

Title: San Miguel Corporation (Mandaue Packaging Products Plants) v. Mandaue Packaging Products Plants-San Miguel Packaging Products-San Miguel Corporation Monthlies Rank-And-File Union-FFW

Facts:

On June 15, 1998, respondent Mandaue Packaging Products Plants-San Miguel Packaging Products-San Miguel Corporation Monthlies Rank-And-File Union-FFW (Union), affiliated with the Federation of Free Workers (FFW), filed a petition for certification election with the DOLE Regional Office No. VII, claiming to represent the permanent rank-and-file monthly paid employees of petitioner San Miguel Corporation (SMC) Mandaue Packaging Products Plants. Attached to the petition were (1) a Charter Certificate issued by FFW on June 5, 1998, (2) the Union's constitution, (3) a list of officers, (4) a certification about its newly organized status, and (5) a list of the rank-and-file monthly paid employees of the plants.

SMC filed a motion to dismiss, arguing that the Union was not listed in the roster of legitimate labor organizations. In response, on July 29, 1998, the Union submitted the same documents it had attached to the petition to the Bureau of Labor Relations, stating it was in accordance with the requirements for creating a local/chapter. Subsequently, on August 3, 1998, the Regional Office issued a certificate of creation of local/chapter, certifying the Union had acquired legal personality from July 30, 1998.

Ignoring the motion to dismiss and filing a Position Paper instead, the Union contended it had complied with all requirements for a certification election. SMC filed a Comment reiterating the Argument of lack of legal personality and also claimed that two Union officers were supervisory employees, not rank-and-file, citing Article 245 of the Labor Code.

Subsequently, SMC filed a petition to cancel the Union registration which was denied, and the denial was affirmed by the Court of Appeals and became final.

The Med-Arbiter dismissed the Union's petition for certification election on the ground that when filed, the Union did not have legal personality. The Union appealed to the DOLE, which undersecretary reversed the decision, effectively allowing the certification election. SMC appealed this decision to the Court of Appeals (CA), which affirmed DOLE's decision. SMC then elevated the case to the Philippine Supreme Court.

Issues:

1. Did the Union acquire legal personality on the same day it filed the petition for a

certification election?

2. Can the Union, alleged to have supervisory employees among its officers, file a petition for certification election for rank-and-file employees?

Court's Decision:

1. The Supreme Court held that the Union acquired legal personality on the same day it filed the petition for a certification election. While the procedural steps set by the law for acquiring legal personality were not strictly followed—the Charter Certificate was supposed to be submitted to the Regional Office by the federation (FFW) itself for the purpose of creating the Union—the Union's documentary requirements for acquiring legal personality had already been attached to the petition for certification election that the Union submitted. Since the intent of the labor laws is to encourage labor union affiliation and the constitutional guarantee for the right to self-organization, the deviations from the procedural rules were not seen as fatal. The necessary documents, as enumerated under Section 1, Rule VI by Department Order No. 9, were already filed.

2. Concerning the issue of supervisory employees being among the Union's officers, the Supreme Court cited the final ruling on the Union's legitimacy from the dismissal of the petition for cancellation. Therefore, such claims could not overturn the legitimacy of the Union or prevent it from filing for recognition as a legitimate labor organization. The issue of the employment status of Rossell and Bathen had been conclusively adjudicated in favor of the Union.

Doctrine:

A local or chapter of a federation or national union acquires legal personality upon the filing of complete documentary requirements as thus is not conditioned on the issuance of a certificate by the DOLE. The listing of the local/chapter in the roster of legitimate labor organizations and the issuance of a certification to that effect is a mere formality that confirms legal personality already possessed.

Class Notes:

- Labor organizations may file for registration and acquire legal personality upon the submission of specific documents, as enumerated in the Labor Code and its Implementing Rules.
- For local chapters affiliated with a federation, the documentary requirements are fewer, and legal personality is deemed acquired from the date said documents are filed with the DOLE.

- For labor organizations that have already secured registration, their legitimacy may not be subject to collateral attack but may only be questioned through an independent petition for cancellation based on specific grounds.

Historical Background:

This case arises in the context of legal standards affected by amendments in the procedure for the registration of local or chapters of labor organizations in the Philippines. The outcome reflects the liberal attitude of the Court toward such procedural requirements where they serve constitutional rights such as the right to self-organization.