



Republic of the Philippines
Supreme Court
 Manila

FIRST DIVISION

SOUTH COTABATO G.R. No. 235569
INTEGRATED PORT SERVICES,
INCORPORATED (SCIPSI),
and/or GABRIEL MUNASQUE Present:
as General Manager,

Petitioners, **GESMUNDO, C.J., Chairperson,**
HERNANDO,
ZALAMEDA,
ROSARIO, and
MARQUEZ, JJ.

-versus-

OFFICER-IN-CHARGE ROMEO
MONTEFALCO, JR., and MARIA
CONSUELO S. BACAY in their
capacities as OIC of BUREAU OF
LABOR RELATIONS, MED
ARBITER JASMINE M.
DEMETILLO and MAKAR PORT
LABOR ORGANIZATION,
 represented by its president,
MARIO C. MARIGON,
 Respondents.

Promulgated:
DEC 13 2023 *with rules*

X ----- X

DECISION

GESMUNDO, C.J.:

A complaint charging the employer for non-remittance of collected union member dues by virtue of a check-off provision in the CBA, does not fall under “intra-union disputes” over which the Mediator-Arbiter (*Med-*

Arbiter) may exercise jurisdiction. The charge constitutes an unfair labor practice on the part of the employer, being in the nature of interference, as it curtails the employees' right to self-organization. Hence, it is the Labor Arbiter who has jurisdiction to settle the controversy.

This is a Petition for Review on *Certiorari*¹ assailing the January 31, 2017² Decision and November 9, 2017³ Resolution of the Court of Appeals (CA) in CA-G.R. SP No. 128607. The CA upheld the jurisdiction of the Med-Arbiter over a case involving the nonremittance by the employer of union dues to the exclusive bargaining representative.

The Antecedents

On August 16, 2010, Makar Port Labor Organization (*MPLO*), through its President Mario Marigon (*Marigon*), filed a "Petition"⁴ for unfair labor practice (*ULP*) against South Cotabato Integrated Port Services, Inc. (*SCIPSI*) before the Department of Labor and Employment (*DOLE*) Regional Office No. 12 in Koronadal City, South Cotabato. *MPLO* was the exclusive bargaining agent of the rank-and-file employees of *SCIPSI* from October 12, 1999 until February 2007.⁵

Marigon alleged that *SCIPSI* used to collect monthly dues from the members of *MPLO* through salary deduction, and remit the same to the union. However, from August 2006 to February 2007, *SCIPSI* withheld the collections despite demands from *MPLO* and the clarification issued by the *DOLE* Regional Director.⁶ He maintained that by illegally withholding the amounts collected from the union members, *SCIPSI* committed a form of harassment against *MPLO* and had interfered in the affairs of the union.⁷ Consequently, Marigon prayed that *SCIPSI* be ordered to release the amount it collected from *MPLO* members from August 2006 to February 2007.⁸

SCIPSI countered that since Marigon was dismissed from employment on December 5, 2007, he had no legal capacity to sue on behalf of *MPLO*, and demand remittance of the union dues collected from August

¹ *Rollo*, pp. 11-32. Filed under Rule 45 of the Rules of Court.

² *Id.* at 34-44. The Decision in CA-G.R. SP No. 128607 was penned by Associate Justice Eduardo B. Peralta, Jr. and concurred in by Associate Justices Noel G. Tijam (a retired Member of the Court) and Francisco P. Acosta of the Fourth Division of the Court of Appeals, Manila.

³ *Id.* at 74-75. The Resolution in CA-G.R. SP No. 128607 was penned by Associate Justice Eduardo B. Peralta, Jr. and concurred in by Associate Justices Priscilla J. Baltazar-Padilla (a retired Member of the Court) and Henri Jean Paul B. Inting (now a Member of the Court) of the Special Former Fourth Division of the Court of Appeals, Manila.

⁴ *CA rollo*, pp. 39-42, docketed as Case No. RO12-SG-IN-001-16-08-10.

⁵ *Id.* at 96.

