

SECOND DIVISION

[G.R. No. 131047, March 02, 1999]

**TOYOTA AUTOPARTS, PHILIPPINES, INC., PETITIONER, VS. THE
DIRECTOR OF THE BUREAU OF LABOR RELATIONS OF THE
DEPARTMENT OF LABOR AND EMPLOYMENT, SAMAHANG
MANGGAGAWA SA TOYOTA AUTOPARTS, INC., RESPONDENTS.**

DECISION

PUNO, J.:

Private respondent Samahang Manggagawa Sa Toyota Autoparts, Inc. is a labor union of the regular rank and file employees of petitioner Toyota Autoparts, Inc. On July 3, 1995, private respondent applied for registration^[1] with the Regional Office No. IV of the Department of Labor and Employment (DOLE) and was eventually issued a certificate of registration on July 7, 1995.^[2] Together with the other documents required by law, private respondent submitted to the DOLE the minutes of its organizational meeting^[3] and the list of union members who attended the same meeting.^[4] According to these documents, private respondent was formed in a meeting held at Mercado Village, Barangay Pulong Sta. Cruz, Sta. Rosa, Laguna in the early evening of June 25, 1995. In the same meeting, the members of private respondent ratified its constitution and by-laws. The minutes was verified under oath by private respondent's secretary, Rodelio Fernandez, and was attested to by private respondent's president, Manuelito Cuerdo.

After the issuance of its certificate of registration, private respondent again filed with the DOLE a petition for certification election as the sole and exclusive bargaining agent of all rank and file employees of petitioner.^[5] The petition for certification election triggered a series of legal actions on the part of petitioner company. It sought the cancellation of the registration granted to private respondent.^[6] It alleged that said registration was procured through fraud, misrepresentation and false statements in violation of Article 239 (a) of the Labor Code.^[7] It charged that fourteen (14) of its employees were deceived into joining the union because of the promise of Cuerdo that they would get better wages and benefits if they sign the papers he presented to them. These employees claimed in their sworn affidavits^[8] that had they known that the said papers were related to the formation of a union, they would not have signed them. Petitioner also claimed that Cuerdo forged the signature of one Emil Y. Hembra to make it appear that the latter joined the union and attended the organizational meeting. In corroboration of this allegation, petitioner referred to the complaint filed by Hembra against Cuerdo with the Office of the Provincial Prosecutor of Laguna for violating paragraphs 1 and 2 of Article 172 of the Revised Penal Code.^[9] It appears, however, that the complaint against Cuerdo was dismissed for lack of probable cause.^[10] Petitioner also alleged that no organizational meeting took place on the date and at the place

stated in the minutes of organizational meeting. It submitted the affidavit^[11] of Fernandez denying the organizational meeting. Fernandez added that the rolls of attendance were only signed by the members inside their workplace or shuttle service vehicles.

Moreover, petitioner alleged that private respondent no longer commands at least twenty percent (20%) of the total number of rank and file employees in the bargaining unit concerned as required by Article 234 (c) of the Labor Code.^[12] Petitioner asserted that at least one hundred eighty-five (185) members, along with two officers of private respondent, have severed their ties with private respondent. Petitioner presented the involved employees' written statements^[13], indicating their withdrawal from private respondent. From an original membership of two hundred and nine (209) employees, petitioner contended that private respondent has only twenty-two (22) members left, way below twenty percent (20%) of the three hundred and forty-one (341) employees of petitioner.

DOLE Regional Director Henry M. Parel found private respondent guilty of fraud, misrepresentation, and false statement. He held that private respondent failed to submit clear and convincing proof to overturn the evidence presented by petitioner. Citing Article 238 and Article 239 (a) of the Labor Code, Regional Director Parel ordered the cancellation of private respondent's certificate of registration.^[14]

Private respondent appealed to the Secretary of the Department of Labor and Employment.^[15] After a review of the case, public respondent Benedicto R. Bitonio, Jr., the Director of the Bureau of Labor Relations, reversed the order cancelling private respondent's certificate of registration.

