

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT  
EN BANC**

**OCEANIC AIR PRODUCTS, INC.,  
*Petitioner,***

***-versus-***

**G.R. No. L-18704  
January 31, 1963**

**COURT OF INDUSTRIAL RELATIONS  
and OCEANIC AIR PRODUCTS  
INCORPORATED EMPLOYEES UNION,  
*Respondents.***

X-----X

**OCEANIC AIR PRODUCTS  
EMPLOYEES UNION,  
*Petitioner,***

***-versus-***

**G.R. No. L-18705  
January 31, 1963**

**OCEANIC AIR PRODUCTS  
INCORPORATED EMPLOYEES UNION  
and HON. COURT OF INDUSTRIAL  
RELATIONS,  
*Respondents.***

X-----X

**DECISION**

**CONCEPCION, J.:**

There are two (2) appeals — one (L-18704) by the Oceanic Air Products, Inc., hereinafter referred to as respondent company, and another (L-18705) by the Oceanic Products Employees Union, hereinafter referred to as respondent union — from a decision of the Court of Industrial Relations, in favor of the Oceanic Air Products Incorporated Employees Union, hereafter referred to as complainant union. The dispositive part of said decision reads as follows:

“IN VIEW OF ALL THE FOREGOING CONSIDERATIONS, the management of respondent company is hereby ordered:

1. To cease and desist from practicing unfair labor practices against its employees;
2. To disestablish respondent union;
3. To reinstate Jorge de Guia, Nemesio de Guia, Leon Acebar, Bonifacio Balignasay, Cosme Laureano, Salvador Gajudo and Domingo Nanong to heir former or equivalent positions, without prejudice to all benefits accruing in their favor during the period of their illegal dismissal;
4. To pay them their back wages from the date of the dismissal until they are actually reinstated; and
5. To post a copy of this decision in a conspicuous place of the factory and remain posted therein for 60 days from the date of receipt of said decision.”

The pertinent facts and the issues involved are set forth in said decision, form which we quote:

“Complaint union was organized on April 25, 1958 and registered in the Department of labor on May 5, 1958, while

respondent union was organized on May 2, 1958 and registered in the said office on June 16, 1958. On June 12, 1958, complainant union sent by registered mail a letter (Exh. 'B-2') to the president of respondent company containing several demands for the improvement of the working conditions of the employees of said company. Management did not answer said letter of complaint union. On July 3, 1958, after Mr. So Han Suy, the production manager, received another copy of the letter of demands of complaint union, Mr. Narciso Chan, the president of respondent company dismissed Jorge de Guia, president of complaint union; Cosme Laureano, vice-president; Domingo Nanong, secretary-treasurer; Nemesio de Guia, board member; Bonifacio Balignasay, board member, Leon Acebar and Salvador Gajudo, members of said union. The other officers, Maximo Benedicto, auditor, Federico Pineda and Adelaido Zaragoza disaffiliated from complainant union and joined respondent union.

“In their answers, respondent union denied the material allegations of the prosecutor’s complaint, while respondent company also denied the material allegations of said complaint, and averred that both Leon Acebar and Salvador Gajudo would have been dismissed a long time ago for laziness, insubordination and sleeping while on duty but were given all the chances to reform but continued to do so; that respondent company admitted the dismissal by its president Narciso Chan on July 3, 1958 of Jorge de Guia, Bonifacio Balignasay, Cosme Laureano, Domingo Nanong, Nemesio de Guia, Salvador Gajudo and Leon Acebar because the firm was losing and at the time of dismissal one month separation pay was offered to each and every one of them.

“The issues to be resolved by the Court are:

1. Whether or not the dismissal of the officers and members of complaint union was due to their union affiliation and/or union activities or for a just cause.
2. Whether or not respondent union is a company dominated or assisted union.”

The lower court decided these issues in the affirmative. Upon subsequent denial of a reconsideration of the aforementioned decision, appellants interposed the present appeals, in which they jointly reiterate that said issues should be resolved in the negative.

