

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
FIRST DIVISION**

**ASSOCIATED LABOR UNION,
*Petitioner,***

-versus-

**G.R. No. L-16672
October 31, 1960**

**THE HONORABLE JUDGE, JOSE S.
RODRIGUEZ, ETC., ET AL.,
*Respondents.***

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DECISION

BAUTISTA ANGELO, J.:

This is a Petition for Certiorari and Prohibition with Preliminary Injunction seeking to enjoin respondent judge from further proceeding with the case filed before him and to nullify the preliminary injunction he issued for want of jurisdiction.

It appears that respondent Sweet Lines is a general co- partnership engaged in coast-wise shipping and doing business in the Philippines under the firm name Limpo & Sons. On April 15, 1957, it entered into a contract with the Besañez & Cañete Arrastre Service whereby it was agreed that the loading and unloading of the cargoes of respondent's vessels at the port of Cebu will be handled by said arrastre Company. On January 14, 1960, the Besañez & Cañete Arrastre Service in turn

entered into a collective bargaining agreement with the United Free Workers Union wherein it recognized the said union as the exclusive bargaining representative of the workers in the arrastre service.

On January 27, 1960, the Associated Labor Union, which is also a legitimate labor organization composed of dock workers formerly affiliated with the United Free Workers Union and employed in the loading and unloading of the cargoes of the Sweet Lines, wrote a letter to said firm and the Besañez & Cañete Arrastre Service requesting them to enter into a collective bargaining contract with it because it represents the majority of the regular and permanent workers in the arrastre job. But instead of acceding to the request, the Besañez & Cañete Arrastre Service, thru its capataz and/or foreman, allegedly coerced the members of petitioning union to join the United Free Workers Union with the result that those who refused were not allowed to work. Such act impelled the petitioner to send letters of protest to respondent Sweet Lines and the arrastre company furnishing copies thereof to the Conciliation Service of the Department of Labor. As a consequence, a conference was held among the parties thru the initiative of the Conciliation Service in an effort to settle their differences, but as no concrete agreement was reached the solution of the matter was held in abeyance until further notice.

Since then the relation of the parties became so strained that the members of petitioning union numbering approximately 135 struck on February 22, 1960 filing at the same time a charge of unfair labor practice with the Court of Industrial Relations against the Sweet Lines and the Besañez & Cañete Arrastre Service. Because of the picketing put up by the members of the union against the Sweet Lines a conference was again called by the Conciliation Service in an attempt to settle the conflict, but on February 23, 1960, the shipping firm filed the present complaint before the Court of First Instance of Cebu praying (1) to declare the picketing illegal and unlawful; (2) to order defendant (petitioner herein) to pay plaintiff (respondent herein) the amount of P55,000.00 as damages and attorney's fees; and (3) to issue, without notice, a writ of preliminary injunction prohibiting the union from picketing plaintiff's offices and vessels (Case No. 126492). Upon posting by plaintiff of a bond in the amount of P2,000.00, respondent judge, on February 23, 1960, granted the writ prayed for.

The following day the union filed an urgent motion to lift the writ of preliminary injunction. Plaintiff filed its opposition thereto, but before the trial court could act thereon, the union filed the present petition for certiorari.

The only issue posed by petitioner is whether or not respondent judge has jurisdiction to take cognizance of the case and, in the affirmative, whether he acted properly in issuing against it, ex parte, the writ of preliminary injunction prayed for.

Petitioner contends that the present case falls within the exclusive jurisdiction of the Court of Industrial Relations because of the unfair labor practice charge filed with said court prior to the institution of this case before respondent court; that as this case stems from a labor dispute the law that should govern is Republic Act 875; and that peaceful picketing cannot be enjoined it being part of the freedom of speech guaranteed by the Constitution. Respondent, on the other hand, avers that there being no employer-employee relationship, or labor dispute, between the parties, the case is cognizable by the regular courts and the procedure that should be observed in the issuance of the writ of preliminary injunction is the one prescribed by our Rules of Court and not by Republic Act No. 875.