Analyzing the evidence, public respondent rejected the sworn statements of petitioner's fourteen (14) employees for the reason that they were devoid of particularities to establish the alleged fraud. Public respondent did not also give credence to the claim of the same employees that they were ignorant of the import and nature of the union documents they signed. He did not also give weight to the charge that Cuerdo forged the signature of Hembra due to the dismissal of Hembra's criminal complaint by the provincial prosecutor of Laguna. As to the affidavit executed by Fernandez, public respondent held that it did not disprove the holding of the union's organizational meeting as there was no other evidence on record establishing the truth of his retraction. In contrast, public respondent found the uncontroverted affidavits^[16] of three (3) members of private respondent as sufficient proof of the fact that a meeting was indeed held on June 25, 1995 at Mercado Village. Thus, in his Resolution^[17] dated December 24, 1996, public respondent reversed the order of Regional Director Parel for having been issued with grave abuse of discretion.

Petitioner filed a motion for reconsideration^[18] and presented additional affidavits executed by three (3) barangay officials of Barangay Pulong Sta. Cruz and by a local policeman. Evidence was received on the motion. During the hearing, only barangay secretary Leoncio Malate, Sr. and barangay councilor Efren Montoya appeared to affirm their affidavits and to face cross-examination. They declared in their affidavits^[19] that they were not aware of a meeting conducted at Mercado Village, Barangay Pulong Sta. Cruz on June 25, 1995.

These additional affidavits were painstakingly evaluated by public respondent. He did not accord them full faith and credit as he discovered inconsistencies in the declarations of Malate and Montoya and irregularities in the manner and date of execution of their affidavits. We quote his findings:

"x x x

"Malate asserted during the 08 August 1997 hearing that he executed his affidavit "as early as 28 June 1995," while Montoya averred that "two Toyota personnel approached him about two to three months after 25 June 1995 and asked him about the union's organizational meeting" (see minutes of the 08 August 1997 hearing). But the statement of Malate contradicts his own affidavit showing that he executed it on 27 September 1996 (Motion for Reconsideration, Annex "D"). On the other hand, Montoya's claim is inconsistent with the fact that he executed his affidavit only on 26 September 1996 (Idem, Annex "E"). If it were true that Malate and Montoya "witnessed" the non-holding of the 25 June 1995 organizational meeting, as they claimed in their affidavits, they would have qualified as the best witnesses for petitioner, and petitioner would have lost no time presenting their testimony during the proceedings before the Regional Director. It is only now that their testimony are being offered as evidence. Another glaring fact: Malate's affidavit was subscribed before notary public Wilfredo R. Angeles on 26 September 1996 and entered in his notarial register as document no. 46; on the other hand, Montoya's affidavit was subscribed before the same notary public a day after or on 27 September 1996; yet it was entered in the notarial register ahead of Malate's affidavit, as document no. 45.'

With regard to the alleged retraction of union membership by the employees of petitioner, public respondent explained that he did not give weight to these letters of withdrawal because they contained mere generalizations.

Hence, petitioner's motion for reconsideration was denied by public respondent through his Resolution dated September 29, 1997.^[20]

Petitioner now assails before us the foregoing two Resolutions of public respondent through this special civil action for *certiorari* alleging the following grounds:^[21]

I

PUBLIC RESPONDENT COMMITTED GRAVE ABUSE OF DISCRETION WHEN HE FAILED TO HOLD THAT THE CERTIFICATE OF REGISTRATION OF HEREIN PRIVATE RESPONDENT SAMAHANG MANGGAGAWA SA TOYOTA AUTOPARTS, INC. MERITS CANCELLATION.

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PRIVATE RESPONDENT DID NOT COMPLY WITH, OR AT LEAST, FAILED TO MAINTAIN THE REQUISITE PERCENTAGE OF UNION MEMBERSHIP OF THE BARGAINING UNIT WHERE IT SEEKS TO OPERATE, AS REQUIRED BY