

LA CONSOLACION COLLEGE, ET AL., PETITIONERS, VS. COURT OF INDUSTRIAL RELATIONS, ET AL., RESPONDENTS.

G.R. No. L-13282. April 22, 1960

Ponente: BAUTISTA ANGELO, J.

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BAUTISTA ANGELO, J.:

La Consolacion College is an educational institution operated and administered by the Augustinian Sisters, a religious congregation of Roman Catholic nuns, with its school situated in Bacolod City, Occidental Negros. It has several employees and workers affiliated with the National Employees Workers Security Union, a legitimate labor organization, duly registered in the Department of Labor.

In view of a complaint containing acts constituting unfair labor practice filed against said institution with the Court of Industrial Relations, the prosecutor of said court, after due investigation, filed a formal complaint against the institution and its Mother Superior Sor Evangelista de San Agustin alleging among others that on or about September 1, 1954 the aforesaid mother superior restrained or interfered with some of its employees who were members of the complaining union in the exercise of their right to self-organization by questioning their union activities with a view to making them resign therefrom, said acts having produced as a result their dismissal from the service on December 31, 1954, all of which constitute unfair labor practice within the meaning of section (4) (a), subsections 1 and 4, of the Industrial Peace Act.

Respondents, in their answer, averred that the real reason for the separation of the employees mentioned in the complaint was that there was no more work where they could be employed justifying the wages they were demanding and not what the union claims that they were dismissed because of their union activities. Respondents also raised the defense that the court lack jurisdiction over them because they are not engaged in a business enterprise but in a non-profit educational pursuit.

After hearing, the court on March 9, 1957, rendered decision sustaining its jurisdiction over the case and ordering respondents to reinstate the workers in whose favor the complaint was filed with back pay from December 31, 1954, date of their dismissal, until their actual reinstatement. When their motion for reconsideration was denied, they brought the case before us for review on a petition for certiorari.

The Court of Industrial Relations found undisputed the following facts The La Consolacion College is an educational institution operated by the Augustinian order, a congregation of religious sisters, whose school is situated at Bacolod City. Its mother superior is Sor Evangelista de San Agustin. The college derives its income from the fees collected from the students from which it pays the salaries of its teachers and buys the books and equipment needed by the college. It maintains a "free school" with an enrollment of 200 students who are not required to pay any fee but whose teachers are paid by the college. It has 8 working students who do part-time work and 38 "agraciadas" who are poor girls admitted free, including board and lodging, clothing and other personal effects, but who are required to do some housework like sweeping, cleaning the rooms and dusting the furniture.

The workers involved in this case had been employed on different dates, the nature of their employment being varied such as janitors, gardeners, kitchen helpers, carpenters, masons, electricians, and other odd jobs. Their salaries range from P25.00 to P80.00 a month, board and lodging free, besides the food they can bring to their respective families.

Sometime in May, 1954, one Supremo Lesaca was able to prevail upon the laborers of the college to join the union organized by him and as such members they used to attend the meetings held by the union in its headquarters. On two different occasions the mother superior received two letters from the president of the union containing a proposal to improve the working conditions of the laborers working in the college naming therein the laborers to be benefited. Upon receipt of these letters, the mother superior gathered the laborers and after confronting them with the letters, she told them: "Here are your names and I know you are members of the NEWSUN. * * * I give you one month to look for better jobs outside."

Upon the foregoing facts, the industrial court reached the conclusion that the mother superior of the La Consolacion College laid off the laborers not only because they demanded that they be given better wages and better working conditions, but also because they joined a labor union.

Hence it found the institution guilty of unfair labor practice.

The main issue raised in this appeal by petitioner is that the industrial court committed an error in holding that it has jurisdiction to act on this case even if it involves unfair labor practice considering that the La Consolacion College is not a business enterprise but an educational institution not organized for profit.

If the claim that petitioner is an educational institution not operated for profit is true, which apparently is the case, because the very court a quo found that it has no stockholder, nor capital, it is run by religious sisters who are bound by strict vow of poverty and do not receive any salary for their work, the fees paid by its students are spent for the salaries of its teachers and employees, as well as for the purchase of books and equipment, then we are of the opinion that the case does not come under the jurisdiction of the Court of Industrial Relations in view of our ruling in the case of *Boy Scouts of the Philippines vs. Juliana V. Araos*, 102 Phil, 1080.

In the above case, *Juliana V. Araos*, who was separated from the service because of certain misconduct, filed charges for unfair labor practice against the Boy Scouts organizations alleging that her dismissal was motivated by her union activities. Respondent raised the question of jurisdiction claiming that, being a civic, charitable, humanitarian, and patriotic enterprise, not created for profit, there was no labor dispute over which the court may exercise jurisdiction. In holding that Republic Act 875 (Industrial Peace Act) only applies to enterprises organized for profit and not to those organized, operated and maintained for a lofty purpose, such as charity, education, instruction and the like, this Court, thru Mr. Justice Montemayor, made the following pronouncement:

"On the basis of the foregoing considerations, there is every reason to believe that our labor legislation from Commonwealth Act No. 103, creating the Court of Industrial Relations, down through the Eight Hour Labor Law, to the Industrial Peace Act, was intended by the Legislature to apply only to industrial employment and to govern the relations between employers engaged in industry and occupations for purposes of profit and gain, and their industrial employees, but not to organizations and entities which are organized, operated, and maintained not for profit or gain, but for elevated and lofty purposes, such as, charity, social service, education and instruction, hospital and medical service, the encouragement and promotion of character, patriotism and kindred virtues in the youth of the nation, etc."

Considering that this ruling applies squarely to this case, the inescapable conclusion is that petitioner does not come within the purview of Republic Act 875.

Wherefore, the decision appealed from is reversed. The complaint is dismissed, without costs.

Bengzon, Padilla, Montemayor, Labrador, Endencia, and Gutierrez David, JJ., concur.
Paras, C.J., Reyes, J.B.L., Concepcion, and Barrera, JJ., reserve their votes.

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