

## FIRST DIVISION

[ G.R. NO. 167760, March 07, 2007 ]

**MANILA JOCKEY CLUB EMPLOYEES LABOR UNION- PTGWO,  
PETITIONER, VS. MANILA JOCKEY CLUB, INC., RESPONDENT.**

### DECISION

**GARCIA, J.:**

Challenged in this petition for review under Rule 45 of the Rules of Court is the decision<sup>[1]</sup> dated December 17, 2004 of the Court of Appeals (CA), as reiterated in its resolution<sup>[2]</sup> of April 4, 2005, dismissing the petition for review of herein petitioner in *CA-G.R. SP No. 69240*, entitled *Manila Jockey Club Employees Labor Union- PTGWO v. Manila Jockey Club, Inc.*

The facts:

Petitioner Manila Jockey Club Employees Labor Union-PTGWO and respondent Manila Jockey Club, Inc., a corporation with a legislative franchise to conduct, operate and maintain horse races, entered into a Collective Bargaining Agreement (CBA) effective January 1, 1996 to December 31, 2000. The CBA governed the economic rights and obligations of respondent's regular monthly paid rank-and-file employees.<sup>[3]</sup> In the CBA, the parties agreed to a 7-hour work schedule from 9:00 a.m. to 12:00 noon and from 1:00 p.m. to 5:00 p.m. on a work week of Monday to Saturday, as contained under Section 1, Article IV,<sup>[4]</sup> of the same CBA, to wit:

Section 1. Both parties to this Agreement agree to observe the seven-hour work schedule herewith scheduled to be from 9:00 a.m. to 12:00 noon and 1:00 p.m. to 5 p.m. on work week of Monday to Saturday. All work performed in excess of seven (7) hours work schedule and on days not included within the work week shall be considered overtime and paid as such. Except those monthly compensation which includes work performed during Saturday, Sunday, and Holiday when races are held at the Club.

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Accordingly, overtime on an ordinary working day shall be remunerated in an amount equivalent to the worker's regular basic wage plus twenty five percent (25%) thereof. Where the employee is permitted or suffered to work on legally mandated holidays or on his designated rest day which is not a legally mandated holiday, thirty percent (30%) shall be added to his basic wage for a seven hour work; while work rendered in excess of seven hours on legally mandated holidays and rest days not falling within the aforestated categories day shall be additionally compensated for the

overtime work equivalent to his rate for the first seven hours on a legally mandated holiday or rest day plus thirty percent (30%) thereof.

The CBA likewise reserved in respondent certain management prerogatives, including the determination of the work schedule, as provided under Section 2, Article XI:

Section 2. The COMPANY shall have exclusive control in the management of the offices and direction of the employees. This shall include, but shall not be limited to, the right to plan, direct and control office operations, to hire, assign and transfer employees from one job to another or from one department to another; to promote, demote, discipline, suspend, discharge or terminate employees for proper cause and/or in accordance with law, to relieve employees from duty because of lack of work or for other legitimate reasons; or to introduce new or improved methods or facilities; or to change existing methods or facilities to change the schedules of work; and to make and enforce rules and regulations to carry out the functions of management, provided, however, that the COMPANY will not use these rights for the purpose of discrimination against any employee because of his membership in the UNION. Provided, further, that the prerogatives provided for under this Section shall be subject to, and in accordance with pertinent directives, proclamations and their implementing rules and regulations.

On April 3, 1999, respondent issued an inter-office memorandum declaring that, effective April 20, 1999, the hours of work of regular monthly-paid employees shall be from 1:00 p.m. to 8:00 p.m. when horse races are held, that is, every Tuesday and Thursday. The memorandum, however, maintained the 9:00 a.m. to 5:00 p.m. schedule for non-race days.

On October 12, 1999, petitioner and respondent entered into an Amended and Supplemental CBA retaining Section 1 of Article IV and Section 2 of Article XI, *supra*, and clarified that any conflict arising therefrom shall be referred to a voluntary arbitrator for resolution.

Subsequently, before a panel of voluntary arbitrators of the National Conciliation and Mediation Board (NCMB), petitioner questioned the above office memorandum as violative of the prohibition against non-diminution of wages and benefits guaranteed under Section 1, Article IV, of the CBA which specified the work schedule of respondent's employees to be from 9:00 a.m. to 5:00 p.m. Petitioner claimed that as a result of the memorandum, the employees are precluded from rendering their usual overtime work from 5:00 p.m. to 9:00 p.m.

The NCMB's panel of voluntary arbitrators, in a decision dated October 18, 2001, upheld respondent's prerogative to change the work schedule of regular monthly-paid employees under Section 2, Article XI, of the CBA. Petitioner moved for reconsideration but the panel denied the motion.

Dissatisfied, petitioner then appealed the panel's decision to the *CA in CA-G.R. SP No. 69240*. In the herein assailed decision of December 17, 2004, the CA upheld that of the panel and denied petitioner's subsequent motion for reconsideration via its equally challenged resolution of April 4, 2005.