

COMPANIA MARITIMA, PETITIONER-APPELLANT, VS. COMPANIA MARITIMA LABOR UNION AND THE COURT OF INDUSTRIAL RELATIONS, RESPONDENTS-APPELLEES.

G.R. No. L-29504. February 29, 1972

Ponente: FERNANDO, J.

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FERNANDO, J.:

A decision by respondent Court of Industrial Relations for the Department of Labor to conduct a certification election among the workers of petitioner Compania Maritima,[1] wherein both respondent Compania Maritima Labor Union and petitioner General Maritime Stevedores' Union,[2] would be voted on to determine the appropriate bargaining unit for a proposed collective bargaining contract, is now before us. The pivotal issue raised in this petition for review is the correctness of the decision reached by respondent Court in decreeing such certification election, thus allowing respondent Union an opportunity to be the choice as its representative at the bargaining table, when for petitioner employer, sound business practice would dictate that the representation be left to petitioner Union, with which allegedly it had previously dealt. While there is an element of novelty in such a specific question, the general principle under which it may be subsumed is well-settled. It is now the accepted doctrine that in the absence of arbitrariness, what should be the unit chosen for bargaining is for the respondent Court to decide.

Without discounting the vigor with which the petitioner Compania Maritima did press the point that the employer's preference as to the bargaining unit it is required to deal with, considering the needs of his business, should be accorded great weight, it is our decision that the above ruling should be adhered to. It has in its favor the well-founded assumption that in its task of assuring the integrity of the collective bargaining process, which would leave to the contracting parties the utmost leeway not only as to the terms of a collective bargaining contract but also as to how big a force of workmen should be the appropriate bargaining unit, respondent Court, considering its specialization, is not likely to ignore all relevant factors. Its determination then is ordinarily to be left undisturbed. A showing of arbitrariness, as above noted, is required for a contrary conclusion. Thus has the interest of labor as ordained by the Constitution been protected. Accordingly, we affirm.

Respondent Court's decision under review starts with the following: "Claiming that it represents majority of the employees in an appropriate bargaining unit, working as forklift operators, crane operators, motor pool personnel and laborers, in the Compania Maritima terminal at North Harbor, Manila, the instant petition was filed by the Compania Maritima Labor Union, praying that it be directly certified as the exclusive representative for collective bargaining purposes of all the employees in the said unit." [3] There was a denial by petitioner Compania Maritima of the facts alleged, with the assertion "that the appropriate bargaining unit should be composed of all [its] regular employees and workers excluding the extra casual workers." [4] As for the petitioner General Maritime Stevedores' Union, the decision noted that it relied on "an existing collective bargaining agreement with the employer Compania Maritima, covering all the checkers, stevedores, forklift drivers, mechanics and laborers of the company and that said contract operates as a bar to the instant proceeding." [5] Such an objection, however,

was disposed of in the decision thus: "Considering that the herein petition was filed within a reasonable period with the court before the renewal of the collective bargaining agreement, the proceeding already started on the petition could no longer be barred." [6]

The dispositive portion of the decision of respondent Court on May 30, 1968 penned by its Presiding Judge, the Honorable Arsenio I. Martinez reads as follows: "Wherefore, it is hereby requested that the Department of Labor conduct a certification election among the workers of the Compania Maritima at Pier 8, Manila, in the bargaining unit composed of crane and forklift operators, motor pool personnel (mechanics and laborers). The payrolls of the company * * * should be utilized as the list of qualified or eligible voters in the said election. The labor organizations to be voted upon are the petitioners Compania Maritima Labor Union and the intervenor General Maritime Stevedores' Union of the Philippines. Result of the election should be submitted immediately to the Court for further disposition." [7] On July 15, 1968, a motion for reconsideration filed by now petitioners Compania Maritima and General Maritime Stevedores' Union was denied.

The petition for review was filed before this Court on September 28, 1968. The answer to both petitions was filed by petitioner Compania Maritima Labor Union on November 29 of that year. After the filing of the respective briefs, those for petitioner Compania Maritima on January 29, 1969 and for petitioner General Maritime Stevedores' Union on January 20, 1969, as well as the brief for respondent Compania Maritima Labor Union, the matter was deemed submitted on May 12, 1969.

The answer to the crucial issue posed, whether or not the determination by respondent Court that a certification election be held, is, as already indicated, in the affirmative. Respondent Court did not act contrary to law. No reason exists then for the reversal of the decision under review.

