CHANROBLES PUBLISHING COMPANY

SUPREME COURT
THIRD DIVISION

ASIAN TRANSMISSION CORPORATION,
Petitioner,

-versus-

G. R. No. 144664
March 15, 2004

The Hon. COURT OF APPEALS, Thirteenth Division, HON. FROILAN M. BACUNGAN as Voluntary Arbitrator, KISHIN A. LALWANI, Union, Union representative to the Panel Arbitrators; BISIG NG ASIAN TRANSMISSION LABOR UNION (BATLU); HON. BIENVENIDO T. LAGUESMA in his capacity as Secretary of Labor and Employment; and DIRECTOR CHITA G. CILINDRO in her capacity as Director of Bureau of Working Conditions,
***Respondents*.**
x---x

D E C I S I O N

CARPIO-MORALES, *J*.:

Petitioner, Asian Transmission Corporation, seeks via petition for *certiorari* under Rule 65 of the 1995 Rules of Civil Procedure the nullification of the March 28, 2000 Decision[1] of the Court of Appeals

denying its petition to annul the March 11, 1993 "Explanatory Bulletin"[2] of the Department of Labor and Employment (DOLE) entitled "Workers' Entitlement to Holiday Pay on April 9, 1993, Araw ng Kagitingan and Good Friday", which bulletin the DOLE reproduced on January 23, 1998, 2) the July 31, 1998 Decision[3] of the Panel of Voluntary Arbitrators ruling that the said explanatory bulletin applied as well to April 9, 1998, and 3) the September 18, 1998[4] Resolution of the Panel of Voluntary Arbitration denying its Motion for Reconsideration.

The following facts, as found by the Court of Appeals, are undisputed:

The Department of Labor and Employment (DOLE), through Undersecretary Cresenciano B. Trajano, issued an Explanatory Bulletin dated March 11, 1993 wherein it clarified, *inter alia*, that employees are entitled to 200% of their basic wage on April 9, 1993, whether unworked, which, apart from being Good Friday and, therefore, a legal holiday, is also *Araw ng Kagitingan* which is also a legal holiday. The bulletin reads:

> "On the correct payment of holiday compensation on April 9, 1993 which apart from being Good Friday is also *Araw ng Kagitingan*, i.e., two regular holidays falling on the same day, this Department is of the view that the covered employees are entitled to at least two hundred percent (200%) of their basic wage even if said holiday is unworked. The first 100% represents the payment of holiday pay on April 9, 1993 as Good Friday and the second 100% is the payment of holiday pay for the same date as Araw ng Kagitingan.
>
> Said bulletin was reproduced on January 23, 1998, when April 9, 1998 was both Maundy Thursday and *Araw ng Kagitingan*.
>
> Despite the explanatory bulletin, petitioner [Asian Transmission Corporation] opted to pay its daily paid employees only 100% of their basic pay on April 9, 1998. Respondent Bisig ng Asian Transmission Labor Union (BATLU) protested.
>
> In accordance with Step 6 of the grievance procedure of the

Collective Bargaining Agreement (CBA) existing between petitioner and BATLU, the controversy was submitted for voluntary arbitration. On July 31, 1998, the Office of the Voluntary Arbitrator rendered a decision directing petitioner to pay its covered employees "200% and not just 100% of their regular daily wages for the unworked April 9, 1998 which covers two regular holidays, namely, *Araw ng Kagitingan* and Maundy Thursday." *(Emphasis and underscoring supplied)*

Subject of interpretation in the case at bar is Article 94 of the Labor Code which reads:

ART. 94. Right to holiday pay. -

(a) Every worker shall be paid his regular daily wage during regular holidays, except in retail and service establishments regularly employing less than ten (10) workers;

(b) The employer may require an employee to work on any holiday but such employee shall be paid a compensation equivalent to twice his regular rate; and

(c) As used in this Article, "holiday" includes: New Year's Day, Maundy Thursday, Good Friday, the ninth of April, the first of May, the twelfth of June, the fourth of July, the thirtieth of November, the twenty-fifth and thirtieth of December and the day designated by law for holding a general election, which was amended by Executive Order No. 203 issued on June 30, 1987, such that the regular holidays are now:

