

INTERWOOD EMPLOYEES ASSOCIATION, PETITIONER, VS. INTERNATIONAL HARDWOOD & VENEER COMPANY OF THE PHILIPPINES (INTERWOOD), RESPONDENT.

G.R. No. L-7409. May 18, 1956

Ponente: PADILLA, J.

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PADILLA, J.:

This is a petition filed under Rule 44 of the Rules of Court to have a decision of the Court of Industrial Relations dated 2 October 1953 and a resolution dated 13 November 1953 denying the motion for reconsideration thereof reviewed, reversed and set aside and the case remanded to the trial court for further proceedings and determination in accordance with law. The decision of the Court of Industrial Relations declared illegal the strike staged by the members of the petitioner on 9 March 1953, because it was "for trivial, unreasonable and unjust purpose," and authorized the respondent to dismiss the strikers and employ others for the operation of the respondent's plant, except those who had returned and were allowed to work by the management of the respondent.

The petitioner alleges and contends that the strike staged on 9 March 1953 was a protest against the action of the respondent in separating from its services Enrique L. Marcelo, the association president; that a strike by members of a labor union is but a lawful exercise of their right recognized by law for the purpose of rendering to themselves mutual aid or protection; that even assuming that Marcelo was separated for cause, still the strike declared by the members of the petitioner aimed at his reinstatement under an erroneous belief that his discharge was discriminatory is a protected activity; and that the discharge of Marcelo by the respondent was without any justifiable cause.

The answer of the respondent is that Enrique L. Marcelo was not separated or discharged from his employment in the respondent's plant because of union activities but that he voluntarily resigned his position as supervisor of the "Green End" section of the respondent's plant, which resignation was accepted by the management of the respondent.

The Court of Industrial Relations found the following—

From the evidence as well as the circumstances surrounding this case, it appears that Mr. Enrique Marcelo, president of the Interwood Employees Association, was originally employed by the petitioner since July 26, 1949, as shop helper with a daily compensation of P3; that since then he was holding different positions in the company and was likewise given several increases in pay corresponding to the position he holds; that up to December 10, 1952, he was holding the position of Shift Engineer in the powerhouse; that on December 11, 1953, up to March 7, 1953, when he (Marcelo) was separated from the company, he was working as Supervisor in the Green End (Exhibits "K" and "L"); that the duties of Supervisor and that of Shift Engineer are different from each other; that his salary as Supervisor in the Green End was P7.15 (Exhibits "M" and "N"); that as Supervisor he was directly working under Mr. Dalmacio, the Chief Engineer (p. 32, t.s.n., hearing of March 27, 1953); that from December 11, 1952, up to March 6, 1953, when he sent his letter of resignation, he made several requests to work overtime during Sundays to clean the boilers in the powerhouse (Exhibits

"P", "S" and "V"); that on August 30 and on September 12 and 16, 1952, the International Hardwood & Veneer Company paid Mr. Marcelo the amount of P1,200 for replenishment of depleted union funds as requested by the officers of the respondent association (Exhibit "FF"); that notwithstanding the policy of the company not to allow personal vales, except in emergency cases, Mr. William Murphy, General Manager of the company extended vale to Mr. Marcelo in the amount of P60 from his personal fund (Exhibit "EE"); that the company at times has to adopt the rotation system for lack of glue and logs; that his letter of resignation was duly accepted by the General Manager (Exhibit "D"); that the General Manager, Mr. W. B. Murphy, informed Marcelo that the position from which he resigned on March 6, 1953, has been abolished on the same date when he resigned for reasons of economy and efficiency (Exhibit "J"); that there is also no vacancy in the powerhouse (Exhibit "D"); that after he (Marcelo) was informed that there is also no vacancy in the powerhouse, he sent a note to the Superintendent of the Company that he wanted to go back and work as Supervisor (Exhibit "Z"); that Mr. Marcelo was advised by the Management to hold their meeting at noon and not during working hours; that contrary to the advice of the management the association held their meeting during office hours, thereby stopping their work except the press department (Exhibit "H"); that there were some incidents or unusual happenings wherein the strikers prevented the deliveries of plywoods to some customers of the company, namely: Manila Lumber (t.s.n., pp. 76-78, hearing of April 10, 1953); Baguio Bus (pp. 71-73, hearing of April 10, 1953; pp. 7-20, hearing of April 13, 1953; and Exhibit "GG"); and Dy Pac & Company (pp. 73-76, hearing of April 13, 1953); that when the strike was declared the power plant stopped operations; that during the strike no arrest was made because the incidents did not amount to a crime (t.s.n., pp. 29-30, hearing of April 13, 1953); that the strike was declared because of the refusal of the management to reemploy Mr. Marcelo in the service of the company; and that many of those who joined the strike have already returned to work (Exhibit "II").