⁶ *Id.* at 39-41.

⁷ *Id.* at 97.

⁸ *Id.* at 98.

2006 to February 2007.⁹ It claimed that while it was willing to remit the collected union dues, it was not clear who was the duly authorized person to receive the same since MPLO had a new set of officers.¹⁰ SCIPSI also averred that the charge of ULP has already prescribed since more than one year had passed from the time that it collected the union dues, while Marigon filed the complaint only in 2010.¹¹

Ruling of the Med-Arbiter

On December 13, 2010, Mediator-Arbiter Jasmin M. Demetillo (*Med-Arbiter Demetillo*) issued an Order,¹² the dispositive portion of which reads:

WHEREFORE, premises considered, the petitioner Makar Port Labor Organization (MPLO) is hereby directed to determine and specify the duly authorized person/officer to receive the unremitted union dues in its favor within fifteen (15) days from receipt of this order.

Furthermore, the respondent South Cotabato Integrated Port Services, Inc. (SCIPSI) is hereby ordered to release the unremitted union dues collected in favor of Makar Port Labor Organization (MPLO) from August 2006 to 11 February 2010¹³ within ten (10) days from receipt of the authority disclosing the name of the officer/representative duly authorized by the petitioner to receive the said union dues in its behalf.

SO ORDERED.¹⁴

Med-Arbiter Demetillo held that the existing collective bargaining agreement (*CBA*) between MPLO and SCIPSI continued to have legal effect until February 11, 2007. She reasoned that under Article 253 of the Labor Code, the employer and the exclusive bargaining agent shall continue to observe and respect the terms of the existing *CBA* until a new agreement has been executed by the parties.¹⁵ Since the proclamation and final result of the certification election of the new exclusive bargaining unit only became final and executory on February 11, 2007, MPLO continued to be the sole and

⁹ *Id.* at 104-105.

¹⁰ *Id.* at 107-108.

¹¹ *Id.* at 109.

¹² *Rollo*, pp. 84-86. The Order in Case No. R012-SG-IN-001-16-08-10 was penned by Med-Arbiter Jasmin M. Demetillo of the Department of Labor and Employment, Regional Office No. 12, City of Koronadal, South Cotabato.

¹³ Due to inadvertence, the date of February 11, 2007 was erroneously indicated as February 11, 2010 in the dispositive portion of the December 13, 2010 Order of Med-Arbiter Demetillo.

¹⁴ *Rollo*, p. 86.

¹⁵ *Id.* at 85.

exclusive bargaining agent of the rank-and-file employees and, therefore, entitled to the union dues collected by SCIPSI until such date.¹⁶

Conversely, Med-Arbiter Demetillo declared that Marigon is not a party-in-interest in the case because of his dismissal from employment which was upheld by Executive Labor Arbiter Tomas B. Bautista, Jr. and the National Labor Relations Commission (NLRC) in NLRC Case No. MAC-04-010824-09. She also ruled that MPLO failed to adduce evidence that Marigon remained to be its President and member, considering that its constitution and by-laws only admit and maintain members who are employees of the company.¹⁷

On March 25, 2011, Sarangani Marine and General Workers Union-Trade Unions of the Philippines and Allied Services (SAMAGEWU-TUPAS), filed a Motion for Intervention¹⁸ to annul the December 13, 2010 Order of Med-Arbiter Demetillo. SAMAGEWU-TUPAS claimed that it is the sole and exclusive bargaining agent of the rank-and-file employees of SCIPSI who executed a CBA effective December 5, 2006 until December 5, 2011. It contended that Med-Arbiter Demetillo did not acquire jurisdiction over the petition filed by Marigon because the latter lacks authority to institute the action and represent MPLO. Hence, the said Order is null and void.¹⁹

Med-Arbiter Demetillo issued an Order²⁰ on April 5, 2011, denying the Motion for Intervention because: (1) SAMAGEWU-TUPAS had no legal interest to protect in the unremitted collection of union dues; (2) the motion was filed after judgment was already rendered on the case; and (3) the assailed Order had already attained finality.²¹

Dissatisfied, SAMAGEWU-TUPAS appealed²² to the Bureau of Labor Relations (BLR).

