

**MANILA STEVEDORING & GENERAL WORKERS UNION
(PTGWO), PETITIONER, VS. HON. GREGORIO T. LANTIN, JUDGE OF
THE COURT OF FIRST INSTANCE OF MANILA; BENITO G. NAVARRO;
NATIONAL WORKERS ...**

G.R. No. L-29785. January 28, 1971

Ponente: CASTRO, J.

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CASTRO, J.:

The respondents Benito Navarro and the National Workers and Stevedoring Union (hereinafter referred to as the National Union) brought suit on June 7, 1968 in the Court of First Instance of Manila against the respondent Philippine Steam Navigation Company (hereinafter referred to as the Company), the respondent Emiliano Romeo and the petitioner Manila Stevedoring and General Workers Union-PTGWO (hereinafter referred to as the Manila Union), for breach of contract and for damages. The Manila Union promptly moved for the dismissal of the case, mainly on jurisdictional grounds, but the motion was denied. A sub-sequent motion for reconsideration was likewise denied. Hence, the present petition for certiorari.

Benito Navarro and Emiliano Romeo were, prior to June 20, 1967, partners in an enterprise known as the "Romeo and Navarro Stevedoring Service." As far back as 1948, the two were engaged in general stevedoring work at the north harbor of the Port of Manila and were servicing the vessels of the respondent Company docking thereat. On June 20, 1967, however, the partnership broke up, for reasons nowhere stated in the record, and both Navarro and Romeo formed their respective separate work gangs. Following this event, the stevedores and workers under Navarro joined the National Union while, at about the same time, those of Romeo joined the Manila Union.

Subsequently the Manila Union presented to the Company demands for union recognition, privileges and fringe benefits, and the execution of a collective bargaining agreement. These demands were, however, rejected by the Company, the reason given being the absence of employer-employee relationship with the members of the Manila Union. On May 17, 1968 the latter union filed an unfair labor practice charge against the Company with the Court of Industrial Relations, docketed as Charge 2478. Three days thereafter, or on May 20, 1968, the same union staged a strike, picketing Pier 4 at the north harbor and the offices of the Company at Port Area in Manila. On the following day, May 21, 1968, the Company entered into a return-to-work agreement with the Manila Union. This agreement, in substance, bound the Company, in consideration of the lifting of the strike, "to enter into a contract with a CONTRACTOR to be chosen by the Union." The formal contract with such "contractor" was stated to cover: "(a) Payment of check-off by the CONTRACTOR to the mother union; (b) Terms and conditions of employment of the stevedores for the CONTRACTOR to insure payment of minimum wages and fringe benefits that are required by law; and (c) Rate and pay-ment of stevedoring and dockhandling charges."

According to Navarro and the National Union, following the execution of the return-to-work agreement mentioned, above, they found themselves effectively prevented by members of the Manila Union from doing their former share of the stevedoring work on the Company's vessels. A counter-strike staged by the National Union

seemed to have accomplished nothing; so on June 7, 1968 Navarro and the National Union resorted to a civil suit in the Court of First Instance of Manila against the Manila Union, the Company and Emiliano Romeo for breach of contract and for damages.

The complaint, as subsequently amended, avers in substance that on January 1, 1968 the Company awarded separate three-year stevedoring contracts to Benito Navarro and Emiliano Romeo; that under these contracts Navarro and Romeo were each to service four vessels exclusively and two others on rotation basis; that the stipulations of these contracts were observed by the parties for a period of four and a half months; that the stevedores and workers under Navarro had joined the National Union while those of Romeo had in turn joined the Manila Union; that the latter union presented to the Company demands for recognition, privileges and fringe benefits, and the execution of a collective bargaining agreement; that following the denial of these demands on the ground of lack of employer-employee relationship, the Manila Union struck, employing violence, threats and intimidation, and prevented Navarro and the members of the National Union from performing their obligations under Navarro's stevedoring contract with the Company, thus causing them damages in the sum of P15, 000; that due to the complete paralyzation of its business, the Company was forced to execute with the striking union a return-to-work agreement, without previous notice to Navarro and the National Union; that Romeo and the Manila Union treated the agreement as embracing all the vessels of the Company including those assigned to Navarro and his men; and that while the Company subsequently expressed its willingness to allow Navarro and the National Union to perform their share of the stevedoring work on its vessels, the latter could not do so without risking a bloody confrontation with the men of the Manila Union. The reliefs sought by Navarro and the National Union from the lower court consist in the payment of damages, the annulment of the return-to-work agreement between the Manila Union and the Company, their restoration to their work at the piers, and the restraining of the Manila Union and its agents from molesting and hampering Navarro and the National Union in the performance of Navarro's contract with the Company. The last two reliefs sought were the object of a petition for a preliminary mandatory injunction in the court below.

On June 13, 1968 the Manila Union sought the dismissal of the case on the ground that it involved a labor dispute and was therefore outside the jurisdiction of the Court of First Instance, averring that the Court of Industrial Relations had earlier taken cognizance of the same issues raised in the complaint filed by Navarro and the National Union. After hearing had on the motion to dismiss, the respondent court, presided by Judge Gregorio Lantin, issued a resolution denying the motion. A subsequent motion for reconsideration did not fare any better. The petitioner thus promptly sought the intervention of this Court by way of a special civil action for certiorari. On January 13, 1969, after due hearing, we issued a writ of preliminary injunction restraining the respondent court from proceeding with the trial of the case until further orders.

