

LITTON MILLS WORKERS UNION-NATU, PETITIONER, VS. THE HONORABLE SAMUEL F. REYES AND LITTON MILLS, INC., RESPONDENTS.

G.R. No. L-23745. January 22, 1975

Ponente: FERNANDO, J.

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FERNANDO, J.:

The specific question raised in this certiorari and prohibition proceeding, filed by petitioner Litton Mills Workers-Union NATU, is whether or not respondent Judge Samuel F. Reyes of the Court of First Instance of Rizal, had jurisdiction to act on a complaint for damages with writ for preliminary injunction filed by private respondent Litton Mills, Inc. It was alleged that on November 2, 1964, a strike was declared by members of the union in the employ of private respondent by way of protest against unfair labor practices, consisting of discrimination against and the dismissal of all known officers and members thereof due to their union membership and activities.[1] The very next day, respondent Judge, acting on a complaint for damages filed by respondent Corporation, issued ex parte and without notice or hearing, a writ of preliminary injunction prohibiting the striking employees from performing various broad and vague acts in connection with the picketing then being conducted by the union.[2] It was then alleged that as the dispute involved unfair labor practices, the jurisdiction over the matter including the issuance of an injunction; belonged exclusively to the Court of Industrial Relations.[3] The conclusion would follow then that respondent Judge acted without or in excess of his jurisdiction, and with grave abuse of discretion, in taking cognizance of such complaint and in issuing the writ of preliminary injunction dated November 3, 1964, one moreover issued ex parte without complying with the procedure and requirements laid down in Section 9 of Republic Act No. 875.[4]

The petition filed with this Court, unduly terse, could have been improved by more specific allegations. The objection to the competence of respondent Judge to act was worded in the most general terms. Its tenor, though, was plain. It would brook no judicial interference with the right to strike on an alleged unfair labor practice and the picketing that did follow in its wake. It stressed that the appropriate forum, the only one at that, was the Court of Industrial Relations. The obscurity lurking in the petition was lessened by the inclusion as an annex of the complaint for damages filed by private respondent Litton Mills, Inc., wherein both the National Association of Trade Unions, commonly known as NATU and petitioner now, Litton Mills Workers Union-NATU, were named as defendants. The illegal act complained of, from which the cause of action was made to rest, was the alleged harassment and coercion by members of the defendant unions picketing the compound and premises of plaintiff corporation, now private respondent, and hurling threats as well as committing acts of violence against its employees and laborers. It is clear, therefore, that there was imputation of illegal picketing resulting in alleged damages. The existence of a labor dispute could thus be discerned. Nor could the allegation of an unfair labor practice be considered as entirely bereft of foundation.

Accordingly, respondents were required to answer. It is to be noted that a writ of preliminary injunction was sought to restrain the enforcement of the challenged order. There was no need to do so as by the time the

resolution of this Court was issued, the preliminary injunction handed down by respondent Judge had become *functus officio*. Respondents through the Seva, Albert Vergara and Gonzalo W. Gonzalez law firms submitted a well-written and quite exhaustive answer. They denied the existence of a labor dispute or of any employee-employer relationship. The emphasis, and it is understandable why,, was that in the absence of an unfair labor practice, the complaint being one for damages arising from acts of force and violence, it was an ordinary judicial tribunal not the Court of Industrial Relations that was the appropriate forum. Implicit in such an approach is that the protection to labor provision of the Constitution^[5] was no justification for conduct tainted by illegality. The then statutory recognition of the concerted activity to strike was certainly thus limited. Nor was picketing constitutionally sanctioned unless of the peaceful sort.

From the background, of the litigation as thus revealed, with the likelihood that the picketing was not entirely peaceful, private respondent firm was amply justified in seeking a remedy. It is not far-fetched to assume likewise that the disruption of industrial peace was traceable to management practices which in the eyes of petitioner labor union amounted to an unfair labor practice. Such being the case, which tribunal should act on the matter? That is the decisive question. The answer is supplied by applicable doctrines interpreting the provision of the Industrial Peace Act granting exclusive power to the Court of Industrial Relations.^[6] Nothing is better settled than that it was the Court of Industrial Relations, not a court of first instance, that was vested with jurisdiction. As respondent Judge failed to act in accordance with the controlling statutory provision, this petition must be granted.

1. There is relevance to this excerpt from a recent decision, *New Frontier Supermarket Labor Union v. Ericta*,^[1] wherein it was made clear that from the enactment of the Industrial Peace Act in 1953, there was no doubt as to the exclusive power of the Court of Industrial Relations in unfair labor practice cases. Thus: "The petition cited *S.M.B. Box Factory Workers Union v. Judge Victoriano*, a 1957 decision. It could have referred to an earlier decision promulgated the year before, *Reyes v. Tan*. It was made clear in the opinion of the Court, through the ponente, Justice J. B. L. Reyes, that with an element of an unfair labor practice present, 'then the application for injunction would have been exclusively cognizable by the Court of Industrial Relations and beyond the jurisdiction of the respondent Court of First Instance.' Subsequent to *S.M.B. Box Factory Workers Union v. Judge Victoriano*, came *Consolidated Labor Association of the Philippines v. Caluag*. There, the then Justice, later Chief Justice. Concepcion, speaking for the Court, categorically affirmed: 'Pursuant to Section 5(a) of Republic Act No. 875, the Court of Industrial Relations "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."*** Construing this provision, in relation to Section 9 of the same Act, regulating the issuance of injunctions in labor disputes, we have repeatedly held that courts of first instance may not enjoin the picketing staged in connection with such disputes, and that the jurisdiction to entertain a petition to enjoin said picketing and to issue the corresponding writ of injunction is vested exclusively in the Court of Industrial Relations, if charges of unfair labor practice, in relation to said labor disputes, are pending before the latter court prior to the filing of said petition.' In that same year of 1958, this Court, again speaking through Justice J. B. L. Reyes, in *Erlanger and Galinger, Inc. v. Erlanger and Galinger Employees Association*, had occasion to explain at length the rationale for such a norm: 'The reason for such exclusive jurisdiction is obvious. Since the picketing and strikes may be mere incidents or consequences of the unfair labor practice, it is but proper that the issuance of injunction be made by the court having jurisdiction over the main case, in order that the writ be issued upon cognizance of all relevant facts.' So it has been since then, the latest case being *Chan Bros., Inc. v. Federacion Obrero de la Industria Tabacquera*, promulgated barely three months ago."^[8] As of the time of the issuance of the challenged preliminary injunction by respondent Judge, there were six other decisions rendered by this Court.^[9] Respondent Judge apparently was not sufficiently alert to the implication that the complaint for

