95 Phil. 761

[G.R. No. L-7594 and 7596. September 08, 1954]

INSUREFCO PAPER PULP & PROJECT WORKERS' UNION, PETITIONER, VS. INSULAR SUGAR REFINING CORPORATION, RESPONDENT.

INSULAR SUGAR REFINING CORPORATION, PETITIONER, VS. HONORABLE COURT OF INDUSTRIAL RELATIONS AND INSUREFCO & PAPER PULP PROJECT WORKERS' UNION, RESPONDENTS.

D E C I S I O N

BAUTISTA ANGELO, J.:

These two cases concern two petitions for review of the decision rendered by the Court of Industrial Relations on December 8, 1953 declaring the strike staged by the members of the Insurefco Papers Pulp & Project Workers' Union hereinafter referred to as Union, on June 14, 1952" unreasonable and illegal and leaving to the discretion of the management of the Insular Sugar Refining Corporation, hereinafter referred to as Company, the dismissal of those responsible therefor as listed in Exhibit "T" appearing on page 554-558 of the record of Case No. 283-V of said court.

The Union interposed the present petition upon the plea that the court committed serious errors in declaring the strike illegal and in authorizing the management of the Company to dismiss the alleged leaders of the Union at its discretion, whereas the Company has likewise appealed because the authority did not include other persons who allegedly had had a direct part in the strike; or are deemed also leaders of the movement.

On June 12, 1952, petitioning Union through its leaders submitted to the Company two sets of economic demands, one for increase in wages,

elimination of the rotation system, and enforcement of check-off, and the other containing proposals with respect to profit-sharing, union representation in the management of the Company and ail option to purchase the refinery. In the morning of June 14, 1952, a third demand was submitted by the Union in which it requested for the immediate cessation of the threats, intimidation, and violence being committed by certain thugs, goons, and gangsters inside the refinery and asking at the same time that gratuities be granted to the laborers incident to the purchase of the refinery.

When said demands were submitted to the Chief of the Finance and Legal Division of the Company, the union delegation was advised that the Acting General Manager of the Company was then absent from Manila and for that reason no action could be taken on these demands until after his return.

On June 14, 1952, at about 11:30 p.m., the members of the Union, without notice or warning, struck causing the stoppage and paralization of the operations of the refinery, said members going even to the extent of picketing the approaches of its compound. Because of this walkout, the Company filed on June 18, 1952 an urgent petition in the Court of Industrial Relations praying that the strike thus staged be declared unjustified and illegal and that the Company be authorized to dismiss those responsible for the strike, which petition was docketed as Case No. 707-V.

The Union having failed to file its answer as required by the regulation, the trial of the case proceeded and the Company was allowed to present its evidence in support of the petition. When the time of the Union came to present its rebuttal evidence, its counsel asked that it be allowed to set up and prove certain special defenses, which request was granted. These defenses are: (1) the maulings and acts of violence committed on members of the Union inside the refinery; (2) the threats, intimidation and violence committed on members of the Union by persons supported, encouraged, and abetted by company officials; and (3) the existence of a company union in the refinery.

After due trial, and the parties had submitted their memoranda, the Court of Industrial Relations rendered decision declaring the strike unjustified and illegal and giving discretion to the management of the Company to dismiss from the service the leaders responsible therefor whose names are listed in Exhibit "T" appearing on pages 554-558 of the record of Case No. 283-V. Both parties, being dissatisfied with the decision, interposed the present petition for review.

Inasmuch as the cases before us concern two petitions for review of a decision of the Court of Industrial Relations which, by their very nature, merely involve questions of law, the facts of this case as found in the decision are deemed undisputed and, for the purposes of the issues herein raised, resort to said facts is sufficient. We would, therefore, quote hereunder the pertinent portion of the decision wherein said facts are outlined:

> "It is clear that Mr. Andres B. Callanta and several others presented exhibits 'B' and 'C, the alleged set of demands, to Mr. Manuel B. Villano, the secretary and treasurer and chief of the Finance and Legal Department of the PHILSUGIN between 3:00 and 4:00 in the afternoon of June 12, 1952 at the office of the PHILSUGIN at 306 Samanillo Building. Mr. Callanta after asking him when the Acting General Manager of the PHILSUGIN could be contacted was told that said Acting General Manager together with the chairman of the Board, (the Board being composed of five members) and two others, were at the time in Bacolod, Negros Occidental, attending a convention of sugar men Mr. Callanta was advised that the Acting General Manager was expected to arrive before June 17 because the usual meetings of the board was every Wednesday and the following Wednesday would be June 18. Mr. Callanta was advised that Exhibits 'B' and 'C, would be submitted to Mr. Oliveros, the Acting General Manager, the moment he arrived from Bacolod. Mr. Villano noticed upon receipt of exhibits 'B' and 'C' that the same were dated March 31, 1952. On Monday morning June 15, 1952, Mr. Villano received from Mr. Santiago, the cashier of the PHILSUGIN, another paper signed by one Mr. Lampino and marked as exhibits 'S' or exhibit '5' and was submitted to Mr. Santiago about 11:00 or 12:00

