Republic of the Philippines
Supreme Court
Baguio City

THIRD DIVISION

ROYAL PLANT WORKERS UNION,	G.R. No. 198783
Petitioner,	Present:
	VELASCO, JR., *J., Chairperson,*
	PERALTA,
	ABAD,
- versus -	MENDOZA, and
	LEONEN, *JJ.*
COCA-COLA BOTTLERS PHILIPPINES, INC.-CEBU PLANT,	Promulgated:
Respondent.	APR 15 2013

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DECISION

MENDOZA, *J.*:

Assailed in this petition is the May 24, 2011 Decision[1] and the September 2, 2011 Resolution[2] of the Court of Appeals *(CA)* in CA-G.R. SP No. 05200, *entitled Coca-Cola Bottlers Philippines, Inc.-Cebu Plant v. Royal Plant Workers Union*, which nullified and set aside the June 11, 2010 Decision[3] of the Voluntary Arbitration Panel *(Arbitration Committee)* in a case involving the removal of chairs in the bottling plant of Coca-Cola Bottlers Philippines, Inc. *(CCBPI).*

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[1] *Rollo*, pp. 23-35 (Penned by Associate Justice Pampio A. Abarintos and concurred in by Associate Justices Eduardo B. Peralta, Jr. and Gabriel T. Ingles).
[2] Id. at 36-37.
[3] Voluntary Arbitration Panel Decision, id. at 227-238.

The Factual and Procedural Antecedents

The factual and procedural antecedents have been accurately recited in the May 24, 2011 CA decision as follows:

> Petitioner Coca-Cola Bottlers Philippines, Inc. (CCBPI) is a domestic corporation engaged in the manufacture, sale and distribution of softdrink products. It has several bottling plants all over the country, one of which is located in Cebu City. Under the employ of each bottling plant are bottling operators. In the case of the plant in Cebu City, there are 20 bottling operators who work for its Bottling Line 1 while there are 12-14 bottling operators who man its Bottling Line 2. All of them are male and they are members of herein respondent Royal Plant Workers Union (ROPWU).
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> The bottling operators work in two shifts. The first shift is from 8 a.m. to 5 p.m. and the second shift is from 5 p.m. up to the time production operations is finished. Thus, the second shift varies and may end beyond eight (8) hours. However, the bottling operators are compensated with overtime pay if the shift extends beyond eight (8) hours. For Bottling Line 1, 10 bottling operators work for each shift while 6 to 7 bottling operators work for each shift for Bottling Line 2.
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> Each shift has rotations of work time and break time. Prior to September 2008, the rotation is this: after two and a half (2 ½) hours of work, the bottling operators are given a 30-minute break and this goes on until the shift ends. In September 2008 and up to the present, the rotation has changed and bottling operators are now given a 30-minute break after one and one half (1 ½) hours of work.
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> In 1974, the bottling operators of then Bottling Line 2 were provided with chairs upon their request. In 1988, the bottling operators of then Bottling Line 1 followed suit and asked to be provided also with chairs. Their request was likewise granted. Sometime in September 2008, the chairs provided for the operators were removed pursuant to a national directive of petitioner. This directive is in line with the "I Operate, I Maintain, I Clean" program of petitioner for bottling operators, wherein every bottling operator is given the responsibility to keep the machinery and equipment assigned to him clean and safe. The program reinforces the task of bottling operators to constantly move about in the performance of their duties and responsibilities.
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> With this task of moving constantly to check on the machinery and equipment assigned to him, a bottling operator does not need a chair anymore, hence, petitioner's directive to remove them. Furthermore, CCBPI rationalized that the removal of the chairs is implemented so that the bottling operators will avoid sleeping, thus, prevent injuries to their persons. As bottling operators are working with machines which consist of moving parts, it is imperative that they should not fall asleep as to do so

would expose them to hazards and injuries. In addition, sleeping will hamper the efficient flow of operations as the bottling operators would be unable to perform their duties competently.

