

SECOND DIVISION

[G.R. No. 148924, September 24, 2003]

**TOYOTA MOTOR PHILS. CORPORATION WORKERS'
ASSOCIATION (TMPCWA), PETITIONER, VS. COURT OF APPEALS
(FOURTH DIVISION) JUSTICES ROBERTO BARRIOS, RAMON
MABUTAS AND EDGARDO CRUZ, AND TOYOTA MOTOR PHILS.
CORPORATION RESPONDENTS.**

DECISION

CALLEJO, SR., J.:

Before us is a petition for certiorari under Rule 65 of the 1997 Rules of Civil Procedure filed by Toyota Motor Phils. Corporation Workers' Association (TMPCWA) for the nullification of the June 29, 2001 Resolution^[1] of the Court of Appeals, which granted a writ of preliminary injunction, prayed for by the respondent Toyota Motor Philippines Corporation, and the writ of preliminary injunction issued by the CA on July 12, 2001.^[2]

The Antecedents

On February 19, 1997, this Court ruled that the employees of the respondent Toyota Motor Philippines Corporation (TMPC) belonging to the Level 5 positions under its Single Salary Structure set up were supervisory employees.^[3] The decision became final and executory. Thereafter, the respondent put up and implemented its Three-Function Salary Structure for its personnel/employees.

On February 4, 1999, the petitioner Toyota Motor Philippines Corporation Workers' Association (TMPCWA) filed a petition for certification election in an unorganized establishment, particularly for the rank-and-file employees at the Sta. Rosa and Bicutan Plants of the respondent TMPC, before the Med-Arbitration Unit of the Department of Labor and Employment, National Capital Region (DOLE-NCR), docketed as NCR-OD-M-9907-017, later redocketed as NCR-OD-M-9902-001. The respondent TMPC opposed the petition on the ground that a case was pending before the Supreme Court between it and another union, the Toyota Motor Philippines Corporation Labor Union (TMPCLU), whose registration certificate has been cancelled. It asserted that the petitioner's membership is the same as that of the TMPCLU, which sought to represent the same bargaining unit. The respondent TMPC further asserted that the petition was merely a rehash of its petition, which had been dismissed on June 18, 1998.

On March 29, 1999, Med-Arbiter Zosima C. Lameyra resolved to dismiss the petition.^[4] On appeal, the DOLE, thru Undersecretary Rosalinda Dimapilis-Baldoz, rendered a Decision^[5] dated June 25, 1999 reversing the Med-Arbiter's decision, and ordering the conduct of a certification election. The DOLE denied the

respondent's motion for reconsideration of the said decision.^[6]

The respondent TMPC filed a petition for certiorari under Rule 65 of the Rules of Court, as amended, with the CA, alleging grave abuse of discretion on the part of the Secretary of Labor and Employment (SOLE). However, the CA denied the petition.^[7] It likewise denied the motion for reconsideration filed by the respondent.^[8] Thus, the June 25, 1999 Decision of the SOLE became final. The certification election was set on March 8, 2000.

During the inclusion and exclusion proceedings before the Med-Arbitrator conducted on February 15, 2000, the respondent submitted a list of 1,110 employees at its Bicutan and Sta. Rosa Plants included in the payroll list. The petitioner, however, questioned the eligibility of the 120 employees in the list, contending that they were not rank-and-file employees but supervisory employees of the respondent, on the basis of the decision of this Court in *Toyota Motor Phils. Corporation v. Toyota Motor Phils. Corporation Labor Union*. The respondent, for its part, asserted that the establishment of its Three-Function Salary Structure had already superseded the decision of this Court, whereby the real supervisors or managers are distinguished from the rank-and-file employees in terms of the duties/functions of the employees. Nonetheless, the certification election proceeded as scheduled. During the certification election, 105 out of the 120 employees whose eligibilities had been questioned by the petitioner were able to cast their votes, but these votes were not opened and considered. The results of the election are herein quoted:

