

Title: Rizal Cement Co., Inc. vs. Rizal Cement Workers' Union (FFW), et al., 109 Phil. 34 (1956)

Facts:

1. **Initial Strike Declaration:** On the evening of May 27, 1956, the Rizal Cement Workers' Union (FFW) declared a strike against Rizal Cement Co., Inc.
2. **Petition for Injunction:** On May 29, 1956, Rizal Cement Co., Inc. filed a petition in the Court of First Instance (CFI) of Manila to enjoin the Union from illegal picketing activities conducted during the strike.
3. **CFI Restraining Order:** Initially, the CFI issued an order restraining the Union from the activities alleged in the petition, finding the petitioner's claims plausible based on the contents of specific paragraphs.
4. **Motion to Dismiss by Respondents (June 1, 1956):** Respondents filed a motion to dismiss, arguing that jurisdiction over labor dispute injunctions under Republic Act No. 875 (RA 875) lies exclusively with the Court of Industrial Relations (CIR).
5. **Petitioner's Argument:** The petitioner contended that even if RA 875 were applicable, CIR's jurisdiction was not intended to be exclusive.
6. **Preliminary Injunction (June 12, 1956):** Following a hearing, the court denied the motion to dismiss and granted a preliminary injunction upon posting a bond of P5,000, referencing *Reyes vs. Tan*.
7. **Motion for Reconsideration (November 20, 1956):** The respondents sought reconsideration, further arguing that the strike was linked to alleged unfair labor practices, thus making the CIR's jurisdiction exclusive.
8. **Certification by President of the Philippines (December 21, 1956):** The labor dispute was certified to the CIR by the President of the Philippines, as stipulated under Section 10 (h) of RA 875.
9. **CFI Decision:** In light of the certification by the President, the CFI sustained the motion to dismiss, dissolved the preliminary injunction, recognized CIR's exclusive jurisdiction, and dismissed the case.
10. **Appeal to the Supreme Court:** Rizal Cement Co., Inc. appealed the CFI's order to the Supreme Court, asserting that the CFI should have retained its jurisdiction.

Issues:

1. **Jurisdiction of the CFI:** Whether the Court of First Instance has jurisdiction to issue an injunction in the context of a labor dispute, given RA 875.
2. **Effect of Certification by the President:** Whether the certification of the labor dispute by the President of the Philippines to the CIR affects the jurisdiction initially exercised by

the CFI.

Court's Decision:

- **On Jurisdiction of the CFI:** The Supreme Court held that under RA 875, the CIR has exclusive jurisdiction over labor disputes involving industries affecting national interest, particularly when such disputes are certified by the President.
- **Effect of Certification by the President:** The Court reinforced that the certification of the labor dispute by the President accordingly divests the CFI of jurisdiction, rendering earlier proceedings void.
- **Citing Precedents:** The decision was bolstered by precedent cases such as Reyes vs. Tan and statutory directives aiming to consolidate labor disputes under the CIR to avoid procedural confusion and expediting resolutions.

Doctrine:

1. **Exclusive Jurisdiction of CIR:** The Court of Industrial Relations holds exclusive jurisdiction over labor disputes when:
 - The labor dispute affects an industry indispensable to national interest.
 - The dispute is certified by the President of the Philippines under Section 10 of Republic Act No. 875.
2. **Impact of Presidential Certification:** The certification of a labor dispute by the President to CIR supersedes any prior jurisdiction exercised by lower courts, necessitating abatement of such proceedings in favor of the CIR.

Class Notes:

- **Key Concepts:**
 1. **Jurisdiction** - Authority of a court to preside over a particular case.
 2. **Preliminary Injunction** - Temporary court order preventing action until a full hearing.
 3. **Unfair Labor Practices** - Employer actions considered unjust against employees under labor laws.
 4. **Republic Act No. 875 (Industrial Peace Act)**: Governs procedures for handling labor disputes in the Philippines.
 5. **Certification by President:** Under RA 875, empowers the President to direct labor dispute cases to CIR for industries critical to national interest.

Historical Background:

- **Labor Industrial Relations Context (1950s):** The Philippines in the 1950s was industrializing, leading to labor unrest and the need for a structured approach to labor

disputes.

- **Legislative Background:** Republic Act No. 875, also known as the Industrial Peace Act, was enacted to manage rising industrial disputes and to delineate jurisdiction over labor matters, emphasizing the role of the CIR.

- **Policy Goals of RA 875:** The Act aimed to centralize labor dispute adjudication within the CIR to foster industrial peace, reduce procedural delays, and ensure efficient resolution mechanisms for labor issues.

This high-profile case serves as a foundational reference for understanding jurisdictional delineations in labor dispute resolutions in the Philippines under the Industrial Peace Act.