The bottling operators took issue with the removal of the chairs. Through the representation of herein respondent, they initiated the grievance machinery of the Collective Bargaining Agreement (CBA) in November 2008. Even after exhausting the remedies contained in the grievance machinery, the parties were still at a deadlock with petitioner still insisting on the removal of the chairs and respondent still against such measure. As such, respondent sent a Notice to Arbitrate, dated 16 July 2009, to petitioner stating its position to submit the issue on the removal of the chairs for arbitration. Nevertheless, before submitting to arbitration the issue, both parties availed of the conciliation/mediation proceedings before the National Conciliation and Mediation Board (NCMB) Regional Branch No. VII. They failed to arrive at an amicable settlement.

Thus, the process of arbitration continued and the parties appointed the chairperson and members of the Arbitration Committee as outlined in the CBA. Petitioner and respondent respectively appointed as members to the Arbitration Committee Mr. Raul A. Kapuno, Jr. and Mr. Luis Ruiz while they both chose Atty. Alice Morada as chairperson thereof. They then executed a Submission Agreement which was accepted by the Arbitration Committee on 01 October 2009. As contained in the Submission Agreement, the sole issue for arbitration is whether the removal of chairs of the operators assigned at the production/manufacturing line while performing their duties and responsibilities is valid or not.

Both parties submitted their position papers and other subsequent pleadings in amplification of their respective stands. Petitioner argued that the removal of the chairs is valid as it is a legitimate exercise of management prerogative, it does not violate the Labor Code and it does not violate the CBA it contracted with respondent. On the other hand, respondent espoused the contrary view. It contended that the bottling operators have been performing their assigned duties satisfactorily with the presence of the chairs; the removal of the chairs constitutes a violation of the Occupational Health and Safety Standards, the policy of the State to assure the right of workers to just and humane conditions of work as stated in Article 3 of the Labor Code and the Global Workplace Rights Policy.

Ruling of the Arbtration Committee

On June 11, 2010, the Arbitration Committee rendered a decision in favor of the Royal Plant Workers Union *(the Union)* and against CCBPI, the dispositive portion of which reads, as follows:

> Wherefore, the undersigned rules in favor of ROPWU declaring that the removal of the operators chairs is not valid. CCBPI is hereby ordered to restore the same for the use of the operators as before their removal in 2008.[4]

The Arbitration Committee ruled, among others, that the use of chairs by the operators had been a company practice for 34 years in Bottling Line 2, from 1974 to 2008, and 20 years in Bottling Line 1, from 1988 to 2008; that the use of the chairs by the operators constituted a company practice favorable to the Union; that it ripened into a benefit after it had been enjoyed by it; that any benefit being enjoyed by the employees could not be reduced, diminished, discontinued, or eliminated by the employer in accordance with Article 100 of the Labor Code, which prohibited the diminution or elimination by the employer of the employees' benefit; and that jurisprudence had not laid down any rule requiring a specific minimum number of years before a benefit would constitute a voluntary company practice which could not be unilaterally withdrawn by the employer.

The Arbitration Committee further stated that, although the removal of the chairs was done in good faith, CCBPI failed to present evidence regarding instances of sleeping while on duty. There were no specific details as to the number of incidents of sleeping on duty, who were involved, when these incidents happened, and what actions were taken. There was no evidence either of any accident or injury in the many years that the bottling operators used chairs. To the Arbitration Committee, it was puzzling why it took 34 and 20 years for CCBPI to be so solicitous of the bottling operators' safety that it removed their chairs so that they would not fall asleep and injure themselves.

Finally, the Arbitration Committee was of the view that, contrary to CCBPI's position, line efficiency was the result of many factors and it could not be attributed solely to one such as the removal of the chairs.

Not contented with the Arbitration Committee's decision, CCBPI filed a petition for review under Rule 43 before the CA.

Ruling of the CA

On May 24, 2011, the CA rendered a contrasting decision which nullified and set aside the decision of the Arbitration Committee. The dispositive portion of the CA decision reads:

[4] Id. at 227-238.

> WHEREFORE, premises considered, the petition is hereby GRANTED and the Decision, dated 11 June 2010, of the Arbitration Committee in AC389-VII-09-10-2009D is NULLIFIED and SET ASIDE. A new one is entered in its stead SUSTAINING the removal of the chairs of the bottling operators from the manufacturing/production line.[5]

The CA held, among others, that the removal of the chairs from the manufacturing/production lines by CCBPI is within the province of management prerogatives; that it was part of its inherent right to control and manage its enterprise effectively; and that since it was the employer's discretion to constantly develop measures or means to optimize the efficiency of its employees and to keep its machineries and equipment in the best of conditions, it was only appropriate that it should be given wide latitude in exercising it.