On the claim of the respondent in its answer that the dismissal of Mr. Enrique Marcelo, president of the Interwood Employees Association, was due to union activities, the Court finds not even an iota of evidence to substantiate the same. On the other hand, there is an overwhelming evidence that Marcelo's separation from the service of the company is because of his voluntary resignation which was duly accepted by the management. There could have been no motive for the company to sever his (Marcelo's) employment with the company because from the time Case No. 601-V was settled, up to March 6, 1953, when he sent his letter of resignation (Exhibit "A"), there was no dispute whatsoever between the petitioner and the respondent. The fact that the petitioning Company replenished the depleted funds of the Interwood Employees Association in the amount of P1,200 and the fact that the General Manager of the Company extended personal "vale" out of his personal fund to Mr. Marcelo notwithstanding that it is against the policy of the management to give personal "vales" except in emergency cases, are convincing proofs that the company has nothing against the association nor against Mr. Marcelo, President of the Interwood Employees Association. Hence, the claim of Mr. Marcelo that he was dismissed on account of union activities, is entirely groundless.

Mr. Marcelo also claims that his letter of resignation (Exhibit "A") was misinterpreted by the management. From the contents of Exhibit "A" there could be no other meaning from the sentence "I am resigning from my present post as Supervisor effective March 7, 1953," except that as used in ordinary parlance, he is quitting or giving up his present position effective March 7, 1953. The letter of resignation being clear and concise, it should be taken in its face value. Marcelo in his letter of resignation also gave his reason why he is resigning from his present position and signified his desire or intention to work in the powerhouse.

Here, Marcelo wanted to assign himself to the powerhouse. The question of transfer and assignment of employees or laborers from one section or department to another is purely an act of the management which Mr. Marcelo cannot impose upon the company, otherwise, if he will be allowed to do so, it would undoubtedly encroach upon the managerial functions of the management. Mr. Marcelo, in order to justify his contention that his letter of resignation was misinterpreted by the management, claims that aside from his position as Supervisor of the Green End, he is also in charge of the powerhouse. If it is true that he is working both as Supervisor and as in charge of the powerhouse, then it is absurd to claim that he is resigning from the position

of Supervisor, and that he is going to work in the powerhouse, for the reason that there is no necessity for him to ask the management that he will occupy the position to which he claimed to be the actual occupant. The truth and the fact is, that Marcelo before his resignation as Supervisor in the Green End was a Shift Engineer in the powerhouse, and from the time he was designated as Supervisor since December 11, 1952, there were some Sundays that he worked overtime in the powerhouse cleaning the boilers, upon his own requests. The service records of Mr. Marcelo as well as the payrolls of the company duly signed by him clearly show that since December 11, 1952, he was already working as Supervisor and not as in charge of the powerhouse. Besides, the duties and nature of the work of a Shift Engineer and that of a Supervisor in the Green End are entirely different from each other, such that (those) jobs cannot be ordinarily performed by one man.

