

Title: Philippine Steam Navigation Co. vs. Philippine Marine Officers Guild, et al.

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

The case involves a dispute between the Philippine Steam Navigation Co., Inc. (PHILSTEAM), an inter-island shipping company headquartered in Cebu City with 16 vessels, and the Philippine Marine Officers Guild (PMOG), a labor union representing some of PHILSTEAM's officers. PMOG, affiliated with the Federation of Free Workers (FFW), and the Cebu Seamen's Association (CSA), another labor union representing some of PHILSTEAM's officers, are the respondents.

On June 15, 1954, PMOG submitted a set of demands to PHILSTEAM, seeking collective bargaining. PHILSTEAM requested proof of PMOG's majority representation among its employees. Simultaneously, PHILSTEAM began interrogating and investigating its officers about their affiliation with PMOG. PMOG filed a notice of intention to strike on July 17, 1954, citing PHILSTEAM's refusal to bargain and unspecified unfair labor practices. Despite several conferences mediated by the Department of Labor, no agreement was reached.

PHILSTEAM and CSA eventually signed a collective bargaining agreement on August 24, 1954. On the same day, PMOG declared a strike against PHILSTEAM. The President of the Philippines certified the dispute between the shipping companies and their employees to the Court of Industrial Relations (CIR) on January 14, 1955, due to national interest concerns.

Several cases were filed in the CIR, leading to a joint trial and a single decision on December 23, 1962. The CIR found PHILSTEAM guilty of unfair labor practices, including interrogation of employees to determine PMOG affiliation, vilification of PMOG, and soliciting membership for CSA. The CIR ordered PHILSTEAM to cease these practices and offer reinstatement to striking employees without back pay. PHILSTEAM's motion for reconsideration was denied, leading to the present appeal.

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

1. Whether PHILSTEAM committed acts constituting unfair labor practice.
2. Whether PMOG's strike was illegal.

**\*\*Court's Decision:\*\***

The Supreme Court affirmed the CIR's findings and decision. It held that:

1. PHILSTEAM's interrogation of its employees about their union affiliation, vilification of PMOG, and assistance in CSA membership solicitation constituted unfair labor practices as they interfered with employees' rights to self-organization.

2. PMOG's strike was lawful and justified as it was in retaliation to PHILSTEAM's unfair labor practices. The argument that PMOG was a minority union aiming to compel PHILSTEAM to engage in collective bargaining was rejected due to lack of evidence about union representation majority and the sequence of events leading to the strike.

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

Interrogation of employees regarding union affiliation, when conducted in a manner that hampers free choice, constitutes unfair labor practice. Employers engaging in such interrogation bear the risk of being found guilty of unfair labor practices if the interrogation restrains or interferes with employees' rights to self-organization.

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

1. Unfair Labor Practice: Any employer action that interferes with, restrains, or coerces employees in the exercise of their rights to self-organization is considered an unfair labor practice.
2. Lawful Strike: A strike is considered lawful if it is in retaliation to the employer's unfair labor practices, regardless of whether it leads to the paralysis of the employer's business.
3. Reinstatement Rights: Striking employees are entitled to reinstatement as a matter of right if the strike was due to the employer's unfair labor practice, irrespective of whether replacement workers were hired.

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

The case underscores the ongoing struggle between labor and capital in the Philippines during the mid-20th century. It reflects the efforts of the state, through legislation and constitutional mandates, to achieve social justice by regulating the relationship between labor and capital. The decision reiterates the principle that labor rights, particularly the right to self-organization and collective bargaining, are protected under Philippine law, emphasizing the state's commitment to maintaining industrial peace and the equal footing of labor and capital in industry.