

**PHILIPPINE MARITIME INDUSTRIAL UNION (PAMIU), PETITIONER,
VS. COURT OF INDUSTRIAL RELATIONS (CIR) MARITIME COMPANY
OF THE PHILIPPINES (MCP), RESPONDENTS.***G.R. No. L-37003. October 23, 1974*

Ponente: FERNANDO, J.

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What is assailed in this appeal by certiorari from an order of respondent Court of Industrial Relations was its failure to consider as automatically reproduced, without the need of retaking, evidence already in its possession having been previously recorded and submitted in a preliminary hearing before its prosecution division in an unfair labor practice complaint. Private respondent based its opposition to such a plea on the ground of the alleged lack of procedural due process. Respondent Court did not go that far, but it refused to accede to the plea of petitioner as, in its opinion to do so would in effect amount to its being bound by the findings of its prosecution division. After a thorough consideration of the records of the case and of the legal points raised, this Tribunal is of the opinion that there is merit in this petition. It has been its constant ruling[1] even prior to the leading case of *International Hardwood and Veneer Co. vs. Pangil Federation of Labor*[2] that respondent Court is to act according to justice and equity and substantial merits of the case without being strictly bound by the rigidities of procedural rules. It is not, of course, freed from the compulsion of the requirements of fairness and justice inherent in the cardinal concept of due process. Not that there is any incompatibility between what is sought by petitioner and the observance of the due process mandate. Respondent Court, however, appeared to have been misled and to have confused the existence of the evidentiary matter with its probative weight. Had it reflected more, it would have found merit in the stand of petitioner. We reverse.

The factual situation as set forth in the appealed order which, insofar as relevant, reads as follows: "In Case No. 5692-ULP, respondent union filed a 'Motion for Adoption of Evidence' dated September 19, 1972, which prayed, for the reasons therein stated, that all its evidence presented during the preliminary investigation be automatically reproduced as part of the evidence of the union without the need of retaking them *** Complainant company opposed the said motion on the ground that it is in derogation of its right to a fair and just trial aid to due process of law. We can not subscribe to the union's theory. The Court is not bound by the findings of the Prosecution Division. This is the reason why there is a need of hearing the case on the merits. As soundly asserted by the company: *** The evidence erroneously admitted at said investigation [notwithstanding] the legal objection thereto by respondent's counsel would be considered by the Trial Court without deciding the question of its admissibility which had been raised by respondent at the investigation. The Trial Court would also be deprived of its right and duty to decide the question of credibility of the witnesses who would not have to testify before 'it. *** "[3]

As a motion for reconsideration proved fruitless, the matter was elevated to this Court in an appeal by certiorari. As set forth at the outset, we sustain petitioner.

1. The plea of petitioner that under the circumstances disclosed, there was no need for retaking the evidence already in the possession of respondent Court having been previously recorded and submitted in a preliminary hearing before the prosecution division of respondent Court in an unfair labor practice case, finds support in the pronouncements of this Court. Why it should be thus was explained as far back as 1940 in one of the earliest decisions on the matter, *International Hardwood and Veneer Co. vs. Pangil Federation of Labor*[4] Justice Laurel as ponente was quite emphatic. Thus: "Section 20 of Commonwealth Act No. 103 prescribes that in the hearing, investigation and determination of any question or controversy and in exercising any duties and power under this Act, the court shall act according to justice and equity and substantial merits of the case, without regard to technicalities or legal forms." [5] There is in a 1969 decision of this Court, *Sanchez vs. Court of Industrial Relations*, [6] this relevant excerpt: "Moreover, petitioners appear to be oblivious of the statutory mandate that respondent Court in the hearing, investigation and determination of any question or controversy and in the exercise of any of its duties or powers is to act 'according to justice and equity and substantial merits of the case, without regard to technicalities or legal forms and shall not be bound by any technical rules of legal evidence' informing its mind 'in such manner as it may deem just and equitable.' Again, this Court has invariably accorded the most hospitable scope to the breadth and amplitude with which such provision is couched. So it has been from the earliest case decided in 1939 to a 1967 decision." [7] Since then, this Court has consistently applied such a doctrine. [8]

