344 Phil. 624

THIRD DIVISION

[G.R. No. 123782, September 16, 1997]

CALTEX REFINERY EMPLOYEES ASSOCIATION (CREA), PETITIONER, VS. HON. JOSE S. BRILLANTES, IN HIS CAPACITY AS ACTING SECRETARY OF THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND CALTEX (PHILIPPINES), INC., RESPONDENTS.

R E S O L U T I O N

PANGANIBAN, J.:

Unless shown to be clearly whimsical, capricious or arbitrary, the orders or resolutions of the secretary of labor and employment resolving conflicts on what should be the contents of a collective bargaining agreement will be respected by this Court. We realize that, oftentimes, such orders and resolutions are based neither on definitive shades of black or white, nor on what is legally right or wrong. Rather, they are grounded largely on what is possible, fair and reasonable under the peculiar circumstances of each case.

Statement of the Case

Petitioner Caltex Refinery Employees Association (CREA) seeks through Rule 65 of the Rules of Court "reversal or modification" of three orders of public respondent, then Acting Secretary of Labor of Employment Jose S. Brillantes, in Case No. OS-AJ-0044-95 [1] entitled " In re: Labor Dispute at Caltex (Phils.), Inc." The disposition of the first assailed Order [2] of public respondent dated October 29, 1995: [3]

"WHEREFORE, ON THE BASIS OF THE FOREGOING, the Caltex Refinery Employees Association and Caltex Philippines, Inc. are hereby directed to execute a new collective bargaining agreement embodying therein the appropriate dispositions above spelled out including those subject of previous agreements.

Provisions in the old CBA, or existing benefits subject of Company policy or practice not otherwise modified or improved herein are deemed maintained.

New demands not otherwise touched upon or disposed of are hereby denied."

The motions for reconsideration and clarification of the above Order filed by both petitioner and private respondent were denied in the second assailed Order dated November 21, 1995, which disposed: [4]

"WHEREFORE, except the modifications hereinabove set forth, the Order dated 9 October 1995 is hereby affirmed.

Moreover, pursuant to the Agreement reached by the parties on 13 September 1995 for this Office to commence the proceedings concerning the legality of strike and the

termination of the union officers, after the resolution of the CBA issues, both parties are hereby directed to submit their position papers and evidence within ten (10) days from receipt of a copy of this Order. For this purpose, Atty. Tito F. Genilo is hereby designated as Hearing Officer and authorized as such, to immediately conduct hearings and receive evidence and, thereafter, submit his report and recommendations thereon."

Petitioner's second motion for reconsideration of the above Order was likewise denied by the third assailed Order dated January 9, 1996, as follows: [5]

"WHEREFORE, PREMISES CONSIDERED, our Order of 21 November 1995 is hereby affirmed en toto, subject to the afore-mentioned clarification on the issue of Sunday work.

No further motions of this nature shall be entertained by this Office.

The parties are given another ten (10) days from receipt hereof to submit their respective position papers and evidences (sic) relative to the issue of the legality of strike and termination of the union officers."

The Facts

Anticipating the expiration of their Collective Bargaining Agreement on July 31, 1995, petitioner and private respondent negotiated the terms and conditions of employment to be contained in a new CBA. The negotiation between the two parties was participated in by the National Conciliation and Meditation Board (NCMB) and the Office of the Secretary of Labor and Employment. Some items in the new CBA were amicably arrived at and agreed upon, but some others were unresolved.

To settle the unresolved issues, eight meetings between the parties were conducted. Because the parties failed to reach any significant progress in these meetings, petitioner declared a deadlock. On July 24, 1995, petitioner filed a notice of strike. Six (6) conciliation meetings conducted by the NCMB failed to settle the parties' differences. Then, the parties held marathon meetings at the plant level, but this remedy proved also unavailing.

During a strike vote on August 16, 1995, the members of petitioner opted for a walkout. Private respondent then filed with the Department of Labor and Employment (DOLE) a petition for assumption of jurisdiction in accordance with Article 263 (g) of the Labor Code.

In an Order dated August 22, 1995, public respondent assumed jurisdiction "over the entire labor dispute at Caltex (Philippines) Inc.," with the following disposition: [6]

"WHEREFORE ABOVE PREMISES CONSIDERED, this Office hereby assumes jurisdiction over the entire labor dispute at Caltex (Philippines) Inc. pursuant to Article 263 (g) of the Labor Code, as amended.

Accordingly, any strike or lockout, whether actual or intended, is hereby enjoined.

The parties are further directed to cease and desist from committing any and all acts

which might exacerbate the situation.

To expedite the resolution of the instant dispute, the parties are further directed to submit their respective position papers and evidence within ten (10) days from receipt hereof."

In defiance of the above Order expressly restraining any strike or lockout, petitioner began a strike and set up a picket in the premises of private respondent on August 25, 1995. Thereafter, several company notices directing the striking employees to return to work were issued, but the members of petitioner defied them and continued their mass action.