	Bicutan Plant	Sta. Rosa Plant	Results
Yes Votes	305	198	503
No votes	302	138	440
Challenged Votes	91	14	105
Spoiled Ballots	4	11	15
Total Votes Cast	702	361	1,063 ^[9]

With 503 affirmative votes and the exclusion of the 105 challenged votes, the petitioner asserted that it garnered the majority votes of the 943 votes cast (less the challenged votes); hence, it sought to be declared as the certified bargaining agent of the respondent at its Sta. Rosa and Bicutan Plants. However, the respondent filed a handwritten manifestation on the face of the election results in which it asserted that the petitioner couldn't be certified as having won the election because its vote of 503 was 22 votes shy of the majority. It prayed for the opening of the 91 of the 105 challenged votes at the Bicutan Plant to enable the Med-Arbitrator to look into and rule on the qualifications of the said voters and ascertain whether the petitioner indeed won the election. The manifestation in part reads:

The company through [the] undersigned counsel most respectfully manifest that the union cannot be certified as having won in the certification election, because it has failed to get the required majority of 50 [%] + 1 votes as there are still 91 valid votes not yet counted, which the company has considered as belonging to bonafide rank-and-file employees. Hence, the Med-Arbitrator has to rule on the opening of said ballots and/or rule on their qualification.^[10]

The respondent filed its position paper with the Med-Arbiter on April 25, 2000, alleging that the 105 challenged votes should have been opened and considered in the tabulation of the results of the election. It averred that if considered, the outcome of the election would have been adverse to the petitioner; hence, the latter cannot be certified as the exclusive bargaining agent of the rank-and-file employees at its Sta. Rosa and Bicutan Plants. The respondent further alleged that under the Three-Function Salary Structure of its personnel which became effective in December 1994, after the decision of this Court in *Toyota Motor Phils. Corp. v. Toyota Motor Phils. Corp. Labor Union*^[11] became final and executory, the following were rank-and-file employees:

The General Staff

Salary Levels 8 and below – for as long as they function as ordinary staff and they have no subordinates.

Line Employees - refers to the factory workers, those who are assigned at the manufacturing plants.

Salary Levels 1-4

Office Staff

Salary Levels 1-6^[12]

The respondent asserted that out of the 105 challenged voters, at least 103 were members of the General Staff category of Levels 5 to 8 and are rank-and-file employees under its Three-Function Salary Structure. The respondent appended to its position paper the affidavit of Jose Ma. Aligada, First Vice-President of the General Administration Division, as well as the affidavits of eighty-nine of the 105 challenged votes. The list of the names of the challenged voters was appended to the position paper.

After the submission of the petitioner's and the respondent's respective position papers, Med-Arbiter Zosima Lameyra issued an Order on May 12, 2000, certifying the petitioner as the exclusive bargaining agent of the rank-and-file employees of Toyota in the said plants. She held that the challenged voters were supervisory employees under the Three-Function Salary Structure, thus:

SUPERVISORY employees are those who belong to:

The General Staff

Salary Levels 9-10 (Supervisors)
Salary Levels 7-8 (Group Heads, if they function as such, i.e., they are staff with subordinates for whom they are responsible in terms of daily work supervision)

Line Employees - refers to the factory workers, those who are assigned at the manufacturing plants.

Salary Levels 9-10 (Foremen)
Salary Levels 7-8 (Senior Group Chiefs)
Salary Levels 5-6 (Junior Group Chiefs-
includes Group Leaders
and Team Leaders)

Note: Levels 5-10 are considered supervisors only when their actual functions dictate such categorization.

RANK-AND-FILE employees are all other employees, who do not fall under either the Managerial or Supervisory classes, specifically:

The General Staff

Salary Levels 8 and below - for as long as they function as ordinary staff and they have no subordinates.

Line Employees - refers to the factory workers, those who are assigned at the manufacturing plants.