The CA stated that CCBPI complied with the conditions of a valid exercise of a management prerogative when it decided to remove the chairs used by the bottling operators in the manufacturing/production lines. The removal of the chairs was solely motivated by the best intentions for both the Union and CCBPI, in line with the "I Operate, I Maintain, I Clean" program for bottling operators, wherein every bottling operator was given the responsibility to keep the machinery and equipment assigned to him clean and safe. The program would reinforce the task of bottling operators to constantly move about in the performance of their duties and responsibilities. Without the chairs, the bottling operators could efficiently supervise these machineries' operations and maintenance. It would also be beneficial for them because the working time before the break in each rotation for each shift was substantially reduced from two and a half hours (2 ½) to one and a half hours (1 ½) before the 30-minute break. This scheme was clearly advantageous to the bottling operators as the number of resting periods was increased. CCBPI had the best intentions in removing the chairs because some bottling operators had the propensity to fall asleep while on the job and sleeping on the job ran the risk of injury exposure and removing them reduced the risk.

The CA added that the decision of CCBPI to remove the chairs was not done for the purpose of defeating or circumventing the rights of its employees under the special laws, the Collective Bargaining Agreement *(CBA)* or the general principles of justice and fair play. It opined that the principles of justice and fair play were not violated because, when the chairs were removed, there was a commensurate reduction of the working time for each rotation in each shift. The provision of chairs for the bottling operators was never part of the CBAs contracted between the Union and CCBPI. The chairs were not provided as a benefit because such matter was dependent

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[5] Id. at 23-35.

upon the exigencies of the work of the bottling operators. As such, CCBPI could withdraw this provision if it was not necessary in the exigencies of the work, if it was not contributing to the efficiency of the bottling operators or if it would expose them to some hazards. Lastly, the CA explained that the provision of chairs to the bottling operators cannot be covered by Article 100 of the Labor Code on elimination or diminution of benefits because the employee's benefits referred to therein mainly involved monetary considerations or privileges converted to their monetary equivalent.

Disgruntled with the adverse CA decision, the Union has come to this Court praying for its reversal on the following

GROUNDS

I

THAT WITH DUE RESPECT, THE COURT OF APPEALS COMMITTED REVERSIBLE ERROR IN HOLDING THAT A PETITION FOR REVIEW UNDER RULE 43 OF THE RULES OF COURT IS THE PROPER REMEDY OF CHALLENGING BEFORE SAID COURT THE DECISION OF THE VOLUNTARY ARBITRATOR OR PANEL OF VOLUNTARY ARBITRATORS UNDER THE LABOR CODE.

II

THAT WITH DUE RESPECT, THE COURT OF APPEALS GRAVELY ABUSED ITS DISCRETION IN NULLIFYING AND SETTING ASIDE THE DECISION OF THE PANEL OF VOLUNTARY ARBITRATORS WHICH DECLARED AS NOT VALID THE REMOVAL OF THE CHAIRS OF THE OPERATORS IN THE MANUFACTURING AND/OR PRODUCTION LINE.

In advocacy of its positions, the Union argues that the proper remedy in challenging the decision of the Arbitration Committee before the CA is a petition for certiorari under Rule 65. The petition for review under Rule 43 resorted to by CCBPI should have been dismissed for being an improper remedy. The Union points out that the parties agreed to submit the unresolved grievance involving the removal of chairs to voluntary arbitration pursuant to the provisions of Article V of the existing CBA. Hence, the assailed decision of the Arbitration Committee is a judgment or final order issued under the Labor Code of the Philippines. Section 2, Rule 43 of the 1997 Rules of Civil Procedure, expressly states that the said rule does not cover cases under the Labor Code of the Philippines. The judgments or final orders of the Voluntary Arbitrator or Panel of Voluntary Arbitrators are governed by the provisions of Articles 260, 261, 262, 262-A, and 262-B of the Labor Code of the Philippines.

