

**\*\*Title:\*\*** Manila Oriental Sawmill Co. vs. National Labor Union and Court of Industrial Relations

**\*\*Facts:\*\***

The case revolves around a dispute between Manila Oriental Sawmill Company (“the Company”) and the National Labor Union (“the Union”), involving workers who staged a strike on August 28, 1950. The strike was declared illegal by the Supreme Court on May 24, 1952, in an earlier decision (G.R. No. L-4330), citing an existing agreement between the Company and the United Employees Welfare Association which precluded strikes for a year since its execution on May 4, 1950. Seeking to dismiss and replace the workers involved in the illegal strike, the Company filed a petition on July 30, 1952. Initially, on January 12, 1953, the Court of Industrial Relations granted the petition, but upon the Union’s motion for reconsideration filed on January 21, 1953, the order was reversed on July 3, 1953. The reversal was based on the premise that since the Company requested the Court to order the strikers back to work during the legality hearings, without explicitly reserving its right to dismiss them pending the legality decision, it could no longer do so after the strike was declared illegal.

**\*\*Issues:\*\***

1. Whether the Company reserved its right to dismiss the strikers upon the strike being declared illegal, despite ordering them back to work during the legality hearings.
2. Whether the Court of Industrial Relations erred in reversing its initial decision to grant the Company’s petition to dismiss the workers involved in the illegal strike.

**\*\*Court’s Decision:\*\***

The Supreme Court granted the petition for certiorari, finding that the Company indeed reserved its right to dismiss the workers if the strike was declared illegal. This reservation was explicitly mentioned in the Company’s urgent motion for the workers to return to work during the legality hearings. Therefore, the Court reversed and set aside the July 3, 1953 resolution of the Court of Industrial Relations and upheld the Company’s right to dismiss the workers who participated in the illegal strike, imposing the costs against the National Labor Union.

**\*\*Doctrine:\*\***

The decision established or reiterated the doctrine that an employer can dismiss workers participating in an illegal strike, provided that the employer expressly reserves the right to do so during the judicial proceedings concerning the legality of the strike.

**\*\*Class Notes:\*\***

- **\*\*Illegal Strike:\*\*** A strike is illegal if it contravenes existing labor agreements or laws applicable at the time of the strike.
- **\*\*Reservation of Rights:\*\*** An employer can reserve the right to take disciplinary actions, including dismissal, against strikers pending the resolution of the legality of a strike.
- **\*\*Judicial Proceedings:\*\*** Judicial orders, motions, and decisions during the legality hearings of a strike can heavily influence the outcome and subsequent rights of both employers and employees.

**\*\*Historical Background:\*\***

This case underscores the legal and procedural complexities surrounding labor disputes, strikes, and the dynamics of employer-employee relations during the mid-20th century in the Philippines. It highlights the importance of clear agreements, the role of judicial orders in labor disputes, and the procedural strategies employed by employers in preserving their rights to manage and discipline their workforce in the face of illegal strikes.