Ruling of the BLR

On January 31, 2012, the BLR issued a Resolution,²³ the decretal portion of which reads:

¹⁶ *Id.*

¹⁷ *Id.* at 86.

¹⁸ *CA rollo*, pp. 119-127.

¹⁹ *Id.* at 123.

²⁰ *Id.* at 128-129.

²¹ *Id.*

²² *Id.* at 130-147, a Memorandum of Appeal.

²³ *Rollo*, pp. 89-94. The Resolution in Case No. BLR-A-TR-8-5-4-11 was penned by Officer-in-Charge Romeo M. Montefalco, Jr. of the DOLE, Bureau of Labor Relations, Manila.

WHEREFORE, premises considered, the appeal of Sarangani Marine and General Workers Union - Trade Unions of the Philippines and Allied Services (SAMAGEWU-TUPAS) is **GRANTED**. The 13 December 2010 Order of DOLE Region XII Mediator-Arbiter Jasmin M. Demetillo is hereby **MODIFIED** as follows:

- 1.) Makar Port Labor Organization (MPLO) is hereby directed to submit within ten (10) days, to DOLE Region XII, from receipt of this Resolution a list of all its members from August 2006 to 11 February 2007;
- 2.) Makar Port Labor Organization (MPLO) is hereby directed to call a general assembly within ten (10) days from receipt of this Resolution and to finally designate, through a ratified Board Resolution, the authorized representative who shall receive the unremitted union dues [on] behalf of the union;
- 3.) South Cotabato Integrated Port Services, Inc. is hereby directed to release to the designated representative of MPLO the unremitted union dues covering the period of August 2006 to present, within (10) days from receipt of the Board Resolution, unless there is a clear showing that union dues from February 2007 onwards has been remitted to MPLO.

Let the entire records of this case be remanded to DOLE Region XII for the determination of the union membership and facilitation of the release of all withheld union dues to Makar Port Labor Organization (MPLO) is entitled to [sic].

SO RESOLVED.²⁴

The BLR held that SAMAGEWU-TUPAS has no legal interest on the unremitted union dues because the same were collected from union members by reason of their affiliation with MPLO. As such, SAMAGEWU-TUPAS had no right to intervene in the case.²⁵

As regards the matter of jurisdiction, the BLR declared that the case involves an intra-union dispute between two factions within MPLO: the Colomida-Las Piñas group and the Marigon group. Hence, the issue does not involve ULP, but one which revolves around the question of which group has the right to receive the collected union dues.²⁶

²⁴ *Id.* at 93-94.

²⁵ *Id.* at 92.

²⁶ *Id.* at 92-93.

SAMAGEWU-TUPAS and SCIPSI filed their respective Motions for Reconsideration,²⁷ both insisting that the Med-Arbiter has no jurisdiction over the case. SCIPSI added that their rank-and-file employees requested the “dis-authorization of union dues releases to MPLO – M. Marigon,” as evidenced by their signed Letters²⁸ to the management dated August 25 and 29, 2006. In the same letter, the employees asked the management to release the union dues to SAMAGEWU-TUPAS, the union which they had voted overwhelmingly during the certification and run-off election.²⁹ As an alternative prayer, SCIPSI stated that the case should be dismissed because the issue of nonremittance of union dues had already become moot and academic due to the remittance of the union dues to SAMAGEWU-TUPAS.³⁰

The BLR denied both motions in its November 28, 2012 Resolution.³¹ Aggrieved, SCIPSI filed a Petition for *Certiorari*³² with the CA ascribing grave abuse of discretion on the part of the BLR when it affirmed the Decision of the Med-Arbiter and ordered that the collected union dues be remitted to MPLO.

