



Republic of the Philippines  
Supreme Court  
Manila

SUPREME COURT OF THE PHILIPPINES  
PUBLIC INFORMATION OFFICE

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**BUREAU OF CUSTOMS  
EMPLOYEES ASSOCIATION  
(BOCEA), REPRESENTED BY  
ITS NATIONAL PRESIDENT  
MR. ROMULO A. PAGULAYAN,**  
*Petitioner,*

**G.R. No. 205836,**

**Present:**

GESMUNDO, C.J.,  
LEONEN,  
CAGUIOA,  
HERNANDO,  
LAZARO-JAVIER,  
INTING,  
ZALAMEDA,  
LOPEZ, M.,  
GAERLAN,  
ROSARIO,  
LOPEZ, J.,  
DIMAAMPAO,  
MARQUEZ,  
KHO, and  
SINGH, JJ.

- versus -

**HON. ROZZANO RUFINO B.  
BLAZON (IN HIS CAPACITY AS  
COMMISSIONER, BUREAU OF  
CUSTOMS), HON. CESAR V.  
PURISIMA (IN HIS CAPACITY  
AS SECRETARY OF FINANCE),  
HON. MAR A. ROXAS (IN HIS  
CAPACITY AS FORMER  
SECRETARY OF THE  
DEPARTMENT OF  
TRANSPORTATION AND  
COMMUNICATIONS), HON.  
JOSEPH EMILIO A. ABAYA (IN  
HIS CAPACITY AS  
INCUMBENT SECRETARY OF  
THE DEPARTMENT OF  
TRANSPORTATION AND  
COMMUNICATIONS),**

*Respondents.*

**Promulgated:**

July 12, 2022

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**DECISION**

**ROSARIO, J.:**

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This is a Petition for *Certiorari*, Prohibition and Injunction with Application for the Issuance of a Temporary Restraining Order<sup>1</sup> filed by the Bureau of Customs Employees Association (BOCEA). The petition seeks to invalidate the following administrative issuances relating to policies on the payment of overtime work rendered by personnel of the Bureau of Customs (BOC), to wit:

1.1.1. *Customs Administrative Order (CAO) No. 7-2011*,<sup>2</sup> issued on 15 July 2011, prescribing the official hours of work at the Ninoy Aquino International Airport and other international airports of entry; providing a shifting schedule of three 8-hour shifts for continuous 24-hour service; and stating the policy on night-shift differential pay.

1.1.2. *Memorandum*,<sup>3</sup> dated 3 August 2012 issued by the Secretary of Finance Cesar V. Purisima (Secretary Purisima) addressed to BOC Commissioner Rozzano Rufino Biazon (Commissioner Biazon), (1) informing him that the 24/7 shifting schedule should be implemented not only in the NAIA and other international airports, but also in the seaports and other areas pursuant to service contracts and other arrangements to avoid charging overtime pay; (2) requiring him to issue the appropriate customs administrative order (CAO) expressly prohibiting any BOC personnel from charging overtime pay against private entities because any overtime pay shall be paid by the national government using government rates; and (3) prohibiting any personnel from accepting any direct or indirect payment from private entities for overtime work, including meals or transportation.

1.1.3. *Memorandum*,<sup>4</sup> dated 10 August 2012, issued by BOC Commissioner Biazon addressed to all customs collectors, reiterating the 24/7 shifting schedule and stating that effective immediately, the BOC – applying government rates – shall pay any overtime work rendered by its personnel. The memorandum also stated that the BOC shall stop charging overtime pay against private entities at all airports, seaports and all other facilities effective 1 August 2012.

1.1.4. *Customs Memorandum Circular*<sup>5</sup> (CMC) No. 195-2012, dated 28 August 2012, issued by Commissioner Biazon addressed to all deputy commissioners, directors, division chiefs, collectors, officials and employees of the BOC, informing them that the 24/7 shifting schedule is being implemented to avoid rendering overtime work in response to the complaint of airline companies that they are paying for the overtime work rendered by government personnel assigned to customs, immigration and quarantine.

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<sup>1</sup> *Rollo*, pp. 3-56.

<sup>2</sup> *Id.* at 57-59.

<sup>3</sup> *Id.* at 67.

<sup>4</sup> *Id.* at 68.

<sup>5</sup> *Id.* at 69.