Even granting, just for the sake of argument, that there was really a misinterpretation of the letter of resignation (Exhibit "A"), and because of this, the management refused to readmit Mr. Marcelo, notwithstanding the request made to that effect, is this a sufficient cause for the members to declare a strike? As lengthily discussed above, Mr. Marcelo was not dismissed for union activities. If he was separated from the service of the company, it was because of his voluntary resignation which was duly accepted by the management. If the management refuses to reemploy him, it is merely acting in the exercise of its prerogative. What would have been the proper step for Mr. Marcelo to take before declaring the strike was to bring the matter to this Court and ask for his reinstatement, as the exercise by the management of its prerogatives is basically subject to the regulation of the State, to wit:

"The right of an employer to freely select and discharge his employees is subject to regulation by the State basically in the exercise of its paramount police power (Commonwealth Acts Nos. 103 and 213) . . . and in cases where the suspension or dismissal of an employee is whimsical or unjustified or is otherwise illegal, the employee will be protected. (Manila Trading & Supply Co. vs. Zulueta, et al. G. R. No. 46853; Manila Electric Company vs. National Labor Union, Inc., G. R. No. 47279; Manila Trading & Supply Co. vs. Philippine Labor Union, G. R. No. 47486.)"

Mr. Marcelo without resorting to some pacific means and processes prevailed upon the members of the Association to declare a strike simply because he was harboring the belief that he was illegally dismissed. A strike as a weapon of labor must be used judiciously. It should be used in redress of just and lawful grievances and not to be used whimsically or capriciously even by the President of the union who caused the strike to be declared in protest of his fancied notion that he was dismissed by the management on account of union activities. To the mind of the Court, after careful study of the evidence as well as the facts and circumstances of this case, the reason, cause or motive of the strike declared on March 9, 1953, is trivial, unreasonable and not sufficient to justify a general strike which hampered the operation of the company. In the case of Luzon Marine Department Union vs. Arsenio C. Roldan, G. R. No. L-2660, the Supreme Court i said:

"That there is no provision of law, decision, ruling or doctrine which provides that a strike called for such a purpose is against the law. We have adverted to the ruling of this Court in Rex Taxi cab Company vs. Court of Industrial Relations, supra, that in cases not falling within the prohibition against strikes, the legality of a strike depends, first, upon the purpose for which it is maintained, and, second, upon the means employed in carrying it on. Thus, if the purpose which the laborers intend to accomplish by means of a strike is trivial, unreasonable or unjust (as in the case of the National Labor Union, Inc. vs. Manila Gas Corporation, 40 Off. Gaz., 37), the strike, although not prohibited by injunction, may be declared by the Court illegal, with the adverse consequences to the strikers." (Italics supplied.)

On the allegation of the petitioners that the strike was carried out with threats and intimidation, the Court finds that as a whole, the strike was conducted in a peaceful and orderly manner. Although the union picketed the premises before, the permit to picket was issued and that there were some incidents that happened during the strike, these incidents did not amount to a crime (t.s.n., pp. 29-30, hearing of April 13, 1953). (Decision of the Court of Industrial Relations dated 2 October 1953, Annex "C".)

These findings cannot be reviewed by, and are binding upon, this Court. It is then clear that the president of the petitioner, a labor union, was not separated or dismissed from his employment in the respondent's plant because of union activities. He resigned. The resignation was accepted. Resignation is not synonymous with separation or dismissal. In his letter of resignation he stated or expressed the wish to be returned to his former position as shift engineer in the powerhouse which he, at that time, did not hold, because the job held by him and the one to which he wanted to be transferred or returned were two different positions. Marcelo's pretension which amounted to an imposition upon the respondent cannot and should not be countenanced and sustained. There was no vacancy in the powerhouse to which he could be transferred.