Ruling of the CA

On January 31, 2017, the CA rendered a Decision affirming the BLR. It sustained the BLR’s finding that the case involved an intra-union dispute since SCIPSI sought a determination of who has the right to receive the union dues. Hence, the Med-Arbiter has jurisdiction over the case.³³

The CA also held that SCIPSI availed of the wrong remedy since the decisions of the BLR are appealable to the Secretary of Labor. It likewise noted that the issue on the lack of authority of Marigon to file the suit on behalf of MPLO was rendered moot when the labor union actively participated in the proceedings.³⁴

SCIPSI filed a Motion for Reconsideration,³⁵ but the CA denied it in its November 9, 2017 Resolution. Undaunted, SCIPSI filed the present Petition for Review on *Certiorari*.

²⁷ *CA rollo*, pp. 149-160, 161-164.

²⁸ *Id.* at 167-180.

²⁹ *Id.*

³⁰ *Id.* at 163.

³¹ *Rollo*, pp. 96-98.

³² *CA rollo*, pp. 3-21.

³³ *Rollo*, pp. 41-42.

³⁴ *Id.* at 43.

³⁵ *Id.* at 45-54.

Issues

SCIPSI submits the following grounds in support of its petition:

(A)

THE COURT OF APPEALS COMMITTED SERIOUS ERRORS OF FACT AND LAW IN AFFIRMING THAT THE MED-ARBITER HAD JURISDICTION OVER THE UNFAIR LABOR PRACTICE COMPLAINT FILED BY PRIVATE RESPONDENT MARIO C. MARIGON[.]

(B)

THE COURT OF APPEALS COMMITTED SERIOUS ERRORS OF FACT AND LAW IN RULING THAT PRIVATE RESPONDENT MARIGON'S AUTHORITY TO FILE THE COMPLAINT WAS RENDERED MOOT WHEN THE LABOR UNION ACTIVELY PARTICIPATED IN THE PROCEEDINGS[.]

(C)

THE COURT OF APPEALS COMMITTED SERIOUS ERRORS OF FACT AND LAW IN AFFIRMING THE RESOLUTIONS OF THE BLR WHICH ORDERED THE PETITIONER CORPORATION TO REMIT UNION DUES TO RESPONDENT UNION FROM AUGUST 2006 TO PRESENT[.]³⁶

SCIPSI maintains that Med-Arbiter Demetillo has no jurisdiction over the petition filed by Marigon, considering that the allegation of ULP was evident, not only on the face of the petition, but also on the allegations therein. Since Marigon's petition pertained to the alleged unlawful withholding of the collected union dues, then it involved ULP and not an intra-union dispute.³⁷

As regards Marigon's lack of authority, SCIPSI faults the CA in holding that the issue was rendered moot by the subsequent active participation of MPLO. On the contrary, MPLO did not participate in the proceedings since it was only Marigon who was filing the pleadings and motions. Considering that Marigon has been dismissed from employment with SCIPSI, he is ineligible to represent MPLO as its President, and therefore, not a party-in-interest.³⁸

Lastly, the CA erred in affirming the error committed by the BLR when the latter ordered SCIPSI to remit the union dues to MPLO from "August 2006 up to the present." This period is beyond the term of MPLO as

³⁶ *Id.* at 18-19.

³⁷ *Id.* at 19-20.

³⁸ *Id.* at 20-22.

the sole and exclusive bargaining representative of the rank-and-file employees of SCIPSI.³⁹

In his Comment,⁴⁰ Marigon, maintains that SCIPSI merely rehashed and repleaded its arguments before the CA, which the latter had already passed upon in its assailed Decision. Thus, the present petition should be denied due course.⁴¹

SCIPSI filed a Consolidated Reply,⁴² reiterating the arguments in its petition for review. It also emphasized that its rank-and-file employees had signed a "Disauthorization" dated August 25 and 29, 2006, where they withdrew the authority from MPLO to collect union dues from its members.⁴³

Based on the above arguments, the instant case involves the resolution of two issues: (1) Did Med-Arbiter Demetillo have jurisdiction over the Petition filed by Marigon?; and (2) Did Marigon have the authority to file a case on behalf of MPLO?