### Antecedent Facts

On 7 March 2013, BOCEA filed the instant petition seeking to invalidate the foregoing administrative orders, circulars and memoranda issued by the Department of Finance and the Bureau of Customs, which put an end to the long practice of Customs employees charging overtime pay against private airlines and other private entities served.

On the basis of their assertion that the discontinuance of the practice of charging private entities for overtime work has “worsened the situation of the already economically dislocated customs personnel,”<sup>6</sup> petitioners posit that the assailed administrative issuances are unconstitutional, patently illegal and issued with grave abuse of discretion. Claiming that they have no other plain, speedy and adequate remedy in the ordinary course of law, petitioners seek direct recourse to the Court through the instant petition for *certiorari*, prohibition and injunction.

In particular, BOCEA cites the following grounds in support of its petition:

- I. CAO 7-2011 AND THE SUBSEQUENT MEMORANDA ISSUED BY RESPONDENTS SECRETARY PURISIMA AND COMMISSIONER BIAZON ARE UNCONSTITUTIONAL AND PATENTLY ILLEGAL AS THEY VIOLATE SECTION 1, ARTICLE VI OF THE 1987 CONSTITUTION AND RESPONDENTS’ LACK OF AUTHORITY TO ISSUE THE DIRECTIVES CONTAINED IN THE MEMORANDA.
- II. CAO 7-2011 AND THE ASSAILED ISSUANCES ARE UNCONSTITUTIONAL AND PATENTLY ILLEGAL AS THEY VIOLATE SECTION 29(1) ARTICLE VI OF THE 1987 CONSTITUTION.
- III. THE ASSAILED ISSUANCES ARE PATENTLY ILLEGAL AS THEY ARE REPUGNANT TO SECTION 3506 OF THE TARIFFS (*sic*) AND CUSTOMS CODE OF THE PHILIPPINES (TCCP).
- IV. THE ASSAILED ISSUANCES ARE UNCONSTITUTIONAL AND PATENTLY ILLEGAL FOR BEING CONTRARY TO LABOR LAWS.
- V. CAO 7-2011 AND THE SUBSEQUENT ISSUANCES BY RESPONDENTS PURISIMA AND BIAZON ARE PATENTLY ILLEGAL AND ULTRA VIRES FOR BEING ISSUED WITH GRAVE ABUSE OF DISCRETION AND WITHOUT DUE PROCESS.<sup>7</sup>

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<sup>6</sup> Id. at 5.

<sup>7</sup> Id. at 22-23.

In its Comment,<sup>8</sup> filed on 16 April 2013, respondents, through the Office of the Solicitor General, counter that:

1.1.I. THE FILING OF THE PETITION FOR CERTIORARI AND PROHIBITION, ASSAILING THE EXECUTIVE OR ADMINISTRATIVE ACTS OF PUBLIC RESPONDENTS IS PROCEDURALLY INFIRM, HENCE, THE SAME SHOULD BE DISMISSED OUTRIGHT.

1.1.II. THE ASSAILED ADMINISTRATIVE ISSUANCES WERE VALIDLY AND PROPERLY ISSUED BY PUBLIC RESPONDENTS IN ACCORDANCE WITH THEIR ADMINISTRATIVE AUTHORITY OVER THE PERSONNEL OF THE BUREAU OF CUSTOMS.<sup>9</sup>

### The Issues

Presented for the Court's consideration are the following issues: (1) whether the instant petition seeking direct recourse to the Supreme Court *via* the instant petition for *certiorari*, prohibition and injunction is proper; and (2) whether respondents committed grave abuse of discretion in issuing the assailed administrative orders and memoranda laying down a policy of 24/7 shifting and of charging overtime work for Customs employees only against the government and not against private entities or airline companies.

*The expanded certiorari jurisdiction of the Court was properly invoked.*

In seeking direct recourse to the Court *via* a petition for *certiorari*, prohibition and injunction under Rule 65 of the Rules of Court, petitioners' choice of remedy to question the validity of the assailed administrative issuances falls under the Court's expanded *certiorari* jurisdiction brought about after 1987, when the new Constitution "expanded" the scope of judicial power by providing in the second paragraph of Section 1, Article VIII that:

"Judicial power includes the duty of the courts of justice to settle actual controversies involving rights which are legally demandable and enforceable, and to determine *whether or not there has been a grave abuse of discretion amounting to lack or excess of jurisdiction on the part of any branch or instrumentality of the Government.*"<sup>10</sup> [Emphases supplied]

In *Francisco v. The House of Representatives*,<sup>11</sup> We recognized that this expanded jurisdiction was meant "to ensure the potency of the power of judicial review to curb grave abuse of discretion by 'any branch or

<sup>8</sup> Id. at 156-202.

