should be brought within three years from the accrual of the cause, otherwise it shall forever be barred.[20]

With the foregoing explanation of the Law, a discussion of the main issue is now in order. It is to be noted, that C.A. No. 444 does not provide for the Court which shall have jurisdiction in case any of its provisions is violated. Nowhere in said Act can be found any formal reference to any Court, much less to any jurisdictional requirement of thirty-one employees. The grant of jurisdiction to the C.I.R. over hours of employment is merely predicated upon its general power of compulsory arbitration under C.A. No. 103, as allowed by way of exception by Section 7 of the Industrial Peace Act. Said Section 7, provides:

[18] Kapisanan ng mga Manggagawa sa Pantranco vs. CIR, 68 Phil. 552, (1939).

[19] Gotamco Lumber Co. vs. CIR and National Labor Union, G.R. No. L-4337, December 29, 1951; Pampanga Sugar Mills vs. Pasumil Workers' Union, G.R. No. L-7668, February 29, 1956; Manila Terminal Co. vs. CIR, et al, 48 O.G. 2725.

[20] Section 1, R.A. No. 1994.

"SEC. 7. *Fixing Working Conditions by Court Order.*—In order to prevent undue restriction of free enterprise for capital and labor and to encourage the truly democratic method of regulating the relations between the employer and employee by means of an agreement freely entered into in collective bargaining, no court of the Philippines shall have the power to set wages, rates of pay, hours of employment, or conditions of employment except as in this Act is otherwise provided and EXCEPT AS IS PROVIDED IN REPUBLIC ACT NUMBERED SIX HUNDRED TWO AND COMMONWEALTH ACT NUMBERED FOUR HUNDRED FORTY-FOUR AS TO HOURS OF WORK." (Emphasis supplied)

So by virtue of the above Section, the C.I.R. has still its power of compulsory arbitration under cases regarding the application of C.A. No. 444. At any rate, using the reason of the Supreme Court for the said jurisdictional requirement of thirty-one employees[21] as our basis, it may be inferred again, that as long as a complaint filed under this Act by one or more individuals, less than thirty-one, does not affect his or their co-employees, the C.I.R. may still acquire jurisdiction over the same, regardless of the lack of the requisite thirty-one employees being involved therein. This seems to be the practice of the C.I.R. at present, as may be deduced from many cases,[22] wherein said Court took cognizance of Petitions concerning hours of employment filed by far less than thirty-one employees or laborers.

With regard to jurisdiction over **the minimum wage:** —

R.A. No. 602, which took effect on April 6, 1951 is the Law that governs the statutory minimum wages for laborers and employees. It assures the improvement of minimum wages in particular industries through the Wage Boards created thereunder for such purpose. It also provides for measures intended to protect these wages.

The provision in the said Act which is pertinent to our discussion is the whole of Section 16, stated as follows:

"SEC. 16. Jurisdiction of the Courts.—(a) The Court of First Instance shall have jurisdiction to restrain violations of this Act; action by the Secretary or by the employees affected to recover underpayment may be brought in any competent Court, which shall render its decision on such cases within 15 days from the time the case has been submitted for decision; in appropriate instances, appeal from the decisions of these courts on any action under this Act shall be in accordance with applicable law.

[21] Op cit., (refer to No. (13) 0).

[22] Alejandro Mercader vs. Manila Polo Club and Alex Stewart G.R. No. L-8373, September 28, 1956; Gregorio Carlos vs. P.J. Kiener Construction Ltd., G.R. No. L-9516 September 29, 1956; Baselides Marcelo and 10 others vs. Phil. National Red Cross, G.R. No. L-9448, May 23, 1957; Moises Selana vs. Phil. Land-Air-Sea Labor Union (Plaslu) Inc. and CIR G.R. No. L-9884, December 28, 1957.

(b) In the event that a disputed case before the Court of Industrial Relations involves as the sole issue or as one of the issues a dispute as to the minimum wages above the statutory minimum, and the Secretary of Labor has issued no wage order for the industry or locality applicable to the enterprise, the Court of Industrial Relations may hear and decide such wage issue: Provided, however, that the Secretary of Labor shall not undertake to fix the minimum wage for an industry or branch thereof which involves only a single enterprise or a single employer.

(c) Where the demands of minimum wages involve an actual strike, the matter shall be submitted to the Secretary of Labor, who shall attempt to secure a settlement between the parties through Conciliation. Should the Secretary fail within fifteen days to effect said settlement, he shall indorse the matter together with other issues involved, to the Court of Industrial Relations which will acquire jurisdiction on the case including the mininmum wage issue, and after a hearing where the views of the Secretary of Labor will be given, will decide the case in the same manner as provided in other cases. The decision shall be rendered by the Court in banc within fifteen days after the case has been submitted for the deterination, and its finding of facts shall be conclusive if supported by substantial evidence and shall be subject only to an appeal by Certiorari."