On the substantive aspect, the Union argues that there is no connection between CCBPI's "I Operate, I Maintain, I Clean" program and the removal of the chairs because the implementation of the program was in 2006 and the removal of the chairs was done in 2008. The 30-minute break is part of an operator's working hours and does not make any difference. The frequency of the break period is not advantageous to the operators because it cannot compensate for the time they are made to stand throughout their working time. The bottling operators get tired and exhausted after their tour of duty even with chairs around. How much more if the chairs are removed?

The Union further claims that management prerogatives are not absolute but subject to certain limitations found in law, a collective bargaining agreement, or general principles of fair play and justice. The operators have been performing their assigned duties and responsibilities satisfactorily for thirty (30) years using chairs. There is no record of poor performance because the operators are sitting all the time. There is no single incident when the attention of an operator was called for failure to carry out his assigned tasks. CCBPI has not submitted any evidence to prove that the performance of the operators was poor before the removal of the chairs and that it has improved after the chairs were removed. The presence of chairs for more than 30 years made the operators awake and alert as they could relax from time to time. There are sanctions for those caught sleeping while on duty. Before the removal of the chairs, the efficiency of the operators was much better and there was no recorded accident. After the removal of the chairs, the efficiency of the operators diminished considerably, resulting in the drastic decline of line efficiency.

Finally, the Union asserts that the removal of the chairs constitutes violation of the Occupational Health and Safety Standards, which provide that every company shall keep and maintain its workplace free from hazards that are likely to cause physical harm to the workers or damage to property. The removal of the chairs constitutes a violation of the State policy to assure the right of workers to a just and humane condition of work pursuant to Article 3 of the Labor Code and of CCBPI's Global Workplace Rights Policy. Hence, the unilateral withdrawal, elimination or removal of the chairs, which have been in existence for more than 30 years, constitutes a violation of existing practice.

The respondent's position

CCBPI reiterates the ruling of the CA that a petition for review under Rule 43 of the Rules of Court was the proper remedy to question the decision of the Arbitration Committee. It likewise echoes the ruling of the CA that the removal of the chairs was a legitimate exercise of management prerogative; that it was done not to harm the bottling operators but for the

purpose of optimizing their efficiency and CCBPI's machineries and equipment; and that the exercise of its management prerogative was done in good faith and not for the purpose of circumventing the rights of the employees under the special laws, the CBA or the general principles of justice and fair play.

The Court's Ruling

The decision in this case rests on the resolution of two basic questions. *First,* is an appeal to the CA via a petition for review under Rule 43 of the 1997 Rules of Civil Procedure a proper remedy to question the decision of the Arbitration Committee? *Second,* was the removal of the bottling operators' chairs from CCBPI's production/manufacturing lines a valid exercise of a management prerogative?

The Court sustains the ruling of the CA on both issues.

Regarding the first issue, the Union insists that the CA erred in ruling that the recourse taken by CCBPI in appealing the decision of the Arbitration Committee was proper. It argues that the proper remedy in challenging the decision of the Voluntary Arbitrator before the CA is by filing a petition for certiorari under Rule 65 of the Rules of Court, not a petition for review under Rule 43.

CCBPI counters that the CA was correct in ruling that the recourse it took in appealing the decision of the Arbitration Committee to the CA via a petition for review under Rule 43 of the Rules of Court was proper and in conformity with the rules and prevailing jurisprudence.

A Petition for Review under Rule 43 is the proper remedy

CCBPI is correct. This procedural issue being debated upon is not novel. The Court has already ruled in a number of cases that a decision or award of a voluntary arbitrator is appealable to the CA via a petition for review under Rule 43. The recent case of *Samahan Ng Mga Manggagawa Sa Hyatt (SAMASAH-NUWHRAIN) v. Hon. Voluntary Arbitrator Buenaventura C. Magsalin and Hotel Enterprises of the Philippines*[6] reiterated the well-settled doctrine on this issue, to wit:

[6] G.R. No. 164939, June 6, 2011, 650 SCRA 445, 454-456.

