

****Title:****

Nagkahiusang Mamumuo sa PICOP Resources, Inc. – Southern Philippines Federation of Labor (NAMAPRI – SPFL) v. Court of Appeals (Fifth Division) and PICOP Resources, Inc.

****Facts:****

Nagkahiusang Mamumuo sa PICOP Resources Inc., Southern Philippines Federation of Labor (NAMAPRI-SPFL) represents the rank-and-file employees in PICOP Resources, Inc.'s paper mill and plywood manufacturing plants situated in Bislig, Surigao Del Sur, Mindanao. PICOP, owned by Far East Cement Corporation, faced severe financial issues in 1997, leading to a declared temporary shutdown for six months. Suspicious of the shutdown's motives, NAMAPRI-SPFL filed a Notice of Strike and subsequently initiated a strike on January 11, 1998, blocking all access to PICOP's premises. In response, PICOP petitioned for a Temporary Restraining Order (TRO) from the National Labor Relations Commission (NLRC), Cagayan de Oro City, on January 13, 1998, which was granted on January 14, 1998. The union disregarded this TRO, prompting PICOP to file a complaint questioning the strike's legality on January 22, 1998, followed by a petition for Assumption of Jurisdiction with the Department of Labor and Employment (DOLE) on January 27, 1998. The Labor Secretary assumed jurisdiction on January 28, 1998, issuing an order for the lifting of the picket and employees' return to work under existing conditions.

On February 21, 1998, PICOP declared a permanent closure of its plywood operations, effective March 31, 1998, leading to another strike on March 8, 1998. PICOP carried out its permanent closure and dismissed its remaining workers on March 31, 1998. Following submissions of position papers by both parties to DOLE, the Secretary of Labor ruled on September 9, 1999, legitimizing the shutdown and lay-offs while ordering specific separations and benefits provisions. Both parties filed motions for reconsideration, which were denied.

NAMAPRI-SPFL and PICOP filed separate petitions for certiorari with the Court of Appeals (CA) challenging the Labor Secretary's Orders. During this period, NAMAPRI-SPFL moved for a writ of execution to enforce the Labor Secretary's Orders, resulting in the garnishment of PICOP's funds on November 29, 2000. PICOP sought a temporary restraining order from the CA to halt this enforcement. The CA, on March 7, 2001, and July 4, 2001, issued resolutions enjoining the writ of execution and granting a preliminary injunction against NAMAPRI-SPFL. NAMAPRI-SPFL contested these CA resolutions before the Supreme Court through a certiorari petition under Rule 45, which was found procedurally inappropriate.

****Issues:****

1. Did the Court of Appeals commit grave abuse of discretion in issuing the March 7, 2001, and July 4, 2001 resolutions?
2. Was the concurrent filing under both Rule 45 and Rule 65 permissible?

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

1. ****Grave Abuse of Discretion:**** The Supreme Court found no grave abuse of discretion by the CA. The Court underscored that the issuance of a preliminary injunction is within the discretion of the CA. These said orders aimed to maintain the status quo and avoid mootness of the pending petitions before the appellate court. The CA's grant of preliminary injunction upon a substantial bond protected the monetary aspects of the dispute posed by PICOP's appeal.
2. ****Procedural Deficiency - Rule 45 and Rule 65:**** The Court reiterated that a party cannot file a petition under Rule 45 (appeal on questions of law) and Rule 65 (extraordinary writ for grave abuse of discretion) concurrently, as these remedies are mutually exclusive. NAMAPRI-SPFL's approach violated procedural rules, warranting a dismissal of the Rule 45 aspect for addressing interlocutory orders, which are not final judgments.

The Court denied NAMAPRI-SPFL's petition, ruling its certiorari petition premature, as no final judgment from the CA was yet rendered. The issue had become moot and academic following the CA's ultimate decision affirming the Labor Secretary's July 5, 2000 order.

****Doctrine:****

1. A preliminary injunction's issuance is within judicial discretion and is not subject to interference unless there's a clear abuse.
2. Rule 45 and Rule 65 remedies are mutually exclusive, and concurrent filings under these provisions are procedurally defective.
3. Interlocutory orders cannot be appealed under Rule 45; an extraordinary writ under Rule 65 is required for contesting grave abuse in such orders.

****Class Notes:****

- ***Preliminary Injunction*:** Used to preserve the status quo and prevent actions that could render a judgment ineffectual.
- ***Grave Abuse of Discretion*:** Defined as capricious, whimsical exercise of judgment equivalent to lack of jurisdiction.

Relevant Statutes:

- Rule 45, Rules of Court: Appeals jurisdiction over final judgments.
- Rule 65, Rules of Court: Extraordinary writ for grave abuse of discretion in interlocutory orders.

****Historical Background:****

The case reflects industrial relations and labor disputes in late 1990s Philippines, emphasizing financial downtrends in industries and worker strikes during economic challenges. It underscores the procedural complexities in labor conflicts and inter-agency roles involving DOLE, NLRC, and judicial bodies in resolving industrial disputes.