Supreme Court E-Library

SO ORDERED.

Puno (Chairman), Quisumbing, Austria-Martinez, and *Tinga, JJ.,* concur.

SECOND DIVISION

[G.R. No. 145428. July 7, 2004]

TRANS-ASIA SHIPPING LINES, INC.-UNLICENSED CREWS EMPLOYEES UNION-ASSOCIATED LABOR UNIONS (TASLI-ALU) and TRANS-ASIA SHIPPING LINES INC.-DECK AND ENGINE (LICENSED CREW)-OFFICERS UNION-ASSOCIATION OF PROFESSIONALS, SUPERVISORS, OFFICE AND TECHNICAL EMPLOYEES UNION (APSOTEU); AND MELCHOR VILLANUEVA, GERARDO SUAN, NESTOR SANCHEZ, LUCAS APAS, JR., BONIFACIO YSAO, NICASIO CALAPRE, GILBERT SUMALPONG, ARNULFO VICTORIO, ALBERTO SILVA, NEIL ARNEJO, DANILO JAYA, SOCRATES ALCOS, ARNOLD ARCIPE, JOSEL ARRANGUEZ, OSCAR ARRANGUEZ, FRANCISCO CUIZON, RAMON ORTEGA, FRANCISCO MANTILLA and MATEO MARAVILLAS, *petitioners, vs.* **COURT OF APPEALS and TRANS-ASIA SHIPPING LINES, INC.,** *respondents.*

SYNOPSIS

Intervening on the labor dispute between respondent shipping corporation and petitioner labor unions, the Secretary of Labor certified the same to the NLRC for compulsory arbitration pursuant to Art. 263 (g) of the Labor Code. Thereafter, the

Supreme Court E-Library

Secretary issued an Order directing all striking workers to return to work… and *for the Company to accept them back under the same terms and conditions prevailing before the strike.* While petitioners asserted that they should be reinstated to their former assignments, respondent posited that the Order cannot encompass the usurpation of management's prerogative to determine where its employees are to be assigned nor to determine their job assignments.

In view of the explicit directive contained in the Order of the Secretary of Labor, respondent cannot rightfully exercise its management prerogative to transfer or reassign its employees. Art. 263(g) of the Labor Code constitutes an exception to the management prerogative of hiring, firing, transfer, demotion and promotion of employees.

SYLLABUS

1. LABOR AND SOCIAL LEGISLATION; EMPLOYMENT; STRIKES, PICKETING AND LOCKOUTS; WHERE SECRETARY OF LABOR ASSUMES JURISDICTION; ELUCIDATED. – A cursory reading of Art. 263 of the Labor Code, on strikes, picketing and lockouts, shows that when the Secretary of Labor assumes jurisdiction over a labor dispute in an industry indispensable to national interest or certifies the same to the NLRC for compulsory arbitration, such assumption or certification shall have the effect of automatically enjoining the intended or impending strike or lockout. Moreover, if one had already taken place, *all striking workers shall immediately return to work and the employer shall immediately resume operations and readmit all workers under the same terms and conditions prevailing before the strike or lockout.* The powers granted to the Secretary of Labor under Article 263 (g) of the Labor Code have been characterized as an exercise of the police power of the State, with the aim of promoting public good. When the Secretary exercises these powers, he is granted "great breadth of discretion" in order to find a solution to a labor dispute. The most obvious of these powers is the automatic enjoining of an impending strike or lockout or the lifting thereof if one has already taken place. Assumption of jurisdiction over a labor dispute, or as in this case the certification of the same to the NLRC for compulsory

Supreme Court E-Library

arbitration, always co-exists with an order for workers to return to work immediately and *for employers to readmit all workers under the same terms and conditions prevailing before the strike or lockout.*