In the case of *Samahan ng mga Manggagawa sa Hyatt-NUWHRAIN-APL v. Bacungan,*[7] we repeated the well-settled rule that a decision or award of a voluntary arbitrator is appealable to the CA via petition for review under Rule 43. We held that:

> "The question on the proper recourse to assail a decision of a voluntary arbitrator has already been settled in *Luzon Development Bank v. Association of Luzon Development Bank Employees*, where the Court held that the decision or award of the voluntary arbitrator or panel of arbitrators should likewise be appealable to the Court of Appeals, in line with the procedure outlined in Revised Administrative Circular No. 1-95 (now embodied in Rule 43 of the 1997 Rules of Civil Procedure), just like those of the quasi-judicial agencies, boards and commissions enumerated therein, and consistent with the original purpose to provide a uniform procedure for the appellate review of adjudications of all quasi-judicial entities.
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> Subsequently, in *Alcantara, Jr. v. Court of Appeals*, and *Nippon Paint Employees Union-Olalia v. Court of Appeals*, the Court reiterated the aforequoted ruling. In *Alcantara*, the Court held that notwithstanding Section 2 of Rule 43, the ruling in *Luzon Development Bank* still stands. The Court explained, thus:
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> > 'The provisions may be new to the Rules of Court but it is far from being a new law. Section 2, Rules 42 of the 1997 Rules of Civil Procedure, as presently worded, is nothing more but a reiteration of the exception to the exclusive appellate jurisdiction of the Court of Appeals, as provided for in Section 9, Batas Pambansa Blg. 129, as amended by Republic Act No. 7902:
> >
> > (3) Exclusive appellate jurisdiction over all final judgments, decisions, resolutions, orders or awards of Regional Trial Courts and quasi-judicial agencies, instrumentalities, boards or commissions, including the Securities and Exchange Commission, the Employees' Compensation Commission and the Civil Service Commission, except those falling within the appellate jurisdiction of the Supreme Court in accordance with the Constitution, the Labor Code of the Philippines under Presidential Decree No. 442, as amended, the provisions of this Act and of subparagraph (1) of the third paragraph and subparagraph (4) of the fourth paragraph of Section 17 of the Judiciary Act of 1948.'
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> The Court took into account this exception in *Luzon Development Bank* but, nevertheless, held that the decisions of voluntary arbitrators issued pursuant to the Labor Code do not come within its ambit x x x."

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[7] G.R. No. 149050, March 25, 2009, 582 SCRA 369, 374-375, citing *Luzon Development Bank v. Association of Luzon Development Bank Employees*, 319 Phil. 262 (1995); *Alcantara, Jr. v. Court of Appeals*, 435 Phil. 395 (2002); and *Nippon Paint Employees Union-Olalia v. Court of Appeals*, G.R. No. 159010, November 19, 2004, 443 SCRA 286.

Furthermore, Sections 1, 3 and 4, Rule 43 of the 1997 Rules of Civil Procedure, as amended, provide:

> "SECTION 1. Scope. - This Rule shall apply to appeals from judgments or final orders of the Court of Tax Appeals and from awards, judgments, final orders or resolutions of or authorized by any quasi-judicial agency in the exercise of its quasi-judicial functions. Among these agencies are the x x x, and voluntary arbitrators authorized by law.
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> x x x x
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> SEC. 3. Where to appeal. - An appeal under this Rule may be taken to the Court of Appeals within the period and in the manner therein provided, whether the appeal involves questions of fact, of law, or mixed questions of fact and law.
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> SEC. 4. Period of appeal. - The appeal shall be taken within fifteen (15) days from notice of the award, judgment, final order or resolution, or from the date of its last publication, if publication is required by law for its effectivity, or of the denial of petitioner's motion for new trial or reconsideration duly filed in accordance with the governing law of the court or agency *a quo*. x x x. (Emphasis supplied.)'

Hence, upon receipt on May 26, 2003 of the Voluntary Arbitrator's Resolution denying petitioner's motion for reconsideration, petitioner should have filed with the CA, within the fifteen (15)-day reglementary period, a petition for review, not a petition for certiorari.

