

Title:

National City Bank of New York vs. National City Bank Employees Union: A Study on the Legality of Strike and Reinstatement of Employees

Facts:

The petitioner, The National City Bank of New York, found its employees engaging in a strike on June 11, 1952. The matter was promptly referred to the Court of Industrial Relations by the bank. In response, the court issued an order on the following day, June 12, demanding the strikers to return to work. This order contained a provision that if any worker failed or refused to return, the bank was authorized to replace them. A dispute regarding the legality of the strike ensued and led to a trial.

On January 5, 1953, the Court of Industrial Relations concluded the strike was illegal, ordered the dismissal of the strike leaders yet mandated the readmission of the 51 employees who failed to return to work as per the court's initial directive. The bank sought reconsideration, arguing it had not been offered a chance to present evidence or cross-examine witnesses, but the court en banc affirmed the order. Consequently, the bank filed a petition for certiorari with the Supreme Court, challenging the directive to readmit the said employees.

Issues:

1. Whether the bank was justified in permanently replacing the striking employees.
2. Whether the failure of the bank to allow cross-examination of persons in Court of Industrial Relations' inquiries invalidated the directive for employee reinstatement.

Court's Decision:

The Supreme Court denied the bank's petition. It ruled that the bank's authority to hire new employees was a provisional measure and did not infringe upon the eventual right of the striking employees to return to their positions, contingent upon the court's final judgment on the legality of the strike. The Court acknowledged the recruitment during the strike was a temporary remedy aimed at mitigating the strike's adverse effect on the bank's operations and the public interest. It was determined that the employees' inability to return was due to insurmountable obstacles, including picketing and threats, rather than a lack of desire to work. The inquiries conducted by the Court of Industrial Relations agent, though done without the presence of the bank's representative, were based on contemporaneous events and admissions from the bank itself, thus deemed reliable. Moreover, the Supreme Court highlighted that due process in quasi-administrative bodies like the Court of Industrial

Relations does not invariably require cross-examination. The bank had not shown that a new trial would alter the factual findings, rendering its demand for cross-examination an unnecessary formality.

Doctrine:

This case reiterates the principle that provisional orders given by courts or quasi-administrative bodies, such as those allowing temporary replacement of striking workers, do not establish permanent employment rights for replacements or negate the reinstatement rights of original employees once the legality of a strike is adjudicated. Additionally, it underscores the flexibility of procedural requirements in quasi-administrative proceedings, where strict adherence to courtroom evidentiary standards, including the right to cross-examination, is not absolute.

Class Notes:

1. **Legality of Strike**: The determination hinges on factual circumstances underlying the strike action and the procedural compliance with labor laws.
2. **Reinstatement Rights**: Striking employees have a presumptive right to return to their former positions unless the strike is deemed illegal and their conduct justifies termination.
3. **Provisional Orders**: Measures taken during the pendency of legal proceedings, especially in labor disputes, are temporary and subject to the final determination of the issue at hand.
4. **Quasi-Administrative Procedures**: Bodies like the Court of Industrial Relations are not strictly bound by formal rules of evidence and procedure applicable in regular court proceedings, including the mandatory right to cross-examination.

Historical Background:

In the early post-war era, labor disputes were a significant challenge in the Philippines' path to economic recovery. The case reflects the complexities of labor relations during this period, balancing the need for industrial peace and the rights of workers to engage in collective action. It also exemplifies the evolving role of the Court of Industrial Relations, a quasi-judicial body, in mediating industrial disputes and enforcing labor laws amidst the burgeoning labor movement in the Philippines.