With respect to the first issue, the lower court had the following to say:

“The Court finds that respondent company incurred losses in 1956, 1957 and 1958; that Mr. Narciso Chan, the president of respondent company, dismissed on July 3, 1958 Jorge de Guia, president of complainant union; Cosme Laureano, vice-president; Domingo Nanong, secretary-treasurer; Nemesio de Guia, Board member; Bonifacio Balignasay, board member; Leon Acebar and Salvador Gajudo, members of said union after its organization and after it had presented a letter of demands to the company for the improvement of the working conditions of the employees therein. Respondent company contends that the seven complaints mentioned above were dismissed by management because the company was losing in 1956, 1957 and 1958, besides the fact that said persons were lazy and disrespectful to their superiors. Losses suffered by the company may serve as a ground for temporarily dismissing or laying off its employees. To dismiss its employees especially the officers and members of complaint union who are militant and dynamic after the organization of the same is something that smacks of unfair labor practice. In labor parlance that is union-busting. If respondent company dismissed said complainants before the organization of complaint union, there would have been neither misgivings nor suspicion as to its ulterior motives. But when its management dismissed said complainants after the organization of their union and after they had sent a letter of demands for the improvement of the working conditions of the employees of the company, that is the legendary last straw that broke the camel’s back. In fine, respondent company is guilty of union-busting.”

We are fully in agreement with this conclusion. Suffice it to add, in this connection, that appellants have not satisfactorily explained why

— if the dismissal of Jorge de Guia, Cosme Laureano, Nemesio de Guia, Bonifacio Balignasay, Leon Acebar and Salvador Gajudo, was due to considerations of economy, owing to the losses allegedly sustained by respondent company since 1956 — the reduction of personnel was not effected until July 3, 1958, after receipt of the demands, made by complainant union, for the improvement of the working conditions of the employees of said company; why the latter had chosen the ranking officers (the president, the vice-president, the secretary-treasurer and a board member) and members of complainant union as the employees to be adversely affected by the cut of personnel; and why the company had spared from the operation thereof precisely the former auditor and two (2) former members of the board of directors of said complainant union, who had quit the same and joined respondent union. Although respondent company would have us believe that Leon Acebar and Salvador Gajudo have been dismissed for laziness, insubordination and sleeping while on duty, we note that they were not dismissed until after the aforementioned demand by complainant union, and that one Francisco Angco, who had been caught sleeping with the aforementioned employees, but had subsequently resigned from complainant union and joined respondent union, was not dismissed by respondent company. Considering that the issue under consideration depends largely upon the degree of credence and weight given to the testimonial evidence introduced by both parties, which the lower court is in a better position than we are to determine, the aforementioned conclusions of the lower court should not be disturbed.

As regards the second issue, the record shows: that said Francisco Angco joined respondent union because So Han Suy, treasurer and, seemingly, production manager of respondent company, had forced him to sign therefore a blank form, presumably an application for admission in respondent union, under pain of dismissal if he did not do so; that Nemesio de Guia had also been asked by So Han Suy to sign a similar form; that So Han Suy had urged Angco to go, on June 8, 1958 to the Ceresco Restaurant, where Angco found, among others, So Han Suy, Ng Pong Guan, manager of respondent company, its counsel Attys. Bernardo Chan and Eliseo P. Legaspi, and Lope de la Cruz, president of respondent of respondent union, and the latter's officers were elected; that Narciso Chan, president of respondent

company despite its alleged retrenchment policy; and that, after the dismissal of the aforementioned officers and members of the complainant union, respondent company had engaged the services of several laborers, These fact, taken in relation to those adverted to above, in connection of the lower court to the effect that respondent union is company dominated.

**WHEREFORE**, the Decision appealed from is hereby affirmed, with costs against petitioners, Oceanic Air Products, Inc. and Oceanic Air Products Employees Union. It is so ordered.

**Bengzon, C.J., Padilla, Bautista Angelo, Labrador, Reyes, Barrera, Paredes, Dizon, Regala and Makalintal, JJ., concur.**