

**MARCELO RUBBER & LATEX PRODUCTS, INCORPORATED,
PETITIONER, VS. THE HONORABLE COURT OF INDUSTRIAL
RELATIONS, THE UNITED RUBBER WORKERS’ UNION,
ALEJANDRA BUENAVENTURA, TIMOTEO GUT...**

G.R. Nos. L-5735 and L-5747. October 29, 1953

Ponente: MONTEMAYOR, J.

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MONTEMAYOR, J.:

The petitioner Marcelo Rubber & Latex Products, Inc. hereinafter referred to as the Marcelo Rubber, is a domestic corporation with principal office in Malabon, Rizal, engaged in the manufacture of rubber shoes and other rubber goods, and has been employing laborers more than thirty in number who are members of respondent, the United Rubber Workers' Union, hereinafter referred to as the Workers' Union. Respondent Alejandra Buenaventura, Timoteo Gutierrez and Esperanza Tiangco are three of said union laborers.

On January 27, 1949, Conrado Pilapil, one of the union workers filed an urgent petition docketed as case No. 259-V (Annex A) signed by him as "Chairman of the Negotiating Committee" of the respondent Worker's Union, with the Court of Industrial Relations hereafter referred to as the CIR, alleging among other things that the Marcelo Rubber locked out its workers in the afternoon of January 25, 1949 after the Marcelo Rubber had failed to accede to the demands of the Workers' Union for a general increase in wages, and praying that the Marcelo Rubber be ordered to reopen its factory and to readmit its laborers, members of the union, with pay from January 25th. On January 28, 1949, the Marcelo Rubber filed its answer with counter-petition (Annex B) denying the allegations of the urgent petition and stating that what really happened was that instead of a lockout by the Marcelo Rubber, an unlawful strike was staged by the laborers on January 25th despite pleas of the management that it be given a reasonable time to study the demand for a general increase in wages, filed only that day, and praying that the petition be dismissed, that the striking laborers be ordered to return to work, and that the strike be declared unlawful.

On February 1, 1949, the CIR issued an order directing and enjoining the laborers of the Workers' Union to return to work at 8:00 a.m. the following day, February 2nd, and not to strike or walkout of their employment pending an award or decision by the CIR. The Marcelo Rubber was likewise ordered to readmit the strikers under the last terms and conditions existing before the dispute or conflict arose, and that pending an award or decision it shall refrain from accepting new laborers and shall not suspend, lay-off or dismiss any of its workers without express authority of the CIR (Annex C). Pursuant to said order striking members of the Workers' Union reported for work on February 2nd, 1949, and were admitted by the Marcelo Rubber.

Towards the end of February, 1949, one afternoon, respondent Alejandra Buenaventura was caught by the management ordering a co-worker to buy for her some food (halo-halo) in violation of factory regulations. It seems that the day before she had ordered some drinks (soyalac) to be brought to her which was done. For this she was scolded by the supervisor and was ordered to go home for a week's vacation, which order was considered by

Alejandra as a sort of suspension. After a week she returned to duty but after sometime she stopped working.

Respondent Timoteo Gutierrez was a pre-war laborer of the Marcelo Rubber with compensation at the rate of P0.50 a day which after liberation was increased to P4.50 a day. On May 14, 1948 four fingers of his left hand were cut while in the performance of his duty as a rollerman. For this injury he was paid P888 by the Marcelo Rubber under the Workmen's Compensation Act. He was one of the workers who staged a strike on January 25, 1949 but returned to work on February 2nd. He claims that when he reported for work, instead of being given his old job as watchman at the main gate of the factory compound he was given the work of a "cargador" such as piling up smoked rubber and carrying bales thereof; that this strenuous work did not suit his physical condition causing his injured hand to bleed, and that because the management refused to return him to his former post, he quit work about March 3, 1949.

Respondent Esperanza Tiangco, another employee was one day found absent from her place of work because she was chatting with and helping another worker in another place. She was admonished by the management and one of the supervisors told her that since she was not contented with the wages she was receiving she should go away. Esperanza took this as an order of dismissal and left the factory.

