

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
EN BANC**

**CALTEX (PHILIPPINES), INC.,
*Petitioner,***

-versus-

**G.R. No. L-5206.
April 29, 1953**

**PHILIPPINE LABOR
ORGANIZATIONS, CALTEX CHAPTER,
*Respondent.***

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DECISION

BENGZON, J.:

In a controversy involving several demands made by the Philippine Labor Organizations, Caltex Chapter, in February 1950, upon the domestic corporation Caltex (Philippines) Inc., the Court of Industrial Relations required the said corporation to pay to its "eleven female prewar employees the corresponding one-year gratuity that it has extended to its prewar male employees." The order, dated August 10, 1951 said, in part, as follows:

"This is a request for one year gratuity to prewar female employees who were not readmitted to the service of the respondent- company after the liberation, in the same manner

that the prewar male employees of the company were given one year gratuity.

“From the evidence presented on this demand, it appears that there are 11 prewar female employees involved in this request. These female employees used to handle, before the war, machineries that were functioning a little differently from the ones now in operation in the respondent-company which are presently being handled by the male employees. It is for this reason that they were not reinstated by the company after liberation. Their reinstatement in the service of the respondent-company, however, is beside the point. It is precisely for the fact that they were not reinstated that they are now requesting for one year gratuity given to prewar male employees by the respondent-company. There is no denial on the part of the respondent as to the fact of its having given one year gratuity to the prewar male employees of the company. In the face of this fact, the Court finds no reason why the female prewar employees should be treated differently from the prewar male employees. Upon the whole, it proceeds, in justice and equity, that the prewar female employees of the respondent-company should be extended the same treatment as the prewar male employees.”

Calling attention to the fact that the gratuity had been granted pursuant to a stipulation approved by the same Court of Industrial Relations on August 9, 1949, in these words:

“(5) On the matter of backpay, the parties stipulated and agreed that the company will give additional ex gratia rehabilitation allowance to its present employees and laborers who were in its employ prior to the last war (in addition to what they have received in the past) such that the total that each employee and laborer will receive will be as much as the Shell Company of the Philippine Islands, Ltd., has given to its present employees and laborers who were in its employ prior to the last war. Any employee or laborer who has not been paid ex gratia allowance in 1947, but entitled thereto, will be paid the amount to him.”

the corporation argued, in a move to reconsider, that the payment had been made only to prewar male employees who were working for the company at the time the gratuity was given — which was not exactly the situation of the aforesaid eleven female employees.

With the denial of its motion to reconsider, the Caltex Company petitioned for this review, which, in the existing circumstances, appears to be meritorious.

We have held that prewar employees have no legal right to backpay, i.e., salary during the war when they rendered no service to their employer. (Fitzsimmons vs. Atlantic Gulf,^[1] 47 Off. Gaz., 678.)

Thinking along the same line we recently cited “the age old rule governing the relation between labor and capital or management and employee, ‘a fair day’s wage for a fair day’s labor.’” (J. P. Heilbronn Co. vs. National Labor Union,^[2] G.R. No. L-5121.)

Hence as a matter of principle, these prewar female employees have no right to backpay. However, we must agree with the Court of Industrial Relations that if prewar male employees are granted backpay gratuity, prewar female employees should also be extended the same privilege, on grounds of equity, remembering always the Government’s constitutional duty to protect labor, especially women, and the statutory injunction that in exercising its duties and powers “the Court shall act according to justice and equity and the substantial merits of the case.” (Sec. 20 Com. Act No. 103.)

It appears that Caltex (Phil.), Inc., distributed one year gratuities to its prewar male employees who were working for it after liberation on July 16, 1949. The gratuity was granted only to those prewar employees who were in the employ of Caltex Inc. on July 16, 1949. On equitable grounds, and in our opinion, that gratuity should likewise be given to its prewar female employees who were working for it on July 16, 1949. Now, it is obvious that as these female laborers were admittedly not working for Caltex on July 16, 1949, they could not, invoking equity, request the same privilege or gratuity.

The above conclusion might be modified, if as respondents’ counsel argues, these women workers “were refused reemployment by their

employer when demand therefor had been made after liberation.”

Yet the record does not support such allegation of rejected petition for reemployment. The Court of Industrial Relations merely declared that these ladies were not “reinstated by the company after liberation.” That statement is not necessarily a finding that they desired reemployment but were turned down. They might not have been taken because the machineries were different, or because they chose not to report again for work. The Court’s dictum may not be interpreted as having adjudicated the question of demand-and-refusal, because the issues were joined upon the Chapter’s “request that the one year gratuity given to prewar male employees should also be given to prewar female employees,” without reference to women workers who had been refused reemployment. In other words, these women did not plead for money on the ground that they had not been reinstated or had been denied reemployment — rather belated claim it would seem, the company having reopened four years before (1946) — but only because the male employees were given the gratuity. In this connection we would be the last to deny them gratuity had the Caltex corporation awarded compensation to those male prewar employees who had not been reinstated after the war.

In the settlement of industrial disputes it is proper and convenient for the court to insist, in exercising its ample powers, that capital shall make no discrimination between male and female laborers. But discrimination only exists when one is denied privileges given to the other under identical or similar conditions. Material conditions of course. And the condition as to actual employment required by the company is undoubtedly material, the purpose of the gratuity being obviously to induce the company’s workers to render better service in return for such generosity, or simply to improve the finances and morale of its helpers with consequent beneficial effects upon the corporate business operations. In the instant controversy, the conditions were different: the male beneficiaries were employees; whereas these female claimants were not.

Wherefore having previously ruled that the claim for backpay has no legal foundation, and being shown no resultant unfairness, this Court is constrained presently to disapprove the order directing payment to the herein named workers, finding no justification for it, either in law

or in equity. Needless to say, Courts are not permitted to render judgments solely upon the basis of sympathies and inclinations. Neither are they authorized, in the guise of affording protection to labor, to distribute charities at the expense of natural or juridical persons, because our constitutional government assures the latter against deprivation of their property except in accordance with the statutes or supplementary equitable principles.

The appealed order is set aside, without costs.

Feria, Pablo, Tuason, Montemayor, Reyes, Jugo, Bautista Angelo and Labrador, *JJ.*, concur.

[1] 84 Phil., 330.

[2] Supra, p. 575.