NOTES *and* COMMENT

Is the Rule Laid Down in the Ang Tibay Case Applicable to Commonwealth Act No. 461?

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THE Philippine Supreme Court in the test case of *Ang Tibay vs. The Court of Industrial Relations* decided, on May 29, 1939, the relation between employers and laborers. Subsequently, on June 9, 1939, the National Assembly passed Commonwealth Act No. 461, modifying the relation between landlords and tenants as provided for by Act No. 4054. Owing to the effects which this decision and this law may have upon the aforementioned relation it would not be amiss to ask this question: Is the rule laid down in the Ang Tibay case applicable to Commonwealth Act No. 461?

This question is propounded because doubts may be entertained as to the applicability of that decision to Commonwealth Act No. 461 due to the fact that it deals only with employers and laborers while Commonwealth Act No. 461 deals only with landlords and tenants.

The Ang Tibay case is as follows: On September 19, 1938, the National Labor Union Inc., in the name of the 177 employees affiliated with it and employed in the Ang Tibay Factory, demanded certain alterations in the hours and conditions of work, etc., from Toribio Teodoro, owner and manager of the Ang Tibay. Because this was not answered by the latter, the communication was forwarded to the Secretary of Labor on September 23, 1938. On the same day, Teodoro entered into a collective bargaining with the National Worker's Brotherhood Association and the *Kapisanan Pagkakaisa at Impukan ñg mañga Mangagawa sa Ang Tibay*, which is affiliated with the former. That contract was sanctioned by the Department of Labor. On September 26, 1938, while the case was pending before the Department of Labor, a majority of the laborers of the factory were suspended on account of the non-arrival of materials which the factory needed. When the materials began to arrive two weeks later, work in the factory was resumed. The Secretary of Labor did not decide on the consultation made by Teodoro as to whether it was possible to admit legally other laborers who were not affiliated with the National Worker's Brotherhood Association, with which he had executed a collective bargaining contract of labor aforementioned. As laborers were needed to run the factory in normal condition and to enable him to comply with his contract with the Philippine Army, Teodoro readmitted laborers of

the National Worker's Brotherhood Association and others who recently became members of the said labor union with the result that the 89 laborers of the National Labor Union and others who did not belong to any labor union, who were working in the factory at the time that the Collective contract above mentioned was executed were not readmitted.

On October 18, 1938, the Secretary of Labor submitted the case to the Court of Industrial Relations, stating that an industrial conflict existed between Ang Tibay and more than 38 laborers affiliated with the National Labor Union Inc., and that the intervention of the said court would be for the interest of the public. The Court of Industrial Relations decided that the 89 laborers had the right to be readmitted; and accordingly the Court made the proper order. The case was then elevated to the Supreme Court by a petition for a writ of certiorari presented by the plaintiff. The Supreme Court applying and construing Secs. 1, 4, and 19 of Commonwealth Act No. 103 and Sec. 5 of Commonwealth Act No. 213, *Held*: 1. When all the requisites prescribed by law are present, the Court of Industrial Relations can take cognizance of an industrial conflict and retain jurisdiction thereon till its final termination. The requisites according to Secs. 1 and 4 of Commonwealth Act No. 103 are: (1) There must be an industrial conflict or dispute; (2) the conflict or dispute must be between an employer and more than thirty laborers; (3) the conflict or dispute must be due to differences arising out of wages, hours of labor, etc.; (4) the conflict may give rise to a strike or lockout; (5) certification of the Secretary of Labor of the existence of such conflict and the necessity of the intervention of the Court of Industrial Relations for the good of the public interest; and (6) the intervention of the Court may be for purposes of prevention, arbitration, decision, and settlement. 2. A contract entered into individually or collectively without fixing the period for its duration or without reference to a determinate work, is terminated either by the will of one of the parties or by the arrival of the date fixed for the payment of wages, according to the custom of the place, or upon the termination of the work. 3. The employees of a factory whose contract, individually or collectively, with the management is not for a fixed period, cease to be such employees from the time they are obliged to stop working in the factory in which they are employed. 4. An employer or an association having a collective contract of labor with his laborers without any fixed period for its duration and not for a definite undertaking, who refuses to readmit said laborers who have ceased to become such by reason of a forcible cessation of work, is not guilty of unfair labor practice nor is he amenable to the penal provision of section 5 of Commonwealth Act No. 213, although the reason for his refusal to readmit them is due to the fact that said laborers belong to a particular labor union, since they have ceased to become his employees upon the termination of their contract due to the discontinuance of work. 5. An employer admitting other laborers while an industrial conflict between him and other la-

borers is pending decision before the Department of Labor, but not before the Court of Industrial Relations, does not violate the second condition impliedly prohibited in section 19 of Commonwealth Act No. 103 as amended by Commonwealth Act No. 355.

Commonwealth Act No. 461, which is entitled "An Act to regulate the relations between landowner and tenant and to provide for compulsory arbitration of any controversy arising between them," provides: Sec. 1. Any agreement or provision of law to the contrary notwithstanding, in all cases where land is held under any system of tenancy the tenant shall not be dispossessed of the land cultivated by him except for any of the causes mentioned in section nineteen of Act Numbered Four thousand and fifty-four or for any just cause, and without the approval of a representative of the Department of justice duly authorized for the purpose. Should the landowner or the tenant feel aggrieved by the action taken by this official, or in the event of any dispute between them arising out of their relationship as landowner and tenant, either party may submit the matter to the Court of Industrial Relations which is given jurisdiction to determine the controversy in accordance with law. This Act went into effect on June 9, 1939.