It is observed from the above provisions that subsections (b) and (c) assume that the C.I.R. has the power of compulsory arbitration. As mentioned earlier, since 1953, when the Industrial Peace Act took effect, the power of compulsory arbitration of the said Court has been curtailed. It is believed however that in a limited sense such assumption may still hold true with respect to the instances excepted by the Industrial Peace Act among which is the power of the Court to settle wage issues as conferred by the Minimum Wage Law. This is so because in depriving the Court of Industrial Relations of the power of compulsory arbitration the Industrial Peace Act itself excluded from such deprivation the power of the C.I.R. conferred by the Minimum Wage Law.[23]

Furthermore, it appears that the "competent court" referred to in Subsection (a), would be that which is provided for in the Rules of Court, and not the C.I.R. It is observed further, that said competent court's jurisdiction has reference only to violations of the Minimum Wage Law, that is, when a person is paid below the Statutory minimum. However, when the controversy relates to minimum wages above the statutory minimum and there is no wage order relative to it, the C.I.R. acquires jurisdiction over the same. The C.I.R. also acquires jurisdiction over a case where the demands of minimum wages involves an actual strike, after the same has been indorsed to it by the Secretary of Labor. In all cases, the action

[23] Section 7, R.A. No. 875 sufra.

must be brought within three years from its accrual, otherwise it shall forever be barred.[24]

It appears therefore, that up to 1951 when R.A. No. 602 was approved, the C.I.R. had the exclusive and general power to fix minimum wages, and that by virtue of said law, jurisdiction over all question of wages has been transferred to the Wage Administration Service of the Department of Labor, created under that law, for the purpose of administration and enforcement of the Minimum Wage Law, with the exception of cases falling under subsections (b) and (c) of Section 16, [supra].

With respect to subsections (b) and (c) of R.A. No. 602, it is the C.I.R. that still has exclusive jurisdiction. As mentioned earlier, a controversy relating to minimum wages above the statutory minimum without any wage order having been issued by the Secretary of Labor relative to it, falls under the jurisdiction of the C.I.R.[25] Likewise, where demands of minimum wages involve an actual strike and the Secretary of Labor after failing to settle it, indorses the same to the C.I.R., the latter acquires jurisdiction to decide the case with all its issues.[26] Everything being settled as to the jurisdiction of the C.I.R. with regard to the Minimum Wage Law under the light of the Industrial Peace Act, let us now consider the main issue. It is to be observed that no provision in the Minimum Wage Law is made regarding the jurisdictional requirement of thirty-one employees necessary for the Court to acquire jurisdiction as provided in Section 4, of C.A. No. 103, over cases where the C.I.R. has jurisdiction under the Minimum Wage Law. The only provisions relative to the jurisdiction of the C.I.R. in said law, are subsections (b) and (c) of Section 16. Moreover, a scrutiny of subsection (b) indicates that the situation covered by it is "a disputed case before the C.I.R." So subsection (b) as it is, makes no provision as to how the C.I.R. acquires jurisdiction with regard to a case it has jurisdiction over. How the dispute case was brought before the Court, nothing is mentioned. However, considering other Statutes related to the R.A. No. 602, it is to be noted that the jurisdiction of the C.I.R. under this Law is a consequence of the general powers granted to it by C.A. No. 103, as expressly excepted by Section7 of the Industrial Peace Act, from the latter's effect of curtailing said general powers of the C.I.R. under C.A. No. 103.[27] It is by virtue of C.A. No. 103, therefore, that the case is before the C.I.R. In view of this, it is submitted that in situations falling under subsection (b), a single

[24] Section 17, R.A. No. 602.
[25] Section 16(b) R.A. No. 602.
[26] Section 16(c) R.A. No. 602.
[27] Section 7, R.A. No. 875, sufra.

employee may bring the case before the C.I.R. provided such case does not extend its effects directly to his co-employees. This is so believed, because the reason for the thirty-one employee requirement, as advanced by the Supreme Court, is to prevent a single employee from dragging to a dispute with the employer, his co-employees who have not consented to the complaint filed by him.[28] And so, as long as the case will affect him alone, it is believed that the lack of thirty-one employee jurisdictional requirement is not fatal, so as to preclude him from seeking the protection of the C.I.R. Furthermore, a case involving wages can arise even if only one or more but less than thirty-one employees are in dispute with the employer. In this case, it would be unjust to apply the said requirement when no such requirement is expressly provided by Law (Minimum Wage) which should govern the case. As regards subsection (c), it is believed that the requirement of thirty-one employees may not be applied to it for the same reasons. A strike may be staged by less than thirty-one employees, as when there are only thirty or less employees in a particular establishment against which they are on strike.

