104 Phil. 10

[G. R. No. L-11963. June 20, 1958]

MANILA PAPER MILLS EMPLOYEES AND WORKERS ASSOCIATION, PETITIONER, VS. COURT OF INDUSTRIAL RELATIONS, NOVALICHES INDUSTRIAL WORKERS UNION (PLUM), AND MANILA PAPER MILLS, INC., RESPONDENTS.

D E C I S I O N

MONTEMAYOR, J.:

The Manila Paper Mills, Inc., later referred to as the Company, is a corporation engaged in the manufacture of paper, with office at Sangandaan, Novaliches, Quezon City. The 95 odd employees working in said factory belong to two labor unions, namely, the Manila Paper Mills Employees and Workers Association, later referred to as the Association, and the Novaliches Industrial Workers Union, later referred to as the Union. It would appear that there was rivalry between these two labor organizations that caused and motivated the controversy that led to the petition for certification election filed by the Union, and the issuance of the order of the Court of Industrial Relations (CIR), dated January 9, 1957 (Annex E of the Revision), which order the Association now seeks to be reversed and set aside in its petition for certiorari.

For a better understanding of the origin of this case and to serve as background, the following undisputed facts may be stated. The Union filed a petition for certification election with the CIR, dated October 4, 1956, docketed as Case No. 401-MIC, alleging therein that pursuant to the provisions of Section 12 (c) of Republic Act No. 875, its members constituted at least 10% of the approximate total of 95 workers in the factory, permanent and temporary; that some of the workers belonged to another labor organization, known as the Manila Paper Mills Workers Association, and that the petitioning Union would have no objection that said Association members participate in the election; that there had been no election for about a year, nor was there any existing agreement which would serve as a bar to the election. It was subsequently claimed by this petitioning Union that at least 72 of the 95 employees and workers were members of said Union.

The petition was opposed by the Association (designated as the intervenor) by a written pleading, dated October 25, 1956, for the reason that the petitioning Union had committed unfair labor practices by reason of which, the intervenor had filed a complaint, a copy of which ws attached to the opposition, which complaint, dated October 25, 1956, was filed with the CIR as Case No. 1099-ULP. This complaint was later supplemented by a regular complaint in the same case, filed by Antonio T. Tirona, acting prosecutor, charging the Company and the Union with unfair labor practice, to the effect that the Company had threatened members of said Association with dismissal if they remained members of said Association; that it had refused to bargain collectively with the Association, although it had received a written set of demands from it; that on the other hand, after receiving said demands, the Company instigated and hastened the preparation of and the service of the demand of the rival Union; and that the officers and members of the Union threatened the families of the members of the Association with dismissal if they remained members of said Association; that it had refused to bargain collectively with the Association, although it had recieved a written set of demands from it; that on the other hand, after receiving said demands, the Company instigated and hastened the preparation of and the service of the demand of the rival Union; and that the officers and members of the Union threatened the families of the members of the Association with bodily harm if the said members did not severe their connection and membership with the Association. The complaint ended with a prayer for an order by the CIR, finding the Company and the Union guilty of unfair labor practice, and directing the dissolution of the Union (Novaliches Industrial Workers Union).

It would also appear that Edilberto J. Pangan, another acting prosecutor, had filed a complaint with the CIR, apparently on behalf of the Union (Novaliches Industrial Workers Union) against the same Company and its manager and also against the Association, dated November 13, 1956, docketed as Case No. 1089-ULP, charging the Company and the Association with interfering with the free union activities of the Union, and threatening, coercing, intimidating, and restraining them in continuing their membership in the Union, and in assisting and giving support to the organization, called Manila Paper Mills Employees and Workers Association, in other words, charging company domination.

On January 23, 1957, Amando Gonzales, President of the Association, filed a complaint against the Company and the Union for unfair labor practice, docketed as Case No. 1179-ULP, formally charging the Company with instigating and fostering the formation and organization of the Union and thereafter giving favor and aid to said Union and its members, and threatening members of the Association with dismissal if they did not severe their connection with said Association and join the Union. Included in the prayer was

dissolution and cancellation of the permit of the Union. After hearing of the petition for certification election, the CIR, through its Presiding Judge, Jose S. Bautista, granted the petition through the order of January 9, 1957, now sought to be reversed and set aside in the present petition.

The order, in our opinion, well and correctly stated the issues and the reasons for granting the petition for certification election, and we quote it with favor and make it our own:

> "On October 5, 1956, a petition for certification electioin was filed by the Novaliches Industrial Workers Union (PLUM), alleging among others the following:
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> '(a) That petitioner's members constitute at least ten (10%) per cent of the approximate total of ninety-nine (95) workers, permanent and temporary, in said appropriate unit for collective bargaining;
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> '(b) That petitioner believes that some workers at said unit are affiliated with an allegedly legitimate union, "Manila Paper Mills Workers' Association", which participation in this election qualified, the herein petitioner would offer no objection; and that the same may be served with summons at Sangandaan, Novaliches, Quezon City; and '
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> '(c) That there is no known legal impediment against the holding of this "certification election", there having no election in said unit the last twelve (12) months nor any agreement exists as a bar to this election.'
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> "The Manila Paper Mills, Inc. by way of answer stated that they would deal with any union so chosen by the employees as their sole and exclusive collective bargaining representative in accordance with law. "
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> The Manila Paper Mills Employees and Workers' Union filed its opposition and alleged that the petitioning union in order to increase its membership employed illegitimate means, as threats of death, intimidation and coercion on the members of the intervening union, so that they might secede from the other union. They (intervenor) further argued that there is a pending case in Court whereby the intervenor charges the petitioner of unfair labor practice and docketed as Case No. 1099-ULP, and by virtue thereof, sought the suspension of