On the second issue, the Union basically claims that the CCBPI's decision to unilaterally remove the operators' chairs from the production/manufacturing lines of its bottling plants is not valid because it violates some fundamental labor policies. According to the Union, such removal constitutes a violation of the 1) Occupational Health and Safety Standards which provide that every worker is entitled to be provided by the employer with appropriate seats, among others; 2) policy of the State to assure the right of workers to a just and humane condition of work as provided for in Article 3 of the Labor Code;[8] 3) Global Workplace Rights Policy of CCBPI which provides for a safe and healthy workplace by maintaining a productive workplace and by minimizing the risk of accident, injury and exposure to health risks; and 4) diminution of benefits provided in Article 100 of the Labor Code.[9]

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[8] **Article 3.** *Declaration of basic policy*. The State shall afford protection to labor, promote full employment, ensure equal work opportunities regardless of sex, race or creed and regulate the relations between workers and employers. The State shall assure the rights of workers to self-organization, collective bargaining, security of tenure, and just and humane conditions of work.

[9] **ART. 100.** Prohibition against elimination or diminution of benefits. – Nothing in this Book shall be construed to eliminate or in any way diminish supplements, or other employee benefits being enjoyed at the time of promulgation of this Code.

Opposing the Union's argument, CCBPI mainly contends that the removal of the subject chairs is a valid exercise of management prerogative. The management decision to remove the subject chairs was made in good faith and did not intend to defeat or circumvent the rights of the Union under the special laws, the CBA and the general principles of justice and fair play.

Again, the Court agrees with CCBPI on the matter.

A Valid Exercise of Management Prerogative

The Court has held that management is free to regulate, according to its own discretion and judgment, all aspects of employment, including hiring, work assignments, working methods, time, place, and manner of work, processes to be followed, supervision of workers, working regulations, transfer of employees, work supervision, lay-off of workers, and discipline, dismissal and recall of workers. The exercise of management prerogative, however, is not absolute as it must be exercised in good faith and with due regard to the rights of labor.[10]

In the present controversy, it cannot be denied that CCBPI removed the operators' chairs pursuant to a national directive and in line with its "I Operate, I Maintain, I Clean" program, launched to enable the Union to perform their duties and responsibilities more efficiently. The chairs were not removed indiscriminately. They were carefully studied with due regard to the welfare of the members of the Union. The removal of the chairs was **compensated by**: **a)** a **reduction** of the **operating hours** of the bottling operators from a two-and-one-half (2 ½)-hour rotation period to a one-and-a-half (1 ½) hour rotation period; and **b)** an **increase** of the **break period** from 15 to 30 minutes between rotations.

Apparently, the decision to remove the chairs was done with good intentions as CCBPI wanted to avoid instances of operators sleeping on the job while in the performance of their duties and responsibilities and because of the fact that the chairs were not necessary considering that the operators constantly move about while working. In short, the removal of the chairs was designed to increase work efficiency. Hence, CCBPI's exercise of its management prerogative was made in good faith without doing any harm to the workers' rights.

[10] *Julie's Bakeshop v. Arnaiz*,, G.R. No. 173882, February 15, 2012, 666 SCRA 101, 115.

The fact that there is no proof of any operator sleeping on the job is of no moment. There is no guarantee that such incident would never happen as sitting on a chair is relaxing. Besides, the operators constantly move about while doing their job. The ultimate purpose is to promote work efficiency.

No Violation of Labor Laws

The rights of the Union under any labor law were not violated. There is no law that requires employers to provide chairs for bottling operators. The CA correctly ruled that the Labor Code, specifically Article 132[11] thereof, only requires employers to provide seats for women. No similar requirement is mandated for men or male workers. It must be stressed that all concerned bottling operators in this case are men.

There was no violation either of the Health, Safety and Social Welfare Benefit provisions under Book IV of the Labor Code of the Philippines. As shown in the foregoing, the removal of the chairs was compensated by the reduction of the working hours and increase in the rest period. The directive did not expose the bottling operators to safety and health hazards.

