

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
EN BANC**

**TALIM QUARRY COMPANY, INC. and
TALIM QUARRY LABOR UNION,
*Petitioners,***

-versus-

**G.R. No. L-15768
April 29, 1961**

**GAVINO BARTOLA BERNARDO
ABELLO, WENCESLAO BARTOLA,
BERNARDO DITABLAN, ALFONSO
ANORE, LEONICIO VALDEZ, JUAN
VALDEZ, ANTONIO ANTAZO, PEDRO
CARINGAL, SEGUNDO FIGURASIN,
EULOGIO RIVERA, BAYANI ANORE,
ANATALIO DITABLAN and the COURT
OF INDUSTRIAL RELATIONS,
*Respondents.***

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DECISION

PADILLA, J.:

Appeal under Rule 44 of the Rules of Court from a resolution adopted by the Court of Industrial Relations En Banc on 11 June 1959 setting aside a previous order entered on 5 August 1958 (Annex D) that dismissed a complaint for unfair labor practice filed against the

petitioners Talim Quarry Company, Inc. and Talim Quarry Labor Union (case No. 1008-ULP, Annex G).

The Talim Quarry Company, Inc., a domestic corporation, owns and operates a quarry in Talim Island, Cardona, Rizal. Its employees or laborers belong to two labor unions: the Talim Quarry Labor Union and the Ang Gabay ng Subay. Upon petition by the former filed on 7 December 1954, a certification election was held on 1 March 1955 to determine which union should represent the employees or laborers for the purpose of collective bargaining with the Company. Winning the election, the Talim Quarry Labor Union was certified by the Court of Industrial Relations on 10 March 1955 as the employees' or laborers' sole representative for the purpose of collective bargaining with the Company (Annex 2 of Annex B). Thereafter, on 18 August 1955 the Talim Quarry Labor Union made labor demands upon the Company, to which the latter disagreed. On 16 January 1956 the union filed with Conciliation Service, Department of Labor, a notice of strike; and on 23 February went on strike and picketed the company's premises on a 24-hour basis. After a series of negotiations held in the Conciliation Service, on 24 April 1956 the Company and the striking union entered into a post-strike agreement, whereby the Union undertook and bound itself to end the strike, to withdraw the two cases for unfair labor practice it had filed against the Company, and the latter to admit the strikers back to work the following day, and to give the union P1,500 upon execution of the agreement and the withdrawal of the two cases (Annex 1 of Annex B). On the same date, they concluded another agreement providing, among others, for a "union shop" contract which reads as follows:

UNION SHOP. — Any new worker or laborer hired by the COMPANY shall, within thirty (30) days after employment, join the UNION. Failure to join the UNION within said time shall give right to the UNION to demand the separation of such worker or laborer.

Laborers or employees who are not presently members of the UNION on the date of the execution of this agreement shall join the UNION within thirty (30) days from the execution hereof and shall continue to be members in good standing as a condition to their continued employment with the company, provided, however, that mere

application by any such laborer for membership with the UNION, in accordance with the union's constitution and by-laws, shall be considered sufficient compliance with the above shop agreement.

The employees or laborers affiliated with the Ang Gabay ng Subay working in the quarry refused to join the Talim Quarry Labor Union. Forthwith, the latter demanded their dismissal. On 9 July 1956 the company dismissed Gavino Bartola, Bernardo Abello, Wenceslao Bartola, Bernardo Ditablan, Alfonso Anore, Leoncio Valdez, Juan Valdez, Antonio Antazo, Pedro Garingal, Segundo Figurasin, Eulogio Rivera, Bayani Anore and Anatalio Ditablan, all belonging to the Ang Gabay ng Subay, for refusal to join the Talim Quarry Labor Union. On 14 August 1956 the dismissed employees filed with the Court of Industrial Relations a complaint charging the Company with unfair labor practice and praying for the dissolution of the respondent Union, the Talim Quarry Labor Union, and reinstatement of the 13 complainants dismissed by the respondent Company on 9 July 1956 to their former position without losing their seniority and rank and full back wages from the date of dismissal up to their actual reinstatement (case No. 1088-ULP, Annex A). On 5 August 1958 the Court, presided over by Judge Jose S. Bautista, dismissed the complaint, mainly upon the ground that the union-shop agreement was legal and binding (Annex D). On 9 August 1958 the complainants therein, respondents herein, filed a motion for reconsideration (Annex E). The Company, petitioner herein, respondent therein, filed its objection to the motion (Annex F). On 11 June 1959, the Court en banc reversed the order of dismissal and ordered the reinstatement without back wages of the 13 dismissed employees to their former positions (Annex G). The Company and labor union, respondents therein, petitioners herein, have appealed by certiorari from the last mentioned resolution.

Whether a union-shop or closed-shop agreement applies to future or prospective employees or laborers only, or also to employees or laborers belonging to a labor union other than the one in whose favor the closed-shop agreement had been entered, already employed at the time of the execution of the closed-shop agreement, is the main question to be determined in this case. The petitioners claim that the agreement applies to both; whereas the respondents contend that the agreement is effective only upon those yet to be hired, but not upon

those already employed and affiliated with another labor union. This is settled. In G.R. No. L-16561, Freeman Shirt Manufacturing Co., Inc. vs. Court of Industrial Relations et al., promulgated 28 January 1961, this Court held that a closed-shop clause in a collective bargaining agreement does not apply to persons belonging to another labor union already hired but is effective only upon those yet to be hired, and that a dismissal of the former for refusing to comply with the closed-shop contract is unlawful. The dismissal, therefore, by the petitioner, the Talim Quarry Company, Inc., upon demand by the other petitioner, the Talim Quarry Labor Union, of the 13 employees, or laborers, respondents herein, for refusing to become members of the Talim Quarry Labor Union, as required by the union-shop contract, is illegal.

The other issues raised being merely incidental need not be passed upon.

The Resolution of 11 June 1959 adopted by the Court of Industrial Relations en banc appealed from is affirmed, with costs against the petitioners.

**Bengzon, C.J., Bautista Angelo, Labrador, Reyes, Barrera, Paredes and Dizon, JJ., concur.
Concepcion, J., took no part.**