SUPREME COURT
EN BANC

PHILIPPINE REFINING COMPANY WORKERS' UNION (CLO),
***Petitioner*,**

-versus-

G.R. No. L-1668
March 29, 1948

PHILIPPINE REFINING CO.,
***Respondent*.**
x----------x

D E C I S I O N

HILADO, *J.*:

On September 26, 1946, Case No. 32-V, Philippine Refining Company, Inc. vs. Philippine Refining Company Workers' Union (CLO), was scheduled for hearing before the Court of Industrial Relations. Upon that date, said court renewed its efforts to effect a temporary settlement of the case before going on the merits of the petition. A series of conferences with both parties was held by the court, assisted by Atty. Paciano Villavieja of the Division of Investigation. Thereafter, considering the circumstances and facts of the case at that stage of the proceedings, the Court of Industrial Relations came to the conclusion that, "for the welfare of everybody concerned, for the interest of the public," and because the court might not be able to decide the case promptly, in view of the issues involved,

the striking laborers should be directed to return and resume their work in the Philippine Refining Company on September 27, 1946, at 7:00 o'clock in the morning, and the management of the respondent company should accept them beginning that date; and it was so ordered by the court (Order Annex A, dated Sept. 26, 1946).

The order contained the following injunction:

> "The striking laborers, pending the final determination of this case, are enjoined not to stage any strike or walk out from their employment without authority from and without first submitting their grievances to the Court. The Petitioning Company is likewise enjoined not to lay-off, dismiss, discharge, or admit any new employees or laborers in its employment during the pendency of this case, without beforehand notifying and obtaining the authority of the Court. The controversial points involved in the petition will be heard by this Court at the opportune time." (P. 2.)

In Case No. 32-V(7), Philippine Refining Co., Inc. vs. Philippine Refining Company Workers' Union (CLO), of the same court, under date of May 2, 1947, pending final determination of the case, the petitioning company filed with the court an urgent report to the effect that a strike was declared by the union at the plant of the company in Manila starting at 7:00 o'clock in the morning of April 30, 1947. In view of this development and of the other facts and considerations set forth in the lower court's order of July 24, 1947 (Annex D), it ruled that the strike staged by the union or by the workers of the company therein mentioned on April 30, 1947, "is contemptuous and illegal because it is a violation of the law and the order of the court. Consequently, as prayed for in the said report submitted by the company, the court authorizes the said company to hire such of the striking laborers and employees and new labor force, as in its discretion it may see fit." And pursuant to section 6 of Commonwealth Act No. 103, Atty. Juan Maralit of the court was thereby designated to take charge of the contempt proceedings and to present such action as might be warranted therein against the party or parties who might be responsible for the violation of the law and the order of the court dated September 26, 1946. The court dismissed

the answer and counter-petition for contempt filed by the union against the company.

The court's resolutions of August 16 and September 15, 1947, denied petitioner's motions for reconsideration of the foregoing orders, and these orders and resolutions are sought to be vacated and reversed by the instant petition.

The crux of the instant petitioner's contention is stated in the three propositions submitted in the petition under the heading "Reasons for the Allowance of the Writ," thus:

> "I. That the order of the Court of Industrial Relations dated September 26, 1946, enjoining the workers not to stage a strike pending the final determination of the case, was issued without or in excess of its jurisdiction and powers, for the same had not been issued in accordance with section 19, Commonwealth Act 103, which is the only source of its authority, if it has ever any such powers, in issuing such kind of orders.
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> "II. That the said order dated September 26, 1946, which is the basis of the subsequent order dated July 24, 1947, is null, void and invalid for it is an infringement of the constitutional rights and liberties of the workers and is moreover repugnant to the constitutional inhibition prohibiting involuntary servitude in any form.
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> "III. That the order of the Court of Industrial Relations dated July 24, 1947, as well as the resolutions of the Court denying the motions for reconsideration, are also invalid and contrary to law for they were issued in violation of the due process clause of the constitution. There was no legal and fair hearing made by the Court of Industrial Relations on the issues arbitrarily disposed of and decided in said order of July 24, 1947." (Page 6.)

The questions thus raised are substantially the same as those raised in G. R. No. L-1573, Kaisahan ng Mga Manggagawa sa Kahoy sa Pilipinas vs. Gotamco Saw Mill, wherein judgment went against the petitioning union. There the court's order for the striking workers to

return to their work was made after hearing. Likewise in the instant case. And as appears from the court's order of September 26, 1946 (Annex A), the order enjoining a strike or walk out without authority from and without first submitting the grievances to the court, was made after hearing consisting of a series of conferences with both parties "held by the court"; and that said injunction was required by the public interest is categorically stated in the same order.

In our decision in G. R. No. L-1573, supra, we ruled:

> "Moreover, section 19 of Commonwealth Act No. 103, in providing for an order of the court for the return of striking workers, authorizes such order, among other cases, 'when the dispute can not, in its opinion, be promptly decided or settled'. The provision says: '. . . and if he has already done so (struck or walked out), that he shall forthwith return to it, upon order of the court, which shall be issued only after hearing when public interest so requires or when the dispute can not, in its opinion, be promptly decided or settled' (Italic supplied). In other words, the order to return, if the dispute can be promptly decided or settled, may be issued 'only after hearing when public interest so requires', but if in the court's opinion the dispute can not be promptly decided or settled, then it is also authorized after hearing to issue the order: we construe the provision to mean that the very impossibility of prompt decision or settlement of the dispute confers upon the court the power to issue the order for the reason that the public has an interest in preventing undue stoppage or paralyzation of the wheels of industry."