o'clock, Saturday morning, June 14, 1952. This exhibit prayed for the stopping of the alleged mauling, requested the payment of gratuities to the workers and the information about petty thefts committed by "extras". It can readily be seen that there was no possibility for the General Manager nor the board of directors to consider the so-called demanda between the time they were presented and the declaration of the strike—the strike having been declared about 11:30 p.m. on June 14, 1952. The first official knowledge of the would be strike on that day was when Messrs. Lampino, Robles, Carrera and De Jesus, officers of the union went to the house of one of the key officials of the company, Mr. Dominador Salvador, about 10:30 p.m. urging the latter not to report during his shift that night because there was going to be a strike.

"Exhibit
'S' of petitioner or '5' for respondent which was received as mentioned by the cashier of the company between 11:00 or 12:00 o'clock Saturday on the morning of June 14, 1952, the day that the strike was declared and which respondent considered the same as an ultimatum, mentioned no time or warning of the declaration of strike. The strike was particularly the act of the heads of the barangays whose names appear in exhibit 'T' in Case No. 283-V.

"There was no time to
consider the alleged demands because the General Manager, the chairman of the Board, and two others were in Bacolod, and even when the manager was advised by the Superintendent of the corporation at 5:03 a.m. thru a telegram on June 15 of the declaration of the strike, efforts to locate the General Manager in Bacolod proved futile, perhaps it was because it was Sunday, (Exhibit 'U'). Mr. Callanta, the virtual head of the union, being the president of the U.I.O. mother union of the respondent union, and the person who advised the emissary of the union to serve an ultimatum, knew very well that when he for the very first time on. June 12, 1952, presented demands contained in exhibits 'B' and 'C' the company officials were not in Manila but elsewhere and would be in Manila on June 17, and that the board would meet on June 18. There, was, therefore, no time, for the company thru its duly constituted authority to consider the alleged demands whether to grant or not the

> contents of the three sets of demands presented. Mr. Callanta the man who, presented exhibits 'B' and 'C' a very intelligent young man, know that petitioner is a corporation and its activities are supervised and/or controlled by its board. And while it is true that during the progress of the hearing in court propositions and counter propositions were presented to settle the case amicably in and out of court, and while it is equally true that the corporation eventually turned down every effort of amicable settlement, the same could not be taken as the yard stick to conclude, as respondent claimed, that even if the demands presented were studied and scrutinized by the management within a reasonable time still the same, would be rejected, as in fact they were. Certainly, it is different when a strike is declared before the demands are studied and presented to the authority that has the final say on the matter, from a strike called after the demands have been denied upon their consideration., As in this case, the strike has already, been declared, and the case presented in court. The corporation has, every right to stand by on its prayer that the strike fee declared illegal. For, these reasons, the court considers the strike unreasonable."

The question now to be determined is: Has the Court of Industrial Relations gravely abused its discretion, as claimed, in declaring the strike staged by the members of the; Union unreasonable, unjustified, and illegal?

It appears that the Union, through its leaders and officials submitted to the management of the Company a set of demands urging immediate action. These demands were handed over to the Secretary-Treasurer and Chief of the Finance and Legal Division of the Company on June 12, 1952. At that time the Acting General Manager, together with the Chairman and two members of the Board of Directors, were absent, having gone to Bacolod City, Negros Occidental, to attend a conference of sugar men. The leaders of the Union were advised of this fact and were informed that they; would probably be back on June 17, because the usual meeting of the Board was held every Wednesday and the following Wednesday would be June 18. And in the morning of June

14, 1952, the Union5, also through its leaders, 'submitted another demand regarding certain maulings and acts of violence being committed inside the refinery and requesting that they be stopped. And as no immediate action was taken thereon, but despite the advice given to them that their demands would be submitted to the Acting General Manager immediately upon his arrival from Bacolod City,—the leaders, of the Union caused its members to declare a strike at about midnight of June 14, 1952 thereby causing the stoppage and paralization of the operations of the refinery.

It can readily be seen that the walkout was premature as it was declared without giving to the General Manager, or the Board of Directors of the Company, reasonable time within which to consider and act on the demands submitted by the Union. The nature of the demands was such that no possible action could be taken thereon by the officials to whom they were submitted. They could have only been acted upon by the General Manager, or by the Board of Directors. The former was then in Bacolod, and the latter could not be convened because the chairman and two of its members were also absent. And this fact was well known to the leaders of the Union. In the circumstances,, the only conclusion that can be drawn is that, as found by the lower court, the strike staged by the Union was un- fortunate, as it is ill-considered, considering the great damage caused to the business of the refinery resulting from the complete paralization of its operations. The Court of Industrial Relations, therefore, acted rightly in declaring said strike unjustified and illegal.