2. ID.; ID.; ID.; ID.; ORDER FOR EMPLOYERS TO READMIT ALL WORKERS UNDER THE SAME TERMS AND CONDITIONS PREVAILING BEFORE THE STRIKE; A LIMITATION TO EMPLOYER'S RIGHT TO TRANSFER OR REASSIGN EMPLOYEES. – Case law recognizes the employer's right to transfer or assign employees from one area of operation to another. This right, however, is not absolute but subject to limitations imposed by law. Article 263 (g) of the Labor Code constitutes one such limitation provided by law. The respondent cannot rightfully exercise its management's prerogative to determine where its employees are to be assigned or to determine their job assignments in view of the explicit directive contained in the Orders of the Secretary of Labor to accept the striking workers back "under the same terms and conditions prevailing prior to the strike." The order simply means that the employees should be returned to their ship assignments as before they staged their strike. To reiterate, Article 263 (g) of the Labor Code constitutes an exception to the management prerogative of hiring, firing, transfer, demotion and promotion of employees. And to the extent that Article 263 (g) calls for the admission of all workers under the same terms and conditions prevailing before the strike, the respondent is restricted from exercising its generally unbounded right to transfer or reassign its employees.

3. ID.; ID.; ID.; ID.; MARITIME INDUSTRY IS IMBUED WITH NATIONAL INTEREST. – Article 263 (g) of the Labor Code has been enacted pursuant to the police power of the State. Said provision of law requires that the powers thereunder be exercised only in labor disputes involving industries indispensable to the national interest. That respondent's business is of national interest is not disputed. It is engaged in coastwise shipping services for the transportation of passengers and cargoes. Its vessels service various routes in the Visayas and Mindanao, with the Port of Cebu as its base. The maritime industry is indubitably imbued with national interest. Under the circumstances, the Labor Secretary correctly intervened

Supreme Court E-Library

in the labor dispute between the parties to this case by certifying the same to the NLRC for compulsory arbitration and issuing the Orders pursuant to Article 263 (g) of the Labor Code.

APPEARANCES OF COUNSEL

Leonard U. Sawal for petitioners.
Arguedo & Associates Law Office for private respondent.

D E C I S I O N

CALLEJO, SR., *J.*:

Before the Court is the petition for review on *certiorari* filed by Trans-Asia Shipping Lines, Inc.-Unlicensed Crews Employees Union-Associated Labor Unions (TASLI-ALU), Trans-Asia Shipping Lines, Inc.-Deck and Engine (Licensed Crew) Officers Union-Associated Professionals, Supervisors, Officers and Technical Employees Union (TASLI-APSOTEU) and nineteen (19) of their members, seeking to reverse and set aside the Decision[1] dated May 10, 2000 of the Court of Appeals in CA-G.R. SP No. 54393, which enjoined the Secretary of Labor from implementing his "reinstatement order" pending resolution by the National Labor Relations Commission (NLRC) of the legality of the individual petitioners' dismissal from employment. Likewise sought to be reversed and set aside is the appellate court's Resolution dated September 13, 2000 denying the petitioners' motion for reconsideration.

The case arose from the following factual backdrop:

Respondent Trans-Asia Shipping Lines, Inc. is a domestic corporation engaged in coastwise shipping services for the transportation of passengers and cargoes. It operates thirteen (13) vessels servicing seventeen (17) points in the Visayas and Mindanao, including Cagayan de Oro, Ozamis, Zamboanga, Tagbilaran, Leyte, Masbate, Iloilo and Bacolod, with the Port

[1] Penned by Associate Justice Andres B. Reyes, Jr., with Associate Justices Corona Ibay-Somera and Oswaldo D. Agcaoili concurring.

Supreme Court E-Library

of Cebu as its base. The respondent employs 700 employees, more or less.

Petitioner TASLI-ALU is a labor union of the respondent's rank-and-file employees, while petitioner TASLI-APSOTEU is a labor union of its supervisory employees. The individual petitioners are members of these two unions and the respondent's employees.

