

STANDARD COCONUT CORPORATION, PETITIONER, VS. THE COURT OF INDUSTRIAL RELATIONS AND FELIPE MORALES ET AL., RESPONDENTS.

G. R. No. L-3733. July 30, 1951

Ponente: REYES, J.

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REYES, J.:

This is an appeal by certiorari from a resolution of the Court of Industrial Relations.

It appears that on May 13, 1948, the Gumaca Labor Union, a group of workers in the Gumaca (Quezon province) plant of the Standard Coconut Corporation affiliated to the Congress of Labor Organizations, presented to the management of the company a petition for increases of wages and betterment of working conditions. Representatives of labor and management met at once to thresh out the demands, but agreed to postpone negotiations to some future date, which the laborers understood would be on the 29th of that same month. When that day came, however, no negotiation could be had because the plant manager did not appear at the meeting. This made the laborers suspect that something was afoot to sidetrack their demands.

Taking up the cause of the Gumaca Labor Union, the officers of the Congress of Labor Organizations in Manila began holding conferences with the lawyers of the company, and when nothing came out of the conferences, the vice-president of the congress filed a petition in the name of the union, asking the Court of Industrial Relations to settle the dispute. This was on June 5. On July 7 the petition was replaced by one signed individually by Felipe Morales and 35 others because, as an unregistered labor organization, the union had no legal personality.

In the morning of June 8, 1948, that is, three days after the vice-president of the Congress of Labor Organizations had submitted the dispute to the Court of Industrial Relations, the company's general foreman, named Tomas Trespalacioreal, who was at the same time president of another labor union in the Gumaca plant, started pressing the members of the Gumaca Labor Union to sign up with his union with threat of possible dismissal if they refused, and made his authority felt by transferring laborers from one job to another without known cause. As a protest against these activities of the company foreman, the members of the Gumaca Labor Union quit work on that day. But the strike was conducted peacefully, and after a brief negotiation it was called off on the understanding that the company would allow the strikers to return to their work. The company, however, failed to live up to this understanding, because the union headed by Trespalacioreal threatened to stage a strike of its own if the strikers were taken back. In view of this, the strikers filed with the Court of Industrial Relations a petition for reinstatement. That court, acting thru its presiding judge, Hon. Arsenio Roldan, denied the petition on the ground that the petitioners, by resorting to a strike that "was not only unjustified but also unreasonable," "can not now invoke the protection of the law in their favor." But on motion for reconsideration, this resolution was set aside by the court in banc, with two of its judges dissenting. Hence this appeal.

The issue is whether the strike staged by the members of the Gumaca Labor Union pending determination of their case in the Court of Industrial Relations was unjustified and unreasonable, and therefore illegal.

Section 19 of Commonwealth Act No. 103 provides:

"SEC. 19. Implied condition in every contract of employment.— In every contract of employment or tenancy, whether verbal or written, it is an implied condition that when any dispute between the employer or landlord and the employee, tenant or laborer has been submitted to the Court of Industrial Relations for settlement or arbitration pursuant to the provisions of this Act or when the President of the Philippines has ordered an investigation in accordance with section five of this Act with a view to determining the necessity and fairness of fixing and adopting a minimum wage or share of laborers or tenants, and pending award or decision by the Court of such dispute or during the pendency of the investigation above referred to, the employee, tenant, or laborer shall not strike or walkout of his employment when so enjoined by the Court after hearing and when public interest so requires, and if he has already done so, that he shall forthwith return to it, upon order of the Court, which shall be issued only after hearing when public interest so requires or when the dispute cannot, in its opinion, be promptly decided or settled; and if the employees, tenants or laborers fail to return to work, the Court may authorize the employer or landlord to accept other employees, tenants or laborers. A condition shall further be implied that while such dispute or investigation is pending, the employer or landlord shall refrain from accepting other employees, tenants or laborers, unless with the express authority of the Court, and shall permit the continuation in the service of his employees, tenants or laborers under the last terms and conditions existing before the dispute arose; Provided, That with the exception of employers engaged in the operation of public services or in the businesses coupled with a public interest, employers will not be allowed to engage the services of strike breakers within fifteen days after the declaration of the strike. A violation by the employer or landlord or by the employee, tenant, or laborer of such an order or the implied contractual condition set forth in this section shall constitute contempt of the Court of Industrial Relations and shall be punished by the Court itself in the same manner with the same penalties as in the case of contempt of a Court of First Instance. In the case of corporations, the person or persons responsible shall be the manager or the person who has charge of the management of the business of the corporation and the directors thereof who have ordered and/or authorized the act of contempt; and in the case where the contempt is committed by persons belonging to a labor union or any group of laborers which union or group directs or assumes the representation of such persons, the person or persons responsible shall be the officers and/or leaders of said union or group who have participated in the direction of the movement which resulted in the contempt complained against.