Ruling of the Court

The petition is impressed with merit.

*The Med-Arbiter has no jurisdiction
over the Petition filed by Marigon*

It is basic rule that jurisdiction over the subject matter is determined upon the allegations in the complaint, irrespective of whether the plaintiff is entitled to recover upon the claims being prayed for. Jurisdiction cannot be made to depend on the defenses raised by the defendant in its answer or motion to dismiss.⁴⁴ It is neither fixed by consent or agreement of the parties or by estoppel.⁴⁵ In labor proceedings, the allegations made in the complaint and in the position paper may be considered in determining jurisdiction.⁴⁶

³⁹ *Id.* at 22-23.

⁴⁰ *Id.* at 115-116.

⁴¹ *Id.*

⁴² *Id.* at 149-164.

⁴³ *Id.* at 157.

⁴⁴ *Yusen Air and Sea Service Philippines, Inc. v. Villamor*, 504 Phil. 437, 447 (2005) [Per J. Garcia, Third Division], citing *Multinational Village Homeowners' Association, Inc. v. Court of Appeals*, 280 Phil. 113, 117 (1991) [Per J. Cruz, First Division].

⁴⁵ *Vivero v. Court of Appeals*, 398 Phil. 158, 165 (2000) [Per J. Bellosillo, Second Division], citing *Tolentino v. Court of Appeals*, 345 Phil. 448, 456 (1997) [Per J. Kapunan, First Division].

⁴⁶ *San Miguel Foods, Inc. v. San Miguel Corp. Employees Union-PTWGO*, 561 Phil. 263, 269 (2007) [Per J. Carpio-Morales, Second Division].

If the allegations in the complaint involve ULP, it is the Labor Arbiter who has jurisdiction pursuant to Article 224 of the Labor Code. ULP generally refers to acts that violate the worker's right to self-organization.⁴⁷ Article 259 of the Labor Code, enumerates the different types of ULP that may be committed by the employer, *viz.*:

ARTICLE 259. [248] *Unfair Labor Practices of Employers.*— It shall be unlawful for an employer to commit any of the following unfair labor practices:

- (a) **To interfere with, restrain or coerce employees in the exercise of their right to self-organization;**
- (b) To require as a condition of employment that a person or an employee shall not join a labor organization or shall withdraw from one to which he belongs;
- (c) To contract out services or functions being performed by union members when such will interfere with, restrain or coerce employees in the exercise of their right to self-organization;
- (d) To initiate, dominate, assist or otherwise interfere with the formation or administration of any labor organization, including the giving of financial or other support to it or its organizers or supporters;
- (e) To discriminate in regard to wages, hours of work and other terms and conditions of employment in order to encourage or discourage membership in any labor organization. . . .
- (f) To dismiss, discharge or otherwise prejudice or discriminate against an employee for having given or being about to give testimony under this Code;
- (g) To violate the duty to bargain collectively as prescribed by this Code;
- (h) To pay negotiation or attorney's fees to the union or its officers or agents as part of the settlement of any issue in collective bargaining or any other dispute; or
- (i) To violate a collective bargaining agreement. (Emphasis supplied)

An employer incurs liability for ULP under Article 259(a) when it engages in acts that reasonably tend to interfere with the employees' right to self-organization. Direct evidence of intimidation or coercion by the

⁴⁷ *Aboitiz Power Renewables, Inc./Tiwi Consolidated Union v. Aboitiz Power Renewables, Inc.*, 876 Phil. 839, 854 (2020) [Per J. Delos Santos, Second Division], citing *San Fernando Coca-Cola Rank-and-File Union (SACORU) v. Coca-Cola Bottlers Philippines, Inc.*, 819 Phil. 326, 337 (2017) [Per J. Caguioa, Second Division].

employer is not required, if it can be reasonably inferred that the anti-union conduct of the employer has an adverse effect on self-organization and collective bargaining.⁴⁸