The Union should not complain too much about standing and moving about for one and one-half (1 ½) hours because studies show that sitting in workplaces for a long time is hazardous to one's health. The report of VicHealth, Australia,[12] disclosed that "prolonged workplace sitting is an emerging public health and occupational health issue with serious implications for the health of our working population. Importantly, prolonged sitting is a risk factor for poor health and early death, even among those who meet, or exceed, national[13] activity guidelines." In another report,[14] it was written:

> Workers needing to spend long periods in a seated position on the job such as taxi drivers, call centre and office workers, are at risk for injury and a variety of adverse health effects.
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> The most common injuries occur in the muscles, bones, tendons and ligaments, affecting the neck and lower back regions. Prolonged sitting:
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> - reduces body movement making muscles more likely to pull, cramp or strain when stretched suddenly,

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[11] Art. 132. *Facilities for Women*. The Secretary of Labor shall establish standards that will insure the safety and health of women employees. In appropriate cases, he shall by regulations, require employers to:

(a) Provide seats proper for women and permit them to use such seats when they are free from work and during working hours, provided they can perform their duties in this position without detriment to efficiency.

[12] http://www.vichealth.vic.gov.au/About-VicHealth.aspx. Last visited March 28, 2013.

[13] Australian.

[14] http://www.ohsrep.org.au/hazards/workplace-conditions/sedentary-work/index.cfm. Last visited March 28, 2013.

- causes fatigue in the back and neck muscles by slowing the blood supply and puts high tension on the spine, especially in the low back or neck, and

- causes a steady compression on the spinal discs that hinders their nutrition and can contribute to their premature degeneration.

Sedentary employees may also face a gradual deterioration in health if they do not exercise or do not lead an otherwise physically active life. The most common health problems that these employees experience are disorders in blood circulation and injuries affecting their ability to move. Deep Vein Thrombosis (DVT), where a clot forms in a large vein after prolonged sitting (eg after a long flight) has also been shown to be a risk.

Workers who spend most of their working time seated may also experience other, less specific adverse health effects. Common effects include decreased fitness, reduced heart and lung efficiency, and digestive problems. Recent research has identified too much sitting as an important part of the physical activity and health equation, and suggests we should focus on the harm caused by daily inactivity such as prolonged sitting.

Associate professor David Dunstan leads a team at the Baker IDI in Melbourne which is specifically researching sitting and physical activity. He has found that people who spend long periods of time seated (more than four hours per day) were at risk of:

- higher blood levels of sugar and fats,

- larger waistlines, and

- higher risk of metabolic syndrome

regardless of how much moderate to vigorous exercise they had.

In addition, people who interrupted their sitting time more often just by **standing** or with light activities such as housework, shopping, and **moving about the office** had healthier blood sugar and fat levels, and smaller waistlines than those whose sitting time was not broken up.

Of course, in this case, if the chairs would be returned, no risks would be involved because of the shorter period of working time. The study was cited just to show that there is a health risk in prolonged sitting.

No Violation of the CBA

The CBA[15] between the Union and CCBPI contains no provision whatsoever requiring the management to provide chairs for the operators in the production/manufacturing line while performing their duties and responsibilities. On the contrary, Section 2 of Article 1 of the CBA expressly provides as follows:

> Article I
>
> SCOPE
>
> SECTION 2. Scope of the Agreement. All the terms and conditions of employment of employees and workers within the appropriate bargaining unit (as defined in Section 1 hereof) are embodied in this Agreement and the same shall govern the relationship between the COMPANY and such employees and/or workers. **On the other hand, all such benefits and/or privileges as are not expressly provided for in this Agreement but which are now being accorded, may in the future be accorded, or might have previously been accorded, to the employees and/or workers, shall be deemed as purely voluntary acts on the part of the COMPANY in each case, and the continuance and repetition thereof now or in the future, no matter how long or how often, shall not be construed as establishing an obligation on the part of the COMPANY.** It is however understood that any benefits that are agreed upon by and between the COMPANY and the UNION in the Labor-Management Committee Meetings regarding the terms and conditions of employment outside the CBA that have general application to employees who are similarly situated in a Department or in the Plant shall be implemented. [emphasis and underscoring supplied]

As can be gleaned from the aforecited provision, the CBA expressly provides that benefits and/or privileges, not expressly given therein but which are presently being granted by the company and enjoyed by the employees, shall be considered as purely voluntary acts by the management and that the continuance of such benefits and/or privileges, no matter how long or how often, shall not be understood as establishing an obligation on the company's part. Since the matter of the chairs is not expressly stated in the CBA, it is understood that it was a purely voluntary act on the part of CCBPI and the long practice did not convert it into an obligation or a vested right in favor of the Union.

