

PRUDENTIAL BANK & TRUST COMPANY AND SIXTO L. OROSA, JR., PETITIONERS VS. COURT OF INDUSTRIAL RELATIONS, NATIONAL LABOR UNION AND JOSE M. SEÑIR, RESPONDENTS.

G.R. No. 13401. December 29, 1960

Ponente: CONCEPCION, J.

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CONCEPCION, J.:

In this original action, petitioners Prudential Bank & Trust Company—hereafter referred to as the Bank—and Sixto L. Orosa, Jr., pray for: (1) a writ of certiorari "annulling and/or setting aside the decision" of the Court of Industrial Relations, in Case No. 1106-ULP thereof, entitled "National Labor Union and Jose M. Señor vs. Prudential Bank & Trust Co., and Sixto Orosa, Jr.," the dispositive part of which reads as follows:

"Wherefore, judgment is hereby rendered in favor of the complainants and against the respondents, finding the latter guilty of the unfair labor practice complained of. Consequently, respondents are ordered to cease and desist from further committing said unfair labor practice and they are likewise ordered to reinstate complainant Jose M. Señor to his former position with back salary, at the rate of P215.00 a month, from October 31, 1956 up to the time of his actual reinstatement and under the same terms and conditions prior to his separation from the service."

"as without or in excess of jurisdiction and/or abuse of discretion"; and (2) a writ of preliminary injunction enjoining said court, as well as the National Labor Union and Jose M. Señor, from executing the aforementioned decision. Upon the filing of a bond in the sum of P500.00, the writ of preliminary injunction prayed for was issued.

Jose M. Señor, the main respondent herein, was acting chief of the security guard section of the Bank up to October 31, 1956, when he was dismissed from the service. Soon thereafter, at the instance of Señor and the National Labor Union, of which Señor is a member, an acting prosecutor of the Court of Industrial Relations filed therewith a complaint for unfair labor practice—which was docketed as Case No. 1106-ULP—against said Bank and its Vice-President and General Manager, Sixto Orosa, Jr., who had allegedly dismissed Señor because of his union activities. The Bank and Orosa filed an answer denying the charge of unfair labor practice and alleging that Señor had been dismissed, not owing to his union activities, but for cause, as found by a special committee that had investigated some charges preferred against him by one Pablo M. Ignacio. Replying thereto Señor alleged, in turn, that said committee had been irregularly created by the management and had deprived him of the right to be represented by counsel, as well as of the opportunity to prove his defense.

When the case was heard in the Court of Industrial Relations, Señor testified that he was a member of the National Labor Union and, up to October 31, 1956, acting chief of the security guards of the Bank, which dismissed him for no other cause than his union activities, inasmuch as, prior to said date, he had initiated the formation of a labor union other than that already existing among the employees of the Bank, and was working for better terms and conditions of employment for its security guards, as indicated by the fact that, during a conference he had, in

relation thereto, with the general manager of the Bank, Mr. Sixto Orosa, Jr., the latter said: "I was informed that you were the one agitating for the formation of a labor union here."

Upon the other hand, testifying for the respondents therein—petitioners herein—said Mr. Orosa stated that the dismissal of Señor had been due, not to his alleged union activities, which were unknown to him (Orosa), but to a just cause, as found by the committee above referred to. In support of this testimony, the Bank and Mr. Orosa introduced, also, as part of their evidence: an undated complaint of Pablo M. Ignacio, a security guard of the Bank, charging Señor with dereliction of duty, disrespect to superior officers, inciting discontent and unbecoming conduct; Señor's answer thereto; the record of the investigation conducted by said committee; its original report recommending either Señor's demotion or his resignation; and a subsequent communication of the committee recommending his dismissal.

In due course, the Court of Industrial Relations rendered the decision complained of, finding that respondent Señor was a member of the Prudential Bank & Trust Co. Employees Association, which had a collective bargaining agreement with the Bank, effective for a period of three (3) years, from December 20, 1954; that paragraph (9) of said agreement provides:

"That there shall be created a Personnel Committee composed of representatives of the Bank and the Association which shall be in charge of settling any dispute, controversy or problem that may arise between the Bank and the members of the Association. Any dispute or controversy which cannot be settled by the Personnel Committee shall be referred to an impartial arbitrator to be chosen by both the Bank and the Association. The decision of the Arbitrator shall be final between the parties."

that the special committee—created by the Bank and consisting of four (4) Representatives of the management and one (1) representative of the Association—that investigated the charges of Ignacio against Señor, was not constituted in conformity with the provisions of said paragraph (9) of the aforementioned collective bargaining agreement, which was in force at that time; that Señor had asked that he be allowed to be represented by counsel in the investigation conducted by said committee, but the same denied said request; that upon the filing of Señor's written answer to the charges of Ignacio, the committee considered the investigation concluded and then rendered its report and recommendation, without giving Señor an opportunity to introduce evidence in support of his aforesaid answer. Then the decision of respondent court goes on to say:

"After having carefully considered the respective contentions of both parties in this case on the collateral question at issue, together with its impressions on the investigations conducted by the Special Investigating Committee on the charges filed against complainant Señor (after painstaking review of its proceedings as recorded in Exhibit '9'), the Court is more inclined to give credit to the contention of the complainants and, therefore, believes that the proceedings and recommendations conducted and arrived at by said committee, respectively, on the charges in question should be, as they are hereby considered null and void. Consequently, all the actions by respondents taken thereafter and pursuant thereto are likewise invalidated.

