

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT  
EN BANC**

**BALAJUEZON            TRANSPORTATION  
LABOR UNION, CHARTER VII-B, ET  
AL.,**

*Petitioners,*

*-versus-*

**G.R. No. L-12587  
November 27, 1959**

**HON. CECILIA MUÑOZ-PALMA, ETC.,  
ET AL.,**

*Respondents.*

X-----X

**DECISION**

**PADILLA, J.:**

In January 1957, the Balaquezon Transportation Labor Union (Chapter VII-B) filed in the Court of Industrial Relations several complaints for unfair labor practices against the Laguna Tayabas Bus Company because it had interfered with the employees' right to organize themselves by dismissing them on account of union activities and by sponsoring a company union (cases Nos. 1117-ULP, 1153-ULP and 1171-ULP). On 23 February 1957, Pascual Y. Reyes, acting prosecutor of the Court charged the Laguna Tayabas Bus Company with unjustifiably dismissing on 22 November 1956 Pedro Ordoño, a driver of the Company, because of his union activities (case No. 1192-ULP, Annex B). On 25 June 1957 the complaining union

moved to consolidate the four cases (Annex A). On 25 June 1957, it declared and went on strike to prevent the Company from further laying off its employees who were members of the complaining union and from aiding a company union — the Laguna Tayabas Bus Company Employee's Association. On 2 July 1957 Dr. Marcelino T. Enriquez, representative of the complaining union, filed a charge against the Company for aiding and abetting a company union (Annex C). "To resolve the strike in the Laguna area, which had paralyzed the transportation facilities" in the provinces of Quezon, Rizal and Laguna, on 6 July 1957 the complaining union, the Laguna Tayabas Bus Company and the Laguna Tayabas Bus Company Employees' Association entered into a temporary agreement and as a result thereof the picket lines were withdrawn or recalled. Upon the suggestion of the then Secretary of Labor Agapito C. Braganza the two labor unions and the company agreed to hold an election under the supervision of the Department of Labor on 9, 10 and 11 July 1957 from 9:30 a.m. to 7:00 p.m. at the regional office No. III, San Pablo City, and all employees listed in the payrolls of the Company as of 25 June 1957, shall be eligible (entitled) to vote at such election and that the labor union winning or chosen to be the collective bargaining representative would take charge of the enforcement of the collective bargaining agreement dated 13 November 1954 until 13 November 1957 (Annex A to Annex E of the petition for certiorari). On 9 July 1957, the same parties covenanted in a supplementary agreement to hold the election on 16 and 17 July instead of 9, 10 and 11 July 1957 as previously agreed upon and, if the election should not be finished in two days, to extend it to 18 July 1957, and reiterated the agreement as to the employees who would be qualified or entitled to vote at the election (Annex B to Annex E of the petition for certiorari). On 10 July 1957 the complaining union charged the Company with interfering, restraining and coercing its employees in the exercise of their right to self-organization (case No. 1376-ULP, Annex D). As agreed upon in the supplementary agreement, the election was held on 16, 17 and 18 July 1957 under the supervision of the Department of Labor. However, the counting and canvassing of the ballots cast could not be made because Dr. Marcelino T. Enriquez, the president of the complaining union, refused to surrender the keys to the ballot boxes, and the reason for such refusal was the alleged interference with the election by the Laguna Tayabas Bus Lines Company that made the employees of the Eastern Tayabas Bus Lines vote at the election.

On 22 July 1957 the Laguna Tayabas Bus Company Employees' Association brought an action in the Court of First Instance of Laguna praying for a writ of prohibitory and mandatory injunction against the Balaquezon Transportation Labor Union commanding the last mentioned union to desist from interrupting the work of the Company by staging a strike or otherwise, which, the Company learned from a news item appearing in the Manila Times of 19 July 1957, was impending; Dr. Marcelino T. Enriquez, the president of the labor union, to produce the keys to the ballot boxes; and the Board of Election and Canvassers to proceed immediately with the counting of the ballots and to announce the result thereof (civil case No. SP-105). On the same day, upon the filing of a bond in the sum of P2,000 by the Laguna Tayabas Bus Company Employees' Association, the Court issued ex parte the preliminary writ of prohibitory injunction enjoining the Balaquezon Transportation Labor Union from interfering with and interrupting the work and business of the Laguna Tayabas Bus Company and/or the Batangas Transportation Company (Annexes F and F-1). In a separate order bearing the same date, the Court directed the Board of Canvassers to count and canvass the ballots and declare the result of the election, warning the members thereof that, should they fail to so count and canvass the ballots as directed, they would be required to appear and show cause why they should not be held in contempt of court (Annex G). On 24 July 1957 the Balaquezon Transportation Labor Union filed in the Court of Industrial Relations a petition for a certification election which is still pending (case No. 474-MC, Annex H).

The Balaquezon Transportation Labor Union comes to this Court by a petition for a writ of certiorari and prohibition with preliminary injunction to annul the preliminary writ of prohibitory injunction issued ex parte by the Court of First Instance of Laguna and to enjoin it to proceed with the trial and determination of the case. Upon the filing of a bond in the sum of P1,000 a preliminary writ of injunction was issued.