We confront two conflicting versions regarding the precise nature of the relationship that exists between the Company on the one hand and the stevedores and workers who service its fleet upon the other. The petitioner Manila Union, asserting that an employer-employee relationship binds the two, charges that Navarro and Romeo are not independent contractors but merely dummies under the employ of the Company, and that the alleged stevedoring contracts of January 1, 1968 were plain fabrications designed to cheat the stevedores and workers of the many rights afforded them by law. Further, the petitioner points out that Navarro and the National Union are mere tools utilized by the Company to break the back of the petitioner and reclaim the benefits that had already accrued to its union members. Upon the other hand, Navarro and the National Union claim that the stevedores and workers are employees of Navarro and Romeo rather than of the Company, stressing that the latter two were already independent contractors of the Company long before the execution of the written stevedoring contracts of January 1, 1968.

As matters now stand, we are not in a position to pass judgment upon the two conflicting allegations. The record before us is not adequate to support a finding for either side. The respondent court from which the present action originated has not had an opportunity to inquire into the true and precise nature of the relations among the parties. Let it be remembered that the entirety of the proceedings had in the respondent court consisted only of an amended complaint, a motion to dismiss, denial of the latter, a two-page motion for reconsideration, and denial of the latter motion. No answer has been filed; no evidence of whatsoever kind has been adduced. The petitioner, in its motion to dismiss, supplemented by its motion for reconsideration, relied solely on its position that the complaint alleges facts which if admitted would constitute a labor dispute cognizable exclusively by the Court of Industrial Relations. The unfair labor practice charge (Charge 2478) brought against the Company by the petitioner Manila Union has not yet entered the stage of initial formal hearing, following its near dismissal at the instance of the Prosecution Division of the CIR. Thus the only issue within our competence to pass upon is whether or not, on the basis of the allegations of the complaint filed by the respondents Navarro and National Union, the respondent Court of First Instance has jurisdiction over the case.[1]

Reading the complaint filed below, through the haze that shrouds some of the words used therein, we gather that the actionable wrong sought to be redressed consists in the exclusion, by means of violence and intimidation, of an independent contractor and his men from work which properly belongs to them, by another contractor and the latter's followers under the guise of legitimate unionism. Damages in the sum of P15,000 are additionally claimed. The subject-matter of the complaint, thus understood, clearly falls within the jurisdiction of the Court of First Instance.

While the complaint charges the Manila Union as having acted concertedly after failing to obtain its demand for "recognition privileges and other fringe benefits" and "the execution of a collective bargaining contract," this does not form the substance of the plaintiff's causes of action. The rights which Navarro and the National Union claim derive, not from any aspect of employer-employee relationship, but rather primarily from Navarro's stevedoring contract with the Company. The Manila Union's allegedly coercive interference with this contract is the mischief sought to be removed. Parenthetically, the petitioner's charge that the entire controversy among the parties to this case boils down to a labor dispute cognizable by the Court of Industrial Relations, short of proof, "does not suffice to oust the jurisdiction of the court of first instance any more than a simple averment that 'no labor dispute exists' would suffice to confer it." [2]

Before closing, this Court must note that in the unfair labor practice charge filed by the petitioner Manila Union against the Company for refusal to bargain and union busting, neither Navarro nor the National Union has been impleaded. The result of this, of course, is that the CIR cannot render any decision which will be binding upon these two. It would seem wiser and appropriate that they be made parties to that case since their presence in the conflict involved therein appears to be inextricable as evidenced even by the affidavits submitted by the petitioner Manila Union in support of its charges.

We recognize the possibility that the way we resolve the present case may eventually give rise to an unhappy situation whereby two courts, the CFI and the CIR, may have to pass upon the same issue of whether or not an employer-employee relationship exists between the stevedores and workers concerned on the one hand and the Company upon the other. This, however, is unavoidable by reason of the conflicting manners by which the contending parties treat what they allege as their respective rights. Until the truth is known, unfortunately, we cannot deprive each of them of the remedies made available by statutes for the pursuance of those rights.

Of course, should the respondent court of first instance find, in the course of the litigation before it, that there exists an employer-employee relationship between the stevedores and workers concerned on the one hand and the Company upon the other, and that the semblance of an unfair labor practice stirs in the core of the conflicts, a

dismissal of the case, to permit the CIR to go it alone, would be in order. Public policy will not permit any person to utilize the general remedies granted by statutes for the purpose of undermining the substantive laws benefiting labor. Needless to say, however, the dismissal will not prejudice any subsequent action for damages which the proper party may later on bring as the logical result of a final adjudication by the CIR, on the merits, of the case before it.

ACCORDINGLY, the petition is denied. The writ of preliminary injunction we issued on January 13, 1969 is hereby dissolved. No pronouncement as to costs.

Concepcion, C.J., Reyes, J.B.L., Dizon, Makalintal, Zaldivar, Teehankee, Barredo, Villamor, and Makasiar, JJ., concur.

Fernando, J., reserves his vote.

[1] Associated Labor Union vs. Ramolete, L-23537, March 31, 1965, 13 SCRA 582; Tuvera vs. De Guzman, L-20547, April 30, 1965, 13 SCRA 729; Edward J. Nell Co. vs. Cubacub, L-20843, June 23, 1965, 14 SCRA 419; Atlantic Gulf and Pacific Co. of Manila, Inc. vs. Olivar, L-19526, Sept. 20, 1965, 15 SCRA 59.

[2] Layno vs. De la Cruz, L-20636, Apr. 30, 1965, 13 SCRA 738, 742.

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