In *East Asiatic Co. vs. Court of Industrial Relations*, [9] this Court, speaking through Justice Barredo, warned against the Court of Industrial Relations being unduly technical. Thus: "The specific basis of the minority in ruling against petitioners' claim for deduction of alleged earnings elsewhere of respondent after her lay-off is that the affidavits submitted by them were nothing but mere copies of originals, the existence of which has not been shown, and, in any event, the said affidavits and even the testimony of the lone witness a certain G. Francisco, from Standard Vacuum Oil Company, are either hearsay or inconclusive or vague. It is obvious that such ruling is over-technical and does not conform with the provisions of the law, much less the spirit informing them. Not only does Section 20 of Commonwealth Act 103 creating the Court of Industrial Relations precisely endow the said court with such plenitude of authority *** but Section 5(b) of the Industrial Peace Act pointedly provides that in unfair labor proceedings, *** the rules of evidence prevailing in courts of law or equity shall not be controlling and it is the spirit and intention of this Act the Court and its members and Hearing Examiners shall use every and all reasonable means to ascertain the facts in each case speedily and objectively and without regard to technicalities of law or procedure. In rendering its decision, the Court shall not be bound solely by the evidence presented during the hearing but may avail itself of all other means such as (but not limited to) ocular inspections and questioning of well-informed persons which results must be made a part of the record. *** "[10] This citation from *East Asiatic* is directly in point. For it did likewise stress that unfair labor controversies should be passed upon in a speedy and expeditious manner. It thus appears clearly that respondent Court ought to have acceded to the plea of petitioner.

2. In the face of such unwavering line of decisions, respondent Court should have reached a different conclusion. Apparently, it was misled by its failure to distinguish between the evidence being considered as duly submitted and part of the record and the probative weight attached to it by its prosecutor. All that petitioner sought, and all that is implied in this decision, is that in determining whether or not an unfair labor practice lies, the matter could be appraised in the light of the testimony, both oral and documentary previously taken, of which record is kept. Whether or not the conclusion reached by the prosecutor is to be upheld or is to be reversed, is a matter entirely within the discretion of respondent Court. Had it viewed matter in such light, then it would have been more receptive to the equitable consideration invoked by petitioner, namely, the avoidance of technicalities conducive to further delay. It has, as set forth in the petition, "favored the company tremendously, for its day of reckoning in

answering for unjustified dismissals for union activities has been endlessly put off. Memories of the witnesses by now have surely faded, and errors in their testimonies if required to be repeated, are bound to arise – errors enough to discredit the trustworthiness of their sworn statements. Worse, witnesses during the preliminary hearings, may no longer be available in the proceedings on the merits, because as high seas mariners, they are out of the country most of the time. Again this will give rise to more postponements and delay and compel the petitioner union to incur additional expenses for preserving testimonies through depositions perpetuum rei memoriam and incur additional expenses they can hardly afford.”[11] Considering the great disparity between the economic position of the competing parties in controversies of this character, it is a fundamental interest, dictated by the constitutional mandates of social justice and protection to labor, that delay and protracted hearings are to be avoided at all cost.

3. It is not to be lost sight of, however, that the relative freedom of respondent Court from the rigidities of procedure cannot be utilized as an evasion of what was clearly pointed out by Justice Laurel in *Ang Tibay vs. Court of Industrial Relations*[12] that all administrative bodies like respondent Court, cannot ignore or disregard the fundamental and essential requirements of due process. It cannot be asserted, however, that with the ruling thus announced, there was a failure to abide by such a basic principle. Private respondent will have its opportunity to be heard and present its side of the controversy. Moreover; it is always at liberty to raise before respondent Court only legal question that occurs to it. The misgivings of private respondent on this score would thus appear to be unjustified. It is not denied due process.