Thus, in *Holy Cross of Davao College, Inc. v. Joaquin*,⁴⁹ the Court ruled that an employer may be liable for ULP when it fails to deduct union dues and assessments from the employees' salaries by virtue of a check-off provision in the CBA.⁵⁰ It explained that an employer's full compliance with the check-off provision in the CBA is vital to the union's role of advocating for the interests of the members of the bargaining unit.⁵¹

On the other hand, a Med-Arbiter is an officer in the DOLE Regional Office or BLR who is authorized to hear and decide representation cases, inter/intra-union disputes and other labor relations disputes, except cases involving cancellation of union registration.⁵² An "intra-union dispute" refers to any conflict between and among union members, including grievances arising from any violation of the rights and conditions of membership, violation of or disagreement over any provision of the union's constitution and by-laws, or disputes arising from chartering or affiliation of union.⁵³ Rule XI, Section 1 of DOLE Department Order No. 40-03, as amended by DOLE Department Order No. 40-F-03-08, enumerates the instances considered as intra-union dispute, to wit:

SECTION 1. Coverage. — A inter/intra-union disputes shall include:

- (a) conduct or nullification of election of officers of unions and workers' association;
- (b) audit/accounts examination of union or workers' association funds;
- (c) deregistration of collective bargaining agreements;
- (d) validity/invalidity of union affiliation or disaffiliation;
- (e) validity/invalidity of acceptance/non-acceptance for union membership;
- (f) validity/invalidity of voluntary recognition;
- (g) opposition to application for union or cba registration;

⁴⁸ *Insular Life Assurance Co., Ltd. Employees Association-NATU v. Insular Life Assurance Co., Ltd.*, 147 Phil. 194, 208-209 (1971) [Per J. Ruiz Castro].

⁴⁹ 331 Phil. 680 (1996) [Per C.J. Narvasa, Third Division].

⁵⁰ *Id.* at 693.

⁵¹ *Id.* at 691.

⁵² DOLE Department Order No. 40-03 dated February 17, 2003, art. I, sec. 1(ii).

⁵³ *Id.* art. I, sec. 1(bb).

- (h) violations of or disagreements over any provision of the constitution and by-laws of a union or workers' association;
- (i) disagreements over chartering or registration of labor organizations or the registration of collective bargaining agreements;
- (j) violations of the rights and conditions of membership in a union or workers' association;
- (k) violations of the rights of legitimate labor organizations, except interpretation of collective bargaining agreements;
- (l) validity/invalidity of impeachment/expulsion/suspension or any disciplinary action meted against any officer and member, including those arising from non-compliance with the reportorial requirements under Rule V;
- (m) such other disputes or conflicts involving the rights to self-organization, union membership and collective bargaining:
 - 1) between and among legitimate labor organizations; and
 - 2) between and among members of a union or workers' association.

Based on the foregoing rules and principles, the determination of whether jurisdiction was properly acquired by Med-Arbitrator Demetillo, will depend on the allegations of Marigon in the Petition which he captioned as one filed for "UNFAIR LABOR PRACTICE FOR ILLEGALLY AND UNREASONABLY WITHHOLDING THE UNION DUES COLLECTED FROM UNION MEMBERS."⁵⁴ A simple perusal of his allegations in the said Petition would reveal that his cause of action arose from the non-remittance by SCIPSI of the collected monthly dues from its employees by virtue of a check-off. This was evident from paragraphs 2 and 3 of his Petition where he accused SCIPSI of collecting monthly dues from the members of MPLO, through salary deductions, from August 2006 until February 2007, and illegally withholding the same despite demands to turn-over the collections to him.⁵⁵


Clearly, the allegations in Marigon's Petition did not involve an intra-union dispute as ruled by the BLR and the CA. On the contrary, it was a case of ULP which had a direct connection to the alleged noncompliance of SCIPSI with the check-off provision in its CBA with MPLO. Such noncompliance of SCIPSI is in the form of an interference with the right of its rank-and-file employees to self-organization under Article 259(a)⁵⁶ of the Labor Code.

⁵⁴ CA rollo, p. 39.