<sup>9</sup> Id. at 162.

<sup>10</sup> CONSTITUTION, Art. VIII, Sec. 1, par. (2).

<sup>11</sup> 460 Phil. 830 (2003).

instrumentalities of government.”<sup>12</sup> Thus, for the first time in its history, the second paragraph of Article VIII, Section 1 engraved into black letter law the “expanded *certiorari* jurisdiction” of this Court, whose nature and purpose had been provided in the sponsorship speech of its proponent, former Chief Justice and Constitutional Commissioner Roberto Concepcion, as follows:

*“Briefly stated, courts of justice determine the limits of power of the agencies and offices of the government as well as those of its officers. In other words, the judiciary is the final arbiter on the question whether or not a branch of government or any of its officials has acted without jurisdiction or in excess of jurisdiction, or so capriciously as to constitute an abuse of discretion amounting to excess of jurisdiction or lack of jurisdiction. This is not only a judicial power but a duty to pass judgment on matters of this nature.*

*This is the background of paragraph 2 of Section 1, which means that the courts cannot hereafter evade the duty to settle matters of this nature, by claiming that such matters constitute a political question.”<sup>13</sup>*  
(Italics in the original, emphasis supplied)

This expanded *certiorari* jurisdiction of the courts is in contrast to the concept of *certiorari* under Rule 65 as a “supervisory writ whose function is to keep inferior courts and quasi-judicial bodies within the bounds of their jurisdiction.”<sup>14</sup>

Thus, even though respondents in this case were exercising quasi-legislative – *not* judicial or quasi-judicial – powers in issuing the assailed administrative orders, memoranda and memorandum circulars, a petition for *certiorari*, prohibition and injunction is the appropriate remedy to question the assailed issuances under the Court's expanded *certiorari* jurisdiction.

*Limitations on the expanded certiorari jurisdiction of the courts; exception.*

Even when the expanded *certiorari* jurisdiction of the courts is properly invoked, the petition must still be filed with the lowest court of concurrent jurisdiction, following *the principle of hierarchy of courts*.

As the Court, speaking through Justice Arturo Brion, held in *Association of Medical Clinics for Overseas Workers, Inc. vs. GCC Approved Medical Centers Association, Inc. (Association of Medical Clinics)*,<sup>15</sup> even if the expanded jurisdiction of the courts is brought into play based on the express wording of the Constitution and constitutional implications may be

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<sup>12</sup> Id. at 883.

<sup>13</sup> Id. at 908, *citing* I Record of the Constitutional Commission 434-436 (1986).

<sup>14</sup> *Gomez v. People*, G.R. No. 216824, November 10, 2020.

<sup>15</sup> 802 Phil. 116 (2016).

involved (such as grave abuse of discretion because of plain oppression or discrimination), a petition for *certiorari*, prohibition and injunction must still be filed with the lowest court of concurrent jurisdiction, in this case, the Court of Appeals, unless the court highest in the hierarchy grants exemption.<sup>16</sup>

In *Rosales et al. vs. Energy Regulatory Commission*,<sup>17</sup> the Court had occasion to point out that a petition for *certiorari*, prohibition and injunction should be filed in the Court of Appeals, which may entertain a petition for *certiorari* whether or not the same is in the exercise of its appellate jurisdiction.<sup>18</sup> In failing to do so, the principle of hierarchy of courts is violated.

