Title:
Royal Interocean Lines vs. Hon. Court of Industrial Relations, Et al.

Facts:
Royal Interocean Lines, a foreign corporation with a branch in Manila, employed Ermidia A. Mariano from January 5, 1932, to October 23, 1953. A strained relationship developed between Mariano and the manager of the Manila Branch, leading Mariano to file a complaint with the managing director in Hongkong, resulting in her dismissal approved by the head office on October 23, 1953. Mariano then charged the petitioner and the manager with unfair labor practice under Republic Act No. 875, section 4(a), subsection 5, at the Court of Industrial Relations. The court found the petitioner guilty and ordered reinstatement with backpay. The petitioner appealed to the Supreme Court on certiorari, challenging the decision.

Procedural Posture:
The procedural journey started when Mariano brought forth an unfair labor practice charge against Royal Interocean Lines and the manager to the Court of Industrial Relations, which ruled in her favor. Subsequently, the company sought relief through certiorari to the Supreme Court of the Philippines, challenging the decision of the lower court on the grounds of misapplication of the relevant legal provisions regarding unfair labor practice.

Issues:
The core issue assessed by the Supreme Court was whether the dismissal of Mariano constituted an unfair labor practice under Republic Act No. 875, specifically section 4(a), subsection 5, given that the complaint she filed was not related to union activities.

Court’s Decision:
The Supreme Court reversed the decision of the Court of Industrial Relations, concluding that Mariano’s dismissal did not fall under the ambit of unfair labor practice as defined under Republic Act No. 875. The Court determined that the charges filed by Mariano were unrelated to union activities and thus did not meet the statutory definition of unfair labor practice, which is primarily focused on protecting employees’ rights to self-organization and collective bargaining without interference from the employer.

Doctrine:
The key doctrine established in this case is the narrow interpretation of what constitutes unfair labor practice with respect to the dismissal of employees. Specifically, for a dismissal

to be considered an unfair labor practice under section 4(a), subsection 5 of Republic Act No. 875, the dismissal must be directly related to the employee's involvement in union activities or their right to self-organization and collective bargaining. Charges or complaints not related to these activities do not qualify.

Class Notes:
– **Unfair Labor Practice (ULP):** To constitute ULP, the employer's action (e.g., dismissal, discrimination) must interfere with, restrain, or coerce employees in the exercise of their rights to self-organization and collective bargaining.
– **Republic Act No. 875, Section 4(a), Subsection 5:** Protects employees from being dismissed or discriminated against for filing charges, giving testimony, or being about to give testimony "under this Act," emphasizing the relation to union activities or self-organization efforts.
– **Employer's Right to Discipline:** Employers retain the right to discipline, hire, or dismiss employees as long as these actions are not used as instruments of discrimination, interference, or oppression related to union activities.

Historical Background:
The case's context is deeply rooted in the labor movement and the legal protections afforded to labor rights in the Philippines. Republic Act No. 875, also known as the "Magna Carta of Labor," was established to protect workers' rights, including self-organization and collective bargaining, following the pattern of the United States National Labor Relations Act, but adapted to local conditions. This case underscores the balance between the rights of employees to organize and the rights of employers to manage and discipline their workforce, within the bounds of the law, to ensure fairness and justice in labor relations.