

**EASTERN PAPER MILLS EMPLOYEES ASSOCIATION-NATU,  
PETITIONER, VS. EASTERN PAPER MILLS, INC., AND HON.  
GUILLERMO E. TORRES, DEFENDANTS.**

*G.R. No. L-23958. September 28, 1968*

Ponente: ANGELES, J.

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**ANGELES, J.:**

On certiorari and prohibition assailing the jurisdiction of the Court of First Instance of Rizal in taking cognizance over the complaint in Civil Case No. 8416.

The petition alleges that on October 9, 1964, the petitioner, Eastern Paper Mills Employees Association-NATU, a labor organization composed of the rank and file employees of the respondent Eastern Paper Mills, Inc., declared a strike to protest over the latter's "unfair labor practice, consisting of bad faith in collective bargaining amounting to refusal to negotiate as required by law"; that on October 12, 1964, while the parties were conferring with respect to the settlement of the strike, respondent filed with the Court of First Instance of Rizal the above-mentioned civil case; that the following day, the respondent judge, at the instance of the company, issued ex-parte a restraining order prohibiting the striking employees from performing various broad and vague acts in connection with their picketing; that on October 22, 1964, petitioner filed a motion to dismiss the case and to dissolve the preliminary restraining order, which motion, by order dated December 2, 1964, was denied by the respondent judge.

It is claimed by petitioner that the case is a labor dispute involving unfair labor practice falling under the jurisdiction of the Court of Industrial Relations, so that the jurisdiction to issue an injunction in connection therewith pertains exclusively to said court; that, consequently, the respondent judge has acted without or in excess of jurisdiction, and with grave abuse of discretion, in taking cognizance of the complaint for damages and in issuing the preliminary restraining order dated October 13, 1964, ex-parte and without hearing or notice, and without complying with the procedure and requirements laid down in section 9 of Republic Act 875.

The answer alleges that under its amended articles of partnership, the respondent company was formed to engage in the manufacture, purchase or sale of pulp paper and other pulp products, and the manufacture or importation of such raw materials as may be needed in their manufacture; that as of October 8, 1964, respondent company had contractual commitments to deliver kraft paper to a number of customers; that on October 9, 1964, when said company was to effect deliveries of its buyers' orders, petitioner, its officers and members declared a strike, and, acting collectively or singly, through threats, intimidations, force and violence, prevented the entry and egress of respondent company's haulers so much so that the deliveries aforementioned, could not be carried out, to the damage and prejudice of the respondent; that the strike was declared one day after the requisite notice to strike was filed with the Department of Labor, and after petitioner had refused to negotiate further on the money matters involved in its collective bargaining proposals; that the action filed on October 12, 1964, before the Court of First Instance of Rizal is one for damages, and to avert further damages and losses by reason of the tortious conduct of

petitioner, the respondent company petitioned the said court for a writ to obtain freedom of ingress and egress of personnel, customers, other persons and vehicles.

It is contended by the respondents that the Court of First Instance has jurisdiction over the complaint, claiming that the mere fact that respondent company's cause of action has arisen out of its labor dispute with petitioner, does not operate to bring such cause within the jurisdiction of the Industrial Court; that to carry out such jurisdiction, the respondent Judge had issued the restraining order regularly and in accordance with law.

It appears from the answer that on October 30, 1964, Eastern Paper Mills Co., Ltd. filed before the Court of Industrial Relations, a formal complaint for unfair labor practice (No. 4266 ULP), against the Eastern Paper Mills Employees Association, alleging therein that the employees presented demand proposals for collective bargaining, but because the parties could not agree on the date for the collective bargaining, the employees declared a strike.

After the issues had been joined, this Court set the case for hearing; however, as the petitioner failed to argue its case orally or in writing, the case was submitted for decision. We are thus resolving the case on the basis only of the facts appearing in the petition and the answer with their respective annexes.

There is only one main issue for Us to decide: Whether it is the Court of Industrial Relations or the Court of First Instance of Rizal that has jurisdiction over the complaint to recover damages occasioned by the alleged unlawful acts of the petitioner in picketing the company's premises.

In due regard to the principle that what determines the nature of an action are the facts alleged in the complaint, We have examined carefully the recitals in the complaint filed with the Court of First Instance and there it appears that although a labor dispute seems apparent, the main object of the suit is the recovery of damages in the amount of P200,000.00 allegedly suffered by the company from the tortious conduct attributable to the defendant. There is no doubt, though, that these damages sought for would be the result of the unfair labor practice charged in the complaint dated October 30, 1964, filed with the Industrial Court, which prays for an order against the labor union to cease and desist from further committing such unfair labor practice acts, to bargain collectively in good faith with complainant, and to declare the strike conducted by the respondent as illegal.