On July 6 and 7, 1999, the two unions filed separate notices of strike with the National Conciliation and Mediation Board, Regional Branch VII (NCMB-RB VII) against the respondent on the ground of unfair labor practice. Acting thereon and to avert any work stoppage, then Secretary of Labor Bienvenido E. Laguesma intervened and issued the Order dated July 20, 1999 certifying the labor dispute to the NLRC for compulsory arbitration pursuant to Article 263(g) of the Labor Code and enjoining any strike or lock-out.[2] Further, the parties were directed to cease and desist from committing any act that would exacerbate the situation.[3]

Despite the aforesaid order, the petitioners went on strike on July 23, 1999, paralyzing the respondent's operations. The Secretary of Labor was thus constrained to issue the Order dated July 23, 1999 directing all striking workers "to return to work within twelve (12) hours from receipt of this Order and for the Company to accept them back under the same terms and conditions prevailing before the strike."[4]

On even date, twenty-one (21) of the striking workers, including the individual petitioners, were dismissed from employment by the respondent for alleged violation of the "cease-and-desist" directive contained in the Order of July 20, 1999 by waging an illegal strike. The petitioners, through their respective officers, manifested their willingness to comply with the "return-to-work" order, provided the twenty-one (21) employees would also be

---

[2] *Rollo,* p. 41.

[3] *Ibid*.

[4] *Id*. at 44.

Supreme Court E-Library

allowed to report back for work. They demanded that the respondent issue "embarkation orders" to the positions they held prior to the strike before they lift the pickets and barricades. The respondent refused, claiming that the assignment of an employee to a post is purely a management prerogative.

The bone of contention between the petitioners, on the one hand, and the respondent, on the other, hinged on the proper interpretation of the phrase "*for the company to accept them back under the same terms and conditions prevailing before the strike*." The terminated workers asserted that said phrase must be construed to mean that they be reinstated to their former assignments. The respondent posited that it refers only to their salary grades, rank and seniority, but cannot encompass the usurpation of management's prerogative to determine where its employees are to be assigned nor to determine their job assignments. Consequently, the strike continued as the parties insisted on their respective hard-line stance. To aggravate the situation, the Coalition of Shipowners and Arrastre Operators, of which the respondent is a member, supported the latter by not operating their vessels beginning July 26, 1999.

Recognizing that protracted work disruptions were inimical not only to the parties involved but to the national interest as well, the Secretary of Labor issued the Order dated July 27, 1999, stating in part:

> WHEREFORE, the dispositions of this Office's Order dated 23 July 1999 are hereby reiterated. The striking workers are directed to return to work immediately and the Company to accept them back under the same terms and conditions of employment prevailing prior to the strike.
>
> The effects of the termination of the twenty-one (21) employees are hereby suspended and management is likewise directed to reinstate them.
>
> The National Labor Relations Commission (NLRC) is enjoined to hold marathon hearings and terminate the proceedings within sixty (60) days from start thereof.

Supreme Court E-Library

This Office likewise reiterates the directive deputizing PNP Regional Director Danilo G. Flores to assist in the smooth implementation of this Order. The deputization includes: (1) maintenance of free ingress to and egress from the premises of the Company, specifically the removal of all blockades in the Company's entrances and exits; (2) ensuring the maintenance of peace and order; and (3) ensuring the safety and security of the Company employees who are returning to work in compliance with our Order.[5]

On July 28 and 29, 1999, then NLRC Chairman Rogelio I. Rayala met with the parties. The petitioners manifested that the 21 employees be issued their respective embarkation orders to the vessels they were assigned as crew members as a precondition to their reporting for work.[6] Chairman Rayala directed them to comply with the Secretary of Labor's "return-to-work" order.[7] The respondent consequently reinstated the twenty-one (21) employees. Despite their reinstatement, however, the respondent continued to refuse to issue the said employees' "embarkation orders" to their former ship assignments. The employees, thus, refused to report back for work.

The respondent forthwith filed with the Court of Appeals (CA) a petition for *certiorari* alleging grave abuse of discretion on the part of the Secretary of Labor in issuing the reinstatement order of the dismissed employees. The said order allegedly constituted an unlawful deprivation of property and denial of due process for it prevented the respondent from taking disciplinary action and seeking redress for the huge property losses that it suffered as a result of the petitioners' illegal mass action.

On August 26, 1999, the CA, through the former Tenth Division, issued a temporary restraining order enjoining the Secretary of Labor from implementing the reinstatement order contained in his Order of July 27, 1999. The pertinent portion of the CA resolution reads:

---

[5] *Id*. at 46.

[6] CA *Rollo*, p. 94.