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[15] *Rollo*, pp. 127-148.

No Violation of the general principles of justice and fair play

The Court completely agrees with the CA ruling that the removal of the chairs did not violate the general principles of justice and fair play because the bottling operators' **working time** was considerably **reduced** from two and a half **(2 ½)** hours to just one and a half **(1 ½)** hours and the **break period**, when they could sit down, was **increased** to 30 minutes between rotations. The bottling operators' new work schedule is certainly advantageous to them because it greatly increases their rest period and significantly decreases their working time. A break time of thirty (30) minutes after working for only one and a half (1 ½) hours is a just and fair work schedule.

No Violation of Article 100 of the Labor Code

The operators' chairs cannot be considered as one of the employee benefits covered in Article 100[16] of the Labor Code. In the Court's view, the term "benefits" mentioned in the non-diminution rule refers to monetary benefits or privileges given to the employee with monetary equivalents. Such benefits or privileges form part of the employees' wage, salary or compensation making them enforceable obligations.

This Court has already decided several cases regarding the non-diminution rule where the benefits or privileges involved in those cases mainly concern monetary considerations or privileges with monetary equivalents. Some of these cases are: *Eastern Telecommunication Phils. Inc. v. Eastern Telecoms Employees Union,*[17] where the case involves the payment of 14th, 15th and 16th month bonuses; *Central Azucarera De Tarlac v. Central Azucarera De Tarlac Labor Union-NLU,*[18] regarding the 13th month pay, legal/special holiday pay, night premium pay and vacation and sick leaves; *TSPIC Corp. v. TSPIC Employees Union,* [19] regarding salary wage increases; and *American Wire and Cable Daily Employees Union vs. American Wire and Cable Company, Inc.,*[20] involving service awards with cash incentives, premium pay, Christmas party with incidental benefits and promotional increase.

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[16] Art. 100. *Prohibition against elimination or diminution of benefits*. Nothing in this Book shall be construed to eliminate or in any way diminish supplements, or other employee benefits being enjoyed at the time of promulgation of this Code.
[17] G.R. No. 185665, February 8, 2012, 665 SCRA 516.
[18] G.R. No. 188949, July 26, 2010, 625 SCRA 622.
[19] G.R. 163419, February 13, 2008, 545 SCRA 215.
[20] 497 Phil. 213 (2005).

In this regard, the Court agrees with the CA when it resolved the matter and wrote:

> Let it be stressed that the aforequoted article speaks of non-diminution of supplements and other employee benefits. Supplements are privileges given to an employee which constitute as extra remuneration besides his or her basic ordinary earnings and wages. From this definition, We can only deduce that the other employee benefits spoken of by Article 100 pertain only to those which are susceptible of monetary considerations. Indeed, this could only be the most plausible conclusion because the cases tackling Article 100 involve mainly with monetary considerations or privileges converted to their monetary equivalents.
>
> x x x x
>
> Without a doubt, equating the provision of chairs to the bottling operators as something within the ambit of "benefits" in the context of Article 100 of the Labor Code is unduly stretching the coverage of the law. The interpretations of Article 100 of the Labor Code do not show even with the slightest hint that such provision of chairs for the bottling operators may be sheltered under its mantle.[21]

Jurisprudence recognizes the exercise of management prerogatives. Labor laws also discourage interference with an employer's judgment in the conduct of its business. For this reason, the Court often declines to interfere in legitimate business decisions of employers. The law must protect not only the welfare of the employees, but also the right of the employers.[22]

WHEREFORE, the petition is **DENIED.**

SO ORDERED.

JOSE CATRAL MENDOZA
Associate Justice

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[21] *Rollo*, pp. 23-35.

[22] *Arnulfo O. Endico v. Quantum Foods Distribution Center*, G.R. No. 161615, January 30, 2009, 577 SCRA 299, 309.

WE CONCUR:

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

DIOSDADO M. PERALTA
Associate Justice

ROBERTO A. ABAD
Associate Justice

MARVIC MARIO VICTOR F. LEONEN
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA LOURDES P. A. SERENO
Chief Justice