With regard to jurisdiction over **disputes certified by the President to the C.I.R.: —**

The provision of law on the point is section 10, of R.A. No. 875, otherwise known as the Industrial Peace Act. Said Section provides:

> "SEC. 10. *Labor Disputes in Industries Indispensable to the National Interest.*—When in the opinion of the President of the Philippines there exists a labor dispute in an industry indispensable to the National Interest and when such labor dispute is certified by the President to the Court of Industrial Relations, said court may cause to be issued a Restraining Order forbidding the employees to strike or the employer to lock-out the employees, pending an investigation by the Court, and if no other solution to the dispute is found, the Court may issue an order fixing the terms and conditions of employment."

The interpretation of the above-quoted legal provision as to its scope has been settled by the Supreme Court. In the case of Isaac Peral Browling Alleys vs. United Employees Welfare Association and the C.I.R.,[29] the award by the C.I.R. of vacation and sick leave was questioned by Certiorari to the Supreme Court. In justifying said award, the Supreme Court ruled that in view of the absence of express legislation granting employees of private firms and establishments the benefits of Vacation and Sick leaves with pay, said employees are not assured of such privileges which are

[28] Op cit., (refer to No. (13)).
[29] G.R. No. L-9831, October 30, 1957.

proper subject matters for collective bargaining between Employers and Employees. Although strictly speaking therefore, there is no ground for the granting of said privileges, the Court of Industrial Relations in the exercise of its broad powers under C.A. No. 103 had on several occasions dealt with and granted claims for these benefits. With the enactment of R.A. No. 875 and the abolition of the Court's general jurisdiction over labor disputes, this power seems to have been curtailed. Continuing, the Supreme Court stated that it believes however, that whenever the Court of Industrial Relations may exercise its power of compulsory arbitration, as when a case is certified to it by the President of the Philippines, being again possessed of general powers, said Court may still grant these benefits. The same interpretation was made by the Supreme Court in another case,[30] where it held that upon the certification by the President under Section 10 of R.A. No. 875, the case comes under the operation of C.A. No. 103, which enforces compulsory arbitration in cases of labor disputes in industries indispensable to the national interest when the President certifies the case to the Court of Industrial Relations. Moreover, it has also been ruled by the Supreme Court that the real purpose of Presidential certification is not only to avoid or prevent strikes. So that therefore, certification by the President to the C.I.R. of a dispute after the strike has occurred, is not null and void, for even after a strike has been declared, where the President believes that public interest demands arbitration and conciliation, the President may certify the case for that purpose.[31]

Under the foregoing, the question which is raised is whether the provision relating to the jurisdictional requirement of thirty-one employees as provided in Section 4, of C.A. No. 103 may still be applied to disputes provided in the above-quoted Section 10, of R.A. No. 875.

Following our adopted procedure, we first make a few observations on the law. It is noted that the provision of law quoted above is silent as to such requirement. What it requires only is that the dispute be, in the opinion of the President, one in an industry indispensable to the National Interest and that the same be certified by him to the C.I.R. It is also noted from the decisions advanced by the Supreme Court, that Section 10 of R.A. No. 875 still falls under the operation of C.A. No. 103.[32] This in effect makes said

[30] Compania Maritima, et al vs. Phil. Marine Radio Officers' Assn. and the CIR, G.R. No. L-10115, October 31, 1957.
[31] Bisaya Land Transportation Co. Inc. vs. the CIR and Phil. Marine Radio Officers' Assn. G.R. No. L-10114 November 26, 1957.
[32] Op cit., (refer to No. (29) and to No (30)).

Section 10 a General Reference Statute, it having reference to the law on the subject generally, namely C.A. No. 103. It may seem therefore, that since it falls under the operation of C.A. No. 103, the thirty-one employee requirement is applicable to it. Such construction is in accordance with the rule of construing reference statutes, in Statutory Construction; said Rule stating that a statute which refers to the law of the subject generally, adopts the law on the subject as of the time the law is invoked.[33]