In the course of the strike, DOLE Undersecretary Bienvenido Laguesma interceded and conducted several conciliation meetings between the contending parties. He was able to convince the members of the union to return to work and to enter into a memorandum of agreement with private respondent. On September 9, 1995, the picket lines were finally lifted. Thereafter, the contending parties filed their position papers pertaining to unresolved issues. [7]

Because of the strike, private respondent terminated the employment of some officers of petitioner union. The legality of these dismissals brought additional contentious issues. [8]

Again, the parties tried to resolve their differences through conciliation. Failing to come to any substantial agreement, the parties stopped further negotiation and, on September 13, 1995, decided to refer the problem to the secretary of labor and employment: [9]

"It appearing that the possibility of an amicable settlement appears remote, the parties agreed to submit their respective position paper and evidence simultaneously on 27 September 1995 at the Office of the Secretary. The parties further agreed that there will be no extension of time for filing and no further pleading will be filed.

The decision of the Secretary of Labor and Employment will be rendered on or before October 9, 1995.

The proceedings concerning the legal issues involving the legality of strike and the termination of the Union officers will be commenced by the Office of the Secretary after the resolution of the CBA issues."

As already stated, public respondent issued as scheduled on October 9, 1995 the assailed Order resolving the deadlock, followed by two more assailed Orders on November 21, 1995 and January 16, 1996 disposing of the motions for reconsideration/clarification of both parties. Dissatisfied with these Orders issued by public respondent, petitioner sought remedy from this Court.

After realizing the urgency of the case and after meticulously reviewing the Petition dated February 23, 1996; Comment by the private respondent dated April 16, 1996 which was adopted as its own by the public respondent; Reply by the petitioner dated September 7, 1996; Rejoinder dated October 3, 1996 and Sur-Rejoinder

dated November 12, 1996, the Court resolved to give due course to the petition and to consider the case submitted for resolution without requiring memoranda from the parties.

The Issues

Petitioner does not specifically pinpoint the issues it wants the Court to rule upon. It appears, however, that petitioner questions public respondent's resolution of five issues in the CBA, specifically on wage increase, union security clause, retirement benefits or application of the new retirement plan, signing bonus and grievance and arbitration machineries.

Private respondent, on the other hand, submits this lone issue: [10]

"Whether or not the Honorable Secretary of Labor and Employment committed grave abuse of discretion in resolving the instant labor dispute."

The Court's Ruling

The petition is partly meritorious.

Preliminary Matter: Certiorari in Labor Cases

At the outset, we must reiterate several settled rules in a petition for certiorari involving labor cases.

First, the factual findings of quasi-judicial agencies (such as the Department of Labor and Employment), when supported by substantial evidence, are binding on this Court and entitled to great respect, considering the expertise of these agencies in their respective fields. [11] It is well-established that findings of these administrative agencies are generally accorded not only respect but even finality. [12]

Second, substantial evidence in labor cases is such amount of relevant evidence which a reasonable mind will accept as adequate to justify a conclusion. [13]

Third, in Flores vs. National Labor Relations Commission [14] we explained the role and function of rule 65 as an extraordinary remedy:

"It should be noted, in the first place, that the instant petition is a special civil action for certiorari under Rule 65 of the Revised Rules of Court. An extraordinary remedy, its use is available only and restrictively in truly exceptional cases -- those wherein the action of an inferior court, board or officer performing judicial or quasi-judicial acts is challenged for being wholly void on grounds of jurisdiction. The sole office of the writ of certiorari is the correction of errors of jurisdiction including the commission of grave abuse of discretion amounting to lack or excess of jurisdiction. It does not include correction of public respondent NLRC's evaluation of the evidence and factual findings based thereon, which are generally accorded not only great respect but even finality.

No question of jurisdiction whatsoever is being raised and/or pleaded in the case at

bench. Instead, what is being sought is a judicial re-evaluation of the adequacy or inadequacy of the evidence on record, which is certainly beyond the province of the extraordinary writ of certiorari. Such demand is impermissible for it would involve this court in determining what evidence is entitled to belief and the weight to be assigned it. As we have reiterated countless times, judicial review by this Court in labor cases does not go so far as to evaluate the sufficiency of the evidence upon which the proper labor officer or office based his or its determination but is limited only to issues of jurisdiction or grave abuse of discretion amounting to lack of jurisdiction."

We shall thus use the foregoing time-tested standards in deciding this petition.

1. Wage Increase

The main assailed Order dated October 9, 1995 resolved the ticklish demand for wage increase as follows: [15]

"With this in mind and taking into view similar factors as financial capacity, position in the industry, package of existing benefits, inflation rate, seniority, and maintenance of the wage differentiation between and among the various classes of employees within the entire Company, this Office hereby finds the following improved benefits fair, reasonable and equitable:

1. Wage Increases

Effective August 1, 1995 - 14%

Effective August 1, 1996 - 14%

Effective August 1, 1997 - 13%

2. meal subsidy - P15.00"

In denying the motions for reconsideration/clarification of the above award, public respondent rules in the challenged Order dated November 21, 1995: [16]

"First, on the matter of wages, we find no compelling reasons to alter or modify our award after having sufficiently passed upon the same arguments raised by both parties in our previous Order. The subsequent agreement on a package of wage increases at Shell Company, adverted to by the Union as the usual yardstick for purposes of developing its own package of improved wage increases, would not be sufficient basis to grant the same increases to the Union members herein considering that other factors, among which is employment size, were carefully taken into account. While it is true that inflation has direct impact on wage increases, it is not quite accurate to state that inflation 'as of September 1995' is already registered at 11.8%. The truth of the matter is that the average inflation for the first ten (10) months was only 7.496% and Central Bank projections indicate that it will take a 13.5% inflation for November and December to record an average inflation of 8.5% for the year. We, therefore, maintain the reasonableness of the package of wage increases that we awarded."