"No employer or landlord shall suspend, layoff, or dismiss any employee, laborer, tenant, or farm-laborer, without just cause, from the time a labor association or organization or group of laborers or tenants or farm-laborers has presented to an employer or landlord a petition or complaint regarding any matter likely to cause a strike or lockout mentioned in this section, and a copy thereof has been forthwith furnished the Department of Labor, or while an industrial or agricultural dispute is pending before the Court. If it is proved that during the said period an employee or laborer, tenant, or farm-laborer has been suspended or dismissed without just cause, the court may direct his reinstatement and the payment of his salary or wage during the time of the suspension or dismissal, or of any sum which he should have received had he not been suspended or dismissed, without prejudice to any criminal liability of the employer or landlord as prescribed by section twenty-four of this Act." (as amended by Commonwealth Act No. 355 and section 5 of Commonwealth Act No. 559).

The above provision appears to outlaw a strike only when it has been judicially enjoined. But this Court, in various cases that have come before it, has ruled that a strike may be declared illegal in other cases. The case of *Luzon Marine Department Union vs. Arsenio Roldan et al.*, 86 Phil., 507 sums up the rule as follows:

"The law does not expressly ban strikes except when enjoined against by the court; but if a strike is declared for trivial, unjust or unreasonable purpose, or if it is carried out through unlawful means, the law will not sanction it and the court will declare it illegal, with the adverse consequences to the strikers."

The respondent laborers do not dispute this ruling, for in their brief they admit that a strike may be illegal "(1)

when it violates a positive law or a judicial decree,

(2) when the means employed is illegal, or (3) when its purpose is illegal." And since the strike here in question did not violate any express provision of law or judicial decree and was not carried out through illegal means, the only question for determination is whether the said strike was declared for a trivial, unjust or unreasonable cause and was for that reason illegal.

The lower court was divided on this question. But it would appear from both the majority and minority opinions that the immediate causes of the strike were, in the language of the presiding judge, "(1) the petitioners' being pressed by their general foreman then to affiliate with the latter's union when they already had a union of their own choice, otherwise they were liable to be dismissed, and (2) the act of the same foreman in transferring some of the petitioners from their former positions with fixed kind of work to the floating gang, that is, one without fixed kind of work." The "petitioners" referred to in the quotation were no other than the members of the Gumaca Labor Union, who, as above stated, had become suspicious that the company was planning to sidestep their demands because its plant manager kept away from the meeting in which those demands were to be discussed. And now came these maneuvers on the part of the company foreman which must have confirmed them in their suspicion. For it is obvious that the absorption of the members of the Gumaca Labor Union into the other organization headed by the foreman would have meant the end of said union and the consequent abandonment of its demands upon the company. It was to prevent this that the union struck.

The majority of the judges of the industrial court did not find the strike declared under those circumstances illegal. We find no reason for adopting a different view, aware as we must be that if the members of the Gumaca Labor Union had not struck but had allowed themselves to be pressured into joining the foreman's union, their petition in the Court of Industrial Relations would have died a natural death for lack of support.

In view of the foregoing, the resolution appealed from is affirmed, with costs against the petitioner.

Paras, C. J., Feria, Pablo, Bengzon, Padilla, Tuason, Jugo and Bautista Angelo, JJ., concur.

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