While it may be admitted that there is no contractual relation between petitioner and respondent regarding the loading and unloading of cargoes coming from the latter's vessels because the arrastre contract was entered into between respondent and the Besañez & Cañete Arrastre Service, we cannot subscribe to the view that there is no labor relation existing between them for it cannot be denied that the members of petitioning union are actually working for the benefit of the shipping firm by loading and unloading the cargoes coming from its vessels. In fact, the picketing undertaken by the members of said union had so affected the interest of that firm that to avoid damages to its property it instituted the present action. As this Court has aptly said, "a labor dispute exists 'regardless of whether the disputants stand in the proximate relation of employer and employee'", for to constitute a labor dispute only an indirect interest is necessary in order to include a party within its meaning. (Associated Watchmen and Security Union [PTWO], et al. vs. United States Lines,

et al., 101 Phil., 896; 54 Off. Gaz. [31] 7397; See also *Houston and North Texas Motor Freight Lines vs. Local Union No. 886 of International Brotherhood of Teamsters, Chauffeurs, Stablement and Helpers of America*, D. C. Okl. 1938, 24 F. Supp. 619; 29 USCA p. 86.)

We believe, however, that this case does not fall within the jurisdiction of the regular courts it appearing that there is already pending between the same parties before the Court of Industrial Relations a case involving an unfair labor practice when the shipping firm initiated the present case before the Court of First Instance of Cebu.^[1] And even if we admit, as the record seemingly shows, that when the shipping firm started this case the special prosecutor of the industrial court eliminated said firm from the formal charge of unfair labor practice and only included the arrastre company, still it may be said that the trial court issued illegally the preliminary injunction against the members of the striking union it appearing that in acting on the matter the court did not follow the procedure laid down by Republic Act 875 but instead it applied what is provided for in our Rules of Court. In other words, in a case which involves a labor dispute, as in the present, the court before acting on a motion for preliminary injunction shall set the same for hearing, giving notice to the parties, with an opportunity to cross-examine the witnesses, and must make a statement that the other conditions required by law as prerequisites for the granting of relief have been complied with. [Section 9 (d), Republic Act 875; *Philippine Association of Free Labor Unions (PAFLU), et al. vs. Tan, et al.*, 99 Phil., 854; *Reyes, et al. vs. Tan, et al.*, 99 Phil., 880; 52 Off. Gaz., No. 14, 6187; *Allied Free Workers' Union, et al., vs. Apostol, et al.* 102 Phil., 292. That this procedure has not been followed may be seen from the order of the trial court which we quote hereunder for reference:

“A verified complaint has been filed today by plaintiff, praying among other things, or a writ of preliminary injunction restraining or enjoining the defendant from committing or causing to be committed all acts of picketing plaintiff's office, vessels and premises, until such time that the legality of such pickets is finally determined by this court. Finding the complaint in order and in accordance with the Rules of Court, let a writ of preliminary injunction be issued against the defendant, its members, subordinates, representatives, agents

and employees restraining them from performing the acts described above previous to the filing, by the plaintiff, of a bond in the amount of Two thousand Pesos (P2,000.00).

WHEREFORE, petition is granted. The writ of preliminary injunction issued by respondent judge is set aside. The writ of injunction issued by this Court is declared permanent. No costs.

Paras, C.J., Bengzon, Padilla, Labrador, Reyes, Barrera, Gutierrez David and Paredes, JJ., concur.

[1] Philippine Association of Free Labor Unions (PAFLU), et al. vs. Tan, et al., 99 Phil., 854; 52 Off. Gaz. (13) 5836; National Garments & Textiles Workers' Union vs. Caluag, L-9104 Sept. 10, 1956; Benguet Consolidated Mining Co. vs. Coto Labor Union, 106 Phil., 915.