

****Title:****

San Miguel Foods, Inc. vs. San Miguel Corporation Supervisors and Exempt Union, G.R. No. 137294

****Facts:****

1. ****Historical Context and Prior Decision:****

- The Philippine Supreme Court had previously ruled in G.R. No. 110399 that Supervisory Levels 3 and 4 and exempt employees of San Miguel Foods, Inc. (SMFI) are not confidential employees regarding labor relations and can form a collective bargaining unit.
- Following this, the Department of Labor and Employment - National Capital Region (DOLE-NCR) organized a pre-election conference to conduct a certification election to determine the exclusive bargaining agent.

2. ****Certification Election Proceedings:****

- Discrepancies arose in the list of eligible voters provided by San Miguel Foods, Inc. (SMFI) and the San Miguel Corporation Supervisors and Exempt Union (Union).
- On August 31, 1998, Med-Arbiter Agatha Ann L. Daquigan directed that the election proceed.
- The election conducted on September 30, 1998, resulted in 46 "Yes" votes, 76 segregated ballots, and some spoiled votes out of 124 total votes cast.

3. ****Challenges and Objections:****

- On the date of the election, SMFI filed Omnibus Objections and Challenge to Voters, questioning the eligibility of certain employees, citing reasons such as employees being confidential, part of live chicken operations, non-SMFI employees, and more.

4. ****Med-Arbiter and DOLE Proceedings:****

- Med-Arbiter issued an order on October 21, 1998, directing the parties to substantiate their claims and objections.
- Following the submission of evidence by both parties, the final tally showed the Union winning with 118 "Yes" votes (97% of valid votes cast).
- In an order dated April 13, 1999, the Med-Arbiter affirmed the Union as the exclusive bargaining agent.
- On appeal, the Acting DOLE Undersecretary excluded specific employees but upheld the general results.

5. **Court of Appeals Proceedings:**

- The Court of Appeals affirmed the DOLE's ruling but excluded certain Human Resource and Personnel Assistant positions from the bargaining unit.
- SMFI's additional motions for partial reconsideration were denied, leading to the present petition before the Supreme Court.

Issues:

1. **Scope of the Bargaining Unit:**

- Whether the Court of Appeals expanded the scope of the bargaining unit beyond what was determined in the prior ruling (G.R. No. 110399).

2. **Confidential Employee Definition:**

- Whether the Court of Appeals departed from established jurisprudence by not excluding the Payroll Master position from the bargaining unit.

3. **Res Judicata Applicability:**

- Whether the petition is a rehash of the issues previously determined in G.R. No. 110399.

Court's Decision:

1. **Scope of the Bargaining Unit:**

- The Supreme Court held that the Court of Appeals did not expand the scope of the bargaining unit improperly. Employees of different plants but with mutual interests and job functions constituted a legitimate single bargaining unit.

2. **Confidential Employee Definition:**

- The Supreme Court ruled that the Payroll Master does not qualify as a confidential employee in the context of labor relations. Therefore, the position should be included in the bargaining unit, reaffirming the Court of Appeals' decision.

3. **Res Judicata Applicability:**

- The Supreme Court dismissed the argument that the petition was a rehash. It emphasized that the previous decision already set the precedent.

Doctrine:

- **Community of Interest Doctrine:** Employees with shared interests and similar job functions can constitute a single bargaining unit, even across different operational lines,

locations, or departments.

- **Confidential Employee Definition:** Employees are classified as confidential if they assist in labor relations or have access to sensitive labor relations information. Payroll and similar administrative positions that do not meet both criteria do not qualify as confidential employees.

Class Notes:

- **Bargaining Unit:** A group of employees with mutual interests suitable for collective bargaining.

- **Certification Election:** A process where workers select their bargaining representative.

- **Confidential Employees:** Those who assist in labor relations or have access to sensitive information.

- **Legal Precedents on Bargaining Units:** Prior Court rulings emphasizing the mutuality of interest for employees.

Historical Background:

- The case situates within a larger historical conflict where employees sought greater clarity and protection in defining who can unionize and bargain collectively. The Supreme Court's decision provides a significant point in labor law for defining bargaining units and the scope of employee union membership.

Summary Conclusion:

The Supreme Court affirmed the Court of Appeals' decisions, reiterating established principles regarding labor unions and bargaining units, and dismissed SMFI's petition. This decision reinforced the procedural and substantive standards for defining employee groups eligible for collective action.