

**MARGARITO VILLACORTA AND MARINE STEVEDORES UNION,
PETITIONERS, VS. HON. REYNALDO HONRADO, JUDGE OF THE
COURT OF FIRST INSTANCE OF SURIGAO DEL SUR, SURIGAO
PROVINCE, 15TH JUDICIA...**

G.R. No. L-30152. April 29, 1976

Ponente: BARREDO, J.

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BARREDO, J.:

Petition for certiorari and prohibition seeking to restrain and prohibit the respondent judge of the Court of First Instance of Surigao del Sur from further proceeding with its Civil Case No. 145-New, an action for damages with preliminary injunction filed with it by private respondent against herein petitioners, and to nullify and set aside the writ of preliminary injunction issued by respondent judge in said case on January 23, 1969.

On January 7, 1969, herein petitioners filed in the Davao Branch of the Court of Industrial Relations an unfair labor practice charge against herein private respondent Southeast Stevedoring Co., Inc., along with a certain Daniel Sindo and one Boy de Gracia, wherein they alleged, among other things, "that complainant union has a membership of about two hundred workers who are employees of the herein respondents"; that sometime on November 15, 1968, certain members of complainant union, "after herein respondents discovered of their membership in the union, were immediately dismissed from their work and were not paid their wages covering the months (of) September and October 1968"; "that while the union is in the process of seeking recognition for purposes of collective bargaining, herein respondents coerced and harrassed members of the union by non-payment of wages, non-payment of claims for workmen's compensation and arbitrary dismissals of workers who refused to retract their membership from the union"; and that "because of management's refusal with its obligation to pay the wages due workers and the valid claims for workmen's compensation a labor dispute now exists and a peaceful picketing (is) maintained at the premises of the herein respondents' place of stevedoring operations at Lianga, Surigao del Sur". This unfair labor practice charge was docketed in the Court of Industrial Relations, Davao Branch, as Charge No. 246 ULP-DB.

Six (6) days later, or on January 13, 1969 to be precise, herein private respondent Southeast Stevedoring Co., Inc. filed in the Court of First Instance of Surigao del Sur an action for "Injunction and Damages with Preliminary Injunction" (Civil Case No. 145-New) against herein petitioners, claiming therein, among others, that said company "has an existing and valid stevedoring contract with the Lianga Bay Logging Co., Inc. for the exclusive handling of incoming and outgoing cargoes of the latter aboard ships and vessels calling port at Diatagon, Lianga, Surigao del Sur"; that during the period from October to December 1968, petitioner Marine Stevedores Union, through its officers, "demanded from the Lianga Bay Logging Co., Inc. that it cancel and terminate the aforesaid stevedoring contract * * * and that it enter into another stevedoring contract with them (Marine Stevedores Union) for said stevedoring service, with a threat that they will stop the Lianga Bay Logging Co., Inc. from allowing * * * (respondent) to load its logs aboard vessels if said demand is not granted notwithstanding the fact (that) there is neither an employer-employee relationship nor a labor dispute between them as the members of * * * Marine

