

PHILIPPINE RUBBER PROJECT CO., INC., PETITIONER, VS. COURT OF INDUSTRIAL RELATIONS, ASSOCIATED LABOR UNION, MINDANAO FEDERATION OF LABOR AND PHILIPPINE ASSOCIATION OF FREE LABOR...

G.R. No. L-30997. April 21, 1981

Ponente: MELENCIO-HERRERA, J.

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MELENCIO-HERRERA, J.:

In this Petition for Review on Certiorari with Preliminary Injunction, petitioner seeks the nullification of the Order of respondent Court of Industrial Relations dated April 16, 1969, upholding its jurisdiction, and of its Resolution en banc dated July 1, 1969 denying the Motion for Reconsideration, both issued in Case No. 1814-MC, entitled "In the Matter of Certification Election in Philippine Rubber Project Co., Inc., Kabasalan, Zamboanga City, Philippines Association of Free Labor Union (PAFLU), Petitioner,"

Petitioner Philippine Rubber Project Co., Inc. is a duly organized corporation with principal offices at Kabasalan, Zamboanga del Sur. It owns a rubber plantation consisting of 1019 has., more or less, and is engaged in the planting and growing of rubber trees from which rubber latex is tapped. It also has a processing plant in its plantation where latex is processed into rubber in its crude form. It is engaged in the processing not only of its own latex product but also of others like the Zamboanga Rubber Company and the Mindanao Rubber Company and small rubber planters. Its workers are interchangeably employed in the sense that during certain periods, known as the withering season, employees in the processing plant also work in the plantation to avoid being laid off because of absence of work in the processing plant.

Respondents Associated Labor Union (ALU), Mindanao Federation Labor (MFL), and Philippine Association of Free Labor Unions (PAFLU) are labor organizations duly registered with the Department of Labor, now Ministry of Labor.

On October 17, 1966, respondent PAFLU instituted before respondent Court of Industrial Relations the aforementioned Petition for the certification of the Union as the exclusive bargaining representative of the rank and file workers of petitioner company, numbering about 300.

In a Motion to Dismiss filed by respondent MFL, the jurisdiction of respondent CIR was placed in issue on the ground that petitioner company covered by the Petition for certification is an agricultural enterprise.

On March 1, 1967, respondent ALU filed a Motion for Intervention contending that it had actual, real and material interest in the case as majority of the employees are its members. ALU then prayed either that the petition be dismissed or that it be certified as the sole and exclusive bargaining agent of the rank and file workers of petitioner company should respondent Court decide that it had jurisdiction, and that a certification election be held to determine the representative of the rank and file workers for purposes of collective bargaining.

Respondent Court thus ordered a Hearing Examiner, to proceed to Zamboanga City to conduct the hearing and

investigation.

On July 29, 1968, respondent Court ordered both parties to submit their respective memoranda on the issue of jurisdiction. On even date, respondents PAFLU and ALU also agreed to a consent election in the event that respondent Court declared it had jurisdiction over the case.[1]

After the submission of evidence, respondent Court then issued its first challenged Order of April 16, 1969 upholding its jurisdiction on the ground that petitioner company was engaged in both industrial and agricultural pursuits and could fall under its jurisdiction or that of the Court of Agrarian Relations but that having first taken cognizance of the case it has acquired jurisdiction to the exclusion of any other. It then scheduled the consent election for April 16, 1969 at the premises of petitioner company in Kabasalan, Zamboanga del Sur. In denying dismissal, respondent Court held:

"During the proceedings, it came about that the Philippine Rubber Project is a business entity engaged in the production of crude rubber, and the processing, not only of its latex products, but also those of the Zamboanga and Mindanao Rubber Corporation and some other small rubber planters. A good number of the workers involved here are assigned to the company's processing plant, except during the withering season when they are invariably transferred or assigned to work in the rubber fields. However, workers in the plantation may themselves be assigned in the processing plant, depending on the need of the corporation. In other words, this is a case where the company plays a dual role, one industrial, and the other agricultural. It cannot even be said that the employment of industrial workers is merely incidental to the agricultural phase of the business, because both functions are equally important, as well as necessary. Yet, it does not escape the attention of this Court that the corporation is engaged in an industry, since it was admitted during the hearing that, as a matter of fact, latex products of other plantations are being processed by the corporation. The processing of latex products is, no doubt, industrial, and being so, it necessarily follows that the workers involved herein are industrial workers. But this does not totally erase the fact that the company is likewise engaged in agricultural pursuit. Here is, therefore, a business concern that is part industrial and part agricultural. This is not simply a case of one business corporation where one phase is a necessary part of the other, because both functions, whether agricultural or industrial, are equally important. This is neither a case where a categorical classification or a distinction may be made on those who are agricultural or industrial workers (VICMCO, INC., vs. CIR, FREE VISAYAN WORKERS G.R. L-17281 March 23, 1963, Pampanga Sugar Mills vs. PASCUAL WORKERS UNIONS G.R. No. L-7668 February 28, 1956) because invariably field workers are assigned to the plant and vice-versa. Work and assignment of employees are entirely dependent upon the need of the company. On top of this, it is not even established that workers in the plantations perform agricultural work throughout the year. On the contrary, as borne by the record, they are oftentimes called and assigned to work in the processing of latex products. There is simply no definite pattern that will provide as a guideline for the Court to segregate the agricultural workers from the ranks of industrial employees.