1. New Year's Day	January 1
2. Maundy Thursday	Movable Date
3. Good Friday	Movable Date
4. Araw ng Kagitingan (Bataan and Corregidor Day)	April 9
5. Labor Day	May 1
6. Independence Day	June 12
7. National Heroes Day	Last Sunday of August
8. Bonifacio Day	November 30

9. Christmas Day — December 25
10. Rizal Day — December 30

> In deciding in favor of the Bisig ng Asian Transmission Labor Union (BATLU), the Voluntary Arbitrator held that Article 94 of the Labor Code provides for holiday pay for every regular holiday, the computation of which is determined by a legal formula which is not changed by the fact that there are two holidays falling on one day, like on April 9, 1998 when it was *Araw ng Kagitingan* and at the same time was Maundy Thursday; and that that the law, as amended, enumerates ten regular holidays for every year should not be interpreted as authorizing a reduction to nine the number of paid regular holidays "just because April 9 (Araw ng Kagitingan) in certain years, like 1993 and 1998, is also Holy Friday or Maundy Thursday."
>
> In the assailed decision, the Court of Appeals upheld the findings of the Voluntary Arbitrator, holding that the Collective Bargaining Agreement (CBA) between petitioner and BATLU, the law governing the relations between them, clearly recognizes their intent to consider *Araw ng Kagitingan* and Maundy Thursday, on whatever date they may fall in any calendar year, as paid legal holidays during the effectivity of the CBA and that "there is no condition, qualification or exception for any variance from the clear intent that all holidays shall be compensated."[5]

The Court of Appeals further held that "in the absence of an explicit provision in law which provides for a reduction of holiday pay if two holidays happen to fall on the same day, any doubt in the interpretation and implementation of the Labor Code provisions on holiday pay must be resolved in favor of labor."

By the present petition, petitioners raise the following issues:

I

> WHETHER OR NOT THE RESPONDENT COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION IN

ERRONEOUSLY INTERPRETING THE TERMS OF THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE PARTIES AND SUBSTITUTING ITS OWN JUDGMENT IN PLACE OF THE AGREEMENTS MADE BY THE PARTIES THEMSELVES.

II

WHETHER OR NOT THE RESPONDENT COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION IN HOLDING THAT ANY DOUBTS ABOUT THE VALIDITY OF THE POLICIES ENUNCIATED IN THE EXPLANATORY BULLETIN WAS LAID TO REST BY THE REISSUANCE OF THE SAID EXPLANATORY BULLETIN.

III

WHETHER OR NOT THE RESPONDENT COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION IN UPHOLDING THE VALIDITY OF THE EXPLANATORY BULLETIN EVEN WHILE ADMITTING THAT THE SAID BULLEITN WAS NOT AN EXAMPLE OF A JUDICIAL, QUASI-JUDICIAL, OR ONE OF THE RULES AND REGULATIONS THAT [Department of Labor and Employment] DOLE MAY PROMULGATE.

IV

WHETHER OR NOT THE SECRETARY OF THE DEPARTMENT OF LABOR AND EMPLOYMENT (DOLE) BY ISSUING EXPLANATORY BULLETIN DATED MARCH 11, 1993, IN THE GUISE OF PROVIDING GUIDELINES ON ART. 94 OF THE LABOR CODE, COMMITTED GRAVE ABUSE OF DISCRETION, AS IT LEGISLATED AND INTERPRETED LEGAL PROVISIONS IN SUCH A MANNER AS TO CREATE OBLIGATIONS WHERE NONE ARE INTENDED BY THE LAW.

V

WHETHER OR NOT THE RESPONDENT COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION IN SUSTAINING THE SECRETARY OF THE DEPARTMENT OF LABOR IN REITERATING ITS EXPLANATORY BULLETIN DATED MARCH 11, 1993 AND IN ORDERING THAT THE SAME POLICY OBTAINED FOR APRIL 9, 1998 DESPITE THE RULINGS OF THE SUPREME COURT TO THE CONTRARY.

