

### Title: Philtread Workers Union vs. Secretary of Labor, et al.

### Facts:

A labor dispute emerged between Philtread Tire Workers Union (PTWU) and Philtread Tire and Rubber Corporation. On May 27, 1994, PTWU filed a notice of strike due to unfair labor practices, specifically union busting and violation of the Collective Bargaining Agreement (CBA). In response, Philtread filed a notice of lockout and a petition to declare the union's work slowdowns illegal. These cases were consolidated, and despite several conciliation meetings, the dispute remained unresolved. Philtread declared a company-wide lockout on June 15, 1994, leading to the dismissal of approximately eighty union members. The union responded with a notice to strike in self-defense. The National Labor Relations Commission (NLRC), on August 15, 1994, declared the slowdowns illegal and deemed the involved union members to have lost their employment. Philtread later requested the Secretary of Labor to assume jurisdiction over the labor dispute, leading to the Secretary's order on September 8, 1994, certifying the dispute for compulsory arbitration and enjoining any strike or lockout actions. The order included directives for all striking workers, except those dismissed or retrenched and compensated, to return to work within 24 hours.

### Issues:

1. Whether Article 263 (g) of the Labor Code, allowing the Secretary of Labor to assume jurisdiction over certain labor disputes, violates the constitutional right to strike.
2. Whether the Secretary of Labor acted with grave abuse of discretion in issuing the orders related to the labor dispute.

### Court's Decision:

The Supreme Court affirmed the order of the Secretary of Labor, holding that Article 263 (g) of the Labor Code does not violate the workers' constitutional right to strike but merely regulates it in cases where national interest is affected. The Court also found that the Secretary of Labor did not act with grave abuse of discretion in issuing the certification for compulsory arbitration as the strike and work slowdowns at Philtread significantly affected the company's operations and the labor dispute was deemed to impact national interest. The discretion of the Secretary of Labor to determine industries indispensable to national interest was upheld, and the intervention in the labor dispute was justified as necessary for the promotion of the common good.

### Doctrine:

The Supreme Court reiterates that the rights granted by the Constitution are not absolute

and are subject to regulation for the promotion of the common good. Specifically, Article 263 (g) of the Labor Code does not infringe upon the workers' right to strike but allows for the intervention of the Secretary of Labor in disputes affecting industries deemed indispensable to the national interest for the purpose of maintaining industrial peace and promoting economic stability.

### Class Notes:

- **Key Legal Provision:** Article 263 (g) of the Labor Code of the Philippines.
- **Essential Concept:** The workers' right to strike is subject to regulation, especially when national interests are at stake. The Secretary of Labor's authority to assume jurisdiction over labor disputes in industries vital to national interest is a regulatory measure rather than an infringement of constitutional rights.
- **Principle:** The assumption of jurisdiction by the Secretary of Labor over certain labor disputes is an exercise of the police power inherent in the state to promote the order, safety, health, morals, and general welfare of society.

### Historical Background:

This case underscores the complex balance between protecting workers' rights and ensuring the broader national interest in the context of labor disputes. It illustrates the government's role in regulating collective labor actions to prevent disruptions that could impact economic stability and public welfare. The decision reflects the judiciary's approach to interpreting the boundaries of constitutional rights in relation to state powers and societal needs.