One circumstance that should be noted is the fact that a portion of the demands herein involved is but a reaffirmation of the demands that had been submitted by the Union and which were the subject of a previous case between the same parties (Case No. 283-V). This case also gave rise to a similar strike which was resolved by a partial agreement concluded by the parties and wherein, among other things, they included a form of settlement of their labor disputes of the following tenor:

> "VI. That all labor-management disputes shall be

> taken up in a Grievance Committee consisting of 6 members, 3 from the Insurefco and Paper Pulp Project Workers' Union and 3 from the management. This committee shall take charge of investigating any dispute arising between labor and management, after which it shall make its recommendation to the management which shall have the final say on the' matter under consideration. Any matter submitted to the Grievance Committee shall be decided within four days and the management to take action within three days from the receipt of the recommendation of the Grievance Committee except when the matter necessitates the action of the Board, in which case the management should decide the matter within one week from the receipt of the recommendation of the Grievance Committee." (Exhibits 'D', 'D-1' and 'E').

Note that the above form of settlement covers all disputes that might arise between labor and management and was adopted precisely to pave the way for their amicable solution and avert a possible strike on the part of the Union. This agreement received the sanction of the court. But, far from abiding by this form of arbitration, the Union declared the instant strike as already pointed out. This infringement constitutes a further justification for the decision reached by the court *a quo*: As this court has aptly said: "Strikes held in violation of the terms contained in a collective bargaining agreement are illegal especially when they provide for conclusive arbitration clauses. These agreements must be strictly adhered to and respected if their ends have to be achieved." (Liberal Labor Union *vs.* Philippine Can Company, 92 Phil., 72.)

It is true that the Union submitted a third demand complaining about certain mauling, threats, or intimidation being committed by certain malefactors inside the refinery, and apparently action on this matter could be taken without awaiting the return of the General Manager or the convening to a session of the Board of Directors, but it should be noted that said demand was submitted at noon of June 14, 1952 and at about midnight of the same day the Union struck. Even granting that such mauling or intimidation really existed, still we believe that the action taken by the Union was unjustified it appearing that it has been

so sudden that it did not give time to the management to make an investigation of the complaint. But the truth is, as found by the Court of Industrial Relations, "there is no proof that the company had any hand in any of the treats, intimidation or mauling incidents as pictured before this court. * * * They ensued out of petty jealousies existing between the two unions in the company— jealousies which were aimed solely at one objective, control by one union." These incidents even reached the local courts and at the time the claim was being considered, they were still pending determination. The court found that this claim is without merit.

The same thing may be said with regard to the claim that the declaration of the strike has become moot in view of the order of the Court of Industrial Relations issued on March 27, 1953 authorizing the partial resumption of the operation of the refinery readmitting to the service all those who took part in the strike, for the simple reason that said order was issued to enable merely the refinery to carry out its commitment to refine a huge quantity of centrifugal sugar. It appears that the order was issued subject to one express condition, that is, that the question of whether the strikers should be allowed to return permanently to work or not should be made subject to the outcome of that case. It is obvious that that order of March 27, 1953 cannot have the effect of declaring moot the question of the legality of the strike which took place on June 14, 1952.

As regards the contention of the Company that the Court of Industrial Relations has failed to include among the leaders whose dismissal was left to the discretion of the management other persons who, as contended, likewise had a direct part in the declaration of the strike, we don't believe necessary to pass upon it it appearing that it involves a question of fact which cannot be taken up in a petition for review. It is a well-settled rule in this jurisdiction that "as long as there is some evidence to support a decision of the Court of Industrial Relations, this court should not interfere, nor modify or reverse it, just because it is not based on overwhelming or preponderant evidence. Its only province is to resolve or pass upon questions of law.'
[Philippine Newspaper Guild *vs.* Evening News, Inc. a R. No. L-2604, April 29, 1950, 47 Off.

Gaz., 86 Phil. 303 Bardwill Bros. *vs.* Philippine Labor Union and Court of Industrial Relations (1940), 70 Phil., 672; Antamok Goldfields Mining *vs.* Court of Industrial Relations and National Labor Union, Inc. (1940) 70 Phil., 340.]

The petitions are dismissed, without pronouncement as to costs.

Paras, C.J., Pablo, Bengzon, Padilla, Montemayor, Reyes, A., Jugo, Concepcion, and *Reyes, J.B.L., JJ.,* concur.

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