[7] *Id*. at 42-45.

Supreme Court E-Library

Meantime, in the interest of substantial justice and national interest, a temporary restraining order is hereby ISSUED enjoining the implementation of public respondent's directive for petitioner to reinstate the terminated workers.[8]

On August 30, 1999, bolstered by the temporary restraining order issued by the CA, the respondent issued a memorandum terminating the employment of the subject twenty-one (21) employees, including the individual petitioners.

On September 27, 1999, the NLRC, Fourth Division, issued an Order directing the parties to comply faithfully with the July 20, 1999 Order of the Secretary of Labor.[9] The respondent manifested before the CA that a case was then pending with the NLRC, involving the issue of the legality of the strike and the individual petitioners' dismissal. The respondent, thus, prayed that, pending the resolution thereof, a writ of preliminary injunction be issued to enjoin the NLRC from implementing its Order dated September 27, 1999 directing the respondent to reinstate or accept back the individual petitioners. Granting this prayer, the CA, upon the respondent's filing of a bond in the amount of ₱1,000,000.00, promulgated the Resolution dated November 5, 1999, issuing the writ of preliminary injunction and enjoining the Secretary of Labor, the NLRC, Fourth Division, and their agents and representatives from implementing their respective orders directing the reinstatement of the individual petitioners.[10]

Thereafter, on May 10, 2000, the appellate court rendered the assailed decision. The appellate court ruled in favor of the respondent, holding that the petitioners' demand that they be issued "embarkation orders" could not be properly considered as "under the same terms and conditions prevailing before the strike" because the same constituted undue interference with the respondent's management prerogative. The CA held that the continuous refusal of the striking workers to comply with

---

[8] *Id.* at 27.

[9] *Id.* at 43-46.

[10] *Id.* at 115-118.

Supreme Court E-Library

the "return-to-work" order and the violence that erupted during the strike justified the respondent's position not to reinstate the dismissed employees. The appellate court, likewise, noted that the striking workers might resort to sabotaging the operations of the respondent, and thereby endanger the lives of its passengers. It thus ruled that the respondent's refusal to reinstate the twenty-one (21) employees who participated in the illegal strike was a legitimate precautionary measure properly exercised. The dispositive portion of the assailed decision reads:

> WHEREFORE, the petition is GRANTED; public respondent Secretary of Labor is hereby ENJOINED from implementing the reinstatement order pending the resolution by the NLRC of the legality of the dismissal. No costs.
>
> SO ORDERED.[11]

The petitioners sought reconsideration of the said decision but the appellate court, in the assailed Resolution dated September 13, 2000, denied the said motion. Hence, the recourse by the petitioners to this Court.

The petitioners present for resolution the sole issue:

> WHETHER OR NOT PUBLIC RESPONDENT, COURT OF APPEALS, ACTED "CONTRARY TO LAW" WHEN IT ENJOINED THE SECRETARY OF LABOR IN IMPLEMENTING ITS RETURN-TO-WORK ORDERS, SPECIFICALLY ORDERS DATED 20 JULY 1999, 23 JULY 1999, AND 27 JULY 2000 (sic), IN CONNECTION WITH LABOR DISPUTE AT TRANS-ASIA, INC. (NCMB RB VII-NS-07-43-99/07-44-99)[12]

The petition is impressed with merit.

The Orders dated July 20, 1999, July 23, 1999 and July 27, 1999 of the Secretary of Labor, certifying the labor dispute involving the herein parties to the NLRC for compulsory arbitration, and enjoining the petitioners to return to work and the respondent to admit them under the same terms and conditions

---

[11] *Rollo*, p. 36.

[12] *Id*. at 12.

Supreme Court E-Library

prevailing before the strike, were issued pursuant to Article 263(g) of the Labor Code. Said provision reads:

> Art. 263. *Strikes, picketing, and lockouts*. — . . .
>
> (g) When, in his opinion, there exists a labor dispute causing or likely to cause a strike or lockout in an industry indispensable to the national interest, the Secretary of Labor and Employment may assume jurisdiction over the dispute and decide it or certify the same to the Commission for compulsory arbitration. Such assumption or certification shall have the effect of automatically enjoining the intended or impending strike or lockout as specified in the assumption or certification order. If one has already taken place at the time of assumption or certification, all striking or locked out employees shall immediately return to work and the employer shall immediately resume operations and readmit all workers under the same terms and conditions prevailing before the strike or lockout. The Secretary of Labor and Employment or the Commission may seek the assistance of law enforcement agencies to ensure compliance with this provision as well as with such orders as he may issue to enforce the same.