Citing *Kalipunan ng Damayang Mahihirap, Inc. vs. Sec. Robredo*,<sup>19</sup> the Court in *Rosales* stated:

“x x x The petitioners appear to have forgotten that the Supreme Court is a court of last resort, not a court of first instance. The hierarchy of courts should serve as a general determinant of the appropriate forum for Rule 65 petitions. The concurrence of jurisdiction among the Supreme Court, Court of Appeals and the Regional Trial Courts to issue writs of *certiorari*, prohibition, *mandamus*, *quo warranto*, *habeas corpus* and injunction does not give the petitioners the unrestricted freedom of choice of forum. By directly filing Rule 65 petitions before us, the petitioners have unduly taxed the Court's time and attention which are better devoted to matters within our exclusive jurisdiction. Worse, the petitioners only contributed to the overcrowding of the Court's docket. We also wish to emphasize that the trial court is better equipped to resolve cases of this nature since this Court is not a trier of facts and does not normally undertake an examination of the contending parties' evidence.”<sup>20</sup>

Further, petitioners should have first *exhausted their administrative remedies* prior to seeking judicial recourse through the expanded *certiorari* jurisdiction of the courts in order to give the administrative agency an opportunity to correct its mistake, if any.

Said the Court in *Association of Medical Clinics*:<sup>21</sup>

“A basic requirement under Rule 65 is that there be '*no other plain, speedy and adequate remedy found in law*,' which requirement the expanded jurisdiction provision does not expressly carry. Nevertheless, this requirement is not a significant distinction in using the remedy of *certiorari* under the traditional and the expanded modes. The doctrine of exhaustion of administrative remedies applies to a petition for *certiorari*, regardless of the act of the administrative agency concerned, *i.e.*, whether the act

<sup>16</sup> See *id.* at 157-158.

<sup>17</sup> 783 Phil. 774 (2016).

<sup>18</sup> See *Id.* at 792-793.

<sup>19</sup> 739 Phil. 283 (2014).

<sup>20</sup> *Id.* at 291-292.

<sup>21</sup> *Supra* note 15.

concerns a quasi-judicial, or quasi-legislative function, or is purely regulatory.

Consider in this regard that once an administrative agency has been empowered by Congress to undertake a sovereign function, the agency should be allowed to perform its function to the full extent that the law grants. This full extent covers the authority of superior officers in the administrative agencies to correct the actions of subordinates, or for collegial bodies to reconsider their own decisions on a motion for reconsideration. Premature judicial intervention would interfere with this administrative mandate, leaving administrative action incomplete; if allowed, such premature judicial action through a writ of *certiorari*, would be a usurpation that violates the separation of powers principle that underlies our Constitution.

In every case, remedies within the agency's administrative process must be exhausted before external remedies can be applied. Thus, even if a governmental entity may have committed a grave abuse of discretion, litigants should, as a rule, first ask reconsideration from the body itself, or a review thereof before the agency concerned. This step ensures that by the time the grave abuse of discretion issue reaches the court, the administrative agency concerned would have fully exercised its jurisdiction and the court can focus its attention on the questions of law presented before it.

Additionally, *the failure to exhaust administrative remedies affects the ripeness to adjudicate the constitutionality of a governmental act, which in turn affects the existence of the need for an actual case or controversy for the courts to exercise their power of judicial review.* The need for ripeness - an aspect of the timing of a case or controversy does not change regardless of whether the issue of constitutionality reaches the Court through the traditional means, or through the Court's expanded jurisdiction. In fact, separately from ripeness, one other concept pertaining to judicial review is intrinsically connected to it; the concept of a case being moot and academic.

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In these lights, a constitutional challenge, whether presented through the traditional route or through the Court's expanded jurisdiction, requires compliance with the ripeness requirement. In the case of administrative acts, ripeness manifests itself through compliance with the doctrine of exhaustion of administrative remedies.<sup>22</sup> (Emphasis and italics in the original, citations omitted)

In this case, the exhaustion of administrative remedies should have started by seeking reconsideration or review of the assailed administrative issuances from the Commissioner of Customs, followed by an appeal to the Secretary of Finance. In case of an adverse decision, the petitioners could have elevated the same to the Office of the President, which is the ultimate source of executive authority over the Bureau of Customs (BOC). Resort to

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<sup>22</sup> Id. at 144-147.

the courts begins only after this exhaustion of administrative remedies, by raising the same to the Court of Appeals *via* an appeal under Rule 43, and, eventually, to the Supreme Court *via* a petition for review on *certiorari* under Rule 45.

Nevertheless, considering that the issue of payment of overtime work to Customs employees has been the subject of long debate and repeated litigation, the Court deems it proper to set aside procedural rules and decide the case on the merits.