4. Nor is this all. While, as above made clear, there can be no valid objection to the contention of petitioner as to the lack of any need for retaking the whole evidence, both oral and documentary, already offered not only in the preliminary investigation but also in Case No.-60 IPA, which it would submit to sustain the charge of unfair labor practice, the admission thereof cannot be unqualified. It is subject to the objections of the respondent made of record or subsequently to be raised. Such objections, the trial court will have to rule upon. Private respondent, moreover, must be allowed to conduct further cross-examination of the witnesses, if it so desires. Further, the ruling of the prosecutor during the preliminary investigation is subject to review by respondent Court at the instance of private respondent. Petitioner on its part, may present additional evidence if so minded. What is sought to be stressed is that while free from the shackles of technicalities, respondent Court must observe basic principles of procedure intended to assure a fair and just hearing.

WHEREFORE, the order of respondent Court of November 7, 1972, as affirmed in its resolution of May 10, 1973, is reversed and set aside insofar as it denied petitioner's motion for adoption of evidence filed on September 23, 1972. Such motion is to be considered as having been granted, and the case is remanded to the respondent Court for further proceedings in accordance with this opinion. Costs against private respondent.

Barredo, Antonio, Fernandez and Aquino, JJ., concur.

[1] According to Section 20 Commonwealth Act No. 103 (1936): "The Court of Industrial Relations shall adopt its rules of procedure and shall have such other powers as generally pertain to court of justice: Provided however. That in hearing investigation and determination of any question or controversy and In exercising any duties and power under this Act, the Court shall according to justice and equity and substantial merits of the case, without regard to technicalities of legal forms and shall not be bound by any technical rules of legal evidence but may inform its mind in such manner as it may deem just and equitable."

[2] 270 Phil. 602 (1940).

[3] Order of Respondent Court, Annex "D" to Petition.

[4] 70 Phil. 602.

[5] Ibid, 610.

[6] L-26932, March 28, 1969, 27 SCRA 490.

[7] 7Ibid, 497. Goseco vs. Court of Industrial Relations, 68 Phil. 444 (1939), is the first case referred to. Philippine Sugar Institute vs. Court of Industrial Relations, L-18930, 19 SCRA 471, is the 1967 decision. The other cases decided in between such dates follow: International Hardwood and Veneer Co. vs. Pangil Federation of Labor, 70 Phil. 602 (1940); Leyte Land Trans. Co. vs. Leyte Farmers' and Laborers' Union, 80 Phil. 842 (1948); Gotamco Lumber Co. vs. Court of Industrial Relations, 85 Phil. 291 (1950); Church vs. La Union Labor Union, 91 Phil. 163 (1952); Caltex vs. Phil. Labor Organization, 92 Phil. 1014 (1953); National City Bank of New York vs. National City Bank Employees Union, 98 Phil. 301 (1956); Luzon Stevedoring Co., Inc. vs. Luzon Marine Dept. Union, 101 Phil. 257 (1957); Cano, vs. Court of Industrial Relations, 109 Phil. 1086 (1960); Luzon Brokerage Co. vs. Luzon Labor Union, L-17085, Jan. 31, 1963, 7 SCRA 110; Free Employees and Workers Association vs. Court of Industrial Relations, L-20862, July 30, 1965, 14 SCRA 781.

[8] Cf, Kapisanan ng Manggagawa sa Alak vs. Hamilton Distillery Co., L-23714, June 30, 1970, 33 SCRA 887; East Asiatic Co. Ltd. vs. Court of Industrial Relations, L-29068, Aug. 31, 1971, 40 SCRA 521; Associated Labor Union vs. Court of Industrial Relations, L-31727, May 30, 1973, 51 SCRA 138.

[9] L-29068, August 31, 1971, 40 SCRA 521.

[10] Ibid, 530-532

[11] Petition, 17-18.

[12] 69 Phil. 635 (1940).

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