⁵⁵ *Id.* at 39-41.

⁵⁶ Art. 259. *Unfair Labor Practices of Employers.* – It shall be unlawful for an employer to commit any of the following unfair labor practices:

(a) To interfere with, restrain or coerce employees in the exercise of their right to self-organization[.]



It bears reiterating that the process of check-off, which involves the deduction of fees from the employees and the subsequent remittance of the collected amount to the bargaining representative, assures the latter of continuous funding.⁵⁷ Without such funds, the union, in this case MPLO, would not be effective in discharging its duties and responsibilities as the exclusive bargaining representative of its members. Ineluctably, an allegation of unlawful withholding by the employer of the collected union members' fees under a check-off provision in the CBA establishes a case of ULP. As such, the Med-Arbiter cannot exercise jurisdiction over the case since Article 224 of the Labor Code expressly vests jurisdiction over ULP cases on the Labor Arbiter.

Thus, it was erroneous for the CA and the BLR to declare that the case involved an intra-union dispute between two factions within MPLO. Both the CA and the BLR failed to consider that the issue as to which of the two groups had the right to receive the collected union dues only arose *after* Med-Arbiter Demetillo issued the December 13, 2010 Order or during its execution stage. Else stated, the matter of intra-union controversy would not have arisen if not for the December 13, 2010 Order of Med-Arbiter Demetillo.

*Marigon has no authority
to file the petition.*

Article 219(g) of the Labor Code defines a labor organization as referring to "any union or association of employees which exists in whole or in part for the purpose of collective bargaining or of dealing with employers concerning terms and conditions of employment." A legitimate labor organization enjoys the right to be certified, once elected, as "the exclusive representative of all the employees in an appropriate bargaining unit for purposes of collective bargaining."⁵⁸

It is therefore a basic requirement for membership in a labor union, that the individual is an employee belonging to the bargaining unit that the union seeks to represent. Also, an employee cannot be elected as a labor union officer if he/she is not a member in good standing.⁵⁹ If the employee no longer belongs to the bargaining unit being represented by the labor union, he/she is deemed automatically removed from the membership.⁶⁰ Clearly, a labor union cannot represent a person who is not a member and no

⁵⁷ *Holy Cross of Davao College, Inc. v. Joaquin*, supra note 49 at 691.

⁵⁸ See LABOR CODE, art. 251(b).

⁵⁹ Id. art. 250(c).

⁶⁰ Id., Art. 256. *Effect of Inclusion as Members of Employees Outside the Bargaining Unit.* – The inclusion as union members of employees outside the bargaining unit shall not be a ground for the cancellation of the registration of the union. **Said employees are automatically deemed removed from the list of membership of said union.** (Emphasis supplied)

longer an employee of the establishment, otherwise, the suit is defective.⁶¹ Neither should the reverse be allowed, where an individual would assert the right to represent a labor organization when he/she is no longer a member or officer thereof.

There is no dispute in the present case that Marigon was dismissed from employment as early as December 2007, or more than two (2) years before he filed the complaint in August 2010. He neither objected to SCIPSI's allegation in its Position Paper nor to Med-Arbiter Demetillo's finding that his employment was terminated on December 5, 2007.⁶² Med-Arbiter Demetillo even cited Section 3(c), Article IV of MPLO's Constitution and By-laws, which provides that "[p]ersons who are not employees of the company" shall not be eligible for membership, or be elected or appointed to any position in MPLO.⁶³ Interestingly, Marigon did not interpose any appeal to refute the findings of Med-Arbiter Demetillo.

