

****Title:** Tunay na Pagkakaisa ng Manggagawa sa Asia Brewery vs. Asia Brewery, Inc. (G.R. No. 161933)******

****Facts:****

The dispute in this case involves Asia Brewery, Inc. (ABI), a company engaged in manufacturing and distributing various products, and Tunay na Pagkakaisa ng Manggagawa sa Asia (TPMA), representing rank-and-file employees. ABI had a Collective Bargaining Agreement (CBA) with Bisig at Lakas ng mga Manggagawa sa Asia-Independent (BLMA-INDEPENDENT) effective from August 1, 1997 to July 31, 2002, which was renegotiated for the period of August 1, 2000 to July 31, 2003.

The controversy began when ABI's management stopped deducting union dues from eighty-one (81) employees, claiming their inclusion violated the CBA as they were part of the Quality Control Staff or other excluded positions such as secretaries/clerks. BLMA-INDEPENDENT argued that ABI's actions impeded the employees' right to self-organization and escalated the issue through grievance procedures and eventually to the National Conciliation and Mediation Board (NCMB). When amicable resolution failed, the case went to arbitration.

Voluntary Arbitrator Bienvenido Devera ruled in favor of BLMA-INDEPENDENT, finding the positions held by the disputed employees to be rank-and-file and eligible for union membership. ABI appealed to the Court of Appeals (CA), which reversed the arbitrator's decision. It declared that the 81 employees were excluded from the bargaining unit under the CBA, invalidating their union membership.

TPMA, having won a certification election in August 2002, filed for reconsideration and intervention with the CA, which was denied. TPMA then elevated the matter to the Supreme Court.

****Issues:****

1. Whether the 81 employees are excluded from the bargaining unit as defined in Section 2, Article I of the CBA.
2. Whether the 81 employees' union membership is valid under the terms of the CBA.
3. Whether ABI committed an act that restrained its employees' right to self-organization.

****Court's Decision:****

1. ****Exclusion of Employees from Bargaining Unit:****

The Supreme Court determined that the positions held by the secretaries/clerks and

checkers were largely routine and clerical, lacking the managerial or confidential status that would exclude them under the CBA. ABI did not sufficiently show that these employees had confidential responsibilities related to labor relations that would necessitate their exclusion.

2. **Validity of Union Membership:**

The Court established that, except for the few promoted to monthly-paid positions, the secretaries/clerks were deemed rank-and-file and should not be excluded as confidential employees. Moreover, the checkers, whose work did not involve access to sensitive, vital, or confidential information, were also eligible for union membership. Consequently, their membership in TPMA was valid.

3. **Claim of Unfair Labor Practice:**

It was determined that the disagreement arose from an interpretation of the CBA's scope, not from any anti-union animus or ill will by ABI. Therefore, ABI's actions did not constitute unfair labor practice. The Supreme Court found no bad faith or fraud in ABI's discontinuation of union dues deductions.

Thus, the Supreme Court reversed the CA's decision, reaffirming the rights of the secretaries/clerks and checkers to unionize.

Doctrine:

1. Confidential employees, who assist in confidential capacities to managerial employees involved in policymaking in labor relations, are excluded from union membership. Routine or clerical jobs do not easily qualify as confidential positions.
2. Issues of union membership exclusion based on job roles must be supported by specific and substantial evidence demonstrating the confidential nature of the work involved.

Class Notes:

- **Key Concepts:**
- **Confidential Employees Exclusion:** Must assist or be involved in confidential labor relations policy-making.
- **Right to Self-Organization:** Protected under the Labor Code, requiring clear bad faith or fraud to establish unfair labor practice.
- **Routine vs. Confidential Tasks:** Positions involving routine clerical duties are generally not classified as confidential.
- **Statutes Cited:**

- Article 245 of the Labor Code (Ineligibility for union membership by managerial employees extended to confidential employees).
- Article 248(a) of the Labor Code (Unfair labor practice due to restraint on the right to self-organization).

****Historical Background:****

This case arose during a period of labor assertiveness and regulatory refinement in the Philippines, emphasizing employees' rights to unionize and engaging in collective bargaining, while delineating exclusions clearly for managerial and confidential employees. The decision strengthens the framework ensuring that exclusions from union membership are not applied overly broadly, potentially infringing on employees' fundamental rights to organize.