

FLORENTINO TAMAYO, ET AL., PLAINTIFFS-APPELLEES, VS. MANILA CORDAGE WORKERS UNION, ETC., AND MANILA CORDAGE COMPANY, DEFENDANTS, MANILA CORDAGE WORKERS UNION, ETC., DEFENDANT-AP...*G.R. No. L-29385. March 15, 1971*

Ponente: VILLAMOR, J.

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This appeal by the Manila Cordage Workers Union from the judgment of the Court of First Instance of Manila, Branch XI, in its Civil Case No. 57480, was originally taken to the Court of Appeals, which certified the case to this Court on the grounds that on-ly questions of law are raised and the constitutionality of a law is in issue.

Plaintiffs-appellees, sixteen in number, are employees of the defendant Manila Cordage Com-pany (hereinafter referred to as the Company), and were already working there at the time the Collec-tive Bargaining Agreement which is in question in this case was executed on December 6, 1962. They became members of defendant-appellant Manila Cordage Workers Union (hereinafter referred to as the Union) in December 1962 by reason of the Union Security Clause of the said bargaining agreement. On December 26, 1962, they resigned from the Union on the ground that the religious sect to which they belong - the Iglesia Ni Cristo - prohibits them from joining, or affiliating with, any labor organization or union. In their letter addressed to the Union President, plain-tiffs-appellees stated that in resigning from the Union they were merely exercising the right granted them by Section 4(2-4) of Republic Act No. 875, as amended by Republic Act No. 3350, which took effect on June 18, 1961, and which reads:

"(4) Provided, That nothing in this Act or in any Act or statute of the Republic of the Philippines shall preclude an employer from making an agreement with a labor organ-ization to require as a condition of employ-ment membership therein, if such labor organ-ization is the representative of the employees as provided in Section twelve, but such agree-ment shall not cover members of any religious sects which prohibit affiliation of their members in any such labor organization." (Under-scoring supplied.)

On June 6, 1964, the Union President wrote a let-ter to the Company asking the latter to terminate plain-tiffs-appellees' employment for alleged breach of Sec-tion 1, Article II of the Collective Bargaining Agreement, which provides:

"Employees of the Company on regular status who are members of the Union shall maintain their membership in the Union du-ring the term of this Agreement as a con-dition of continued employment in the Com-pany."

Acting on the said letter, the Company on June 15, 1964, sent a letter to each of plaintiffs-appellees informing him of the demand by the Union of his dismissal and fur-nishing him a copy of the Union's letter.

In their complaint, which was filed on June 22, 1964, the plaintiffs alleged, among others, that the Company dismissed them illegally for failure to maintain their membership in the Union; and they prayed the court to issue

a writ of preliminary injunction to prevent the defendants from dismissing them, and, after trial, to make the injunction permanent. The prayer for preliminary injunction was, however, sub-sequently withdrawn because the Company did not effect the plaintiffs' dismissal.

The defendants filed their respective answers. The Company, alleging that it might be exposed to suits for damages and unfair labor practice by the plaintiffs should it dismiss the latter from the service, and, on the other hand, that it might be faced with union retaliation and charged with contractual breach if it should refuse to accede to the Union's demand for the plaintiffs' dismissal, prayed the court to declare the rights and obligations of the parties under Article II of the Collective Bargaining Agreement in light of the provisions of Republic Act No. 875, as amended by Republic Act No. 3350. The defendant Union attacked the constitutionality of Republic Act No. 3350, and, as affirmative defenses, alleged that the trial court had no jurisdiction over the person of the Union and the nature of the suit and that the complaint failed to state a cause of action.

On March 2, 1965, after a pre-trial proceeding at which the issues were clarified and the parties entered into a stipulation of facts, the trial court rendered judgment enjoining the defendant Company from enforcing the union shop agreement against the plaintiffs because of their resignation from the Union. The court was of the opinion that the case is properly cognizable by it since it does not involve an unfair labor practice; and that since the plaintiffs were already employees of the Company even before the latter's entry into the Collective Bargaining Agreement in question, and Republic Act No. 3350 became effective prior to the execution of the said agreement, the plaintiffs' rights to their employment could not be prejudiced by the operation of the union shop clause embodied in the said agreement. The court skirted the issue of constitutionality on the ground that it was not absolutely necessary for a determination of the case. Only the defendant Union has appealed.