damages before him was filed by management against two labor unions, one being composed of men working in his establishment. He should have been placed on guard, moreover, from the allegation that the grievance complained of arose from picketing conducted in a context of violence. He should have at the very least then, displayed a little more caution and could have refrained from issuing the injunction ex parte. Ordinary prudence would seem to require that the labor unions be heard. Even assuming that there was urgency, he could have compelled the parties to appear before him forthwith. Had those steps been taken, he could have a better understanding of the relevant circumstances and could have avoided trespassing on the jurisdiction of the Court of Industrial Relations.

2. There is pertinence to the observation that in controversies between parties whose relationship is not fleeting or transient but continuing as in the case of labor and management, the arbiter must ever be kept abreast of developments for his decision to be based on the actualities of the situation and thus impressed with solidity. It is difficult to say in this particular case that the parties had kept this Court fully informed of subsequent events. While an oral argument was scheduled, there was instead a plea by the litigants that they be heard on their respective memoranda. There was none forthcoming. What is worse with the passage of time that has elapsed, the thought maybe indulged, and not unreasonably, that the fires of acrimony had sufficiently cooled for a tolerable measure of industrial peace to have been restored. If such indeed be the case, then the dismissal of the complaint with damages by the lower court for lack of jurisdiction would terminate matters. If it were not so, then the parties can pursue their remedies in accordance with the new Labor Code, which abolished the Court of Industrial Relations and provided for labor arbiters as well as the National Labor Relations Commission in its place.[10]

WHEREFORE, the order of respondent Judge of November 3, 1964, granting a plea for the issuance of a writ of preliminary injunction, is nullified, set aside and declared to be of no force and effect. With the respondent Judge no longer in the service, his successor, in the sala formerly presided by him of the Court of First Instance of Rizal, is hereby ordered to dismiss the complaint for damages with writ for preliminary injunction in Civil Case No. 8448 entitled Litton Mills, Inc. v. National Association of Trade Unions(NATU) and Litton Mills Workers ' Union.

Makalintal, C.J., Barredo and Aquino, JJ., concur. Antonio, J., did not take part.

Fernandez, J., I concur although I am related to a stockholder of Litton Mills, Inc., because the matter involves only a question of jurisdiction and the decision as penned by Justice Fernando is carried.

Antonio, J., I did not take part.

[1] Petition, piir. 2.

[2] Ibid. par. 3.

[3] Ibid. par. 4.

[4] Ibid. par. 5.

[5] According to Article X!V. Section 6 of the 1935 Constitution: "The State shall afford protection to labor, especially to working women and minors, and shall regulate the relation between landowner and tenant, and between labor and capita) in industry and in agriculture. The Slate may provide for compulsory arbitration." The present provision is found in Article IL Section 9. It reads thus: "The State shall afford protection to labor, promote full employment and equality in employment, ensure equal work opportunities regardless of sex, race, or creed, and regulate the relations between workers and employers. The State shall assure the right of workers to

self-organization, collective bargaining, security of tenure, and just and humane conditions of work. The State may provide for compulsory arbitration."

[6] According to Section 5(a) of Republic Act No. 875 (1953): "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."

[7] L-30826. April 30, 1974. 56 SCRA 785.

[8] Ibid., 790-791. The S.M.B. Box Factory Workers Union decision is reported in 102 Phil. 646 (1957); Reyes v. Tan in 99 Phil. 880 (1956); Consolidated Labor Association of the Philippines v. Cahiang in 103 Phil. 1032 (1958); Erlanger and Galinger, Inc. v. Erlanger and Galinger Employees Association in 104 Phil. 17 (1958). Chan Bros., Inc. v. Federacion Obrera de la Industria Tabacquera. L-34761. was decided on January 17, 1974 and is reported in 55 SCRA 99.

[9] Cf. Phil. Sugar Institute v. Court of Industrial Relations, 106 Phil. 401 (1959); Velez v. PA V Watchmen 's Union v. Court of Industrial Relations, 107 Phil. 6X9 {19bQ}; Associated Labor Union v. Rodriguez. 109 Phil. 1 152 (1960); National Mines and Allied Workers' Union v. Ilao. L-16884, Jan. 31, 1963. 7 SCRA 113; Insular Sugar Refining Corporation v. Court of Industrial Relations. 1.-19247. May 31, 1963, 8 SCRA 270; Jornales v. Central Azucarera de Bats, L-15287. Sept. 30, 1963, 9 SCRA 67.

[10] Presidential Decree No. 442 (1974). Vide Articles 265 and 302.

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