It seems that because of the suspension or dismissal of these three workers, and the failure of Marcelo Rubber to heed and act favorably on the petition of Conrado Pilapil, Annex 1 of the answer, signed by him as chairman of the Negotiating Committee, protesting against said alleged unfair labor practice and asking for their reinstatement, the laborers staged another strike on March 11, 1949. On the same day the Marcelo Rubber filed with the CIR an urgent motion, Annex D, under the title "United Rubber Workers' Union, petitioner vs. Marcelo Rubber & Latex Products, Inc., respondent, case No. 259-V(1)" "to declare in contempt of court and for dismissal of laborers," alleging that on or about March 11th a group of members of the Workers' Union was inciting and urging their fellow members to declare a strike using threats and intimidation; that as a result, on that date more than 100 laborers of the Marcelo Rubber, members of the union did not report for duty either because of fear of threats or due to sympathy with their fellow members who incited the strike; that about 21 laborers listed in the petition, among them Alejandra Buenaventura, Timoteo Gutierrez and Esperanza Tiangco already mentioned incited the strike, took part therein and picketed the premises of the Marcelo Rubber, and that about eight laborers also listed in the petition, among them Francisco Gutierrez, brother of Timoteo Gutierrez, and Conrado Pilapil, on March 11, 1949 assaulted the sales superintendent of the Marcelo Rubber without reason or justifiable cause inflicting bodily injuries on him; and that on March 10, 1949 Simeon Sadile, Jose Mariano and Ruben Flores, three of the 29 laborers listed in the petition as having incited the strike or assaulted the sales superintendent, committed acts of sabotage on the plant, equipments and machineries of the Marcelo Rubber by cutting off the flow of oil to the bearings and by running the machines without oil causing said bearings to be ruined. In the urgent Motion it was prayed that the laborers listed therein be declared in contempt of court, and that the movant be authorized to discharge and dismiss them and that to employ outsiders to take their places, and also to hire laborers from outside to take the places of the approximately 100 laborers who did not report for duty on March 11, 1949.

In view of the urgent motion above referred to, on March 22, 1949, and under the same case No. 259-V(1), Servando de los Angeles, allegedly representing the Workers' Union as its president and the Marcelo Rubber, represented by its president and general manager Jose P. Marcelo, entered into a written agreement entitled "Judicial Compromise" (Annex E) providing that of the thirty-three laborers listed in the two urgent motions whom the Marcelo Rubber sought to be declared in contempt of court and to be dismissed from the service, the twenty-five laborers listed in said judicial compromise, among them Alejandra Buenaventura, Timoteo Gutierrez, Esperanza Tiangco and Conrado Pilapil, "be dismissed as they are hereby agreed to be dismissed from the service without compensation whatsoever, and that the respondent be authorized to hire outside laborers in their stead";

that eight other laborers appearing in the list of the urgent motion be retained in the service subject to the condition that they are not to receive any pay during the period that they did not render service; that they report for duty not later than March 24, 1949, in default of which they would be considered dismissed, and that said judicial compromise or agreement will not in any manner affect the main case. The judicial compromise was signed not only by Servando de los Angeles as president of the Workers' Union and Jose P. Marcelo as president and general manager of the Marcelo Rubber but also by Eduardo P. Caguioa, counsel for the Workers' Union and Garcia & Martin by E. Voltaire Garcia, attorneys for respondent.

Acting on this judicial compromise the CIR in an order dated March 25, 1949 (Annex F), "finding said agreement to be just, equitable, reasonable and not contrary to law, morals and public policy," approved the same, said agreement to have the same effect as and to be deemed to be the decision or award in the premises.

In the meantime Conrado Pilapil, still signing as chairman of the negotiating committee of the Workers' Union filed a petition dated March 9, 1949, docketed as case No. 259-V(2), Annex "K" (supposedly included in or related to the main case 259-V), protesting the suspension of Candida (should be Alejandra) Buenaventura and asking that the Marcelo Rubber be declared in contempt of court and punished, and ordered to pay Alejandra her wages during the period of her suspension. In another petition (Annex L) dated March 28, 1949, and this time docketed as case No. 259-V(4) Conrado Pilapil again signing as chairman of the negotiating committee protested the dismissal of Timoteo Gutierrez and Esperanza Tiangco and asked that the Marcelo Rubber be punished for contempt of court and ordered to reinstate them. The Marcelo Rubber filed an answer (Annex M), to these petitions (Annexes K and L) alleging that Alejandra, Timoteo and Esperanza had already been dismissed from the service of the company with due authority from the CIR (presumably referring to the judicial compromise Annex E) which was duly approved by the CIR (Annex F), and considered as a decision or award in said case. The answer further alleged that Conrado Pilapil signing the two petitions lacked the authority to represent the Workers' Union because he had already been dismissed from the service of the Marcelo Rubber and replaced by another laborer with due authority from the CIR, and that he had likewise been dismissed from the Workers Union, and that he had been convicted of the offense of physical injuries for assaulting Eugenio Antonio, the sales superintendent of the Marcelo Rubber.