Salary Levels 1-4

Office Staff

Salary Levels 1-6^[13]

The decretal portion of the order reads:

WHEREFORE, premises considered, judgment is hereby rendered declaring the challenged voters as ineligible and excluding their votes from the totality of the valid votes cast. Accordingly, TMPCWA is hereby declared to have obtained the majority of the valid votes cast and is hereby certified as the bargaining agent of the rank-and-file employees of the company.^[14]

The respondent interposed an appeal from the said order before the DOLE, alleging that the Med-Arbitrator acted with grave abuse of discretion in issuing the same. The respondent asserted that the challenged voters were rank-and-file employees. The petitioner, on the other hand, insisted that the said employees occupied position Levels 5 and upwards; hence, are supervisory employees, citing the ruling of this Court in *Toyota Motor Phils. Corporation v. Toyota Motor Corporation Labor Union*.

Meanwhile, on June 21, 2000, the employees of the respondent whose votes were challenged filed a petition for declaratory relief with the Arbitration Board of the DOLE, docketed as NLRC-NCR-30-06-02556-00 against the petitioner, praying that:

P R A Y E R

WHEREFORE, petitioners respectfully pray that after due consideration, the Honorable Office render judgment declaring the petitioners are indeed rank-and-file employees based on their employment contract, job description, actual duties and responsibilities and affidavits.^[15]

There was no appearance for the petitioner. On August 4, 2000, Jimmy Sy and other employees of the respondent who were among the 105 challenged voters filed a motion to intervene in NCR-OD-M-9902-001 alleging, *inter alia*, that they had earlier filed a petition for declaratory relief in NLRC-NCR-30-06-02556-00. On August 7, 2000, Labor Arbiter Eduardo M. Madriaga rendered a decision granting the petition, the decretal portion of which reads:

The Constitution mandates that the State shall accord protection to labor.

We are, therefore, constrained to grant the instant petition but only for the sole purpose that petitioners may exercise all their rights and claim all legal benefits as rank-and-file workers, as found in the Constitution and the Labor Code.

Otherwise, the rights of workers and their legal benefits may be rendered inutile if their status is unresolved.

WHEREFORE, premises considered, the prayer in the Petition is hereby granted.

SO ORDERED.^[16]

On August 28, 2000, the 105 challenged voters filed a motion in NCR-OD-M-9902-001 for the remand of the case to the Med-Arbiter for the opening of the ballots. They appended to their motion a copy of the order of Labor Arbiter Eduardo M. Madriaga granting their petition for declaratory relief. On October 19, 2000, the DOLE, thru Undersecretary Rosalinda Dimapilis-Baldoz, issued a Resolution affirming the order of Med-Arbiter Zosima C. Almeyra,^[17] holding that (a) since the challenged voters were ineligible to vote, there was no need to open the votes of the challenged voters; (b) the respondent should have adduced its evidence on the status of the challenged voters as rank-and-file employees during the inclusion-exclusion proceedings; (c) the respondent had no legal personality to move for the opening of the challenged voters and delay the proclamation of the winners in the certification election as the respondent is merely a bystander in certification election; (d) in any event, the respondent failed to prove that the challenged voters were rank-and-file employees; (e) the contention of the petitioner that the challenged voters were supervisory employees finds support in the decision of this Court in *Toyota Motor Phils. Corporation v. Toyota Motor Phils. Corporation Labor Union*; (f) the affidavits of the challenged voters were barren of probative weight because the same were executed only after the certification election; besides, the respondent failed to adduce in evidence the job descriptions of the challenged voters for the year 2000. Anent the petition of the challenged voters for a declaratory relief in NLRC-NCR (South) Case No. 30-06-02556-00, the Undersecretary held:

We also take note that a motion to intervene, manifestation and hold proceedings in abeyance had been filed by Jimmy R. Sy, et. al., dated 4 August 2000. The movants are actually among the 105 challenged voters. The reason for the motion is that movants, on 21 June 2000, filed a petition for declaratory relief with the Labor Arbiter, National Labor Relations Commission, docketed as NLRC-NCR (South) Case No. 30-06-02556-00, and captioned "Jeofre A. De Leon, et al. v. Toyota Motor Philippines Corporation and Toyota Motor Philippines Corporation Workers'