

Title: Caurdanetaan Piece Workers Union vs. Undersecretary Laguesma and Corfarm Grains, Inc.

Facts:

First Case (G.R. No. 113542):

1. The Caurdanetaan Piece Workers Union (CPWU), represented by Juanito P. Costales Jr., filed a petition for certification election on July 9, 1992, before the Department of Labor and Employment (DOLE) Regional Office No. I at San Fernando, La Union.
2. CPWU's members worked as 'cargadores' at Corfarm Grains, Inc.'s warehouse in Umingan, Pangasinan, performing loading and unloading tasks since 1982.
3. Corfarm opposed the petition, claiming the workers were not its employees.
4. Med-Arbiter Sinamar E. Limos granted the petition on March 18, 1993, and scheduled a certification election.
5. Corfarm appealed to Undersecretary Bienvenido E. Laguesma, who initially upheld the Med-Arbiter's order.
6. Corfarm's motion for reconsideration led Undersecretary Laguesma to reverse the order on January 4, 1994, stating no employer-employee relationship existed.
7. CPWU's motion for reconsideration was denied on January 27, 1994.
8. CPWU petitioned for certiorari before the Supreme Court to annul the dismissal of the certification election.

Second Case (G.R. No. 114911):

1. CPWU also filed a complaint for illegal dismissal, unfair labor practice, and other labor benefits on November 16, 1992, before the Regional Arbitration Branch No. 1, Dagupan City.
2. Labor Arbiter Ricardo Olaires allowed ex-parte proceedings due to Corfarm's non-appearance.
3. On September 14, 1993, Labor Arbiter Rolando D. Gambito ruled in favor of CPWU, finding the dismissals illegal.
4. Corfarm appealed to the National Labor Relations Commission (NLRC), which remanded the case to the labor arbiter for further proceedings on February 16, 1994.
5. CPWU's motion for reconsideration was denied by the NLRC on March 28, 1994.
6. CPWU petitioned for certiorari before the Supreme Court to nullify the NLRC's order and seek direct resolution.

7. Both cases were consolidated by the Supreme Court.

Issues:

1. Whether the Undersecretary of Labor acted with grave abuse of discretion in dismissing the petition for a certification election.
2. Whether the NLRC committed grave abuse of discretion in remanding the case for illegal dismissal to the labor arbiter for further proceedings.
3. The determination of the existence of an employer-employee relationship between CPWU members and Corfarm Grains, Inc.

Court's Decision:

****First Case:****

1. ****Grave Abuse of Discretion by Undersecretary Laguesma:**** The Supreme Court ruled that Undersecretary Laguesma's decision to dismiss the petition for certification election, citing the absence of an employer-employee relationship, was erroneous. The factual findings initially recognized by Laguesma indicated a clear employer-employee relationship, demonstrating Laguesma's subsequent change lacked substantial evidence.
2. ****Employer-Employee Relationship:**** The Court reaffirmed the elements of employer-employee relationship, which CPWU members met: (1) they were hired by Corfarm, (2) paid wages, (3) subject to dismissal by Corfarm, and most importantly, (4) under Corfarm's control in the conduct of their work.

****Second Case:****

1. ****Grave Abuse of Discretion by NLRC:**** The Supreme Court ruled the NLRC committed grave abuse by unnecessarily remanding the case despite pieces of evidence supporting a direct resolution at the appellate level.
2. ****Illegal Dismissal and Unfair Labor Practice:**** The labor arbiter's decision that the CPWU members were illegally dismissed and that Corfarm committed unfair labor practice was upheld. The remand by the NLRC was deemed an undue delay contrary to labor law's mandate for speedy resolution.
3. ****Monetary Benefits:**** The Court detailed the computation of back wages, 13th-month pay, service incentive leave, and other pecuniary benefits, reflecting the labor arbiter's

decision modified per recent jurisprudence.

Doctrine:

1. **Review of Factual Findings:** The Supreme Court may review factual determinations where findings conflict among labor officials, starting that labor authorities' factual findings, if supported by substantial evidence, are generally accorded respect and finality.
2. **Substantial Evidence:** An employer-employee relationship can be established by substantial evidence, a lower threshold than preponderance of the evidence, critical in administrative and labor law cases.
3. **Due Process:** Procedural due process is satisfied by giving the parties an opportunity to be heard without necessitating an adversarial trial.
4. **Unnecessary Remand by NLRC:** The NLRC commits grave abuse of discretion if it remands a case with sufficient evidence for direct resolution, delaying justice.
5. **Back Wages and Benefits:** Workers illegally dismissed are entitled to back wages and benefits without deductions.

Class Notes:

1. **Elements of Employer-Employee Relationship:**
 - Power to hire
 - Payment of wages
 - Power to dismiss
 - Power to control
2. **Key Principles:**
 - Substantial evidence suffices in administrative cases.
 - Procedural due process requirement.
 - Finality of factual findings by labor agencies.
 - Grounds for certiorari: lack or excess of jurisdiction, grave abuse of discretion.
3. **Statutory Provisions:**
 - Article 106 & 280 of the Labor Code.
 - Sections 9 and 10, Rule V, Book V, Implementing Rules of Labor Code.

Historical Background:

This case situated within the broader context of the Philippines' labor law and industrial relations system. The 1987 Constitution enhanced labor protection, emphasizing workers' rights to self-organization, collective bargaining, and equitable work conditions. This case solidifies jurisprudence on certification elections, expanding protections on workers' union activities, and underscoring the judiciary's role in remedying undue procedural delays by administrative bodies.