Then, a manifestation (Annex G) dated March 23, 1949, was filed with the CIR in the same case No. 259-V(1) signed by Conrado Pilapil and about 43 other laborers, alleging that the agreement or judicial compromise above referred to was entered into by Servando de los Angeles and Atty. Eduardo P. Caguioa without the knowledge and consent of the laborers; that they had no right or personality to act for or in behalf of the members of the Union, particularly the signers of the manifestation; that the agreement particularly that part referring to the dismissal of 25 laborers greatly affected the signers of the manifestation; "that the industrial dispute between the petitioner (Workers' Union) and the respondent (Marcelo Rubber) had been entrusted for prosecution by the petitioner union in a Negotiating Committee" composed of Conrado Pilapil, Servando de los Angeles and four other workers, and that Conrado Pilapil was made chairman of said committee, and that the Negotiating Committee had contracted the services of Atty. Carlos V. Santiago who had been representing the Union in all judicial proceedings from the beginning, and that the signers of the manifestation were not in conformity with the agreement or judicial compromise. The signers of the manifestation asked that said judicial compromise be disapproved and that they be given a day in court to present their side of the case. It is not known when said manifestation was filed with the CIR, but the fact is that as already said, the CIR approved the judicial compromise.

On March 28, 1949, Jose P. Marcelo representing the Marcelo Rubber and Servando de los Angeles representing the Workers' Union signed a written agreement (Annex I) bearing case No. 259-V of the original case, embodying numerous terms and conditions such as preferential shop, union fees, wages, overtime pay, sick and vacation

leave, maternity leave, schedule of wages, etc. The agreement which is supposed and was intended to be a complete settlement of the dispute between the Workers' Union and the Marcelo Rubber which arose in January 1949, and culminated in the strike staged by the workers on January 25th, of the same year contained a prayer that the original case No. 259-V be decided on the basis of said agreement. On July 6, 1949, the CIR in an order of the same date (Annex J) found the contents of the agreement to be reasonable and in accordance with law, except paragraph 8 which contravened the 8-hour labor law, and subparagraph E of paragraph 15 for being unjust and discriminatory and with said exceptions, approved the agreement, the same to have the same effect and to be deemed as a decision or award in the premises.

Almost two years later, on March 28, 1951, the CIR through Associate Judge Modesto Castillo rendered a decision in the two cases 259-V(2) and 259-V(4) regarding the protested suspension and dismissal of Alejandra Buenaventura, Timoteo Gutierrez and Esperanza Tiangco, making findings and rulings to the effect that Jose P. Marcelo, President and General Manager of the Marcelo Rubber had never ordered the dismissal or suspension of Alejandra Buenaventura; that the order of one of the supervisors or superintendents for Alejandra to take one week vacation which is equivalent to a suspension, was unjust and unreasonable, and so she should be paid her wages during said period of suspension; that as regards Timoteo Gutierrez, he had been subjected to unjust treatment by the company because he should not have been removed from his post as watchman and given the work of a cargador and he should be reinstated; and that with respect to Esperanza Tiangco, although she was found absent from her place of work, a dismissal was not commensurate with the offense committed by her and that she should have been merely admonished. In case No. 259-V(2) the CIR ordered the Marcelo Rubber to pay Alejandra Buenaventura her wages during the period of her suspension consisting of six working days, and to reinstate her in the service in case No. 259-V(4) the CIR ordered the Marcelo Rubber to pay Timoteo Gutierrez his wages corresponding to the period from March 4 to 10, 1949, because he was unjustly discharged from the service, and to reinstate him forthwith to his former position as watchman; and finally, to reinstate Esperanza Tiangco forthwith in the company's service and to the same position she was occupying before the strike of January 25, 1949. The decision ends with the following paragraph:

"The order to reinstate Alejandra Buenaventura, Timoteo Gutierrez, and Esperanza Tiangco shall be without prejudice to deciding later on whether they are entitled or not to back wages which is dependent upon the issue of whether the alleged second strike on March 11, 1949, is legal or illegal. This aspect of the case is one of the issues in case 259-V(1) in which the manifestation of Alejandra Buenaventura, et als., dated March 23, 1949, is still pending hearing by the court."

