

SAMAHAN NG MGA MANGGAGAWA SA FIRESTONE AND ITS 291 MEMBERS LISTED IN ANNEX A, PETITIONERS, VS. NATIONAL LABOR RELATIONS COMMISSION (NLRC), FIRESTONE TIRE & RUBBER COMPANY OF THE...

G.R. No. 53741. July 25, 1983

Ponente: AQUINO, J.

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AQUINO, J.:

This case is about the claim for reinstatement of 291 employees of the Firestone Tire & Rubber Company who declared a strike in 1971, then entered on February 22, 1973 into an amicable settlement of the strike and were dismissed with separation pay and then more than three months later complained of unfair labor practice against their employer and asked for reinstatement.

(1) On August 2, 1971 the employees at Firestone Company who were members of the Samahan Ng Mga Mangagawa sa Firestone and its sister union, the Firestone Filipinas Employees Association (FFEA), declared a strike in protest against the alleged unfair practices of the Fire-stone company. The two unions on February 20, 1972, after affiliating with the Associated Labor Union (ALU), requested the ALU and its president, Democrito T. Mendoza or his representative, to negotiate with the Firestone company regarding the strike as "their sole and exclusive bargaining representative" (p. 241, Rollo).

(2) The Firestone company refused to negotiate with the ALU, thus prompting it and the two sister unions to file cases for unfair labor practice docketed as Nos. 5034 and 5980 of the Court of Industrial Relations.

(3) With the proclamation of martial law and the creation by Presidential Decree No. 21 of the ad hoc National Labor Relations Commission, and the incessant pressure exerted by the unions themselves, the strike was settled by means of a compromise the terms of which were embodied in the order dated February 22, 1973 in NLRC Case No. 0368, Associated Labor Union, et al. vs. Firestone Tire & Rubber Co. of the Philippines, et al. Pertinent portions of the compromise read as follows (Annex K of the petition):

"1. All persons who went on strike on August 2, 1971 against the company whose services were terminated as of said date (except those with pending criminal cases and those who were paid and accepted separation [pay] prior to the date of this order) shall be paid a separation pay equivalent to forty (40) day's basic pay for every year of service as of July 31, 1971. Service for six (6) months or more shall be considered as one (1) whole year service for purposes of computing separation pay. Service for less than six (6) months will be disregarded and not counted in determining years of service of the strikers.

"2. In addition to the separation pay mentioned in the immediately preceding number, the company will pay the strikers (except those with pending criminal cases and those who were paid and accepted separation pay prior to the date of this Order) P250.00 each.

"3. Persons mentioned in paragraph No. 1 shall be given priority in rehiring based on their qualifications, capabilities and their acceptability to the company. The Union hereby recognizes the right of the company to

hire and select its personnel.

.....

"6. The Union and the company agree to irrevocably withdraw, dismiss, drop and close for all intents and purposes the following cases filed by one against the other:

- (a) Civil Case No. 676-M (15023) pending with the Court of First Instance in Makati, Rizal;
- (b) G.R. No. L-34390 pending with the Supreme Court;
- (c) CIR Charge Nos. 5034 and Case No. 5980 pending with the Court of Industrial Relations;
- (d) This instant case (NLRC Case No. 0368).

"Any and all criminal cases pending against any of the strikers will not be withdrawn, dropped or dismissed.

"The Union and the Company also agree that no other case will be filed or instituted before any court, tribunal, commission, agency, instrumentality or office of the government by one against the other or by any of its officials, personnel, officers, members, agents or representatives, involving matters or causes of action arising out of the August 2, 1971 strike, of the former employment of the strikers in the company or of the termination of such strike and employment."