However, considering that in the case of Bisaya Land Transportation vs. C.I.R.,[34] emphasis was given on the spirit and reason of the law, namely the Public Interest, it would seem that the requirement may be dispensed with, for otherwise, its absence may give rise to a violation and utter disregard of the spirit and reason of the law which the Legislature doubtless had never intended. This is so submitted, because there may be a case where a dispute so indispensable to the national interest, cannot be brought to the C.I.R. inspite of the demands of Public Interest, merely because of the lack of the requisite thirty-one employees being involved therein. The Rule on construction of Reference Statutes may not be availed of or applied, because it is a fundamental rule in Statutory Construction that in construing a Statute, the reason for its enactment (Public Interest, in the case of the law under consideration) should be kept in mind and the Statute should be construed with reference to its intended scope and purpose.[35] Since the reason for the enactment of Section 10 is clear, we must be guided by it alone, without the necessity of resorting to any other aid in construing it. In other words, the rule on the construction of Reference Statutes should give way and be subordinated to the clear and unequivocal intendment of the law whenever such is manifest or expressed, as it is in the case of Section 10. Moreover, again taking into account the reason[36] behind the thirty-one employee requirement on the other hand, it would seem, a **fortiori**, that said requirement may not be made to apply in cases falling under Section 10. This may be so, as long as the case affecting less than thirty-one employees before the C.I.R., does not extend its effects to the other co-employees before the petitioners who have not consented to the suit against their employer. However, considering that what the law requires is only that the dispute be certified by the President to the C.I.R., it follows that the number of employees involved in said dispute or their consent thereto, is immaterial. In the last analysis therefore,

[33] 2 Sutherland Statutory Construction, 3rd ed. Sec. 5208, pp. 548-51.
[34] Op cit., (refer to No. (31)).
[35] Crawford, Statutory Construction, Secs. 160-161, pp. 246-247.
[36] Op cit., (refer to No. (13)).

resort to the reason for the thirty-one employee jurisdictional requirement to strengthen our argument is not necessary. Suffice it to say that in view of the foregoing, national interest alone with the expressed requirement of Section 10 of R.A. No. 875, a later Statute, should take precedence over the thirty-one-employee requirement provided for under Section 4 of C.A. No. 103, promulgated some twenty-four years ago.

ARGUMENT AGAINST THE FINDINGS

In the preceding parts of this work, it has been submitted that in cases involving unfair labor practices, hours of employment, minimum wages and those affecting disputes indispensable to the national interest as certified to the C.I.R. by the President — cases over which the C.I.R. as decided by the Supreme Court, is competent to hear and decide—the requirement that there should at be thirty-one employees involved therein in order that the C.I.R. may acquire jurisdiction need not be applied and consequently may be dispensed with. This contention has been the result of inferences and the application of the rules of Statutory Construction. Notice should be made of the fact that the Supreme Court has not as yet made any pronouncement directly dealing with the issue on the applicability of the requirement to the cases covered by the Statutes previously perused in this paper. As a result of this, many opinions for and against the applicability of the requirement have been advanced. Many have the view that the requirement is applicable to the cases covered by the various legislations observed. Their argument, like ours, is founded on the rules of Statutory Construction.

In this part of this note, the discussion will be confined to the consideration and refutation of one strong and convincing argument against our findings. This argument holds that the jurisdictional requirement under consideration is applicable to the cases above specified, in accordance mainly with the Construction of Statutes "in pari materia". This view may argue that whereas, Section 4, of C.A. No. 103, providing for the requirement of thirty-one employees, relates to the general jurisdiction of the C.I.R. in labor disputes, all the other laws governing the four cases mentioned also deal with the jurisdiction of the C.I.R., but in a somewhat limited sense, in that they specifically cover only those cases falling under their respective provisions. In other words, these Statutes pertain to the same general subject-matter, that is, the jurisdiction of the C.I.R. Being related as such, they are to be considered "in pari materia". Statutes "in pari materia" are those relating to the same

subject-matter with an apparent or actual conflict in some or all of their provisions.[37] From the foregoing definition, it can be said that though labor laws are made up of independent enactments, they are regarded as one system, in which the construction of any separate Act may be aided by the examination of other provisions which compose the system, and that therefore, the rule of construction with the aid of Statutes "in pari materia" is especially applicable to such laws. The accepted rule of construction of Statutes "in pari materia" states that Statutes "in pari materia" although some may be special and some general, in the event one of them is ambigious or uncertain, are to be construed together, even if the various statutes have not been enacted simultaneously and do not refer to each other expressly, and although some of them have been repealed or have expired, or held unconstitutional or invalid.[38]