"While efficient and productive operations of any establishment requires that management be in a position to take reasonable disciplinary action against erring employees, care should be taken " to make it clear that it (management) does not disregard its obligations and commitments under a contract it has entered into with the representatives of its employees. Toward that end, it is well to agree with said representatives upon the common reasons for discharge of employees. For to disregard such procedure has the effect of throwing into discard the basic purposes of the contract and to a large extent reduces to futility the painstaking and time-consuming effort to establish orderly procedures through collective bargaining negotiations. It is the duty of both management and labor to see that the relief demanded does not violate or undermine these basic standards for 'administration of the grievance procedure involves matters which affect the daily lives of employees in relation to their job.'

'* * * An adequate and proper functioning grievance procedure can serve as a means of becoming aware of employee complaints which require attention and elimination of their causes. Thereby, better labor relations may be attained and the companies' policies and rules guard to more efficient operation to the extent that they may be accommodated to employee needs.' (pages 327 and 348— The Law of Labor Relations—Werne.)

"On the other hand, and coming to complainant Señor's claim that his dismissal was due to his union activities and to his determined efforts to see the working conditions of the security guards under him improved, the Court has noted that although his testimony to that effect has never been corroborated by any other witness—he being the only witness for the complainants— said contention found support from Pablo M. Ignacio himself. In paragraph 4 of the charge (Exhibit '4') he (Ignacio) filed against Señor, it was alleged:

'A week later, he called for a meeting and his statement was this: I'll see to it that you all guards be given an extra pay for Sundays, and 25 percent to 50 percent for those guards working in the night shift. Our answer was this: That we are given an increase yearly, including the Christmas bonus and profit sharing. It is embarrassing for us to take other privileges, because it is given to us without asking for it. He insisted that we have to fight for our privileges, but our answer was still no. We will not do that because we don't want to be possessive. After we were not convinced at the meeting it was adjourned and within two minutes we were called again, he said, suppose that the management will cut off the one day off in every week, and uniforms and shoes. Our answer was this: That we are much higher than those guards of the agencies.' The several witnesses presented during the investigation of said charges by the Special Investigating Committee have likewise made reference, in the course of their testimony (Exhibit '9'), to the efforts made by complainant Senir to the end that their working conditions would improve.

"In the light of the foregoing facts and observations, the Court is of the opinion that complainant Jose M. Senir's contention that the only reason why he was dismissed by respondent on October 31, 1956 was his union activities is more tenable."

Thus, the question for determination by respondent court was whether or not Señor's dismissal had been due to his union activities. Señor maintained the affirmative and testified to this effect. Upon the other hand, petitioners herein—respondents in the unfair labor practice case—introduced Orosa's testimony in support of the negative view, and presented, by way of corroboration, the records of the proceedings in the special committee above referred to. The Presiding Judge of the Court of Industrial Relations held, in the decision complained of, not only, that the committee had been irregularly constituted by the Bank, in violation of its collective bargaining agreement with the labor organization of which Señor was a member, but, also, that the proceedings in said committee were fatally defective, for lack of due process. What is more, respondent court found that Senir's testimony, concerning his activities to improve the conditions of employment of the security guards had been borne out by the evidence introduced before said committee, and by the very complaint filed against him by security guard Ignacio—who appears to harbor ill-feelings toward Señor and was administratively convicted of, and punished for, insubordination to him, as his superior officer. For these reasons, said court, thru its Presiding Judge, rendered its decision adopting the version of Señor and giving no credence to the theory of petitioners herein. Subsequently, the court en banc unanimously affirmed said decision (although two [2] members of the court concurred merely in the result).

It is interesting to note, at this juncture, that petitioners herein have not denied the irregularity in the organization of the special committee above mentioned, or even tried to justify it. Neither have they attempted to justify the denial of said committee of Señor's request to be represented by counsel, or its failure to give an opportunity to introduce evidence in his own behalf. Thus, the issue before us narrows down to whether or not respondent court exceeded its jurisdiction, or so gravely abused its discretion as to have exceeded its jurisdiction, in concluding, under the circumstances already adverted to, that the testimony of Jose M. Señor deserves more credence than that of Sixto L. Orosa, Jr. It is obvious that this question must be decided in the negative, regardless of the alleged

demerits of said conclusion, which was made in the valid exercise of the jurisdiction of respondent court (Herrera vs. Barretto, et al., 25 Phil., 245-251) and constituted, at most, a mere error of judgment, which cannot be reviewed or set aside by writ of certiorari (So Chu vs. Nepomuceno, 29 Phil., 208; De los Santos vs. Mapa, 46 Phil., 791; Gonzales vs. Salas, 49 Phil., 1; Ello vs. Judge of First Instance, 49 Phil., 152; Santos vs. Court of First Instance, 49 Phil., 398; Ong Sit vs. Piccio, 78 Phil., 785; Castro vs. Peña, 80 Phil., 488; Gil vs. Gil, 80 Phil., 791).

Wherefore, the petition is dismissed, the writ of certiorari therein prayed for is denied and the writ of preliminary injunction heretofor issued hereby dissolved, with costs against petitioners herein. It is so ordered.

Paras, C.J., Bengzon, Padilla, Bautista Angelo, Labrador, Reyes, J.B.L., Barrera, Gutierrez David, Paredes, and Dizon, JJ., concur.

Petition dismissed.

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