The criterion in determining which court has jurisdiction over a complaint involving labor dispute is whether the acts complained of arose out of, or are connected or interwoven with, an unfair labor practice case.[1] In the affirmative, it falls under the jurisdiction of the Industrial Court. But in order to contest the jurisdiction of the civil court over cases involving labor dispute, there must be a clear showing, not mere allegation, that the said dispute is connected with an unfair labor practice. In other words, lack of jurisdiction of the civil court cannot be simply assumed from the bare fact that an unfair labor practice case had been filed with the CIR. Accordingly, in *PAFLU et al. vs. Marcos, etc., et al.*, [2] We held as premature a special civil action for certiorari with preliminary injunction because the movant for dismissal therein did not ask for reconsideration of the order denying its motion and that, except for petitioner's allegation in the motion to dismiss, there was no competent and satisfactory showing before the lower court that the labor dispute involved was connected with acts constituting unfair labor practice covered in a case before the Court of Industrial Relations. Earlier, in *Associated Labor Union, et al. vs. Ramolete*, [3] this Court also sustained the jurisdiction of the CFI over a suit for damages allegedly connected with unfair labor practice because, while the defendants therein had filed a motion for reconsideration and to lift preliminary injunction issued by the said court, they came to this Court on petition for certiorari and prohibition, without waiting for the resolution on their motion. Said this Court in rejecting the petition:

" . . . Since the cause of action was for damages arising from what plaintiffs, now respondents, pointed as interference in the performance of contractual obligations there was no occasion, at that time, for respondent Judge to consider the applicability of Act 875. It was only when the matter of an apparent labor dispute was

injected by petitioners in their motion for reconsideration, that said act could be considered relevant. It was precisely the reason why respondent Judge wanted to hear evidence to assure himself whether there is or there is no labor dispute. This act, to our mind, is not excess of jurisdiction and/or grave abuse of discretion. Predicated upon the allegations of the complaint, the respondent Judge thought it had jurisdiction, which conclusion, if erroneous, was merely a judicial error or a mistake of law. When the Court has jurisdiction over the subject matter, the orders or decisions upon all questions pertaining to the case are orders or decisions within its jurisdiction and, however, irregular or erroneous they made be, they cannot be corrected by certiorari. (Gala vs. Cui and Rodriguez, 23 Phil. 522; Galang vs. Endencia, 73 Phil. 399; Villa Rey Transit vs. Bellos, G.R. No. L-21399, Jan. 31, 1964."

The present case is no different from the cited cases. There herein petitioner, defendant below, in its motion to dismiss the complaint and to lift preliminary restraining order issued by the lower court, merely alleged that- there existed an unfair labor practice charge before the CIR. There is no showing that it had submitted to the court in evidence a copy of either the charges or the complaint.[4] And upon the denial of its motion to dismiss, said defendant did not bother to file a motion for reconsideration thereof in which it could have further supported its allegation on the interrelation of two complaints. Thus, it is apparent that the Court of First Instance, in asserting its jurisdiction over the complaint for damages, did so in the absence of sufficient showing that the ULP case was connected with the complaint filed before it. Under the circumstances, petitioner should not be heard here to complain that the order denying its motion was issued without jurisdiction or with grave abuse of discretion. Besides, long line of authorities support the rule that certiorari will not lie where the relief sought is obtainable by application in the court of origin and the attention of that court has not been properly called to its supposed error.[5]

What must be annulled in this proceedings, however, is the restraining order issued at the commencement of the civil suit. It is well to remind the court below that there is a specific procedure prescribed under section 9(d) of Republic Act No. 875 in the issuance of such preliminary orders in labor disputes. The said provision of the law was patently violated when the lower court issued the restraining order ex parte.

In conclusion, we hereby declare as illegal and void the restraining order issued by the lower court; however, as the right to damages claimed in the complaint would depend on the evidence in the ULP case,[6] the Court of First Instance, which is called upon only to award damages should inhibit itself in the meantime from the continuance of proceedings thereon until such time that the dispute before the Court of Industrial Relations shall have been terminated.

Wherefore, the writ of certiorari is granted only with respect to the questioned restraining order. No costs.

Concepcion, C.J., Reyes, J.B.L., Makalintal, Ruiz Castro, Fernando and Capistrano, JJ., concur.

Writ granted with respect to the questioned restraining order.

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[1] PAFLU vs. Caluag, G.R. No. L-9104, Sept. 10, 1956, cited in United Pepsi-Cola Sales Organization vs. Hon. Cafilzares, 102 Phil. 887; See also PAFLU et al. vs. Marcos, etc., et al., G.R. No. L-26213, March 28, 1968.

[2] Supra.

[3] G. R. No. L-23527, March 31, 1965.

[4]According to a certification by the CIR, charges were instituted October 13, 1964. Motion to dismiss was filed Oct. 21, and the complaint with the CIR is dated October 30, 1964.

[5] United Pepsi-Cola Sales Org. vs. Judge Canizares, et al, supra, citing Herrera vs. Barreto, 25 Phil. 245; Uy Chu vs. Imperial, 44 Phil. 27; Manila Post Publishing Co. vs. Sanchez, 81 Phil. 614; Alvarez vs. Ibanez, 83 Phil. 104; Nicoles vs. Castillo 97 Phil. 336; Ricafort vs. Fernandez, 101 Phil. 575.

[6] Phil. Communications Electronics & Electricity Workers Federation, et al vs. Nolasco, et al., G.R. No. L-25999, February 9, 1967.

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