

TANGLAW NG PAGGAWA, PETITIONER, VS. COURT OF INDUSTRIAL RELATIONS & RED V COCONUT PRODUCTS, LTD., RESPONDENTS.

G.R. No. L-24498. September 21, 1968

Ponente: REYES, J. B. L., J.

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REYES, J. B. L., J.:

Petition for review of the dismissal en banc by the Court of Industrial Relations, for lack of jurisdiction, of a complaint, docketed as Case No. 3153-ULP, filed by the herein petitioner labor union, Tanglaw Ng Paggawa, against the respondent company, Red V Coconut Products, Ltd., for unfair labor practice in having caused a depletion in the membership of the union by refusing to comply with the provisions of a collective bargaining agreement involving, inter alia vacation leave and night differential pay.

Sometime in October, 1961, the petitioner union and the respondent company entered into a collective bargaining agreement covering many facets of their relationship. One of the stipulations in the agreement provides:

"PAYMENT - Mill EMPLOYEES who work 90% or more of the milling days at their designated jobs shall receive 15 days vacation leave pay if the mill has, worked 170 or more days between January 1st and December 31st, otherwise the EMPLOYEE shall receive vacation Pay at the rate of 1 day's pay for every 15 days of mill operation."

"Mill EMPLOYEES who work less than 90% of the milling days at their designated jobs, shall receive 1 day's pay for every 20 days they have worked between January 1st and December 31st up to a maximum of 15 days." (Par. 15, Vacation Plan, Appendix "B" BENEFITS, of the Agreement, Annex "H" of the Petition)

The complainant union demanded payment of vacation leave for employees listed in Annex "A" of the complaint but the company refused, on the ground that "complainant would like to apply the first paragraph of the particular provision starting from the otherwise proviso while respondent was applying to complainants the second paragraph of the aforestated provision" Decision of trial court, Annex "D", page 10)

Unable to bring management around to its own interpretation of the disputed provisions bargaining contract, the union brought charges of unfair labor practice against the employer company, accusing the latter of refusing in bad faith to comply with the collective contract on vacation leave and night differential pay, leading to a wave of resignations from the union that reduced its membership from 800 to around 700.

While the hearing judge found for the union, the Industrial Court en banc upon appeal of the employer thereto, found no sufficient evidence "to show that the non-enforcement of the collective bargaining agreement was the reason for the resignation of a few members of complainant Union." and "that it is very apparent in the face of the agreement that the company acted in good faith when they entered into the said agreement" (Resolution, Annex "G", pages 4-5). With regard to the night shift differential claims, the court en banc held that the same had already been decided by it in Case No. 1642-V, which had been appealed to the Supreme Court. Thus, the Court of

Industrial Relations concluded that, there being no unfair labor practice on the part of the company, the question was reduced to one of interpretation and enforcement of the bargaining agreement which should be settled by the regular, courts, and, as previously stated, dismissed the case for want of jurisdiction.

Its attempt to have the decision reconsidered being fruitless, the union appealed to this Court.

It will be seen that the main issue is one of fact: was the conduct of the employer discriminatory and intended to prejudice the union by aiming to reduce its membership? The Industrial Court answered the question in the negative, and this finding finds substantial support in the record. The only direct evidence on the point is the testimony of the union vice-president, Pedro Barba, which is not only naturally biased but hearsay in its nature, since the reasons for the resignation of the union members could only be known to him from what the former revealed. As the letters of resignation submitted in support of the union's allegations did not make any reference to the bargaining agreement, and were moreover, dated after the unfair practice charges had been filed in the Court of Industrial Relations, i.e., post litem motam, the court a quo was justified in refusing to credit Barba's testimony for lack of corroboration.

It stands to reason that unfair labor practice being in the nature of a criminal offense, the same must be clearly proved, by direct or circumstantial evidence and can not be merely presume from the fact of the members' resignations. Not only this: the employer must be shown to have designed its conduct to produce such resignations, and of this no evidence is produced, or referred to, in the appellant's own briefs. Not only did the Court of industrial Relations declare that there was no evidence of discrimination since the company enforced its interpretation of the vacation leave and shift differential "to all its employees irrespective of union affiliation" (Resolution, pages 3-4), but it also found that the vacation leave provision was enforced by the company from January 1, 1961, despite the stipulation that the contract providing the same was to be effective only as of August 15, 1961. The Industrial Court found this retroactive enforcement as negating the company's bad faith, and we find no reason to hold this view to be unjustified or improper.

On the question of night shift differential, the union stresses that the previous case (No. 1642-V) was for recovery of its money value, while, in the case at bar, the charge is for unfair labor practice. Obviously, even if it is adjudged that the company is bound to pay such differentials, it is still questionable whether its refusal to do so was done to prejudice the union. No clear evidence exists on this point.

The findings of fact made by the Industrial Court being reasonably supported by the record, they are binding upon this Court. In the absence of an unfair labor practice, the issue becomes reduced to a simple case of divergence of opinion between labor and management as to how their agreement on vacation leave should be applied. Hence, the proper issue on this matter is the interpretation and enforcement of the contractual stipulations, which devolves upon the regular courts, not upon the Industrial Court (Phil. Sugar Institute vs. C.I.R., et al., L-13098, October 29, 1959, 106 Phil. 401, Elizalde Paint & Oil Factory Inc., vs. Hon. Jose S. Bautista, et al., L-15904, November 23, 1960; National Mines & Allied Workers' Union vs. Phil. Iron Mines, Inc., et al, L-19372, October 31, 1964; Dee Cho Lumber Workers Union vs. Dee Cho Lumber Co., L-10080, April 30, 1957, 101Phil. 417; Nasipit Labor Union (MFL) vs. C.I.R., et al., L-17838, August 3, 1966), No error, and much less abuse of discretion, exists, therefore, in the Court of Industrial Relations declining jurisdiction.

IN VIEW OF THE FOREGOING, the resolution under review is hereby affirmed with costs against the petitioner.

Concepcion, C.J., Dizon, Makalintal, Zaldivar, Sanchez, Castro, Angeles, and Fernando, JJ., concur.

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