Under the circumstances, it would certainly be logical to consider that the employees employed in the processing of latex products or raw rubber materials are industrial workers and are, no doubt, included in this case. The agricultural workers, however, granting that they are such, but are, at times, assigned on the plant, may either fall under the jurisdiction of the Court of Agrarian Relations, or this Court. Incidentally, this Court has already taken cognizance of this case and had actually terminated the hearing of its merits. Jurisdiction has, therefore, been acquired and if we are to follow the recent principle enunciated by the Honorable Supreme Court that the parties must not be allowed to shuttle from one court to another, this Court should take cognizance of all the allied incidents related to this case. x x x x x"

On May 5, 1969, petitioner company mailed its Motion for Reconsideration dated May 3, 1969 and at the same time prayed for an extension of 15 days within which to file a formal "Motion for Reconsideration with Supporting Arguments".[2]

Petitioner company filed its "Memorandum in Support of Motion for Reconsideration" on May 13, 1969 in two (2) copies.[3]

On the grounds that petitioner's Motion for Reconsideration dated May 3, 1969 was not verified and was filed beyond the 5-day reglementary period provided for in Rules 15 and 16 of respondent Court, respondent ALU moved for its denial.[4]

On June 2, 1969, petitioner company submitted four more copies of "Memorandum in Support of Motion for Reconsideration."

In its Resolution of June 3, 1969, respondent CIR denied petitioner's Motion for Reconsideration "considering the no-extension of time policy enunciated in earlier cases".[5]

On June 18, 1969, petitioner company opposed respondent ALU's "Motion to Dismiss Motion for Reconsideration" averring that its pro-forma Motion for Reconsideration dated May 3, 1969 was filed on time, or five days after April 28, 1969 when it received a copy of said Order in question. However, the Motion for Reconsideration was mailed only on May 5, 1969 as May 3, 1969 was a Saturday and the Post Office at Zamboanga City was closed. Petitioner company further averred that the mailing of only two copies of the "Memorandum in Support of the Motion for Reconsideration" was due to inadvertence of a clerk in the Blanco and Go Law Office which rectified it by submitting four more copies immediately upon discovery.

On August 28, 1969, respondent Court released the second challenged Order dated July 1, 1969 dismissing petitioner's Motion for Reconsideration, the pertinent portion of which is quoted hereinbelow:

"Before this Court for resolution is the Philippine Rubber Project Company, Inc.'s Motion dated May 3, 1969, seeking the reconsideration of the Order of the trial Court dated April 16, 1969. A perusal of the records show that only two (2) copies of said motion have been filed instead of six (6) and that the same is not verified contrary to the rules of this Court. Consequently, said motion should be, as it is hereby DISMISSED."[6]

In the same Order, the certification election was rescheduled to September 30, 1969. However, upon petitioner's instance, the execution of said Order was ordered stayed.

Petitioner company then resorted to the present recourse.

On October 7, 1969, we gave due course to this Petition and issued a Writ of Preliminary Injunction on October 28, 1969 upon petitioner's posting of a bond of P1,000.00.[7]

On July 29, 1971, we considered this case submitted for decision without the respective Briefs of respondent PAFLU and MFL and without petitioner's Reply Brief.[8]

Five years later, or on August 4, 1976, respondent ALU moved for the dismissal of this Petition on the ground that it had become moot and academic in view of the promulgation of the New Labor Code (PD 442), specifically Articles 225 and 289, which vests jurisdiction on inter-union conflicts and disputes affecting labor-management relations in all workplaces whether agricultural or industrial in the corresponding Labor Relations Division of the Bureau of Labor Relations,[9] and prayed that the records be remanded to the Labor Relations Division, Regional Office No. IX, Department of Labor, Zamboanga City, for further proceedings.

Respondent PAFLU agrees that the case has become moot and academic.[10]

Petitioner company rejects the theory of mootness and contends that if the proceedings before respondent CIR were null and void for lack of jurisdiction, the nullity cannot be cured by transfer to the Bureau of Labor Relations, the agency which took over pending cases of respondent Court when the latter was abolished.

On September 27, 1976, we deferred action on respondent ALU's Motion to Dismiss until the Decision on the merits.

Petitioner ascribes the following assignments of error to respondent CIR:

I

That the Honorable Court of Industrial Relations erred in holding the processing of latex to be an industrial activity and in exercising jurisdiction over workers of an agricultural enterprise when all the work performed in such company is incidental to the production of crude rubber;

II

Granting arguendo that the processing of latex into crude rubber entails some industrial activity, the Honorable Court of Industrial Relations still erred in exercising jurisdiction over all employees of the petitioner some of whom are performing functions undoubtedly agricultural in nature;

III

The Honorable Court of Industrial Relations erred when in the determination of whether employees involved are agricultural or industrial the nature of the enterprise in which they were employed was not considered;

IV

The Honorable Court of Industrial Relations erred when it dismissed herein petitioner's motion for reconsideration on the basis of trivial technicalities rather than considering the same on the basis of substantial merits.