The Balaquezon Transportation Labor Union, the petitioner herein, claims that the preliminary writ of prohibitory injunction issued by the Court of First Instance of Laguna is illegal and void, for the reason that it was issued without notice and hearing, contrary to the express

provision of section 9(d) of Republic Act No. 875 otherwise known as the Industrial Peace Act which reads in part as follows:

No court of the Philippines shall have jurisdiction to issue a temporary or permanent injunction in any case involving or growing out of a labor dispute, as herein defined except after hearing the testimony of witnesses in open court (with opportunity for cross-examination) in support of the allegations of a complaint made under oath, and testimony in opposition thereto. (*Emphasis supplied*)

And that by not complying with the above-quoted procedural requirement, the respondent Court was without jurisdiction to issue the aforementioned writ.

The respondents Laguna Tayabas Bus Company Employees' Association and the Laguna Tayabas Bus Company, however, counter that the case in the Court of First Instance of Laguna does not involve a labor dispute but the enforcement of the agreement of 6 July 1957 and the supplemental agreement of 9 July 1957 which were entered into by them with the labor union, the petitioner herein, and that for this reason the said Court has jurisdiction to issue ex parte the writ in question pursuant to the exceptional provisions of sections 4 and 5, Rule 60, of the Rules of Court.

There is no doubt that a labor dispute is involved in the case instituted in the respondent Court. From the very start, there had been complaints filed by the herein petitioner charging the respondent company with unfair labor practices. As a matter of fact, on 25 June 1957 the members of the labor union, petitioner herein, went on strike. Because of the strike, the agreement of 6 July supplemented by another dated 9 July 1957 was entered into by the parties thereto as an immediate and temporary measure (relief)<sup>[1]</sup> for the purpose of stopping in the meantime the strike which had disrupted the means of transportation in Quezon, Rizal and Laguna provinces. The cessation of the strike as a result of the two agreements did not terminate or end the labor dispute existing between the petitioner herein and the respondents Laguna Tayabas Bus Company and Laguna Tayabas Bus Company Employees' Association. There are many more steps to be taken. Although

paragraph 4 of the agreement of 6 July stipulates “that all pending cases in the Court of the Philippines between the parties in connection with these disputes shall be terminated by the parties and withdrawn,” yet such stipulation does not mean that there was no longer any labor dispute between the parties thereto. Immediately after the signing of the two agreements, on 10 July 1957 in the Court of Industrial Relations the herein petitioner charged the respondent Company with interference with the employees’ right to self-organization (case No. 1376-ULP, Annex D). After the elections on 16, 17 and 18 July 1957, or on 24 July 1957, the herein petitioner filed in the Court of Industrial Relations a petition for a certification election thereby questioning or impugning the result of the elections held on the said dates, despite paragraph 5 of the agreement of 6 July 1957 which provides and stipulates that —

The parties hereto agree that the winning union shall administer the collective bargaining agreement between the LTB Bus Assn. which shall remain in force until November 13, 1957 (when it) shall then be reviewed for modification, provided further that the unions therein represented shall respect the result of the voluntary election and agree that it shall be final. (Emphasis supplied)

Where the contracting labor unions or any of them does not abide by the result of the election, the election thus held to determine which of the two labor unions shall be the exclusive representative of all the employees in the unit to enforce the collective bargaining agreement becomes ineffectual. Clearly, the case at bar involves a labor dispute.

The respondents contend that the refusal of the herein petitioner to comply with its undertaking in the two agreements does not give rise to a labor dispute as defined by law, for the refusal does not concern terms, tenure or conditions of employment between the Laguna Tayabas Bus Company and the Balaquezon Transportation Labor Union; and that a labor dispute can exist only between employees or a labor union and an employer but not between two labor unions. The determination as to which of the two labor unions should take charge and enforce the bargaining agreement of 13 November 1954 concluded with the Company is within the definition of the term “labor dispute” which provides that it includes controversy

“concerning the association or representation of persons in negotiating, fixing, maintaining, changing or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee.”<sup>[2]</sup>

Granting that the respondent court had jurisdiction to issue the writ it issued, still it was issued irregularly and, therefore, illegal and void, because the respondent court did not follow and observe the procedure outlined and provided for in section 9(d) of Republic Act No. 875.<sup>[3]</sup>

The writs of certiorari and prohibition prayed for are granted and the writ of preliminary injunction heretofore issued is made final. The preliminary writ of prohibitory injunction issued ex parte or without hearing by the Court of First Instance of Laguna in civil case No. SP-105 is annulled and set aside, without special pronouncement as to costs.

**Paras, C.J., Bengzon, Montemayor, Bautista Angelo, Labrador, Reyes, Endencia, Barrera and Gutierrez David, JJ., concur.**

---

[1] The wording of the agreement says so.

[2] Section 2(j), Republic Act No. 875.

[3] Reyes vs. Tan, 99 Phil., 880; 52 Off. Gaz., 6187; Allied Free Workers' Union vs. Apostol, 102 Phil., 292; 54 Off. Gaz., 981; and Association Watchmen and Security Union (PTWO) vs. United States Lines, 101 Phil., 896; 54 Off. Gaz., 7397.