

ALLIANCE OF NATIONALIST AND GENUINE LABOR ORGANIZATION (ANGLO-KMU), PETITIONER, VS. SAMAHAN NG MGA MANGAGAWANG NAGKAKAISA SA MANILA BAY SPINNING MILLS AT J.P. COATS (SAMANA BAY)...

G.R. No. 118562. July 05, 1996

Ponente: FRANCISCO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-118562/>

FRANCISCO, J.:

Petitioner Alliance of Nationalist and Genuine Labor Organization (ANGLO for brevity) is a duly registered labor organization while respondent union Samahan Ng Mga Mangagawang Nagkakaisa sa Manila Bay Spinning Mills and J.P. Coats (SAMANA BAY for brevity) is its affiliate. In representation of SAMANA BAY, ANGLO entered and concluded a Collective Bargaining Agreement (CBA) with Manila Bay Spinning Mills and J.P. Coats Manila Bay, Inc. (hereinafter referred to as the corporations) on November 1, 1991. On December 4, 1993, the Executive Committee of SAMANA BAY decided to disaffiliate from ANGLO in view of the latter's dereliction of its duty to promote and advance the welfare of SAMANA BAY and the alleged cases of corruption involving the federation officers. Said disaffiliation was unanimously confirmed by the members of SAMANA BAY.

On April 4, 1994, a petition to stop remittance of federation dues to ANGLO was filed by SAMANA BAY with the Bureau of Labor Relations on the ground that the corporations, despite having been furnished copies of the union resolution relating to said disaffiliation, refused to honor the same. ANGLO counteracted by unseating all officers and board members of SAMANA BAY and appointing, in their stead, a new set of officers who were duly recognized by the corporations.

In its position paper, ANGLO contended that the disaffiliation was void considering that a collective bargaining agreement is still existing and the freedom period has not yet set in. The Med-Arbiter resolved that the disaffiliation was void but upheld the illegality of the ouster officers of SAMANA BAY. Both parties filed their respective appeals with the Department of Labor and Employment. In a resolution dated September 23, 1994, herein public respondent modified the order and ruled in favor of respondent union, disposing as follows:

"WHEREFORE, the appeal of respondent ANGLO is hereby denied for lack of merit while the appeal of petitioners is hereby granted. Accordingly, the order of the Med-Arbiter is modified by:

- 1) declaring the disaffiliation of petitioner union from respondent ANGLO as valid;
- 2) directing respondent Manila Bay Spinning Mills, Inc. and J.P. Coats to stop remitting to ANGLO federation dues and instead to remit the whole amount of union dues to the treasurer of petitioner union; and
- 3) enjoining ANGLO-KMU from interfering in the affairs of petitioner union.

SO ORDERED."[1]

ANGLO filed a motion for reconsideration but the same was denied for lack of merit. Hence, this petition for

certiorari under Rule 65.

The petition calls upon us to resolve two issues, to wit:

- 1) whether the disaffiliation was valid; and
- 2) whether petitioner can validly oust individual private respondents from their positions.

We rule for the respondents.

For clarity, we shall first consider the issue respecting the validity of the disaffiliation.

Petitioner ANGLO wants to impress on us that the disaffiliation was invalid for two reasons, namely: that the procedural requirements for a valid disaffiliation were not followed; and that it was made in violation of P.D. 1391.

Anent the first ground, we reiterate the rule that all employees enjoy the right to self-organization and to form and join labor organizations of their own choosing for the purpose of collective bargaining. This is a fundamental right of labor and derives its existence from the Constitution. In interpreting the protection to labor and social justice provisions of the Constitution and the labor laws, rules or regulations, we have always adopted the liberal approach which favors the exercise of labor rights.[2]

This Court is not ready to bend this principle to yield to a mere procedural defect, to wit: failure to observe certain procedural requirements for a valid disaffiliation. Non-compliance with the procedure on disaffiliation, being premised on purely technical grounds cannot rise above the fundamental right of self- organization.[3]

We quote, with approval, the findings of herein public respondent, that:

"x x x the resolution of the general membership ratifying the disaffiliation action initiated by the Board, substantially satisfies the procedural requirements for disaffiliation. No doubt was raised on the support of the majority of the union members on the decision to disaffiliate."[4]

This, to our mind, is clearly supported by the evidence. ANGLO's alleged acts inimical to the interests of respondent union have not been sufficiently rebutted. It is clear under the facts that respondent union's members have unanimously decided to disaffiliate from the mother federation and ANGLO has nothing to offer in dispute other than the law prohibiting the disaffiliation outside the freedom period.

In the same wise, We find no ground for ruling against the validity of the disaffiliation in the light of recent jurisprudential rules.

Although P.D. 1391 provides:

"Item No. 6. No petition for certification election, for intervention and disaffiliation shall be entertained or given due course except within the 60-day freedom period immediately preceding the expiration of a collective bargaining agreement,"

said law is definitely not without exceptions. Settled is the rule that a local union has the right to disaffiliate from its mother union when circumstances warrant.[5] Generally, a labor union may disaffiliate from the mother union to form a local or independent union only during the 60-day freedom period immediately preceding the expiration of the CBA. However, even before the onset of the freedom period, disaffiliation may be carried out when there is a shift of allegiance on the part of the majority of the members of the union.[6]

Coming now to the second issue, ANGLO contends that individual private respondents were validly ousted as they have ceased to be officers of the incumbent union (ANGLO-KMU) at the time of disaffiliation. In order to

fill the vacuum, it was deemed proper to appoint the individual replacements so as not to put in disarray the organizational structure and to prevent chaos and confusion among the general membership and within the company.

The contention is bereft of merit. A local labor union is a separate and distinct unit primarily designed to secure and maintain an equality of bargaining power between the employer and their employee-members. A local union does not owe its existence to the federation with which it is affiliated. It is a separate and distinct voluntary association owing its creation to the will of its members.[7] The mere act of affiliation does not divest the local union of its own personality, neither does it give the mother federation the license to act independently of the local union. It only gives rise to a contract of agency[8] where the former acts in representation of the latter.

By SAMANA BAY's disaffiliation from ANGLO, the vinculum that previously bound the two entities was completely severed. ANGLO was divested of any and all power to act in representation of SAMANA BAY. Thus, any act performed by ANGLO affecting the interests and affairs of SAMANA BAY, including the ouster of herein individual private respondents, is rendered without force and effect.

WHEREFORE, premises considered, the petition is hereby DISMISSED.

SO ORDERED.

Narvasa, C.J., (Chairman), Davide, Jr., Melo, and Panganiban, JJ., concur.

[1] Resolution dated September 23, 1994, Rollo, p. 26.

[2] Tropical Hut Employees' Union-CGW vs. Tropical Hut Food Market, Inc., 181 SCRA 173.

[3] Ibid.

[4] Order dated December 5, 1994; Rollo, p. 29.

[5] Volkschel Labor Union vs. Bureau of Labor Relations, 137 SCRA 42.

[6] Associated Workers Union-PTGWO vs. NLRC, 188 SCRA 123.

[7] People's Industrial and Commercial Employees and Workers Org. (FFW) vs. People's Industrial and Commercial Corp., 112 SCRA 440.

[8] Tropical Hut Employees' Union-CGW vs. Tropical Hut Market, Inc., supra.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.