1. As was made clear right at the outset of this opinion, the main contention of petitioner Company is that for sound business reasons, respondent Court ought not to have granted respondent Union the opportunity to be voted on in the certification election, along with petitioner Union. While no definite ruling on such a specific point has been handed down by this Court, the governing principle, also as noted, cannot be in doubt. Nowhere has it been expressed with greater clarity than in *LVN Pictures, Inc. vs. Philippine Musicians Guild* [8] in an opinion by the then Justice, now Chief Justice, Concepcion. Thus: "At this juncture, it should be noted that the action of the lower court in deciding upon an appropriate unit for collective bargaining purposes is discretionary * * * and that its judgment in this respect is entitled to almost complete finality, unless its action is arbitrary or capricious, * * * which is far from being so in the cases at bar." [9] Earlier, in *Alhambra Cigar and Cigarette Manufacturing Company vs. Alhambra Employee's Association*, [10] with Justice Barrera as ponente, a similar view was given expression: "In arriving at the conclusion that all the employees in the administrative, sales and dispensary departments of the company, with the exception of the supervisors, security guards, and confidential employees therein, constitute an appropriate collective bargaining unit, the lower court considered the fact that said employees are engaged in an 'entirely different kind of work' which does not involve production and maintenance, and the additional fact that the places where they work are separate from those of the workers in the other departments of the company. We find no reason to disturb said finding of the lower court. There can hardly be any doubt that, since said employees in the administrative, sales, and dispensary departments perform work which have nothing to do with production and maintenance, unlike those in the raw leaf (manlalasi), cigar, cigarette, packing (precinteria), and engineering and garage departments whose functions involve production and maintenance, they have a community of interest which justifies their formation or existence as a separate appropriate collective bargaining unit. * * * The existence of such unit will, it is believed, insure to said employees in the three departments the full benefit of their right to self-organization and collective bargaining and, thereby effectuate the policies enunciated in the Industrial Peace Act." [11]

It is easily understandable therefore why thus far this Court has consistently upheld the conclusion reached by the Court of Industrial Relations as to which labor organization should be the appropriate bargaining unit.[12]

The contrary point of view is of course emphasized in the brief of petitioner Compania Maritima for reasons which from the business standpoint may not be considered as bereft of plausibility. What is ignored by petitioner Company, however, is that the prevailing principle which accords to respondent Court a broad discretion in determining the appropriate bargaining unit is fully in line with the primacy to which the decision reached by the employees themselves is entitled. That is in the soundest tradition of industrial democracy. For collective bargaining implies that instead of a unilateral imposition by management, the terms and conditions of employment should be the subject of negotiation between it and labor. Thus the two parties indispensable to the economy are supposed to take care of their respective interests. Moreover, the very notion of industrial self-rule negates the assumption that what is good for either party should be left to the will of the other. On the contrary, there is an awareness that labor can be trusted to promote its welfare through the bargaining process. To it then must be left the choice of its agent for such purpose. Unless it could be shown that what is sought by it would be unfair or unjust to the employer and that respondent Court was not alert to such element of arbitrariness, its decision, as was stressed by the Chief Justice, "is entitled to almost complete finality." [13]

2. Much is made in the brief for petitioner labor organization, General Maritime Stevedores' Union, of the alleged existence of a collective bargaining agreement which should be a bar to a petition for certification. To dispose of such an argument, it suffices to refer anew to what was set forth in the decision under review that the law allows a petition for certifications to be filed within a reasonable period before a renewal of an existing collective bargaining agreement.[14] In addition, what was stated in the brief of respondent Compania Maritima Labor Union is equally fatal to its pretension. Thus: "At the outset, we find it imperative to expose the rather mysterious existence of the collective bargaining agreement said to have been executed by General Maritime Stevedores' Union and Compania Maritima * * *. This Honorable Tribunal will certainly not fail to notice that to the letter of Dominador Caccam, president of Compania Maritima Labor Union, dated March 10, 1965, addressed to Compania Maritima * * *, requesting said employee's recognition as to the collective bargaining representative of all its crane and forklift operators, motor pool personnel and utility laborers at its terminal in Pier 8, North Harbor, Manila, and submitting a set of proposals for its consideration, Compania Maritima, instead of making mention of said collective bargaining agreement * * * supposed to have been concluded the year before, as should have been done, simply insisted upon a showing by Compania Maritima Labor Union of majority membership of the groups of employees it seeks to represent, before its request for union recognition could be entertained * * *. Again, in its answer to the petition for certification election in the lower court, the employer company similarly failed to mention the same collective bargaining agreement. Why? On top of all these, intervening union, despite its promises to produce in court below the original of said agreement or a signed copy thereof had not done so up to the close of the proceedings therein. Neither had Compania Maritima, which is supposed to have in its files at least a signed copy of the agreement, if such contract [were] in fact existing. Yet, the parties to the same instrument simply insist on the trial court's allowing full weight and credence to the photostatic copy of the alleged agreement, without giving any reason at all for their failure to present an authentic copy of the document. These are unmistakable indices of the mysterious character of the agreement that even a layman can easily detect." [15]

