

Title: Coastal Subic Bay Terminal, Inc. vs. Department of Labor and Employment, et al.

Facts:

1. **Petitions Filed**: On July 8, 1998, two unions, Coastal Subic Bay Terminal, Inc. Rank-and-File Union (CSBTI-RFU) and Coastal Subic Bay Terminal, Inc. Supervisory Union (CSBTI-SU), filed separate petitions for certification election before Med-Arbiter Eladio de Jesus of the Regional Office No. III. The CSBTI-RFU was issued a charter certificate by the Associated Labor Union (ALU), and the CSBTI-SU by the Associated Professional, Supervisory, Office and Technical Employees Union (APSOTEU). They claimed the establishment was unorganized.
2. **Opposition by CSBTI**: Coastal Subic Bay Terminal, Inc. opposed the petitions, alleging that the unions were not legitimate labor organizations and that the proposed bargaining units were not clearly described.
3. **Med-Arbiter's Decision**: Without ruling on the legitimacy of the unions, the Med-Arbiter dismissed both petitions without prejudice, citing that ALU and APSOTEU were effectively one federation with common officers and thus the simultaneous petitions were invalid and unwarranted.
4. **Appeal to the Secretary of Labor**: Both parties appealed. The Secretary of Labor, through Undersecretary R. Baldoz, reversed the Med-Arbiter's decision, recognizing the separate legal personalities of ALU and APSOTEU and ordered the holding of separate certification elections.
5. **Court of Appeals Decision**: The Court of Appeals upheld the Secretary's decision, affirming the separate legal personalities of ALU and APSOTEU and their legitimate statuses as labor organizations.
6. **Petition to the Supreme Court**: Coastal Subic Bay Terminal, Inc. filed a petition for review on certiorari, arguing:
 - The reliance on the "1989 Revised Rules and Regulations Implementing RA 6715".
 - Error in applying stare decisis to the legal personality issue of APSOTEU.
 - Incorrect application of "union autonomy" theory.
 - Ignoring jurisprudence on Med-Arbiter's factual findings and overlooking evidence of "illegal commingling".

Issues:

1. **Legitimacy of Separate Petitions**: Can supervisory and rank-and-file unions file separate petitions for certification election?
2. **Basis for Legal Personality**: Was the Secretary's decision based on stare decisis in recognizing APSOTEU's legal personality correct?

3. **Commingling of Unions**: Are the private respondents engaged in commingling due to common officers?

Court's Decision:

1. **Separate Petitions**: The Supreme Court held that, under the Labor Code and its Implementing Rules, APSOTEU is recognized as a legitimate labor organization with the authority to issue local charters, making CSBTI-SU legitimate and therefore eligible to file a separate petition. The applications for registration filed and approved by the Regional Office were valid under the law applicable at the time.

2. **Legal Personality and Application of Stare Decisis**: The Court agreed with the Secretary's application of the principle that once a labor organization is registered and legitimate, its legal personality cannot be collaterally attacked and can only be challenged in an independent action for cancellation. Thus, APSOTEU and by extension CSBTI-SU were deemed legitimate.

3. **No Improper Commingling**: The Court did not find illegal commingling sufficient to invalidate the unions' statuses. The affiliation with ALU and APSOTEU, even given common officers, did not make them a single entity under the doctrine considered. The unions remained separate legal entities under the law.

Doctrine:

1. **Union Autonomy and Legitimacy**: A registered labor union gains legal personality upon issuance of its registration certificate, which cannot be subjected to collateral attack but can only be questioned through an independent cancellation action.

2. **Supervisory and Rank-and-File Union Affiliations**: Local supervisory and rank-and-file unions may separately affiliate with different federations, even if those federations have common officers, providing there is no commingling of interests that undermines their separate identities.

Class Notes:

- **Key Principles**:

- **Legal Personality of Unions**: Upon registration, recognized based on applicable rules at the time of registration.

- **Stare Decisis**: Ensures stability by adhering to established precedent regarding union registration and legitimacy.

- **Union Autonomy**: Local unions maintain their legal identities and rights separate from their federations.

- **Relevant Statutes**:
- **Labor Code of the Philippines**: Governs the registration and legitimization of labor unions (Article 235 and 245).
- **1989 Revised Implementing Rules and Regulations**: Specific guidelines on the registration processes applicable to unions and federations.

Historical Background:

The case occurred in the context of unionization efforts in the Philippines, where labor organizations continuously sought recognition under evolving legal frameworks. This highlights the complexities of labor law and the importance of clear regulatory guidelines to balance organizational rights and prevent conflicts of interest within industrial relations.