

### Title: Norton & Harrison Co. & Jackbuilt Concrete Blocks Co. Labor Union (NLU) vs. Norton & Harrison Co. & Jackbuilt Concrete Blocks Co., Inc. and Alberto Golden

### Facts:

Jaime Arcaina, employed since 1953 by Norton & Harrison Co. & Jackbuilt Concrete Blocks Co., served as the president of the company's labor union from September 1956 to September 1957. During his presidency, he pursued several unmet demands of the union. On May 24, 1958, Arcaina, claiming he had no explicit denial from his supervisor, left work early, leading to his dismissal by Manager Alberto Golden on May 26, 1958, for alleged unauthorized departure and insubordination. The union, under President Jorge Dakila, requested Arcaina's reinstatement, and failing negotiations led to a strike on July 29, 1958. The company refused to rehire about 300 strikers in October 1958, employing replacements instead. The case was brought to the Court of Industrial Relations (CIR), which initially ordered Arcaina's reinstatement with back wages, a decision reversed by the CIR en banc citing just cause for dismissal and classifying the strike as economic rather than an unfair labor practice strike. The union appealed the en banc resolution to the Supreme Court.

### Issues:

1. Whether Arcaina's dismissal constituted unfair labor practice.
2. Whether the strike was an unfair labor practice strike, entitling Arcaina and the strikers reinstatement with back wages.
3. The applicability and adherence to the collective bargaining agreement's stipulated procedures for dismissal.
4. The classification of the strikers' status and rights following the strike and the company's refusal to reinstate them.

### Court's Decision:

The Supreme Court reversed the resolution of the CIR en banc, ruling that:

1. Arcaina's dismissal, conducted without a fair hearing as required by the stipulated procedure in the collective bargaining agreement, led the union to reasonably believe it was predicated upon his union activities, thus constituting unfair labor practice in good faith belief.
2. The strike was a response to perceived unfair labor practices, adhering to the belief that the company was undermining union activities, thus not illegal, maintaining the strikers' status as employees.
3. Arcaina and the strikers are entitled to reinstatement but without back wages; the time without employment suffices as penalty for Arcaina, and replacing workers during the strike

assumed the risks associated with the dispute's outcome.

### ### Doctrine:

The case reiterates that swift dismissals without adherence to stipulated procedural requirements in collective bargaining agreements can lead to a reasonable belief of unfair labor practices. A strike in response to such perceptions, even if retrospectively the company's actions do not constitute unfair labor practices strictly speaking, does not inherently terminate the employment status of the strikers. The decision emphasizes the importance of fair hearing processes and the nuanced interpretation of strikes within labor disputes.

### ### Class Notes:

- **Unfair labor practice (ULP):** Actions by employers or unions that violate employees' rights and their union's existence.
- **Collective bargaining agreement (CBA) adherence:** Mandatory adherence to procedures stipulated in a CBA is critical, especially regarding disciplinary actions.
- **Strike classifications:** Differentiates between an economic strike and a ULP strike, based on the cause and the nature of the demands leading to the strike.
- **Reinstatement without backpay:** When employees are unjustly dismissed but found not entirely free of fault, they can be entitled to reinstatement without back wages, acknowledging both the unjust dismissal and the employee's contributory actions.
- **Legal statutes or provisions cited:**
- The importance of fair hearing and procedure in dismissals as part of labor law principles.
- The right to strike and its classification based on underlying reasons.

### ### Historical Background:

This case underscores the labor tensions and the evolving legal framework for labor relations in the Philippines during the mid-20th century. It showcases the judiciary's role in balancing the rights and obligations of workers and employers within the changing socio-economic landscape, highlighting the complex interplay between union activism, management prerogatives, and legal interpretations of labor practices.