As ruled by Med-Arbiter Demetillo, Marigon is not a *bonafide* member of MPLO. He is not entitled to represent the union nor receive the union dues on the latter's behalf. Only duly authorized officers, agents, or members of the labor union, pursuant to its constitution and by-laws, may be allowed to collect fees, dues or other member contributions.⁶⁴ Since Marigon was no longer an employee, he cannot be authorized to represent and collect union fees on MPLO's behalf. At this juncture, Med-Arbiter Demetillo should have dismissed Marigon's Petition since a complaint is not deemed as filed if done by a person who was not authorized to do so. An unauthorized complaint does not produce any legal effect.⁶⁵

It is settled rule that a decision rendered by a tribunal without the appropriate jurisdiction is null and void.⁶⁶ Evidently, the December 13, 2010 Order of Med-Arbiter Demetillo was null and void for lack of jurisdiction. As such, the Order "is a lawless thing which can be treated as an outlaw and

⁶¹ *NARIC Workers' Union v. Court of Industrial Relations*, 113 Phil. 777, 782 (1961) [Per J. Paredes].

⁶² *CA rollo*, p. 104, p. 118.

⁶³ *Id.* at 117.

⁶⁴ LABOR CODE, art. 250 reads:

Art. 250. *Rights and Conditions of Membership in a Labor Organization.* — . . .

. . .
(g) No officer, agent or member of a labor organization shall collect any fees, dues, or other contributions in its behalf or make any disbursement of its money or funds unless he is duly authorized pursuant to its constitution and by-laws[.]

⁶⁵ *Takata (Phils.) Corp. v. Bureau of Labor Relations*, 735 Phil. 256, 264 (2014) [Per J. Peralta, Third Division], citing *Tamondong v. Court of Appeals*, 486 Phil. 729, 741 (2004) [Per J. Callejo, Sr., Second Division].

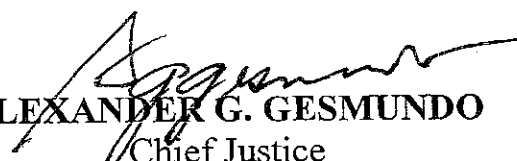
⁶⁶ *Espino v. National Labor Relations Commission*, 310 Phil. 60, 76 (1995) [Per J. Romero, Third Division], citing *Dy v. NLRC*, 229 Phil. 234, 242 (1986) [Per J. Narvasa, First Division] and *Calimlim v. Ramirez*, 204 Phil. 25, 37 (1982) [Per J. Vasquez, First Division].

slain at sight, or ignored wherever it exhibits its head.”⁶⁷ It cannot acquire finality nor create any right or impose any duties.⁶⁸

ACCORDINGLY, the Petition is **GRANTED**. The January 31, 2017 Decision and November 9, 2017 Resolution of the Court of Appeals in CA-G.R. SP No. 128607 are hereby **REVERSED** and **SET ASIDE**.

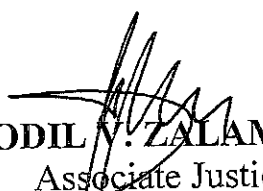
A new one is hereby entered **DISMISSING** the Petition docketed as Case No. RO12-SG-IN-001-16-08-10 entitled “*Makar Port Labor Organization, represented by its President, Mario C. Marigon, complainant, versus South Cotabato Integrated Port Services, Inc. and/or Gabriel Munasque, as General Manager, respondents,*” for lack of jurisdiction.

SO ORDERED.



ALEXANDER G. GESMUNDO
Chief Justice

WE CONCUR:


RAMON PAUL L. HERNANDO
Associate Justice


RODIL V. ZALAMEDA
Associate Justice


RICARDO R. ROSARIO
Associate Justice

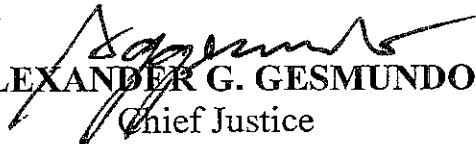

JOSE MIDAS P. MARQUEZ
Associate Justice

⁶⁷ *De Roca v. Dabuyan*, 827 Phil. 98, 112 (2018) [Per J. Del Castillo, First Division], citing *Saldana v. Court of Appeals*, 268 Phil. 424, 432 (1990) [Per J. Griño-Aquino, First Division].

⁶⁸ *Id.*

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


ALEXANDER G. GESMUNDO
Chief Justice