Just recently, we had occasion to hold that a case involving the question whether employees who are members of a religious sect which prohibits affiliation of their members in any labor organization may be dismissed from their employment for severing their membership in a labor union despite a closed shop or union security shop clause in the Collective Bargaining Agreement, is an unfair labor practice case, hence, it falls under the jurisdiction of the Court of Industrial Relations, not of a regular court. We refer to *Lakas Ng Manggagawang Makabayan (LMM) vs. Abiera, etc., et al.*, L-29474, December 19, 1970, 36 SCRA 437, 441-443, where this Court, speaking thru Mr. Justice Enrique Fernando, said:

"1. It does not admit of doubt that the collective bargaining contract between petitioner and the Marinduque Mining and Industrial Corporation of 1967 must be deemed to have incorporated within its terms the 1961 amendment of the Industrial Peace Act exempting from the operation of a closed shop or a union security shop agreement 'members of any religious sects which prohibit affiliation of their members in any such labor organization.' If it were not so, then the collective bargaining agreement itself could be properly assailed as the freedom of contract recognized by the Civil Code while it empowers the parties to establish such stipulations, clauses, terms and conditions as they may deem convenient is limited by the requirement that they should not be 'contrary to law'. The principle is thus well-settled that an existing law enters into and forms part of a valid contract without the need for the parties expressly making reference to it. Only thus could its validity insofar as some of its provisions are concerned be assured. On the assumption then that private respondents could lay claim to the protection of the above exemption provision, the fundamental question, the only one before this Court, is whether such a statutory right could be vindicated in an ordinary court as was done here or in the Court of Industrial Relations?

"2. There can be no dispute as to the answer. Under the Industrial Peace Act, it is made an unfair labor practice for a labor organization, such as petitioner here, '[t]o cause or attempt to cause an employer to discriminate against an employee in violation of subsection (a) (4) or to discriminate against an employee with respect to whom membership in such organization has been denied or terminated on some ground other than the usual

terms and conditions under which membership or continuation of membership is made available to other members.' Reference is thus made to an earlier sub-section of said act making it an unfair labor practice for an employer to discriminate in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization. There is this proviso which as originally worded when the measure was enacted in 1953 reads thus: 'That nothing in this Act or in any other Act or statute of the Republic of the Philippines shall preclude an employer from making an agreement with a labor organization to require as a condition of employment membership therein, if such labor organization is the representative of the employees as provided in section twelve.' Then, as was set forth at the outset of this opinion, came the 1961 amendment with members of religious sects as beneficiaries and thus entitled to exemption from a closed shop or a union security shop. It is an integral part of the section on what constitutes an unfair labor practice.

"Under the next section of the Industrial Peace Act, the jurisdiction over an unfair labor practice case, whether on the part of management or of a labor union, is vested with the Court of Industrial Relations. Thus: 'The Court shall have jurisdiction over the prevention of unfair labor practices and is empowered to prevent any person from engaging in any unfair labor practice. This power shall be exclusive and shall not be affected by any other means of adjustment or prevention that has been or may be established by an agreement, code, law or otherwise.' This Court then ever since the effectivity of such Act has no choice but to adhere to the view that the Court of Industrial Relations and not a court of first instance, is vested with jurisdiction over every kind of an unfair labor practice case. Petitioner must thus be sustained."

The foregoing ruling is dispositive of the issue of jurisdiction in this case, which was brought up by one of the defendants in the court below, and which, although not raised in this appeal, we raise on our own.

PREMISES CONSIDERED, the judgment appealed from is hereby reversed and set aside, without pronouncement as to costs.

Concepcion, C.J., Reyes, J.B.L., Makalintal, Zaldivar, Ruiz Castro, Fernando, Teehankee, Barredo, and Makasiar, JJ., concur.

Dizon, J., in the result.

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