(4) The terms of the compromise were approved by the herein petitioning union and its sister union at a general membership meeting also held on February 22, 1973 which resolved to pay ALU a sum equivalent to twenty percent as reimbursement of its expenses (pp. 207-208, Rollo). The 291 claimants executed release or quitclaims on receiving their separation pay. Thus, Nicanor D. Sanchez, the president of the herein petitioning union, which was the complainant in the unfair labor practice case No. 5034, executed the following release and quitclaim dated February 27, 1973, or five days after the formalization of the compromise:

"For and in consideration of the sum of P8,555.00 in hand paid to me and receipt whereof to my entire satisfaction as conclusively evidenced by my signature hereunder, I hereby freely and voluntarily declare that I have no more claims of any kind or class whatever against the Firestone Tire & Rubber Company of the Philippines and/or any of its officers arising from any law, regulation, or contract arising from, by reason of, or incident to my employment and/or separation from employment with the said Company." (Annex E of Petition, p. 45, Rollo.)

(5) On March 3, 1973 or nine days after the issuance of that order containing the compromise, the ALU's Raul Espinosa moved for the dismissal of CIR Case No. 5980 (pursuant to section 6[c] of compromise). The CIR granted the motion but when the FFEA union assailed that order in this Court, it was set aside for denial of procedural due process. The incident was referred to the regular National Labor Relations Commission created under the Labor Code. (Firestone Filipinas Employees Association, et al. vs. Firestone Tire and Rubber Co. of the Philippines, et al., L-37952, December 10, 1974, 61 SCRA 339 and Resolution of February 25, 1975, 62 SCRA 529.)

(6) In the other unfair labor practice case, No. 5034, which was supposed to be dismissed under the compromise of February 22, 1973, the Firestone company filed a motion dated July 23, 1973 for its dismissal. The herein petitioner opposed the motion. The motion was denied in Judge Paredes' order of November 27, 1973. That denial was assailed by the Firestone company in this Court. The petition for certiorari was dismissed in a minute resolution dated September 23, 1974 (L-38995, Firestone Tire & Rubber Company of the Philippines vs. Court of Industrial Relations).

(7) In view of the dismissal of the Firestone company's petition for certiorari in L-38995, the herein petitioning

union abandoned its appeal from the order of February 22, 1973, NLRC Case No. 0368 (ad hoc) containing the compromise (L-39697, *Samahan Ng Mga Manggagawa sa Firestone vs. Firestone Tire & Rubber Company of the Philippines*).

(8) On June 9, 1973, the 291 petitioners assailed the alleged compromise by filing with the Court of Industrial Relations (another forum) against the Firestone company and the ALU their instant complaint for unfair labor practice. They complained that instead of being reinstated they lost their jobs after being pressured to receive separation pay (p. 245, Rollo). The ALU was later dropped as a respondent.

(9) The instant case was later certified to National Labor Relations Commission under the Labor Code and assigned to Labor Arbiter Miguel Soriano as NLRC Case No. 8023-76. On February 28, 1978, Labor Arbiter Soriano dismissed the complaint for unfair labor practice by reason of the order of February 22, 1973, of the ad hoc NLRC, containing the terms of the compromise. He relied on *res judicata* and *estoppel*. The 291 petitioners appealed to the NLRC which affirmed Soriano's order. The petitioners assailed the NLRC order in this petition for *certiorari* filed on June 14, 1980.

We hold that the petition is devoid of merit. The ALU acted within its authority in negotiating the compromise settlement which was approved by the ad hoc NLRC. The petitioners availed themselves of the benefits of the said compromise.

That compromise was upheld by this Court in its resolution dated August 25, 1978 in L-34390, *Samahan Ng Mga Manggagawa sa Firestone-Natu and Firestone Filipinas Employees Association-Natu vs. Firestone Tire and Rubber Company of the Philippines, et al.*, 84 SCRA 744.

In that case, we held as moot and academic the petition of the two unions, assailing Judge V. M. Ruiz's assumption of jurisdiction over a complaint for damages filed in 1971 by the Firestone company against the two unions in connection with their strike. We gave effect to the order of February 22, 1973 of the ad hoc NLRC which provided for the dismissal of said case, L-34390.

At this late hour and under the circumstances recited above, the reinstatement of the 291 petitioners would not be conducive to the maintenance of industrial peace nor serve the ends of security of tenure and social justice.

WHEREFORE, the petition is dismissed for lack of merit. No costs.

SO ORDERED.

Makasiar (Chairman), Concepcion Jr., Guerrero, Abad Santos and Escolin, JJ., concur.
De Castro, J., on sick leave.

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