### **Ruling of the Court**

The petition is partly meritorious.

In a *Memorandum*,<sup>23</sup> dated 31 July 2012, addressed to former President Benigno S. Aquino III by Mr. Cesar V. Purisima, then-Secretary of Finance, it was reported that after discussion with airline companies and consultation with other executive departments, such as the Department of Budget and Management, Department of Agriculture, Department of Health, Department of Justice, Department of Tourism, Department of Transportation and Communications, Department of Trade and Industry, the Philippine Economic Zone Authority, Bureau of Immigration, BOC, and the MIAA, they came to recognize that the payment by airline companies and other private entities of overtime pay rendered by government personnel was “*a deterrent to the tourism industry*,”<sup>24</sup> and was, as well, an “*irregular activity*.”<sup>25</sup>

In response to the situation, and upon instructions of then President Benigno C. Aquino, III, respondents came up with the administrative issuances assailed in this case. Respondents' two-part solution was *first*, to enforce three 8-hour shifts to limit overtime work; and *second*, to stop charging airline companies and other private entities served for overtime work rendered, which was to be charged, instead, against the national government.

*The ordinance-making power of the Executive was validly exercised.*

We hold that the first part of respondents' solution requiring Customs employees to render three 8-hour shifts for a continuous 24-hour service, and to limit the hours of overtime rendered to weekends and holidays, was a valid and reasonable exercise of the ordinance-making power of the Executive. Thus, CAO No. 7-2011, issued on 15 July 2011, by Commissioner Biazon, prescribing the official hours of work at the Ninoy Aquino International Airport and other international airports, providing a shifting schedule of three

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<sup>23</sup> *Rollo*, pp. 62-64.

<sup>24</sup> *Id.* at 62.

<sup>25</sup> *Id.* at 63.

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8-hour shifts for continuous 24-hour service, and stating the policy on night-shift differential pay is valid.

As explained by the Court in *Province of Pampanga vs. Executive Secretary Alberto Romulo et al.*,<sup>26</sup> “the President's inherent ordinance-making power is not a delegated authority from the legislature, but is a consequence of executive control over officials of the executive branch. In the exercise of executive control, the President has the inherent power to adopt rules and regulations and delegate this power to subordinate executive officials.”<sup>27</sup> Hence, We find the instructions to limit overtime work through a shifting schedule to be valid, reasonable, and not violative of any legal provision.

*The assailed administrative issuances contravened Section 3506 of the Tariff and Customs Code of the Philippines (TCCP).*

The second part of the respondents' solution, however, mandating that airline companies and private entities be exempted from paying overtime work rendered by Customs employees, was contrary to jurisprudence applying the provisions of the Tariff and Customs Code in force at the time.

Section 3506 of the TCCP provided:

Section 3506. *Assignment of Customs Employees to Overtime Work.* - Custom employees may be assigned by a Collector to do overtime work at rates fixed by the Commissioner of Customs when the service rendered is to be paid for by importers, shippers or *other persons served*. The rates to be fixed shall not be less than that prescribed by law to be paid to employees of private enterprise. (Emphasis supplied)

In *Carbonilla et al. vs. Board of Airline Representatives et al.*, (*Carbonilla*)<sup>28</sup> the Court upheld the completeness and sufficiency of Section 3506 in delegating the power to the Commissioner of Customs to (1) determine who may be assigned to do overtime work, and to (2) fix the rate of overtime pay, *provided it is not less than that paid to employees of private enterprises*. Said the Court at that time –

“Contrary to the ruling of the Court of Appeals, Section 3506 of the TCCP complied with these requirements. The law is complete in itself that it leaves nothing more for the BOC to do: it gives authority to the Collector to assign customs employees to do overtime work; the Commissioner of Customs fixes the rates; and it provides that the payments shall be made by the importers, shippers or other persons served. Section 3506 also fixed the standard to be followed by the Commissioner of Customs when it provides

<sup>26</sup> GR. No. 195987, 12 January 2021.

<sup>27</sup> *Id.*

<sup>28</sup> 673 Phil. 413 (2011).