A cursory reading of the above provision shows that when the Secretary of Labor assumes jurisdiction over a labor dispute in an industry indispensable to national interest or certifies the same to the NLRC for compulsory arbitration, such assumption or certification shall have the effect of automatically enjoining the intended or impending strike or lockout. Moreover, if one had already taken place, *all striking workers shall immediately return to work and the employer shall immediately resume operations and readmit all workers under the same terms and conditions prevailing before the strike or lockout*.

The powers granted to the Secretary of Labor under Article 263(g) of the Labor Code have been characterized as an exercise of the police power of the State, with the aim of promoting public good:

> . . . [I]t must be noted that Articles 263(g) and 264 of the Labor Code have been enacted pursuant to the police power of the State, which has been defined as the power inherent in a government to enact laws, within constitutional limits, to promote the order, safety, health, morals and general welfare of the society. The police power,

Supreme Court E-Library

together with the power of eminent domain and the power of taxation, is an inherent power of government and does not need to be expressly conferred by the Constitution . . . [13]

When the Secretary exercises these powers, he is granted "great breadth of discretion" in order to find a solution to a labor dispute. [14] The most obvious of these powers is the automatic enjoining of an impending strike or lockout or the lifting thereof if one has already taken place. Assumption of jurisdiction over a labor dispute, or as in this case the certification of the same to the NLRC for compulsory arbitration, always co-exists with an order for workers to return to work immediately and *for employers to readmit all workers under the same terms and conditions prevailing before the strike or lockout.*[15]

The CA, adopting the respondent's theory, ruled that the phrase "*under the same terms and conditions prevailing before the strike"* could not encompass the usurpation of management's prerogative to determine where its employees are to be assigned nor to determine their job assignments.

The appellate court committed reversible error in so ruling.

Case law recognizes the employer's right to transfer or assign employees from one area of operation to another.[16] This right, however, is not absolute but subject to limitations imposed by law. Article 263(g) of the Labor Code constitutes one such limitation provided by law.

The case of *Metrolab Industries, Inc. v. Roldan-Confesor*[17] is particularly instructive. In that case, the Secretary of Labor,

---

[13] *Philtread Workers Union (PTWU) v. Confesor*, 269 SCRA 393 (1997); *Union of Filipro Employees v. Nestlé Philippines, Inc*., 192 SCRA 396 (1990).

[14] Concurring Opinion of Justice Artemio V. Panganiban in *Phimco Industries, Inc. v. Brillantes*, 304 SCRA 747 (1999).

[15] See *Asian Transmission Corporation v. National Labor Relations Commission*, 179 SCRA 582 (1989).

[16] *Lanzaderas v. Amethyst Security and General Services, Inc.,* 404 SCRA 505 (2003).

[17] 254 SCRA 182 (1996).

Supreme Court E-Library

pursuant to Article 263(g) of the Labor Code, assumed jurisdiction over the labor dispute at Metro Drug, Inc. Pending resolution of said dispute, the company laid-off ninety-four (94) of its rank-and-file employees invoking the exercise of management prerogative. The Secretary of Labor declared the layoff illegal and ordered the company to reinstate the employees. The Court upheld said order of the Secretary of Labor as it quoted the assailed resolution therein, *viz.*:

> . . . But it may nevertheless be appropriate to mention here that one of the substantive evils which Article 263 (g) of the Labor Code seeks to curb is the exacerbation of a labor dispute to the further detriment of the national interest. When a labor dispute has in fact occurred and a general injunction has been issued restraining the commission of disruptive acts, *management prerogatives must always be exercised consistently with the statutory objective*.[18]

Likewise *apropos* is the case of *University of Sto. Tomas v. NLRC*[19] where the Secretary of Labor, pursuant to Article 263(g) of the Labor Code, directed the University to "readmit all its faculty members, including the sixteen (16) union officials, under the same terms and conditions prevailing prior to the present dispute."[20] Instead of fully complying therewith, the University gave some of the teachers "substantially equivalent academic assignments without loss in rank, pay or privilege." The Court ruled therein that the grant of substantially equivalent academic assignments could not be sustained because it could not be considered a reinstatement under the same terms and conditions prevailing before the strike.