The Marcelo Rubber moved for reconsideration and new trial (Annex O) which motion was opposed (Annex Q) by the Workers' Union. However, the Workers' Union also filed a motion for reconsideration of that portion of the decision which says that the payment of back wages to the workers ordered to be reinstated would depend upon the legality or illegality of the second strike on March 11, 1949.

Acting upon these motions for reconsideration the CIR en banc rendered a resolution (Annex S) dated May 3, 1952, modifying the decision of March 28, 1951, ruling that Alejandra's reinstatement may not be ordered for the present it appearing that after her suspension of one week during the latter part of February, 1949, she worked three days and there is no showing that she was again suspended or dismissed before the strike of March 11, 1949; but that the reinstatement of Timoteo Gutierrez and Esperanza Tiangco in the service of the Marcelo Rubber should stand, pending whatever decision the CIR may render on the legality or illegality of the strike on March 11, 1949 which was indirectly raised as an issue in the incidental case 259-V(1) as a consequence of the so-called Manifestation (Annex G). Presiding Judge Roldan and Associate Judges Castillo and Yanson signed the resolution. Judge Bautista took no part. Judge Lanting in a dissenting opinion disagreed with the majority. We reproduce his dissenting opinion consisting of three paragraphs, which explains his stand.

"The issue regarding the dismissal or reinstatement of Alejandra Buenaventura, Timoteo Gutierrez and Esperanza Tiangco cannot properly be decided before the question of legality of the strike in this case is raised by the respondent and the question of whether the so-called 'judicial compromise', as approved by this court, whereby the petitioning union agreed to the dismissal of the above-named three workers, among others, are determined. The agreement was approved and given the effect of a 'decision or award in the premises' by the order of this court dated March 25, 1949. According to the 'Entry of Judgment' made by the clerk of court, the afore-mentioned order became final and executory on April 7, 1949.

"The decision of the Judge a quo of March 28, 1951, the reconsideration of which is now being sought by both parties, leaves open and does not decide the question of legality of the strike and the question of whether the agreement of the parties as approved by the court in an order which has become final and executory does or does not bind the three workers concerned. The same decision admits that the complete determination of the issues in the present case depends partly, if not wholly, on the outcome of the two questions just mentioned.

"I am, therefore, constrained to reserve my opinion as to whether or not the three workers concerned are entitled to reinstatement, and if so, whether they are entitled to backpay. In the meantime, I consider their reinstatement premature."

Involving as they do, questions of fact, we accept the findings of the CIR regarding the impropriety of the suspension or dismissal of Alexandra, Timoteo and Esperanza, and although we also agree that under ordinary circumstances they should be reinstated, we are inclined to agree with Judge Lanting that their reinstatement at this time is rather premature. Should the CIR later find that to settle the dispute between the Workers' Union and the Marcelo Rubber, Servando de los Angeles though President of the Workers' Union had no right to represent it in a collective bargaining agreement with the Marcelo Rubber because said representation was lodged in the Negotiating Committee headed by Conrado Pilapil, then said judicial compromise would be ineffective and the CIR might yet withdraw its approval of the same and perhaps set aside its order Annex F. In such a case, the reinstatement of the three laborers in question be in order. If, however, as claimed by Servando los Angeles, he was the lawfully authorized representative of the Workers' Union and had the right to enter into the judicial compromise; that Conrado Pilapil was no longer a representative of the Workers' Union because he had not only been dismissed from the service of the Marcelo Rubber but also from the Workers' Union, then the judicial compromise was a valid agreement between the Workers' Union and the Marcelo Rubber, was given the effect of an award or judgment by the CIR, and what is more by its terms the three laborers in question had been properly and legally dismissed and other workers were lawfully appointed to their respective places. In such a case, the reinstatement now being ordered by the majority would be without basis.

In view of the foregoing, the decision of March 28, 1951 as modified by the resolution of May 3, 1952 appealed from is hereby modified to the effect that the reinstatement of Alejandra Buenaventura, Timoteo Gutierrez and Esperanza Tiangco be held in abeyance and be made to depend not so much on the legality or illegality of the strike, but rather on whether or not the Judicial Compromise between the Workers' Union and the Marcelo Rubber, approved by the CIR, was properly entered into, particularly, whether it was entered into with due and lawful representation of the Workers' Union by Servando de los Angeles. It is suggested that the CIR take the necessary steps to arrive at an early decision of said issue. No pronouncement as to costs.

Paras, C.J., Pablo, Bengzon, Padilla, Reyes, Jugo, Bautista Angelo and Labrador, JJ., concur.

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