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that the rates shall not be less than that prescribed by law to be paid to employees of private enterprise.”<sup>29</sup>

Moreover, the Court in *Carbonilla* held that airline companies are included among the persons liable to pay overtime for services rendered by Customs employees, but all taxpayers – represented by national government funds – are not liable to pay such overtime because not all taxpayers fit into the category of “other persons served.” On that point, the Court in *Carbonilla* said –

“x x x If the overtime pay is taken from all taxpayers, even those who do not travel abroad will shoulder the payment of the overtime pay. If the overtime pay is taken directly from the passengers or from the airline companies, only those who benefit from the overtime services will pay for the services rendered. Here, Congress deemed it proper that the payment of overtime services shall be shouldered by the 'other persons served' by the BOC, that is, the airline companies. This is a policy decision on the part of Congress that is within its discretion to determine. Such determination by Congress is not subject to judicial review.”<sup>30</sup>

In exempting airline companies and private entities from paying overtime work rendered by Customs employees and in stating that such overtime shall be shouldered in full only by the national government using government rates, respondents went beyond the intention of the law prevailing at that time and contravened the Court's ruling in *Carbonilla*.

*Section 3506 of the TCCP has been repealed by Section 1508, RA 10863.*

That being said, We now find that events have overtaken us because on 30 May 2016, three years after the instant case was filed, Congress enacted RA 10863<sup>31</sup> adopting the very policy on overtime pay set forth in the administrative issuances assailed in the instant case. This new law repealing portions of the TCCP, including Section 3506, took effect on 16 June 2016, fifteen days after the completion of its publication in *The Manila Bulletin*.<sup>32</sup>

On the matter of overtime pay, Section 1508 of RA 10863 now provides that:

“SEC. 1508. *Customs Service Fees.* – Customs personnel may be assigned by a District Collector to render *overtime work* and other customs services and *shall be paid* for such services *by the Bureau, according to service fees fixed by the Commissioner and approved by the Secretary of Finance.* The Bureau may charge additional customs service fees when

<sup>29</sup> Id. at 441.

<sup>30</sup> Id. at 440.

<sup>31</sup> Entitled “ACT MODERNIZING THE CUSTOMS AND TARIFF ADMINISTRATION,” otherwise known as the “CUSTOMS MODERNIZATION AND TARIFF ACT” (CMA), approved May 30, 2016.

<sup>32</sup> See <https://tariffcommission.gov.ph/about>, accessed on 17 May 2022.

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applicable, subject to the rates prescribed under existing rules and regulations.” (Emphasis supplied)

Section 1508 of RA 10863 differs from Section 3506 of the TCCP in the following aspects: (1) overtime work shall now be paid by the Bureau of Customs, and no longer by “importers, shippers or other persons served;” (2) the rate of service fees, including overtime pay, as fixed by the Commissioner of Customs explicitly requires approval by the Secretary of Finance; (3) the provision in Section 3506 of the TCCP stating that overtime pay in the Bureau of Customs should not be lower than that paid to employees in private enterprises no longer appears in Section 1508 of RA 10863; and (4) Section 1508 contains a catch-all provision allowing the payment of additional service fees whenever applicable.

The new provisions of RA 10863 on overtime pay and other rules were adopted by Congress to protect and enhance government revenue, institute fair and transparent customs and tariff management that will efficiently facilitate international trade, prevent and curtail any form of customs fraud and illegal acts, and modernize customs and tariff administration consistent with international standards and customs best practices.<sup>33</sup> This shift in policy was made in response to the times, and was within the sound discretion of Congress to make. It is not subject to judicial review. Thus, the second part of respondents' response to the problem of overtime pay was legalized by RA 10863, starting with its effectivity date on 16 June 2016.

In sum, the Court rules that respondents validly exercised the ordinance-making authority of the Executive to control work within the Bureau of Customs when they limited overtime work by implementing a shifting schedule through CAO No. 7-2011.

On the other hand, respondents committed grave abuse of discretion correctible by *certiorari* when they prohibited Customs employees from collecting overtime pay from airline companies and other private entities prior to the effectivity of RA 10863 on 16 June 2016. It was only on such date when overtime work rendered by Customs employees became payable by the Bureau itself. Prior to 16 June 2016, the private airlines and other private entities served should have paid such overtime work actually rendered at rates not lower than those paid to employees of private enterprises, in accordance with Section 3506 of the Tariff and Customs Code.