In the same manner, the respondent cannot rightfully exercise its management's prerogative to determine where its employees are to be assigned or to determine their job assignments in view of the explicit directive contained in the Orders dated July 23,

---

[18] *Ibid*. (Italics ours).

[19] 190 SCRA 758 (1990).

[20] *Id*. at 767.

Supreme Court E-Library

1999 and July 27, 1999 of the Secretary of Labor to accept the striking workers back "under the same terms and conditions prevailing prior to the strike." The order simply means that the employees should be returned to their ship assignments as before they staged their strike. To reiterate, Article 263(g) of the Labor Code constitutes an exception to the management prerogative of hiring, firing, transfer, demotion and promotion of employees.[21] And to the extent that Article 263(g) calls for the admission of all workers under the same terms and conditions prevailing before the strike, the respondent is restricted from exercising its generally unbounded right to transfer or reassign its employees.[22] The respondent is mandated, under the said order, to issue embarkation orders to the employees to enable them to report to their ship assignments in compliance with the Order of the Secretary of Labor.

As earlier opined, Article 263(g) of the Labor Code has been enacted pursuant to the police power of the State. Said provision of law requires that the powers thereunder be exercised only in labor disputes involving industries indispensable to the national interest.[23]

That respondent's business is of national interest is not disputed. It is engaged in coastwise shipping services for the transportation of passengers and cargoes. Its vessels service various routes in the Visayas and Mindanao, with the Port of Cebu as its base. As stated by the Secretary of Labor, in his Order dated July 20, 1999:

It may be recalled that the Port of Cebu has been previously rocked by concerted actions by the unions and the shipowners and arrastre

---

[21] *Id.* at 771.

[22] *Id.*

[23] See, for example, *Philippine School of Business Administration-Manila v. Noriel*, 164 SCRA 402 (1988); *Sarmiento v. Tuico*, 162 SCRA 676 (1988); *Philippine Airlines, Inc. v. Secretary of Labor and Employment*, 193 SCRA 223 (1991); *International Pharmaceuticals, Inc. v. Secretary of Labor*, 205 SCRA 59 (1992); *Philtread Workers Union (PTWU) v. Confesor, supra; Metrolab Industries, Inc. v. Roldan-Confesor, supra.*

Supreme Court E-Library

operators which have resulted in the disruption of port operations. Said disruptions have seriously affected trade, commerce and transportation to and from said port and other destinations in the Visayas and Mindanao.

The Company's operations form part of the chain of shipping services at the Port of Cebu and other ports. Any work stoppage thereat is certain to have adverse effects on its operations with its accompanying effects to trade, commerce and transportation. Moreover, a strike could trigger measures from the coalition of shipowners of which the Company is a member, that could escalate to a situation disruptive of the tenuous peace currently obtaining at the Port of Cebu.

At this point when efforts of the government are focused in ensuring economic recovery and growth, it is the primordial concern of this Office to avert unnecessary work stoppages, especially when an alternative mechanism to resolve the differences between the parties exists. The direct intervention of this Office becomes imperative on account of the magnitude of the adverse effect of any work stoppage at the Company to the regional and national economy. Under the present state of things, the exercise of this Office's power as embodied under Article 263(g) of the Labor Code, as amended, is warranted.[24]

The maritime industry is indubitably imbued with national interest. Under the circumstances, the Labor Secretary correctly intervened in the labor dispute between the parties to this case by certifying the same to the NLRC for compulsory arbitration and issuing the Orders of July 20, 1999, July 23, 1999 and July 27, 1999 pursuant to Article 263(g) of the Labor Code.