Stevedores Union are entirely different and distinct from the workers (of respondent) who are members of another union, the Diatagon Arrastre Workers Union rendering stevedoring services pursuant to said Stevedoring Contract as aforesaid"; that herein petitioners "have intimidated and threatened and are still threatening and intimidating the stevedores of (respondent) to abandon and stop their work", and that as a matter of fact, respondent has filed criminal complaints for Grave Threats and Grave Coercion in the municipal court of Lianga, Surigao del Sur against certain members of herein petitioner union; that the officers of petitioner union "have recruited and actually hired goons and ex-convicts * * * for the purpose of threatening, molesting and stopping by force mob-rule style the workers and stevedores (of respondent company) from loading the logs of the Lianga Bay Logging Co., Inc. * * * and have stationed themselves at the logpond of said Lianga Bay Logging Co. with an open and public threat that they will not allow anybody (from respondent company) to load logs therein at all costs and to load said logs themselves by force"; "that last January 9, 1969, when the logs of the Lianga Bay Logging Co., Inc. were brought alongside the M/S 'Shojoku Maru' for loading, the goon members of * * * Marine Stevedores Union numbering about fifty (50) through threats and intimidation, pushed and dump to the sea the men of (respondent company) * * * thereby delaying and preventing plaintiff from loading said logs, and that it was due to the timely intervention of the PC * * * that prevented violence and bloodshed"; that petitioners "have again threatened to repeat the same unlawful and illegal acts * * * on the coming shipment of the Lianga Bay Logging Co., Inc. aboard the M/S 'Mano No. 2' scheduled on January 16, 1969, and subsequent loadings, unless the Stevedoring Contract 'Annex A' is cancelled by the Lianga Bay Logging Co., Inc. and given" to petitioners; that such unlawful acts of petitioners "are insidious machinations to force (respondent) to break its contractual obligations * * * thereby giving the Lianga Bay Logging Co., Inc. a ground to rescind (Stevedoring Contract Annex A) and to give another stevedoring contract" to petitioners; and that as a result of these illegal and unlawful acts of petitioners, respondent has suffered damages estimated to be about P15,000.00 and will suffer irreparable damages and injury if said illegal acts are not restrained. With the foregoing allegations, respondent company then prayed the respondent court for the issuance of a writ of preliminary injunction.

On the same day, January 13, 1969, respondent judge issued an order directing the service of summons to petitioners and setting the hearing of the petition for preliminary injunction on January 16, 1969, on which date, counsel for petitioners asked for time to prepare for trial and moved for postponement. Same was granted, per agreement of the parties, and the hearing was rescheduled for the next day. When hearing was resumed on the following day, however, counsel for herein petitioners again moved for postponement on the ground that he wanted to present witnesses who were still in Lianga, Surigao del Sur. This was denied and the lower court, after that hearing, ordered the issuance of a writ of preliminary injunction. The corresponding writ was issued on January 23, 1969, enjoining petitioners, thus:

"It is hereby ordered by the undersigned Judge of this Court of First Instance, that until further order of this Court, you Margarito Villacorta and Marine Stevedores Union, and all servants, attorneys, agents and others acting in aid of you, or groups of men or entity having privity with you and/or the Marine Stevedores Union do absolutely desist and refrain from threatening the Lianga Bay Logging Company, Inc. to break its Stevedoring Contract with plaintiff and its stevedores and workers in the handling of the incoming and outgoing cargoes of the Lianga Bay Logging Company, Inc. aboard the M/S 'Mano 2' and future ships and vessels at the port of Diatagon, Lianga, Surigao del Sur."

As regards the main action for damages (Civil Case No. 145-New) before the respondent court, herein petitioners, instead of filing an answer to the complaint, interposed a motion to dismiss the same on the ground that the case comes within the exclusive jurisdiction of the Court of Industrial Relations, there being an unfair labor practice charge filed much earlier with the said court between the same parties.

On February 7, 1969, while their motion to dismiss aforesaid was pending before the lower court, herein

petitioners instituted the present petition for certiorari and prohibition in this Court. On February 12, 1969, We required respondents to file their answer and at the same time issued the writ of preliminary injunction prayed for in the petition.

On March 26, 1969, the Diatagon Arrastre Workers and Stevedoring Union filed in this Court a motion for leave to intervene in the case, submitting therewith its answer in intervention wherein the said union joined cause with herein private respondent in denying petitioners' claim that they are stevedores or workers of respondent Southeast Stevedoring Co., Inc., as allegedly, only the members of intervenor union are hired as employees, stevedores and/or workers of Southeast Stevedoring pursuant to the Collective Bargaining Agreement between them. By resolution of this Court of April 14, 1969, the parties were required to comment on said motion to intervene. In a manifestation dated April 25, 1969, petitioners informed the Court that they had no objection thereto, while private respondent did not file any comment.

On the day set for hearing of the case on April 28, 1969, only the counsel for petitioners appeared, albeit counsel for respondent Southeast Stevedoring Co., Inc. requested leave of court by telegram that said party be allowed to submit memorandum in lieu of oral argument. Only petitioners however have submitted their memorandum and the case is deemed submitted for decision without any memorandum for both private respondent and intervenor-respondent.