In the order of September 26, 1946, the Court of Industrial Relations, among others, based its decree upon the ground that "the court may not be able to decide this case promptly, in view of the issues involved".

The power conferred upon the Court of Industrial Relations by section 19 of its organic law to enjoin, under the circumstances therein required, a strike or walk out, or to order the return of striking workers and to correspondingly enjoin the employer to refrain from accepting other employees, unless with the express authority of the court, and to permit the continuation in the service of

his employees under the last terms and conditions existing before the dispute arose, is one of the most important virtues of this capital-labor legislation. It seems that in this respect our law has achieved an advance not attained by the capital-labor legislation of other countries. And considering that this progressive enactment is evidently aimed at preventing in the public interest an undue stoppage or paralyzation of the wheels of industry, the general welfare requires that it be upheld and enforced.

As to the contention that section 19 of Commonwealth Act No. 103 is unconstitutional, we held in G. R. No. L-1573, Kaisahan ng Mga Manggagawa sa Kahoy sa Pilipinas vs. Gotamco Saw Mill, supra, that it is constitutional. We said:

> "It does not offend against the constitutional inhibition proscribing involuntary servitude. An employee entering into a contract of employment after said law went into effect, voluntarily accepts, among other conditions, those prescribed in said section 19, among which is the 'implied condition that when any dispute between the employer or landlord and the employee, tenant or laborer has been submitted to the Court of Industrial Relations for settlement or arbitration, pursuant to the provisions of this Act, and pending award or decision by it, the employee, tenant or laborer shall not strike or walk out of his employment when so enjoined by the court after hearing and when public interest so requires, and if he has already done so, that he shall forthwith return to it, upon order of the court, which shall be issued only after hearing when public interest so requires or when the dispute can not, in its opinion, be promptly decided or settled." (Italics supplied.) The voluntariness of the employee's entering into such a contract of employment — he has a free choice between entering into it or not — with such an implied condition, negatives the possibility of involuntary servitude ensuing."

Regarding the facts, this Court is not authorized to review them as found by the Court of Industrial Relations. (Commonwealth Act No. 103, section 15, as amended by Commonwealth Act 559, section 2; Rule 44, Rules of Court; National Labor Union vs. Phil. Match Co., 40 Off. Gaz. 8th Supp. p. 134, Bardwell Brothers vs. Phil. Labor Union,

39 Off. Gaz., 1032; Pasumil Workers' Union vs. Court of Industrial Relations, 40 Off. Gaz., 6th Supp. p. 71.)

However, Mr. Justice Briones thinks that we should expressly reserve our opinion on the constitutionality of the above statutory and reglementary provisions should it, in the future, become necessary to decide it.

WHEREFORE, the orders and resolutions of the Court of Industrial Relations assailed by the instant petition are hereby **AFFIRMED**, with costs against petitioners. So **ORDERED**.

Moran, *C. J.*, Paras, Feria, Pablo, Bengzon, Briones, Padilla and Tuason, *JJ.*, concur.

SEPARATE OPINIONS

PERFECTO, J., concurring and dissenting:

We concur in the result of the decision in this case, but we cannot agree with the pronouncement depriving the Supreme Court the power to revise findings of fact made by the Court of Industrial Relations.

We are of opinion that such curtailment of the powers of the Supreme Court is violative of the spirit and purposes of Commonwealth Act No. 103. The power of revision granted by the Supreme Court should not be limited so as to deny relief to any party that may foundedly feel aggrieved by any substantial finding of fact made by the Court of Industrial Relations. Many of the labor disputes that reach the Court of Industrial Relations center on disputed facts, such as reasonable salaries, reasonable working conditions, periods of rest, reasons for strikes or lockouts, injustice of the relations between employer and employees, etc. The aggrieved party must not be denied his day in court in the highest tribunal.

Validity of section 19 of Commonwealth Act No. 103 is impugned on constitutional grounds, upon the allegation that it is tantamount to authorizing involuntary servitude. We cannot agree with the proposition. Under said section, the question of involuntary work is not involved, but only the workability of the settlement of a labor dispute contemplated by Commonwealth Act No. 103. When workers on strike appear before the Court of Industrial Relations to seek remedy under Commonwealth Act No. 103, they do so, on the assumption that the work in their employment were and are agreeable to their conscience and dignity and, as a matter of fact, they claim the right to continue performing the same work. Otherwise, they would not have resorted to strike, a means resorted to, to compel the employer and let them continue working, but on conditions more agreeable to the workers. If the strikers should feel that their work is in the nature of involuntary servitude, they would not resort to a strike nor recur to the Court of Industrial Relations, but will simply resign and seek some other employment.

When the strikers are seeking remedy under the law from the Court of Industrial Relations, the court may impose such reasonable conditions, one of them being that provided by section 19 of Commonwealth Act No. 103, prohibiting strikes or ordering strikers to return to work. Those reasonable conditions are considered as voluntarily accepted by the laborers, not only because it is expressly provided in section 19 of Commonwealth Act No. 103, but because it is a reasonable implementation of the powers of the court to effectively settle a labor controversy.

If the laborers should feel that they are compelled against their will to perform something which is repugnant to their conscience or dignity, they need not resort to any court action to seek judicial settlement of the controversy, as they can resign from their work and there is no power that can compel them to continue therein.