

Title: Central Negros Electric Cooperative, Inc. (CENECO) vs. Hon. Secretary, Department of Labor and Employment, and CURE

Facts:

- CBA Agreement:** On August 15, 1987, CENECO entered into a collective bargaining agreement (CBA) with CURE, effective from April 1, 1987 to March 31, 1990.
- Proposal for New CBA:** On December 28, 1989, CURE requested to negotiate a new CBA. On January 18, 1990, CENECO denied the request, citing Supreme Court rulings that members of an electric cooperative cannot form or join a union.
- Union Resolution:** On December 9, 1989, CURE members approved Resolution No. 35 to withdraw their membership from CENECO to retain their benefits under the CBA. This was approved by 259 of the 362 members and copies were sent to CENECO and DOLE.
- Denial of Withdrawal:** On February 27, 1990, CENECO denied the withdrawal based on certain board resolutions, which were not disclosed.
- Petition and Certification:** Following CENECO's refusal to renegotiate, CURE filed a petition for direct recognition or for certification election. CENECO filed a motion to dismiss, invoking the Batangas case ruling.
- Med-Arbiter Decision:** Med-Arbiter Felizardo T. Serapio granted the petition for certification election. CENECO appealed to DOLE.
- DOLE Decision:** DOLE modified the med-arbiter's order, directly certifying CURE as the exclusive bargaining representative.
- Supreme Court Petition:** CENECO filed a petition for certiorari, challenging DOLE's decision and arguing the improper jurisdiction and application of the Batangas case.

Issues:

- Jurisdiction Over Withdrawal:** Whether the med-arbiter and DOLE had jurisdiction over the issue of withdrawal from membership in the cooperative.
- Applicability of Batangas Case:** Whether the doctrine in the Batangas case applies, disallowing employees who are members of the cooperative from forming or joining a union even after withdrawal.

3. **Direct Certification Validity**: Whether the direct certification by the DOLE Secretary was proper under existing laws.

Court's Decision:

1. **Jurisdiction Over Withdrawal**:

- The Court found that CENECO, having raised the issue of union membership, submitted the issue to the med-arbiter's jurisdiction and cannot later contest it.
- It was necessary for the med-arbiter to consider the propriety of the employees' withdrawal from the cooperative which falls within their scope under Article 256 of the Labor Code.

2. **Applicability of Batangas Case**:

- The Batangas ruling prevents current member-employees from unionizing but does not prohibit them from withdrawing membership to join a union.
- The employees' withdrawal from membership in the cooperative was found legal and in accordance with the cooperative's by-laws.

3. **Direct Certification Validity**:

- The Supreme Court found that direct certification is no longer valid or available under Executive Order No. 111, which affirms the process of certification elections.
- The Court held that a certification election should determine true representation of employees.

Doctrine:

- **Right to Self-Organization**: Workers are entitled to self-organization, including the right to form or join unions, which encompasses the right to not join or withdraw from other organizations if it facilitates their union membership.
- **Certification Election Process**: Certification elections are essential to democratically establish union representation, replacing the practice of direct certification.

Class Notes:

1. **Right to Self-Organization**:

- Constitutional right.
- Includes freedom to withdraw from other associations.

2. **Certification Election**:

- Article 256, Labor Code.
- Majority of eligible voters needed.
- Ensures democratic selection of bargaining representatives.

3. **Jurisdiction of Med-Arbiter**:

- Determine eligibility of voters.
- Assess legality of union membership and withdrawals.

4. **NEA's Role**:

- Supervises electric cooperatives.
- Not the primary body for labor-related disputes within cooperatives.

Historical Background:

- The case reflects the evolving interpretation of workers' rights within specific sectors like electric cooperatives, highlighting the tension between existing cooperative membership rules and broader labor rights.
- The Batangas case served as a significant precedent, but its limitations underscored the necessity of adapting legal principles to protect workers' rights amidst organizational complexities in cooperative settings.