The main question posed for resolution is whether or not the respondent judge acted without or in excess of its jurisdiction, or with grave abuse of discretion in issuing the questioned WRIT OF PRELIMINARY MANDATORY INJUNCTION on January 23, 1969 in its Civil Case No. 145(New). It is the stand of petitioners that the respondent Court of First Instance of Surigao del Sur is without jurisdiction to act the way it did in said civil case, as the acts complained of therein are involved in a labor dispute and an unfair labor practice charge filed earlier with the Court of Industrial Relations, thus falling within the exclusive jurisdiction of that labor court for purposes of the relief sought by respondent company in its action for damages and injunction. Private respondent company and intervenor-respondent union claim, on the other hand, that there is no labor dispute involved, as allegedly, petitioners are not employees, stevedores or workers of either of them, and the unfair labor practice charge they have filed against respondent company is but a frame-up designed to harass it, which, therefore, did not divest the respondent Court of First Instance of Surigao del Sur of its jurisdiction to restrain the unlawful acts of coercion and intimidation allegedly committed by petitioners against the former's stevedores and workers.

There is sufficient showing in the record that, indeed, six (6) days before the institution of Civil Case No. 145 (New) by respondent Southeast Stevedoring Co., Inc. against petitioners in the respondent Court of First Instance of Surigao del Sur, the latter have filed an unfair labor practice charge (Charge No. 246 ULP DB), against the former in the Davao Branch of the Court of Industrial Relations. The filing and existence of said unfair labor practice charge against it is in fact admitted by respondent company in its answer, albeit it is alleged therein that it received notice of said charge only on February 5, 1969. Such charge clearly alleges that respondent company was harassing the members of petitioner union by "non-payment of wages, non-payment of claims for workmen's compensation and arbitrary dismissals of workers who refused to retract their membership from the union", in consequence of which, it is further alleged, "a labor dispute now exists and a peaceful picketing is maintained at the premises of the herein respondents' place of stevedoring operations at Lianga, Surigao del Sur". Such alleged picketing, on the other hand, has been construed by respondent company, as pleaded in its action for damages and injunction before the respondent Court of First Instance of Surigao del Sur, to constitute unlawful acts of "grave threats" and "grave coercion" allegedly committed by petitioners, to restrain which, it sought injunctive relief from said court. It is quite clear then that the acts complained of in the unfair labor practice charge of petitioners

in the Court of Industrial Relations and those sought to be enjoined in the civil action for damages of respondent company before the Court of First Instance of Surigao del Sur are interwoven and intertwined with one another, and, involving as they do the alleged unfair labor practice charge and the consequent labor dispute occasioned thereby, both cases come within the exclusive jurisdiction of the Court of Industrial Relations.

To this effect has been the constant ruling of this Court under similar circumstances as may be gleaned from Philippine Association of Free Labor Unions (PAFLU), et al. vs. Hon. Walfrido de los Angeles, et al., L-26508, October 22, 1975, as follows:

"The only issue is whether the respondent court acted without or in excess of its jurisdiction, or with grave abuse of discretion in issuing the challenged order complained of Civil Case No. Q-10360 appears to have been instituted by the publishing company by reason of the picketing of the premises of the company on the occasion of the strike staged by the labor union. This strike was declared by the union allegedly as the consequence of unfair labor practices of the company, stemming from its discrimination in laying off workers * * * * *

It should be noted that the acts sought to be restrained by private respondents in Civil Case No. Q-10360 in the Court of First Instance of Rizal are directly interwoven with a labor dispute arising out of certain acts of the respondent company claimed by the employees and/or the union to which they are affiliated to constitute unfair labor practices. Section 5(a) of the Industrial Peace Act explicitly provides for the exclusive jurisdiction of the Court of Industrial Relations in unfair labor practices and is empowered to prevent any person from engaging in any unfair labor practice, and 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.' (Rustan Supervisory Union v. Dalisay, L-32891, April 29, 1971, 38 SCRA 500, citing Veterans Security Free Workers Union v. Cloribel, L-26439, January 30, 1970, 31 SCRA 297.)