The reasons given for this rule are twofold. In the first place, all the enactments of the same legislature on the same general subject-matter are to be regarded as parts of one uniform system. Later Statutes are considered as supplementary or complementary to the earlier enactments. In the passage of each Act, the legislature must be supposed to have had in mind and in contemplation the existing legislation on the same subject, and to have shaped its new enactment with reference thereto. Secondly, the rule derives its support from the principle which requires that the interpretation of a statute shall be such, if possible, as to avoid any repugnancy or inconsistency between different enactments of the same legislature. To achieve this result it is necessary to consider all previous acts relating to the same matters, and to construe the act in hand so as to avoid, as far as it may be possible, any conflict between them.[39] Applying the preceding rule to the legal provisions under consideration, it can be said that they merely supplement Section 4, of C.A. No. 103, thereby having the effect of conveying the idea that in disputes regarding unfair labor practices, hours of employment, minimum wages, and those certified by the President to the C.I.R. the workers involved therein should also exceed thirty, in order that the C.I.R. may acquire jurisdiction of the same.

It is to be noted though, that no matter how convincing it may seem the foreging contention is only an argument which may be advanced. The Supreme Court has made no pronouncement squarely on the point at issue. However, in one case[40] the High Court had

[37] 2 Sutherland Statutory Construction, 2nd ed. p. 535.
[38] Crawford, Statutory Construction Sec. 231, p. 431.
[39] Black on Interpretation of Laws, 2nd ed. pp. 332-334.
[40] Emilio Flores et al vs. Vicente San Pedro et al G.R. No. L-8580, September 30, 1957.

the occasion to rule against an argument based on construction "in pari materia", which by analogy is herein made use of in refuting the contention under the consideration. Because of its significance the pertinent portion of the decision of the Supreme Court in said case is reproduced, to wit:

> "The next question to determine is what period of prescription to apply where the law itself, i.e., the eight hour labor law, has not fixed the period.
>
> The Court below ruled that the three-year period prescribed in the Minimum Wage Law for enforcing a cause of action arising thereunder should also apply to actions for enforcing the Eight-Hour Labor Law since the latter law did not provide for a prescriptive period of its own. (It should here be explained that on June 22, 1957 an amendment was approved—Rep. Act No. 1993—providing for such a period but with the proviso that the same shall not affect actions already commenced.) The ruling below cannot be upheld. The prescriptive period provided for in the Minimum Wage Law (Sec. 17, Rep. Act No. 602) specifically refers to the enforcement of any cause of action under that Act and its application cannot be extended to causes of action arising under the Eight-Hour Labor Law on the theory propounded by the lower Court that the two laws are *in pari materia,* because in point of fact they are not. Both, it is true, relate to labor, but they are distinct and separate measures. One treats of minimum daily wages with no provision for compensation for overtime work; the other deals with the length of a working day in terms of hours with express provision for compensation for service rendered beyond the required hours of work. Also, the penalties prescribed in one are different from those in the other. *Moreover, the rule of pari materia is resorted only as an aid to statutory construction.* We do not think its application should be widened to the extent of supplying a deficiency of a prescriptive period in one statute with a prescriptive period provided for in another."

Following the argument of the Supreme Court in the above-quoted decision, we may briefly state that though Section 4 of C.A. No. 103 on the one hand, and R.A. No. 875, R.A. No. 602, and C.A. No. 444 on the other hand, all relate to labor, they are distinct and separate measures. One treats of the creation of the C.I.R. while the others treat of the rights of laborers. Moreover the rule of construction "in pari materia" is resorted to only as an aid to Statutory Construction, and it is not proper that its application should be widened to the extent of supplying a deficiency of a jurisdictional requirement in R.A. 875, R.A. 602 and C.A. 444 with a jurisdictional requirement provided for in C.A. 103.

CONCLUSION

To briefly sum up: In the absence of an express provision in the laws observed in the greater part of this work, referring to the thirty-one-employee jurisdictional requirement provided for in

Section 4 of C.A. No. 103, it is maintained that said requirement need not be applied to the cases over which C.I.R. has jurisdiction under the Industrial Peace Act. In unfair labor practice cases, its non-applicability is absolute, basing it on the actual practice of the C.I.R. In cases involving minimum wages and hours of employment, it is submitted that the requirement likewise need not be applied, although the safer course is to make the following qualification — if there are more than thirty-one employees in a company, and the dispute would affect all such employees, at least thirty-one of them must be included in a Petition against their employer, thus making the requirement under C.A. No. 103 applicable. If, however, there are less than thirty-one employees in said company, or even if there are more than thirty-one therein, if the dispute does not or would not affect them all, but only the respective petitioner or petitioners, then the requirement has no application at all. In disputes certified by the President to the C.I.R. the thirty-one-employee rule has no application whatsoever, it being sufficient that said dispute is to the mind of the President, one affecting the National Interest. It can be said therefore, that the 31 employee requirement is not absolute under our present labor laws.