There remains only the point whether a strike staged by members of a labor union may be declared illegal by the court if the striking members of the union believed in, good faith that they were so striking because of a grievance against the management. If the determination whether a strike is legal or illegal were to depend upon the reason or motive, no matter how groundless or false it may be, the striking members of a labor union had in mind or believed in good faith at the time they staged the strike, there would then be no need for the court to pass upon that question, because what the strikers had in mind or believed in good faith at the time they struck can hardly be refuted, rebutted or disproved. If the Court of Industrial Relations were bound to believe and so find what the striking members of a labor union allege or claim to be the reason or motive for their staging a strike, because as claimed by the petitioner the right of the members of a labor union to strike for mutual aid or protection, as preconized in section 3, Republic Act No. 875, is an absolute right, then there would no longer be any necessity for holding or conducting a hearing, where both parties to the controversy may present their proofs and upon which the Court is to determine which of the claims or contentions is true, correct and lawful, as disclosed by the evidence before it. Parenthetically, Republic Act No. 875 took effect on 17 June 1953. The strike held illegal was staged by the members of the petitioner on 9 March 1958. The Act cannot be invoked and applied to a strike staged before the Act took effect.^[1] Nevertheless, such right to strike for mutual aid or protection is not absolute. It comes into being and is safeguarded by law if and when the act or acts intended to render mutual aid or protection to affiliates of a labor union arise from a lawful ground, reason or motive. If the motive be lawful, any act that would tend to give such mutual aid or protection should and must be protected and upheld. But if the motive that had impelled, prompted, moved or led members of a labor union or organization to stage a strike, even if they had acted in good faith in staging it, be unlawful illegitimate, unjust, unreasonable or trivial, and the Court of Industrial Relations, the agency entrusted by the Government to determine it, finds it so, then the strike may be declared illegal.

The judgment of the Court of Industrial Relations of 2 October 1953 and the resolution denying the motion for reconsideration thereof dated 13 November 1953 appealed from are affirmed, with costs against the petitioner.

Bengzon, Montemayor, Reyes, A., Jugo, Labrador, and Endencia, JJ., concur.

[1] Section 27, Republic Act No. 875.

CONCUR, CONCURRING AND DISSENTING

REYES, J. B. L., J., with whom PARAS, C. J., BAUTISTA and CONCEPCION, JJ.:

I fully concur with the majority in its view that Enrique Marcelo's conduct was unjustifiable and that he was properly dismissed; but regret not being able to assent to the dismissal of the other strikers, for this extreme

penalty seems to me excessive under the circumstances of record. Where unemployment is rife, as at present, dismissal may mean risk of starvation for the laborers and their families.

It is practically conceded,, and there is no showing otherwise, that the labor union declared the strike in the honest belief that Marcelo had been dismissed because of union activities, and no unlawful means were employed. Such action can not be regarded as trivial, illegal or unreasonable : defense of its members goes to the very root of a union's reason for existence (cf. *Philippine Education Co. vs. C. I. R.* Ir-7156, May 31, 1955). I concede that, the strike was injudicious and hasty, since no serious attempt was made to ascertain the side of management. But it seems to me that reinstatement without backpay would have been a sufficient stern sanction for such inconsiderate action and a reminder against its repetition in the future.

Nor is the guilt of the union in acting without due inquiry upon the biased report of its president (Marcelo) too serious or unprecedented an offense. Our experience is that precipitate action upon one-sided reports is not confined to labor unions. The truth is that if in labor capital conflicts labor is often too quick to conclude that every move of management is an attempt to grind it back to slavery, so are capital and management much too predisposed to view every petition of labor as unjustified demand and harassing insolence. Save rare and honorable exceptions, both sides appear to suffer from emotional infantilism.

In the present case it does not appear that management endeavoured to present the true facts to the union. Had it done so, the strike would have probably been averted, for a laborer does not take lightly to the suspension of the earnings upon which he and his family depend for their living. No doubt it will be argued that it was incumbent upon the union to ascertain the true facts; that management was not called upon to make explanations, but had the right to stand upon its dignity. I am not sure that this view is correct. Blame for not seeking a reasonable compromise can not be apportioned equally between labor and management, but in my opinion should weigh more against the latter. Not because of any doctrinarian prejudice but simply because management counts in its ranks the more educated and enlightened men, expected to possess tolerance and vision; and higher education should shoulder heavier responsibility. Every member of society must contribute to the common welfare according to his abilities. Justice (and specially social justice) is not equality but proportion.

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