VI

WHETHER OR NOT RESPONDENTS' ACTS WILL DEPRIVE PETITIONER OF PROPERTY WITHOUT DUE PROCESS BY THE "EXPLANATORY BULLETIN" AS WELL AS EQUAL PROTECTION OF LAWS.

The petition is devoid of merit.

At the outset, it bears noting that instead of assailing the Court of Appeals Decision by petition for review on *certiorari* under Rule 45 of the 1997 Rules of Civil Procedure, petitioner lodged the present petition for certiorari under Rule 65.

Since the Court of Appeals had jurisdiction over the petition under Rule 65, any alleged errors committed by it in the exercise of its jurisdiction would be errors of judgment which are reviewable by timely appeal and not by a special civil action of *certiorari*. If the aggrieved party fails to do so within the reglementary period, and the decision accordingly becomes final and executory, he cannot avail himself of the writ of certiorari, his predicament being the effect of his deliberate inaction.

The appeal from a final disposition of the Court of Appeals is a petition for review under Rule 45 and not a special civil action under Rule 65 of the Rules of Court, now Rule 45 and Rule 65, respectively, of the 1997 Rules of Civil Procedure. Rule 45 is clear that the decisions, final orders or resolutions of the Court of Appeals in any case, *i.e.*, regardless of the nature of the action or proceeding involved, may be appealed to this Court by filing a petition for review,

which would be but a continuation of the appellate process over the original case. Under Rule 45 the reglementary period to appeal is fifteen (15) days from notice of judgment or denial of motion for reconsideration.

For the writ of *certiorari* under Rule 65 of the Rules of Court to issue, a petitioner must show that he has no plain, speedy and adequate remedy in the ordinary course of law against its perceived grievance. A remedy is considered "plain, speedy and adequate" if it will promptly relieve the petitioner from the injurious effects of the judgment and the acts of the lower court or agency. In this case, appeal was not only available but also a speedy and adequate remedy.[6]

The records of the case show that following petitioner's receipt on August 18, 2000 of a copy of the August 10, 2000 Resolution of the Court of Appeals denying its Motion for Reconsideration, it filed the present petition for certiorari on September 15, 2000, at which time the Court of Appeals decision had become final and executory, the 15-day period to appeal it under Rule 45 having expired.

Technicality aside, this Court finds no ground to disturb the assailed decision.

Holiday pay is a legislated benefit enacted as part of the Constitutional imperative that the State shall afford protection to labor. *(Section 3, Art. XIII, 1987 Constitution)*. Its purpose is not merely "to prevent diminution of the monthly income of the workers on account of work interruptions. In other words, although the worker is forced to take a rest, he earns what he should earn, that is, his holiday pay." *(Jose Rizal College vs. NLRC and NATOW, G.R. No. 65482, December 1, 1987)*. It is also intended to enable the worker to participate in the national celebrations held during the days identified as with great historical and cultural significance.

Independence Day (June 12), *Araw ng Kagitingan* (April 9), National Heroes Day (last Sunday of August), Bonifacio Day (November 30) and Rizal Day (December 30) were declared national holidays to afford Filipinos with a recurring opportunity to commemorate the heroism of the Filipino people, promote national identity, and deepen

the spirit of patriotism. Labor Day (May 1) is a day traditionally reserved to celebrate the contributions of the working class to the development of the nation, while the religious holidays designated in Executive Order No. 203 allow the worker to celebrate his faith with his family.

As reflected above, Art. 94 of the Labor Code, as amended, affords a worker the enjoyment of ten paid regular holidays. *(Book V, Title I of Pres. Decree No. 1083, "Code of Muslim Personal Laws of the Philippines," [February 4, 1977] which recognizes the official Muslim holidays).*

The provision is mandatory, regardless of whether an employee is paid on a monthly or daily basis. *(Insular Bank of Asia and America Employees' Union (IBAAEU) vs. Inciong, No. L-52415, October 23, 1984, 132 SCRA 663; Chartered Bank Employees Association vs. Ople, No. L-44717, August 28, 1985, 138 SCRA 273; Mantrade/FMMC Division Employees and Workers Union vs. Bacungan, No. L-48437, September 30, 1986, 144 SCRA 510).*

Unlike a bonus, which is a management prerogative, *(Producers Bank of the Philippines vs. NLRC, G.R. No. 100701, March 28, 2001, 355 SCRA 489, 496).* holiday pay is a statutory benefit demandable under the law. Since a worker is entitled to the enjoyment of ten paid regular holidays, the fact that two holidays fall on the same date should not operate to reduce to nine the ten holiday pay benefits a worker is entitled to receive.

