

****Title: DY KEH BENG vs. INTERNATIONAL LABOR AND MARINE UNION OF THE PHILIPPINES, et al.****

****Facts:****

****1. Filing of Unfair Labor Practice Charge:****

- Dy Keh Beng, a proprietor of a basket factory, was charged with unfair labor practices under Section 4(a) (1) and (4) of Republic Act No. 875 by dismissing Carlos Solano and Ricardo Tudla for their union activities on September 28 and 29, 1960.
- The charge was filed by the International Labor and Marine Union of the Philippines and Solano and Tudla.

****2. Preliminary Investigation:****

- A preliminary investigation was conducted, and a case was subsequently filed before the Court of Industrial Relations (CIR) on behalf of the Union and the two workers.

****3. Answer by Dy Keh Beng:****

- Dy Keh Beng denied knowing Tudla and claimed Solano was not his employee since Solano worked on a "pakiaw" (piecework) basis and came to the establishment only when there was work.
- Dy Keh Beng also claimed that the head of the labor union, Bienvenido Onayan, attempted to extort money from him.

****4. Findings by the Hearing Examiner:****

- An employee-employer relationship was confirmed between Dy Keh Beng and Solano and Tudla.
- The complainants' work was continuous, except during illness, and they were paid on a piece basis.
- Complainants received around P5.00 a day.

****5. CIR Decision:****

- The CIR decided in favor of Solano and Tudla, ordering Dy Keh Beng to reinstate them with back wages and without loss of seniority.
- The CIR en banc affirmed this decision.

****6. Appeal to the Supreme Court:****

- Dy Keh Beng petitioned the Supreme Court for certiorari, challenging multiple findings of the CIR regarding the employee-employer relationship and the unfair labor practice.

****Issues:****

****1. Employee-Employer Relationship:****

- Whether Solano and Tudla were employees of Dy Keh Beng, within the context of Republic Act 875.

****2. Dismissal of Employees:****

- Whether the dismissal of Solano and Tudla constituted an unfair labor practice due to discrimination stemming from their union activities.

****3. Convincing Nature of Testimonies:****

- Whether the testimonies presented by the complainant union convincingly showed a pattern of discrimination by Dy Keh Beng.

****4. Unfair Labor Practice:****

- Whether Dy Keh Beng committed unfair labor practices as described in the complaint.

****5. Reinstatement and Back Wages:****

- Whether the CIR erred in ordering the reinstatement of Solano and Tudla with back wages from the dates of their dismissals.

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

****1. Issue of Employee-Employer Relationship:****

- The Supreme Court upheld the CIR's finding that Solano and Tudla were employees under the control test, which requires merely the right to control the manner of doing the work, not the actual exercise of control.

****2. Terms of Employment:****

- Despite Dy Keh Beng's claim of pakiaw working arrangement, the Court found that the piece rate was merely a method of compensation.

****3. Unfair Labor Practice:****

- The Court found no error in the CIR's conclusion that the dismissal of Solano and Tudla was indeed due to their union activities, affirming that this constituted an unfair labor practice under Republic Act 875.

****4. Evidence Evaluation:****

- The Supreme Court accorded deference to the CIR's findings, noting that they were

supported by substantial evidence and consistent with the provisions of Section 6 of Republic Act 875.

****5. Modified Award of Back Wages:****

- Considering the significant lapse of time since dismissal, the Court applied Justice Claudio Teehankee's formula, limiting back wages to a maximum of three years without deductions or qualifications, as no mitigating or aggravating circumstances were present.

****Doctrine:****

****1. Control Test:****

- For establishing an employer-employee relationship, control over how work is done, not just end results, suffices.

****2. Substantial Evidence in Labor Cases:****

- Findings of fact by the Court of Industrial Relations are conclusive if supported by substantial evidence.

****Class Notes:****

****Key Elements of Unfair Labor Practice under Republic Act 875:****

****1. Interference with Rights:****

- Interference, restraint, or coercion of employees in the exercise of their rights.

****2. Discrimination:****

- Discrimination in hiring, tenure, or any condition to encourage or discourage union membership.

****Relevant Statutory Provisions:****

- Republic Act 875, Section 4(a) (1) and (4)
- "Employee" and "Employer" definitions under Section 2(d) and Section 2(c) respectively.

****Application in Case:****

- The Court used the definitions and protections under Republic Act 875 to determine that Solano and Tudla's dismissals were discriminatory due to their union activities, thus constituting unfair labor practice.

****Historical Background:****

****1. Labor Movement Context:****

- During the 1960s, labor movements were gaining momentum in the Philippines, prompting protective labor laws like Republic Act 875, known as the Industrial Peace Act, aimed at curbing unfair labor practices and protecting union activities.

****2. Industrialization:****

- The case reflects ongoing struggles and litigation over workers' rights amid the industrial growth of the period, highlighting the evolution of labor jurisprudence in aligning with international norms.