Further, it was likewise stated therein: "In trying, however, to explain this rather awkward situation with the insistence of the intervening union that it concluded a collective bargaining agreement with Compania Maritima * * *, the latter's retained counsel simply denied having knowledge of the existence of the same agreement, until General Maritime Stevedores' Union * * * filed its motion to intervene in this case in the court below. In order to give color of truth to this profession of ignorance, the company presented Atty. Bernardo Castro, assistant to the

head of its legal department, who testified that he personally brought the letter of Compania Maritima Labor Union requesting recognition as collective bargaining agent * * * to Atty. Dinglasan upon order of his (Atty. Castro's) superior, Atty. Melo. However, the witness did not inform the company's counsel of the existence of the collective bargaining agreement between it and the General Maritime Stevedores' Union because he (Atty. Castro) was not then instructed to relay the same information to Atty. Dinglasan. But, Atty. Castro later on called up by telephone the same counsel of the company to advise the latter of the collective bargaining agreement dated November 9, 1964 * * * ."[16]

At the very least, General Maritime Stevedores' Union was called upon to dispute the above assertion. This it failed to do. Instead its response was one of silence and indifference. As noted in the resolution of this Court of May 12, 1969, it waived its right to file a reply brief.

3. Considering the above circumstances then, it would be extremely far-fetched to characterize as devoid of reasonableness the conclusion reached by respondent Court of Industrial Relations in the decision now under review.

WHEREFORE , the order of the Court of Industrial Relations of May 30, 1968 for the holding of a certification election and its resolution of July 15, 1968 denying a motion for the reconsideration of the above order are hereby affirmed. With costs in L-29504 against petitioner Compania Maritima and in L-29548 against petitioner General Maritime Stevedores' Union.

Concepcion, C .J., Reyes, J. B. L., Makalintal, Zaldivar, Castro, Teehankee, Barredo, Villamor, and Makasiar, JJ., concur.

[1] L-29504, Compania Maritima vs. Compania Maritima Labor Union and the Court of Industrial Relations.

[2] L-29548, General Maritime Stevedores' Union vs. Compania Maritima Labor Union and the Court of Industrial Relations.

[3] Order of CIR, Annex A to Petition, p. 1.

[4] Ibid.

[5] Ibid, p. 2.

[6] Ibid, p. 7.

[7] Ibid, pp. 9 and 10.

[8] L-12582, Jan. 18, 1961, 1 SCRA 132.

[9] Ibid, p. 136. It was likewise noted therein that such a doctrine finds support in May Department Store Co. vs. National Labor Relations Board, 326 U.S. 376, 380 (1945) and Marshall Field & Co. vs. National Labor Relations Board, 135 F2d 391 (1943).

[10] 107 Phil. 23 (1960).

[11] Ibid, pp. 28 and 29. Teller on Labor Disputes and Collective Bargaining (1940) as well as Rothenberg on Labor Relations (1949) were cited by Justice Barrera.

[12] Cf. Isaac Peral Bowling Alley vs. United Emp. Welfare Assn., 102 Phil. 219 (1957); Bisaya Land Transp. Co., Inc. vs. Court of Industrial Relations, 102 Phil. 438 (1957); J. Ysmael & Co. Inc. vs. Court of Industrial

Relations, 108 Phil. 407 (1960); LVN Pictures, Inc. vs. Phil. Musicians Guild, L-12583, Jan. 28, 1961, 1 SCRA 132; Acoje Workers' Union vs. National Mines and Allied Workers Union, L-18848, April 28, 1963, 7 SCRA 730; Victorias-Manapla Workers' Organization vs. Tabigne, L-19658, Dec. 28, 1964, 12 SCRA 687; Allied Workers' Association of the Phil vs. Court of Industrial Relations, L-22980, June 6, 1967, 20 SCRA 364; National Labor Union vs. Go Soc & Sons, L-21260, April 30, 1968, 23 SCRA 431.

[13] LVN Pictures vs. Phil. Musicians' Guild, 1 SCRA 132, 136.

[14] Cf. Order of CIR, Annex A to Petition in L-29540, p. 6.

[15] Brief for Appellee Compania Maritima Labor Union in L-29548, pp. 7 and 8.

[16] Ibid, pp. 8 and 9

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