Now we come to answer the question; and the answer must be in the affirmative for the following reasons:

1. Because all the social legislation acts of the National Assembly have the same historical and philosophical background, they must be given at least the same construction. The Supreme Court applied and construed Commonwealth Acts Nos. 103 and 213 in the Ang Tibay case. Mr. Justice Laurel in his concurring opinion in the case of Ang Tibay said: "By and large, these provisions in our Constitution all evince and express the need of shifting emphasis to community interests with a view to affirmative enhancement of human values. Having in mind the constitutional objective and the historical fact that industrial and agricultural disputes had given rise to disquietitude, bloodshed and revolution in our country, the National Assembly enacted Commonwealth Act No. 103 entitled 'An Act to afford protection of labor by creating a Court of Industrial Relations empowered to fix minimum wages for laborers and maximum rental to be paid by tenants, and to enforce compulsory arbitration between employers or landlords, and employees or tenants, respectively; and by prescribing penalties for the violation of its orders' and, later, Commonwealth Act No. 213 entitled 'An Act to define and regulate legitimate labor organizations.' (As to this last act, see 'findings and policy,' preamble (Sec. 1) of the Wagner Act (49 Stat. 449)."

2. Because Commonwealth Act No. 461 has not made any substantial change in the pre-existing tenancy law. At first this Act seems to impart the impression that the landlord cannot dismiss his tenant except for just causes, and also without the approval of a representative of the Department of Justice duly authorized for the purpose even after the expiration of the term of the contract because Commonwealth Act No. 461 provides that "Any agreement or provision of law to the contrary not-

withstanding, in all cases where land is held under any system of tenancy the tenant shall not be dispossessed of the land cultivated by him except * * *," and Sec. 19 of Act No. 4054 provides that "the landlord shall not dismiss his tenant without just and reasonable cause, otherwise the former shall be liable to the latter for losses and damages to the extent of his share in the product of the farm entrusted to the dismissed tenant. Anyone of the following shall be considered just and reasonable cause for dismissing a tenant by the landlord *before the expiration of the period.* * * *." (Italics supplied). So it may be implied from the provisions of these laws that since Sec. 19 of Act No. 5054 says "before the expiration of the period," and Commonwealth Act No. 461 says "Any agreement or provision of law to the contrary notwithstanding," that Commonwealth Act No. 461 refers to causes after the expiration of the term.

But after a critical study of the Act we submit that Commonwealth Act No. 461, by referring to Sec. 19 of Act No. 4054, meant to incorporate merely said section to that Act with the addition of the phrase "and without the approval of a representative of the Department of Justice duly authorized for the purpose etc.," as a means of enforcing the provisions of Act No. 4054, because of the presumption against unnecessary changes in the law. It is presumed that the legislature does not intend to make unnecessary changes in the pre-existing body of law, and the construction of a statute should be such as to avoid any change in the prior laws beyond what is necessary to effect the specific purpose of the act in question. (Black on the Interpretation of Laws, Second Edition, 349-351.)

We are, therefore, of the opinion that Sec. 19 of Act No. 4054 stands as it is with the modification indicated, and that the tenants may be dismissed only after the expiration of the terms of their contract without the necessity of the causes enumerated in Sec. 19, because the expiration of the term in itself is a good cause.

3. Because the social legislation acts of the National Assembly provide equally for employers and laborers and landlords and tenants, placing the jurisdiction over their disputes under the newly created Court of Industrial Relations. Section 4 of Commonwealth Act No. 103 relating to strikes and lockouts says "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, hours of labor or conditions of tenancy or employment, between employers and 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 and certified by the Secretary of Labor existing and proper to be dealt with by the Court for the sake of public interest * * *"

Commonwealth Acts Nos. 103 and 461 supra, were passed by the National Assembly to better the sordid plight of our laborers and tenants who are most of the

time under the mercy of their employers and landlords.

Section 1 of Commonwealth Act No. 103 provides: "There is hereby created a Court of Industrial Relations, which shall have jurisdiction over the entire Philippines, to consider, investigate, decide, and settle any question, matter, controversy or dispute arising between, and/or affecting, employers and laborers and landlords and tenants or farm-laborers, and regulate the relations between them, subject, and in accordance with the provisions of this Act."

The law has made it possible for laborers and tenants to meet their employers and landlords respectively at a place where they can get better treatment and be afforded swifter remedies than heretofore given them. So it may be implied from these provisions that whatever rights and privileges are granted to laborers must necessarily be granted also to tenants, and vice versa. And if laborers in industrial firms have no vested right in their employment, if they are dismissed for a just cause, the tenants also cannot have such vested right.

4. Because Commonwealth Act No. 213 of the National Assembly, which defines and regulates labor organizations and which was construed and applied by the Supreme Court in the Ang Tibay case, applies equally well to both laborers and tenants as is seen from its Sec. 5 which states that "any person or persons, landlord or landlords, corporation or corporations or their agents, partnership or partnerships or their agents, who intimidate or coerce any employee or laborers or tenant under his or their employ, with the intent of preventing such employee or laborer or tenant from joining any registered legitimate labor organization, shall be guilty of a felony."

Therefore, we may conclude that since Commonwealth Act No. 461 has not made any substantial change in the pre-existing tenancy law, but merely provided a means to enforce such law, former tenancy laws remain intact and the laws as they stood at the time of the promulgation of the Ang Tibay decision were in all substantial respects similar to the law on tenancy after the passage of Commonwealth Act No. 461.

Should an agricultural conflict arise in the future between landlords and the required number of tenants by which tenants are dismissed for just causes with the approval of a representative of the Department of Justice; should such conflict give rise to a strike or lockout; and should all the requisites for the Court of Industrial Relations to have jurisdiction be present, we may safely predict that the parties will get the same decision as was handed down in the Ang Tibay case.