We note that despite all its protestation of its right to dismiss the individual petitioners for committing illegal acts during the strike, the respondent is deemed to have waived such right[25] when it agreed to reinstate them and issue their embarkation orders during the conference on July 28 to 29, 1999 held by the parties with then NLRC Chairman Rayala.[26]

---

[24] *Rollo*, pp. 40-41.

[25] *Reformist Union of R.B. Liner, Inc. v. NLRC*, 266 SCRA 713 (1997).

[26] TSN of the Conference/Hearing on July 29, 1999 reads in part:

Supreme Court E-Library

In fine, absent any showing that there was grave abuse of discretion on the part of the Secretary of Labor in issuing the

---

CHAIRMAN:

Okay, so we go now for (sic) the other issue. I believe that the issue right now is the compliance or implementation of the Order of the Secretary dated July 27, 1999, directing for (sic) the suspension on the aspect of termination and directing the parties to meet at point in time to return to work, and for the management to accept the workers on the condition prior to the staged strike. May we hear now from Atty. Mendoza to manifest it on record.

ATTY MENDOZA:

I will give you to . . .

ATTY PEDARIA:

At this point in time, Your Honor, there are no more placards in the premises of the port. The workers of the TRANS-ASIA are peaceably assembling and waiting for the full implementation of the Order of the Secretary which we interpret. And as it is clearly stated, remaining the *status quo ante* which are the terms and conditions prevailing prior to the strike. All of the workers, including the 21 officers of the two unions are very ready and awaiting the return of their respective positions which they are (sic) holding prior to the strike.

CHAIRMAN:

Let me clarify your statement. You are saying now, (1) that the striking employees are now reporting to work.

ATTY. PEDARIA:

They are ready to report for work, Your Honor, because as we have stated yesterday, there is a precondition to their actual reporting for work, which is the issuance of the embarkation orders. Absent the embarkation orders, they cannot validly be considered as part of the crew of the vessel [to] which they are assigned. So, it is our position at this point in time, that there remains to be performed by the complete compliance of the Order of the Secretary of Labor. But their intention and desire to work is already there, Your Honor.

CHAIRMAN:

That is what I am inquiring now.

ATTY. PEDARIA:

Yes, Your Honor.

CHAIRMAN:

Malinaw yan kung ganoon. So, they are reporting now. So, the next act now would be the acceptance on the part of the management. *Linawin natin yan.* So, that means also that the picket now is being lifted?

ATTY. PEDARIA:

The people are peaceably assembling.

Supreme Court E-Library

said orders, particularly the Order of July 27, 1999, the appellate court patently erred in enjoining him from implementing the same. By so doing, the appellate court unduly interfered with the powers granted to the Secretary of Labor under Article 263(g) of the Labor Code.

WHEREFORE, the petition is *GRANTED*. The Decision dated May 10, 2000 of the Court of Appeals in CA-G.R. SP No. 54393 and its Resolution dated September 13, 2000 are *REVERSED* and *SET ASIDE*. The Order of the Secretary of Labor and Employment dated July 27, 1999, is *AFFIRMED*.

Costs against the petitioners.

SO ORDERED.

Puno (Chairman), Austria-Martinez, and *Tinga, JJ*., concur.

Quisumbing, J., took no part due to prior action in DOLE.

CHAIRMAN:

No, no, no. If the picket is already lifted? So, we are going to take note of the fact that based on the manifestation has been effected (sic) is now reporting for work. And as I said the picket line together with all the placards has (sic) been removed already.

ATTY. PEDARIA:

Yes, Your Honor.

CHAIRMAN:

So, *malinaw na yon*. Now, inasmuch as there is a manifestation of the union that they are going back to work, we will now hear from the management.

ATTY. ARGUEDO:

For the management side, Your Honor, we adopt the same manifestation we made yesterday, which means that management, TRANS-ASIA, is willing to accept back those workers who are terminated on condition that it is in accordance with the Order, so we will be accepting them back to work.

CHAIRMAN:

Very good.

ATTY. ARGUEDO:

And, we also would like to request the terminated workers to report to the office for their assignment. (CA *Rollo*, pp. 93-95.)