The main issues, therefore, may be framed, thus:

- 1) Whether or not respondent Court had jurisdiction over the certification proceedings sought to be held in petitioner company alleged to be an agricultural enterprise; and
- 2) Whether or not respondent Court erred in denying petitioner's Motion for Reconsideration on the grounds that it was not originally filed in the correct number of copies and was not verified as prescribed by its Rules.

We find the first issue raised now moot and academic under the pertinent provisions of the Labor Code (PD 442), quoted hereinbelow:

Art. 226. Bureau of Labor Relations - The Bureau of Labor Relations and labor relations division in the regional offices of the Department of Labor shall have original and exclusive authority to act, at their own initiative or upon request of either or both parties, on all inter-union and intra-union conflicts, and all disputes, grievances or problems arising from or affecting labor-management relations in all workplaces whether agricultural or non-agricultural, except those arising from the implementation or interpretation of collective bargaining agreements which shall be the subject of grievance procedure and/or voluntary arbitration" (underscoring supplied)

"Sec. 1 - Where to file - A petition for certification election may be filed with the Regional Office which has jurisdiction over the employer. x x "[11]

Thus, it is clear that labor-management disputes in all work places, whether agricultural or non-agricultural, fall within the jurisdiction of the Regional Offices of the Ministry of Labor. The Court of Agrarian Relations has been divested of jurisdiction over labor disputes concerning even agricultural laborers. Petitioner's contention that it is basically an agricultural company and within the jurisdictional limits of the Court of Agrarian Relations, or that its

employees are partly agricultural (those working in the plantation) and partly industrial (those working in the processing plant) and thus fall under the jurisdiction of both Courts, has become futile considering the clear import of the aforequoted Labor Code provisions. The desire of petitioner company to characterize the kind of its employees into agricultural or industrial, or both, for purposes of determining their rate of pay is not proper in these proceedings. The heart of the matter is confined to the question of certification elections and the proper body to take cognizance of it, an issue already decisively settled by the Labor Code.

Petitioner's other contention that respondent CIR erred in denying its Motion for Reconsideration for non-compliance with Rule 15 of respondent Court's Rules is meritorious. That Rule provided:

"15. The movant shall file the motion, in six copies within five (5) days from the date on which he receives notice of the order or decision, object of the motion for reconsideration, the same to be verified under oath with respect to the correctness of the allegations of fact, and serving a copy thereof personally or by registered mail on the adverse party. The latter may file an answer in six (6) copies duly verified under oath."

An examination of the Motion for Reconsideration in question reveals that it contains no verification and that the same was originally filed only in two copies instead of six. However, petitioner's "Memorandum in Support of Motion for Reconsideration" was verified and filed on time and four more copies of the Motion were filed by petitioner later. This should have been considered substantial compliance with said Rule.[12] For certification proceedings are not a litigation in the sense that the term is commonly understood. As such, formality and rigidity are altogether lacking.[13] However, said error committed by respondent Court accords insufficient basis for the allowance of this Petition.

ALU has asked that the records of this case be remanded to the Labor Relations Division, Regional Office No. IX, Ministry of Labor, Zamboanga City, for further proceedings. That indorsement is based on the provisions of the new Labor Code providing that the Bureau of Labor Relations and the Labor Relations Division in the Regional Offices of the Ministry of Labor shall have original and exclusive authority to act on all inter-union and intra-union conflicts, and all disputes affecting labor-management relations.

Considering, however, that the Court of Industrial Relations, has been abolished, it is our considered opinion that the indorsement of the records of this case to Regional Office No. IX of the Ministry of Labor has no practical justification and might only produce technical problems which can be based or connected with pleadings and actuations taken in the original case. It should not be a difficult task to initiate new proceedings for certification election before the proper Regional Office.

WHEREFORE, the Petition for Review on Certiorari with Preliminary Injunction is hereby denied. The Writ of Preliminary Injunction issued on October 28, 1969 is hereby lifted and the bond posted by petitioner cancelled.

SO ORDERED.

Teehankee, Acting C.J., Makasiar, Fernandez, and Guerrero, JJ., concur.

[1] p. 126, Records.

[2] pp. 166-167, Ibid.

[3] pp. 171-174, Ibid.

[4] p. 180, Ibid.

[5] p. 203, Ibid.

[6] p. 279, Ibid.

[7] p. 109, Rollo.

[8] p. 258, Ibid.

[9] p. 261, Ibid.

[10] p. 267, Ibid.

[11] Implementing Rules and Regulations of New Labor Code, Rule V.

[12] Philex vs. CIR, 6 SCRA 992, 1962.

[13] National Labor Union vs. Go Soc, et al. 23 SCRA 431 (1968); Airline Pilots Asso. vs. CIR, 76 SCRA 274 (1977).

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