It is elementary, under the rules of statutory construction, that when the language of the law is clear and unequivocal, the law must be taken to mean exactly what it says. (Insular Bank of Asia and America Employees Union (IBAAEU) vs. Inciong, G.R. No. L-52415, October 23, 1984, 132 SCRA 663, 673). In the case at bar, there is nothing in the law which provides or indicates that the entitlement to ten days of holiday pay shall be reduced to nine when two holidays fall on the same day.

Petitioner's assertion that Wellington Investment and Manufacturing Corporation vs. Trajano, *[G.R. No. 114698, July 3, 1995, 245 SCRA 561]* has "overruled" the DOLE March 11, 1993 Explanatory Bulletin

does not lie. In Wellington, the issue was whether monthly-paid employees are entitled to an additional day's pay if a holiday falls on a Sunday. This Court, in answering the issue in the negative, observed that in fixing the monthly salary of its employees, Wellington took into account "every working day of the year including the holidays specified by law and excluding only Sunday." In the instant case, the issue is whether daily-paid employees are entitled to be paid for two regular holidays which fall on the same day.[7]

In any event, Art. 4 of the Labor Code provides that all doubts in the implementation and interpretation of its provisions, including its implementing rules and regulations, shall be resolved in favor of labor. For the working man's welfare should be the primordial and paramount consideration. (*Abella vs. NLRC, G.R. No. 71812, July 20, 1987, 152 SCRA 140, 146*).

Moreover, Sec. 11, Rule IV, Book III of the Omnibus Rules to Implement the Labor Code provides that "Nothing in the law or the rules shall justify an employer in withdrawing or reducing any benefits, supplements or payments for unworked regular holidays as provided in existing individual or collective agreement or employer practice or policy." *(Oceanic Pharmacal Employees Union vs. Inciong, No. L-50568, 94 SCRA 270, 275).*

From the pertinent provisions of the CBA entered into by the parties, petitioner had obligated itself to pay for the legal holidays as required by law. Thus, the 1997-1998 CBA incorporates the following provision:

ARTICLE XIV
PAID LEGAL HOLIDAYS

> The following legal holidays shall be paid by the COMPANY as required by law:
>
> 1. New Year's Day (January 1st)
> 2. Holy Thursday (moveable)
> 3. Good Friday (moveable)
> 4. Araw ng Kagitingan (April 9th)
> 5. Labor Day (May 1st)

6. Independence Day (June 12th)
7. Bonifacio Day (November 30)
8. Christmas Day (December 25th)
9. Rizal Day (December 30th)
10. General Election designated by law, if declared public non-working holiday
11. National Heroes Day (Last Sunday of August)

Only an employee who works on the day immediately preceding or after a regular holiday shall be entitled to the holiday pay.

A paid legal holiday occurring during the scheduled vacation leave will result in holiday payment in addition to normal vacation pay but will not entitle the employee to another vacation leave.

Under similar circumstances, the **COMPANY** will give a day's wage for November 1st and December 31st whenever declared a holiday. When required to work on said days, the employee will be paid according to Art. VI, Sec. 3B hereof.[8]

WHEREFORE, the petition is hereby **DISMISSED**.

SO ORDERED.

Vitug, *J., (Chairman)*, Sandoval-Gutierrez, and Corona, *JJ.*, concur.

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[1] Rollo at 39–51.
[2] Rollo at 37.
[3] Rollo at 58-70.
[4] Rollo at 120.
[5] Rollo at 48.
[6] (San Miguel Corporation vs. Court of Appeals, G.R. No. 146775, January 30, 2002, 375 SCRA 311, 315, citing National Irrigation Administration vs. Court of Appeals, G.R. No. 129169, November 17, 1999, 318 SCRA, 263-264).
[7] Rollo at 49.
[8] Rollo at 8.

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