

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT  
EN BANC**

**PHILIPPINE MOVIE PICTURES  
WORKERS' ASSOCIATION,**  
*Petitioner,*

**-versus-**

**G.R. No. L-5621  
March 25, 1953**

**PREMIERE PRODUCTIONS, INC.,**  
*Respondent.*

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**D E C I S I O N**

**BAUTISTA ANGELO, J.:**

This is a Petition for Review of two orders of the Court of Industrial Relations, one dated November 8, 1951, and the other November 24, 1951, which give authority to respondent to lay off forty-four (44) of its employees in accordance with its urgent petition on condition that, in the event work is available in the future where their ability may be required, the same workers should be reemployed and that, if after the termination of the case, the court would find that at the time of their layoff work was available, the respondent shall pay to them the back wages to which they are entitled. These two orders were upheld by the court in banc in a resolution dated March 10, 1952, which is also involved in the present petition for review.

On October 2, 1951, respondent filed with the Court of Industrial Relations an urgent petition seeking authority to lay off 44 men working in three of its departments, the first batch to be laid off thirty (30) days after the filing of the petition and the rest 45 days thereafter, in order that in the intervening period it may finish the filming of its pending picture. The ground for the lay off is the financial losses which respondent was allegedly suffering during the current year.

Petitioner opposed the request alleging that the claim of financial losses has no basis in fact it being only an act of retaliation on the part of respondent for the strike staged by the workers days before in an attempt to harass and intimidate them and weaken and destroy the union to which they belong.

On November 5, 1951, date when the urgent petition was set for hearing, at the request of counsel for respondent, Hon. Arsenio C. Roldan, presiding judge of the Court of Industrial Relations, held an ocular inspection of the studios and filming premises of respondent in the course of which he interrogated about fifteen laborers who were then present in the place. On the strength of the evidence adduced during the ocular inspection Judge Roldan issued an order on November 8, 1951, allowing respondent to lay off the workers mentioned in its petition with respect to Unit No. 2 and those assigned to the Ground Maintenance Department subject to the condition that, in the event that work is available in the future, they should be reemployed. With respect to the workers assigned to Unit No. 1, the hearing was postponed.

A subsequent hearing was held in connection with the workers assigned to Unit No. 1 and on the strength of the evidence submitted by respondent, Judge Roldan again found the petition justifiable and authorized their lay off in an order dated November 24, 1951, under the same condition as those contained in his previous order.

Petitioner moved for the reconsideration of both orders dated November 8 and November 24, 1951, which motion the court in banc denied in a resolution issued on March 10, 1952. Hence this petition for review.

The only issue submitted to this court for consideration is: May the Court of Industrial Relations authorize the layoff of workers on the basis of an ocular inspection without receiving full evidence to determine the cause or motive of such layoff?

It appears that when the case was called for hearing to look into the merits of the urgent petition of respondent seeking to lay off 44 men who were working in three of its departments on the ground of lack of work and because its business was suffering financial losses during the current year, the court, which was then represented by its presiding Judge, decided to make an ocular inspection of the studios and filming premises of respondent following a request made to that effect by its counsel, and in the course of said inspection Judge Roldan proceeded to interrogate the workers he found in the place in the presence of the counsel of both parties. The testimony of those interrogated was taken down and the counsel of both parties were allowed to cross-examine them. Judge Roldan also proceeded to examine some of the records of respondent company among them the time cards of some workers which showed that while the workers reported for work, when their presence was checked they were found to be no longer in the premises. And on the strength of the findings made by Judge Roldan in this ocular inspection he reached the conclusion that the petition for layoff was justified because there was no more work for the laborers to do in connection with the different jobs given to them. It is; now contended that such a procedure is unfair to the labor union in that it deprived the workers affected of the opportunity to disprove what apparently was represented to the court during the ocular inspection which at best may only be the result of a prearrangement devised by the company to justify its claim of lack of work and that what the court should have done was to make a full-dress investigation if not a formal hearing giving both parties all the time and opportunity to present their evidence before deciding such an important matter which affects the position and the only means of livelihood of the workers affected by the petition. In other words, the petitioning labor union claims that with the procedure adopted by the court the workers were deprived of their employment without due process of law.