*The resulting prejudice or injury, if any, requires the presentation of evidence and cannot be adjudicated by the Supreme Court in the instant petition.*

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<sup>33</sup> RA 10863, Sec. 101.

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Because of the assailed administrative issuances, the national government was prejudiced to the extent of the overtime work it paid during the said four-year period. On the other hand, since their overtime work during the four-year period was already paid, albeit by the national government, Customs employees were prejudiced only to the extent of the difference – *if any* – between overtime rates in private enterprises and overtime rates actually paid to them by the Bureau during that time. In any event, these matters are best addressed to the trial courts because they entail the submission of evidence and the Supreme Court is not a trier of facts.

**WHEREFORE**, the petition is **PARTIALLY GRANTED**. *Customs Administrative Order (CAO) No. 7-2011*, issued on 15 July 2011, prescribing the official hours of work at the Ninoy Aquino International Airport and other international airports, providing a shifting schedule of three 8-hour shifts for continuous 24-hour service, and stating the policy on night-shift differential pay is **DECLARED VALID**, until superseded by a later order.

For the period starting from their date of effectivity on 1 August 2012 until the date of effectivity of Republic Act No. 10863 on 16 June 2016, the following administrative issuances are **DECLARED INVALID**: (1) *Memorandum*, dated 3 August 2012, issued by the Secretary of Finance Cesar V. Purisima; (2) *Memorandum*, dated 10 August 2012, issued by Customs Commissioner Rufino B. Biazon; and (3) *CMC No. 195-2012*, dated 28 August 2012, issued by Customs Commissioner Rufino B. Biazon.

Prior to 16 June 2016, overtime work rendered by the personnel of the Bureau of Customs should continue to be paid by importers, shippers or other entities served, including private airlines, in accordance with the laws in force and the jurisprudence applicable at that time. Any resulting monetary prejudice to the government or to petitioners is essentially evidentiary in nature and must be raised in the proper administrative and/or judicial proceeding.

**SO ORDERED.**

  
**RICARDO R. ROSARIO**  
Associate Justice

**WE CONCUR:**



**ALEXANDER G. GESMUNDO**  
Chief Justice



**MARVIC MARIO VICTOR F. LEONEN**  
Senior Associate Justice




**ALFREDO BENJAMIN S. CAGUIOA**  
Associate Justice



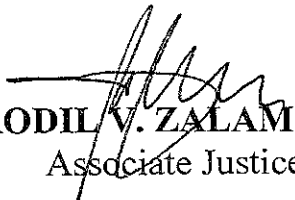
**RAMON PAUL L. HERNANDO**  
Associate Justice



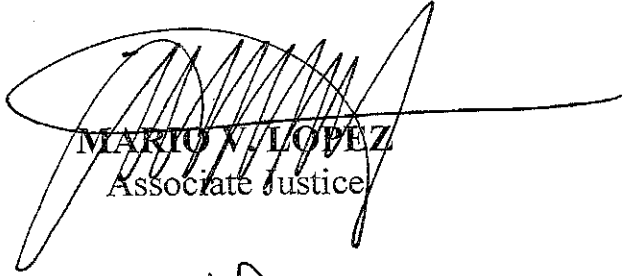
**AMY C. LAZARO-JAVIER**  
Associate Justice



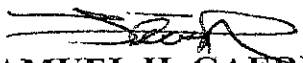
**HENRI JEAN PAUL B. INTING**  
Associate Justice




**RODIL V. ZALAMEDA**  
Associate Justice



**MARIO V. LOPEZ**  
Associate Justice



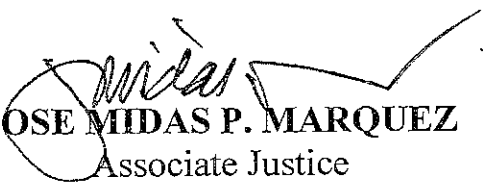
**SAMUEL H. GAERLAN**  
Associate Justice




**JHOSEP V. LOPEZ**  
Associate Justice



**JAPAR B. DIMAAMPAO**  
Associate Justice



**JOSE MIDAS P. MARQUEZ**  
Associate Justice



**ANTONIO T. KHO, JR.**  
Associate Justice



**MARIA FILOMENA D. SINGH**  
Associate Justice

**CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution, 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.

  
**ALEXANDER G. GESMUNDO**  
Chief Justice