"There is no question that the picketing and strike involved in Civil Case No. Q-10360 arose out of an unfair labor practice of respondent company by its alleged refusal to bargain collectively with the petitioner union. On many occasions, this Court has held that when the issue in an action is interwoven with unfair labor practice cases pending before the Court of Industrial Relations, said case is beyond the ambit of the authority of the regular courts even if it involves acts of violence, intimidation and coercion as alleged in the complaint. (BCI Employees and Workers Union (PAFLU) v. Marcos, L-21016, July 30, 1965, 14 SCRA 793; Cebu Portland Cement Co. v. Cement Workers Union, L-30174, May 31, 1972, 45 SCRA 337; Mindanao Rapid Co., Inc. v. Omandam, L-23058, November 27, 1971, 42 SCRA 250.) This rule applies even if no unfair labor practice case has as yet been filed with the Court of Industrial Relations, it being sufficient that an unfair labor practice is involved. Thus, We stressed in the Cebu Portland Cement Company case, that 'it is not filing of an unfair labor practice case in the Industrial Court that divests the court of first instance jurisdiction over actions properly belonging to the former. It is the existence of a controversy that properly falls within the exclusive jurisdiction of the Industrial Court and to which the civil action is linked or connected that removes said civil case from the competence of the regular courts. It is for this reason that civil actions found to be intertwined with, or arising out of, a dispute exclusively cognizable by the Court of Industrial Relations were dismissed, even if the cases were commenced ahead of the unfair labor practice proceeding, and jurisdiction to restrain picketing was decreed to belong to the Court of Industrial Relations although no unfair labor practice case has as yet been instituted. For the Court of First Instance to lose authority to pass upon a case, therefore, it is enough that an unfair labor practice case is in fact involved in or attached to the action, such fact of course being established by sufficient proof.' (Cebu Portland Cement Co. v. Cement Workers Union, supra, citing: Veterans Free Workers Union v. Cloribel, supra; Citizens League of Freeworkers v. Abbas, L-21212, September 23, 1966, 18 SCRA 71; Associated Labor Union v. Gomez, L-25999, February 9, 1967, 19 SCRA 304; Mindanao Rapid Co. v. Omandam, supra; Philippine

Communications, Electronics & Electricity Workers' Federation v. Nolasco, L-24984, July 29, 1968, 24 SCRA 321; Rustan v. Dalisay, L-32891, April 29, 1971, 30 SCRA 800.)

In view of the attendant facts, the lower court, in proceeding with Civil Case No. Q-10360 and in issuing the restraining order in question, had, therefore, acted without or in excess of its jurisdiction."

Of course, in a way, respondent judge is not solely to blame for issuing the restraining order here put to question, considering the circumstance, as pointed out by respondent company in its answer, that counsel for petitioners in the court below failed to inform the said court of the pendency of the unfair labor practice charge they have previously filed with the CIR. Nevertheless, the court a quo should have acted accordingly when later, the existence of such unfair labor practice charge was brought to its attention in the motion to dismiss petitioners filed with it.

Likewise, this is not to entirely overlook and ignore the fact that both respondent company and intervenor-respondent union vehemently deny herein petitioners' claim that they are employees of said respondent, as alleged in their unfair labor practice charge now pending in the Court of Industrial Relations. Their insistence that there is no employer-employee relationship between them is not necessarily foreclosed, however, for they may still prove such claim in the Court of Industrial Relations, now the National Labor Relations Commission created under Art. 289 of the Labor Code of the Philippines.

WHEREFORE, the writ of certiorari and prohibition prayed for is granted, the preliminary injunction heretofore issued by this Court is made permanent and respondent judge of the Court of First Instance of Surigao del Sur is hereby directed to dismiss its Civil Case No. 145 (New).

Costs against private respondent, Southeast Stevedoring Company, Inc.

Fernando, (Chairman), Antonio, Aquino, and Concepcion Jr., JJ., concur.

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