> the hearing of the instant petition. On the other hand, the petitioner claimed that the existence of a charge of company domination on the petitioning union is the only instance which could be the basis of suspending the petition for certification election. Petitioner advanced the arguments that authorities are unanimous to that effect, that the Court had ruled en banc in a line of decisions suspending the hearing of certification election cases only where there is a charge of company domination on the part of the petitioning Union.
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> "The Court is of the opinion that certification election would be in keeping with the objective of the Magna Carta of Labor, because it will pave a way to a collective bargaining agreement which will advance the settlement of issues between employers and employees, maintain agreement concerning terms and conditions of employment and settle their differences by mutual agreement. The employer will not enter into such agreement without determining which of the two unions is the sole representative of the employees, and therefore, to hold an election is the logical solution in this situation, to promote industrial peace. The contention of the intervenor that the petitioner is company-dominated, is untenable, because nothing is said that petitioner is dominated, initiated and assisted by the employer to warrant a charge of company-domination, but only charge the petitioner of threats, coercions, and intimidations, which are not impediments to the instant petition.
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> "IN VIEW WHEREOF, the Court deemed it proper and logical to hold an election, and the payroll of the last week of September, 1956 shall determine who are eligible to vote. Pursuant to Section 12 (e) of Republic Act No. 875, the Department of Labor is hereby requested to conduct an election in accordance with the rules and regulations of the Court.'

We agree with the CIR on the reasons given in its order that only a formal charge of company domination may serve as a bar to and stop a certification election, the reason being that if there is a union dominated by the Company, to which some of the workers belong, an election among the workers and employees of the company would not reflect the true sentiment and wishes of the said workers and employees from the standpoint of their welfare and interest, because as to the members of the company dominated union, the vote of the said members in the election would not be free. It is equally true, however, that the oposition to the holding of certification election due to a charge of company domination can

only be filed and maintained by the labor organization, which made the charge of company domination, because it is the entity that stands to lose and suffer prejudice by the certification election, the reason being that its members might be overwhelmed in the voting by the other members controlled and dominated by the Company.

In the present case, the facts already narrated show that the labor organization that filed the charge of company domination in Case No. 1089-ULP, is the same labor entity that asked. for certification election, at the same time praying that the investigation of the charge of company domination be in the meantime suspended. In other words, it was willing and prepared to have a certification election, confident that the majority of the workers and laborers in the Company would vote freely and have said petitioner declared the bargaining unit. As found by the CIR, the complaint for unfair labor practice filed by the Association in Case No. 1099-ULP did not charge any company domination, but only accused the Company and the Union with alleged threats and coercion. True, the Association later filed a formal charge of company domination in Case No. 1179-ULP, but this was on January 23, 1957, after the CIR, through Judge Bautista, had rendered the order complained of, dated January 9, 1957.

We agree with the respondent CIR that we should give discretion to the Court of Industrial Relations in deciding whether or not to grant a petition for certification election, considering the facts and circumstances of which it has intimate knowledge. Recently, we had occasion to consider and decide a case (The Standard Cigarette Workers Union (PLUM) vs. Court of Industrial Relations, et al., 101 Phil., 126, decided by this Tribunal on April 22, 1957), wherein through Mr. Justice J. B. L. Reyes, this Court commented, even stated a rule about the holding of certification election, pending determination of charges of unfair labor practice by the same labor organization which asked for the certification election, which comments and ruling may shed more light on our reason for upholding the order of the CIR:

> 'It is noteworthy, too, as observed by Judge Lanting, that it was not the petitioner union, but the company, the Standard Cigarette Manufacturing Co., Inc., which had asked for the suspension of the proceedings on the certification election pending final determination of the unfair labor practice complaint. In the usual course of things, the complainant union would have been the one interested in the deferment of the certification election, since the unfair labor practices of the employer could result in the substantial reduction of its membership and its failure to get elected as the employees' bargaining representative. But the

> complainant union did not ask for the suspension; instead, it had strongly opposed the same in the court below and has even come to this Court on certiorari against such suspension. If the complainant union itself believes that it would not suffer prejudice in the election because of the employer's alleged unfair labor practices, or is willing to take the risks in said election, then we see no further reason for the respondent court to suspend the holding of the election by the employees of their collective bargaining agent. Upon the other hand, we can only agree with Judge Lanting that the move of the company to suspend the certification election proceedings pending resolution of the unfair labor practice complaint against it, can be taken only as a maneuver to further delay such election and thereby favor the intervenor-union, with whom it had already concluded a collective bargaining agreement."

In view of the foregoing, the petition for certiorari is hereby denied, with costs.

Paras, C. J., Bengzon, Reyes, A., Bautista Angelo, Concepcion, Reyes, J. B. L., Endencia, and *Felix, JJ.,* concur.

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