The claim of petitioner that the laborers were not given an opportunity to present their evidence to disprove the claim of lack of

work is disputed by counsel for respondent company who claims that the labor union had its day in court because its counsel was present in the investigation or ocular inspection and even presented some witnesses to protect its interest. The record before the court on this matter is not clear and for such reason it has no way of determining the truth of both claims. The stenographic notes taken during the ocular inspection have not been elevated for the reason undoubtedly that this is a petition for review and the only issue before the court is one of law. In the face of this confusing situation on an issue which is determinative of the controversy, the only guide that the court finds is the order itself of the court of origin which happily contains a reference to the evidence that it has considered and which has served as basis for its conclusion resulting in the layoff of the workers in whose behalf the present petition was brought before this court. We refer to the order of November 8, 1951, subject of the petition for review, wherein Judge Roldan makes express mention of the evidence adduced during the ocular inspection. We take it that such evidence can only refer to the testimony given by the workers interrogated by him and to whatever documents he found or examined in the course of such inspection. It is true, as counsel for respondent avers, that hearings were conducted by the court a quo on October 8 and 15, 1951, and on November 5, 6, 8, 15 and 21, 1951, but it is likewise true that those hearings do not necessarily refer to the petition under consideration but to other matters and incidents which were then before the court for determination such as the petition of the labor union containing fourteen (14) demands and the petition of the same union to declare respondent in contempt for having violated certain directives of the court. At any rate, this matter does not appear clear and we are inclined to resolve the doubt in favor of labor considering the spirit of our Constitution.

The right to labor is a constitutional as well as a statutory right. Every man has a natural right to the fruits of his own industry. A man who has been employed to undertake certain labor and has put into it his time and effort is entitled to be protected. The right of a person to his labor is deemed to be property within the meaning of constitutional guarantees. That is his means of livelihood. He cannot be deprived of his labor or work without due process of law (11 Am. Jur., 333, pp. 1151-1153; 11 Am. Jur., section 344, pp. 1168- 1171).

Although the Court of Industrial Relations, in the determination of any question or controversy, may adopt its own rules of procedure and may act according to justice and equity without regard to technicalities, and for that matter is not bound by any technical rules of evidence (section 20, Commonwealth Act No. 103), this broad grant of power should not be interpreted to mean that it can ignore or disregard the fundamental requirements of due process in the trials and investigations of cases brought before it for determination. As aptly pointed out by this court, there are certain cardinal primary rights which the Court of Industrial Relations must respect in the trial of every labor case. One of them is the right to a hearing which includes the right of the party interested to present his own case and submit evidence in support thereof (Manila Trading and Supply Co. vs. Philippine Labor Union, 71 Phil., 124, 129). An ocular inspection of the establishment or premises involved is proper if the court finds it necessary, but such is authorized only to help the court in clearing a doubt, reaching a conclusion, or finding the truth. But it is not the main trial nor should it exclude the presentation of other evidence which the parties may deem necessary to establish their case. It is merely an auxiliary remedy the law affords the parties or the court to reach an enlightened determination of the case.

Considering the merits of the controversy before us, we are of the opinion that the required due process has not been followed. The court a quo merely acted on the strength of the ocular inspection it conducted in the premises of the respondent company. The petition for layoff was predicated on the lack of work and of the further fact that the company was incurring financial losses. These allegations cannot be established by a mere inspection of the place of labor specially when such inspection was conducted at the request of the interested party. As counsel for petitioner says, such inspection could at best witness "the superficial fact of cessation of work but it could not be determinative of the larger and more fundamental issue of lack of work due to lack of funds". This fundamental issue cannot be determined without looking into the financial situation of the respondent company. In fact, this matter is now being looked into by the court a quo in connection with the fourteen demands of the labor union, but before finishing its inquiry it decided to grant the lay-off pending final determination of the main case. This action is in our opinion premature and has worked injustice to the laborers.

**WHEREFORE**, the orders subject of the present petition for review are hereby set aside, and it is ordered that the case be remanded to the court of origin for further proceedings giving to petitioner an opportunity to present its evidence in support of its opposition to the urgent petition for layoff of respondent company. No pronouncement as to costs.

**Paras, C.J., Pablo, Bengzon, Padilla, Reyes, Jugo and Labrador, JJ., concur.**

**Tuason and Montemayor, JJ., concur in the result.**