

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
EN BANC**

**MANILA PENCIL CO., INC., and
DOMINADOR P. CANLAS,**
Petitioners,

-versus-

**G.R. No. L-16903
August 31, 1965**

**COURT OF INDUSTRIAL RELATIONS
and MAPECO LABOR UNION (PAFLU),**
Respondents.

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DECISION

MAKALINTAL, J.:

The Manila Pencil Company is a business concern engaged in the manufacture of pencils. In 1958 thirty-three of the Company's forty-one employees were members of the Mapeco Labor Union. On November 25, 1958 the Union filed a complaint with respondent Court charging the Company and its President and General Manager, Dominador P. Canlas, with unfair labor practice, consisting of the dismissal of fifteen employees by reason of their union membership. The complaint was amended on April 4, 1959, to include two more employees among the complainants. At the hearing eleven of them testified, each to the effect that his employment had been terminated upon refusal to disaffiliate himself from the union. The dismissals

took place on the following dates: Jesus Pineda on October 3, 1958; Arsenia Hernandez on October 27, 1958; union President Godofredo C. Galang on October 28; Elena Lingat on November 7; Union Vice-President Francisco Parawan, union organizer Roberto Torres, Marina Tayag, Eduardo Martinez and Jesus Tayag on November 11; and Regino Raquez and Cresencio Yabut on November 14. Of these eleven, six were subsequently recalled. Those not recalled are Galang, Torres, Lingat, Yabut and Jesus Tayag.

The Company claims that due to severe cuts in its dollar allocations, resulting in the reduction of available raw materials during the second semester of 1958, it temporarily laid-off a number of the employees, some of whom were union members, and permanently dismissed others for allegedly legal cause.

The Court of Industrial Relations, through Judge Baltazar M. Villanueva, found the charge of unfair labor practice proven and ordered the Company:

- “1. To cease and desist from dismissing its employees and workers due to their union affiliation;
- “2. To reinstate Godofredo Galang, Roberto Torres, Elena Lingat, Cresencio Yabut and Jesus Tayag to their former or equivalent positions, with back wages, from the date of their dismissals until they are actually re-employed; to reinstate Jesus Pineda, Corazon Galang and Elpidio Nunag without backpay (they failed to answer the call to work) should they report for work within thirty days after due notice of recall and should they fail to return, their right to readmission would be considered waived and lost. On the other hand, Ludovina Gonzales lost her right to reinstatement.
- “3. To post a copy of this decision in the bulletin board of the Company or in any conspicuous place of the factory for a period of 30 days from the date said decision is posted.”

After its motion for reconsideration was denied by the Court en banc, the Company filed the instant petition for review or as an original

petition for certiorari, claiming error or grave abuse of discretion on the part of respondent Court in finding the charge of unfair labor practice as duly proven.

The finding that is being challenged is one of fact, and the rule is that the facts found by the Court of Industrial Relations are conclusive if they are supported by substantial evidence, the appeal to this Court being confined to questions of law. (Section 6, Republic Act No. 875).

In this case, the conclusion of the Industrial Court that petitioner Company was guilty of unfair labor practice is supported by substantial evidence, that is, relevant evidence which a reasonable mind would accept as adequate to support said conclusion (Ang Tibay vs. CIR, 69 Phil. 635).

Godofredo C. Galang testified that he first thought of organizing a union in September 1958. He and two other organizers, Parawan and Torres, succeeded in recruiting all but eight of the Company's employees for membership. The Company dismissed three of them even before the Union was registered with the Department of Labor on November 6, 1958 and affiliated itself with the PAFLU on the same day. Then the Union presented a list of demands to the Company, but the latter did not even bother to answer them. Instead it dismissed eight more union members, including Vice-President Parawan and the other organizer, Roberto Torres. In each case, the lay-off was effected after the member refused to heed the demand of Canlas to give up his union membership.

The Company argues that the testimony of the eleven complainants who were presented as witnesses should not be given credence since each one of them testified only as to his own particular case, failing thereby to corroborate the testimony of the others. Such lack of mutual corroboration, however, is explained by the fact that the Company did not openly deal with the unionists as a group but called them individually, one at a time, thus preventing them from presenting a united front.

It is true that the Company's dollar allocations for the importation of raw materials had been reduced. Its allocation for the second semester of 1956 was \$132,548.00. It became \$85,000 for each of the

two semesters of 1957; then \$59,904 for the first semester of 1958, but was increased to \$85,000 the second semester of that year. Since according to petitioners, the raw materials corresponding to the dollar allocation for a given semester usually arrived in the Philippines in the middle or latter part of the semester immediately following, it was constrained to lay off some employees temporarily, both union members and non-union members, during the second semester of 1958. The explanation, however, does not by any means account for the permanent dismissal of five of the unionists, when it does not appear that non-unionists were similarly dismissed.

With respect to Galang, the Company tried to establish that he was dropped because he often voluntarily absented himself from work. The evidence in this respect is unsatisfactory, as Galang's time record was not presented. And insofar as the other four of those ordered reinstated with back wages are concerned, no reason for the dismissal appears in the record other than their union activities. And the discrimination shown by the Company strongly is confirmed by the fact that during the period from October 1958 to August 17, 1959 it hired from fifteen to twenty new employees and ten apprentices. It says these employees were for its new lead factory, but it is not shown that the five who had been permanently dismissed were not suitable for work in that new factory. On the whole, we find no reason to disagree with the factual findings of respondent Court.

The judgment appealed from is affirmed, with costs against petitioners.

Bengzon, C.J., Concepcion, Reyes, Dizon, Regala, Bengzon, and Zaldivar, JJ., concur.
Barrera, J., is on leave.